

City of Hesperia STAFF REPORT



DATE: June 2, 2026

TO: Mayor and Council Members

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works/City Engineer
Tina Souza, Senior Project Manager
Deanna Lestina, Project Manager

SUBJECT: Approve the FY 2026-27 Senate Bill-1 Funding Project List

RECOMMENDED ACTION

It is recommended that the City Council adopt Resolution No. 2026-19 approving the Fiscal Year 2026-27 Project List to be funded by Senate Bill-1: The Road Repair and Accountability Act.

BACKGROUND

On Wednesday, March 29, 2017, Governor Jerry Brown announced a transportation funding agreement. The agreement was passed by the State Legislature and signed into law in April of 2017 as Senate Bill 1 (SB-1) or the Road Repair and Accountability Act of 2017. SB-1 is funded by various mechanisms including an initial 12 cent gas excise tax increase, a reset price-based excise tax at 17.3 cents, a 20 cent diesel excise tax, a 4% diesel sales tax increase, a \$25-\$175 annual transportation improvement fee based on vehicle value, and a \$100 annual zero emissions vehicle fee, with annual increases based upon changes in the Consumer Price Index (CPI) beginning July 1, 2020. From these sources, SB-1 is expected to provide \$5.2 billion annually and \$15 billion for local streets and roads over the next ten years. Specifically, local agencies will be funded through the Road Maintenance and Rehabilitation Account (RMRA) which consists of the new gas tax, the transportation improvement fee, and part of the diesel excise tax. The local share will be split evenly between cities and counties with city revenues being allocated per capita. The City of Hesperia will receive an estimated \$2,856,134 for FY 2026-27.

SB-1 will provide investments to make significant improvements to the State's highway system as well as local transportation facilities in disrepair. Cities and Counties will use SB-1 funds for complete streets projects, railroad grade separations, traffic control devices, increasing mobility options for residents, and increasing access to multi-modal transportation options by expanding transit, bicycle, and pedestrian friendly opportunities. However, the main focus of RMRA is to improve deteriorating roads throughout the state through maintenance and rehabilitation projects as well as critical safety projects. Therefore, SB-1 requests that, to the extent possible, local agencies prioritize basic maintenance and safety projects.

ISSUES/ANALYSIS

SB-1 includes accountability and transparency measures to ensure the residents of the City are aware of the projects proposed for funding in our community. Cities and counties will adopt a project list by resolution each year and provide year end reporting on completed projects including

necessary amendments, if applicable. Prior to receiving funds, cities are required to annually approve a list of all projects by resolution that are proposed to receive funding from the RMRA. The project list must include a description and the location of each proposed project as well as the estimated useful life of the improvement, as further detailed in Attachment A.

City Staff will submit a list of projects to the California Transportation Commission that includes projects approved by Council. The following previously proposed and adopted project, as identified in Attachment A, may also utilize Fiscal Year (FY) 2026-27 Road Maintenance and Rehabilitation Account revenues in their delivery. With the relisting of these projects in the adopted fiscal year resolution, the City is reaffirming to the public and the State our intent to fund these projects with Road Maintenance and Rehabilitation Account revenues:

FY 2021-22 Street Improvement Project consists of the following streets: Jacaranda Avenue which includes select level course and crack and cape seal between Bear Valley Road and Eucalyptus Avenue; Seventh Avenue which includes selected removal and replacement and slurry seal and crack seal and/or grind and overlay of asphalt between Main Street and Mesquite Street, as well as Seventh Avenue which includes select crack and slurry seal of asphalt between Willow Street and Cajon Street. The Projects asphalt rehabilitation has an estimated useful life of 5 to 20 years. Construction commenced in April 2026, and the anticipated completion date of this project is July 2026.

FY 2025-26 Street Improvement Project consists of the select removal and replacement of asphalt on Seventh Avenue between Willow Street and Bear Valley Road which has an estimated useful life of 20 years. Construction commenced in April 2026, and the anticipated completion date of this project is July 2026.

Maple Avenue Rehabilitation consists of select removal and replacement of asphalt between Main Street and Rancho Road which has an estimated useful life of 20 years. Construction is anticipated to commence in May 2026, and the anticipated completion date of this project is December 2026.

Forward planning for FY 2026-27 will incorporate the following list of new projects, as further detailed in Attachment A, anticipated to utilize Road Maintenance and Rehabilitation Account revenues:

The Escondido Avenue Street Improvements project, between Sage Street and Main Street, consists of pre-construction activities and pavement treatment and rehabilitation methods designed to extend roadway service life by approximately 5 to 20 years. Construction is anticipated to commence in Spring 2027, with project completion anticipated by December 2027.

The FY 2026-27 Street Improvements project, located on Seventh Avenue between Rancho Road and Mesquite Street, consists of pre-construction activities and pavement treatment and rehabilitation methods designed to extend roadway service life by approximately 5 to 20 years. Construction is anticipated to commence in Spring 2027, with project completion anticipated by December 2027.

The FY 2026-27 Slurry Seal Project consists of the street segments listed below. The project includes pre-construction activities followed by crack seal and slurry seal roadway preservation treatment, anticipated to extend the useful life of the roadway by approximately 5 years.

Construction is anticipated to commence in Spring 2027, with project completion anticipated by December 2027.

STREET NAME	BEHIND (From)	AHEAD (To)
ARROYO AVE	RIVERSIDE ST	CASHEW ST
ARROYO AVE	PENDLETON ST	MAUNA LOA ST
BALSAM AVE	MOJAVE ST	RIVERSIDE ST
BALSAM AVE	MESA ST	PENDLETON ST
CASHEW ST	HAWTHORNE AVE	KERN AVE
CASHEW ST	HEMLOCK AVE	VICTOR AVE
COTTONWOOD AVE	CASHEW ST	WILLOW ST
HEMLOCK AVE	RIVERSIDE ST	CASHEW ST
HEMLOCK AVE	PENDLETON ST	MAUNA LOA ST
JUNIPER ST	REDWOOD AVE	COTTONWOOD AVE
JUNIPER ST	VICTOR AVE	OAKWOOD AVE
JUNIPER ST	HEMLOCK AVE	VICTOR AVE
KERN AVE	RIVERSIDE ST	CASHEW ST
LOCUST AVE	PENDLETON ST	MAUNA LOA ST
MAUNA LOA ST	KERN AVE	LOCUST AVE
MAUNA LOA ST	REGENCY RD	MAPLE AVE
MOJAVE ST	COTTONWOOD AVE	LOCUST AVE
PENDLETON ST	HAWTHORNE AVE	KERN AVE
PENDLETON ST	COTTONWOOD AVE	HAWTHORNE AVE
PENDLETON ST	REDWOOD AVE	COTTONWOOD AVE
PENDLETON ST	VICTOR AVE	OAKWOOD AVE
PENDLETON ST	MAPLE AVE	HEMLOCK AVE
PENDLETON ST	BALSAM AVE	REDLANDS AVE
PORTLAND AVE	RIVERSIDE ST	CASHEW ST
PORTLAND AVE	PENDLETON ST	MAUNA LOA ST
SMOKE TREE ST	BALSAM AVE	HICKORY CT
SPRUCE ST	HAWTHORNE AVE	LOCUST AVE
VICTOR AVE	RIVERSIDE ST	CASHEW ST
WILLOW ST	OAKWOOD AVE	COTTONWOOD AVE
WILLOW ST	SHANGRI-LA AVE	MAPLE AVE
WILLOW ST	COTTONWOOD AVE	LOCUST AVE

CITY GOAL SUPPORTED BY THIS ITEM

Capital Improvement - Continually evaluate capital improvement priorities.

FISCAL IMPACT

There is no direct fiscal impact as a result of this subject item. This action simply approves the FY 2026-27 SB-1 Funding Project List for the purpose of receiving and disbursing SB-1, RMRA funds.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. 2026-19
2. Attachment A