

City of Hesperia

STAFF REPORT



DATE: May 21, 2019

TO: Mayor and Council Members

FROM: Nils Bentsen, City Manager

BY: Michael Blay, Assistant City Manager
Jamie Carone, Administrative Analyst

SUBJECT: Approve the FY 2019-20 SB-1 Funding Project List

RECOMMENDED ACTION

It is recommended that the Mayor and Council Members adopt Resolution No. 2019-021 approving the FY 2019-20 Project List to be funded by SB-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 will be funded by various mechanisms including a 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. 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 \$1,569,575 for FY 2019-20.

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.

City Staff will submit a list of projects to the California Transportation Commission that includes projects approved by Council. The project list for FY 2019-20 will include the following projects: FY 2019-20 Street Improvement Project on Main Street that will include remediation of drainage issues and a sag in the sewer line between Escondido Avenue and Pyrite Avenue as well as paving over that section of roadway; the FY 2019-20 Slurry Seal Project that will focus on various streets in disrepair which will be identified upon further review; and the FY 2019-20 Annual Chip Seal Project that will focus on various streets near Escondido Avenue and Cedar Street.

FISCAL IMPACT

There is no direct fiscal impact as a result of this subject item. This action simply approves the FY 2019-20 SB-1 Funding Project List for the purpose of receiving and expending SB-1 RMRA funds.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. 2019-021