



COUNCIL REPORT

DATE: April 28, 2026

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Senate Bill 1, Road and Repair
Accountability Act of 2017–Project List**

RECOMMENDATION

Adopt a Resolution of the City Council of the City of Mountain View Adopting a List of Projects for Funding to Be Allocated During Fiscal Year 2026-27 from Senate Bill 1—the Road Repair and Accountability Act of 2017, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

On April 28, 2017, the Governor signed Senate Bill 1 (SB 1) (Beall, Chapter 5, Statutes of 2017), 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 increased the per-gallon fuel excise tax, diesel fuel sales taxes, and vehicle registration fees, and provided for inflationary adjustments to tax rates in future years.

Beginning November 1, 2017, the State 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 formula to eligible cities and counties pursuant to Streets and Highways Code (SHC), 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 SB 1 RMRA funding, the statute requires cities and counties to provide basic annual project reporting to the California Transportation Commission (Commission). Prior to receiving an apportionment of RMRA funds from the State Controller in the upcoming fiscal year, the City must submit to the Commission a list of projects proposed for funding by July 1, 2026. The list of projects proposed to receive funding must be adopted by the City Council at a regular public meeting and 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. The MOE requires jurisdictions to annually expend at least the

average amount of eligible funds spent on street, road, and highway purposes during Fiscal Years 2009-10, 2010-11, and 2011-12. For the City of Mountain View, the State-established MOE is \$2,630,444. The City must meet or exceed this annual expenditure threshold to maintain eligibility for RMRA funding.

ANALYSIS

The City expects to receive an SB 1 RMRA allocation of approximately \$2.42 million in Fiscal Year 2026-27 to be used for pavement maintenance in Fiscal Year 2027-28. Staff recommends identifying these SB 1 funds for the Fiscal Year 2027-28 SB 1 Streets Project to resurface and slurry seal streets in the City's San Antonio and Rengstorff neighborhoods as indicated in the Resolution (Attachment 1). This area was selected through the Pavement Management program, which helps determine the highest priority streets requiring pavement work to maintain the City's network pavement condition index, and in consideration of using the City's other pavement funding sources on streets in other areas of the City.

In 2025, Council provided staff direction to evaluate the impacts and benefits of prioritizing arterial streets over local streets for pavement treatment. Staff is beginning this effort by obtaining consultant support for this evaluation and this analysis will inform the pavement program priorities for Fiscal Year 2027-28. For the SB 1 requirements, the City has the ability to change the location where the SB 1 funds will be expended for the Fiscal Year 2027-28 by keeping the scope similar and notifying the Commission should other priorities be later determined.

Once the actual allocation of RMRA funding is known, staff will use the Pavement Management program to identify the specific street segments to recommend for the pavement work and the most cost-effective treatment option for each street. Active transportation improvements or enhancements, such as installing high visibility crosswalks and new bike lanes or enhancements of existing bike lanes where feasible, will be evaluated for integration into each street segment.

If the recommended action is approved, the project will be included in the Fiscal Year 2027-28 Capital Improvement Program with RMRA funds used for design and construction.

FISCAL IMPACT

Estimated SB 1 RMRA funds in the amount of approximately \$2.42 million are anticipated to be apportioned to the City during Fiscal Year 2026-27.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a "license, permit, or other entitlement for use" if the official has received a campaign contribution exceeding \$500 from a party, participant, or

agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

ALTERNATIVES

1. Modify the resolution adopting a list of projects for funding to be allocated in Fiscal Year 2026-27 from SB 1.
2. Provide other direction.

PUBLIC NOTICING – Agenda posting

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Attachment: 1. Resolution Adopting a List of Projects for Funding (SB 1)