



**Board of Directors Meeting**  
**Tuesday, September 6, 2016, 8:00 a.m. – 9:45 a.m.**  
**TraPac LLC**  
**630 W. Harry Bridges Blvd.**  
**Wilmington, CA 90744**  
**Dan Hoffman, Chairman**

1. Welcome Dan Hoffman, Chair
  - a. Flag Salute
2. Self-Introductions and Sign-In All Participants
3. Approval of August Minutes Jill Brunkhardt, Secretary
4. Special Presentation
  - a. South Bay Council of Governments
    - i. Travel Pal- SBCCOG Environmental Services Analyst
    - ii. PATH Homeless Update- Meredith Berkson, Regional Director of South County PATH
    - iii. Responsible Ocean Desalination- Shivaji Deshmukh, Assistant General Manager for West Basin MWD
5. Government Affairs Report PEAR Strategies
  - a. November Ballot- Statewide Initiatives
  - b. SBX1-1 Beall and Fraizer Transportation Funding Proposal
  - c. 2016 AQMP Update
6. Office Holders, Administrative Agencies and Community Partners- *Please limit your reports to no more than 3 minutes.*
  - a. U.S. Chamber of Commerce- Jennings Imel
  - b. League of Cities- Jeff Kiernan
  - c. Los Angeles Air Force Base- Col. Donna Turner
  - d. Base Retention Advisory Council- Michael Jackson
  - e. South Bay WIB- Chris Cagle

- f. Office of Congresswoman Waters- Blanca Jimenez
  - g. Office of Congresswoman Hahn- Lara Larramendi
  - h. Office of Congressman Lieu- Melissa Ramoso
  - i. Office of Senator Allen- Sam Liu
  - j. Office of Senator Hall- Heather Hutt
  - k. Office of Senator Lara
  - l. Office of Assemblymember Burke- Robert Pullen-Miles
  - m. Office of Assemblymember Gipson- Chris Wilson
  - n. Office of Assemblymember Hadley- Tom Brewer
  - o. Office of Assemblymember O'Donnell- Allison Gallaher
  - p. Office of Supervisor Don Knabe- Steve Napolitano
7. [Officeholder representatives, non-chamber members, and guests are respectfully asked to leave the meeting at this point]
8. Chair's Report Dan Hoffman
9. Financial Report George Kivett, Treasurer
10. Committee Reports
11. Announcements All
- a. Special thanks to TraPac for hosting us

## November Ballot to Include 17 Statewide Measures

- Proposition 51: **Support**

School Bonds. Funding for K-12 School and Community College Facilities. Initiative Statutory Amendment.

Authorizes \$9 billion in general obligation bonds: \$3 billion for new construction and \$3 billion for modernization of K-12 public school facilities; \$1 billion for charter schools and vocational education facilities; and \$2 billion for California Community Colleges facilities.

- Proposition 52: **Support**

State Fees on Hospitals. Federal Medi-Cal Matching Funds. Initiative Statutory and Constitutional Amendment. Increases required vote to two-thirds for the Legislature to amend a certain existing law that imposes fees on hospitals (for purpose of obtaining federal Medi-Cal matching funds) and that directs those fees and federal matching funds to hospital-provided Medi-Cal health care services, to uncompensated care provided by hospitals to uninsured patients, and to children's health coverage.

- Proposition 53: **Oppose**

Revenue Bonds. Statewide Voter Approval. Initiative Constitutional Amendment. Requires statewide voter approval before any revenue bonds can be issued or sold by the state for projects that are financed, owned, operated, or managed by the state or any joint agency created by or including the state, if the bond amount exceeds \$2 billion.

- Proposition 54: **Support**

Legislature. Legislation and Proceedings. Initiative Constitutional Amendment and Statute. Prohibits Legislature from passing any bill unless it has been in print and published on the Internet for at least 72 hours before the vote, except in public emergency. Requires Legislature to make audiovisual recordings of all proceedings, except closed sessions, and post them on the Internet.

- Proposition 55: **Oppose**

Tax Extension to Fund Education and Healthcare. Initiative Constitutional Amendment. Extends by 12 years the temporary personal income tax increases enacted in 2012 on earnings over \$250,000 (for single filers; over \$500,000 for joint filers; over \$340,000 for heads of household).

- Proposition 56- No Position

Cigarette Tax to Fund Healthcare, Tobacco Use Prevention, Research, and Law Enforcement. Initiative

Constitutional Amendment and Statute. Increases cigarette tax by \$2 per pack, with equivalent increase on other tobacco products and electronic cigarettes containing nicotine. Allocates revenues primarily to increase funding for existing health care programs; also for tobacco use prevention/control programs, tobacco-related disease research and law enforcement, University of California physician training, dental

disease prevention programs, and administration. Excludes these revenues from Proposition 98 funding requirements.

- Proposition 57- No Position

Criminal Sentences. Juvenile Criminal Proceedings and Sentencing. Initiative Constitutional Amendment and Statute. Allows parole consideration for persons convicted of nonviolent felonies upon completion of full prison term for primary offense, as defined. Authorizes Department of Corrections and Rehabilitation to award sentence credits for rehabilitation, good behavior, or educational achievements.

- Proposition 58- No Position

English language education. SB 1174 (Lara; D-Bell Gardens; Chapter 753, Statutes of 2014). Amends and repeals various provisions of Proposition 227, approved by voters in June 1998 and requiring among other things, that all children in California public schools be taught English by being taught in English. Proposition 58, among other things, deletes the sheltered English immersion requirement and waiver provisions, and instead provides that school districts and county offices of education shall, at a minimum, provide English learners with a structured English immersion program, as specified. The proposition also authorizes parents or legal guardians of pupils enrolled in the school to choose a language acquisition program that best suits their child, as provided.

- Proposition 59- No Position

Campaign finance: voter instruction. SB 254 (B. Allen; D-Santa Monica; Chapter 20, Statutes of 2016). Asks whether California's elected officials should use all their constitutional authority, including proposing and ratifying one or more amendments to the U.S. Constitution, to overturn Citizens United v. Federal Election Commission (2010) 558 U.S. 310, and other applicable judicial precedents, as specified.

- Proposition 60- No Position

Adult Films. Condoms. Health Requirements. Initiative Statute. Requires performers in adult films to use condoms during filming of sexual intercourse. Requires producers of adult films to pay for performer vaccinations, testing, and medical examinations related to sexually transmitted infections.

- Proposition 61: **Oppose\***

State Prescription Drug Purchases. Pricing Standards. Initiative Statute. Prohibits state agencies from paying more for a prescription drug than the lowest price paid for the same drug by the U.S. Department of Veterans Affairs.

- Proposition 62- No Position

Death Penalty. Initiative Statute. Repeals death penalty as maximum punishment for persons found guilty of murder and replaces it with life imprisonment without possibility of parole. Applies retroactively to persons already sentenced to death.

- Proposition 63- No Position

Firearms. Ammunition Sales. Initiative Statute. Prohibits possession of large-capacity ammunition magazines, and requires their disposal by sale to dealer, destruction, or removal from state. Requires most individuals to pass background check and obtain Department of Justice authorization to purchase ammunition.

- Proposition 64- No Position

Marijuana Legalization. Initiative Statute. Legalizes marijuana and hemp under state law. Designates state agencies to license and regulate marijuana industry. Imposes state excise tax on retail sales of marijuana equal to 15% of sales price, and state cultivation taxes on marijuana of \$9.25 per ounce of flowers and \$2.75 per ounce of leaves. Exempts medical marijuana from some taxation. Establishes packaging, labeling, advertising, and marketing standards and restrictions for marijuana products. Allows local regulation and taxation of marijuana.

- Proposition 65- No Position

Carry-Out Bags. Charges. Initiative Statute. Redirects money collected by grocery and certain other retail stores through sale of carry-out bags, whenever any state law bans free distribution of a particular kind of carry-out bag and mandates the sale of any other kind of carry-out bag. Requires stores to deposit bag sale proceeds into a special fund administered by the Wildlife Conservation Board to support specified categories of environmental projects.

- Proposition 66- No Position

Death Penalty. Procedures. Initiative Statute. Changes procedures governing state court appeals and petitions challenging death penalty convictions and sentences.

- Proposition 67- No Position

Referendum to Overturn Ban on Single-Use Plastic Bags. The challenged law must be approved by a majority of voters to go into effect. The law prohibits grocery and certain other retail stores from providing single-use bags but permits sale of recycled paper bags and reusable bags.

More information on the ballot measures is available at [www.sos.ca.gov](http://www.sos.ca.gov)

## SBx 1-1, Beall. Transportation Funding.

### Recommended Position

SUPPORT

### Summary

This bill increases several taxes and fees to raise roughly \$4.3 billion in new transportation revenues annually, with the funding used to address deferred maintenance on the state highways and local streets and roads and to improve the state's trade corridors.

### Background

According to the author, this bill solves a crisis that threatens our deteriorating streets and highways. California faces a \$137 billion combined state and local backlog of deferred maintenance that will grow by billions every year. The state transportation system is critical to California's economic well-being, as it enables us to move goods, people, and ideas around the state. SBX1 1 creates a much-needed funding plan to address the maintenance backlog of our aging systems. Under this bill, everyone who uses the roads will share in paying for the cost of these essential repairs.

SBX1 1 will provide more resources for the state to repair the infrastructure under its jurisdiction and it also distributes billions of dollars at the local level. The author notes that the state has failed to keep pace with repairs due to several factors, including the diversion of road maintenance revenues for other uses and the decline of the gas tax revenue.

### Status

Last 5 History Actions	
Date	Action
08/29/16	From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.
08/24/16	From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.
04/21/16	From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.
09/01/15	From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.
08/25/15	Read second time and amended. Re-referred to Com. on APPR.

### Support

Alameda Corridor-East Construction Authority

Alta Vista Solutions

American Council of Engineering Companies of California

Arup

Blackburn Consulting

Blair, Church & Flynn Consulting Engineers

Brelje & Race

California Asphalt Pavement Association

California Association of Council of Governments

California State Association of Counties

California State Council of Laborers

California Transit Association

CDM Smith, Inc.

CEI Engineering Associates, Inc.

City/County Association of Governments of San Mateo County

The Covello Group

CSW/Stuber-Stroeh Engineering Group, Inc.

Diaz Yourman & Associates

Guida Surveying Inc.

Hatch Mott MacDonald

HMH Engineers

Huitt-Zollars

County of Humboldt

ILS Associates Civil Engineering And Land Survey

Infrastructure Engineering Corporation

Inland Foundation Engineering

JLB Traffic Engineering

Kimley-Horn

Kleinfelder

KPFF

Lane Engineers

Lawrence Nye Carlson Associates

League of California Cities

Leighton Consulting, Inc

Leptien, Cronin, Cooper, Morris & Poore, Inc

Long Beach; City of

Los Angeles; City of

Michael Baker International

MNS Engineers

Morton & Pitalo, Inc

MTC

Nasland Engineering

Ninyo & Moore

Oakland; City of

Professional Engineers in California Government

Quad Knopf

Rau And Associates

Rick Engineering Company

Rural County Representatives of California

SA Associates

SACOG

SCAG

Sacramento; City of

Santa Ana; City of

Santa Clara County Board of Supervisors

Santa Cruz; County of

San Francisco; City of

San Jose; City of

Silicon Valley Leadership Group

Southern California Association of Governments

Sukow Engineering

Tri City Engineering

Towill

Transportation Agency for Monterey County

Ventura County Transportation Commission

Wagner Engineering & Survey

Yeh and Associates

**Opposition**

AAA of Northern California

Auto Club of Southern California

CalTax

Howard Jarvis Taxpayers Association

## **Frazier – Beall Transportation Funding Package**

- A \$7.4 billion annual funding package to repair and maintain our state and local roads, improve our trade corridors, and support public transit and active transportation.
- A \$706 million repayment of outstanding transportation loans for state and local roads.
- Eliminates the BOE “true up” that causes funding uncertainty and is responsible for drastic cuts to regional transportation projects.
- Indexes transportation taxes and fees to the California CPI to keep pace with inflation.
- Reforms and accountability for state and local governments to protect taxpayers.
- Streamlines transportation project delivery to help complete projects quicker and cheaper.
- Protects transportation revenue from being diverted for non-transportation purposes.\*
- Helps local governments raise revenue at home to meet the needs of their communities.\*

### **New Annual Funding**

- **State** -- \$2.9 billion annually for maintenance and rehabilitation of the state highway system.
- **Locals** -- \$2.5 billion annually for maintenance and rehabilitation of local streets and roads.
- **Regions** -- \$534 million annually to help restore the cuts to the State Transportation Improvement Program (STIP).
- **Transit** -- \$516 million annually for transit capital projects and operations.
- **Freight** -- \$900 million annually for goods movement.
- **Active Transportation** -- \$80 million annually, with up to \$150 million possible through Caltrans efficiencies, for bicycle and pedestrian projects.
- Constitutional Amendment to help locals raise funding at home by lowering the voter threshold for transportation tax measures to 55 percent.\*

### **Reforms and Accountability**

- Restores the independence of the California Transportation Commission (CTC).
- Creates the Office of Transportation Inspector General to oversee all state spending on transportation.
- Increases CTC oversight and approval of the State Highway Operations and Protection (SHOPP) program.
- Requires local governments to report streets and roads projects to the CTC and continue their own funding commitments to the local system.

### **Streamlining Project Delivery**

- Permanently extends existing CEQA exemption for improvements in the existing roadway.
- Permanently extends existing federal NEPA delegation for Caltrans.
- Creates an Advance Mitigation program for transportation projects to help plan ahead for needed environmental mitigation.

### **New Annual Funding Sources**

- Gasoline Excise Tax -- \$2.5 billion (17 cents per gallon increase)
- End the BOE “true up” -- \$1.1 billion
- Diesel Excise Tax -- \$900 million (30 cents per gallon increase)
- Vehicle Registration Fee -- \$1.3 billion (\$38 per year increase)
- Zero Emission Vehicle Registration Fee -- \$16 million (\$165 per year starting in 2nd year)
- Truck Weight Fees -- \$1 billion (Return to transportation over five years)
- Diesel Sales Tax -- \$216 million (3.5% increase)
- Cap and Trade -- \$300 million (from unallocated C&T funds)
- Miscellaneous transportation revenues -- \$149 million

### **Keeping Promises and Protecting Revenues**

- One-time repayment of outstanding loans from transportation programs over two years. (\$706 million)
- Return of truck weight fees to transportation projects over five years. (\$1 billion)
- Constitutional amendment to ensure new funding cannot be diverted for non-transportation uses.

*\*These provisions will be in companion bills.*