



# TOWN OF APPLE VALLEY

## TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council Date: December 8, 2015

From: Jennifer Heim, Special Projects Manager Item No: 11  
Town Manager's Office

Subject: ADOPT RESOLUTION NO. 2015-48 – A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY, CALIFORNIA, IN SUPPORT OF A TRANSPORTATION INFRASTRUCTURE FUNDING PLAN UTILIZING EXISTING RESOURCES

T.M. Approval: \_\_\_\_\_ Budgeted Item:  Yes  No  N/A

### RECOMMENDED ACTION:

That the Town Council adopt Resolution No. 2015-48 supporting a plan to fund transportation infrastructure utilizing existing resources.

### SUMMARY:

In early October, a nine-point, \$6.6 billion plan to fund Transportation Infrastructure with existing resources was introduced by several State legislators, including 33<sup>rd</sup> District Assembly Member Jay Obernolte, in the attempt to address the State's continued transportation funding shortfall.

The plan promotes the use of six (6) existing funds and recommends revision of three (3) existing policies, all without an increase in taxes:

#### Existing funds:

1. 40% of funds in California's Cap & Trade program
2. Existing funds from Vehicle Weight Fees
3. Invest half of Governor's strategic growth fund into shovel-ready projects
4. Eliminate redundancies at Caltrans
5. Eliminate and capture savings from vacant state positions
6. Make a formal commitment in the State Budget General Fund to fund transportation

#### Policy changes:

1. CEQA relief for Highway Projects
2. Foster public-private partnerships for transportation projects
3. Restore California Transportation Commission (CTC) as an independent body

See **Attachment A** for more detail.

**BACKGROUND:**

The primary sources of revenue to maintain, repair, and rehabilitate state and local roadways are State and Federal gas tax. However, improved fuel efficiency in newer vehicles along with increasing numbers of electric/hybrid vehicles on the road have decreased overall fuel consumption, resulting in a significant loss of gas tax over the years.

In June 2015, Governor Jerry Brown called for an extraordinary session of the Legislature in order to address the \$7.8 billion per year transportation funding shortfall. The Governor proposed that the Legislature “enact permanent and sustainable funding to maintain and repair the state’s transportation and critical infrastructure, improve the state’s key trade corridors and complement local infrastructure efforts.”

The extraordinary hearings and sessions held over the summer and into the fall have resulted in the introduction of transportation funding plans from the Governor and legislators. A detailed analysis of the various plans provided by the Legislative Analyst’s Office may be retrieved here:

<http://www.lao.ca.gov/handouts/transportation/2015/Transportation-Challenges-101615.pdf>

**FISCAL IMPACT:** N/A

## RESOLUTION NO 2015-48

### **A RESOLUTION OF THE TOWN OF APPLE VALLEY IN SUPPORT OF A TRANSPORTATION INFRASTRUCTURE FUNDING PLAN UTILIZING EXISTING RESOURCES**

**WHEREAS** the State of California passed a record high budget of \$161 billion for the 2015-16 fiscal year, with more revenue and taxes than any prior year; and

**WHEREAS** the California Department of Transportation estimates that California is underfunding the maintenance and upgrading of California's roads by \$8 billion annually; and

**WHEREAS** the Governor and others are calling for an increase in the gas tax, diesel excise tax, and vehicle registration fees to pay for the necessary funding of road maintenance; and

**WHEREAS** the State of California collects the highest gas tax in the nation and yet our state is ranked as having the sixth worst roads; and

**WHEREAS** increases in transportation costs will hurt working families who commute and those on fixed and limited incomes; and

**WHEREAS** we support a plan that would fund necessary road maintenance by spending revenue collected for transportation purposes on California's infrastructure, such as restoring Vehicle Weight Fees to the State Highway Trust Fund instead of diverting it to the General Fund, and returning Diesel Excise Tax revenue to the State Highway Trust Fund instead of allocating it to mass transit; and

**WHEREAS** we support a plan that saves taxpayer money by prioritizing transportation funding in the General Fund and reforming the California Environmental Quality Act (CEQA) to make it easier to build and maintain roads; and

**NOW, THEREFORE, BE IT RESOLVED** that the Town of Apple Valley endorses and supports a transportation plan that adequately funds the maintenance of California's roads by improving the efficiency of transportation spending and restoring transportation taxes to transportation purposes.

**APPROVED** and **ADOPTED** by the Town Council of the Town of Apple Valley  
this 8<sup>th</sup> day of December, 2015.

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Mayor

**ATTEST:**

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La Vonda M-Pearson, Town Clerk