



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

**Prepared by: Bill Guerin,
Director of Public Works**

City Manager Approval: _____

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TOPIC: SENATE BILL 1, ROAD MAINTENANCE AND REHABILITATION ACCOUNT (RMRA): FY 2022-23 PROJECTS

SUBJECT: RESOLUTION APPROVING THE FY 2022-23 PROJECTS LIST FOR SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT

RECOMMENDATION: Adopt a resolution approving the FY 2022-23 projects list for Senate Bill 1: The Road Repair and Accountability Act, and appropriating funding for listed projects.

BACKGROUND: For several years, California's streets and roads maintenance have been underfunded, and municipalities and agencies have deferred much needed maintenance on both state and local roads. The state gasoline tax (a fixed dollar amount on each gallon of gas purchased) is the largest source of funding for local road maintenance and infrastructure projects and two major factors have contributed to a loss in revenue over the years statewide: (1) Electric Vehicles (EVs) sales have increased significantly in recent years; and (2) vehicles are becoming more fuel efficient. Due to recent increases in gas prices nationwide, staff anticipates a modest decrease in gas tax revenue from FY 2021-22.

Former California Governor Jerry Brown signed Senate Bill 1: The Road Repair and Accountability Act on April 28, 2017 to address the need for additional funding for transportation and infrastructure in California. Senate Bill 1:

- Increases per gallon fuel excise taxes
- Increases diesel fuel sales taxes and vehicle registration fees
- Provides for inflationary adjustments to tax rates in future years

Senate Bill 1 requires cities and counties to provide basic annual project reporting to the California Transportation Commission (CATC) for all projects that will utilize the new SB 1 Road Maintenance and Rehabilitation Account (RMRA) funding.

In addition, prior to receiving RMRA funds for the fiscal year, a city or county must submit to the CATC a list of projects proposed to be funded with new RMRA funds. The proposed projects must be included in a city or county budget that is adopted by the applicable city council or county board of supervisors at a regular public meeting. The approval of this City Council resolution is required in order to meet the deadline to submit the list of eligible projects for the 2022-23 fiscal year to the CATC by July 1, 2022.

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

At the conclusion of each fiscal year in which RMRA funds are received and expended, cities and counties must submit documentation to the CATC that includes the following information for each completed RMRA project:

- A description including location;
- Total cost;
- Completion date; and
- Estimated useful life of the improvement.

ANALYSIS: The passage of Senate Bill 1 nearly doubled the revenues the City of San Rafael receives from the state for local road infrastructure and transportation improvement projects, from roughly \$1.1 million to \$2.2 million per year. The additional funding available is factored into the City’s capital project planning in the [Capital Improvement Program](#) (CIP).

Per the state guidelines, RMRA funds may be used towards “Complete Street” components, in addition to direct repairs to streets and roads. These may include pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project.

The following table summarizes the City of San Rafael RMRA funds received and spent to date for specified projects:

FY 2018-19 Beginning Year Balance	\$340,413
Revenues	\$1,112,230
Expenditures	\$77,267
Lincoln Ave Curb Ramps	\$40,258
Merrydale Promenade	\$37,009
FY 2019-20 Beginning Year Balance	\$1,375,376
Revenues	\$1,003,873
Expenditures	\$88,973
Lincoln Ave Curb Ramps	\$1,931
Smith Ranch Road Resurfacing	\$81,251
Merrydale Promenade	\$5,791
FY 2020-21 Beginning Year Balance	\$2,290,276
Revenues	\$1,071,580
Expenditures (estimated)	\$1,095,651
Lincoln Ave Curb Ramps	\$18,787
Smith Ranch Road Resurfacing	\$1,038,391
Merrydale Promenade	\$8,473
Francisco Blvd East Resurfacing	\$30,000
FY 2021-22 Beginning Year Balance	\$2,326,000
Revenues	\$1,170,000
Expenditures (estimated)	\$2,612,986
Third Street Rehabilitation	\$1,524,166

Francisco Blvd. East Resurfacing	\$1,128,997
Merrydale North Parkway	88,651
 FY 2022-23 Beginning Year Balance	 \$880,000

Staff anticipates the City will receive \$1,306,858 in RMRA funding in FY 2022-23. The FY 2022-23 funds will be utilized for the **Lincoln Avenue and Second Street Improvements** projects.

See Attachment 1 for descriptions and detail for the FY 2022-23 RMRA project list.

FISCAL IMPACT: RMRA revenues will be deposited into the Gas Tax Fund (#206), and projects will be expended from the Gas Tax Fund (#206). Expenditure details for all RMRA projects will be submitted to the state on an annual basis per the Road Repair and Accountability Act guidelines.

Finally, there is a Maintenance of Effort (MOE) requirement with receiving RMRA funding. Pursuant to Streets and Highways Code Section 2036, a city or county must annually expend from its general fund for street, road, and highway purposes an amount not less than the annual average of its expenditures from its general fund during fiscal years 2009–10, 2010–11, and 2011–12. If a city or county fails to meet the MOE in a fiscal year, they can make it up in the following fiscal year.

The following are the City’s general fund expenditures in street and road repair for the three fiscal years used for the MOE:

	FY 2009-10	FY 2010-11	FY 2011-12	AVERAGE
Annual street and road expenditures	\$3,286,015	\$2,131,621	\$3,516,476	\$2,978,037

Figures are based on the numbers reported to the State Controller’s Office in the annual streets and roads report. The City has satisfied the MOE requirement for RMRA funds as streets and roads expenditures are currently higher than the FY 2009-10 to FY 2011-12 average. The FY 2022-23 general fund budget for the Streets Maintenance Division (personnel and non-personnel) is \$3,141,169.

OPTIONS:

1. Adopt the resolution which approves FY 2022-23 projects list funded by Senate Bill 1 (RMRA).
2. Do not adopt the resolution and direct staff to revise the list of RMRA-funded projects.
3. Do not adopt the resolution and provide direction to staff.

RECOMMENDATION:

Adopt a resolution approving the FY 2022-23 projects list for Senate Bill 1: The Road Repair and Accountability Act, and appropriating funding for listed projects.

ATTACHMENTS:

1. Resolution including FY 2022-23 Project List
2. Estimated RMRA funding for San Rafael (California City Finance)

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL APPROVING THE FY 2022-23 PROJECTS LIST FOR SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT

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 San Rafael are aware of the projects proposed for funding in our community and of which projects have been completed each fiscal year; and

WHEREAS, prior to receiving funding from the Road Maintenance and Rehabilitation Account (RMRA) created by SB 1, the City Council must adopt a resolution listing all San Rafael projects proposed to receive RMRA funding, including 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 an estimated \$1,306,858 in RMRA funding in Fiscal Year 2022-23 from SB 1; and

WHEREAS, the funding from SB 1 for Fiscal Year 2022-23 will help the City to maintain and rehabilitate streets and roads, essential roadway drainage projects, and bicycle and pedestrian improvements throughout the City this year; and

WHEREAS, without revenue from SB 1, the City, would have otherwise been unable to fund these important transportation improvements and projects; and

WHEREAS, the SB 1 project list, and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will all have significant positive co-benefits statewide.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of San Rafael, State of California, as follows:

Local Streets and Roads - Projected FY2022-23 Revenues

Based on State Dept of Finance statewide revenue projections

Estimated May 2022

	Highway Users Tax Acct (HUTA) ⁽¹⁾ Streets & Highways Code					TOTAL HUTA	Road Mntnc Rehab Acct	TOTAL
	Sec2103 ⁽⁵⁾	Sec2105 ⁽³⁾	Sec2106 ⁽³⁾	Sec2107 ⁽³⁾	Sec2107.5 ⁽⁴⁾			
MADERA COUNTY								
CHOWCHILLA	168,265	116,576	44,828	159,105	4,000	492,774	414,538	907,312
MADERA	594,789	412,076	146,290	562,410	7,500	1,723,065	1,465,321	3,188,386
MARIN COUNTY								
BELVEDERE	18,588	12,878	12,825	17,576	1,000	62,867	45,794	108,661
CORTE MADERA	90,146	62,454	43,716	85,239	3,000	284,555	222,083	506,638
FAIRFAX	67,396	46,693	33,895	63,727	2,000	213,711	166,037	379,747
LARKSPUR	109,606	75,936	52,117	103,639	3,000	344,299	270,025	614,324
MILL VALLEY	130,783	90,608	61,259	123,663	3,000	409,314	322,197	731,511
NOVATO	480,761	333,076	212,345	454,589	7,500	1,488,270	1,184,401	2,672,671
ROSS	22,894	15,861	14,683	21,647	1,000	76,086	56,401	132,487
SAN ANSELMO	114,055	79,019	54,038	107,846	3,000	357,959	280,987	638,945
SAN RAFAEL	530,467	367,513	233,804	501,589	7,500	1,640,873	1,306,858	2,947,730
SAUSALITO	66,111	45,802	33,340	62,512	2,000	209,765	162,870	372,635
TIBURON	84,996	58,886	41,493	80,369	2,000	267,743	209,395	477,137
MARIPOSA COUNTY								
MENDOCINO COUNTY								
FORT BRAGG	66,596	46,138	34,305	62,971	2,000	212,011	164,066	376,076
POINT ARENA	4,036	2,796	6,588	3,816	1,000	18,236	9,943	28,179
UKIAH	144,491	100,105	68,817	136,625	4,000	454,037	355,967	810,004
WILLITS	45,302	31,386	24,871	42,836	2,000	146,395	111,606	258,002
MERCED COUNTY								
ATWATER	285,925	198,092	89,629	270,360	6,000	850,005	704,405	1,554,410
DOS PALOS	50,111	34,717	19,667	47,383	2,000	153,879	123,453	277,332
GUSTINE	52,538	36,399	20,387	49,678	2,000	161,002	129,432	290,434
LIVINGSTON	138,855	96,200	45,996	131,296	4,000	416,346	342,082	758,429
LOS BANOS	385,329	266,960	119,120	364,353	6,000	1,141,762	949,296	2,091,058
MERCED	817,696	566,507	247,395	773,182	7,500	2,412,280	2,014,473	4,426,753
MODOC COUNTY								
ALTURAS	25,941	17,972	12,886	26,010	1,000	83,808	63,908	147,716
MONO COUNTY								
MAMMOTH LAKES	74,012	51,276	62,427	1,922,000	2,000	2,111,715	182,335	2,294,050