



Legislation Details (With Text)

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Title: CONSIDER AMENDING THE CAPITAL IMPROVEMENT PROGRAM, AND ADOPTING THE PROPOSED PROJECT LIST FOR SB 1 "ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017" FUNDING APPLICATION (CITY COUNCIL)
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Report to Mayor and City Council

Tuesday, September 19, 2017

Consent

SUBJECT:

CONSIDER AMENDING THE CAPITAL IMPROVEMENT PROGRAM, AND ADOPTING THE PROPOSED PROJECT LIST FOR SB 1 "ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017" FUNDING APPLICATION (CITY COUNCIL)

I. SUMMARY

The Road Repair and Accountably Act of 2017 (SB 1 Beall) is a significant new investment in California's transportation system. The objective of SB 1 is to address basic road maintenance, rehabilitation, and critical safety needs on both state highways and the local streets and roads system. A percentage of SB-1 is to be apportioned to eligible cities and counties on a "per capita" basis.

Prior to receiving any SB-1 funds, the City of Carson must submit to the California Transportation Commission (CTC) a list of proposed projects to be funded pursuant to an adopted city budget. It should be noted that for FY2017-2018 the cities and counties will only receive a partial payment, approximately one-third of the estimated annual payment.

Due to this limited first year funding, staff is recommending the Turmont Street Rehabilitation Project. This recommendation is based on the City's adopted Pavement Management Program (PMP) that meets the CTC funding requirements. Staff is also

requesting the City Council adopt the proposed future project list in order to allow the City to proceed with the funding application, totaling over \$16 million in project needs in the next couple of years.

II. RECOMMENDATION

TAKE the following actions:

1. ADOPT the proposed project list for SB 1 Road Repair and Accountability Act of 2017 funding application.
2. AMEND the 2017-18 Capital Improvement Program to include the proposed project list for SB 1 Road Repair and Accountability Act of 2017 funding.
3. AUTHORIZE staff to proceed with the funding application.
4. RECEIVE and FILE.

III. ALTERNATIVES

1. DO NOT ADOPT the proposed project list for SB 1 Road Repair and Accountability Act of 2017 funding application.
2. TAKE another action the City Council deems appropriate and consistent with the requirements of the law.

IV. BACKGROUND

On April 28, 2017 the Governor of California signed Senate Bill 1 (SB 1), which is known as the "Road Repair and Accountability Act of 2017." To address basic road maintenance and rehabilitation on the state highway and the local streets and road system; SB 1 increases per-gallon excise taxes, vehicle registration fees, and provides for inflationary adjustments to tax rates in future years.

On August 16, 2017, the CTC adopted SB 1 Local Streets and Roads Funding guidelines. CTC is the agency responsible for the administration of the funding application, expenditure reporting, auditing, project eligibility and Maintenance of Effort (MOE)

On November 1, 2017, the California State Controller (CSC) will begin making SB-1 deposits into the newly created RMRA fund. A percentage of this new RMRA funding will be apportioned by formula to eligible cities and counties pursuant to SHC Section 2032(h) for basic road maintenance and rehabilitation. Prior to receiving an apportionment of RMRA funds from the CSC in a fiscal year, the City must submit to the CTC, a list of projects proposed to be funded with RMRA funds pursuant to an adopted city budget. An amendment to the existing CIP list and budget is necessary to accomplish this

requirement. The list of projects must include a description and the location of each proposed project, a proposed completion schedule, and the estimated useful life of the improvements.

At its December 6-7, 2017 meeting, the CSC will adopt the list of eligible cities and counties that have submitted a list of projects as described in the State Highway Code and are subsequently eligible to receive an apportionment of RMRA funds for the applicable fiscal year. The CSC will begin apportionment in mid-January 2018. In order to be eligible for RMRA funding, the statute requires cities and counties to provide basic annual RMRA project reporting to the CTC. A city receiving an apportionment of RMRA fund 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. Recipients of RMRA funding must comply with all relevant federal and state laws, regulations, policies, and procedures.

Below is a general outline of the roles and responsibilities of recipient cities:

- Develop and submit a list of projects to the CTC each fiscal year.
- Develop and submit a project expenditure report to the CTC each fiscal year.
- Comply with all requirements including reporting requirements for RMRA funding.

Based on the City's PMP adopted during the June 6, 2017 City Council meeting (Item No. 35), staff selected various project locations, including arterial / secondary arterial / collectors with a Pavement Condition Index (PCI) between 25 and 50 ("Poor" condition) in order to establish a project list that meets RMRA funding requirements. These projects were not included in the Capital Improvement Program previously approved by the City Council, and an amendment to the existing CIP list is necessary to ensure SB 1 funding eligibility.

Based on information received from the State Department of Finance, the City of Carson is projected to receive \$1.614 million annually or \$16.14 million over the 10-year life of the SB 1 program. A summary of the proposed projects to be included in the CIP budgets from FY 2017/18 through FY 2026/27 are as follows:

Proj. No.	Fiscal Year	Project Name	Project Limits	Estimated Budget	Expected Life In Years
1	2017/18	Turmont Street Rehabilitation	From Avalon Blvd. to Central Ave.	\$1,614,000.00	20
2	2018/19	Albertoni Street Rehabilitation	From Figueroa St. to Avalon Blvd.	\$1,614,000.00	20

3	2019/20	Walnut Street Rehabilitation	From Avalon Blvd. to Central Ave.	\$1,614,000.00	20
4	2020/21	Gardena Blvd. Rehabilitation	From Figueroa St. to 390 Feet E/O Avalon Blvd.	\$1,614,000.00	20
5	2021/22	Del Amo Blvd. Rehabilitation Phase I	From Avalon Blvd. to Central Ave.	\$1,614,000.00	15 to 20
6	2022/23	Del Amo Blvd. Rehabilitation Phase II	From Central Ave. to Wilmington Ave.	\$1,614,000.00	15 to 20
7	2023/24	Main Street Rehabilitation Phase I	From Sepulveda Blvd. to 228th St.	\$1,614,000.00	15 to 20
8	2024/25	Main Street Rehabilitation Phase II	From 228th St. to Carson St.	\$1,614,000.00	15 to 20
9	2025/26	Main Street Rehabilitation Phase III	From Carson St. to 405 Fwy	\$1,614,000.00	15 to 20
10	2026/27	Main Street Rehabilitation Phase IV	From 405 Fwy to 91 Fwy	\$1,614,000.00	15 to 20

Staff requests that City Council amend the FY 2017/18 CIP budget that was approved on June 20, 2017 in order to include "Turmont Street Rehabilitation" as the first project to be addressed with SB 1 funding. The inclusion of this project in the CIP will satisfy the requirements of the CTC, allow for the completion of the SB 1 funding application, and ensure eligibility for RMRA funds.

V. FISCAL IMPACT

The City is expected to receive only \$542,032 from RMRA in FY17-18, as it is the year of implementation and only partial funding will be available. The original FY17-18 budget includes an appropriation for the annual slurry seal project using the RMRA money. If the City Council approves the \$1.6 million Turmont Street project recommendation for FY17-18, then staff proposes unappropriating the following projects in the FY17-18 budget, to free up funding for the Turmont Street project:

- Slurry Seal project budget of \$864,000 funded with a combination of RMRA money, Gas Tax, Proposition C, and Measure M; and
- Street Overlay project budget of \$750,000 funded with a combination of Gas Tax,

Proposition C, and Measure M money.

Based upon City Council direction, staff can return with a proposed resolution to amend the budget on the October 3, 2017 agenda.

VI. EXHIBITS

NONE.

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