



PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: May 20, 2025

Subject

Fiscal Year (FY) 25-26 projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by Senate Bill (SB) 1.

Recommended Action

Adopt Resolution No. 2025-XXX (Attachment A) establishing a list of projects proposed to be funded by \$1,583,075 of SB 1 revenues, estimated to be received in FY 25-26.

Reasons for Recommendation

The Road Repair and Accountability Act, better known as SB 1, requires cities and counties to annually adopt a resolution establishing a list of projects that will receive Road Maintenance and Rehabilitation Account (RMRA) revenue each fiscal year. A copy of the certified resolution must be submitted to the State of California (State) by June 30, 2025. To satisfy the requirement, the project list must include a description and general location of each proposed project, the proposed schedule for the project's completion, and the estimated life of proposed improvements.

Though the primary purpose of the Road Repair and Accountability Act is to address deferred maintenance on local streets and roads, projects that address road safety are also eligible to receive funds. Section 2030 of the California Streets and Highway code says RMRA funds can be used for:

- A. Road maintenance and rehabilitation.
- B. Safety projects.
- C. Railroad grade separations.
- D. 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.
- E. Traffic control devices.

"A city or county may spend its apportionment of funds under the program on transportation priorities other than those allowable pursuant to this chapter if the city's or county's average Pavement Condition Index meets or exceeds 80." (Section 2037 of the California Streets and Highway code.)

The State distributes RMRA revenues to cities and counties monthly. To continue to receive these funds, each city and county must submit a FY 25-26 project list before the end of FY 2025. The City of Cupertino will receive an estimated amount of \$1,583,075 of RMRA revenues in FY 25-26. The recommended list of projects for FY 2025-26 is as follows:

1. FY 25-26 Pavement Maintenance Phase 1 Project
2. FY 25-26 Pavement Maintenance Phase 2 Project

This project list does not limit the City's flexibility to fund projects based on local priorities, provided that funds are only expended on projects that are consistent with SB 1 eligibility requirements. Staff will document any variation between proposed projects and completed projects through the annual reporting processes established under SB 1.

Sustainability Impact

Maintaining and preserving the local streets and road system in good condition will reduce drive time and traffic congestion, improve bicycle safety, and make the pedestrian experience safer and more appealing. This leads to reduced vehicle emissions, helping the City achieve air quality and greenhouse gas emission reduction goals.

Fiscal Impact

By adopting this Resolution, the City will be eligible to receive an estimated \$1,583,075 from SB 1 in FY 25-26 to help fund the FY 25-26 Pavement Management Program Projects. Revenues will be deposited into account 270-85-821 440-437 (Intergovernmental SB1 Road Maintenance/Rehabilitation). These revenues are included in the FY 25-26 Proposed Budget.

City Work Program Item/Description

None

Council Goal

Transportation, Fiscal Strategy

California Environmental Quality Act

The proposed Pavement Maintenance Projects are exempt from CEQA under California Code Regulations Section 15301(c) (maintenance of existing streets).

Prepared by: Jimmy Tan, Assistant Director of Public Works

Reviewed by: Chad Mosley, Director of Public Works

Approved for Submission by: Tina Kapoor, Acting City Manager

Attachments:

A – Draft Resolution