

UPDATE: See staff report and
Board Order on next 4 pages

This is a place holder for information for the following Public Hearing.
More information will be available on this item after the Board Policy
Session on Feb. 23, 2016.

1. Board Order No. _____ to Refer an Advisory Measure to the Voters in
May 2016 to Pursue Public Funding of County Road Maintenance
(Chris Storey, County Counsel, Barb Cartmill, Department of
Transportation & Development)



M. BARBARA CARTMILL
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

February 25, 2016

Board of County Commissioner
Clackamas County

Members of the Board:

**Referral of an Advisory Measure on the Question of Pursuing
Public Funding of County Road Maintenance**

Purpose/Outcomes	Place advisory question on the need for road maintenance and safety funds on the May 17, 2016 election ballot
Dollar Amount and Fiscal Impact	N/A
Funding Source	N/A
Duration	Vote is May 17, 2016
Previous Board Action	Numerous policy sessions, planning sessions and business meeting discussions over the past few years including, most recently, a public discussion at the Feb. 18, 2016, Board Business Meeting
Strategic Plan Alignment	Build a Strong Infrastructure: By 2019, 120 additional miles of county roads will be improved to 'good to excellent' status Build Public Trust Through Good Government: By 2020, Clackamas County will achieve the Strategic Results in the Strategic Plan.
Contact Person	Barbara Cartmill – 503-742-4326

BACKGROUND:

After almost two years on public outreach about the need for a local source of road maintenance funds, for the past few weeks the Board of County Commissioners has been exploring various options for placing one or more advisory questions on the May 17, 2016, ballot.

On Feb. 18 the public was invited to comment on a proposed advisory measure during the Board business meeting. At a policy session on Feb. 23, the Board discussed the input received so far and approved placing the following questions a question on the May 17, 2016 ballot.

“Shall the county pursue a vehicle registration fee, for a limited amount of years, to pay for deferred road maintenance?”

Attached to this memo is a Board Order referring the following question to the ballot in May, along with the accompanying summary and explanatory statement.

RECOMMENDATION:

Staff respectfully recommends that, in line with the Board's intent to place an advisory vote on the May 2016 ballot, the Board of County Commissioners approve the attached Board Order.

Respectfully submitted,

M. Barbara Cartmill, Director
Department of Transportation & Development

In the Matter of Referral of An Advisory Measure on the Question of Pursuing Public Funding of County Road Maintenance

Order No.

WHEREAS, the Board of County Commissioners (“BCC”) is desirous of soliciting public feedback and input on road funding challenges; and

WHEREAS, funding for road maintenance primarily comes from gas taxes and vehicle registration fees, since state law forbids using ad valorem (property) taxes for roads, and though the county uses road funds efficiently, it is unable to keep pace with maintenance needs and currently has a \$17 million annual gap between funds needed to maintain roads and revenue; and

WHEREAS, under the current funding structure, every year a larger percentage of county roads fall below the ‘good to excellent’ level due to the lack of funding, and the cost to reconstruct a road in the future is more than 10 times greater than the cost of providing preventive maintenance today; and

WHEREAS, the County desires to provide appropriate and safe roads for Clackamas County residents, businesses and travelers, and is searching for the approach means and manner for obtaining funding to provide the same; and

WHEREAS, an advisory vote by the citizens of Clackamas County would provide additional information for the BCC in deciding the optimal way to meet the road funding challenge;

NOW, THEREFORE, IT IS HEREBY ORDERED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

1. An advisory measure is hereby referred to the voters of Clackamas County regarding road funding substantially in the form attached hereto as Exhibit A and related explanatory statement, subject only to ministerial correction by staff.
2. The advisory measure election hereby called shall be held in Clackamas County on Tuesday, May 17, 2016.
3. The County hereby authorizes the Chair, the County Administrator, the County Counsel or their designees to submit, sign, publish notice and otherwise take all necessary action to effectuate the foregoing.

DATED this 25th day of February, 2016.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary

Exhibit A

Ballot Language

TITLE: Advisory Vote on Pursuing Public Funding of County Road Maintenance

QUESTION: Shall the county pursue a vehicle registration fee, for a limited amount of years, to pay for deferred road maintenance?

SUMMARY: Clackamas County is considering remedies to a deficiency in road maintenance funds. Over 50% of Clackamas County's 1,400 road miles are in fair or poor condition.

Road funds primarily come from gas taxes and vehicle registration fees; state law forbids using ad valorem (property) taxes for roads. The county is unable to keep pace with maintenance needs. There is a \$17 million annual gap between funds needed to maintain roads and revenue.

Every year, a larger percentage of county roads slip into disrepair, and the county doesn't have the revenue to keep up. The cost to reconstruct a road in the future is more than 10 times greater than the cost of providing preventive maintenance today.

Ongoing preventive maintenance is critical to safe roads. Smooth roadways, clear lane markings, unobstructed sightlines, drainage and well-marked intersections help reduce crashes and keep travelers safe.

This advisory vote is intended to gauge voter interest in the issue, not preclude any future action by the County.

EXPLANATORY STATEMENT: This advisory measure is designed to help the County gauge the level of voter support for a possible future ballot measure. That future ballot measure, if proposed, would give voters the option to approve a vehicle registration fee for a limited period of time to pay for clearly-identified road maintenance projects.

The results of this measure will be informative for the County, but will not result in either requiring or precluding any future action by the County. Regardless of the outcome of this advisory vote, the Board of County Commissioners will continue to have the authority to ask for a future vote on a specific funding measure or to take action on their own (as allowed by law).

Clackamas County relies on three primary sources of revenue for road maintenance —

state gas taxes, state heavy weight mile taxes and state vehicle registration/title fees. Oregon law expressly prohibits using property taxes – the County’s largest source of funding – for road maintenance. Similar restrictions apply to other sources of funds the County receives. Consequently it is not possible to reallocate funds intended for other services or programs to finance road maintenance.

The Board has been considering several options for providing needed local funds to help maintain the county’s 1,400-mile road system, including a countywide gas tax and/or a countywide vehicle registration fee. All options would be for a limited period of time (for example, five years or seven years) and would include a list of specific projects that would be completed with the revenue generated.

One option under consideration is a seven-year, countywide vehicle registration fee of \$25 per year per vehicle. (Since in Oregon people pay their vehicle registration fee every two years, this would be an additional \$50 every two years, or \$175 for the seven-year period for each vehicle.)

Some vehicles are exempt from the vehicle registration fee, including those registered with the state as antique or special interest vehicles, as farm vehicles, as snowmobiles or Class I all-terrain vehicles, fixed load vehicles, vehicles registered to disabled veterans, and travel trailers, campers and motor homes.

This proposal, if enacted, would generate a total of approximately \$60 million. In accordance with state law, 40% of that revenue (\$24 million) would be distributed to Clackamas County cities based on population and the remaining \$36 million would be available for the county to use.

The county proposes that the funds from such a vehicle registration fee would be spent only to maintain current county roads as follows on seven specific paving packages on more than 115 miles of roadways around the county.