

# Driving Ahead for Funding: What Will We Do About Our Crumbling Transportation System

Thursday, October 1, 2015  
8:00 a.m. – 9:30 a.m.



## California Statewide Local Streets & Roads Needs Assessment

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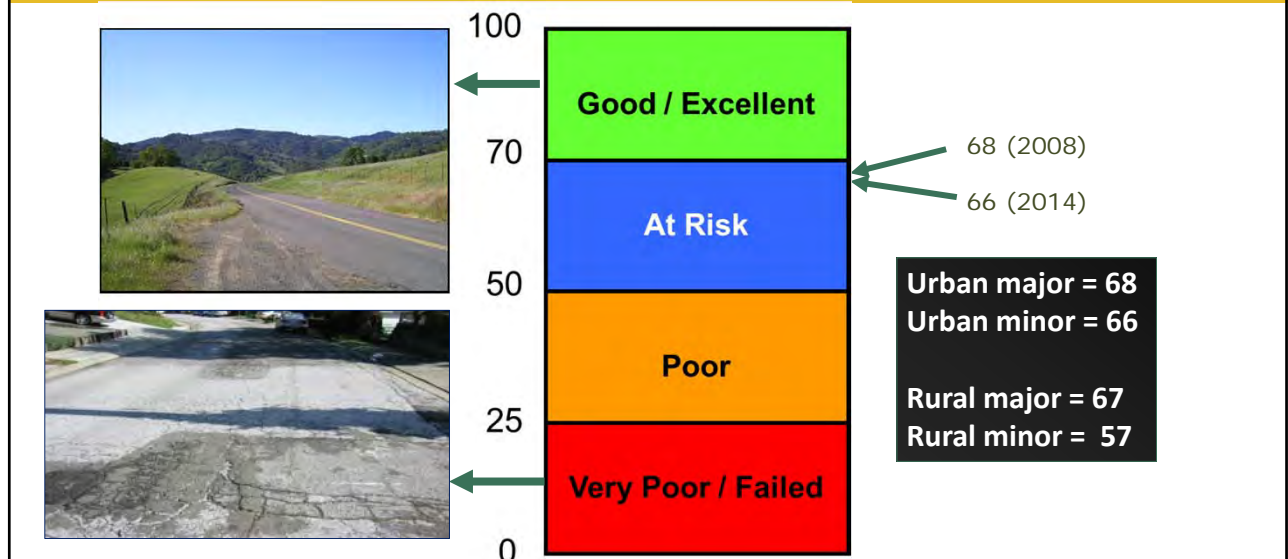
2014 Update



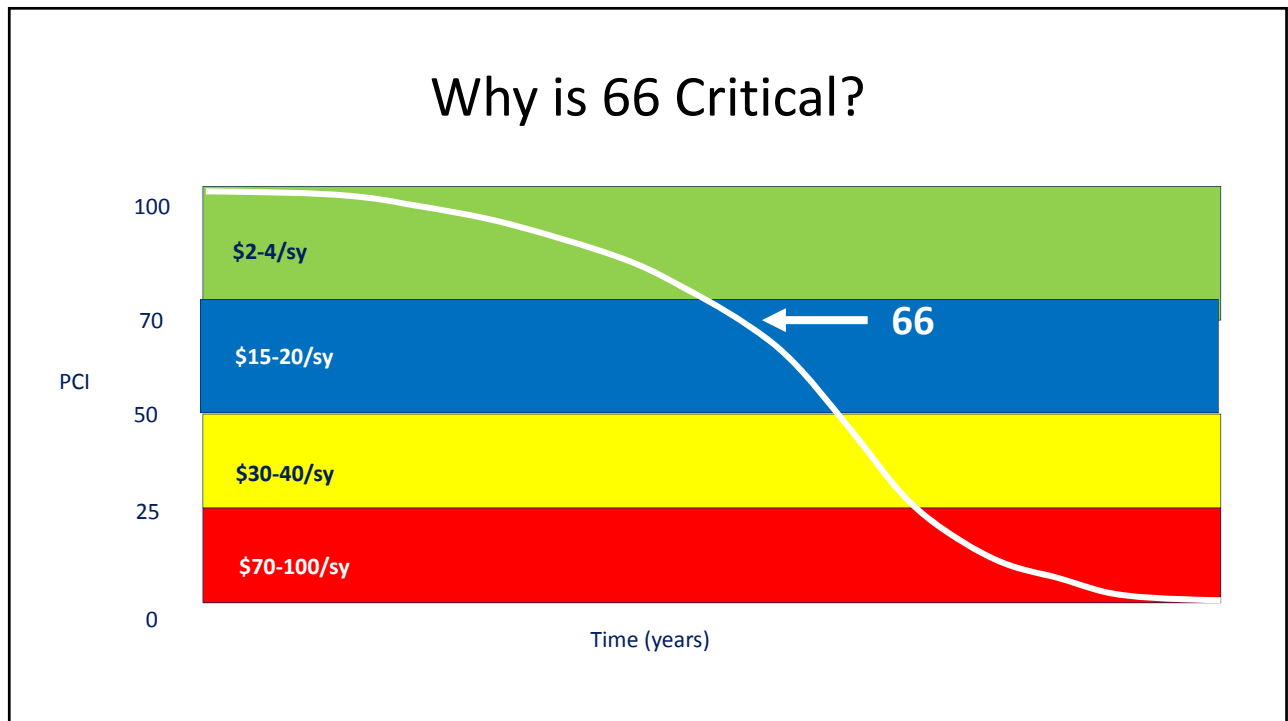
RTPA  
RCTF



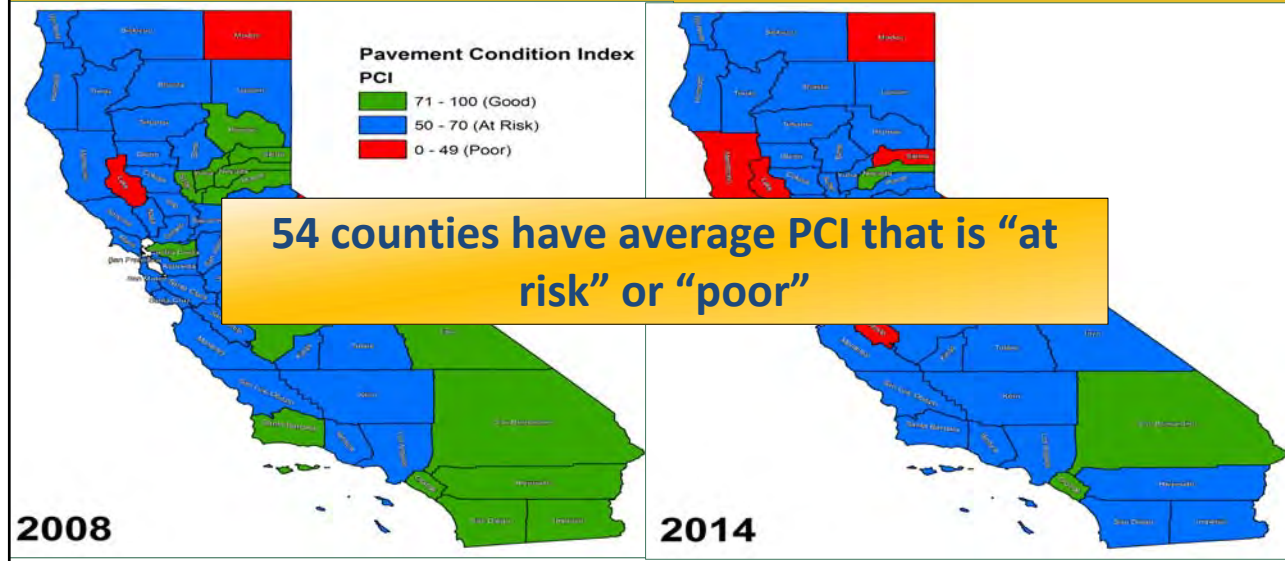
# Average Pavement Condition Index



## Why is 66 Critical?



## PCI Trends



## What Are the Funding Shortfalls?

| Transportation Asset | 10 Year Needs (2014 \$B) | Funding       | Shortfall        |
|----------------------|--------------------------|---------------|------------------|
| Pavements            | \$72.7                   | \$16.6        | \$ (56.1)        |
| Essential Components | \$31.0                   | \$10.1        | \$ (20.9)        |
| Bridges              | \$4.3                    | \$3.0         | \$ (1.3)         |
| <b>Totals</b>        | <b>\$108.0</b>           | <b>\$29.7</b> | <b>\$ (78.3)</b> |

## Existing Funding (\$1.66b/year)



## Reach Best Mgmt Practices

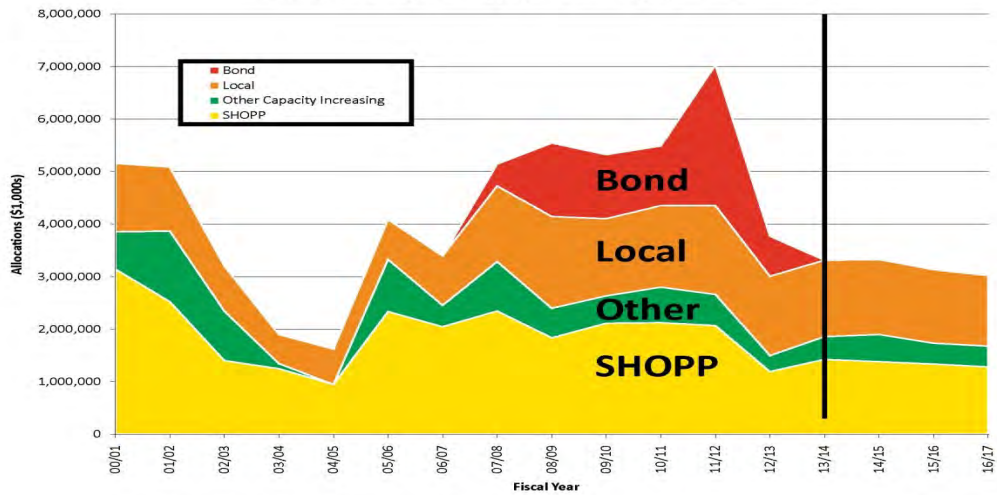


# Maintain PCI = 66



## Declining Transportation Funding

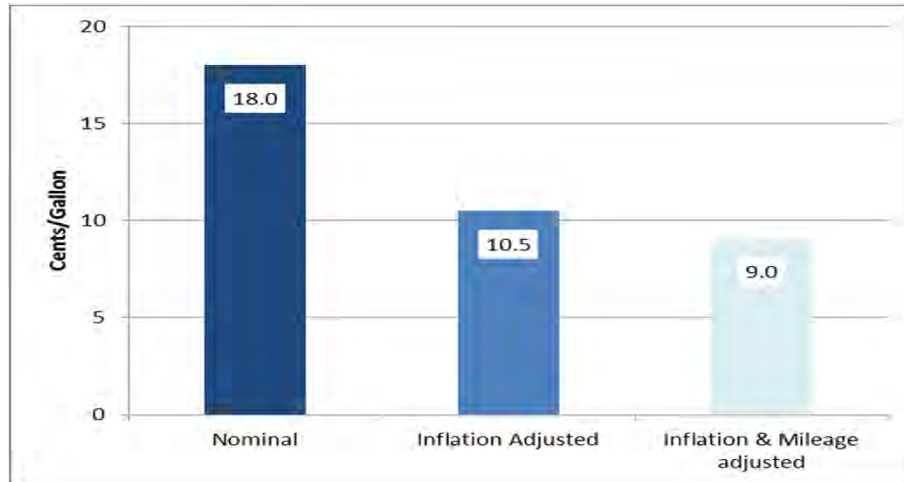
On-System Construction Allocations and Projected Construction Allocations  
Actual dollars through 2013-14; projected numbers going forward



NOTE: STIP Augmentation included in "Other Capacity Increasing".

Source: Caltrans

## Value of Gas Tax in 2014



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PRINCIPLES TO GUIDE ADVOCACY FOR TRANSPORTATION  
FUNDING IN SPECIAL SESSION

## California lacks adequate funding to fix transportation infrastructure



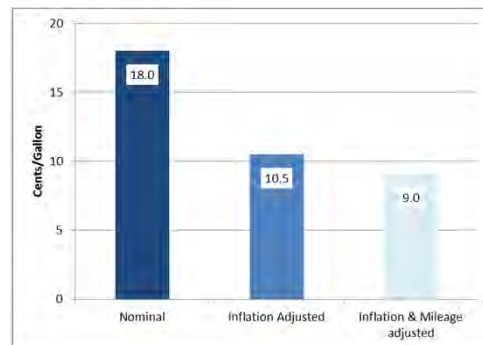
- Our crumbling roads cost motorists \$762 a year per driver for vehicle maintenance.
- California has the second highest share of roads in “poor condition” in the nation.
- 58% of state roads need rehabilitation or pavement maintenance.
- California has 4 of 5 cities with the worst road conditions in the nation.
- 55% of local bridges need rehabilitation or replacement.
- Without additional funding, ¼ of local streets and roads will be in failed condition by 2024.

## Transportation revenues are in decline



- Neither the state nor federal gas tax has been increased in more than 20 years.
- Gas taxes are not indexed for inflation or increases in the cost of production.
- Increased fuel efficiency has resulted in vehicles that are travelling more miles on less gas, generating fewer gas tax dollars to fix our roads.
- Growing number of electric cars use the system, but pay no tax.

Value of Gas Tax in 2014



## Make a significant investment in transportation infrastructure

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- Funding package should generate at least \$6 billion annually
- Should remain in place for at least 10 years or until alternative method of funding agreed upon

## Focus on maintaining & rehabilitating current system

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- More than fixing potholes
- Road pavement overlays, fixing unsafe bridges, safe access for bikes and pedestrians, replacing storm water culverts
- Operational improvements to relieve traffic congestion and fix design deficiencies
- Efforts to supply funding for transit should also focus on maintaining & rehabilitating existing system



## Invest portion of diesel tax or cap & trade in high-priority good movement projects

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- There is a critical need to upgrade the goods movement infrastructure.
- Establish a framework to make appropriate investments in major goods movement arteries.
- Lay the groundwork for greater investments in the future that will improve air quality and greenhouse gas reductions.

## Raise revenues across broad range of options

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- Voters support increased funding for transportation improvements spread over range of options rather than a single source
- Package should move California toward an “all users pay” system
- Funding sources include:
  - Gas and diesel tax
  - VLF and Vehicle Registration
  - Cap-and-trade
  - Ensuring existing revenues go to transportation purposes
  - User Charge for Electric vehicles

## Equal split between state and local projects

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- Revenue for roadway maintenance should be shared equally (50/50) between state and cities/counties
- Funding to local governments should be provided directly in order to speed up projects and ensure accountability

## Strong accountability to protect taxpayers' investment

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- Constitutionally protect transportation revenue
- Repay existing transportation loans and end ongoing diversions
- Establish performance & accountability criteria to ensure efficient and effective use of all funding
  - Project lists at public hearings
  - Annual reports to Controller
  - New revenue supplements funding currently invested (maintenance of effort)

## Accountability – cont.

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### ➤ Caltrans Reform & Oversight

- Stronger CTC oversight of programs funded by new revenue
- Establish Inspector General Office to provide greater accountability
- Reduce Caltrans budgets through efficiency reviews with savings to be spent on road improvements

### ➤ Expedite project delivery

- Establish timelines for actions required by state agencies and eliminating other permit delays.
- Increase use of alternate delivery systems & private sector investment
- Reforms to speed project completion.

## Provide consistent annual funding levels

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- Under current law, annual gas tax adjustment by BOE is creating extreme fluctuations
- Funding package should contain legislation that will create more consistent revenue projections
- While not new revenue, it would provide greater certainty for planning purposes