



Honorable Mayor and Members of the Hermosa Beach City Council

APPROVAL OF ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 (SENATE BILL 1) PROJECT LIST FOR THE CITY OF HERMOSA BEACH FOR FISCAL YEAR 2025–26.

CEQA: Determine the projects are exempt from the California Environmental Quality Act.

(Public Works Director Joe SanClemente)

Recommended Action:

Staff recommends City Council:

1. Approve a resolution (**Attachment 1**) adopting a list of projects for Fiscal Year 2025–26 funded by Senate Bill 1, the Road Repair and Accountability Act of 2017; and
2. Direct staff to submit the project list (**Attachment 2**) and supporting documentation to the California Transportation Commission by July 1, 2025.

Executive Summary:

Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017, provides funding for the maintenance and repair of local streets and roads through a Road Maintenance and Rehabilitation Account (RMRA). To be eligible for Fiscal Year 2025–26 funding, the City must submit a project list to the California Transportation Commission (Commission) by July 1, 2025, with a resolution documenting the approval of the City's project list.

Background:

April 28, 2017, the Governor of California signed SB 1, known as the Road Repair and Accountability Act of 2017, to address road maintenance, rehabilitation, and critical safety needs on both the state highway system and local street and road system. SB 1 provides funding from sources including fuel excise taxes, commercial vehicle weight fees, local transactions and use taxes, and federal funds.

A percentage of this funding is apportioned by formula to eligible cities and counties for road maintenance, rehabilitation, and critical safety projects on the local street and road system. The projected revenue for the City of Hermosa Beach in Fiscal Year 2025–26 is \$533,814.

SB 1 revenue is not intended to replace existing local discretionary funding, such as General Fund or Capital Improvement Funds, for road repair and maintenance projects.

Therefore, it requires cities and counties to maintain their existing commitment of local funds for street, road, and highway purposes in order to remain eligible for an RMRA funding apportionment as defined by the Maintenance of Effort (MOE) estimate. The MOE estimate establishes the minimum amount of funding that the City of Hermosa Beach must continue to allocate on an annual basis toward street and highway projects from local discretionary funds.

The State Controller's Office (SCO) completed its review of the City's certified General Fund discretionary expenditures for street purposes for the period of July 1, 2009, to June 30, 2012. Based on the review, the SCO set the City's MOE at \$833,246.

The Commission requires the City to submit a list of projects (**Attachment 2**) each fiscal year. The FY 2025–26 list is due to the Commission by July 1, 2025. The Commission also requires the City to develop and submit a project expenditure report by October 1, 2025 for the FY 2024–25 expenditures and comply with all requirements including reporting requirements for RMRA funding.

RMRA funding may be used for road maintenance, rehabilitation, and critical safety projects on the local street and road system. Streets and Highways Code (SHC) Section 2030 provides a number of example projects and uses for RMRA funding that include, but are not limited to, the following:

- Road maintenance and rehabilitation
- Safety projects
- Railroad grade separations
- Complete Streets 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
- Traffic control devices

Additionally, RMRA projects may incorporate, where feasible, the following project elements:

- Technologies and material recycling techniques that lower greenhouse gas emissions and reduce the cost of maintaining local streets and roads through material choice and construction method.
- Systems and components in transportation infrastructure that recognize and accommodate technologies including but not limited to Zero Emissions Vehicle (ZEV) fueling or charging and infrastructure-vehicle communications for transitional or fully autonomous vehicles.
- Project features that increase resilience to the impacts of climate change, fires, floods, and sea level rise.

- Complete Streets elements that improve the quality of bicycle and pedestrian facilities and that improve safety for all users of transportation facilities.

A city or county may spend its apportionment of RMRA funds on transportation priorities other than those outlined in SHC Section 2030 if the city or county's average pavement condition index (PCI) meets or exceeds 80. Hermosa Beach currently has an average PCI below 80, therefore, the City must spend the available funds on the types of projects listed above.

RMRA funds may also be used to satisfy a match requirement in order to obtain state or federal funds for eligible projects.

Discussion:

Based on the expected revenues available for Fiscal Year 2025–26, staff has identified projects that meet the Street and Highway Code guidance for projects for this year's list. The recommended projects are described below and in **(Attachment 2)**.

CIP 106—Annual Street Improvements

Total Fiscal Year 2025–26 Budget: \$3,625,257

CIP 106 would provide pavement rehabilitation of streets at various locations including Monterey Boulevard from Pier Avenue to Manhattan Avenue. The project would also address limited quantities of deteriorated concrete sidewalks, curb and gutter, and curb ramps.

CIP 115—Annual City Sidewalk Improvements

Total Fiscal Year 2025–26 Budget: \$ 607,211

CIP 115 would provide removal, replacement, and other improvements to sidewalks throughout the City to maintain and improve safety.

FY 2025-26 Sidewalk Grinding and Repairs

Total Fiscal Year 2025–26 Budget: \$150,000

Sidewalk grinding and repairs is part of operations and maintenance project that would provide grinding and repairs to sidewalks to address trip hazards and improve safety.

General Plan Consistency:

This report and associated recommendation have been evaluated for their consistency with the City's General Plan. Relevant Policies are listed below:

Infrastructure Element

Goal 1. Infrastructure systems are functional, safe, and well maintained.

Policy:

- **1.2 Priority investments.** Use City Council established priorities and the Capital Improvement Program (CIP) to identify and allocate funding for projects identified in the infrastructure plan.

Goal 2. Roadway infrastructure maintenance supports convenient, attractive, and complete streets and associated amenities.

Policies:

- **2.1 Preventive street maintenance.** Maintain streets, sidewalks and other public rights-of-way to provide a reliable network for circulation through a proactive preventive maintenance program.
- **2.2 Pavement rating system.** Prioritize roadway re-pavement projects by regularly evaluating pavement ratings and identifying roadway segments with the greatest deficiencies.
- **2.3 Street and sidewalk standards.** Require the use of standardized roadway, sidewalk, parkway, curb and gutter designs to ensure continuity and consistency as property redevelops over time.

Fiscal Impact:

The projected SB 1 revenue for the City in Fiscal Year 2025–26 is \$533,814, which would be expended on projects listed in the Fiscal Year 2025–26 RMRA Project List (**Attachment 2**).

Attachments:

1. Draft Resolution Adopting a List of Projects for FY 2025–26 Funded by SB 1
2. Hermosa Beach Fiscal Year 2025–26 RMRA Project List

Respectfully Submitted by: Andrew Nguyen, Associate Engineer

Concur: Brandon Araujo, Senior Engineer

Concur: Saad Salim, City Engineer

Concur: Joe SanClemente, Public Works Director

Noted for Fiscal Impact: Henry Chao, Finance Manager

Concur: Brandon Walker, Administrative Services Director

Legal Review: Todd Leishman, City Attorney

Approved: Steve Napolitano, City Manager