



County of San Mateo

Inter-Departmental Correspondence

Department: PUBLIC WORKS

File #: 24-464

Board Meeting Date: 6/11/2024

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Ann M. Stillman, Director of Public Works

Subject: Approval of Road Project List for Senate Bill 1 Road Maintenance and Rehabilitation Account funds allocated in Fiscal Year 2024-2025

RECOMMENDATION:

Adopt a resolution approving the Road Project List to be funded with the Senate Bill 1 Road Maintenance and Rehabilitation Account funds for Fiscal Year 2024-2025.

BACKGROUND:

Senate Bill 1 (SB1) (Beall, Chapter 5, Statutes of 2017), is known as the Road Repair and Accountability Act of 2017 and was filed with the Secretary of State on April 28, 2017. This bill established a Road Maintenance and Rehabilitation Account (RMRA) in the State Transportation Fund that is intended to address deferred maintenance on the State highway system and the local street and road systems. The bill also requires the California Transportation Commission (CTC) to adopt criteria to ensure efficient use of these funds. The SB1 funds are provided to cities and counties monthly and the first distribution was made in January 2018.

Based on current estimates, the County is expected to receive approximately \$13,571,058 for FY 2024-25 which is to be used on the County maintained road system.

Based on the anticipated receipt of the RMRA funds and the SB1 requirements, the County must establish and approve a list of projects. The list of projects must include the specific type of project, approximate project's location, the anticipated start, and completion schedule of the work being funded with RMRA funds and indicate the estimated useful life of the projects. The Road Project List should include any projects that will utilize FY 2024-25 RMRA funds.

This Board has approved road project lists for prior fiscal years in compliance with SB1 requirements.

DISCUSSION:

SB1 funds are necessary to help address the funding gap between the declining Road Fund revenues (Highway Users Tax Account [HUTA]) and the increasing road maintenance and repair needs.

The Department is recommending approval of the attached resolution to satisfy the requirements of SB1 relative to holding local governments accountable for the efficient investment of public funds to maintain public streets and roads. Specifically, the main requirements for the use of RMRA funding are codified in the Streets & Highways Code (SHC) Sections 2034, 2036, 2037, and 2038. Section 2034 of the SHC describes the requirements for adopting the projects.

Section 2034 of the SHC states:

“(a) (1) Prior to receiving an apportionment of funds under the program pursuant to paragraph (2) of subdivision (h) of Section 2032 from the Controller in a fiscal year, an eligible city or county shall submit to the commission a list of projects proposed to be funded with these funds pursuant to an adopted city or county budget. All projects proposed to receive funding shall be included in a city or county budget that is adopted by the applicable city council or county board of supervisors at a regular public meeting. The list of projects proposed to be funded with these funds shall 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. The project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities so long as the projects are consistent with subdivision (b) of Section 2030.”

The FY 2024-2025 SB1 Project List (Project List), attached to the resolution as Exhibit A, will be funded almost exclusively by SB1 funds for FY 2024-25. Without SB1 funds, the work identified on the Project List could not be implemented.

County Attorney has reviewed and approved the resolution as to form.

FISCAL IMPACT:

The estimated expenditure of the projects in FY 2024-25, as listed in Exhibit A to the resolution, is \$14,000,000 of which \$13,571,058 will be from FY 2024-25 SB1 funds and the remaining \$428,942 from Road Funds. There is no impact to the General Fund.