



**CITY OF HUGHSON
CITY COUNCIL MEETING
CITY HALL COUNCIL CHAMBERS
7018 Pine Street, Hughson, CA**

**AGENDA
MONDAY, APRIL 9, 2018 – 7:00 P.M.**

CALL TO ORDER: Mayor Jeramy Young

ROLL CALL: Mayor Jeramy Young
Mayor Pro Tem George Carr
Councilmember Harold Hill
Councilmember Mark Fontana
Councilmember Ramon Bawan

FLAG SALUTE: Mayor Jeramy Young

INVOCATION: Hughson Ministerial Association

RULES FOR ADDRESSING CITY COUNCIL

Members of the audience who wish to address the City Council are requested to complete one of the forms located on the table at the entrance of the Council Chambers and submit it to the City Clerk. **Filling out the card is voluntary.**

1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

2. PRESENTATIONS:

2.1: Proclaim April 8-14, 2018 as National Library Week.

3. CONSENT CALENDAR:

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

3.1: Approve the Minutes of the Regular Meeting of March 26, 2018.

3.2: Approve the Warrants Register.

4. UNFINISHED BUSINESS: NONE.

5. PUBLIC HEARING TO CONSIDER THE FOLLOWING: NONE.

6. NEW BUSINESS:

6.1: Approval to Adopt Resolution No. 2018-14, Supporting Proposition 69 (Transportation Protection) on the State of California June 2018 Ballot.

7. CORRESPONDENCE: NONE.

8. COMMENTS:

8.1: Staff Reports and Comments: (Information Only – No Action)

City Manager:

City Clerk:

Community Development Director:

Director of Finance:

Police Services:

City Attorney:

8.2: Council Comments: (Information Only – No Action)

8.3: Mayor’s Comments: (Information Only – No Action)

9. CLOSED SESSION TO DISCUSS THE FOLLOWING:

9.1: CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Raul Mendez, City Manager
 Employee Organization: Operating Engineers Local Union 3.

ADJOURNMENT:

WAIVER WARNING

If you challenge a decision/direction of the City Council in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).

UPCOMING EVENTS:

April 10	▪ Parks, Recreation & Entertainment Commission, City Hall Chambers, 6:00 P.M.
April 17	▪ Planning Commission, City Hall Chambers, 6:00 P.M.
April 20	▪ Hughson Family Resource Center Open House, 6940 Hughson Ave., 11:00 A.M.
April 21	▪ Love Hughson Breakfast & Rally, Hughson Community Senior Center, 7:00 A.M.
April 23	▪ City Council Meeting, City Hall Chambers, 7:00 P.M.
April 26	▪ Hughson Chamber of Commerce Sponsor Dinner, Hughson Ave., 6:30 P.M.
April 28 & 29	▪ Hughson Fruit & Nut Festival, Hughson Ave, 10:00 A.M.
April 28 & 29	▪ Hughson City Wide Yard Sale
May 4	▪ Duarte Nursery Annual Friends Day, 1555 Baldwin Road, 9:00 A.M.
May 5	▪ Hughson City Wide Clean-Up, 7:30 A.M., Tully Road & Walker Lane

AFFIDAVIT OF POSTING

DATE: April 5, 2018 **TIME:** 5:00 pm
NAME: Susana Diaz **TITLE:** Deputy City Clerk

AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT
NOTIFICATION FOR THE CITY OF HUGHSON

This Agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

Disabled or Special needs Accommodation: In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk's office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

General Information: The Hughson City Council meets in the Council Chambers on the second and fourth Mondays of each month at 7:00 p.m., unless otherwise noticed.

Council Agendas: The City Council agenda is now available for public review at the City's website at www.hughson.org and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

Questions: Contact the City Clerk at (209) 883-4054



CITY OF HUGHSON AGENDA ITEM NO. 2.1 SECTION 2: PRESENTATIONS

Meeting Date: April 9, 2018
Subject: Proclaim April 8-14, 2018 as National Library Week
Presented By: Susana Diaz, Management Analyst/Deputy City Clerk

Approved By: _____

Staff Recommendation

Proclaim April 8-14, 2018 as National Library Week.

Background and Overview:

The mission of the Stanislaus County Library is to foster the love of reading and open the door to knowledge.

In an effort to spread the word on the importance of libraries, every April the Stanislaus County Library requests a Proclamation from the City of Hughson and the seven other cities in Stanislaus County, declaring a National Library Week. This year it will take place April 8-14, 2018.

Ms. Heather Bailey, Hughson Library Branch Manager, will be present to accept the Proclamation from the City of Hughson.



PROCLAMATION
NATIONAL LIBRARY WEEK - APRIL 8-14, 2018

WHEREAS, *reading and literacy and the freedom to explore are cornerstones of a free and democratic society; and,*

WHEREAS, *libraries support democracy through their commitment to providing equitable access to information for all library users regardless of race, ethnicity, creed, ability, sexual orientation, or socio-economic status; and,*

WHEREAS, *literacy is key to achieving personal success in school, in business and in life; and,*

WHEREAS, *libraries and librarians open up a world of possibilities through innovative programming and through the power of information; and,*

WHEREAS, *librarians are trained, tech-savvy professionals, providing training in and access to technologies; and,*

WHEREAS, *libraries offer 24/7 access to library services through online resources such as eBooks, eMagazines, downloadable audiobooks, music, and movies, online language instruction, and research databases; and,*

WHEREAS, *libraries partner with parents and caregivers to empower children to enter Kindergarten with the knowledge and skills necessary for success in school and beyond; and,*

WHEREAS, *libraries continually grow and evolve in how they provide for the needs of every member of their communities; and,*

WHEREAS, *libraries, librarians, library workers, volunteers and supporters in Stanislaus County are celebrating National Library Week.*

NOW, THEREFORE, BE IT RESOLVED *that the City Council of the City of Hughson does hereby unanimously proclaim April 8-14, 2018, National Library Week in Stanislaus County and urges everyone to visit their local library to take advantage of the wonderful resources available, provided through the voter-approved 1/8-cent sales tax dedicated to the support of libraries.*

Presented on this 9th day of April 2018

George Carr, Mayor Pro Tem



CITY OF HUGHSON AGENDA ITEM NO. 3.1 SECTION 3: CONSENT CALENDAR

Meeting Date: April 9, 2018
Subject: Approval of the City Council Minutes
Presented By: Susana Diaz, Deputy City Clerk

Approved By: _____

Staff Recommendation:

Approve the Minutes of the Regular Meeting of March 26, 2018

Background and Overview:

The draft minutes of the March 26, 2018 meeting are prepared for the Council's review.



**CITY OF HUGHSON
CITY COUNCIL MEETING
CITY HALL COUNCIL CHAMBERS
7018 Pine Street, Hughson, CA**

**MINUTES
MONDAY, MARCH 26, 2018 – 7:00 P.M.**

CALL TO ORDER: Mayor Jeramy Young

ROLL CALL:

Present: Mayor Jeramy Young
Councilmember Harold Hill
Councilmember Mark Fontana
Mayor Pro Tem George Carr
Councilmember Ramon Bawanan

Absent:

Staff Present: Raul L. Mendez, City Manager
Daniel J. Schroeder, City Attorney
Jaylen French, Community Development Director
Larry Seymour, Chief of Police Services
Shannon Esenwein, Director of Finance and Admin Services
Lisa Whiteside, Finance Manager
Sam Rush, Public Works Superintendent
Jaime Velazquez, Utilities Superintendent

FLAG SALUTE: Mayor Jeramy Young

INVOCATION: Hughson Ministerial Association

1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

Heather Bailey from the Hughson Library provided information on the library's upcoming events and activities.

Joshua Whitfield, representative for Assembly Member Heath Flora, informed the Council that a representative from Flora's office would attend Council meetings regularly and provided an update on upcoming Assembly bills.

Stanislaus County Supervisor Vito Chiesa provided an update on upcoming signalization projects at Whitmore Avenue and Geer Road and Santa Fe and Geer Road.

2. PRESENTATIONS:

- 2.1:** Acceptance of the Hughson Police Services 2017 Year-End Report, Presented by Chief Larry Seymour.

Chief Larry Seymour provided the City Council with the latest Crime Statistic Report. Chief Larry Seymour provided the presentation on the Hughson Police Services 2017 Year-End Report.

3. CONSENT CALENDAR:

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

- 3.1:** Approve the Minutes of the Regular Meeting of March 12, 2018.
- 3.2:** Approve the Minutes of the Special Meeting of March 19, 2018.
- 3.3:** Approve the Warrants Register.
- 3.4:** Approval of the Treasurer's Reports – January 2018.
- 3.5:** Approval of the Treasurer's Report: Investment Portfolio Report – January 2018.
- 3.6:** Approval of the Request by the Hughson Chamber of Commerce to Have and Sell Alcohol at the 2018 Hughson Fruit and Nut Festival Event.
- 3.7:** Approval to Adopt Resolution No. 2018-11, Creating a New Appointed Position of City Council Student Representatives and Establishing the Role, Duties and Responsibilities.
- 3.8:** Approval to Adopt Resolution No. 2018-12, Waiving Fees for the City-Wide Yard Sale Scheduled for April 28 – April 29, 2018.

- 3.9:** Approval to Adopt Resolution No. 2018-13, Accepting the 2017 Annual General Plan Report and the 2017 Annual Housing Element Progress Report.
- 3.10:** Consideration to Waive the Fees Pertaining to the Use of Rolland Starn Park/Keith Crabtree Field for Hughson Youth Baseball/Softball for the 2018 Regular Season.

CARR/HILL 5-0-0-0 motion passes to approve the consent calendar as presented.

4. UNFINISHED BUSINESS:

- 4.1:** Approval to Adopt Resolution No. 2018-09, Supporting the Hughson Fire Protection District 2018 Special Tax Initiative Providing Funding for Fire Protection and Emergency Services.

City Manager Raul Mendez presented the staff report on item 4.1.

BAWANAN/CARR 5-0-0-0 motion passes to Adopt Resolution No. 2018-09, Supporting the Hughson Fire Protection District 2018 Special Tax Initiative Providing Funding for Fire Protection and Emergency Services.

5. PUBLIC HEARING TO CONSIDER THE FOLLOWING: NONE.

6. NEW BUSINESS: NONE.

7. CORRESPONDENCE: No action was taken on these items.

- 7.1:** Planning Commission Minutes of the regular meeting of February 20, 2018.

8. COMMENTS:

- 8.1:** Staff Reports and Comments: (Information Only – No Action)

City Manager:

City Manager Mendez informed the Council that on March 31, 2018 Hughson Youth Baseball and Softball will be hosting their opening day ceremony at Lebright Fields. Local IOOF group will be hosting the annual Easter Egg Hunt at Ross Middle School. April 9, 2018 will be the annual joint 2+2 School District meeting. April 11, 2018 there will be a 2+2 Fire District Meeting. The League of California Cities will be hosting the annual Legislative Action Day on April 18, 2018 in Sacramento, CA.

Community Development Director:

Director French updated the Council on the upcoming 2nd Street Sidewalk Infill Project, Santa Fe Avenue Overlay Project, and Well #7 Replacement Project. Main Street Deli relocated to 3rd Street in Hughson.

8.2: Council Comments: (Information Only – No Action)

Councilmember Bawanan attended the Hughson Chamber of Commerce meeting on March 26, 2018 regarding the Hughson Fruit & Nut Festival taking place on April 28th & 29th, 2018. The Hughson Fruit & Nut Festival Sponsors Dinner will take place on April 26, 2018 on Hughson Avenue. Councilmember Bawanan also thanked City staff for their dedicated work.

Councilmember Hill informed of his attendance at the 4-H breakfast and the League of California Cities meeting.

Councilmember Fontana attended the 4-H breakfast and informed all that the Hughson High School Football Program will be holding a chicken dinner fundraiser.

8.3: Mayor's Comments: (Information Only – No Action)

Mayor Young attended a CALCOG Conference in Monterey, CA. March 29, 2018 he will attend the StanCOG Policy Board meeting to accept the Strategic Plan for Measure L funding. April 2, 2018 he will attend the StanCOG Executive Committee meeting.

9. CLOSED SESSION TO DISCUSS THE FOLLOWING: NONE.

ADJOURNMENT:

YOUNG/CARR 5-0-0-0 motion passes to adjourn the meeting at 7:45 P.M.

JERAMY YOUNG, Mayor

LISA WHITESIDE, Finance Manager



CITY OF HUGHSON AGENDA ITEM NO. 3.2

SECTION 3: CONSENT CALENDAR

Meeting Date: April 9, 2018
Subject: Approval of Warrants Register
Enclosure: Warrants Register
Presented By: Shannon Esenwein, Director of Finance

Approved By: _____

Staff Recommendation:

Approve the Warrants Register as presented.

Background and Overview:

The warrants register presented to the City Council is a listing of all expenditures paid from March 22, 2018 through March 26, 2018.

Fiscal Impact:

There are reductions in various funds for payment of expenses.



Hughson

Check Report

By Check Number

Date Range: 03/22/2018 - 04/05/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: Payable Bank-Payable Bank						
00528	GILTON SOLID WASTE MANAGE	03/22/2018	Regular	0.00	38,677.93	50280
00744	MAIN STREET DELI & BAKERY	03/22/2018	Regular	0.00	37.25	50281
00753	MCFADDEN CONSTRUCTION, IN	03/22/2018	Regular	0.00	22,528.01	50282
00951	RICO PIZZA	03/22/2018	Regular	0.00	109.29	50283
00991	SCHNEIDER SIGNS	03/22/2018	Regular	0.00	195.51	50284
00744	MAIN STREET DELI & BAKERY	03/26/2018	Regular	0.00	65.00	50285

Bank Code Payable Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	6	6	0.00	61,612.99
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	6	6	0.00	61,612.99

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	6	6	0.00	61,612.99
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	6	6	0.00	61,612.99

Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH/CONSOLIDATED CASH	3/2018	61,612.99
			61,612.99



CITY COUNCIL AGENDA ITEM NO. 6.1

SECTION 6: NEW BUSINESS

Meeting Date: April 9, 2018
Subject: Approval to Adopt Resolution No. 2018-14, Supporting Proposition 69 (Transportation Protection) on the State of California June 2018 Ballot.
Presented By: Raul L. Mendez, City Manager

Approved By: _____

Staff Recommendation:

Adopt Resolution No. 2018-14, supporting Proposition 69 (Transportation Protection) on the State of California June 2018 Ballot.

Background and Overview:

In April 2017, the California Legislature adopted SB 1 – The Road Repair and Accountability Act of 2017 and Assembly Constitutional Amendment 5. Among its many provisions, SB 1 increases the sales and use tax on diesel fuel and imposes a new transportation improvement fee. ACA 5 is a ballot measure that would amend the Constitution to protect revenues from the increased tax and new fee for transportation purposes only. Other revenue increases found in SB 1 are already protected for transportation purposes by Article XIX of the California Constitution.

The Public Transportation Account is a trust account in the State Transportation Fund currently protected by the State Constitution. Funds in the Public Transportation Account may only be used for transportation planning and mass transportation purposes. Funds cannot be loaned or transferred to the State General Fund or any other fund or account in the State Treasury. The State sales tax on motor vehicle fuel is deposited into the Public Transportation Account.

New Revenues from SB 1 – The Road Repair and Accountability Act of 2017 increased the State sales tax on diesel fuel by 4%; and the State use tax on diesel fuel by 1.75%. SB 1 also imposed a transportation improvement fee payable with an automobile registration. The fee ranges from \$25 for an automobile with a market value of \$4,999 to \$175 for an automobile with a market value of \$60,000. The fee is \$100 for an automobile with a market value between \$25,000 and \$34,999.

Discussion:

In February 2018, the League of California Cities provided staff with a request for the City Council to consider passing a resolution of support for Proposition 69, the constitutional amendment protecting the SB 1 funding that the City has begun to receive.

The League of California Cities Central Valley Division (comprised of cities in San Joaquin, Stanislaus and Merced counties) has submitted a resolution of support for Proposition 69. In Stanislaus County, the individual City Councils of Modesto and Waterford have done the same.

It is important to note that Stanislaus County cities as a whole did not formally take a position on SB 1 – The Road Repair and Accountability of 2017 when being considered since it did not ensure that all revenue generated remained for local transportation projects. That said, now that it is passed, the League of California Cities encourages each individual city to support keeping this new revenue intact.

Stephen Qualls, Central Valley Division Regional Public Affairs Manager, from the League of California Cities will be at the regular meeting to answer any additional questions the City Council may have on this item or request. Mr. Qualls has provided additional background on this item provided by the League of California Cities that are included as attachments.

Fiscal Impact:

There fiscal impact associated with this item relates to SB 1 funding the City of Hughson receives. Proposition 69 would constitutional protect this funding source for transportation purposes as contemplated with the passage of SB 1. For Fiscal Year 2017-2018, the City anticipates receiving \$41,232 the first year the program is a partial allocation.

CITY OF HUGHSON
CITY COUNCIL
RESOLUTION NO. 2018-14

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON
SUPPORTING PROPOSITION 69 (TRANSPORTATION PROTECTION) ON THE
STATE OF CALIFORNIA JUNE 2018 BALLOT**

WHEREAS, cities and counties own and operate more than 81 percent of streets and roads in California, and from the moment we open our front door to drive to work, bike to school, or walk to the bus station, people are dependent upon a safe, reliable local transportation network; and

WHEREAS, the 2016 California Statewide Local Streets and Roads Needs Assessment, which provides critical analysis and information on the local transportation network's condition and funding needs, indicates that the condition of the local transportation network is deteriorating at an increasing rate; and

WHEREAS, cities and counties are facing a funding shortfall of \$73 billion over the next 10-years to repair and maintain in a good condition the local streets and roads system and the State Highway System has \$57 million worth of deferred maintenance; and

WHEREAS, SB 1 – the Road Repair and Accountability Act of 2017 – will raise approximately \$5.4 billion annually in long-term, dedicated transportation funding to rehabilitate and maintain local streets, roads, and highways, make critical, life-saving safety improvements, repair and replace aging bridges and culverts, reduce congestion and increase mobility options including bicycle and pedestrian facilities with the revenues split equally between state and local projects; and

WHEREAS, these transportation revenues should be constitutionally protected to ensure funds are used only for transportation purposes; and

WHEREAS, Proposition 69 on the June 2018 ballot would add another layer of accountability by preventing the State Legislature from diverting or raiding any new transportation revenues for non-transportation improvement purposes.

THEREFORE BE IT RESOLVED, that the City of Hughson hereby supports Proposition 69 on the June 2018 ballot to prevent new transportation funds from being diverted for non-transportation purposes; and

THEREFORE BE IT FURTHER RESOLVED, that the City of Hughson supports and can be listed as a member of the Coalition to Protect Local

Transportation Improvements, a diverse coalition of local government, business, labor, transportation and other organizations throughout the state, in support of Proposition 69.

PASSED AND ADOPTED by the City Council of the City of Hughson at its regularly scheduled meeting held on this 9th day of April 2018, by the following roll call votes:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

GEORGE CARR, Mayor Pro Tem

ATTEST:

SUSANA DIAZ, Deputy City Clerk



LEAGUE OF CALIFORNIA CITIES CENTRAL VALLEY DIVISION

CENTRAL VALLEY MEMBER CITIES

Central Valley Division of the League of California Cities

Supports Prop 69

ANGELS CAMP
ATWATER
CERES
CHOWCHILLA
DOS PALOS
ESCALON
GUSTINE
HUGHSON
LATHROP
LIVINGSTON
LODI
LOS BANOS
MANTECA
MERCED
MODESTO
NEWMAN
OAKDALE
PATTERSON
RIPON
RIVERBANK
SONORA
STOCKTON
TRACY
TURLOCK
WATERFORD

WHEREAS, California’s cities, counties and transportation agencies need dedicated funding to support transportation infrastructure road safety improvements, fill potholes, and repair local streets, highways, freeways, bridges and overpasses; and

WHEREAS, there is a statewide backlog of over \$130 billion in needed road repairs, including \$73 billion needed for local streets and roads; and

WHEREAS, last year’s “Road Repair and Accountability Act” (SB1 – Beall) will raise \$5 billion annually in long-term, dedicated transportation funding to make road safety improvements, fill potholes and repair local streets, highways, bridges and overpasses, with the revenues split equally between state and local government projects; and

WHEREAS, these transportation revenues should have additional Constitutional protections to ensure funds are used only for transportation purposes; and

WHEREAS, Proposition 69 on the June 2018 ballot would add another layer of accountability by preventing the State Legislature from diverting or raiding any new transportation revenues for non-transportation improvement purposes.

THEREFORE BE IT RESOLVED that the Central Valley Division of the League of California Cities hereby supports Proposition 69 on the June 2018 ballot to prevent new transportation funds from being diverted for non-transportation purposes; and

THEREFORE BE IT FURTHER RESOLVED that the the Central Valley Division of the League of California Cities supports and can be listed as a member of the Coalition to Protect Local Transportation Improvements, a diverse coalition of local government, business, labor, transportation and other organizations throughout the state, in support of Proposition 69.

We direct staff to email a copy of this adopted resolution to Kyle Griffith of the Coalition to Protect Local Transportation Improvements campaign at kgriffith@bcfpublicaffairs.com.

APPROVED AND ADOPTED by the Division on March 15th, 2018.

Division President
Tony Madrigal
City Council Member
City of Modesto

League Staff
Stephen R. Qualls
squalls@cacities.org

Regional Public
Affairs Manager



Support Safer Roads and Protect Local Transportation Improvements

SUPPORT Proposition 69:

June 2018 ballot measure to prevent the State Legislature from diverting transportation funds.

Californians depend on a safe and reliable transportation network to support our quality of life and a strong economy. In April 2017, California passed Senate Bill 1 (SB 1)– which will provide more than \$5 billion annually to make road safety improvements, fill potholes, repair local streets, freeways, tunnels, bridges and overpasses and invest in public transportation in every California community. Road safety and transportation improvement projects are **already** underway or planned in every community, but this long-awaited progress could come to a halt unless voters take action in 2018.

✓ **SUPPORT Prop 69: June 2018 ballot measure that prohibits the Legislature from raiding new transportation funds and ensures funds can only be used for transportation projects.**

- Prop 69 extends constitutional protections to the new revenues generated by SB 1 that aren't currently protected and ensures these funds can only be used for transportation improvement purposes.
- The measure would prohibit the Legislature from borrowing or diverting these revenues for non-transportation purposes. This will ensure that all revenues from SB 1 can only be used for transportation improvement purposes.

We Support Proposition 69

League of California Cities
Alliance of Automobile Manufacturers
American Council of Engineering Companies – California
California Alliance for Jobs
California Business Roundtable
California Chamber of Commerce
Alameda Corridor – East Construction Authority
Associated General Contractors – California
Associated General Contractors – San Diego
California Asphalt Pavement Association
California Association of Councils of Governments (CALCOG)
California Nevada Cement Association
California State Association of Counties
California State Conference NAACP
California State Council of Laborers

California Transit Association
California Trucking Association
Chamber of Commerce of the Santa Barbara Region
Golden State Gateway Coalition
League of Women Voters California
Los Angeles County Division, League of California Cities
Los Angeles Area Chamber of Commerce
Northern California Chapter, National Electrical Contractors Association (NECA)
Orange County Business Council
San Gabriel Valley Economic Partnership
Silicon Valley Leadership Group
Southern California Partnership for Jobs
Transportation California
United Contractors
Valley Industry & Commerce Association

Paid for by the Coalition to Protect Local Transportation Improvements, sponsored by business, labor, local governments, transportation advocates and taxpayers
Committee Major Funding from
California Alliance for Jobs

Funding details at www.fppc.ca.gov

ACA 5
June 2018 Statewide General Election

In April, 2017, the Legislature adopted **SB 1 – The Road Repair and Accountability Act of 2017** and **Assembly Constitutional Amendment 5**. Among its many provisions, SB 1 increases the sales and use tax on diesel fuel and imposes a new transportation improvement fee. ACA 5 is a ballot measure that would amend the Constitution to protect revenues from the increased tax and new fee for transportation purposes only. Other revenue increases found in SB 1 are already protected for transportation purposes by Article XIX of the California Constitution.

The Public Transportation Account: This is a trust account in the State Transportation Fund currently protected by the State Constitution. Funds in the Public Transportation Account may only be used for transportation planning and mass transportation purposes. Funds cannot be loaned or transferred to the State General Fund or any other fund or account in the State Treasury. The state sales tax on motor vehicle fuel is deposited into the Public Transportation Account.

New Revenues from SB 1: SB 1 – the Road Repair and Accountability Act of 2017 increased the state sales tax on diesel fuel by 4%; and the state use tax on diesel fuel by 1.75%.

SB 1 also imposed a transportation improvement fee payable with an automobile registration. The fee ranges from \$25 for an automobile with a market value of \$4,999 to \$175 for an automobile with a market value of \$60,000. The fee is \$100 for an automobile with a market value between \$25,000 and \$34,999.

Protecting New Revenues from SB 1: ACA 5 is a measure on the June 2018 statewide ballot to amend the California Constitution. Majority voter approval is required to amend the Constitution. The amendment makes two changes to the Constitution:

- **New diesel fuel sales and use tax** must be deposited into the Public Transportation Account where their use is restricted for public transit services and capital improvements.
- **New transportation improvement fee** must be deposited into the Public Transportation Account where they can be used only for research, planning, construction, improvement, maintenance and operation of public streets and highways and public transportation systems.

The proposed constitutional amendment will ensure that the revenues from the increase in the diesel fuel sales and use tax and from the new transportation improvement fee will be deposited into the Public Transportation Account. The

Legislature cannot change how these funds are used once they are protected by the Constitution.

Frequently Asked Questions

Q1. When did the increase in sales tax on diesel fuel go into effect?

A1. November 1, 2017

Q2. When did the new transportation improvement fee go into effect?

A2. January 1, 2018

Q3. Does SB 1 require that the sales tax increase on diesel fuel be used for certain purposes?

A3. Yes. The Road Repair and Accountability Act of 2017 requires that:

- All but 0.5% of the total sales and use tax paid on diesel fuel be allocated to the State Transit Assistance Program for use by transportation planning agencies, county transportation commissions and the San Diego Metropolitan transit Development Board; and
- The remaining tax revenues (generated from 0.5%) be allocated for intercity rail and commuter rail for the state's three intercity rail corridors and for commuter rail services.

Q4. Does SB 1 require that the new transportation improvement fee be used for certain purposes?

A4. Yes. SB 1 - The Road Repair and Accountability Act of 2017 allocated these revenues for the following programs:

- State Transit Assistance Program
- Congested Corridor Program
- Road Maintenance and Rehabilitation Account for local street and road maintenance

Q5. Why was ACA 5 adopted by the Legislature when it passed SB 1?

A5: To ask the voters to amend the Constitution to ensure that the revenues from the diesel tax and the transportation improvement fee would be used for transportation planning, public transit, and transportation capital improvements.

Q6. What happens if ACA 5 does not pass on the June 2018 ballot?

A6. The Legislature can decide to use revenues from the sales tax increase on diesel fuel and the new transportation improvement fee for purposes other than research, planning, construction, improvement, maintenance, and operation of public streets and highways and public transportation systems.