



Legislation Text

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AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 4/17/2019

TO: Honorable Mayor and City Council Members

FROM: Public Works Department

SUBJECT:

City Council consideration of Resolution No. 2019-014, authorizing the City Manager, or their designee, to receive and accept Senate Bill-1 (SB1) Road Repair and Accountability Act of 2017 revenue for Fiscal Year 2019-20 in an estimated amount of \$2,790,175 for the eligible Street Pavement Rehabilitation Project, No. 2020-01.

RECOMMENDED ACTION:

That the City Council:

1. Adopt Resolution No. 2019-014, authorizing the City Manager, or their designee, to receive and accept Senate Bill-1 (SB1) Road Repair and Accountability Act of 2017 revenue for Fiscal Year 2019-20 in an estimated amount of \$2,790,175 for the eligible Street Pavement Rehabilitation Project, No. 2020-01.
2. Accept and appropriate \$2,790,175, in Fiscal Year 2019-20, as awarded by the State, from the unappropriated Road Maintenance and Rehabilitation Account (RMRA) Fund to the Street Pavement Rehabilitation Project, No. 2020-01.
3. Authorize an estimated revenue increase of \$2,790,175, in Fiscal Year 2019-20, in the Road Maintenance and Rehabilitation Account (RMRA) Fund for reimbursement by the State, per the Road Repair and Accountability Act of 2017 - Local Streets and Roads Funding Amended Annual Reporting Guidelines.

ANALYSIS:

On April 28, 2017, the Governor signed Senate Bill-1 (SB1) (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 the state highway and local streets and road system, SB1 increases per gallon fuel excise taxes; increases 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) deposited various portions of this new funding into the newly created Road Maintenance and Rehabilitation Account (RMRA). A percentage of this new RMRA funding will be 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, as shown on Exhibit "C." 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 and are accountable to the people through performance goals that are tracked and reported.

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. The main requirements for the program are codified in SHC Sections 2034, 2036, 2037, and 2038 and include the following:

- Prior to receiving an apportionment of RMRA funds from the Controller in a fiscal year, a city or county must submit to the Commission a list of projects proposed to be funded with these funds. All projects proposed to receive funding must be adopted by resolution by the applicable city council or county board of supervisors at a regular public meeting [SHC 2034(a)(1)].
- 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 [SHC 2034(a)(1)]. Further guidance regarding the scope, content, and submittal process for project lists prepared by cities and counties is provided in Sections 9-10.
- The project list does not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities so long as the projects are consistent with RMRA priorities as outlined in SHC 2030(b) [SHC 2034(a)(1)].
- The Commission will submit an initial report to the Controller that indicates the cities and counties that have submitted a list of projects as described in SHC 2034(a)(1) and that are therefore eligible to receive an apportionment of RMRA funds for the applicable fiscal year [SHC 2034(a)(2)].
- The Controller, upon receipt of an initial report from the Commission, shall apportion RMRA funds to eligible cities and counties pursuant to SHC 2032(h) [SHC 2034(a)(3)].
- The Controller will retain the monthly share of RMRA funds for cities and counties not included in the Commission's initial report that would otherwise be apportioned and distributed to those cities and counties [SHC 2034(a)(4)(A)]. Pursuant to SHC 2034(a)(4)(B), the monthly share of RMRA funds for each of these cities and counties will be retained by the Controller for 90 days.

- Upon receipt of a list of projects from a city or county after the Commission has submitted its initial report to the Controller, the Commission will submit a subsequent report to the Controller that specifies all newly eligible cities and counties [SHC 2034(a)(2)].
- After 90 days, the Controller will apportion to all newly eligible cities and counties the RMRA funds that were retained but not previously apportioned and distributed pursuant to SHC 2304 (a)(4)(B).
- Any RMRA funds held by the Controller for a city or county that still remains ineligible after 90 days will be reapportioned to all other eligible cities and counties [SHC 2034(a)(4)(C)].
- For each fiscal year in which RMRA funds are received and expended, cities and counties must submit documentation to the Commission that details the expenditure of all RMRA funds, including a description and location of each completed project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement [SHC 2034(b)]. Further guidance regarding the scope, content, and submittal process for program expenditure reports is provided in Sections 12-13.
- Eligible cities and counties may expend other funds on eligible projects prior to receiving an apportionment of RMRA funds from the Controller and may reimburse the original source of funds expended when a RMRA apportionment is received from the Controller [SHC 2034(c)].
- A city or county receiving an apportionment of RMRA funds is required to sustain a maintenance of effort (MOE) by spending at least the annual average of its general fund expenditures during the 2009-10, 2010-11, and 2011-12 fiscal years for street, road, and highway purposes from the city's or county's general fund [SHC 2036]. Monitoring and enforcement of the maintenance of effort requirement for RMRA funds will be carried out by the Controller and is addressed in more detail in Section 15.
- A city or county may spend its apportionment of RMRA funds on transportation priorities other than priorities outlined in SHC 2030(b) if the city or county's average Pavement Condition Index (PCI) meets or exceeds 80 [SHC 2037].
- By July 1, 2023, cities and counties receiving RMRA funds must follow guidelines developed by the California Workforce Development Board (Board) that address participation and investment in, or partnership with, new or existing pre-apprenticeship training programs [SHC 2038]. Further information regarding the forthcoming Board Guidelines and future Board-sponsored grant opportunities is available in Section 16.

The greatest impact for the City of Corona will be increased funding through the Local Streets and Road (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

SHC Section 2030(b)(2) states that funds made available by the program may also be used to satisfy a match requirement in order to obtain state or federal funds for projects authorized by this subdivision.

Additionally, to the extent possible and cost effective, and where feasible, eligible projects will incorporate the following elements:

- Technologies and material recycling techniques that lower greenhouse gas emissions and reduce the cost of maintaining local streets and roads through material choice and construction method.
- Systems and components in transportation infrastructure that recognize and accommodate technologies including but not limited to Zero Emission Vehicle (ZEV) fueling or charging and infrastructure-vehicles communications for transitional or fully autonomous vehicles.
- Project features to better adapt the transportation asset to withstand the negative effects of climate change and promote resiliency to impacts such as fires, floods, and sea level rise (where appropriate given a project's scope and risk level for asset damage due to climate change).
- Incorporate complete streets elements.

City staff has reviewed the detailed SB1 requirements, and is proposing to expend the Fiscal Year 2019-20 SB1 apportionment on the Street Pavement Rehabilitation Project, No. 2020-01.

The Street Pavement Rehabilitation Project, No. 2020-01, consists of pavement rehabilitation of major streets on Ridgeline Drive from Green River Road to Green River Road; Green River Road from Palisades Drive to Paseo Grande; Serfas Club Drive from Green River Road to Palisades Drive; and West Ontario Avenue from Paseo Grande to Via Pacifica. The project also consists of pavement rehabilitation of local streets: Area 1 includes local streets between Palisades Drive, San Ramon Drive, Via Del Rio, and Via Pacifica. Area 2 includes local streets extending through Railroad Street from Monica Circle to Jenks Circle including Business Center Drive. Area 3 includes local streets enclosed by West Parkridge Avenue and River Road ranging from Normandy Terrace to Peaceful Drive. Area 4 includes local streets enclosed by East Parkridge Avenue and the I-15 Freeway ranging from Corona Avenue to San Jacinto Drive. Area 5 includes local streets that extend from Sampson Avenue between Crouse Drive and Radio Road. Area 6 includes local streets on Old Temescal Road, Arturo Way, Bel Air Street, and Laurel Canyon Circle. Area 7 includes local streets on East Chase Drive, Jensen Street, Kendrick Court, Kendrick Circle, Ernestine Way; Haley Talbert Drive, Forest Oaks Drive; East and West Orange Heights Lane, Holly Springs Drive, Custer Circle, Winema Circle, White River Lane; Robby Circle, Shena Street, Strandberg Circle, Suzie Circle, Lopez Street, Nancy Circle, Judy Circle, Cleveland Way, Royal Vista Circle, Royal Summit Circle, Cerveza Circle; Fullerton Avenue, Plumas Lane, Payette Drive, Payette Circle, Valencia Road, White Mountain Circle; Wasatch Drive, Caribou Circle, Stanislaus Drive, Huron Circle, Ocala Circle, Humboldt Lane, Fremont Drive, McCall Drive, and McCall Circle. Area 8 includes local streets between Mangular Avenue, Ontario Avenue, Chase Drive, Douglas Way, and Cape Drive, as shown in Exhibit "A."

This project is anticipated to be complete by October 2020 and the rehabilitated roads will have an estimated useful life of fifteen (15) to twenty (20) years, as shown in Exhibit "B." The project list and support documentation must be submitted to the Commission by May 1, 2019.

A list of proposed projects to be funded through future SB1 is expected to be included in the upcoming Fiscal Year 2019-20 and future Capital Improvements Program Budget.

COMMITTEE ACTION:

On April 3, 2019, Public Works presented the proposed Pavement Rehabilitation Plan for Fiscal Years 2019-2020 and 2020-2021 to the Infrastructure Committee. It was noted that an area proposed to be included in the 2019-2020 Pavement Rehabilitation Project would be rescheduled for the 2020-2021 Pavement Rehabilitation Project because there is a need to create a new project specifically dedicated to the repair of numerous potholes produced from the storms this winter. The Infrastructure Committee had no objections or further recommendations to the proposed Pavement Rehabilitation Plan.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

The recommended action will result in a budget appropriation in Fiscal Year 2019-20 of \$2,790,175 from the unappropriated RMRA Fund 221 to the Street Pavement Rehabilitation Project, No. 2020-01 and a revenue estimate increase in Fiscal Year 2019-20 in the RMRA Fund 221 in the amount of \$2,790,175.

Beginning November 1, 2017, the State Controller apportioned RMRA funds on a monthly basis to eligible cities and counties using a process and system similar to that of Highway Users Tax Account apportionments.

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

Construction	\$6,000,000
Design and Construction Support	\$450,000
Contingency	\$100,000
Total Construction Cost	\$6,550,000

Funding for the difference in cost will be included in the Proposed Fiscal Year 2019-20 Capital Improvements Budget, within the Measure A fund.

Account Name	Fund	Account	Amount	Local Match
RMRA Fund	221	69210	\$2,790,175	
Measure A	227	69210		\$1,922,481
Measure A Fund Balance	227			\$1,837,344
Total:				\$6,550,000

ENVIRONMENTAL ANALYSIS:

This action is categorically exempt pursuant to Section 15301(c) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project which consists of minor repairs and maintenance to existing facilities does not have a significant impact on the environment, and is therefore exempt from CEQA. This action involves minor repairs, maintenance and alteration of existing streets, sidewalks, and similar features involving negligible or no expansion of use beyond that currently existing from the requirements of CEQA. Therefore, no environmental analysis is required.

PREPARED BY: BARRY GHAEMI, SENIOR ENGINEER

REVIEWED BY: TOM KOPER, P.E., ASSISTANT PUBLIC WORKS DIRECTOR

REVIEWED BY: NELSON D. NELSON, P.E., PUBLIC WORKS DIRECTOR

REVIEWED BY: KIM SITTON, FINANCE MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: MITCHELL LANSDELL, ACTING CITY MANAGER

Attachments:

1. Exhibit "A" - Location Map
2. Exhibit "B" - Project List
3. Exhibit "C" - Local Streets and Roads - Projected Fiscal Year 2019-20 Revenues
4. Resolution No. 2019-014