



Agenda Report

20-25

Agenda Date: 4/7/2020

REPORT TO COUNCIL

SUBJECT

Action on a Resolution to Adopt a List of Projects Funded by Senate Bill 1, The Road Repair and Accountability Act, for Fiscal Year 2020-21 [Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]

BACKGROUND

In April 2017, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017), was signed into law. SB 1 increased per gallon fuel excise taxes, diesel fuel sales taxes, and vehicle registration fees to address basic road maintenance and rehabilitation. The Road Repair and Accountability Act (RMRA) directs the State Controller to allocate 50 percent of the revenues in the RMRA to the State and 50 percent to cities and counties. The amount received by the City of Santa Clara and other eligible cities is determined by a formula.

Per the SB 1 statutes, the RMRA funding should be prioritized for basic road maintenance, rehabilitation, and critical safety projects. The Pavement Condition Index (PCI) is a numerical index between zero and 100 which is used to indicate the general condition of pavement, with zero considered as 'Failed' and 100 considered as 'Brand New.' A city may spend its portion of SB 1 funds on transportation priorities other than road maintenance and critical safety projects if the city's average PCI meets or exceeds 80. As of January 29, 2020, the City of Santa Clara's current average PCI is 74.

In order to receive RMRA funding, the City must follow the Local Streets and Roads Funding Annual Reporting Guidelines adopted by the California Transportation Commission (CTC). The SB 1 statutes and CTC guidelines require that the City submit a project list to the CTC annually that identifies proposed projects to be funded with RMRA allocations each fiscal year ("Project List").

FY 2020-21 will be the fourth year the City will receive SB 1 RMRA funding. The City Council previously approved SB 1 Project Lists for FY 2017-18, FY 2018-19, and FY 2019-20. In each previous Project List, the City identified the Annual Street Maintenance and Rehabilitation Program for expenditure of the SB 1 RMRA funds. Maintenance for streets identified under the previous Project Lists for 2017-18 and 2018-19 has been completed, and the projects listed for 2019-20 are planned to be completed in summer 2020. Streets listed under the FY 2020-21 Project List considered in this report are planned to be completed in summer 2021.

DISCUSSION

The City must now adopt a Project List for FY 2020-21 by Resolution and submit it to the CTC by May 1, 2020 in order to be eligible to receive FY 2020-21 RMRA funds. The Resolution (Attachment 1) and proposed Project List (Attachment 2) identify streets to be maintained and rehabilitated under the Annual Street Maintenance and Rehabilitation Program. This program provides

preventative maintenance, repair, and rehabilitation to street pavement using treatments such as asphalt concrete overlays and slurry seals in order to extend the pavement surface life, improve ride quality, and improve the overall pavement condition of the City street network. The specific pavement treatments to be implemented for construction will be further refined based upon detailed design and field considerations as the project moves forward.

The streets identified on the Project List may be combined with other streets under one or more projects that are scheduled to be rehabilitated under the City's Annual Pavement Maintenance and Rehabilitation Program. The SB 1, RMRA, and CTC Annual Reporting Guidelines allow flexibility for the City to fund projects in accordance with local needs and priorities. The Project List can be revised at a later date should the City's needs and priorities change. Additionally, the City can fund projects that were not included in the Project List in any given year and can also choose to not fund projects that were on the list without amending or resubmitting the Project List to the CTC.

Adoption of the Resolution will allow the City to remain eligible to receive FY 2020-21 RMRA funds. If the Resolution is not adopted, the funds may be forfeited by the City and distributed to other eligible agencies.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment. Any project on the list that moves forward to construction will be evaluated in accordance with CEQA as part of the approval process. It is expected that the CEQA determination for pavement maintenance projects will be a categorical exemption pursuant to CEQA Guidelines section 15301 "Existing Facilities" as the activity consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities mechanical equipment or topographical features involving negligible or no expansion of use beyond that existing at the time of the lead agencies determination.

FISCAL IMPACT

The City is projected to receive \$2.4 million of RMRA funds in FY 2020-21 based upon revenue estimates published by the League of California Cities in January 2020. Appropriation of the RMRA revenues to the Annual Street Maintenance and Rehabilitation Program will be considered by Council through the FY 2020-21 and 2021-22 Biennial Capital Improvement Program Budget process.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> .

RECOMMENDATION

Adopt a Resolution to Adopt a List of Projects Funded by Senate Bill 1, The Road Repair and Accountability Act, for Fiscal Year 2020-21.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Resolution
2. Proposed Project List for Fiscal Year 2020-21