



CITY OF COSTA MESA

Agenda Report

77 Fair Drive
Costa Mesa, CA 92626

File #: 25-310

Meeting Date: 6/3/2025

TITLE:

RESOLUTION ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2025-26 FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

DEPARTMENT: PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: SEUNG YANG, P.E., CITY ENGINEER (714) 754-5335

RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2025-xx, approving the Harbor Boulevard Roadway Rehabilitation Project (from MacArthur Boulevard to South Coast Drive and from Gisler Avenue to Baker Street) for funding with Road Maintenance and Rehabilitation Account (RMRA) revenues for Fiscal Year 2025-26.

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 the significant multi-modal transportation funding shortfalls statewide. SB 1 increases several taxes and fees to raise billions of dollars annually in new transportation revenues. Moreover, SB 1 makes adjustments for inflation every year so that the purchasing power of the revenues does not diminish as it has historically.

SB 1 prioritizes this funding towards critical maintenance, rehabilitation, and safety improvements on state highways, local streets and roads, and bridges and to improve the state's trade corridors, transit, and active transportation facilities.

As required by SB 1's various accountability and transparency measures and the California Transportation Commission's (CTC) Reporting Guidelines for Local Streets and Roads Funding Program, the City is required to submit a proposed project list to the CTC by July 1st of each year and subsequently provide year-end updates on the progress and expenditures of previously approved projects by October 1st of each year.

ANALYSIS:

The City is projected to receive an estimated \$2,951,612 from RMRA funding in FY 2025-26 based on State Department of Finance revenue projections. To be eligible for funding, the City must submit a proposed project list to the CTC by July 1, 2025, along with an adopted resolution documenting the City Council's approval of the project(s) proposed to be implemented with specific RMRA funding

allocations. The City is proposing that the FY 2025-26 RMRA funding be allocated towards the construction of a roadway rehabilitation project along Harbor Boulevard (from MacArthur Boulevard to South Coast Drive and from Gisler Avenue to Baker Street), that would not have otherwise been funded. In conjunction with roadway rehabilitation, staff will explore opportunities to incorporate any feasible bicycle and pedestrian improvements along this corridor.

SB 1 requires that the project list include the following components: description and location of the proposed project, a proposed schedule for its completion, and the estimated useful life of the improvement. The required project components are reflected in the proposed resolution. This improvement project will benefit all the residents and businesses in the community and will also be included in the FY 2025-26 Capital Improvement Program (CIP) budget for City Council adoption.

ALTERNATIVES:

The City Council may elect not to adopt the proposed resolution. Staff does not recommend this action since this may cause potentially more expensive repairs in the future.

FISCAL REVIEW:

The City is projected to receive an estimated \$2,951,612 in FY 2025-26 from RMRA funding based on the January 2025 State Department of Finance statewide RMRA revenue projections to fund the project. The approved project will be included in the Proposed FY 2025-26 CIP budget, RMA Fund (Fund 251)

LEGAL REVIEW:

The City Attorney's Office has reviewed the report, prepared the resolution, and approves them both as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This project supports the following City Council goals:

- Maintain and enhance the City's infrastructure, facilities, equipment, and technology.
- Strengthen the Public's safety and improve the quality of life.

CONCLUSION:

Staff recommends the City Council adopt Resolution No. 2025-xx, approving the Harbor Boulevard Roadway Rehabilitation Project, (from MacArthur Boulevard to South Coast Drive and from Gisler Avenue to Baker Street) for funding with Road Maintenance and Rehabilitation Account (RMRA) revenues for Fiscal Year 2025-26.