COUNTY OF EL DORADO

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October 25, 2016

The Honorable Jim Frazier Member, California State Assembly State Capitol, Room 3091 Sacramento, CA 95814 The Honorable Jim Beall Member, California State Senate State Capitol, Room 5066 Sacramento, CA 95814

Re: Transportation Funding and Reform Package AB x1 26 (Frazier) & SB x1 1 (Beall) – SUPPORT

Dear Assembly Member Frazier and Senator Beall:

The County of El Dorado writes in strong support of your joint transportation funding and reform package reflected in your respective bills – AB x1 26 and SB x1 1. We also want to extend our appreciation to you for your leadership in trying to address California's tremendous transportation infrastructure needs and keep our economy moving. Your work to develop and introduce a combined proposal that takes elements of your earlier bills, Republican ideas on revenues and reforms, and aspects of the Governor's transportation plan is critical in developing a comprehensive and robust bipartisan solution.

AB x1 26 and SB x1 1 would provide much-needed new statewide investment to maintain and improve local streets and roads and state highways. As importantly, it would also ensure existing revenues meant for transportation projects are redirected to transportation, and would implement a number of reforms to improve project delivery while still protecting the environment.

California State Association of Counties (CSAC) calculates that the proposal would result in over \$2.5 billion in existing and new on-going revenue at full implementation of the package for multi-modal investments into the local street and road system. The County of El Dorado's local streets and roads are in fair condition and are facing an unmet need of 10 million dollars per year to keep our pavement infrastructure at its current condition and 16 million dollars per year to raise our pavement infrastructures to a good condition. These costs do not reflect the need for routine or bridge maintenance. Without an immediate investment of new revenue into the system, our infrastructure will continue to decline, which only increases the cost burden on future tax payers. AB x1 26 and SB x1 1 would allow us to reinvest in our existing infrastructure and bring it into a good condition, pave roads, repair bridges, etc. Moreover, we anticipate layoffs in our Maintenance and Operations Unit will be required due to budget shortfalls without an increase in our current budget.

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In addition to the revenue provisions, AB x1 26 and SB x1 1 incorporate strong accountability measures, including a local maintenance of effort requirement and project-level reporting to the California Transportation Commission. In terms of local project streamlining, the bills would expand an existing CEQA exemption available to small cities and counties for maintenance, rehabilitation and safety projects in the existing right-of-way to all local jurisdictions and the state, and create a transportation advanced mitigation program.

As you know, local governments have identified ten-year unmet needs of \$79 billion on the local streets and roads system in addition to \$59 billion in deferred maintenance on the state highway system. As roads deteriorate, they become increasingly expensive to repair. In fact, rebuilding a road completely can cost as much as twenty times more than routine maintenance that would have extended the service life of the same infrastructure. As such, research by CSAC, the League of California Cities and California's regional transportation agencies shows that failure to invest additional funds toward local system maintenance today will only increase maintenance needs in the future. For instance, a failure to increase investment today will cause the unfunded backlog to grow by \$11 billion in just five years and \$21 billion over a decade. AB x1 26 and SB x1 1 will make investments significant enough to improve California's local streets and roads and reduce future burdens on taxpayers.

Investing in our roads and highways, active transportation facilities, transit and key freight corridors through targeted and balanced increases in revenue will improve California's transportation facilities today and save taxpayers money for the upkeep of this infrastructure tomorrow—not to mention the savings individual drivers will realize from smoother and safer roads that reduce wear and tear on vehicles.

For all of these reasons, the County of El Dorado supports AB x1 26 and SB x1 1. For more information on our position, please do not hesitate to contact Bard Lower at <u>bard.lower@edcgov.us</u> or 530-457-7533.

Sincerely,

Salling

Supervisor Ron Mikulaco, Board Chair

cc: The Honorable Edmund G. Brown, Jr. The Honorable Frank Bigelow, California State Assembly The Honorable Beth Gaines, California State Assembly The Honorable Ted Gaines, California State Senate