



Shasta County

Regional Transportation
Planning Agency

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Daniel J. Kovacich, Executive Officer

April 20, 2005

Dear Colleague:

For many years our streets and highways have been funded through user fees, known as 'gas taxes'. We pay these taxes when fueling our vehicles. At the present time, this rate is 36.4 cents per gallon.

Over the years this system worked fairly well to fund maintenance and to build the infrastructure that we know today. Many of the streets and roads that we use in our community such as Interstate 5, Highway 273, State Route 44, and Highway 299, as well as many local streets and roads such as Cypress Avenue and Deschutes Road, have been constructed with revenues generated at the pump through gas taxes. However, due to population growth, more fuel-efficient vehicles, and the rising cost of maintaining the existing road system, this traditional gas tax is no longer adequate to fund the cost of ongoing maintenance nor to fund additional facilities.

The situation has been recognized for many years, but the solution has always remained elusive. The voters of California recognized the situation in 2002 by voting to direct the sales tax on gasoline to be earmarked for transportation purposes through Proposition 42. Previous to Proposition 42, this revenue was deposited into the State General Fund. However, no sooner was Proposition 42 approved by nearly 70% of the voters than the State of California started to experience budget crises. As a result, the legislature has suspended Proposition 42 each year since the 2003-2004 fiscal year. As a result of these actions, the State is no longer in a position to fund needed road improvements.

Currently revenues from gas taxes barely cover maintenance of the existing system and there is no money available for road expansions to meet our ever-growing population. Even though the population in Shasta County will continue to grow, we can expect to drive over the same streets and roads that we have today unless something is done to address this pressing need.

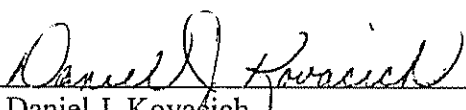
As a result of this situation, the Shasta County Regional Transportation Planning Agency has scheduled a workshop for **Tuesday, April 26, 2005, at 5:00 P.M., at the Shasta Senior Nutrition Center, 2225 College View Drive, Redding, California, 96003**. An agenda for this meeting is attached for your information. I hope you will find the time to attend this important meeting and to participate in this discussion of future transportation needs. There will be an opportunity for you to voice your opinion on this important community issue.

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I would like to encourage you to visit the Shasta County Regional Transportation Planning Agency's website at www.scrtpa.org where several articles have been posted outlining how other areas in California have responded to this transportation crisis.

I am pleased to discuss this issue with you in advance of the workshop if you desire. I can be contacted at 225-5155.

Very truly yours,

By 
Daniel J. Kovacich
Executive Officer

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