



Staff Report

File #: 23-0484

REQUEST FOR CITY COUNCIL ACTION

DATE: 06/07/2023

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 2024 IN AN ESTIMATED AMOUNT OF \$3,798,978 FOR THE CITYWIDE STREET PAVEMENT REHABILITATION PROJECT, NO. 2022-08

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. 2023-047, 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 2024 in an estimated amount of \$3,798,978 for the Citywide Street Pavement Rehabilitation Project, No. 2022-08.
- b. Accept and appropriate \$3,798,978 in Fiscal Year 2024, as awarded by the State, from the unappropriated Road Maintenance and Rehabilitation Fund (221) to the Citywide Street Pavement Rehabilitation Project, No. 2022-08.
- c. Approve the estimated revenue of \$3,798,978 in Fiscal Year 2024 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, increased 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 the 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 roads system through the prioritization and delivery of basic road maintenance and rehabilitation projects as well as 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 streets components (including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project)
- Traffic Control Devices

ANALYSIS:

Staff has reviewed the detailed SB1 requirements and is proposing to utilize the City's Fiscal Year 2024 SB1 apportionment on the Fiscal Year 2023 Citywide Street Pavement Rehabilitation, No. 2022-08. Due to the high increase in costs for material and labor, the City will be utilizing funds received last year and next year from SB1 for the Citywide Street Pavement Rehabilitation Project, No. 2022-08.

The Citywide Street Pavement Rehabilitation Project, No. 2022-08, consists of the pavement rehabilitation of major streets, including Railroad Street from West Grand Boulevard to Monica Circle, Circle City Drive from East Grand Boulevard to El Sobrante Road, Valencia Road from Payette Circle

to California Avenue, Masters Drive from California Avenue to Eagle Glen Parkway, Eagle Glen Parkway from Masters Drive to end of street and Fullerton Avenue from East Upper Drive to Cleveland Way, Palisades Drive from Green River Road to Serfas Club Drive.

The project also consists of slurry and pavement rehabilitation of several local streets, as shown on Exhibit 1 and listed in Exhibit 2. Preventative maintenance treatments such as slurry seal are applied to pavement in relatively good condition extending the life of the pavement up to 10 years. It is an effective maintenance solution that costs typically \$0.50 per square foot. On the other hand, when the pavement is not in good condition, rehabilitation treatment methods can vary between a grind and overlay to a full street reconstruction, costing between \$2.00 per square foot up to \$9.00 per square foot and lasting up to 20 years.

This project is anticipated to be completed by October 2024. The rehabilitated roads will have an estimated useful life of either ten (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, 2023.

FINANCIAL IMPACT:

The City’s Fiscal Year 2023 Citywide Street Pavement Rehabilitation, No. 2022-08, will utilize the Proposed Fiscal Year 2024 CIP budget, with an allocation of \$5,611,000 within Measure A Fund 227. Approval of the recommended actions will result in an increase in Fiscal Year 2024, revising the project budget from \$3,400,239 to \$3,798,978 within the Road Maintenance and Rehabilitation Fund 221, consistent with the allocation provided by the State. Similarly, estimated revenues will be adjusted from the initial proposed amount of \$3,875,589 to the revised amount of \$3,798,978. Also available in the Proposed Fiscal Year 2024 CIP Budget is estimated carryover funding within the Streets, Bridges, and Signals Development Fee Fund (211), the RMRA Fund (221), the Gas Tax Fund (222), and the Measure A Fund (227) to cover the difference in costs and serve as the Local Match for the project.

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

Construction	\$7,303,687
Design and Construction Support	\$1,826,291
<u>Contingency</u>	<u>\$730,000</u>
Total Project Cost	\$9,859,978

Funding for the difference in cost is available in the Proposed Fiscal Year 2024 Capital Improvements Budget as follows:

Account Name	Fund	Project	Available Funding		
			Estimated Carryover	New FY 2024	Total
Streets, Bridges, and Signals Development Fee Fund	211	69210	80,146	450,000	530,146
RMRA Fund	221	69210	3,831,696	3,798,978	7,630,674
Gas Tax Fund	222	69210	9,920	-	9,920
Measure A Fund	227	69210	6,187,106	5,611,000	11,798,106
Total Available Funding					\$19,968,846

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 Revenues
4. Exhibit 4 - Resolution No. 2023-047