



# City of Morgan Hill

## Legislation Text

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## **CITY COUNCIL STAFF REPORT**

### **MEETING DATE: FEBRUARY 22, 2017**

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APPROVED BY: City Manager

## **CITY POSITION ON PENDING STATE LEGISLATION**

### **RECOMMENDATION(S)**

1. Consider the League of California Cities request to support state transportation funding bills: AB 1 (Frazier) and SB 1 (Beall); and if appropriate;
2. Direct staff to submit letters in support of AB 1 and SB 1 to the appropriate representatives; and
3. Provide authority to the Mayor or City Manager to communicate support of infrastructure funding sources for the remainder of 2017 without Council approval each time.

## **COUNCIL PRIORITIES, GOALS & STRATEGIES:**

### **Ongoing Priorities**

Maintaining Fiscal Responsibility

### **2017 Strategic Priorities**

Infrastructure

Regional Initiatives

### **REPORT NARRATIVE:**

The League of California Cities (League) recently suggested California cities support two transportation funding packages, AB 1 and SB 1 (attachments 1 and 2), to address unmet funding needs for deteriorating roads, bridges and transit systems across the State. Morgan Hill's support of these two bills advances Council's strategic priority of identifying potential funding sources for infrastructure. In order to support this strategic priority and provide the agility necessary to quickly take advantage of potential infrastructure funding sources throughout the year, staff is recommending the Council provide authority to the Mayor or City Manager to communicate infrastructure funding support for the remainder of the year without returning to City Council for approval each time.

Both AB 1 and SB 1 are long-term transportation reform and funding packages that contain new revenue to make road safety improvements, fill potholes and repair local streets, highways, bridges and overpasses. Both bills include strong accountability provisions to ensure transportation funds are

spent efficiently and effectively. The bills are forecasted to generate up to \$6 billion annually with potentially \$2.2 billion annually designated for local streets and roads.

The City of Morgan Hill currently faces a road maintenance backlog approaching \$25 million and in four short years it will exceed \$40 million. This problem is exacerbated with the record rainfall of January and February 2017 literally degrading pavement conditions as every storm comes through. The passing of AB 1 and SB 1 would greatly benefit the backlog of Morgan Hill's maintenance needs.

**COMMUNITY ENGAGEMENT:**            **Inform**

**ALTERNATIVE ACTIONS:**

1. Revise letters of support.
2. Decline sending letters of support.

**PRIOR CITY COUNCIL AND COMMISSION ACTIONS:**

1. On February 15, 2017 the City Council committed to identifying potential funding sources for infrastructure and participating regional initiatives as strategic priorities in 2017.
2. On September 2, 2015 the City Council adopted Resolution #15-210 urging the State of California to provide new, sustainable funding for state and local transportation infrastructure.
3. On May 6, 2015 the City Council approved supporting a similar bill, SB 16 Transportation Funding.

**FISCAL AND RESOURCE IMPACT:**

No fiscal impact at this time although, it should be noted, significant staff resources will be saved by allowing the Mayor or City Manager to react to infrastructure funding opportunities without Council approval each time.

**CEQA (California Environmental Quality Act):**

Not a Project

**LINKS/ATTACHMENTS:**

1. AB 1 Transportation Funding Bill Text
2. SB 1 Transportation Funding Bill Text
3. AB 1 Transportation Funding Letter of Support
4. SB 1 Transportation Funding Letter of Support