

## CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

### Study Session Worksheet

**Presentation date:** July 21, 2015 **Approx start time:** ~~10:30 am~~ <sup>1:30 PM</sup> **Approx length:** 30 min

**Presentation title:** Next Steps on *The Road Ahead*

**Departments:** Public & Government Affairs, Transportation & Development

**Presenters:** Gary Schmidt, Director, PGA; Barbara Cartmill, Director, DTD

**Other invitees:** Randy Harmon, Transportation Maintenance; Mike Bezner, Diedre Landon, DTD; Ellen Rogalin, PGA/DTD; Tim Heider, PGA; Amy Kyle, PGA; Karen Tolvstad, Fish Marketing

### WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Staff is requesting discussion on and approval for next steps to continue and broaden efforts to inform and engage the public about the county's need for a long-term source of funds for transportation maintenance.

### EXECUTIVE SUMMARY:

#### I. Background

**June 23, 2015, Policy Session:** At a policy session on June 23, 2015, the Board of County Commissioners (BCC) discussed the results of the most recent survey of likely county voters on road maintenance issues, and the findings and recommendations from ECONorthwest regarding options for obtaining additional revenue for road maintenance (Appendix A).

That information came after two years of public outreach about road maintenance funding needs, including three months of mass market outreach this past spring.

During the end of the study session, in response to the survey results and recommendations from the consultant, the BCC reached consensus on several points:

1. To *not* put a road funding measure on the ballot in November 2015;
2. To continue to pursue the possibility of putting either a countywide gas tax or a countywide vehicle registration fee on the ballot sometime in 2016;
3. To *not* pursue the options of a street utility fee or a roads district;
4. To *not* pursue the option of general obligation bonds at this time, and
5. To ask staff to return with a plan for moving forward that takes into account the new information and BCC discussion.

The BCC also discussed but did not reach consensus on additional ways to involve the public, including holding public hearings and/or establishing a "blue ribbon" committee. A previous effort with a similar committee, titled *Street SMART*, was mentioned.

**Street SMART Committee:** Street SMART -- a committee of 22 community and business leaders and elected officials -- convened and reported its findings to the BCC in February 2008 (Attachment B). The Street Safety, Mobility and Reliability Team (Street SMART) *Report to Board of County Commissioners* stated the county was faced with the following conditions:

- A. Clackamas County's transportation system needs are pressing and growing.
- B. The general public has a fairly low level of knowledge about the transportation system, how it is funded and how its needs can be met.
- C. No one funding source is sufficient to meet the county's transportation needs.
- D. Action is needed immediately.

Street SMART's recommendations to the BCC were to:

1. Gather system data.
2. Reach out to the public, business community and cities.
3. Enact a road utility fee.
4. Propose a vehicle registration fee.
5. Work for funding increases at the state level.
6. Explore other funding options.

Since this report was submitted, the county has gathered system data (#1); is reaching out to the public, business community and cities (#2), has worked for funding increases at the state level (#5) and has explored other funding options (#6), but has not implemented the other recommendations.

## **II. Rationale for Proposed Next Steps**

Clackamas County has a number of programs that support the road funding initiative, including:

- The *Transportation Safety Action Plan*, adopted by the BCC in November 2012, with an ambitious long-term goal of a 50% reduction in fatal and serious injury crashes on roads in Clackamas County. Well-designed, well-maintained roads can help prevent crashes.
- *Performance Clackamas*, adopted by the BCC in 2013, a strategic plan with strategic goals related to good government, a vibrant economy, a strong infrastructure, safe communities and natural resources. All of these goals are enhanced and/or dependent on a well-maintained road system.

While the recently completed survey shows the county has made some strides in increasing public knowledge and awareness, a continued strong public perception that county roads look (and drive) just fine is both a tribute to the efficiency of county transportation staff and a problem that is difficult to combat.

**FINANCIAL IMPLICATIONS (current year and ongoing):**

The current annual gap between the amount of available federal and state revenue and maintenance needs is more than \$17 million. That gap has grown approximately \$660,000 per year since 2007. The gap is expected to continue to grow at a steady pace.

**LEGAL/POLICY REQUIREMENTS:**

There are legal requirements and deadlines related to pursuing any ballot measure and approving any ordinance.

**PUBLIC/GOVERNMENTAL PARTICIPATION:**

Extensive outreach and education has taken place over the past two years including presentations to community groups, a website, billboards, social media, sharing information at events, articles in Citizen News and presentations at BCC study sessions and business meetings.

**OPTIONS:**

1. Direct staff to discontinue any further outreach and education activities related to road maintenance needs.
2. Direct staff to move forward on the following three paths:
  - a. *Increase outreach and education activities about road maintenance needs to help our residents, businesses and partners understand the ongoing need for additional road maintenance funds to continue to provide a safe road system for all travelers and dramatically reduce future costs of road reconstruction;*
  - b. Continue to explore the options of a countywide gas tax and/or a countywide registration fee, including holding several public meetings to gauge public input about these fee options, and
  - c. Work with cities and other partners to seek funding increases at the state and federal levels.

**RECOMMENDATION:**

Staff respectfully recommends that the Board of County Commissioners approve Option 2:

1. Direct staff to move forward on the following three paths:
  - a. Increase outreach and education activities about road maintenance needs to help our residents, businesses and partners understand the ongoing need for additional road maintenance funds to continue to provide a safe road system for all travelers and dramatically reduce future costs of road reconstruction;
  - b. Continue to explore the options of a countywide gas tax and/or a countywide registration fee, including holding several public meetings to gauge public input about these fee options, and
  - c. Work with cities and other partners to seek funding increases at the state and federal levels.

**SUBMITTED BY:**

Division Director/Head Approval \_\_\_\_\_

Department Director/Head Approval *R. D. Coakley* 7-15-15

County Administrator Approval \_\_\_\_\_

**ATTACHMENTS:**

- A. Brief summary of 2015 survey results and ECONorthwest recommendations presented to BCC on June 23, 2015
- B. *Report to Board of County Commissioners, Street Safety, Mobility and Reliability Team (Street SMART), Feb. 26, 2008*

For information on this issue or copies of attachments, please contact Amy Kyle @ 503-742-5973.

**BRIEF SUMMARY OF SURVEY RESULTS AND  
ECONorthwest RECOMMENDATIONS  
BCC Study Session: June 23, 2015**

**Survey Results**

Most voters believe county roads in their area are in good to excellent condition (72%) and the county does a good job maintaining roads (68%). (That is nearly the same result as in 2014 when 76% and 74% of respondents, respectively, said roads are in good condition and the county does a good job maintaining them.)

The 2015 survey also showed:

- A slight increase in the number of people who would support an increase in fees or taxes to help fund road maintenance in the future
- An increase in the number of people who understand that road maintenance is primarily funded through gas taxes, from 34% in 2014 to 42% in 2015
- A majority of voters (though slightly less than in 2014) continue to feel the county has enough funds to maintain roads
- A significant majority agreed that all county residents, including in cities, should pay for county road maintenance because everyone relies on county roads
- Voters showed the highest support for a countywide gas tax and a countywide vehicle registration fee

**Recommendations on Roads Maintenance Funding Package**

ECONorthwest identified the following options for obtaining road maintenance funds as the three most likely to succeed.

- Vehicle registration fee
- Gas tax
- General obligation bond

Additional ECONorthwest recommendations included the following:

- Each option should be applied countywide, as opposed to just the unincorporated areas of the county
- The County should **not** pursue a road district or a street utility fee, as those two options received very low levels of support in the DHM survey.
- The County should only pursue one funding option, rather than a package combining multiple options, to make the proposal as straightforward as possible, avoiding the confusion of multiple ballot measures required for implementation.



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## Street Safety, Mobility and Reliability Team (Street SMART)

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### Report to Board of County Commissioners February 26, 2008

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#### INTRODUCTION

The 22-member Street SMART group met for more than 12 hours during January and February 2008, learned a great deal about the transportation system in Clackamas County and how it is funded, and spent hours discussing, developing and refining recommendations to present to the Board of County Commissioners.

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#### STATEMENT OF CONDITION

The recommendations that follow came from our understanding of the current transportation system in Clackamas County and projections for the future of that system if no action is taken.

*Clackamas County's transportation system needs are pressing and growing.* We are in a road maintenance emergency – that is the immediate and top priority. Capital needs are also pressing, but not at an emergency level.

- **Maintenance:** The County is losing \$4.6 million/year of federal funds for road maintenance – 21% of its maintenance and safety budget – which means that no paving will be done in 2008. That will add to the growing backlog of county road maintenance projects. The gap between maintenance needs and funds is currently approximately \$23 million annually. If paving is not restored to an adequate level, it will cost the county four to 10 times more to rebuild roads in the future than to put overlays on roads today.
- **Capital:** The County has the potential to collect approximately \$7.5 million per year in TSDC (transportation system development charge) revenue for capital projects, but can't use that revenue without matching funds, because TSDC revenue can only be used for the cost of improvements caused by future growth.
- **Public Outreach:** The County does not have up-to-date data on public perceptions and their understanding of the transportation system, its needs and how transportation is funded. Since many arterial and collector roads appear to be in good condition, County citizens are not aware that the County is in an emergency as many arterials and collectors appear to be in good shape.

*The general public has a fairly low level of knowledge about the transportation system,* how it is funded and how its needs can be met. It is crucial for the county to immediately initiate and maintain ongoing two-way communications with the public, the business community and cities about the transportation system.

*No one funding source is sufficient to meet the county's transportation needs.* The County must tap a variety of transportation funding sources at the local and state level if it is to provide residents, the business community and travelers a safe, mobile and reliable transportation system.

*Action is needed immediately.* Our roads are deteriorating, which decreases safety, increases costs to motorists and multiplies future costs of road repair.

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## RECOMMENDATIONS

1. **Gather System Data:** Continue to gather information about the condition of county roads, what will happen without additional funds and what will happen with additional funds.
2. **Reach Out to the Public, Business Community and Cities:** Immediately begin a near-term and ongoing initiative to reach out to and hear from the public, the business community and cities' elected officials, with the Board of Commissioners "sounding the alarm" about the urgency of the need.
  - a. Focus on educating people about the current and projected condition of our transportation system through all available media – electronic, print, person-to-person, etc.
  - b. Survey, conduct focus groups and in other ways gather information about what people know and feel about the transportation system and what, if anything, should be done about it.
3. **Enact a Road Utility Fee:** The Board of Commissioners should enact a countywide transportation maintenance utility fee (TMUF) in June 2008.
  - a. The fee should be at least sufficient to cover the county's emergency and immediate safety needs (the loss of the \$4.6 million of federal funds and additional funds – perhaps up to \$10 or \$12 million or more – to fund critical maintenance activities).
  - b. The fee could be instituted incrementally – the first time just for emergency needs, and not including cities – and the second time, after more public outreach, to meet additional maintenance needs and include cities.
  - c. The fee should be large enough so that the use of the fee will be of visible benefit to the public.
4. **Propose a Vehicle Registration Fee:** The Board of Commissioners should work towards putting a vehicle registration fee on the ballot in November 2008.
  - a. The funds should be used to cover additional maintenance needs and/or to match SDCs and bond for capital projects.
  - b. The needs of the cities should be considered in the development of a capital project program.
5. **Work for Funding Increases at the State Level:** Support and participate in encouraging the 2009 legislature to increase state transportation funding, e.g., increased gas tax, higher vehicle registration fee, etc., so more funds are available to the state, and to cities and counties.
6. **Explore Other Funding Options:** With the understanding that a number of funding sources will be needed to meet the county's ongoing transportation maintenance and capital needs, the county should explore other transportation funding options, including establishing one or more special taxing districts in specific areas or county-wide, and property taxes.

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## POSSIBLE TIMELINE

The timeline described below is ambitious and may be modified as deemed necessary based on the response to public outreach and actions taken by other jurisdictions, including the state.

- ☛ Jan.-Feb. 2008: Street SMART defines needs and options
- ☛ Feb. 26, 2008: Street SMART report presented to Board of County Commissioners
- ☛ March 2008:
  - Street SMART recommendations and public involvement plan acted on by BCC
  - Public/business community/city involvement/information begins (and is ongoing)
  - Surveys, focus groups, etc. conducted
- ☛ April 2008: Kick-off Street SMART “Safe Roads” initiative
  - Public information continues
  - Expert speakers (BCC, DTD staff, etc.) “on the road”
  - Website and e-newsletter
- ☛ June 2008: BCC considers “Safe Roads” fee (Transportation Maintenance Utility Fee)
- ☛ Nov. 2008: Election for countywide vehicle registration fee (if public outreach and polling show voters favor this action)
- ☛ Jan.-June 2009: State legislature in session -- work for increased, ongoing source of transportation funding (state gas tax, state vehicle registration fee)

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## ACTION STEPS BEHIND FUNDING OPTIONS

### **Start Closing the Maintenance Gap (Transportation Maintenance Utility Fee - TMUF)**

- Complete updating 2003 TMUF study.
- Determine funding level and specific uses of new funds.
- Spring/Summer 2008: Enact a road utility fee that meets the immediate need to replace the loss of Secure Rural Schools funds used for county road maintenance and to make a visible difference OR enact the first stage of at least a two-stage road utility fee to replace the loss of Secure Rural Schools funds, followed later by another utility fee to make a visible difference in road maintenance.
  - Determine feasible funding level by polling residences, businesses
  - Work with the cities
  - Show specifically what would be done with the funds

### **Start Closing the Capital Gap (Vehicle Registration Fee)**

- Determine specific projects to be funded
- Public involvement and polling
- Business involvement
- City partnerships
- Aim for election in November 2008

### **Work to Change the System (state legislature)**

- Vehicle registration fee
- State gas tax
- Compensate for loss of federal secure rural schools funds



# Street SMART Overview

January - February 2008



The transportation system – roads, bridges, sidewalks, bike paths – has a dramatic impact on the quality of life of Clackamas County residents and businesses. The reality is that transportation needs keep growing while revenue dwindles. In late December 2007, the Board of County Commissioners approved the establishment of Street SMART – the Street Safety, Mobility and Reliability Team – to recommend to the Board how best to keep residential and commercial traffic moving smoothly in our County and our region.

The 22-member task force is scheduled to present recommendations to the County Board by the end of February. The group was charged with developing recommendations on what steps the county should take to obtain additional funds to invest in the county's transportation system, including the possibility of putting one or more transportation funding measures on the May 20, 2008, ballot.

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## ISSUES TO CONSIDER

- What should Clackamas County include in a transportation funding measure on the May 20, 2008, ballot?
  - Should Clackamas County ask voters to approve a vehicle registration fee? If yes, why and how much? If no, why not and are there other options the County should consider?
  - Should the Clackamas County Board of Commissioners enact a road maintenance utility fee? When should this happen? If yes, why and how much? If no, why not and are there other options the County should consider?
  - Should Clackamas County ask voters to approve a gas tax? If yes, why and how much? If no, why not and are there other options the County should consider?
- If a May 20, 2008, ballot measure for additional transportation funds is approved by the Board of Commissioners, how should the measure(s) read with respect to the use of the funds?
  - How should Clackamas County use the funds?
  - What steps, if any, should the County take to seek support for additional funds?

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## MEETINGS

Meeting #1 – Transportation System  
4-7 p.m., Thursday, January 3, 2008  
Sunnybrook Service Center Auditorium

Meeting #3 – Possible Funding Scenarios  
4-7 p.m., Thursday, January 31, 2008  
Sunnybrook Service Center Auditorium

Meeting #2 – Transportation Funding  
4:30-7:30 p.m., Thursday, January 31, 2008  
Sunnybrook Service Center Auditorium

Meeting #4 – Funding Recommendations  
4-7 p.m., Wednesday, February 13, 2008  
Sunnybrook Service Center 4<sup>th</sup> floor

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## MEMBERS

Jeff Bennett, Lake Oswego  
Bernard Bottomly, Milwaukie  
Brian Burke, Oregon City  
Marc Burnham, Gladstone  
Randy Carson, Canby  
Greg DeGrazia, Damascus  
Ralph Groener, Portland  
Richard Hall, Clackamas  
Thomas C. Hamstra, Happy Valley  
Susan Keil, Clackamas  
Glenn Koehrsen, Mulino

Joe Krumm, Milwaukie  
Frank Marson, Jr., Molalla  
Dora Morgan, Estacada  
Nick Orfanakis, Lake Oswego  
Wilda Parks, Milwaukie  
Ernie Platt, Clackamas  
Jerald L. Polzin, Estacada  
Sherry Stock, Molalla  
John Tenneson, Lake Oswego  
Mike Wells, Welches  
Rob Wheeler, Happy Valley

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## FOR MORE INFORMATION

For more information about Street SMART and to see information from the meetings, go to <http://www.clackamas.us/streetsmart/> or contact Community Relations Specialist Ellen Rogalin, [ellenrog@co.clackamas.or.us](mailto:ellenrog@co.clackamas.or.us) or 503-353-4274.

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## ROAD FACTS

Clackamas County is responsible for maintaining:

- 1,416 miles of road
- 165 bridges
- 45,000 traffic signs
- 300 traffic signals
- 108 miles of bike/pedestrian lanes

By 2030, projections for Clackamas County show:

- A 72% increase in the number of households - the largest in the Metro region
- A 73% increase in the number of new jobs - 21% of all new jobs in Metro region

Clackamas County has traditionally received money for road and bridge maintenance from four sources, none of which has kept pace with inflation or growth:

- State gas tax (has remained the same since 1993)
- Truck weight/mile fee (has decreased since 1993)
- State vehicle registration fee (has to be shared with other counties and cities)
- Federal payments to counties to compensate for loss of timber revenue (is being eliminated entirely)

