



Staff Report

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**File #:** 24-0467

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**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 06/05/2024

**TO:** Honorable Mayor and City Council Members

**FROM:** Public Works Department

**SUBJECT:**

RESOLUTION AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO RECEIVE AND ACCEPT SENATE BILL-1 ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 REVENUE FOR FISCAL YEAR 2025 IN AN ESTIMATED AMOUNT OF \$4,018,128 FOR THE CITYWIDE STREET PAVEMENT REHABILITATION PROJECT, NO. ST-2025-06

**EXECUTIVE SUMMARY:**

This staff report asks the City Council to consider the acceptance of Senate Bill-1 (SB1) Road Repair and Accountability Act of 2017 revenue to maintain and improve streets within the City of Corona as part of the Street Maintenance and Rehabilitation Program.

**RECOMMENDED ACTION:**

**That the City Council:**

- a. Adopt Resolution No. 2024-067, authorizing the City Manager, or their designee, to receive and accept Senate Bill-1 Road Repair and Accountability Act of 2017 revenue for Fiscal Year 2025 in an estimated amount of \$4,018,128 for the Citywide Street Pavement Rehabilitation Project, No. ST-2025-06.
- b. Accept and appropriate \$4,018,128 in Fiscal Year 2025, as awarded by the State, from the unappropriated Road Maintenance and Rehabilitation Fund 221 to the Citywide Street Pavement Rehabilitation Capital Improvement Project No. ST-2025-06.
- c. Approve the estimated revenue of \$4,018,128 in Fiscal Year 2025 in the Road Maintenance and Rehabilitation Fund 221 for reimbursement by the State, per the Road Repair and Accountability Act of 2017 - Local Streets and Roads Funding Amended Annual Reporting Guidelines.

**BACKGROUND & HISTORY:**

On April 28, 2017, the Governor signed Senate Bill-1 (SB1) (Beall, Chapter 5, Statutes of 2017), known as the Road Repair and Accountability Act of 2017. SB1 increased per gallon fuel excise taxes, diesel fuel sales taxes, and vehicle registration fees, and it provides for inflationary adjustments to tax rates in future years. These tax revenues can be used to address basic road maintenance, rehabilitation, and critical safety needs on roads throughout the State of California.

Beginning November 1, 2017, the State Controller (Controller) deposited various portions of this funding into the newly created Road Maintenance and Rehabilitation Account (RMRA). A percentage of this new RMRA funding is 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. For a detailed breakdown of RMRA funding sources and the disbursement of funding, see Exhibit "3." Streets and Highways Code (SHC) Section 2032.5(a) articulates the general intent of the legislation - that recipients of RMRA funding be held accountable for the efficient investment of public funds to maintain local streets and roads. This accountability to the people occurs through performance goals that are tracked and reported. The California Transportation Commission (CTC) tracks and records through the expenditure report.

Pursuant to SHC Section 2030(a), the objective of the Local Streets and Roads Program is to address deferred maintenance on the local streets and road system through the prioritization and delivery of basic road maintenance and rehabilitation projects and critical safety projects. Cities and counties receiving RMRA funds must comply with all relevant federal and state laws, regulations, policies, and procedures.

SB1 funding provides the City of Corona with increased funding through the Local Streets and Roads (LSR) Program. SB1 prescribes certain uses for these funds, including:

- Road maintenance and rehabilitation
- Safety Projects
- Railroad Grade Separations
- Complete street components (including active transportation, pedestrian and bicycle safety projects, transit facilities, and drainage & stormwater capture projects in conjunction with any other allowable project)
- Traffic Control Devices

**ANALYSIS:**

Staff has reviewed the detailed SB1 requirements and proposes utilizing the City's Fiscal Year 2025 SB1 apportionment on the Fiscal Year 2025 Citywide Street Pavement Rehabilitation Capital Improvement Project No. ST-2025-06.

The Citywide Street Pavement Rehabilitation Capital Improvement Project No. ST-2025-06 rehabilitates major streets, including Sixth Street from El Sobrante Road to Promenade Avenue and Eagle Glen Parkway from Bedford Canyon Road to Temescal Canyon Road.

The project also consists of preventive maintenance and pavement rehabilitation of several local streets, as shown in Exhibit 1 and listed in Exhibit 2. This project is anticipated to be completed by

November 2025. The rehabilitated roads will have an estimated useful life of either 10 years for preventative maintenance treatment and 20 years for rehabilitating or reconstructing streets. Together with the supporting documentation, these project lists must be submitted to the Commission by July 1, 2024.

**FINANCIAL IMPACT:**

Approval of the recommended actions will be consistent with the allocation provided by the State. For the Fiscal Year 2025, in addition to the \$4,018,128 estimated revenue from the State’s SB1 program, an estimated revenue of \$5,611,000 will also be allocated from the Riverside County Transportation Commission’s Measure A local streets and roads program to fund the project. The project budget in the full amount of \$4,018,128 has been included in the Proposed Budget. At the same time, estimated revenues will be adjusted from the initial proposed amount of \$3,758,960 to the revised amount of \$4,018,128 in the Road Maintenance and Rehabilitation Fund 221.

The estimated construction costs for the project are outlined as follows:

Construction .....	\$8,373,154
Design and Construction Support .....	\$418,659
Contingency .....	\$837,315
<b>Total Construction Cost .....</b>	<b>\$9,629,128</b>

The difference in cost is funded in the Proposed Fiscal Year 2025 Capital Improvement Project Budget within Measure A Fund 227.

<b>Account Name</b>	<b>Fund</b>	<b>Account</b>	<b>Amount</b>
RMRA Fund	221	69210	\$4,018,128
Measure A Fund	227	69210	\$5,611,000
<b>Total:</b>			<b>\$9,629,128</b>

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Receiving and accepting SB1 funds is a ministerial action, and there is no possibility that approving this resolution will have a significant effect on the environment. Therefore, no further environmental analysis is required.

**PREPARED BY:** ISMAEL RIVERA, ASSOCIATE ENGINEER

**REVIEWED BY:** SAVAT KHAMPHOU, PUBLIC WORKS DIRECTOR

**Attachments:**

1. Exhibit 1 - Location Map
2. Exhibit 2 - Project List
3. Exhibit 3 - Local Streets and Roads - Projected Fiscal Year 2024-25 Revenues
4. Exhibit 4 - Resolution No. 2024-067