



**DATE:** April 24, 2018

**CATEGORY:** Consent

**DEPT.:** Public Works

**TITLE:** **Approve Project for Senate Bill 1 – Road Repair and Accountability Act of 2017**

### **RECOMMENDATION**

Approve a Resolution Adopting a List of Projects for Fiscal Year 2018-19 Funded by Senate Bill 1: The Road Repair and Accountability Act of 2017, to be read in title only, further reading waived.

### **BACKGROUND**

On April 28, 2017, the Governor signed Senate Bill 1 (SB 1), which is known as the Road Repair and Accountability Act of 2017. To address basic road maintenance, rehabilitation, and critical safety needs on both State and local roads, SB 1 increases the per-gallon fuel excise tax; diesel fuel sales taxes and vehicle registration fees; and provides for inflationary adjustments to tax rates in future years.

Beginning November 1, 2017, the State Controller (Controller) began depositing various portions of this new funding into the newly created Road Maintenance and Rehabilitation Account (RMRA). A percentage of this new RMRA funding is then apportioned by a formula to eligible cities and counties pursuant to Streets and Highways Code Section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

In order to be eligible for RMRA funding, the statute requires cities and counties to provide basic annual RMRA project reporting to the California Transportation Commission (Commission). Prior to receiving an apportionment of RMRA funds from the Controller in a fiscal year, the City must submit to the Commission a list of projects proposed for funding by May 1, 2018. All projects proposed to receive funding must be adopted by the applicable city council at a regular public meeting. The list of projects must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement. The City must also report on Maintenance of Effort (MOE) compliance to document that

the SB 1 funds are increasing the City's expenditure on road maintenance rather than supplanting City funds.

### **ANALYSIS**

The City expects to receive an allocation of \$1.3 million in Fiscal Year 2018-19 that can be used for pavement maintenance. Staff recommends using the RMRA funds for a future streets resurfacing and slurry seal project, and the recommended actions would provide the required list of projects for submission to the Commission no later than May 1, 2018 (see Attachment 2).

### **FISCAL IMPACT**

Estimated SB 1 funds, specifically the Road Maintenance and rehabilitation funds, of \$1.3 million are expected to be apportioned during Fiscal Year 2018-19. These funds will be available to fund the project described in Attachment 2 and will be included in the Fiscal Year 2019-20 Capital Improvement Program.

### **ALTERNATIVES**

1. Do not approve the project described in Attachment 2 for RMRA funds.
2. Provide other direction to staff.

**PUBLIC NOTICING** – Agenda posting.

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- Attachments: 1. Resolution  
2. Proposed Project List for RMRA Funded CIP