



CITY COUNCIL AGENDA STATEMENT



May 12, 2020

File ID: 20-0051

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2020/21 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

Pursuant to the Streets and Highways Code (SHC) Section 2034(a)(1), prior to receiving an apportionment of RMRA funds from the State Controller in a fiscal year, a city must submit to the California Transportation Commission (CTC) a list of projects proposed to be funded with these funds. Staff is requesting that the City Council approve the City's RMRA Project List for Fiscal Year 2020-21.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the Project qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Section 15301 Class 1 (Existing Facilities), Section 15302 Class 2 (Replacement or Reconstruction), and Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Thus, no further environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

The Road Repair and Accountability Act of 2017 (SB1) established the Road Maintenance and Rehabilitation Account (RMRA) which provided new funds to cities and counties throughout California to use for roadway maintenance and rehabilitation. SB1 increased per gallon fuel excise taxes, diesel fuel sales taxes and vehicle registration taxes, stabilized the fuel tax rates, and provided for inflationary adjustments to rates in future years.

Required Annual Authorization

The RMRA local streets and roads allocations are intended to be focused on improving the overall condition of the municipality's pavement condition. Once a municipality reaches an average Pavement Condition Index (PCI) of 80, other transportation related projects could be proposed. As of March 2020, the City's average PCI is 73; therefore, RMRA funds should be utilized specifically for roadway maintenance and rehabilitation.

Prior to receiving RMRA funds in a fiscal year, a city or county must submit to the CTC a project list pursuant to an adopted budget. The list must include for each project: description, location, schedule, and useful life. The list along with a Council resolution of approval was originally due to the CTC by May 1, 2020. Due to COVID-19 pandemic impacts to local agencies, the CTC has extended the date to no sooner than June 10, 2020.

The proposed project list for FY2020-21 (Attachment 1) includes 15 street segments consisting of arterial and collector streets with PCI ratings between 49 to 69. The overall City average PCI is projected to increase as this project and other paving projects associated with Measure P and TransNet funding are completed.

The current projected RMRA revenues for Chula Vista in FY2020-21 is \$5,126,097 (Attachment 2) which will be programmed with the adoption of the City's FY2020-21 CIP Program. The CTC provided guidance to proceed with this projection at this time recognizing that the projection will likely need to be reduced once the impacts due to the COVID-19 pandemic are evaluated.

The RMRA also requires that cities and counties submit an annual report of project completion for projects funded by the RMRA. The annual report will provide details on the projects completed to date and any updates to the original listing.

The previously proposed and adopted FY2018-19 STM0396 and FY2019-20 STM0400 projects are currently in construction and design phases respectively. The FY2017-18 STM0395 project is now complete.

Maintenance of Effort [Streets and Highways Code § 2036]

The RMRA contains local agency Maintenance of Effort (MOE) requirement that applies to funds allocated through the RMRA. Similar to the existing requirements for the Gas Tax and TransNet, the MOE requirement ensures that these new funds do not supplant existing levels of city and county discretionary revenue spending on streets and roads. For RMRA, cities and counties must maintain discretionary fund spending for street, road, and highway purposes at no less than the average of 2009-10, 2010-11, and 2011-12 fiscal years, excluding one-time funds. The RMRA MOE for Chula Vista is \$4,515,412 (Attachment 3). The City anticipates meeting the MOE requirement for FY2020-21.

The State Controller may perform audits to ensure compliance with these MOE rules. If the State Controller determines that a city or county has not met its' MOE, the agency will be required to reimburse the state for the funds it received during that fiscal year, although the agency may expend during that fiscal year and the following fiscal year a total amount that is sufficient to comply. Any funds withheld or returned as a result of a failure to comply will be reapportioned to the other counties and cities whose expenditures are in compliance.

Due to this requirement, the City established a separate account for RMRA funds within the Gas Tax Account.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found that Mayor Salas and Councilmember Galvez have property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. However, the decision solely concerns repairs, replacement or maintenance of existing streets, water, sewer, storm drainage or similar facilities, and the member's property will not be affected disproportionately to other properties receiving the same services. Consequently, pursuant to California Code of Regulations Title 2, sections 18700 and 18702.2(d)(1)), this item does not present a real property-related conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

Funding of \$5,126,097 and any remaining funds from previously completed RMRA projects will be programmed as part of the FY2020-21 CIP Program. Therefore, there is no additional impact to the RMRA Fund.

ONGOING FISCAL IMPACT

Upon completion of the project, the improvements will require only routine City street maintenance. Since the improvements are anticipated to increase the life of the streets included, there should be a positive long-term fiscal impact.

ATTACHMENTS

1. RMRA Project List for Fiscal Year 2020-21
2. Local Streets and Roads – Projected Revenues
3. RMRA MOE FY10 through FY12

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