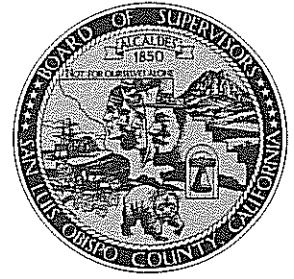


BOARD OF SUPERVISORS

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June 25, 2009

Honorable Abel Maldonado
State Capitol Room 4082
Sacramento, CA 95814

Re: San Luis Obispo County Position on Highway User Tax (HUTA)

Dear Senator Maldonado;

On Tuesday June 23, 2009, on a unanimous 5-0 vote, the County of San Luis Obispo Board of Supervisors adopted the following legislative platform after considering the State Budget Conference Committee's proposed taking of Highway User Taxes (HUTA) from California Counties and Cities:

"Oppose legislation and State budget proposals that "take" gas tax and other Road revenues. Support legislation that ensures the preservation of Road revenues, including proposals that may increase State transportation revenues in lieu of taking local revenues, and those that improve equitable funding of local maintenance needs."

Consistent with this policy, our Board also supports the California State Association of Counties (CSAC) position, adopted the CSAC Board of Directors on June 17, 2009, for an increase in the gas tax by 5-cents as an alternative to the taking of HUTA funds for two years to pay debt service, and, if the 5-cent gas tax were to extend beyond the two year duration, that the 5-cents is shared equally between the state, cities and counties.

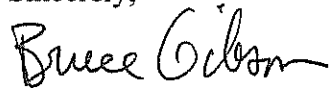
For San Luis Obispo County, the taking of gas taxes would have a devastating effect. Approximately 1/3rd of our road maintenance crews could no longer be funded, and the entire pavement management contract work, which supports private-sector employment and economic activities, would be eliminated. The \$5 million in direct impacts on the local economy could easily have a \$15 to \$25 million dollar overall negative impact on

Honorable Abel Maldonado
June 25, 2009
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the local economy. The obvious impact on our ability to maintain the County road system would result in deteriorating infrastructure at a time that stimulus and other programs recognize the vital need to support infrastructure and stabilize the economy.

It is abundantly clear that the State of California needs to solve its budgetary problems, but taking gas taxes dedicated to local needs is not a solution. We respectfully request that you support the County of San Luis Obispo, and the California State Association of Counties adopted positions on this matter.

Sincerely,

A handwritten signature in black ink that reads "Bruce Gibson". The signature is written in a cursive style with a prominent "B" and "G".

Bruce Gibson, Chairman
San Luis Obispo County Board of Supervisors