



## **STAFF REPORT TO THE CITY COUNCIL**

**DATE:** Regular Meeting of October 10, 2017

**TO:** Members of the City Council

**SUBMITTED BY:** Michael Roberts, Public Works Director/City Engineer

**SUBJECT:** Budget Amendment to Incorporate SB 1 “The Road Repair and Accountability Act” Funding for the 2017 Annual Street Maintenance Project

### **RECOMMENDED ACTION:**

Adopt a resolution amending the adopted Fiscal Year (FY) 2017-18 Budget to incorporate SB 1 “The Road Repair and Accountability Act” funding for the 2017 Annual Street Maintenance Project and expanding the description of said Projects in the Budget to meet to the requirements of the Act.

### **FISCAL IMPACT OF RECOMMENDATION:**

It is estimated the City will receive \$140,000 in SB 1 funding in FY 2017-18. For FY 2018-19, SB 1 funding is anticipated to increase to \$420,000.

### **DISCUSSION:**

Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017, was passed by the Legislature and signed into law by the Governor in April 2017 in order to address transportation funding shortfalls statewide.

SB 1 includes accountability and transparency provisions to ensure interested residents are aware of the projects proposed for funding in Hercules. Specifically, the City is required under the Act to include a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, in the City budget. In addition to the project name, the project list must 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.

Given SB 1 is being implemented during FY 2017-18, after the City’s budget has been formally adopted, the budget needs to be amended to incorporate the new funding and project list. The California Transportation Commission, which is providing oversight for SB 1, has indicated that projects begun in FY 2017-18 qualify for the list.

It is therefore proposed the 2017 Annual Street Maintenance Project currently under construction be the sole project on Hercules’ SB 1 project list for FY 2017-18 since the project cost well exceeds the \$140,000 the Act will generate this year. In addition to the inclusion of this funding, the FY 2017-18

Budget would be expanded in accordance with the requirements of the Act to include the following project information:

Project Title: 2017 Annual Street Maintenance Project

Project Description: Slurry seal including deep lift repairs, crack sealing, and striping

Project Locations: Lupine Road - 2105 Lupine to Violet; Dogwood Court; Cottonwood Court; Turquoise - 605 to 777 Turquoise; Mandalay Avenue - Grenadine to Refugio; Redwood Road - Pepperwood to 1955 Redwood; Violet Road - Lupine to Iris; Manzanita Place - Sequoia to Lupine; Nutmeg Court; Grenadine Way - Mandalay to Bonaire; Alfred Nobel Drive - Linus Pauling to traffic circle; and James Watson Drive - Linus Pauling to traffic circle

Project Duration: Began in August 2018 and scheduled for completion in October 2018.

Useful Life: 7-10 years

A budget modification incorporating the SB 1 funding into the existing construction contract with OC Jones, the general contractor, for the 2017 Annual Street Maintenance Project will be brought to Council at the time of project acceptance.

**ATTACHMENTS:**

1. Resolution
2. Street Maintenance Location Map

<i><b>Financial Impact</b></i>		
<b>Description: Revenue and Expenditure</b> increase in \$140,000		
<b>Funding Source:</b>		
Gas Tax Fund		\$140,000
Account 262-0000-313-09-00 (Revenue)		
Account 262-5432-642.05-20 (Expenditure)		
<b>Budget Recap:</b>		
Total Estimated cost:	\$140,000	New Revenue: \$140,000
Amount Budgeted:	\$0	Lost Revenue: \$
New funding required:	\$	New Personnel: \$
Council Policy Change:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	