



PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: June 7, 2022

Subject

Consider Fiscal Year (FY) 2022-23 projects proposed to receive \$1,337,044 in funding from the Road Maintenance and Rehabilitation Account (RMRA), created by Senate Bill 1 (SB 1.)

Recommended Action

Adopt Resolution No. 22-XXX, establishing a list of projects proposed to be funded by \$1,337,044 of RMRA SB 1 revenues, estimated to be received in FY 2022-23.

Background

The RMRA, better known as SB 1, requires that cities and counties adopt a Resolution establishing a project list and submit a certified copy to the State by June 30. This list must include all projects proposed to receive FY 2022-23 SB 1 funds, including a description and general location of each proposed project, a proposed schedule for the project's completion, and the estimated duration of the improvement. Additionally, year-end reporting on completed projects is required.

To be eligible to receive RMRA revenues in FY 2022-23, the City of Cupertino (City) must provide a list of projects to be funded by RMRA revenue. The project list does not limit the City's flexibility to fund projects in accordance with its local needs and priorities so long as the projects are consistent with SB 1 requirements. SB 1 was passed by the California Legislature and signed into law by the Governor in April 2017 to address Statewide transportation funding shortfalls. With the passage of SB 1, cities and counties have been able to fund significant maintenance, rehabilitation, and safety needs on their local street networks. In doing so, these street networks have improved in quality and their useful life has been extended.

Discussion

SB 1 is currently generating over \$5 billion annually and is expected to generate over \$54 billion in the next decade. Proceeds from SB 1 are split between State and local agencies, and the City will receive an estimated \$1,337,044 in FY 2022-23. The amount received by

the City in future years is tied to overall State gas consumption and is expected to remain constant overtime.

For FY 2022-23, SB 1 funds received by the City are planned to be dedicated to the 2022 Pavement Maintenance Phase 2 Project, which will begin in the Fall of 2022. A partial list of streets is included below but is subject to change, as coordination with underground utility companies and other development projects is still ongoing.

Street Segment	Proposed Schedule	Estimated Useful Life
S Stelling Rd (85 to Prospect)	Fall 2022	8 Years
S Tantau Ave	Fall 2022	8 Years
Prospect Rd	Fall 2022	8 Years

Sustainability Impact

Maintaining and preserving the local street and road system reduces drive time and traffic congestion, improves bicycle safety, makes the pedestrian experience safer, and will lead to reduced greenhouse gas (GHG) emissions, which helps the City achieve its air quality and GHG reduction goals.

California Environmental Quality Act (CEQA)

The Pavement Maintenance Phase 2 project is exempt from CEQA, under 14 Cal. Code Regs. section 15301(c) (maintenance of existing streets).

Fiscal Impact

By adopting this Resolution, the City will be eligible to receive an estimated \$1,337,044 from SB 1 funding in FY 2022-23 to substantially pay for the estimated costs of the 2022 Pavement Maintenance Phase 2 Project. Funds will be deposited into revenue account 270-85-821 400-437, Intergovernmental SB 1 Road Maintenance/Rehabilitation.

Prepared by: Jo Anne Johnson, Project Manager

Reviewed by: Matt Morley, Director of Public Works

Reviewed by: Dianne Thompson, Assistant City Manager

Approved for Submission by: Jim Throop, City Manager

Attachments:

A – Draft Resolution