



Agenda Item B.5
CONSENT CALENDAR
Meeting Date: April 17, 1018

TO: Mayor and Councilmembers

FROM: Robert Woodward and Masoud Mahmoud, Interim Public Works Director

SUBJECT: Approval of the Project List for Fiscal Year 2018/2019 Funded by SB 1: The Road Repair and Accountability Act (SB 1)

RECOMMENDATION:

Adopt Resolution No. 18-__ entitled, "A Resolution of the City Council of the City of Goleta, California, Approving the Fiscal Year 2018/2019 Project List funded by the he Road Repair and Accountability Act (SB 1) Road Maintenance and Rehabilitation Account Funding."

BACKGROUND:

In 2017, the Road Repair and Accountability Act of 2017 (SB 1) was created to establish a new funding source to address basic road maintenance, rehabilitation and critical safety needs for California's local and statewide transportation system. This bill established a Road Maintenance and Rehabilitation Account (RMRA) in the State Transportation Fund that is intended to address deferred maintenance on the state highway system and the local street and road system. SB 1 increases per gallon fuel excise taxes, diesel fuel sales taxes, and vehicle registration fees and provides for inflation adjustments to tax rates in future years. The amount that the City receives is allocated per capita. The City received its first distribution in January 2018 and will continue to on a monthly basis. The City will experience its first full year of additional Gas Tax from SB 1 in FY 18/19. A requirement of SB 1 is to track the RMRA funds separately under a separate account number and to submit a project list for what it plans to use the RMRA funds for each year.

As a part of the FY 2017/18 and 2018/19 budget process, staff identified the additional funding available for road maintenance through SB 1 and the RMRA funds. During the budget workshop, it was discussed that the funds would be expended from the Gas Tax Fund (Fund 201) and was expected to be in the range of approximately \$180,000 for FY 2017/18, based on the estimates provided by the California Department of Finance (DOF) at that time. To ensure transparency and to meet the intent of Streets and Highways Code (SHC) Section 2034(a)(1), on October 3, 2017 staff recommended and Council adopted Resolution 17-40, "Amending the City's Operating and CIP Budget for Fiscal Year 2017/18 and 2018/19." Thus, authorizing a budget amendment reducing the Gas Tax Fund - Maintenance Pavement Rehab Account (201-5-5800-413) by \$180,124 and

appropriating \$176,451 to the new RMRA Gas Tax Fund – Maintenance Pavement Rehab Account (203-5-5800-413) to be used to account for RMRA funds. The difference in amounts were to reflect the updated estimates provided by the California Department of Finance at the time. RMRA funds are subject to audit by the State Controller pursuant to Government Code Section 12410 and SHC Section 2153.

DISCUSSION:

Subsequent to Council's action in October, the California Transportation Commission (CTC) issued in March 2018, Annual Reporting Guidelines for SB 1 for FY 18/19. The action today is to meet the requirements of the most recent 2018 Guidelines which include a requirement for the City to adopt by resolution a list with the description of project(s), locations, estimated useful life, and anticipated year of construction the projects that will use the RMRA funds.

Staff is proposing that all the SB 1 funding programmed for FY 18/19 be used to fund the FY 18/19 Pavement Rehabilitation Project. The proposed list of project sites includes deep lift road reconstruction with an approximate new 5.5-inch asphalt surface for:

- Evergreen Drive between Cathedral Oaks Drive and Brandon Drive
- Hillview Drive
- Forest Drive

The estimated cost of the above work is approximately \$1,011,000. The useful life of the improvements is expected to be at least 20 years.

This work will be incorporated into the estimated \$1.2 million FY 18/19 Pavement Rehabilitation Project. The final project scope of work will be based on what final funds are available and recommendations from the City's Pavement Management System latest update and will be reported to Council as part of a future Council agenda report for the award of professional design services later this calendar year. The schedule for this project is expected to go out to bid this winter with an anticipated start in April 2019 in order to avoid conflict with the rainy season.

FISCAL IMPACTS:

In FY 18/19, the City is projected to receive a total of \$1,318,644 in Gas Tax related revenues, of which approximately \$527,408 is related to SB 1 based on the recent California Department of Finance estimates made on January 11, 2018. Gas Tax funds are continuously appropriated and apportioned to local governments monthly, and not based on a reimbursement basis. An amendment to the Two-Year Budget Plan will be recommended during the Mid-Cycle budget review process to reflect the updated amounts described above.

The Road Repair and Accountability Act also contains a local agency maintenance of effort (MOE) requirement that applies to funds allocated through the RMRA. The City must maintain General Fund spending for street, road, and highway purposes at no less

than the average of FY 09/10, 10/11, and 11/12. The MOE amount the City is required to provide is \$709,517, and will be reflected in the Mid-Cycle Budget.

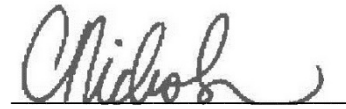
ALTERNATIVES:

Council may elect to not approve the resolution to establish a project list for the RMRA funds. However, not approving it now will result in non-compliance and monthly apportionments of RMRA funds until such time as the City comes into compliance. It is not clear whether the funding lost during a time of non-compliance would be available, since distributions will be monthly.

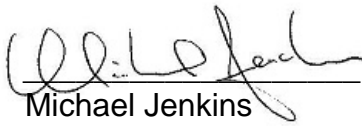
Reviewed By:

Legal Review By:

Approved By:



Carmen Nichols
Deputy City Manager



Michael Jenkins
City Attorney



Michelle Greene
City Manager

ATTACHMENTS:

1. A Resolution of the City Council of the City of Goleta, California, to List Projects Funded by the SB 1, The Road Repair and Accountability Act (SB 1)

ATTACHMENT 1

A Resolution of the City Council of the City of Goleta, California, Approving the Fiscal Year 2018/2019 Project List funded by the the Road Repair and Accountability Act (SB 1) Road Maintenance and Rehabilitation Account Funding

RESOLUTION NO. 18- __

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, CALIFORNIA, APPROVING THE FISCAL YEAR 2018/2019 PROJECT LIST FUNDED BY THE ROAD REPAIR AND ACCOUNTABILITY ACT (SB 1) ROAD MAINTENANCE AND REHABILITATION ACCOUNT FUNDING

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of our City are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must include a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, in the City budget, which 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; and

WHEREAS, the City, will receive and estimated \$527,408 in RMRA funding in Fiscal Year 2018/19 from SB 1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities/the project list; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the communities priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate streets/roads, bridges, add active transportation infrastructure throughout the City this year and many similar projects into the future; and

WHEREAS, the 2016 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in a condition that this revenue will help increase the overall quality of our road system and over the next decade; and

WHEREAS, without revenue from SB 1, the City, may have otherwise been canceling some projects in the community; and

WHEREAS, if the Legislature and Governor failed to act, city streets and county roads would have continued to deteriorate, having many and varied negative impacts on our community; and

WHEREAS, modernizing the local street and road system provides well-paying construction jobs and boosts local economies; and

WHEREAS, police, fire, and emergency medical services all need safe reliable roads to react quickly to emergency calls; and

WHEREAS, maintaining and preserving the local street and road system in good condition will reduce drive times and traffic congestion, improve bicycle safety, and make the pedestrian experience safer and more appealing, which leads to reduce vehicle emissions helping the State achieve its air quality and greenhouse gas emissions reductions goals; and

WHEREAS, the SB 1 projects and overall investment in our local streets and roads infrastructure will have a focus on basic maintenance, safety, and investment in complete streets infrastructure.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLETA, AS FOLLOWS:

SECTION 1.

The foregoing recitals are true and correct.

SECTION 2.

The City of Goleta Operating and CIP Budget for Fiscal Year-2017/18 and 2018/19 was amended by Council on October 3, 2017 in order to track projects planned to be funded with Road Maintenance and Rehabilitation Account (RMRA) revenues. FY 2018/19 amendments will be recommended during the Mid-Cycle budget review process.

SECTION 3.

These new SB 1 RMRA funds are designated for:

FY 18/19 Pavement Rehabilitation Project-Evergreen Drive, Hillview Drive, and Forest Drive and miscellaneous streets. This project is estimated to cost \$1,011,400 to construct and is scheduled to be completed in the 2018 calendar year to have an estimated useful life of at least 20 years.

SECTION 4.

The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 17th day of April 2018.

PAULA PEROTTE
MAYOR

ATTEST:

APPROVED AS TO FORM:

DEBORAH S. LOPEZ
CITY CLERK

MICHAEL JENKINS
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA) ss.
CITY OF GOLETA)

I, DEBORAH S. LOPEZ, City Clerk of the City of Goleta, California, DO
HEREBY CERTIFY that the foregoing Resolution No. 18-__ was duly adopted by
the City Council of the City of Goleta at a regular meeting held on the 17th day of
April 2018, by the following vote of the Council:

AYES:

NOES:

ABSENT:

(SEAL)

DEBORAH S. LOPEZ
CITY CLERK