



Meeting Date: April 22, 2019

Agenda Item: 7a

Report No. CC-19-51

Status: General Orders

Purpose: Update to Council on Status of Transportation Project Funding

Background Summary: Transportation funding comes from appropriations in the general fund, ½ cent sales tax fund, and transportation fee fund.

The initial authorization for ½ cent sales tax dedicated to transportation projects was effective on sales beginning October 1, 2001 with a term of 5 years. The second reauthorization for a term of ten years expired in 2016. Voters approved a third authorization that will expire in 2026. Collections in the fund since 2014 have averaged \$4 million per year. The ½ cent tax collected over the 17 years totals \$59 million. Expenditures out of the fund total \$52.5 million. The difference in collections and expenditures is accounted for by projects that are planned but not fully funded from collections. Projects scheduled over the next six years total \$24 million.

The transportation fee fund was authorized by Council in 2003 to offset costs associated with the expansion of transportation ways. This fee correlates to the number of developments and building permits issued. Collections of this fee total \$2.6 million since inception. Expenditures out of the fund total \$2.2 million. The difference of \$400,000 will be utilized for transportation plan updates and identified enhancements.

The general fund provides funding for transportation in two ways – funding for personnel and operations costs in addition to capital projects funding. In 2014, 2015 and 2016 the Council budgeted \$4 million in the general fund for pavement management. This funding was not sustainable in the general fund. In December 2016 the pavement management program was moved to the ½ cent sales tax fund. In October 2018 \$6 million funding was approved from SUA reserves for road and bridge projects identified by transportation. \$3 million funding will be available in July 2019 for FY19-20 road projects.

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