



## City Council Agenda Report

**Meeting Date:** May 27, 2025

**Prepared By:** Public Works Department

**Approved By:** Gabe Engeland

**Subject: Adopt a Resolution approving a list of streets that will utilize Senate Bill 1 funding for road repairs in Fiscal Year 2025-26**

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### **COUNCIL PRIORITY AREA**

- ☒ Public Safety
- ☐ Business Communities
- ☒ Circulation Safety and Efficiency
- ☐ Environmental Sustainability
- ☐ Housing
- ☒ General Government

### **RECOMMENDATION**

Adopt a Resolution approving a list of streets that will utilize Senate Bill 1 (SB-1) funding, Road Repair and Accountability Act, for the purpose of annual road maintenance; consider finding the adoption of the resolution exempt pursuant to California Environmental Quality Act Guidelines Section 15301 (Existing Facilities)

### **FISCAL IMPACT**

The current FY 2025-26 State of California budget estimates \$827,849 for street improvements from the State's Road Maintenance and Rehabilitation Account (RMRA) revenues created by Senate Bill 1 (SB-1). The state provides the SB-1 funds to the City monthly.

### **ENVIRONMENTAL REVIEW**

This action is consistent with Class I Section 15301, Existing Facilities (c) Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities, as activities associated with the project will include replacement of existing facilities with negligible or no expansion of capacity.

### **BACKGROUND**

Senate Bill 1 (SB-1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017), was passed by the Legislature and signed into law by the Governor in April 2017 to address significant multimodal transportation funding shortfalls statewide. SB-1 is intended to enable Cities and Counties to better address the local street system's significant maintenance, rehabilitation, and safety needs. The City of Los Altos will receive approximately \$827,849 in SB-1 funding in the Fiscal Year 2025-26.

## **DISCUSSION**

Accountability and transparency measures are built into SB-1, including requiring Cities and Counties to adopt project lists at the start of every fiscal year via resolution and provide year-end reporting on completed projects by December 1st. The City must include a list of all streets that will utilize SB-1 funding in the City's budget, which will 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. As part of the FY 2025-26 CIP budget, the City allocated \$3,260,433 for street maintenance and rehabilitation in projects TS-01001-Annual Street Resurfacing. Funding sources include the Gas Tax, County Measure B, and Vehicle Registration Fee (VRF). Street maintenance carried out by the Public Works Street Maintenance Division is funded by the General Fund. This meets the City's obligation to contribute \$1,643,003 from the General Fund to meet the state's Maintenance of Effort requirement (MOE). The list of proposed street sections for use of SB-1 funds in FY 2025-26 is attached in the Council resolution. Note, this list only includes streets to be overlayed with asphalt. Streets to be slurry/micro-seal coated are not listed in the resolution because they have different funding sources—i.e., VRF and HUTA/Gas Tax. The resolution list includes more streets to be overlayed than SB-1 funding will cover. A larger 5-year list was developed and presented to the Complete Streets Commission for approval. The list emphasized the safe route to school in line with the City Council's priority.

Staff recommends that the City Council adopt a Resolution that identifies a list of streets that will be funded with SB-1 Road Maintenance and Rehabilitation Account in the FY 2025-26.

## **ATTACHMENT**

1. Resolution