



Legislation Text

File #: 20-0081, **Version:** 1

Department of Transportation recommending the Board:

- 1) Receive and file a presentation by consultant FM3 Research of Key Findings of a County-wide survey regarding voter views of a potential transportation finance measure;
- and
- 2) Provide direction to staff regarding next steps, including approval for the Purchasing Agent to sign Agreement for Services 4710 with AMF Strategies Group for a not to exceed amount of \$40,000 for a four month term to provide a public outreach and education program for the Department of Transportation. (Est. Time: 1 Hr.)

FUNDING: Public Utility Franchise Fees.

DISCUSSION / BACKGROUND

On April 9, 2019, the Director of Transportation presented the Board with a summary of the state of the County Road Fund, which is predicted to fall short by \$2.8 million in Fiscal Year 2020-21. The Director presented several funding options including grant funding, County Services Area expansions, a motor vehicle registration fee, Transient Occupancy Tax increase, the use of Tribe agreement funding for roads, and a sales tax measure that would enable the County to qualify for additional funding from the State. The Board directed staff to explore the feasibility of a ballot measure that would qualify El Dorado County as a self-help county according to Road Repair and Accountability Act of 2017 (SB 1).

There is an incentive program wherein new or renewed voter-approved measures may receive the total projected annual revenue resulting from the measure. For example, a sales tax measure that is anticipated to generate \$6 million over the course of one year would also be awarded \$6 million the first year only. The total amount for this program is \$20 million per year, which is distributed among each of the counties that approve new measures.

A ½ cent sales tax measure in El Dorado County is estimated to result in approximately \$6 million each year in revenue. For the first year in effect, the measure could receive a Local Partnership Program incentive match of another \$6 million, plus possibly \$400,000 in formulaic program funding, for a total of \$12.4 million. The ½ cent would increase El Dorado County's tax rate from 7.25% to 7.75%.

Transportation contracted with consultant FM3 Research, Opinion Research and Strategy. Staff worked with the firm to develop a survey to gauge public sentiment about the level of services and the level of support for a County-wide road repair, safety and improvement measure. FM3 Research is presenting their findings and analysis to the Board.

The survey results demonstrate a disconnect that exists amongst El Dorado County residents. When asked if additional funding is needed for road maintenance 65% of those surveyed agreed overall that additional revenue is needed, although when asked if they would support a specific Sales Tax measure only 54% said yes. A source for this confusion lies with the recent passage of SB1, in which

the State collects a higher percentage of gas tax for road repair Statewide. Unfortunately, only a small percentage of SB1 funds make their way back to Counties and Cities leaving many municipalities looking elsewhere for needed funding. The lack of separating the State from the County was also evident in the responses from those opposed to a sales tax; many mentioned the recent SB1 gas tax as well as mismanagement from the governor's office which has nothing to do with the County being self-reliant. Clearly, further data is needed to inform the public of Transportation's revenues and expenditures, repairing the roadways, and the reduction of wildfire vegetation within the road right of way. Therefore, Transportation is also requesting the Board authorize the Purchasing Agent to sign an Agreement with AMF Strategies Group (AMF) to assist Transportation with a public outreach program to educate the public on the status of the Road Fund and the needs of Transportation.

As you can see from the results of the survey, Transportation needs to increase the awareness of our road conditions and any current or future road improvements, and also educate the public regarding our current and future funding needs and opportunities. Transportation would like to work with the public to address their concerns with their views of local government and overall mistrust.

ALTERNATIVES

N/A

PRIOR BOARD ACTION

April 9, 2019, Item 23 (Legistar File 19-0513)
July 16, 2019, Item 31 (Legistar File 19-1047)

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Elections Department
FM3 Research (Constultant)
County Counsel

CAO RECOMMENDATION / COMMENTS

The Chief Administrative Office recommends that the Board receive the presentation and provide direction to the Department of Transportation, keeping in mind that over the past several election cycles El Dorado County voters have not supported tax increases relative to Transient Occupancy Taxes, El Dorado County Fire Protection District, Garden Valley Fire Protection District, Lake Valley Fire Protection District as well as school bonds for the Los Rios Community College District, El Dorado High School District and Black Oak Mine Unified School District, as well as Tuesday's Measure M for Snow Removal Tax in CSA 3.

FINANCIAL IMPACT

Public Utility Franchise Fees (PUFF) will be used to cover the cost of the Agreement. There are sufficient PUFF funds available in the approved 19/20 Budget. The cost of placing a measure on the ballot for the November 2020 election would be "shared" by the other items placed on the ballot, including County and State propositions and special district elections. The Elections Department cannot provide a specific cost estimate until all ballot requests have been submitted; an estimate of the County's share of placing a measure on the ballot would be available at the close of the filing period for each election.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Public Safety, Infrastructure, Good Governance

CONTACT

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