



AGENDA STAFF REPORT

DATE: May 12, 2025

TO: Honorable Mayor and City Council

THRU: Patrick Gallegos, Interim City Manager

FROM: Iris Lee, Director of Public Works

SUBJECT: **Adopting a Resolution Listing the Projects Funded by Senate Bill 1: Road Repair and Accountability Act and Authorizing Submittal of the Project List and Application for Road Maintenance Rehabilitation Account Funds to the California Transportation Commission**

SUMMARY OF REQUEST:

That the City Council adopt Resolution 7637:

1. Approving the project list for improvements that are to be funded by Senate Bill 1; and,
2. Authorizing the Interim City Manager, or their designee, to submit the project list and application for Road Maintenance and Rehabilitation Account funds to the California Transportation Commission.

BACKGROUND AND ANALYSIS:

On April 28, 2017, Governor Brown signed Senate Bill No. 1 ("SB 1"), the Road Repair and Accountability Act of 2017, as amended on September 16, 2017, pursuant to Assembly Bill 135. SB 1, which was created to address basic road maintenance, rehabilitation, and critical safety needs on the State highway and local road systems, increases per gallon fuel excise taxes, diesel fuel sales taxes and vehicle registration fees, and provides for inflationary adjustments to tax rates in future years. As of November 1, 2017, the State Controller has been depositing various portions of this funding into the Road Maintenance and Rehabilitation Account ("RMRA") created to implement the legislation. The State Controller will apportion, by formula, a percentage of RMRA funds to eligible cities and counties in accordance with Streets & Highways Code Section 2032. Pursuant to Streets & Highways Code Section 2030, RMRA funds must be used for projects that include but are not limited to:

- Road maintenance and rehabilitation
- Safety projects

- Railroad grade separations
- Complete street components, including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project
- Traffic control devices

According to information provided by the California Transportation Commission (“CTC”), the City of Seal Beach is estimated to receive approximately \$663,738 of additional gas tax funds in FY 2025-2026.

SB 1 imposes several requirements on public agencies in order to receive the additional gas tax funds. These requirements are contained in the Streets & Highways Code, including Streets & Highways Code Section 2034, which provides:

(1) Prior to receiving an apportionment of funds under the program pursuant to paragraph (2) of subdivision (h) of Section 2032 from the Controller in a fiscal year, an eligible city or county shall submit to the commission a list of projects proposed to be funded with these funds. All projects proposed to receive funding shall be adopted by resolution by the applicable city council or county board of supervisors at a regular public meeting. The list of projects proposed to be funded with these funds shall 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. The project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities so long as the projects are consistent with subdivision (b) of Section 2030.

As set forth in the statute noted above, the road repair and maintenance projects must be approved by resolution of the City Council at a regular public meeting. The resolution must also contain a description and location of each proposed project, a proposed completion schedule, and the estimated useful life of each improvement.

In anticipation of the City receiving its RMRA fund allocation, the following projects have been identified for RMRA funds:

- O-ST-3 [Annual] Arterial Street Resurfacing Program (Westminster Avenue to North Gate Road)
- O-ST-3 [Annual] Arterial Street Resurfacing Program (Westminster Avenue to Pacific Coast Highway and 405 to Bradbury Road)

The work will generally include roadway rehabilitation, resurfacing, and striping. While the project list and locations were identified utilizing the City’s Pavement Management Program report, it should be noted that this list will not limit the City’s flexibility to fund projects in accordance with local needs and priorities, as long as the projects are consistent with the State and Highways Code Section 2030 (b).

O-ST-3 (Westminster Avenue to North Gate Road) has been advertised, awarded, and is scheduled to be completed in Spring 2025. Additionally, the City is actively pursuing a grant for the O-ST-3 (Westminster Avenue to Pacific Coast Highway and 405 to Bradbury Road) project. Together, these projects will rehabilitate Seal Beach Boulevard and are expected to extend the pavement useful life by approximately fifteen (15) years.

The purpose of approving the attached resolution is to satisfy the requirements of SB 1 relative to holding local governments accountable for the efficient investment of public funds to maintain public streets and roads, in accordance with Streets & Highways Code Section 2034.

The criteria developed by the CTC requires a list of projects funded with RMRA dollars be submitted no later than July 1, 2025. The proposed resolution is expected to be acceptable as confirmation that the project list is included in the City's Capital Improvement Program ("CIP") budget pursuant to a decision made by the City Council at a regular public meeting.

ENVIRONMENTAL IMPACT:

The proposed action is not a "project" as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378 (b) (4) and (5) of the State CEQA Guidelines. The proposed action is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment, and the creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. As such, the proposed action is not subject to environmental review.

LEGAL ANALYSIS:

The City Attorney has reviewed and approved the resolution as to form.

FINANCIAL IMPACT:

Any budget revenues will be included in the Fiscal Year 25-26 budget.

STRATEGIC PLAN:

This item is not applicable to the Strategic Plan.

RECOMMENDATION:

That the City Council adopt Resolution 7637:

1. Approving the project list for improvements that are to be funded by Senate Bill 1; and,
2. Authorizing the Interim City Manager, or their designee, to submit the project list and application for Road Maintenance and Rehabilitation Account funds to the California Transportation Commission.

SUBMITTED BY:

Iris Lee

Iris Lee, Director of Public Works

NOTED AND APPROVED:

Patrick Gallegos

Patrick Gallegos, Interim City Manager

Prepared by: Kathryn Cho, Deputy Director of Public Works/City Engineer

ATTACHMENTS:

- A. Resolution 7637