

AGENDA

Legislative Committee

The next meeting of the Legislative Committee will be as follows.

Date: Thursday, March 10, 2016 - 5:30 p.m. to 6:30 p.m.
 Place: San Mateo County Transit District Office¹
 1250 San Carlos Avenue
2nd Floor Auditorium
 San Carlos, California

PLEASE CALL Jean Higaki (599-1462) IF YOU ARE UNABLE TO ATTEND.

1	Public comment on related items not on the agenda.	Presentations are limited to 3 Minutes	
2	Approval of Minutes from February 11, 2015.	Action (Gordon)	Pages 1-3
3	Update from Shaw/Yoder/Antwih	Information (Shaw/Yoder/Antwih)	
4	Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified). - Letter to Mullin in support of AB 2126	Action (Gordon)	Page 4- 10
5	Discussion of “Lobby Day” and “Lobby Day” Topics	Action (Higaki/ Fabry)	Page 11-16
6	Adjournment	Action (Gordon)	

NOTE: All items appearing on the agenda are subject to action by the Committee. Actions recommended by staff are subject to change by the Committee.

¹From Route 101 take the Holly Street (west) exit. Two blocks past El Camino Real go left on Walnut. The entrance to the parking lot is at the end of the block on the left, immediately before the ramp that goes under the building. Enter the parking lot by driving between the buildings and making a left into the elevated lot. Follow the signs up to the levels for public parking.

For public transit access use SamTrans Bus lines 390, 391, 292, KX, PX, RX, or take CalTrain to the San Carlos Station and walk two blocks up San Carlos Avenue.

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MEETING MINUTES
February 11, 2015**

At 5:40 P.M. C/CAG Vice Chair Aguirre called the Legislative Committee meeting to order in the 2nd Floor auditorium at the San Mateo Transit District Office.

Guests or Staff Attending:

Matt Robinson - Shaw/ Yoder/ Antwih Inc.
Sandy Wong, Jean Higaki, - C/CAG Staff

1. Public comment on related items not on the agenda.

None

2. Approval of Minutes from December 10, 2015.

Member O'Connell moved and Member Aguirre seconded approval of the December 10, 2015 minutes. Motion passed unanimously.

3. Update from Shaw/ Yoder/ Antwih (SYA).

Matt Robinson, from Shaw/ Yoder/ Antwih provided an update from Sacramento.

There have been ongoing discussions in Sacramento about transportation funding proposals introduced at this time. New proposals include indexing funding on the consumer price index (CPI) to help keep up with inflation. Major differences in the various plans are the amounts of revenue generated and the programs to which those revenues are distributed. Frazier's proposal funds both preservation and some capacity increasing projects. The Governor's proposal only funds preservation of the existing system. In either case it appears that the future of capacity increasing projects will rely mostly on local sales tax. Senator Beall intends to release a proposal in the next week or two. There is still a 2/3 issue that will be hard to pass.

In regards to stormwater, there has been an initiative sent to the attorney general's office by League of Cities and California State Association of Counties (CSAC) to create an alternative fee structure for certain types of water projects. It would require a protest hearing in lieu of a vote of support for funding. This is form of Prop 218 reform.

4. Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified).

Sandy Wong brought to the committee's attention the issue of trade corridor funding. San Mateo County historically has not competed well as most of the funding went to Southern California with some funding going to the Port of Oakland. It might be fitting to push the importance of the San Francisco Airport and the US 101 corridor regarding the transport of "high value goods" in context of being eligible for trade corridor funding.

There are two letters presented in the packet for recommendations from the committee. The first letter, to the transportation committee chairs, echoes the California Transportation Commission (CTC) letter to the legislature concerning the reduction in the STIP fund estimate. The second letter supports Assembly Member Jim Frazier's aggressive transportation funding proposal AB 1591.

Member O'Connell moved and Member Aguirre seconded the recommendation to send a letter to Assembly Member Frazier and Senator Beall requesting a legislative solution for the STIP shortfall; and to send a letter to Assembly Member Frazier in support of AB 1591. Motion passed unanimously.

5. Discussion of "Lobby Day" and "Lobby Day" Topics

The committee reviewed the availability poll for early April and requested that new potential dates be proposed and polled for availability. Matt Robinson will propose more dates for polling.

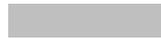
Jean announced that staff had prepared and distributed copies of preliminary talking points. The committee might want to trim the talking point topics to fully cover and focus on the priorities.

6. Adjournment

The meeting adjourned at approximately 6:20 P.M.

Legislative Committee 2015 Attendance Record

Agency	Name	Jan 14	Feb 11	March 10	April 14	May 12	June 9	July	August 11	Sept 8	Oct	Nov	Dec 8
Menlo Park	Catherine Carlton		x										
Millbrae	Gina Papan		N/A										
Pacifica	Mary Ann Nihart (C/CAG Chair)		x										
Pacifica	Karen Ervin												
Redwood City	Alicia Aguirre (C/CAG Vice Chair)		x										
San Bruno	Irene O'Connell		x										
Sounth San Francisco	Richard Garbarino												
Woodside	Deborah Gordon (Leg Chair)		x										

 no meeting

C/CAG AGENDA REPORT

Date: March 10, 2016

To: C/CAG Legislative Committee

From: Sandy Wong, Executive Director

Subject: Review and recommend approval of C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified)

(For further information or questions contact Jean Higaki at 599-1462)

RECOMMENDATION

That the C/CAG Legislative Committee recommend the C/CAG Board to take a position on any legislation or direct staff to monitor any legislation for future positions to be taken.

FISCAL IMPACT

Unknown.

SOURCE OF FUNDS

NA.

BACKGROUND

The C/CAG Legislative Committee receives monthly written reports and oral briefings from the C/CAG's State legislative advocates. Important or interesting issues that arise out of that meeting are reported to the Board.

Attached is a letter of support for AB 2126 (Mullin), which would grant additional authority to Caltrans for an alternative project delivery method to be used to address congestion on major corridors such as the US 101. Our legislative advocate felt that it was important to provide early support for assembly member Mullin's effort so urgency procedures were followed. AB 2126 is consistent with the adopted 2016 Legislative Policies 5.9: "Support or sponsor efforts that finance and/ or facilitate operational improvements on the US 101 corridor."

ATTACHMENTS

1. March 2016 Legislative update from Shaw/ Yoder/ Antwih, Inc.
2. Letter of support for AB 2126 (Mullin)
3. Full Legislative information is available for specific bills at <http://leginfo.legislature>



SHAW/YODER/ANTWIH, *inc.*
LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

DATE: February 29, 2016
TO: Board Members, City/County Association of Governments, San Mateo County
FROM: Andrew Antwih and Matt Robinson, Shaw / Yoder / Antwih, Inc.
RE: STATE LEGISLATIVE UPDATE – March 2016

Legislative Update

The last day for bills to be introduced in the second half of the 2015-16 Legislative Session was February 19. We are in the process of reviewing the hundreds of new bills pending before the Legislature and will work with C/CAG staff to identify critical measures on which the C/CAG Board may want to adopt an advocacy position. For information related to active bills on which the C/CAG Board currently has a position, please see the Bills of Interest sections below. The Legislature will break for its weeklong Spring Recess on March 18.

C/CAG Legislative Committee Visit

In April or May, members of the C/CAG Legislative Committee and staff plan to travel to Sacramento to meet with members of the San Mateo County legislative delegation (Senator Hill and Assembly Members Gordon, Mullin, and Ting), policy committee chairs and staff, and state agency & department heads. The purpose of the visit is to provide an update on programs and projects of importance to San Mateo County and discuss the various transportation funding proposals & the impacts of recent STIP adjustments.

Transportation Funding

As we reported last month, on January 6, the day before Governor Brown released his budget, Assembly Member Jim Frazier (D-Oakley), Chair of the Assembly Transportation Committee, announced a transportation funding package totaling almost \$7 billion in new investments in highways, local streets & roads, goods movement, and transit. **This bill, AB 1591, which is supported by the C/CAG Board,** would invest in California's transportation infrastructure by:

- Increasing the excise tax on gasoline by 22.5 cents per gallon (over \$3.3 billion annually) and indexing it against the Consumer Price Index every three years thereafter to be split 50/50 between the state and local transportation authorities for highway maintenance and rehabilitation, after a 5 percent set aside for aspiring self-help counties;
- Increasing the diesel fuel tax by 30 cents a gallon (\$840 million annually), indexing it, and dedicating it to the Trade Corridors Improvement Fund (TCIF);
- Increasing the vehicle registration fee by \$38 annually (\$1.254 billion annually) and directing those funds to road maintenance and rehabilitation;

- Imposing an electric vehicle surcharge of \$165 (\$35 million annually) directed to road maintenance and rehabilitation;
- Requiring repayment of outstanding transportation loans (\$879 million one-time) directly to cities and counties for road maintenance;
- Restoring the truck weight fees (\$1 billion annually for STIP, Local Streets and Roads, and the SHOPP; and,
- Allocating cap and trade revenue auctions, as follows:
 - 20% (approximately \$400 million annually) to the TCIF;
 - 10% (\$200 million annually) more for intercity rail and transit, for a total of 20% of the auction proceeds.

The following day, Governor Brown released his proposed 2016-17 budget. The Governor's Proposed Budget doubles down on the need to find a solution to the state's transportation infrastructure crisis and again highlights his proposal to invest \$36 billion in transportation over the next decade. The Governor's proposed transportation funding package includes "a combination of new revenues, additional investments of Cap and Trade auction proceeds, accelerated loan repayments, Caltrans efficiencies & streamlined project delivery, accountability measures, and constitutional protections for the new revenues," and would be split evenly between state and local transportation priorities.

The Governor's package focuses on maintenance and preservation, and also includes a significant investment in public transit. Specifically, the proposal includes annualized new revenues as follows:

- Road Improvement Charge—\$2 billion from a new \$65 fee on all vehicles, including hybrids and electrics;
- Stabilize Gasoline Excise Tax—\$500 million by setting the gasoline excise tax beginning in 2017 18 at the historical average of 18 cents, eliminating the current annual adjustments by the Board of Equalization, and adjusting the tax annually for inflation;
- Diesel Excise Tax—\$500 million from an 11 cent increase in the diesel excise tax beginning in 2017 18, adjusted annually for inflation;
- Cap and Trade—\$500 million in additional Cap and Trade proceeds for complete streets & transit; and,
- Caltrans Efficiencies—\$100 million in cost saving reforms.

Additionally, the Budget includes a General Fund commitment to transportation by accelerating \$879 million in loan repayments over the next four years. These funds would support additional investments in the Administration's competitive Transit and Intercity Rail Capital Program, trade corridor improvements, and repairs on local roads and the state highway system.

CTC Adopts New STIP Estimate

On January 20, the California Transportation Commission adopted a funding estimate for the State Transportation Improvement Program (STIP), used to add capacity/make improvements to the state highway system and fund regional priority projects. Then, on February 23, based on an estimate by Department of Finance for the price-based excise tax on gasoline, the Board of Equalization (BOE) acted to lower the gasoline excise tax by 2.2 cents to 9.8 cents/gallon. The price-based excise tax on gasoline is currently the only source of revenue for the STIP and the new amount, adopted by the BOE, would cut the revenue flowing to the STIP in half, down to

approximately \$150 million annually. This pending (and now realized) action resulted in the CTC adopting a 5-year STIP fund estimate that, given the current level of programming in the STIP and the revenue expected to come in, reduced the capacity for projects by \$750 million.

As a result, regional transportation agencies around the state, responsible for programming a portion of the projects in the STIP, would need to deprogram approximately \$565 million in projects, with the state deprogramming the rest. We are working to encourage the Legislature to act to remedy the action by both BOE and the CTC.

Stormwater Initiative Cleared for Signature

On January 19, *The California Water Conservation, Flood Control and Stormwater Management Act of 2016* was filed with the Attorney General's Office for title and summary by the League of California Cities, the California State Association of Counties, and the Association of California Water Agencies. If enacted by the voters, the initiative would establish an alternative fee process for water, flood control, stormwater, and sewer services; allowing local agencies to impose fees for these services unless a majority of impacted property owners protest the fee. The initiative has been cleared by the Attorney General for signature gathering in order to qualify the initiative for the November 2016 General Election. The proposed initiative would need to submit 585,407 valid signatures by August 2016.

Special Session Bills

ABX1 1 (Alejo) Vehicle Weight Fees

This bill would undo the statutory scheme that allows vehicles weight fees from being transferred to the general fund from the State Highway Account to pay debt-service on transportation bonds and requires the repayment of any outstanding loans from transportation funds by December 31, 2018. **The Board is in SUPPORT of this bill.**

SBX1 1 (Beall) Transportation Funding

This bill, like the author's SB 16, would increase several taxes and fees, beginning in 2015, to address issues of deferred maintenance on state highways and local streets and roads. Specifically, this bill would increase both the gasoline and diesel excise taxes by 12 and 22 cents, respectively; increase the vehicle registration fee by \$35; create a new \$100 vehicle registration fee applicable to zero-emission motor vehicles; create a new \$35 road access charge on each vehicle; and repay outstanding transportation loans. As a result, transportation funding would increase by approximately \$3-\$3.5 billion per year. **The Board is in SUPPORT of this bill.**

ABX1 7 (Nezarian) and SBX1 8 (Hill) Cap and Trade Increase for Rail and Transit

This bill would increase the amount of funding continuously appropriated to two Cap and Trade programs dedicated to transit - 20% of the annual proceeds to the Transit and Intercity Rail Capital Program and 10% of the annual proceeds to the Low Carbon Transit Operations Program. **The Board is in SUPPORT of these bills.**

Regular Session Bills of Interest

ACA 4 (Frazier) Lower-Voter Threshold for Transportation Taxes

This bill would lower voter approval requirements from two-thirds to 55 percent for the imposition of special taxes used to provide funding for transportation purposes. **The Board is in SUPPORT of this bill.**

AB 516 (Mullin) Temporary License Plates

This bill would, beginning January 1, 2017, require the Department of Motor Vehicles (DMV) to develop a temporary license plate to be displayed on vehicles sold in California and creates new fees and penalties associated with the processing and display of the temporary tag. **The Board is in SUPPORT of this bill.**

AB 779 (Garcia) Congestion Management Programs

This bill would delete the level of service standards as an element of a congestion management program in infill opportunity zones and revise and recast the requirements for other elements of a congestion management program.

AB 1591 (Frazier) Transportation Funding

This bill would increase several taxes and fees beginning in 2016, to address issues of deferred maintenance on state highways and local streets and roads, freight corridor improvements, and transit and intercity rail needs. Specifically, this bill would increase both the gasoline and diesel excise taxes by 22.5 and 30 cents, respectively; increase the vehicle registration fee; dedicated additional shares of Cap and Trade revenues; redirect truck weight fees; and repay outstanding transportation loans. As a result, transportation funding would increase by approximately \$7 billion per year. **The Board is in SUPPORT of this bill.**

AB 2126 (Mullin) Alternative Project Delivery

This bill would increase the number of projects for which Caltrans has the authority to use the construction manager/general contractor (CM/GC) method of procurement from six to 12. **The Board is in SUPPORT of this bill.**

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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March 1, 2016

The Honorable Kevin Mullin
Speaker Pro Tempore
California State Assembly
State Capitol, Room 3160
Sacramento, CA 95814

RE: SUPPORT for AB 2126 (Mullin)

Dear Assembly Member Mullin:

The City/County Association of Governments of San Mateo County (C/CAG), the Congestion Management Agency (CMA) for San Mateo County, is pleased to write to you today in **SUPPORT** of AB 2126. This bill would increase the number of projects on the state highway system for which Caltrans is authorized to use the Construction Manager/General Contractor (CM/GC) procurement method from six to 12.

For several years, C/CAG, along with our partners at the San Mateo County Transportation Authority, the Metropolitan Transportation Commission, and Caltrans, have studied a number of solutions designed to address congestion on US 101 between San Francisco and San Jose. Currently, this freeway ranks among the 10 worst congested locations in the San Francisco Bay Area, despite the existence of a number of commuter alternatives, including a robust private shuttle network and the parallel Caltrain system (which currently exceeds capacity during peak commute times). US 101, during peak hours, is classified with a level of service (LOS) grade of "F". Additionally, the US 101 corridor is home to the state's largest concentration of technology, green energy, and research & development companies, responsible for approximately 13 percent of California's jobs and almost 15 percent of the state's gross domestic product, despite only housing about 10 percent of the state's population.

In order to address congestion on US 101 and better serve the state's economic engine, C/CAG and its partner agencies are exploring ways to add capacity and improve service on US 101 by considering a high-occupancy vehicle lane or express lane along portions of the corridor. CM/GC has been identified as an alternative delivery method for the potential project in order to provide more certainty in terms of cost and schedule. Because this project is on the state highway system, Caltrans would be the project lead and needs additional CM/GC authority to access this procurement method. Caltrans has already identified six projects for the existing authorization under state law and therefore, this bill is necessary to allow Caltrans to construct additional projects in this manner.

We **SUPPORT** AB 2126 and appreciate your efforts to provide flexibility in project procurement, specifically as we look to address congestion issues on US 101 in San Mateo County. Please feel free to contact Sandy Wong, the C/CAG Executive Director, at slwong@smcgov.org with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary Ann Nihart". The signature is fluid and cursive, written on a white background.

Mary Ann Nihart, Chair
City/County Association of Governments of San Mateo County

Cc: Assembly Member Jim Frazier
Assembly Member Richard Gordon
Assembly Member Phil Ting
Senator Jerry Hill

C/CAG AGENDA REPORT

Date: March 10, 2016
To: C/CAG Legislative Committee
From: Sandy Wong, Executive Director
Subject: Discussion of “Lobby Day” and “Lobby Day” Topics
(For further information or questions contact Jean Higaki at 599-1462)

RECOMMENDATION

That the C/CAG Legislative have a discussion regarding “Lobby Day” and “Lobby Day” topics

FISCAL IMPACT

Unknown.

SOURCE OF FUNDS

NA.

BACKGROUND

The Legislative Committee would like to plan a Lobby Day to meet delegates in Sacramento and voice concerns regarding issues of importance to C/CAG.

Attached is the second poll of availability for the proposed Lobby Day as well as proposed scaled back talking points and issues to raise up with Sacramento delegates.

ATTACHMENTS

1. Doodle Poll for Lobby Day
2. Initial draft of Lobby Day topics/ talking points

Poll "2016 C/CAG Lobby Day"

<http://doodle.com/poll/x7wi8xkkx8rg6q39>

	April 2016				May 2016		
	Wed 13	Mon 25	Tue 26	Wed 27	Mon 16	Tue 17	Wed 18
Alicia Aguirre							
Deborah Gordon		OK		OK	OK		
Matt Fabry		OK	OK	OK	OK	OK	OK
Sandy Wong	OK		OK		OK	OK	OK
Irene O'Connell		OK		OK	OK	OK	OK
Karen Ervin					OK		
Catherine Carlton				OK			OK
RICH GARBARINO					OK		
Count	1	3	2	4	6	3	4

Poll "2016 C/CAG Lobby Day"

<http://doodle.com/poll/x7wi8xkkx8rg6q39>

		April 2016			
		Mon 4	Tue 5	Mon 11	Tue 12
Rich Garbarino			OK		
Matt Fabry		OK	OK	OK	OK
Deborah		OK			
Sandy Wong		OK	OK	OK	OK
Irene		OK	OK	OK	OK
Alicia Aguirre		OK			
Catherine Carlton					OK
Mary Ann				OK	OK
Matt Robinson		OK	OK	OK	OK
Karen Ervin		OK		OK	
Count		7	5	6	6



Talking Points

C/CAG Sacramento Visit – XXX X, 2016

San Mateo County Transportation Funding Needs:

- *Local Streets and Roads and Highways*
 - \$3 bil is needed for Local Street and Roads over the next 24 years to maintain roadways in San Mateo County to a state of good repair. Equates roughly to a low-to-mid 80s pavement condition index (PCI) and deferred maintenance is eliminated or about 2.9 bil is needed just to maintain existing PCIs as is.
 - ~~San Mateo County has some of the better pavement conditions in the state (ranked at 70), but overall still not considered “good”~~
 - Slipping to 60s and 50s poses significant deterioration risks which cost more money to fix and maintain.
 - The “good” category ranges from 70 to 79, while streets with PCI scores in the “fair” (60-69) range are becoming worn to the point where rehabilitation may be needed to prevent rapid deterioration.

- *STIP is Broke*
 - We have heavy congestion on all of our State Highway Systems in our County. US 101, SR 92, I-280
 - Industry is putting a lot of pressure on everyone to fix the problem.
 - There is no real money to help.
 - ~~Over \$200 million is needed to fund capital projects in San Mateo County’s Highway Program pipeline.~~
 - 2016 STIP had zero capacity at the start of the year but the gas tax swap is creating havoc and in January the CTC proposed to cut the revenue fund estimate over \$750 mil. According to CTC formula the cut to San Mateo share is \$10 mil but could be more due to advance of funds from other counties.

- *Redirect Existing/New Revenues*
 - C/CAG supports Governor’s Budget and Frazier’s bill AB 1591.
 - ~~C/CAG is following the implementation of the road-user charge and would urge law makers to consider its impacts on commuters in and out of the County.~~

C/CAG
555 County Center
Redwood City, CA 94063
650-599-1406

- New or redirected revenue should be returned locally to the source as much as possible.

US Highway 101 HOV/HOT Lane:

- C/CAG will eventually need some sort of toll authority to implement an express lane on the US 101 Corridor. We hope that any new legislated authority would respect local control and return to source revenues.
- Environmental phase of this project has started. Political support is key to the success of this project as it is regional in nature and crosses many jurisdictions. We appreciate all the work Kevin Mullin’s office is doing for this project.
- A project of this magnitude requires funding that is hard to get in this economic climate. We hope that state funding would be made available for this type of project.

San Mateo Countywide Stormwater Program and Funding:

- *Proposition 218 Reform* - Support AB 1362 (Gordon) and associated constitutional amendment (pending). Until stormwater is on equal footing with water and wastewater in terms of the ability to generate local revenue without a requirement for voter approval, municipalities will continue to be dependent upon funding from state or federal sources to meet mandated water quality requirements. The Public Policy Institute estimates \$500-800 million per year annual shortfall statewide to meet stormwater quality requirements.
- ~~*Green infrastructure* provides significant benefit beyond water quality improvement, including climate change adaptation, flood control, groundwater recharge, and urban heat island reduction. Green infrastructure needs to be integrated into other statewide priorities and investments, such as cap and trade, active transportation, sustainable community strategies, and climate change adaptation. There is especially a need to facilitate easier pairing of transportation planning and funding with stormwater planning and funding to implement integrated green infrastructure/transportation projects.~~
- *Unified approach statewide on stormwater management*- Discussions about stormwater capture, use, and recharge for water supply concerns are not consistent with the water quality mandates from the State and Regional Water Boards. Stormwater resource planning is now mandated to access bond funds, but costly permit mandates may not be consistent or related to stormwater capture projects (e.g., trash control or water quality monitoring). All state agencies need to be on the same page in discussing the entirety of stormwater management.

C/CAG Legislative Priorities:

- Copies of Legislative Priorities are included in our packet