Add-on Item pursuant to Government Code Section 54954.2(b)(2)

AGENDA: December 1, 2011

TO: Santa Cruz County Regional Transportation Commission (RTC)

FROM: George Dondero, Executive Director

RE: Funding Agreement for California Household Travel Survey

RECOMMENDATIONS

Staff recommends that the Regional Transportation Commission (RTC) approve the attached resolution (Attachment 1) authorizing the Executive Director to enter into a funding agreement with the Association of Monterey Bay Area Governments (AMBAG) to provide $37,500 in RTC funds for additional household travel surveys.

BACKGROUND

The California Department of Transportation (Caltrans) secured a grant to conduct the California Household Travel Survey (CHTS). This is a statewide data gathering effort that provides information for the State and Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Agencies (RTPAs) to help fulfill transportation modeling, planning and project needs. Unfortunately, funding secured by Caltrans is not sufficient to ensure a statistically valid number of surveys throughout the State and many regions in the state are purchasing additional surveys with a variety of funds available to them.

DISCUSSION

To ensure a statistically valid number of household travel surveys for the AMBAG region, AMBAG and the Regional Transportation Planning Agencies in the area, including the RTC, budgeted funds to pay for additional surveys. The additional surveys must be purchased from Caltrans by the MPOs. Therefore, the RTC must provide its share of the funding for these surveys and requires a funding agreement with AMBAG to do so. Therefore, staff recommends that the RTC approve the attached resolution (Attachment 1) authorizing the Executive Director to enter into a funding agreement with AMBAG to provide $37,500 in RTC funds for additional household travel surveys.

The funding secured by Caltrans will provide 474 household travel surveys for the Santa Cruz County area. As shown in the draft funding agreement included as Attachment 2, the RTC will contribute $37,500 towards the purchase of an additional 457 surveys for the Santa Cruz County area and AMBAG will contribute the remaining $37,905 required for these additional surveys. Each additional survey costs $165.00. The RTC approved sufficient funds for this purpose on October 6, 2011 under the “Traffic Monitoring” budget line of the Fiscal Year (FY) 2011-12 RTC Budget.
SUMMARY

Caltrans secured funding for a statewide household travel survey. The funding is insufficient to provide a statistically valid number of surveys. The RTC and AMBAG would like to purchase additional surveys for the Santa Cruz County area. Staff recommends that the RTC approve the attached resolution (Attachment 1) authorizing the Executive Director to enter into a funding agreement with AMBAG to provide $37,500 in RTC funds for additional household travel surveys. The RTC has approved sufficient funds in its FY 2011-12 budget for this purpose.

Attachments:
1. Resolution authorizing Executive Director to enter into funding agreement with AMBAG
2. Draft funding agreement with AMBAG for household travel surveys
RESOLUTION NO.

Adopted by the Santa Cruz County Regional Transportation Commission (RTC)
on the date of December 1, 2011
on the motion of Commissioner
duly seconded by Commissioner

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A FUNDING AGREEMENT WITH THE ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS (AMBAG) FOR ADDITIONAL HOUSEHOLD TRAVEL SURVEYS

WHEREAS, Caltrans secured funding for a California Household Travel Survey project and the funding is insufficient to ensure a statistically valid number of surveys throughout the state; and

WHEREAS, the RTC and AMBAG have budgeted funds to share the cost of purchasing additional household travel surveys for the Santa Cruz County area to ensure a statistically valid number of surveys;

THEREFORE, BE IT RESOLVED BY THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION:

1. The Executive Director is authorized to enter into a funding agreement with AMBAG to provide $37,500 in RTC funds for additional household travel surveys.

AYES: COMMISSIONERS
NOES: COMMISSIONERS
ABSENT: COMMISSIONERS
ABSTAIN: COMMISSIONERS

ATTEST:

Mark Stone, Chair

George Dondoro, Secretary

Distribution: AMBAG, RTC Fiscal

\Rtcserv2\shared\RESOLUTION\2011\RES1211\CHTS1211.docx
DRAFT

AGREEMENT FOR FUNDING
FOR THE CALIFORNIA HOUSEHOLD TRAVEL SURVEY

THIS AGREEMENT, is made and entered into this 1st day of December, 2011, by and between the ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS (AMBAG), and the Santa Cruz County Regional Transportation Commission (SCCRTC).

RECITALS

WHEREAS, AMBAG is the federally designated Metropolitan Planning Organization (MPO) for Monterey, Santa Cruz and San Benito Counties;

WHEREAS, AMBAG as the MPO is responsible for maintaining and updating the regional travel demand model, and conducting long-range transportation planning;

WHEREAS, the requirements of maintaining and updating the regional travel demand model, conducting long-range transportation planning, and overseeing particular land use planning activities are partially funded through federal planning dollars, and federal and state grants;

WHEREAS, in order to maintain and update the regional travel demand model AMBAG and the Regional Transportation Planning Agencies (RTPAs) must collect information on the travel patterns of people within the region as well as those entering and exiting the region;

WHEREAS, one project that will allow AMBAG to collect data on travel behavior and patterns is the California Household Travel Survey (PROJECT), which is managed and conducted by the California Department of Transportation (CALTRANS);

WHEREAS, the number of surveys that CALTRANS has agreed to provide to the AMBAG region through the California Household Travel Survey amounts to less than one percent of the households in each county;

WHEREAS, AMBAG and SCCRTC have agreed that a minimum of a one percent sample size is required for the model to have a
statistically valid representation of the population;

WHEREAS, SCCRTC and AMBAG have budgeted and agreed to provide funding to assist in the purchase of additional surveys from CALTRANS in order to provide a one percent sample size for Santa Cruz County;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. SCCRTC shall provide cash funding for the PROJECT as set forth in EXHIBIT A attached hereto and incorporated herein by this reference.

2. The deliverables for the PROJECT are as set forth in EXHIBIT B attached hereto and incorporated herein by this reference.

3. SCCRTC agrees to provide their funding at the beginning of the PROJECT.

4. Adjustments to the funding amount can be made at any time by means of a written amendment to this Agreement duly executed by all parties.

5. All PARTIES agree to meet all conditions as required by the Overall Work Program adopted by the AMBAG Board of Directors to allow grant application and funding by the Federal Highway Administration and Federal Transit Administration.

A. TERM OF AGREEMENT

1. The term of this agreement shall begin upon execution of all parties hereto and shall remain in force until the final deliverables are completed pursuant to EXHIBIT B or June 30, 2014, unless extended by mutual consent of the PARTIES.

B. GENERAL ADMINISTRATION AND MANAGEMENT

1. AMBAG shall have the primary administrative responsibility under this Agreement for the administration of the PROJECT.

C. COMPLETION OF TASKS

1. The parties shall make every reasonable effort to
complete the tasks according to this Agreement.

2. The parties will diligently proceed with the in-kind services agreed to, but it is expressly agreed and understood that the parties shall not be held responsible for delays occasioned by factors beyond their control, nor by factors which could not reasonably have been foreseen at the time of execution of this Agreement.

D. SUSPENSION/TERMINATION OF AGREEMENT

1. The right is reserved by any or all of the PARTIES to this Agreement to terminate or suspend this Agreement with or without cause at any time by giving ninety (90) days written notice to the other PARTIES. If this agreement is terminated or suspended, AMBAG will only refund cash provided by the SCCRTC that has not already been expended for the purpose of this PROJECT.

E. AUDIT AND RECORDS

1. Each of the PARTIES to this Agreement shall maintain books, accounts, records and data related to this Agreement in accordance with federal and/or state requirements and shall maintain those books, accounts, records and data for a period of three (3) years after termination of this Agreement. For the duration of the Agreement, and for a period of three (3) years thereafter, all PARTIES representatives and representatives of the California Department of Transportation, the Auditor General of the State of California, shall have the right to examine these books, accounts, records, data and other information relevant to this Agreement for the purpose of auditing and verifying statements, invoices, bills, and revenues pursuant to this Agreement.

F. ASSIGNMENT

1. This Agreement may not be assigned or otherwise transferred by any party hereto without the prior written consent of the other PARTIES.

G. HOLD HARMLESS

1. AMBAG shall indemnify, defend and hold harmless the SCCRTS, individually and collectively, their officers, agents,
and employees, while acting as such, to the extent permitted by applicable law, from and against any claim, loss, damage, cost, expense, obligations or liability (including, without limitation, interest, penalties and attorneys fees in defending against the same) which any of them may become obligated to pay by reason of liability imposed by law because of injury to property or injury to or death of persons, received or suffered.

SCCRTC shall indemnify, defend and hold harmless AMBAG, its officers, agents, and employees, while acting as such, to the extent permitted by applicable law, from and against any claim, loss, damage, cost, expense, obligations or liability (including, without limitation, interest, penalties and attorneys fees in defending against the same) which any of them may become obligated to pay by reason of liability imposed by law because of injury to property or injury to or death of persons, received or suffered.

H. NOTICES

1. Any notice to be given to the PARTIES hereunder shall be addressed as follows (until notice of a different address is given to the parties):

Executive Director
ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS
P.O. Box 809
Marina, CA 93933

Executive Director
SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION
1523 Pacific Avenue
Santa Cruz, CA 95060

Any and all notices or other communications required or permitted relative to this Agreement shall be in writing and shall be deemed duly served and given when personally delivered to any of the PARTIES to whom it is directed; or in lieu of such personal service, when deposited in the United States mail, first class, postage prepaid, addressed to PARTIES at the addresses set forth above.

Any party may change their address for the purpose of this paragraph by giving written notice of such change to the
other party in the manner provided for in the preceding paragraph.

I. ATTORNEY'S FEES AND COURT VENUE

1. Should any party to this Agreement bring legal action against any other party to this agreement, (formal judicial proceeding, mediation or arbitration), the case shall be handled in Monterey County, California, and the party prevailing in such action shall be entitled to a reasonable attorneys fee which shall be fixed by the judge, mediator or arbitrator hearing the case and such fee shall be included in the judgment, together with all costs.

J. AGREEMENT CONTAINS ALL UNDERSTANDINGS: AMENDMENT

1. This document represents the entire and integrated Agreement between AMBAG and SCCRTC, and supersedes all prior negotiations, representations and agreements, either written or oral pertaining to these PROJECT.

K. GOVERNING LAW

1. This Agreement shall be governed by the laws of the State of California.

L. SEVERABILITY

1. If any term of this Agreement is held invalid by a court of competent jurisdiction the remainder of this Agreement shall remain in effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first hereinabove written.

Les White, Interim Executive Director
ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

Approved as to Form
Agency Counsel
ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS
George Dondero, Executive Director
SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

Approved as to Form
Agency Counsel
SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION
EXHIBIT A
FUNDING

Below is the agreed upon funding to be provided by PARTIES to purchase additional household travel surveys not covered by funding secured by Caltrans:

<table>
<thead>
<tr>
<th>Geography</th>
<th>Number of Households</th>
<th>State funded CHTS</th>
<th>AMBAG/SCCRTC Funded CHTS</th>
<th>Total CHTS</th>
<th>Percent of Households</th>
<th>SCCRTC Funding</th>
<th>AMBAG Funding</th>
<th>Total Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santa Cruz</td>
<td>93,555</td>
<td>474</td>
<td>457</td>
<td>931</td>
<td>1.00%</td>
<td>$37,500</td>
<td>$37,905</td>
<td>$75,405</td>
</tr>
</tbody>
</table>
Below are the deliverables and tasks as outlined in the contract between AMBAG and Caltrans for the California Household Travel Survey. Agreement Number 72A0071 refers to the contract between Caltrans and NuStats, the vendor chosen to carry out the survey process.

**AMBAG Task 1 - Develop and Finalize Survey Design (as part of Task 3 in Agreement Number 72A0071)**

**Description:**

- Included in the CHTS survey design is the development of the survey sample frame, sample plan, interview plan/materials, and survey pre-test planning.

- The Department shall ensure that the sampling plan developed by NuStats, includes the distribution of surveys as determined by the Steering Committee.

**Product Deliverables:** Survey Design Consisting of Survey Sample Frame (including sample detailed data elements), Sample of Households, Interview Plan, and Survey Materials for Survey Pre-Test.

**AMBAG Task 2 - Conduct Survey Pre-Test and Evaluate Survey Pre-Test Results (as part of Tasks 4 and 5 in Agreement Number 72A0071)**

**Description:**

- The Department shall ensure that NuStats conducts a full and complete Pre-Test of all aspects of the planned household travel survey, including a Pre-Test of the detailed data elements.

- The Pre-Test will include testing the core survey and the GPS household survey components.

- The Department shall ensure that NuStats evaluates and documents the lessons learned from the Survey Pre-Test and describes any refinements and revisions to survey methods, material and procedures recommended for the main household travel survey, the GPS subsample, the non-respondent follow-up contact, and the remedies to increase response rate and/or avoid/minimize potential adverse effects of non response.

**Product Deliverables:** Pre-Test Survey Data Files and Summary Report.

**AMBAG Task 3 - Refine Survey Methods, Materials and Procedures for Main Survey (as part of Task 6 in Agreement Number 72A0071)**

**Description:**

- The Department shall ensure that NuStats reviews the results of the Pre-Test with AMBAG's Project Manager and the Steering Committee and recommend any final revisions to the survey methods, materials and procedures for the main survey.

**Product Deliverable:** Revisions to Survey Methods, Materials and Procedures.

**AMBAG Task 4 - Conduct Main Survey, Evaluate and Geocode Survey Results (as part of Task 7 in Agreement 72A0071):**
Description:
- The Department shall ensure that NuStats conducts a minimum of 1,114 Core Travel Surveys, to be included as part of the estimated 60,000 fully completed household surveys statewide;
- The Department shall ensure that NuStats selects the sample of households for the AMBAG Region as listed below:

<table>
<thead>
<tr>
<th>Counties</th>
<th>State funded CHTS</th>
<th>MPO funded CHTS</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santa Cruz</td>
<td>474</td>
<td>457</td>
<td>931</td>
</tr>
<tr>
<td>San Benito</td>
<td>243</td>
<td>19</td>
<td>262</td>
</tr>
<tr>
<td>Monterey</td>
<td>600</td>
<td>638</td>
<td>1,238</td>
</tr>
<tr>
<td>Region Total</td>
<td>1,317</td>
<td>1,114</td>
<td>2,431</td>
</tr>
</tbody>
</table>

- The Department shall ensure that NuStats interviews the households selected using consistent and approved survey methods, material and procedures;
- The Department shall ensure that NuStats checks, edits, geocodes and validates the household, person, vehicle, trip/activity, location, and GPS data collected;
- The Department shall ensure that NuStats conducts non-respondent follow-up contacts;
- The Department shall ensure that NuStats evaluates/monitors the ongoing survey results for quality control;
- The Department shall ensure that NuStats geocodes the survey data to standardized geographic codes for database development and analysis;
- The Department shall ensure that NuStats maintains quality control standards and the definition of a completed household is consistent with the Main CHTS Survey.

Product Deliverables: Minimum of one thousand and one hundred fourteen (1,114) valid, fully completed geocoded household surveys, as defined by the Steering Committee, in the AMBAG region; and delivery of Interim Survey Data Files.

AMBAG Task 5 - Validate Survey Results, Analyze Statistical Accuracy of the Survey Data, and Develop Data Weighting and Expansion Factors (as part of Task 8 in Agreement 72A0071)

Description:
- The Department shall ensure that NuStats edits/cleans the raw survey data and validates the household, person, vehicle, trip/activity, location, and GPS survey data;
- The Department shall ensure that NuStats provides detailed monthly statistical summaries of participation rates, average activity rates per person and per household, proportion of non-mobile persons and households, and other similar indicators of accuracy and consistency;
- The Department shall ensure that NuStats prepares summary procedural statistics for each sample, including number of contacts, participation rates, completed responses in each cell of the sampling stratification, completed response rates by question, cross-tabulations, and other such descriptors as NuStats and the Steering Committee jointly agree upon;

Product Deliverables: Survey Information for Database Development, Documentation of the Survey Data Weighting and Expansion, and Final Survey Database (including Final Survey Data for the AMBAG region).

AMBAG Task 6 - Prepare Final Survey Report and Region and Statewide Data Files (as part of...
Task 9 in Agreement 72A0071

Description:

- The Department shall ensure that NuStats includes statistics and summaries of AMBAG's household surveys into the Final Report

Product Deliverables: Final Survey Report, Data Files, and Associated Documentation.
Add on – RTC Meeting 12/1/11
ITEM 20 – Attachment 6
2012 Regional Transportation Improvement Program (RTIP)
Additional Public Comments Received November 23-November 30

Comments Sent Via Email

From: Debbie Bulger [mailto:dfbulger@cruzio.com]
Sent: Sunday, November 27, 2011 4:16 PM
To: RTC
Subject: repair our roads please

Dear RTC Commissioners,

Please do not spend potential road repair monies on widening Highway 1.
We need to maintain the infrastructure we already have.

Thank you.

Debbie Bulger, Santa Cruz

From: Jeffrey David Ringold [mailto:jringold@ringoldconsulting.com]
Sent: Tuesday, November 29, 2011 9:48 AM
Subject: allocation of resources

Dear Staff and Commission Members,
I write today in support of allocating scarce transportation resources for local road repair and support of alternative modes of transportation, rather than continued planning for the widening of Highway One. I understand that the highway widening project been contentious, with legitimate concerns on both sides of the issue. However, in light of the major resource shortfalls that are upon us, I encourage Commission members to fulfill your first, most basic responsibilities before taking on any new projects of such a massive scale. There are other major transportation projects that I would eventually like to see come to fruition, but I realize this is simply not the time to take them on. Thank you for your consideration of my views.
Sincerely yours,
Jeffrey Ringold

From: Nita nita [mailto:nita.hertel@gmail.com]
Sent: Tuesday, November 29, 2011 11:57 AM
Subject: expenditures

I am writing to urge the commission to vote to allocate funds toward repairing of local roads rather than toward Highway 1 widening. The county's roads are much more important to the daily business and community welfare than helping traffic increase on state thoroughfares. As we know, it will only be a bandaid measure to existing traffic and only helps commuters rather than the county at large. I hope you will urge the RTC to vote for no funding for the widening.

thank you,
Nita Hertel

20-112
From: Donna Thomas [mailto:peteranddonna@cruzio.com]  
Sent: Tuesday, November 29, 2011 12:17 PM  
To: Rachel Moriconi  
Subject: no widening please

Hi,
I am writing to voice my support for using the state funds for projects other than widening highway 1. Every project that gets people out of their cars is a help for relieving congestion on Highway 1.

Yes to
repairing damaged roads
supporting public transportation: rails, busses building bike lanes.

Thank you,
Donna Thomas
260 15th Av
Santa Cruz

From: Patricia Mc Veigh [mailto:pmcveigh@baymoon.com]  
Sent: Tuesday, November 29, 2011 12:32 PM  
To: Rachel Moriconi  
Subject: RTC Hearing

I am unable to attend the meeting, and want to forward my opinion to the Committee. At this time with our roads in such disrepair and infrastructure needing work, I strongly object to spending 4 million toward the widening of HWY 1. This issue needs to be tabled for some future time, and needs to be tied in with rapid transit expenditures - i.e. more bus service, express busses, better "over the hill" options, park and ride, and yes, trains.

Please allocate these funds to repair and upgrade existing structures before creating more. Our roads are in poor condition in many places, causing swerving, jarring and potentially dangerous driving.

Thank you for your consideration

Patricia Mc Veigh
pmcveigh@baymoon.com

"No one makes a greater mistake than he who did nothing because he could do only a little." -- Edmund Burke
From: Johanna Epps [mailto:jepps@cruzio.com]  
Sent: Tuesday, November 29, 2011 12:36 PM  
Subject: Please recommend "no" on allocating funds for Widening Hwy 1

Dear Ms. Moriconi,

Please recommend that we do not allocate funds for the continued widening of Hwy 1. Our present infrastructure of roads desperately needs to be maintained as well as alternatives to Hwy Widening need to be funded.

Widening is not the solution to the problem. I lived first hand in Los Angeles what widening highways does to traffic, pollution, and life quality for all. I hope Santa Cruz County doesn't go down that road.

Thank you,  
Johanna Epps

From: Gary A. Patton [mailto:gapatton@wittwerparkin.com]  
Sent: Tuesday, November 29, 2011 12:36 PM  
Subject: Comment For December 1, 2011 Hearing

Dear Rachel Moriconi:

I understand that you are collecting comments that will be relayed to the Transportation Commission with respect to the question whether it would be better to allocate $4 million from State funds toward the continued segmented widening of Highway One, or whether it would be better to spend that money on fixing storm damaged roads in our county, and on other needed alternatives to highway widening.

I want to urge the Commission to spend the money available on local highway and road projects. Even if widening Highway One were desirable (which I don't think it is), this proposed project is highly unlikely ever to be constructed - at least not in the next twenty years or so. In view of that, it is only prudent to spend our currently available funds on projects that will have some current positive benefit for our communities.

Thanks you for relaying these thoughts to the Commission.

Gary A. Patton  
131 Dale Avenue  
Santa Cruz, CA 95062  
Email: gapatton@stanfordalumni.org  
Telephone: 831-423-2984  
Mobile: 831-332-8546

From: Mary Tsallis [mailto:maryt@sagehill.net]  
Sent: Tuesday, November 29, 2011 1:53 PM  
Subject: highway 1 widening

HI Folks,

I'm opposed to using highway funds to widen Hwy 1. Urge using funds for local road repairs using local contractors. Local Multiplier should be enhanced when funds are spent locally. I'll be there,

Mary
From: John Doering [mailto:johndoering@yahoo.com]
Sent: Tuesday, November 29, 2011 3:32 PM
To: RTC

Please do not vote to spend any funds on widening the Hiway through Santa Cruz. The funds are much more needed in other road repairs. I will be there to see how the voting goes.

John Doering,
  johndoering@yahoo.com

From: sheila Carrillo [mailto:escueltta@baymoon.com]
Sent: Tuesday, November 29, 2011 3:42 PM
Subject: re state funds

DEar RTC,
I am writing to express my encouragement for state transportation funding to go toward taking care of our present roads and infrastructure rather than on the (likely) fruitless and costly venture of further widening Highway i. I personally live on a street that is badly in need of repair to the point of being hazardous for the elderly in our neighborhood and the children who walk and play on it as there are no sidewalks. We need to care for what we have and work toward getting people out of their cars where possible.

thanks for your consideration,
Sheila carrillo
Miles St.

From: SharpSagen [mailto:sharpsagen@aol.com]
Sent: Tuesday, November 29, 2011 4:56 PM
Subject: Widening vs Fixing Storm Drains?

Hi,

Just wanted to contact you to let you know that I feel the best use of tax dollars is to fix our damaged roads. As you know, widening just encourages more cars...
Melody Sharp

831-685-8318
http://www.melodysharp.com
http://www.facebook.com/MelodySharpWebDesign

20-115
From: Kathy Haber [mailto:dannynor@cruzio.com]  
Sent: Tuesday, November 29, 2011 5:16 PM  
Subject: Spending priorities  

Dear Members of the SCCRTC:

I am unable to attend your meeting on 12/1 where spending on Hwy 1 vs repairing local streets and roads is being considered. I would like to inform you that my preference is for the repair of existing infrastructure. Many county roads are in such poor repair that winter storms will render them impassable. Future repairs will be much more costly, if they are allowed to deteriorate further.

Please delay the widening of Hwy 1 as long as possible. This will only encourage more people to commute long distances, contributing to excessive gas consumption and the general decline of family and community life. Bedroom communities are not strong communities. In all my childrearing years, I never met a Little League coach who commuted “over the Hill”.

Sincerely
Kathy Haber

From: catfishjw@gmail.com [mailto:catfishjw@gmail.com] On Behalf Of John Welch  
Sent: Tuesday, November 29, 2011 5:46 PM  
Subject: highway widening  

Dear SCCRT Commissioners -
I'm writing to urge you to prioritize other projects above the widening of Highway that is under consideration from Soquel to 41st Ave. I would much rather see this money spent on forward-looking development of alternative transportation infrastructure and the repair of existing infrastructure. I'm confident that the use of alternative transportation will increase if we invest in making it easier and safer.

thanks.
-John Welch
Santa Cruz

From: Lucretia Hall [mailto:lucretiahall@gmail.com]  
Sent: Tuesday, November 29, 2011 7:03 PM  
To: info@sccrtc.org  
Cc: micah@peoplepowersc.org  
Subject: highway funds/widening of highway 1  

REGIONAL TRANSPORTATION COMMISSION HEARING on spending priorities: highway widening 10AM THURS, DEC 1, Board of Supervisors Chambers, County Building, 901 Ocean St.

Dear Sir/Madame,

I am writing to give my opinion that we use our highway funds to repair existing roads, add bike trails and create better public transportation options.

I believe this will better support our current economic state, help the middle class and poor better survivie and create a better future, where realistically and pragmatically we should be moving away
from car usage. Santa Cruz has an opportunity to continue to be a different and unique place, one where we live in unity with our environment and make sound economic choices.

Kind regards,
Lucretia Hall
Santa Cruz resident and People Power Member
1018 Broadway
Santa Cruz, CA 95062

From: kirk bernhardt [mailto:kb_paints@yahoo.com]
Sent: Tuesday, November 29, 2011 7:22 PM
Subject: NO widening Highway 1 between Soquel Ave to 41st Ave

Transportation Commission Members,

Please stop wasting precious resources on a mode of transportation that is essentially unsustainable.

Widening Hwy 1 will only encourage more drivers to take to the roads and continue to waste increasingly limited fossil fuel supplies while emitting more CO2. This is crazy.

This money would be much better spent on infrastructure that encourages alternatives to driving, or if nothing else, to repair the many beat-up roads we have here in town.

Why are we the only first world country that insists on such a selfish and backward auto-centric transportation system?

The Dutch and others saw this mess coming in the seventies and turned it around, why can't you?

Please watch;

http://www.youtube.com/watch?v=rn2s6ax_7TM&feature=player_embedded

Thanks for your thoughtful consideration,

Kirk Bernhardt
151 30th Ave.
Santa CRuz, Ca. 95062

From: Connie Gabriel Wilson [mailto:camt@cruzio.com]
Sent: Tuesday, November 29, 2011 9:35 PM
Subject: RTC meeting Thursday december 1st

Dear Commissioners,
I am writing in regards to the $4million from State funds to be utilized in Santa Cruz County. I strongly support repairing and maintaining our existing infrastructure that is in need of restoration. With global climate impact, a vision of providing more alternative transit modes would behoove us all now and for our future generations. Please support our existing infrastructure and being proactive in alternatives to highway widening.
Thank you.
Sincerely,
Connie Wilson

20-117
From: Jacquy Griffith [mailto:jkgriffith@sbcglobal.net]
Sent: Tuesday, November 29, 2011 9:40 PM
Subject: Fix the Storm Damaged Roads

Please, no more widening bits of Hwy. 1. Use the money to fix roads like Ocean Street Extension which is disintegrating and has 6 organic farms as well as hundreds of residents. Fix the storm-damaged roads of our County. Forget the freeway at this time.

Jacquelyn K. Griffith
239 Calvin Place
Santa Cruz, CA 95060

From: charles paulden [mailto:yogacharles@yahoo.com]
Sent: Tuesday, November 29, 2011 10:40 PM
Subject: road repair funds

Please do not fund widening of the freeway over road repair.
The use of Smart Growth policies can reduce the demand for freeways.
The Soquel corridor from Dominican to 41st can provide housing and businesses that can be served without the need for individual cars.
Please redirect the funds to our urgent needs.
Thank you
Charles Paulden

From: joshua drews [mailto:joshuablue1@yahoo.com]
Sent: Wednesday, November 30, 2011 7:02 AM
Subject: How to spend state transportation funds

I am unable to attend tomorrow’s RTC meeting, but feel very strongly about this issue, and ask that you kindly pass these comments along to the voting board.

Many of our county roads are in horrendous shape. I know this personally because I live on one.
Ocean St. Ext. has not been repaved in decades, and is now falling apart at an alarming rate.
There are more than a dozen large, and growing potholes, within 50' of my curb cut.

The highway is wide enough. Maybe one day we will need to widen it, but there is much that we can do, as an environmentally-conscious community to make our existing highway resources meet our needs. Please, focus on our existing and embarrassingly deteriorated streets.

Sincerely,
Joshua Drews
2260 Ocean St. Ext. S.C. 95060

20-118
From: Eva Brunner <evashrunner@gmail.com>
Date: Wed, Nov 30, 2011 at 8:15 AM
Subject: Spending Priorities - Transportation

I am requesting that the RTC NOT prioritize spending of transportation monies on widening of Highway One.

I am a daily driver, but also ride my bike and walk for exercise and errands. Bicycling and walking safety is a priority. If it is important to this community to encourage alternatives to driving for health, to reduce traffic and to reduce green house gases, then it only makes sense to use the funds for these purposes.

My understanding is that at your Thursday meeting you will be deciding on spending funds for design and purchase of right of way for widening Highway 1. To actually build the project is estimated to cost $23 million, an amount that would consume the lion’s share of state and federal grants for years to come.

There are so many other priorities that need funding in this county that would benefit everyone and not just drivers, such as road repair, improving the rail trail corridor and improvements to make bicycling and walking trips safe and practical.

Eva Brunner,
Santa Cruz

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From: mike g [mailto:mike_n_cindy@hotmail.com]
Sent: Wednesday, November 30, 2011 9:06 AM
Subject: 12/1/2011 RTC Public Hearing

As an owner of a home off Ocean Street Extension in Santa Cruz County, I want to express my opinion that funds should be spent making storm damaged county roads safer to drive upon rather than widening highway 1. As I drive to and from my home on Ocean Street Extension, I have to make many unsafe lane shifts to avoid the growing and multiplying potholes. I don’t like to think about how much worst the potholes will be after another rainy season. I would appreciate your representation of my opinion during the meeting as I will be unable to attend.

Sincerely,
Mike Grall
From: Katherine Brooks [mailto:kathyzbrooks@sbcglobal.net]
Sent: Wednesday, November 30, 2011 10:43 AM
Subject: highway 1 widening

To whom it may concern: as a local resident, I would like to express my concern about potential plans to widen highway 1. Though I live in Aptos and getting to Santa Cruz is often slow on highway 1, I don't believe the solution is to add more lanes. The congestion will just catch up to the added lanes in a few years as I witnessed with 280 when it was first built and I lived over the hill. We need more public transportation and alternative ways to go back and forth.

Sincerely,
Katherine Brooks

From: Stanley Sokolow [mailto:stanleysokolow@gmail.com]
Sent: Wednesday, November 30, 2011 8:42 AM
Subject: No on Hwy 1 widening; Yes on surface roads and rail corridor development.

I oppose the further widening of Highway 1. Instead, the available funds should be spent on repairing surface roads that have suffered from deferred maintenance and on converting the rail corridor into a bus and bicycle freeway.

Alternatives to the petroleum-powered buses should be used on the rail-corridor conversion, with on- and off-connections to surface corridors so that riders can get close to their destinations. I'd favor buses over fixed-rail vehicles because they can be upgraded incrementally and more easily than trains as new technology comes up, such as hydrogen-fueled internal combustion engines and hydrogen-fuel-cell engines. The buses should have ample provisions for carrying bicycles, so that commuters can ride that final mile with their electric bicycles to their destinations. Fully-enclosed bike-like personal vehicles exist, known as velomobiles, which would allow people to get around fully protected from bad weather. If the rail corridor is maintained for trains, the trains should make ample provisions for personal vehicles such as bikes and velomobiles. Here's an example of an American-made electric-assisted velomobile: http://columbiacycleworks.com/. I work in Santa Cruz, Aptos, and Watsonville on various days. I'd use the rail corridor system if it would get me close enough to ride a bike to my work. I think a lot of health- and eco-minded people would too.

Don't waste the precious transit funds on "business as usual" freeway expansion. It will just move the congestion a little farther down the corridor and only encourage additional development that will quickly consume the additional capacity. I just came back from my Thanksgiving trip to my family in Los Angeles, where continuous freeway-widening projects have been the norm but haven't alleviated the congestion. In spite of a 12-lane wide freeway, the I-405 freeway is still slow going in commute hours. My freeway speed was 5 to 15 mph there in commute times. I could have gone faster on my bike. Don't think that widening Highway 1 will solve congestion here.

Stanley M. Sokolow, DDS
831-425-3589
Santa Cruz County resident
From: Thomas O'Leary [mailto:tomgoleary@yahoo.com]
Sent: Tuesday, November 29, 2011 10:07 AM
Subject: Highway 1 Widening

Hello,

My name is Tom O'Leary and I'm writing to express my opposition to the almost $3 million highway widening being proposed for Highway 1. This is money that could be spent on more efficient public transportation or bike paths, and it seems clear to me that car manufacturers and development companies would be the only entities benefiting significantly from such an unnecessary widening. Traffic certainly is a major environmental problem, but this is not the proper way to handle it: increased spending on community transportation and bike paths is.

Sincerely,
Tom O'Leary

From: Alex Yasbek [mailto:ayasbek@yahoo.com]
Sent: Wednesday, November 30, 2011 9:51 AM
Subject: Spending Priorities - No Highway 1 widening

Dear Board of Supervisors,

I am writing to request that funding for the widening of highway 1 between Soquel and 41st avenue be given the lowest possible priority. I am an avid cyclist and chose a lower paying job in Santa Cruz as opposed to a higher paying job over the hill so that I can commute by bicycle. I believe that funding the widening of highway 1 at the expense of not improving our local roads, many of which are desperately in need of repair, is simply wrong. Widening highway 1 places the priority on inefficient, single occupant cars as opposed to funding local, mixed use roads and public transportation.

An additional thought - is Santa Cruz's dire economic climate a result of the fact that talented individuals in our County can work over the hill? Perhaps the reason that there is so little industry in our County is because the local talent is working elsewhere?

Sincerely,

Alex Yasbek
400 34th Ave, Santa Cruz.
From: leon@cruzio.com [mailto:leon@cruzio.com]  
Sent: Wednesday, November 30, 2011 10:05 AM  
Subject: SCRTC Allocation

I urge the the Santa Cruz County Regional Transportation Commission to vote against the allocation of $4 million from state funds toward the continued widening of Highway 1. There are many county roads that are in dire need of repair. I drive to work on Branciforte Drive and Glen Canyon Road. There are two washouts on this route. Where will the money to repair these roads come from if all the funds are allocated to widening Highway 1? There are many other transportation issues that need to be addressed instead of widening Highway 1.

Leon Bumanglag  
323 Pacheco Ave  
Santa Cruz CA 95062

__________________________

**Note:** Staff provided the following information in response to Mr. Bumanglag. The Branciforte & Glen Canyon washouts are being funded by the Federal Highway Administration (FHWA) Emergency Relief program and not under consideration for funding from the RTC. According to County Public Works, the schedule for Branciforte construction is summer 2012; however, it will be dependent on the environmental review. Glen Canyon construction is scheduled for 2013.

__________________________

From: Jan Kampa [mailto:happykampas@cruzio.com]  
Sent: Wednesday, November 30, 2011 1:01 PM  
Subject: Highway Funding

To SCCRTC and all concerned:

Regarding the question whether to commit funds to continue Highway 1 widening or to repair existing roadways, my opinion is that we should fix what we have and start maintaining it in a responsible manner. To allow continued neglect of county thoroughfares after years of disrepair is unacceptable; to consider, instead, the expenditure of precious funds to widen a section roadway that’s congested twice a day Mon-thru-Fri is not in the best interest of the community at large.

The national and local economies continue to struggle, and data reveal that people are leaving California in increasing number. It’s no wonder when our Golden State is on its way to becoming a Third World country. Let’s fix our broken infrastructure and expand when—and if—we can afford to do so.

Regards,

Jan Kampa  
Soquel, California
From: Jack Nelson [mailto:nelson333@baymoon.com]
Sent: Wednesday, November 30, 2011 1:59 PM
To: Regional Transportation Commission
Subject: 2012 RTIP, December 1 decision point

Dear Commissioners:

I see that SCCRTC Commissioners who believe that additional widening plans for Highway 1 should proceed despite the high price, are now faced with a decision as to whether they will pursue this single-minded and unbalanced plan even if it means allowing many local road maintenance needs to spiral downward toward failed pavements and chronically unrepaired storm damage. I urge the Commission to face the economic reality that grand plans to turn Highway 1 into eight lanes are not economically feasible.

But the idea to widen Highway 1 as the way to address a problem of too many automobiles on one road, is also not environmentally sustainable, if we are to listen to what the climate scientists are saying about the urgent need to reduce greenhouse gas emissions around the globe.

There is also abundant evidence in the professional transportation literature, that adding lanes to presently congested freeways may only lead in not many years to a larger version of the same congestion problem, while the more environmentally sustainable alternatives go lacking for investment and attention.

Please act wisely, and think flexibly and creatively, with future generations in mind.

Sincerely,

Jack Nelson
127 Rathburn Way
Santa Cruz CA 95062
November 29, 2011

Commissioner Mark Stone
Santa Cruz County Regional Transportation Commission
1523 Pacific Avenue
Santa Cruz, CA 95060

Re: Santa Cruz County Business Council – Survey of Members Supporting the Continued Prioritization of Highway One by the Santa Cruz County Regional Transportation Commission

Dear Commissioner Stone,

The Santa Cruz County Business Council recently surveyed its members and other business people regarding the continued prioritization of Highway One in its transportation efforts.

The introductory text of our survey was as follows:

“The Santa Cruz County Regional Transportation Commission currently has prioritized Highway 1 HOV (High Occupancy Vehicle) lanes and other improvements (such as merge lanes, pedestrian bridges and improved on and off ramps) from the Fishhook to Larkin Valley Road. Currently the Commission is discussing the continued prioritization of this effort and will vote on such a priority list on December 1, 2011. The Santa Cruz County Business Council also places the improvement of Highway One as a priority for businesses and the efficient movement of goods, services, life safety and commuters. We would like to submit a list of companies that support this effort. Please indicate on this survey your company name and if you support the continued prioritization of improving Highway One. The list of supporting companies will be submitted in writing to the SCCRTC before December 1, 2011.”

The text of the question was as follows:

“Do you support the continued prioritization of the Santa Cruz County Regional Transportation Commission’s efforts to improve Highway One including implementation of HOV lanes, improved on and off ramps, and related pedestrian and bicycle improvements?”
The following companies and business organizations support the continued prioritization of Highway One by the Santa Cruz County Regional Transportation Commission.

Steve Allen
Jesse Nichol
Glenn Zimmerman
Carol Canaris
Carol Lezin
Norbert Relecker
Charles Maier
Brian Knecht
Michael J. Flynn
Franz Vaiarello
Don Barrett
Chris Mann
Michael Machado
Jim Ifland
Doug Kaplan
Kathleen Oliver-Schultz
Mickey Holzman
Tom Hart
David Heald
Bill Tysseling
Frank Nuciforo
Charles Canfield
Ted Burke
Sid Slatter
Robert Murphy

Allen Property Group
Santa Cruz County Association of Realtors
Barry Swenson Builder
BTF Enterprises
Cassidy Turley BT Commercial
Cassidy Turley BT Commercial
Chaminade Resort and Spa
The Crow’s Nest
Dominican Hospital
Flynn Financial and Insurance Service, Inc.
LPL Financial
Graniterock
Graniterock
Hutchinson and Bloodgood LLP
Ifland Engineers
Lomak Property Group
Oliver Property Management Group
Pajaro Dunes Resort
PAMF Santa Cruz
Santa Cruz County Bank
Santa Cruz Chamber of Commerce
Santa Cruz Community Credit Union
Santa Cruz Seaside Company
Shadowbrook Restaurant
Slatter Construction Inc.
Wells Fargo Insurance Services
We hope that you will consider the opinions of the business owners and manager of those listed here AND the jobs, wages and welfare of their employees when you convene on December 1, 2011 to prioritize transportation projects for the coming year.

Respectfully submitted,

[Signature]

Santa Cruz County Business Council
Gary Merrill, Executive Director

Cc: Commissioner Neal Coonerty
Commissioner Greg Caput
Commissioner John Leopold
Commissioner Ellen Pirie
Commissioner Mark Stone
Commissioner Eduardo Montesino
Commissioner Randy Johnson
Commissioner Kirby Nicol
Commissioner Dene Bustichi
Commissioner Don Lane
Commissioner Lynn Robinson
Commissioner Rich Krumholz
Commissioner Donald Hagen
Executive Director George Dondero
Senior Transportation Planner Rachel Marconi
Senior Transportation Planner Karena Pushnik
Senior Transportation Planner Kim Shultz
Administrative Services Officer Yesenia Parra
Santa Cruz County Regional
Transportation Commission
1523 Pacific Avenue
Santa Cruz, CA 95060

Dear Members of the Commission:

On December 1, 2011, this Commission is receiving a recommendation from our staff for our priorities for the 2012 State Transportation Improvement Program (STIP). Throughout the process of deciding on our priorities, we have heard much about the critical need for an increased level of investment in local streets and roads infrastructure, as well as the need to continue funding Highway 1 improvements. We face increasing infrastructure needs and decreasing funding sources.

At our last meeting, there was a great deal of discussion about our priorities as a Commission. We do not intend the recommendations in this letter to be a vehicle for revisiting that debate. Rather, we are proposing that Commissioners work together to address all the needs, as well as we possibly can, in as cooperative a way as possible.

As traditional revenue streams shrink and the backlog of critical projects continues to grow, it is imperative that we work together strategically and thoughtfully. It is clear we will need to plan for the longer term and recognize that our transportation needs are more likely to be solved through collaboration rather than through argument. There will never be enough money for all the transportation projects that need to be built and there will always have to be compromises.

We have come to a point in the Highway 1 project where we need to reconsider how we move forward. It has become clear that we cannot expect to have the funding to build a $500 million project. Instead, it seems more likely that we will only be able to do smaller pieces of that project in the future. Exactly when, where, and how we do those projects is something that we need to plan. We would hope that all Commissioners will support these efforts, which would be a compromise between those who support the full Highway 1 HOV project and those who oppose any improvements to Highway 1.
<table>
<thead>
<tr>
<th>Agency</th>
<th>Project Name</th>
<th>Description</th>
<th>Total Cost</th>
<th>STIP Funds Requested</th>
<th>Staff &amp; ITAC Recommendations</th>
<th>Safety?</th>
<th>Storm Damage</th>
<th>Alternative If only minimum allocated ($4.775M)</th>
<th>Alternative If target is allocated ($8.939M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCCRTC</td>
<td>Hwy 1 Soquel-41st Auxiliary Lanes and Chaniclear Bike/Ped Bridge: ROW/Design</td>
<td>Add aux lanes and bike/ped bridge - Design/ROW only</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
<td>Yes-merging</td>
<td>No</td>
<td>$0</td>
<td></td>
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<tr>
<td>SCCRTC</td>
<td>Planning, Programming &amp; Monitoring (PPM)</td>
<td>RTC tasks required to meet state and federally mandated planning and programming requirements, monitoring of programmed projects.</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$150,000</td>
<td>No</td>
<td>No</td>
<td>$100,000</td>
<td>$300,000</td>
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<tr>
<td>City of Capitola</td>
<td>Bay Ave/Capitola Ave Roundabout</td>
<td>Construct roundabout.</td>
<td>$510,000</td>
<td>$200,000</td>
<td>$0</td>
<td>Yes-ped/vehicle conflict</td>
<td>No</td>
<td>$0</td>
<td>$200,000</td>
</tr>
<tr>
<td>City of Capitola</td>
<td>Park Ave Sidewalks</td>
<td>Add sidewalks from Cliffwood Heights neighborhood to Capitola Village, add crosswalks at Cabrillo and Washburn.</td>
<td>$430,000</td>
<td>$200,000</td>
<td>$200,000</td>
<td>Yes-Ped</td>
<td>No</td>
<td>$200,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>City of Santa Cruz</td>
<td>Branciforte Creek Bike/Ped Bridge</td>
<td>Build bridge to connect San Lorenzo Park Multi-use trail and levee trail near Soquel Dr.</td>
<td>$2,400,000</td>
<td>$1,000,000</td>
<td>$0</td>
<td>Yes-bike/ped</td>
<td>No</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>City of Santa Cruz</td>
<td>Soquel/Park Way Intersection Improvements</td>
<td>Install protected left turn lanes and signal</td>
<td>$900,000</td>
<td>$500,000</td>
<td>$450,000</td>
<td>Yes</td>
<td>No</td>
<td>$450,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>City of Santa Cruz</td>
<td>State Route 1 San Lorenzo River Bridge Widening: Design only</td>
<td>Widen bridge to add travel lanes.</td>
<td>$1,500,000</td>
<td>$1,000,000</td>
<td>$0</td>
<td>Yes</td>
<td>No</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>City of Santa Cruz</td>
<td>State Routes 1/9 Intersection Improvements</td>
<td>Intersection modifications including new turn lanes, bike lanes/shoulders.</td>
<td>$5,800,000</td>
<td>$1,000,000</td>
<td>$850,000</td>
<td>Yes-bike</td>
<td>No</td>
<td>$850,000</td>
<td>$1,000,000</td>
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<tr>
<td>City of Scotts Valley</td>
<td>Vine Hill School Road and Tabor Drive Transportation Improvement Project</td>
<td>Add sidewalk, curb/gutter, bike lanes, 6’ pavement widening, ADA-Accessible Ramps</td>
<td>$500,000</td>
<td>$450,000</td>
<td>$400,000</td>
<td>No</td>
<td>$375,000</td>
<td>$450,000</td>
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<tr>
<td>City of Watsonville</td>
<td>Airport Boulevard Improvements</td>
<td>Includes road widening to accommodate extension of bicycle lane and portion of travel lane, Installation of bus pull out, and installation of new sidewalk and curb ramps. East of Freedom Boulevard to County line.</td>
<td>$1,500,000</td>
<td>$1,500,000</td>
<td>$850,000</td>
<td>Access to transit &amp; s</td>
<td>No</td>
<td>$850,000</td>
<td>$1,500,000</td>
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<tr>
<td>County of SC</td>
<td>Alba Rd PM 3.48 Storm Damage Repair Project</td>
<td>Repair 50 ft. slipout to reopen roadway to 2-way traffic.</td>
<td>$485,000</td>
<td>$485,000</td>
<td>$0</td>
<td>Yes-reopen road</td>
<td>Yes</td>
<td>$0</td>
<td>$485,000</td>
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<tr>
<td>County of SC</td>
<td>Glenwood Drive PM 2.02 Storm Damage Repair</td>
<td>Repair 100 ft. slipout to reopen roadway to 2-way traffic.</td>
<td>$600,000</td>
<td>$600,000</td>
<td>$0</td>
<td>Yes-reopen road</td>
<td>Yes</td>
<td>$0</td>
<td>$400,000</td>
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<tr>
<td>County of SC</td>
<td>Green Valley Rd PM 0.69 Storm Damage Repair</td>
<td>Repair 20 ft. section where roadway and shoulder distorted or destroyed around culvert.</td>
<td>$329,000</td>
<td>$329,000</td>
<td>$0</td>
<td>Yes</td>
<td>No</td>
<td>$0</td>
<td>$329,000</td>
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<tr>
<td>County of SC</td>
<td>Nelson Rd PM 2.0 Storm Damage Repair</td>
<td>Build permanent bypass road around 350 ft. debris that has closed road.</td>
<td>$1,500,000</td>
<td>$1,500,000</td>
<td>$3,189,000</td>
<td>Yes</td>
<td>Yes-reopen road</td>
<td>$1,100,000</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>County of SC</td>
<td>North-Rodeo Guich Rd PM 4.75 Storm Damage Repair</td>
<td>Repair 75 ft. slipout to reopen roadway to 2-way traffic.</td>
<td>$650,000</td>
<td>$650,000</td>
<td>$0</td>
<td>Yes-reopen road</td>
<td>Yes</td>
<td>$0</td>
<td>$650,000</td>
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<tr>
<td>County of SC</td>
<td>Redwood Lodge Rd PM 1.65 Storm Damage Repair</td>
<td>Repair 80 ft. slipout/plump to reopen roadway to traffic.</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$850,000</td>
<td>Yes</td>
<td>Yes-reopen road</td>
<td>$850,000</td>
<td>$875,000</td>
</tr>
<tr>
<td>County of SC</td>
<td>Vienna Dr at Mesa Dr Storm Damage Repair</td>
<td>Repair 60 ft. slipout and sidewalk.</td>
<td>$550,000</td>
<td>$550,000</td>
<td>$0</td>
<td>Yes-Ped</td>
<td>Yes</td>
<td>$0</td>
<td>$550,000</td>
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<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>$22,954,000</td>
<td>$15,264,000</td>
<td>$8,939,000</td>
<td></td>
<td></td>
<td>$4,775,000</td>
<td>$8,939,000</td>
</tr>
</tbody>
</table>
November 22, 2011

Santa Cruz County Regional Transportation Commission
1523 Pacific Avenue
Santa Cruz, CA 95060

Dear Members of the Commission:

On November 8, 2011, the Board of Supervisors received an update on the pavement condition of the County's road system. As reported at that time, the County's overall pavement condition index (PCI) is 49 out of 100, and our roads are considered to be in poor condition. While Public Works has continued to budget its available Federal and State funding on maintaining the County's arterial and major collector roadways (which currently have a PCI of 71), it has become increasingly more difficult to find the extra funds necessary to resurface the County's rural roads, residential streets, and minor collectors (outside of filling potholes and other repair work, etc.).

In 2007 the County’s consultant, Nichols Consulting Engineers, estimated that the deferred maintenance on County roads had reached more than $90 million. However, based on their current update, over the past four years this deferred maintenance has grown to $112 million and will continue to grow to $195 million (in 2011 dollars) over the next four years. This estimate is based on existing budgetary conditions and revenue streams.

The County is interested in polling residents of the unincorporated area to investigate the level of voter support for an increase in taxes or other funding to undertake much-needed road repairs. We are aware that the SCCRTC is considering similar action to gauge the willingness of local residents to contribute toward road improvements.

As you are aware, the County is responsible for maintaining 600 miles of roadways in the unincorporated area. As has been clearly demonstrated, it is much more cost effective to undertake regular maintenance as opposed to completely rebuilding a road. However, in allocating STIP funds, the California Transportation Commission has been clear that they are more interested in funding repairs to State highways rather than local...
November 22, 2011
Page 2

roads. On the other hand, they have indicated that they tend to look more favorably on requests for STIP funding if the Regional Transportation Planning Agency’s stated top priority matches their request for funds. As our area’s Regional Transportation Planning Agency, the RTC’s identified top priority can potentially have a significant impact in terms of how successful we are in getting STIP funds to pay for improvements to local roads.

It is critically important for the County—which is the largest stakeholder in terms of road maintenance and repairs—to receive STIP funds to help support our local road system. County residents have clearly stated that their most important transportation issues are the condition of the road in front of their house and the speed of traffic in their neighborhood. Repairing local roads has a far-reaching impact. We must do a better job of keeping our arterials and major collector roadways in better shape.

Therefore, I am writing at the direction of the Board of Supervisors to urge that the RTC change their priority for STIP funds from Highway 1 to local roads. If the County and the RTC are looking at going out to the public and asking them to fund road improvements, we believe that road repair should be the number one priority for the use of those funds. As the RTC is crafting their next Regional Transportation Plan, this seems to be the ideal time for the RTC to make local roads their first and highest priority. In turn, this action could make more funds available from the CTC and validate to the community that both the County and the RTC believe that repair of our local roads is the top priority.

Sincerely,

MARK W. STONE, Chairperson
Board of Supervisors

MWS:ted

cc: Clerk of the Board

1486A6

RECEIVED
Mar. 9, 2011
SCEKTC
Santa Cruz County Regional Transportation Commission

2011 Budget and Legislative Report: Highlights and Challenges

JEA & Associates
770 L Street, Suite 1030
Sacramento, CA 95814
jeaandassoc@aol.com

Schnaidt & Associates
2817 Land Park Drive
Sacramento, CA 95818
sschnaidt@shcglobal.net
Santa Cruz County
Regional Transportation Commission

2011 Budget and Legislative Report:
Highlights and Challenges

Introduction and Overview

This first year of the 2011-12 Legislative Session could be characterized by several firsts: A new Governor serving his third term; the power for the majority party to pass a budget by a majority rather than two-thirds vote; a sitting Governor addressing the Budget Conference Committee in person and making the case for his proposals; an on-time and ostensibly balanced budget; and what many claimed were assaults by the Legislature and the Governor on local governments generally and redevelopment in particular. The media revelations last year of abuses in the City of Bell and a handful of redevelopment agencies led to dozens of “reform” measures aimed not only at cities and counties but special districts. How locals ran their organizations became the Legislature’s full-time business.

Many of the issues facing the state—local government finance, the transparency and accountability of their operations and ultimately their relationship to the state; unemployment; education; transportation and housing; water; crime; prisons; and the state’s implementation of health care reform in 2014—all received some attention but the state budget continued to grab center stage. Despite growing calls for reform of the state budget process, public employee pensions, and the acute need for job and economic development, only small, incremental changes were made this year.

Throughout this challenging year, John Arriaga and Steve Schnaidt remained strategically positioned and responsive to legislative, regulatory or electoral policies and activities that might impact client interests. By staying in frequent contact, providing a steady stream of relevant and timely Capitol-related news, and responding to the needs of our clients, we were able to advance and defend those interests. This report provides the Santa Cruz County Regional Transportation Commission with the budget and legislative highlights of 2011, describes what we did to protect and further SCCRTC’s interests, and looks ahead at what to expect in the second half of the 2011-12 Session which begins January 4, 2012.
The 2010-11 Budget: Highlights and Challenges

The State faced an enormous $26.6 billion deficit when Governor Jerry Brown rolled out his January 10, 2011 budget. To address the problem, the Governor proposed a mix of cuts to many programs, the outright elimination of others including redevelopment, and the extension of sales, income and vehicle tax rates set to expire June 30, 2011. He also proposed a “vast and historic” realignment of state-local programs, to be phased in starting with public safety and some social service programs. In March, Democrats made nearly $14 billion in cuts, hoping that Republicans would do their part and agree to the tax extensions.

By the time of the May Budget Revise, negotiations with Republicans were strained and the deadline to get a measure on the November 2011 ballot to extend the expiring taxes and lock in funding for counties for realignment was, in practical terms, past. With little hope of getting a two-thirds vote to implement the Governor’s proposals, Democrats passed a majority-vote budget that restored a number of the proposed cuts to health and social services, relied on borrowing from bond funds and made some very rosy revenue assumptions.

The Governor vetoed that budget and for the next two weeks, legislators went without pay while cobbling together a budget that would address the remaining $9.6 billion needed to balance expenditures and revenues. Democrats solved the problem with a grab bag of changes. Those included: a $4 billion optimistic revenue projection backed by $2.5 billion in "trigger" cuts; nearly $3 billion in delayed payments to schools; a $1.7 billion restructuring of redevelopment agencies; additional cuts to higher education and courts; and fee increases on rural homeowners and drivers. Finally, on June 30 Governor Brown signed one of the first on-time budgets in many years, one that had made serious inroads to the state’s chronic and still lingering structural deficits.

Here is a summary of the 2011-12 Budget Highlights:

- The 2011–12 budget was enacted on time and with no Republican votes.
  On June 28, the Legislature passed a budget and the Governor signed it on June 30, before the fiscal year began on July 1. The budget spends $129.5 billion, including $85.9 billion from the state’s General Fund—a decrease of 6.1% from 2010 –11. This was the first budget enacted since voters approved Proposition 25 (2010), which lowers the threshold required to pass a budget that excludes tax increases from two-thirds to a simple majority. The Democrats, who have a majority in both houses, passed the budget without Republican support.

- The budget was "balanced" with a mixture of spending cuts and higher revenues.
  In January, Governor Brown proposed closing the 18-month $26.6 billion budget gap with equal parts spending cuts and revenue increases (primarily from extending temporary tax increases). The Legislature did not approve the tax extensions, so much of the budget gap was closed by higher estimated, mostly unanticipated, revenues. Given that 2010–11 tax receipts were $6.6 billion higher than expected, the budget assumed another $1.2 billion would be collected in the final months of 2010–11 and that in 2011–12 the state will collect $4 billion in tax revenue above and beyond what was previously forecasted. In March, the Governor signed $11 billion in spending cuts and other measures adopted by the Legislature, including large reductions to health and human services programs ($4.5 billion) and higher education ($1.2 billion). The final enacted budget imposed
additional cuts, including $1.7 billion to redevelopment agencies, $500 million to Medi-Cal, $150 million to each of the state university systems, and $150 million to state courts. Some earlier cuts to in-home supportive services and child care for welfare recipients were partially restored. Almost $3 billion of the budget gap was resolved through borrowing and transfers from special funds, as well as other measures.

• **If revenues do not materialize, there will be additional, “trigger” cuts.**
  If the projected revenues do not materialize, the state will impose additional cuts. The plan includes two tiers of cuts: one tier for a shortfall of more than $1 billion and a second tier for a shortfall of more than $2 billion. K–12 education would face the largest reduction ($1.8 billion); to help school districts absorb this reduction, the state would lower the minimum required days of instruction another 7 days (on top of a 5 day reduction that took effect in 2009) to 168 days.

• **The budget package increases fees but not taxes.**
  The Legislature rejected the Governor’s proposal to extend the temporary increases of personal income, sales, and vehicles taxes for five years, subject to voter approval. The last of these increases expired July 1. The Governor plans to put tax increases on the 2012 ballot aimed at reducing the state’s future budget gaps and outstanding debt. However, the budget includes several revenue-producing measures: a $12 increase to the vehicle registration fee ($300 million), an extension of a hospital fee ($210 million), the collection of sales taxes on out-of-state online purchases ($200 million), the elimination of a child care tax credit ($75 million), and a new $150 fire fee on rural homeowners ($50 million).

• **Realignment proceeds even without extended tax increases.**
  In March, the Legislature adopted the Governor’s proposal to shift nearly 40,000 inmates from state prison to local jails, pending a dedicated source of funding. This shift would satisfy a court order (recently upheld by the U.S. Supreme Court) to reduce California’s state prison population. To pay for this realignment, Governor Brown planned to use a portion of the increased vehicle license fee (VLF) and sales tax revenue. Since those increases were not extended, the state will now direct a portion of the existing state sales tax (1.0625 of 7.25 percent; $5.1 billion) and VLF ($453 million) to local governments for local programs, including jail costs, mental health, and child welfare services.

• **As of the end of October, General Fund revenues still behind budget estimates by $1.5 billion.**
  In November State Controller John Chiang released the state’s October cash report showing revenues came in $810.5 million below projections from the recently passed state budget, for a cumulative revenue deficit of $1.5 billion for the 2011-12 Fiscal Year (FY). Expenditures for the FY exceeded projections by $1.7 billion, producing a $3.2 billion revenue-expenditure gap to date.

• **State Treasurer warns of growing debt service costs.**
  In a report issued at the end of September, Treasurer Bill Lockyer warned the Governor and Legislature that the state will devote 7.8 percent of its budget to paying off debt this fiscal year. In 2003-04 the state devoted only 3.4 percent of the General Fund to debt service. State General Fund revenues have dropped from $105.3 billion in 2006-07 to an estimated $87.2 billion in 2011-12. Borrowing cost the state $2.5 billion in 2003-04; this year, it will cost $6.8 billion. Lockyer
attributed the rise in debt service in part to the June 30 expiration of temporary tax hikes and a shift of sales taxes to local governments, both of which will reduce the amount of money available to the General Fund this fiscal year. The state’s debt ratio will actually rise higher in 2013-14 to 9.2 percent even without any new borrowing due to the fact that the state must pay back $1.9 billion next year that it borrowed to balance the budget in 2009.

- **Transportation continued its relief of the General Fund; other major actions.**
  Combined with prior-year budget measures, new budget mechanisms and actions provided a transportation-sourced General Fund "solution" of $2.1 billion, including the use of truck weight fees for bond debt service and loans, the deferral of a General Fund loan repayment and redirection of transportation’s tribal gaming funds to the General Fund.

  The Legislature approved the re-enactment of the 2010 fuel tax swap (reduced sales tax and increased excise tax on gasoline) to conform to Proposition 26's two-thirds vote requirement and Proposition 22. Some transit funds also were shifted to maintain a portion of the swap.

  The Governor vetoed $6.4 million and 50 positions associated with Caltrans' workload on Project Initiation Documents (PIDs) added by the Legislature for locally-funded highway projects. The Governor also vetoed a $234 million augmentation of Proposition 1A (high-speed rail funds) for local rail projects.

  Proposition 1B appropriations totaled $3.8 billion for the corridor mobility, trade corridor, Route 99, state-local partnership, intercity rail, SHOPP, and local bridge seismic retrofit programs.
2011 Legislative Session: Highlights and Challenges:

The following is a summary of the highlights of the 2011 Legislative Session. It is intended as a series of chronological snapshots, with key events as they unfolded from the trenches at the Capitol:

- **January 3** – Governor Edmund G. “Jerry” Brown, Jr. is sworn into office for his third term and vows to be guided by three principles:
  - “Speak the truth. No more smoke and mirrors on the budget.”
  - “No new taxes unless the people vote for them.”
  - “Return—as much as possible—decisions and authority to cities, counties and schools, bring government closer to the people.”

- **January 10** – Governor releases his $127.4 billion spending plan which includes:
  - Deep cuts to education and health and human services programs
  - “A vast and historic” realignment of public safety and health and human services programs to the counties
  - The total elimination of redevelopment agencies (as a way around Proposition 22 -- limits on borrowing transportation, local and redevelopment funds ) with authority for “successor agencies” under new fiscal and transparency constraints
  - A ballot measure that would put the question to voters of whether to extend current temporary tax rates on sales, income and vehicles for five years and a constitutional amendment to guarantee funding for the state-county realignment

- **January 31** – Governor gives an 18-minute “State of the State” and the Legislature kicks off 20 policy and budget subcommittee hearings in one week. The Governor calls on the Legislature to find bi-partisan solutions, to approve his “half cuts, half tax extensions” budget and to do so on time.

- **February - March** – Accelerated budget hearings are held in an effort to meet the Governor’s self-imposed March 10 deadline to put the tax extension question to the voters on the June 2012 ballot. Five Republican senators emerge as the “Reform Five,” all willing to buck their party to continue extended talks with the Governor over how best to balance the budget. Signaling that he is “very close” to an agreement, Brown asks for more time; the Legislature votes to approve $14 billion in cuts to show good faith on their part. By end of March, Governors signs $11.2 billion in cuts to the budget but says, “We’re only half-way there.” Discussions with the Reform Five are expanded to include Republican leaders.

- **March - May** – Saying he is “nearly there,” budget discussions continue until late Friday, March 24, but Senate Republicans issue a statement and a list of over 53 demands—“everything but a pony” as Senate President pro Tem Darrell Steinberg (D-Sacramento) comments later—that would need to be addressed if Republicans agree to vote to put the remaining four pieces of the Governor’s budget proposal on a June ballot.

Blasting back with a letter to Senate Minority Leader Bob Dutton, Brown expresses his surprise at the long list of demands, “many of which are new and have no relationship whatsoever to the budget,” he writes. Noting that discussions to that point have focused on pensions, regulatory reform and a spending cap, the Governor asks Dutton if he is prepared to refocus discussions back to those topics and not the 53 demands.
Over the long March holiday (Cesar Chavez Day) weekend, talks apparently sputter and on the following Tuesday, a frustrated Governor calls an end to budget talks, saying in a video statement uploaded to YouTube, “I'm going to explore every possible avenue. There's more than one way to get to the goal and over the next several weeks and months I'm going to find a way to get our budget balanced.”

Four key pieces of legislation remain to be acted on if the Governor and legislative Democrats’ Plan A is to go forward, albeit on a different schedule:

- SB 77/AB 101 – eliminates redevelopment agencies
- SB 79/AB103 – eliminates enterprise zones and establishes mandatory single sales factor apportionment
- SB 83/AB 107 – calls a special election (the June ballot date is now in question)
- SCA X1 1/ACA x12 – extends for five years higher rates for sales, income and vehicle taxes set to expire June 30, 2011, and implements a constitutionally-guaranteed framework and funding for state-county realignment of public safety programs.

The Democrats’ Plan A Budget strategy now includes the following possibilities:

- The Legislature proceeding with a majority vote to put taxes on the ballot, not the Governor’s preferred route since he promised voters he would give them the say-so on taxes. This legally questionable move would be challenged in court, slowing matters further and building acrimony.
- An all-cuts budget. Legislative Democrats have approved $12.4 billion in cuts but another $14 billion remains to be addressed either with cuts or new revenues for the 15-month budget to balance.
- Keep working to get two Republicans in each house to vote for tax extensions directly, not put it to a June or November ballot. The deadline to pass a budget is June 15; the tax extensions expire June 30.
- A “gimmicks” budget, one that includes cuts, fund shifts and borrowing, something the Governor has refused to do because it will not get at the structural—and therefore chronic—deficits.

Adding to the pressure have been the threatened actions of the stakeholder groups on both sides of the budget conundrum—the unions and Democrats vs. business interests and Republicans—to either “take the other side out in the next elections,” put a tax-the-rich initiative, or versions of the Republicans’ 53 demands on the November ballot. With budget talks now consisting of competing press releases, the Governor announces that he is going to take his case for more taxes directly to the people by barnstorming the state.

- **May Revise** – Governor says we must address “Wall of Debt” and releases a modified version of his January budget but redevelopment and enterprise zones are still in the crosshairs. Deflated but not defeated, legislative Democrats gear up again for intensive budget hearings on the revised proposals. The Legislative Analyst’s Office weighs in with generally encouraging remarks, saying the “Governor is on the right track.” The LAO cautions, however, that revenue projections might be too rosy.
• June 8 – The deadline to move bills from house of origin to the other house arrives and hundreds of bills are pushed through while still hundreds more languish in policy or fiscal committees as “two-year” measures. The State Controller warns the Legislature that if they fail to pass the budget by June 15, the constitutional deadline, he will not pay them per the recently voter approved provisions of Proposition 25 (majority vote budget, pay forfeiture for every day late).

• June 15 – With Republicans still refusing to vote for tax extensions or increases, Democrats pass “an on-time but imperfect” budget and send it to the Governor. On June 16, he vetoes it saying despite the deep cuts, “it doesn’t go far enough,” because of its reliance on billions in borrowing, too-rosy assumptions about revenues and an unwillingness to make any further cuts. On June 21 the Controller rules that he cannot pay legislators until a balanced budget is passed and signed. The clock is running out for Plan A (ballot measure).

• July 1 – A budget, at last: Despite it taking three tries to get over the humps—a series of budget trailer bills in February, a majority vote budget that was passed on June 15 but soon vetoed, and finally the June 28 passage of a majority-vote, slimmed down and ostensibly gimmick-free budget, the state now has a spending plan in place, just in time to start the new fiscal year. State Treasurer Bill Lockyer declares the budget is “financeable.” In a low-key, non-ceremony with only Assembly Speaker John A. Pérez and Senate President pro Tem Darrell Steinberg looking on, Governor Brown signs the 2011-12 California State Budget.

• July 15 – August 14 – Initiating another traditional action, though the first in a long, long time, the Legislature takes its scheduled month-long Summer Recess. In the meantime in Washington, D.C., on August 2 the Congress agrees to make $1 trillion in cuts over 10 years as part of a debt ceiling agreement and creates the Joint Select Committee on Deficit Reduction to identify an additional $1.5 trillion in deficit reduction. California’s budget, which includes $85.9 billion in General Fund revenue; $34.2 billion in mostly fee-based special funds; $9.4 billion in bond money; and $79.2 billion in federal support, starts to look shakier than ever.

• August 15 – Throughout the first half of 2011, the California Citizens Commission on Redistricting works diligently (and controversially) on redrawing the boundaries of California’s State Senate, Assembly, Board of Equalization and Congressional districts. Finally, on August 15 the Commission approves the redrawn maps. Several lawsuits and referenda are filed. The courts refuse to take the cases and several attempts to raise money and secure signatures for referenda run out of gas. One referendum remains viable. Funded by the state Republican Party, proponents gather over 700,000 signatures to qualify a measure for the November 2012 ballot with the goal to overturn the Senate district maps. Republicans seek to temper the threat of Democrats reaching a two-thirds majority in the upper house in the next election.

• August 14 to September 9 – The Legislature goes into full-frenzy mode, holding policy and fiscal committee hearings to meet the September 9 deadline to get bills to the Governor before the 2011 Session ends. Local government advocates, especially cities and redevelopment agencies, find themselves fighting public employee unions, last-minute bill gut-and-amends, and in the state Supreme Court trying valiantly to overturn those provisions of the budget that have eliminated redevelopment agencies and allowing for successor agencies who agree to pay for the privilege of staying in business.

• September 9 – October 9 – On October 9, Governor Jerry Brown wraps up the 2011 legislative session with his final action on the hundreds of bills sent to him in September.
Despite Brown's threat for a veto-heavy "bumpy ride," the Governor signs 745 bills and vetoes only 125 bills this year.

- **October 10 – December 31** – Legislature is in Interim Recess, holding various policy and oversight hearings in their districts and throughout the state. Non-urgency bills passed in 2011 will become effective January 1, 2012. Some Republican legislators have called on the Governor to call a special session to address his 12-point pension reform plan; depending on the state's revenue outlook and the likelihood of having to pull budget "triggers," the Governor may call a special session to deal with the budget.

- **January 4, 2012** – Legislature to reconvene and begin the second year of the 2011-12 Session.

- **January 10, 2012** – Governor required to submit his 2012-13 budget to the Legislature. Expect to see projected deficits and proposed cuts and calls to put revenue increases on the November 2012 ballot.
Advancing and Defending Our Clients' Interests in 2011

John Arriaga and Steve Schnaidt have proudly represented the Santa Cruz County Regional Transportation Commission and its interests before the California Legislature, the Administration and various regulatory bodies for the last several years. You have expected and received proactive intelligence reporting; in-depth review and reports on the Governor’s Budget and related legislation; developed strong, strategic and effective relationships with advocacy organizations and coalitions, key members of the Administration as well as key policy and decision makers in the Legislature.

Each year, John and Steve work closely with SCCRTC to help frame your legislative priorities and then allocate our resources to advance and defend those priorities. Through a weekly-updated legislative bill track, we help SCCRTC to keep its finger on the legislative pulse and give critical feedback and reporting on developments as they happen. In addition, JEA & Associates’ Capitol Weekly Report provides timely stories and analyses on legislation, budget plays, names in the news and any critical developments of interest.

Throughout this year’s legislative session, we closely tracked and monitored 65 measures, drafted position letters as needed (see SCCRTC 2011 Final Bill Track), attended legislative hearings and associated meetings and advocated on SCCRTC's behalf. Despite the many fiscal, policy and political challenges of 2011, we are proud to have helped SCCRTC to understand and navigate the legislative and budget processes. In those cases where specific issues or legislation loomed large on your agenda, we did our utmost to meet your expectations and achieve your goals:

Early in 2011 SCCRTC achieved a major milestone many years in the making when the CTC voted to allocate $14.2 million in Proposition 116 (1990) bond funds for the RTC's Santa Cruz Branch Line Rail Acquisition. John and Steve supported the endeavor in working closely with commission members and staff and the greater Santa Cruz community over several years to develop a strategy and undertake efforts to inform the CTC's own staff and commissioners on the rail project's details and merits. The consulting team worked painstakingly to articulate the RTC's long-standing proposal for state funds and its work in support of the funds' approval and allocation. The successful team effort culminated in the CTC's vote to allocate the funds in January. Once the federal Surface Transportation Board concludes its project review and approval, RTC and the Santa Cruz region can complete the formal acquisition and move the project to its next phase.

Throughout the year the consulting team has worked closely with SCCRTC Executive Director Dondero and his staff on the commission's legislative and Capitol transportation agenda. The team has maintained close contact with commission staff and representatives through regular meetings, conference calls, email and other communications in order to effectively represent the commission's interests and help further its operations.

Significant in this respect was the consulting team's work to successfully identify the provisions and intent of SB 468 (Kehoe; transportation projects in coastal zones) and determine its likely effects on commission operations and projects. It was clear that the legislation was overkill, too broad and would stymie SCCRTC's ability to address traffic congestion, safety and mobility issues in the region. The team coordinated meetings and discourse among the author, Capitol staff and SCCRTC representatives
to better understand the bill's impacts and the author's willingness to make changes, and then assisted SCCRTC staff in developing and delivering amendments and requested changes to address the commission's concerns. Ultimately, the author chose to narrow the bill to address only the San Diego north coast area, excluding other coastal communities and their transportation programs from the measure's reach.

JEA & Associates and Schnaidt & Associates quickly defended the commission's interests when SB 791 (Steinberg; regional congestion reduction charges) abruptly appeared at the end of the 2011 session in a form that would have excluded SCCRTC and similar transportation agencies from provisions authorizing local transportation agencies to raise local funds to implement regional congestion reduction programs and projects.

The team, working with SCCRTC staff, developed corrective amendments to bring the commission and like agencies into the bill and met with Senate leadership staff to explain the legislation's deficiencies and press the commission's case for inclusion and language changes. This measure, too, ultimately was withdrawn for consideration this year but will be taken up again in 2012. The consulting team continues to monitor the bill's developments and engage the author and staff in discussions to protect and advance SCCRTC's interests in the subject.

During the 2011 legislative year the team appeared as needed before legislative policy and budget committees to explain and articulate the commission's positions or concerns about particular bills, items and actions proposed in the budget and issues or funding requests before regulatory bodies. Whenever possible, the team arranged to have commission representatives join in direct meetings with Capitol and agency staff to help further successful working relationships and lay the foundation for future consultation and sensitivity to the region's transportation programs, operations and needs.
2011-12 Legislative Session: What's Ahead?

- **Budget Deficits, “Trigger” Cuts, Law Suits Could Unravel Budget**
  One of the biggest issues that the state will face next year and for some time to come is the precarious and shrinking nature of the state and federal budgets. The state still has a structural deficit of around $10 billion annually, and depending on revenues and job development, it could improve or worsen. Of immediate concern is the potential for state budget “trigger cuts” in the event estimated revenues fall below projections.

  On November 10 State Controller John Chiang released his monthly report covering California’s cash balance, receipts and disbursements in October, showing revenues came in $810.5 million below projections from the recently passed state budget. After accounting for the October revenues, total year-to-date General Fund revenues are now behind the budget’s estimates by $1.5 billion. The State ended last fiscal year with a cash deficit of $8.2 billion. The combined current year cash deficit stands at $20.3 billion. Those deficits are being covered with $14.9 billion of internal borrowing (temporary loans from special funds) and $5.4 billion of external borrowing.

  In November, the Legislative Analyst’s Office produced a new forecast of revenue for the 2011-12 fiscal year based on updated economic and cash data, concluding that revenue was $3.7 billion below assumed levels for the current FY. In December the Department of Finance will consider the Analyst’s findings and issue its own revenue forecast; these forecasts will determine whether the trigger budget reductions will be implemented and how.

  The trigger plan includes two tiers of cuts: one tier for a shortfall of more than $1 billion and a second tier for a shortfall of more than $2 billion. K-12 education would face the largest reduction ($1.8 billion); to help school districts absorb this reduction, the state would lower the minimum required days of instruction another 7 days (on top of a 5 day reduction that took effect in 2009) to 168 days.

  In addition to lower-than-expected revenues, a number of lawsuits threaten to unravel the budget even further:

  - **Redevelopment in play:** The League of Cities and the California Redevelopment Association have a suit pending in the California Supreme Court charging that the Governor’s actions to eliminate redevelopment agencies and take $1.7 billion were unconstitutional.
  - **Schools sue for more money:** The California School Boards Association, the Association of California School Administrators and three school districts claim the budget shortchanges schools by $2.1 billion.
  - **Advocates for the disabled sue for non-compliance with federal law:** The Arc of California and the United Cerebral Palsy Association of San Diego have filed suit arguing that the state did not receive appropriate federal approval to make $91 million in cuts to services to the disabled.
  - **Cities want their piece of the VLF restored:** The League of California Cities has filed a lawsuit challenging a shift of $130 million in vehicle license fee (VLF) money from cities to counties to pay for realignment.
• Public Employee Pension Reform
On October 27, Governor Brown finally rolled out his long-awaited public pension reform plan. The 12-point plan, which is certain to be challenged by public employee unions, Democratic and some Republican legislators would, among other things, ask voters to substantially increase the age at which future state and local government employees could retire with full benefits and place them in riskier retirement plans than those for current workers. The Governor said he wants his proposals to go before voters on the November 2012 ballot. A summary of the plan:

1. Equal sharing of pension costs - transition to 50%/50% sharing of employer/employee contributions (current and new employees)
2. "Hybrid" risk-sharing pension plan - pension, social security and 401(k) combination targeted at 75% of final comp (new employees)
3. Increase retirement ages to 67 and something in between 50 and 67 for public safety employees (new employees)
4. Require a three-year final compensation factor to stop pension spiking (new employees)
5. Calculate benefits based on regular, recurring pay to stop spiking - only normal rate of base (new employees)
6. Limit post-retirement employment - limit all employees to 960 hours of post-retirement employment (current and new employees)
7. Felons forfeit pension benefits for acts during official duties (all employees)
8. Prohibit retroactive pension increases - prohibit the change of retirement formula for previously served years (all employees)
9. Prohibit pension holidays - prohibit retirement boards from suspending employer and/or employee contributions in good years (all employees)
10. Prohibit purchases of additional service credit (all employees)
11. Increase pension board independence and expertise by adding two independent members of the public
12. Reduce retiree health care costs - require state employees to work 15 years (rather than 5) to begin to earn retiree health benefits, and require 25 years of service before maximum state contribution. Encourage local governments to adopt similar provisions (new employees)

Pension reform, no matter what form it takes, will be one of the Capitol’s hottest topics in 2012, with major implications for state and local government budgets and employee relations.

• June and November 2012 Ballot Initiatives
In the early hours of the morning, just past the September 9 deadline for legislative action for the year, the Legislature approved SB 202 (Hancock; ballot placement). The bill had been gutted-and-amended the day before and swept through the process, in 24 hours with little public scrutiny. Governor Brown signed the bill on October 7. It shifts all ballot measures that have qualified after July 1, 2011 from the June 2012 election to the November 2012 ballot. Included in those measures to be shifted was the controversial June vote for California’s “rainy day fund” that was part of last year’s budget compromise.

Two remaining measures would stay on the June 2012 ballot, having qualified last year: The first would adjust current term limits for legislators from 14 years to 12 years, to be served either in the Assembly, the Senate or a combination of both; and the second measure would impose a $1 tax on a
pack of cigarettes, the money to be deposited into a special fund to finance research and research facilities focusing on detecting, preventing, treating and curing cancer and other tobacco-related diseases.

Presidential, Congressional, Assembly, Senate and a score of local elections, re-elections, initiatives and referenda will be a primary focus of the Legislature, the advocacy community, the media, and the political-industrial complex. There will be many, many highly controversial and hard-fought issues to be decided by the voters in June and November of 2012.

As of mid-November, there were 25 initiatives and referenda that have been cleared for circulation for signatures; 1 pending signature verification; 14 that have failed to qualify and 26 that are pending at the Attorney General’s Office for title and summary. The one measure pending signature verification is likely to be one of the most controversial: it would prohibit payroll deduction of union dues from being used for political purposes.

While not all the initiatives that are currently gathering signatures will qualify for the ballot, the following are ones that are sure to keep things lively:

- A constitutional amendment to guarantee funding for realigned county and city programs
- Reductions in benefits, raising the retirement age, and imposition of a 401(k)-style alternative retirement system for public employees;
- Increasing the income tax on, and elimination of collective bargaining rights for teachers, nurses, police officers, firefighters and other public employees;
- A referendum to overturn the “alternative” redevelopment agencies, thus eliminating completely redevelopment in the state;
- Legalization of marijuana (there are several different measures that would do this)
- Denial of undocumented immigrant children who are otherwise eligible for CalWORKS benefits;
- State and local spending limits including a prohibition on local government expenditures exceeding revenues
- A 15-cent tax per barrel on extracted California oil
- Repeal of the death penalty
- A referendum to overturn state financial aid for undocumented students
- Elimination of collective bargaining rights for teachers, nurses, police officers, firefighters and other public employees
- A referendum to overturn State Senate districts recently created by the Citizens Commission on Redistricting
- Government Performance and Accountability Act (California Forward goes to the ballot)

**Enterprise Zones**

Last year, Governor Jerry Brown sought to eliminate California’s Enterprise Zone (EZ) Program as a budget-cutting measure. EZs were developed by the Legislature to provide tax incentives to help attract business to the state, retain and expand business and industry, and create job opportunities for Californians. The Governor’s proposal was unsuccessful this year and EZs remain alive. Despite a number of efforts by Assemblymember V. Manuel Pérez, Chair of the Assembly Committee on
Jobs, Economic Development and the Economy, to reform and address critics’ concerns, none of the legislation made it to the Governor’s desk.

Rather than wait for the Legislature to act (or not act as the case may be), the California Department of Housing and Community Development (HCD) indicated on November 2 that it will be seeking changes to the Enterprise Zone process, using HCD’s rulemaking authority (when possible) and legislation (if necessary). Because it isn’t clear how the program may change, HCD has also indicated that the two Enterprise Zones that will be expiring in 2012 (Antelope Valley and Watsonville) will not be re-designated until reforms are implemented.

Some of the concerns raised by labor interests, the Legislative Analyst and others that may be addressed through rulemaking include, but are not limited to:

- Better collection of data;
- A review and update of audit procedures;
- Limitations on retroactive vouchering;
- Increasing the discretion of HCD to grant expansion requests; and
- Updating criteria HCD uses to award designations.

Legislative reforms include any of the topics mentioned above that cannot be accomplished through rulemaking, limiting availability of credits to employers that create new jobs in California (not just for hiring new employees) and reviewing existing legislative efforts.

**Redevelopment**

One particularly controversial part of the State’s 2011-12 budget enacted on June 30, 2011 was the enactment of trailer bills AB1X 26 (the redevelopment agency dissolution bill) and AB1X 27 (the redevelopment agency continuation bill). The bills eliminated the state’s 400 redevelopment agencies but provided an opt-back-in provision for those RDAs willing to submit to new, more stringent conditions. Those opting out were effectively dissolved October 1, 2011. Those remaining RDAs are required to make payments to school districts and special districts directly, in lieu of the State making those payments. The 2011-12 budget assumed $1.7 billion to be paid by RDAs and used primarily for schools.

On July 18, 2011, the California Redevelopment Association, the League of California Cities and a number of cities and redevelopment agencies filed suit with the Supreme Court challenging the constitutionality of the Legislature’s actions under recently voter-approved provisions of Proposition 22 (2010).

On August 11, 2011, the California Supreme Court agreed to take California Redevelopment Assn. v. Matosantos (S194861). The Court also granted the stay requested by the California Redevelopment Association and League of California Cities. The stay, in effect, prevents redevelopment agencies from being forced to make the payments until the Court rules on the merits of the case. The court established an expedited briefing schedule designed to facilitate oral argument as early as possible in 2011, and a decision before Jan. 15, 2012, the date when redevelopment agencies are required to make their first payment.

Depending on the Supreme Court’s ruling, there will likely be a good deal of legislative activity in this area. It also may have bearing on the Governor’s 2012-12 budget, particularly the May Revise.
• **Legislative Issues:**

  • The new Delta Stewardship Council will continue to meet to decide how water that flows through the Sacramento-San Joaquin Delta is to be divided up, meaning it will control water supply for three-fourths of the state’s residents, as well as much of the agricultural industry. New Brown Administration appointees have been working hard all year to find an elusive consensus regarding how to route water around, over or under the Delta, how and who to pay for it.

  • Possible adjustments to the $11.4 billion water bond and returning it to the 2012 ballot. Governor Brown may ask the Legislature to revisit this pork-laden bond or to scrap it altogether.

  • The California High-Speed Rail Authority. The Governor has made a number of high-profile appointments to the CSRA Board of Directors and the administrative staff. In late October, the Authority finally rolled out a revised business plan and budget, the price tag more than doubling it to nearly $100 billion. Look for continued scrutiny by legislators who remain skeptical, including at least one who has called for a new ballot initiative to give the voters another say on whether to sell and use the remaining amount of the state’s $9 billion in bonds to build tracks and other infrastructure starting in the Central Valley.

  • Ongoing legislative scrutiny of the Department of Transportation’s processes and actions for testing the safety and viability of highway and transit structures. This follows accusations that some department employees conducted insufficient structures’ testing or fabricated test results and then failed to adequately discipline or remove those employees or alert appropriate management personnel and outside agencies of potential safety problems.

  • Legislation to limit local governments’ revenues from Transient Occupancy Taxes, SB 670 (R. Calderon), could finally see the light-of-day since Senator Calderon’s promise to not bring the bill up in 2011 may have expired.

  • Jobs, jobs, jobs—how to stimulate them, how to pay for them, how to bring California’s economy (and state and local revenues) back.