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DEPARTMENT OF  
PUBLIC WORKS  
  
OFFICE OF THE DIRECTOR

CITY OF SACRAMENTO  
CALIFORNIA

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ADMINISTRATION  
916-449-8747

November 13, 1990

Budget and Finance Committee/Transportation and Community Development  
Sacramento, California

Honorable Members in Session:

SUBJECT: Expenditure Plan For Additional Gas Tax Revenue Received as a Result of Proposition 111 and the Amendment of the 1990-91 Capital Improvement Program.

SUMMARY

This report proposes an expenditure plan for additional Gas Tax Revenues (\$2106, \$2107, \$2107.5 of the Streets and Highways Code) which will be received by the City as a result of the passage of Proposition 111 on the June 1990 ballot.

BACKGROUND INFORMATION

SB 300 (Kopp) which was passed during the 1989 legislative session provided for an increase in the state Highway Users Tax Account, otherwise known as Gas Tax, from nine cents (\$0.09) per gallon to:

Fourteen cents (\$0.14) effective August 1, 1990,  
Fifteen cents (\$0.15) during 1991,  
Sixteen cents (\$0.16) during 1992,  
Seventeen cents (\$0.17) during 1993, and  
Eighteen cents (\$0.18) during 1994 and thereafter.

These fuel tax increases were contingent upon the successful passage of Proposition 111 on the June ballot.

The apportionment to cities and counties of Gas Tax Funds (\$2106, \$2107 of the Streets and Highways Code) is based on vehicle registration, assessed valuation and population. The League of California Cities has estimated that this fiscal year, as a result of the passage of Proposition 111, the City of Sacramento will receive approximately \$981,000 in Gas Tax Revenues in addition to those already budgeted.

Budge and Finance Committee/Transportation and Community Development Committee  
 Expenditure Plan for Additional Gas Tax Revenue  
 Received as a Result of SB300 and Proposition 111  
 November 13, 1990

Construction funds (209) for street paving, median construction and landscaping of the Franklin Boulevard center median from Mack Road to Unionhouse Creek. Plans for this project are currently 60% complete. An additional \$200,000 is needed to proceed to project construction.

Median Landscaping Design. \$50,000 would be used for design of projects scheduled for 91-92 construction in the Median Strip Master Plan as indicated above.

Neighborhood Facility Improvement Program. \$217,000. This new program would provide matching funds for public facility improvement projects. This program would provide up to 50% funding for the proposed projects. The neighborhood portion would be provided through an assessment district or some other means. The specific proposed guidelines and procedures for this program will be presented to the City Council in a subsequent staff report early next year.

Contingency Reserve \$39,000. In accordance with established financial policy, 4% of the additional revenues will be set aside for fund contingencies.

Current and proposed revised budgeted revenues related to this action are as follows:

FUND (\$ in 000's)	1990-91 ADOPTED	NEW \$	REVISED TOTAL
FUND 202: \$2106 Gas Tax	\$ 1,816	\$ 981	\$ 2,797
Interest on Investments	201		201
<b>TOTAL</b>	<b>\$ 2,017</b>	<b>\$ 981</b>	<b>\$ 2,998</b>

POLICY CONSIDERATIONS

Gas Tax Funds are allocated to the City pursuant to §2100 of the Streets and Highways Code for specified purposes related to the construction and maintenance of public streets and highways.

MBE/WBE EFFORTS

There are no MBE/WBE issues associated with this action.

Budge and Finance Committee/Transportation and Community Development Committee  
 Expenditure Plan for Additional Gas Tax Revenue  
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 November 13, 1990

FINANCIAL DATA

Staff proposes the following use of the estimated \$981,000 of Gas Tax revenues:

Arden Garden Connector PN: TA81	\$ 100,000
Norwood Avenue & Bell Avenue PN: SD01	375,000
Median Landscaping & Construction Franklin Boulevard Median	200,000
Median Landscaping Design (\$50,000)	
West El Camino - Azevedo to Truxel	25,000
J Street - H Street Bridge to Sac State	10,000
Pocket Road - I-5 to Freeport	15,000
Neighborhood Facility Improvement Program	217,000
SubTotal	\$ 942,000
Contingency Reserve (at 4%)	39,000
<b>TOTAL</b>	<b>\$ 981,000</b>

TA81 - Arden Garden Connector \$100,000. This project would extend the Garden Highway to the East, over the East Main Drain and connecting to Arden Way. Capital Improvement Program Project TA81 contains \$550,000 of Major Street funds (209) and \$200,000 from the South Natomas Community Improvement Fund (795) for this project. As of September 15, \$249,978 had been encumbered or expended for preliminary design and environmental work. The City is proceeding with the preparation of an Environmental Impact Report (EIR). A consultant agreement is being negotiated and will be forwarded in November for Council approval. The additional funds are needed for this environmental work and related staff efforts.

SD01 - Norwood Avenue/Bell \$375,000. Funds are currently budgeted in CIP project number SD01 for the design and construction of traffic signals at this location. The project contains \$120,000 in Major Street funds (209). As of September 15, 1990, \$47,141 had been encumbered or expended on project design. Plans for the project are currently 90% complete. The preliminary evaluation of the project was that simply a signal would be installed. On future review of the road network serving the Roble Area; it became apparent that the elevated curve should be removed and a standard intersection constructed. This requires reconstruction of the street in addition to signalization.

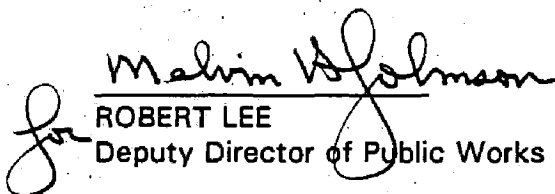
Median Landscaping and Construction. TF46 - Franklin Boulevard Median \$200,000. Capital Improvement Program Project TF46 currently contains \$200,000 of Major Street

Budge and Finance Committee/Transportation and Community Development Committee  
Expenditure Plan for Additional Gas Tax Revenue  
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RECOMMENDATION

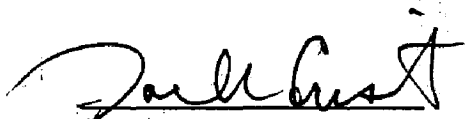
It is requested that the Committee forward to Council with a recommendation for approval, the attached resolution amending the 1990-91 Revenue Budget and appropriating funds as described.

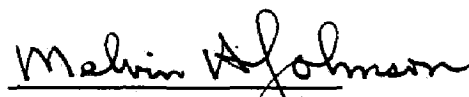
Respectfully submitted,

  
ROBERT LEE  
Deputy Director of Public Works

RECOMMENDATION APPROVED:

APPROVED:

  
JACK R. CRIST  
DEPUTY CITY MANAGER

  
MELVIN H. JOHNSON  
Director of Public Works

Contact Person:  
Michael Coleman  
Administrative Services Officer  
449-2013

November 13, 1990

RL:MC  
Prop111.CC

All Districts

# RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

## RESOLUTION AMENDING THE 1990-91 REVENUE BUDGET AND APPROPRIATING ADDITIONAL GAS TAX FUND

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

1. That the 1990-91 revenue budget be amended by increasing the revenue to the Gas Tax - \$2106 fund (202-XXX-XXXX-3509) by \$981,000 and the further increasing the Gas Tax - \$2106 Fund Contingency Reserve (202-710-7012-4999) by \$981,000.

2. That funds be appropriated from Gas Tax Contingency Reserve (202-500-7012-4999) as follows:

202-500-TA81-4820	\$ 100,000
202-500-SD01-4820	\$ 375,000
202-500-TF46-4820	\$ 200,000

3. That the Capital Improvement Program is hereby amended appropriating funds from Gas Tax Contingency Reserve (202-500-7102-4999) and establishing a new projects as follows:

West El Camino Landscaping - Azevedo to Truxel (202-500-xxxx-xxxx)	25,000
J Street Landscaping - H St Bridge to Sac State (202-500-xxxx-xxxx)	10,000
Pocket Road Landscaping - I-5 to Freeport (202-500-xxxx-xxxx)	15,000
Neighborhood Facility Improvements (202-500-xxxx-xxxx)	217,000

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_