



CITY COUNCIL AGENDA REPORT

MEETING DATE: 6/20/2023

DEPARTMENT: Public Works

SUBJECT:

ADOPTION OF LIST OF PROJECTS FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT

RECOMMENDED ACTION(S):

1. Approve Senate Bill 1: The Road Repair and Accountability Act Project List forms for Fiscal Year 2023-24.
 2. Adopt a Resolution entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, CONCERNING THE LIST OF PROJECTS FOR FISCAL YEAR 2023/24 FUNDED BY SB1: THE ROAD REPAIR AND ACCOUNTABILITY ACT.
 3. Authorize the Director of Public Works to forward the Fiscal Year 2023-24 project list to the California Transportation Commission, as required under Road Repair and Accountability Act of 2017.
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EXECUTIVE SUMMARY:

Senate Bill 1: The Road Repair and Accountability Act ("SB1"), enacted in 2017, established the Road Maintenance and Rehabilitation Account ("RMRA"), a funding source for California's transportation system intended to address deferred maintenance on state highways and local roadway systems. As part of the SB1 eligibility requirements, the City is required to submit a resolution detailing the City's road maintenance and rehabilitation projects for the upcoming fiscal year to the California Traffic Commission to qualify to receive SB1 funding. Slurry seal and resurfacing projects planned for the upcoming fiscal year may be partially or fully funded by SB1 funds. A list of projects to be submitted is provided as Attachment 1. A map of the slurry seal locations is provided as Attachment 2. The Governor's budget projections in May 2023 anticipated SB1 funding for the City of Lake Forest to be approximately \$2,142,695.

Staff recommends the City Council approve the attached Resolution (Attachment 3) and authorize the Public Works Director to forward the Fiscal Year 2023-24 project list to the California Transportation Commission, which would ensure the City remains eligible for the receipt of SB1 funds. The City anticipates receiving approximately \$2,142,695, based on population, from the Road Repair and

Accountability Act (“SB1”) program to fund the City’s annual street resurfacing and slurry seal projects for Fiscal Year 2023-24.

BACKGROUND:

SB1 was passed by the California Legislature and signed into law by Governor Brown on April 28, 2017. SB1 raises over \$5 billion per year for transportation infrastructure improvements in the RMRA state fund. SB1 funding is population-based on the following taxes enacted by the law: 12-cent gasoline excise tax, 20 cent diesel fuel excise tax, state transportation improvement fees, and transportation loan repayments. Fiscal Year 2017-18 represented a partial year of funding from these new sources. The City has received a full funding allotment since FY 2018-19 and onward. On October 18, 2017, the California Transportation Commission (“CTC”) adopted the Amended Annual Reporting Guidelines for 2017 Local Streets and Roads Funding related to SB1. To receive funding under the SB1 program, the City must submit a list of projects to the CTC at the beginning of each fiscal year, as well as project expenditure reports at the end of each fiscal year.

DISCUSSION:

To remain eligible for funding, the City is required to submit an initial project list to the CTC by July 1, 2023 (Attachment 1) for the upcoming fiscal year. SB1 allows the City to substitute different projects as necessary during the fiscal year provided it is reported in the project expenditure reports at the end of each fiscal year. Staff will monitor the funding projections and will utilize these program provisions to adjust the City’s projects to match the actual funding available.

The proposed 2023-2030 Capital Improvement Plan (“CIP Plan”) includes \$4,680,000 for Street Resurfacing and Slurry Seal projects in Fiscal Year 2023-24 (Attachment 2). There are two funding sources utilized for the Street Resurfacing and Slurry Seal projects: Measure M2 (\$3,668,947), and SB1 (\$1,011,053). The Measure M2 funding is based on an Orange County projection. The SB1 funding is based on the Governor’s budget projections at the time of the proposed 2023-2030 CIP budget creation. Because the Governor’s budget is periodically updated, the City may need to adjust the revenue projection for SB1 funds during Fiscal Year 2023-24. The Infrastructure Reserve funding is a portion of one-time funds approved by the City Council. The May 2023 budget projection for SB1 funds is \$2,142,695. The Pavement Management Relief Fund is a one-time grant from the federal government administered through OCTA and Caltrans for pavement rehabilitation. Staff will continue to monitor any changes to these funding projections. These funding sources may cover a portion of each project or an entire project.

The City's proposed CIP Plan refers to SB1 as a source of funding for the Street Resurfacing and Slurry Seal Projects. SB1 requires that each project include its estimated useful lifespan and a description of its specific location. To ensure the City's SB1 projects meet the required criteria, the proposed Resolution (Attachment 3) includes the following language adding the estimated useful life, project limits, and construction dates for the following projects:

Annual Slurry Seal, Zone A (PW 2022-05A) - The slurry sealing of non-arterial public streets in Zone A, the neighborhood between Jeronimo Rd. and I-5 Freeway, North of Ridge Route. This project would provide an estimated useful life of 7 to 10 years. Pre-construction design, document preparation and estimating started in June 2023 and is anticipated to be completed in December 2023, with tentative construction start date in January 2024 and tentative end date in July 2024.

Annual Slurry Seal, Zone D (24S01-A) - The slurry sealing of non-arterial public streets in Zone D, the neighborhood between Trabuco Rd. and Portola Parkway, North of Lake Forest Drive. This project would provide an estimated useful life of 7 to 10 years. Pre-construction design, document preparation and estimating has a tentative start date in October 2023 and tentative end date in April 2024.

Road Rehabilitation and Slurry Seal, Jeronimo Road and Muirlands Boulevard (PW 2021-05B) - This road rehabilitation and slurry seal project would spot repair streets and slurry seal the entire length of the project boundary, generally from Los Alisos to Bake Parkway. This project would provide an estimated useful life of 10 to 15 years. The construction tentative start date is in October 2023 and tentative end date in April 2024. This project will also be partially funded through the Pavement Management Relief Funding (PMRF) Program.

Street Resurfacing: El Toro from Jeronimo to Trabuco (PW 2022-05B) - This road rehabilitation project would grind and overlay El Toro Road from Jeronimo to Trabuco. This project would provide an estimated useful life of 10 to 15 years. Pre-construction design, document preparation and estimating tentative start date is in October 2023 and is anticipated to be completed in April 2024.

Street Resurfacing: Trabuco Road from Peachwood to Bake Parkway (24S01-B) - This road rehabilitation project would grind and overlay Trabuco Road from Peachwood to Bake Parkway. This project would provide an estimated useful life of 10 to 15 years. Pre-construction design, document preparation and estimating started in November 2022 and is anticipated to be completed in August 2023, with tentative construction start date in October 2023 and tentative end date in April 2024.

Street Resurfacing: portions of Lake Forest Drive from Bake Parkway to I-5 Freeway (PW 2022-05D) - This road rehabilitation project would grind and overlay portions of Lake Forest Drive from Bake Parkway to I-5 Freeway. This project would provide an estimated useful life of 10 to 15 years. Pre-construction design, document preparation and estimating started in February 2023 and is anticipated to be completed in October 2023, with tentative construction start date in October 2024 and tentative end date in April 2025.

Street Resurfacing: portions of El Toro Road from Glenn Ranch Road to I-5 Freeway (PW 2022-05E) - The road rehabilitation project would grind and overlay portions of Lake Forest Drive from Bake Parkway to I-5 Freeway. This project would provide an estimated useful life of 10 to 15 years. Pre-construction design, document preparation and estimating tentative start date is in October 2023 and is anticipated to be completed in April 2024.

Street Resurfacing: portions of Bake Parkway from Rancho Parkway South to South Pointe Drive (PW 2022-05F) - The road rehabilitation project would grind and overlay portions of Bake Parkway from Rancho Parkway South to South Pointe Drive. This project would provide an estimated useful life of 10 to 15 years. Pre-construction design, document preparation and estimating tentative start date is in June 2023 and is anticipated to be completed in February 2024.

SB1 allows the City to substitute different projects as necessary during the fiscal year, provided it is reported in the project expenditure reports at the end of each fiscal year. Staff recommends the City Council approve the attached Resolution (Attachment 3) and authorize the Public Works Director to forward the Fiscal Year 2023-24 project list to the California Transportation Commission, which would ensure the City remains eligible for the receipt of SB1 funds. The proposed resolution has been approved as to form by the City Attorney's Office.

FISCAL IMPACT:

There is a positive fiscal impact associated with the recommended actions. The City anticipates receiving approximately \$2,142,695, based on population, from the Road Repair and Accountability Act ("SB1") program to fund the City's annual street resurfacing and slurry seal projects for Fiscal Year 2023-24. This resolution is a requirement to receive SB1 funds.

ATTACHMENTS:

1. CTC SB1 Proposed Project List Forms

2. Street Resurfacing and Slurry Seal page from the Proposed 2023-2030 Capital Improvement Plan
3. Proposed SB 1 Resolution

Initiated By: Nazila Mokarram, Principal Civil Engineer

Submitted By: Thomas E. Wheeler, P.E., Director of Public Works/City Engineer

Approved By: Debra Rose, City Manager