



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 26-301

Meeting Date: 6/2/2026

TITLE:

RESOLUTION ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 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. 2026-XX approving a list of projects for funding with the Road Maintenance and Rehabilitation Account (RMRA) revenues for Fiscal Year (FY) 2026-27.

BACKGROUND:

Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017), was passed by the State 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 adjusts 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, bridges, and to improve the state's trade corridors, transit, and active transportation facilities.

As part of SB 1's various accountability and transparency measures and according to 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 \$3,156,556 from RMRA funding in FY 2026-27 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, 2026, along with an adopted resolution documenting the City Council's approval of the projects proposed to be implemented with specific RMRA funding allocations. The City is proposing that the FY 2026-27 RMRA funding be allocated towards the

following projects:

- **FY 2026-27 Citywide Street Rehabilitation Project**

This project will include rehabilitation and repair of the existing pavement on various residential streets throughout the Mesa Verde West and College Park South neighborhoods of the City of Costa Mesa. The work will include removal and replacement of existing asphalt concrete, sidewalks, driveway approaches, curb and gutters, and pavement striping and markings.

- **Harbor Boulevard and Cornerstone Bike Trail Repairs**

This project will include repairs along the Class 1 bike trail on southbound Harbor Boulevard, including removal of the existing non-functional bollard lighting along the Harbor Boulevard portion of Joann Bike Trail from Joann Street to Fair Drive and the Cornerstone Bike Trail from Fair Drive to Merrimac Way, and installation of new solar powered light fixtures. The advanced lighting system will increase visibility and safety, reduce vandalism, and provide energy savings.

- **Newport Boulevard (Northbound from 22nd Street to Bristol Street and Southbound from Bristol Street to Mesa Drive)**

This project will include rehabilitation and repair of the existing pavement and aims to enhance bicycle facilities and pedestrian access. Striping, markings, and bicycle facilities will be consistent with the City's Active Transportation Plan (ATP). The proposed RMRA funding, programmed for the construction phase, will enable the transition of Newport Boulevard to be a more complete street that promotes Active Transportation. These RMRA funds will be used towards rehabilitation of Newport Boulevard, including the addition of a Class 1 Bike Path from Bristol Street to Arlington Drive on the southbound side of Newport Boulevard.

SB1 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 2026-27 Proposed 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 a delay or forfeiture of the City's RMRA funding allocation.

FISCAL REVIEW:

The City is projected to receive an estimated \$3,156,556 in FY 2026-27 from RMRA funding (Fund 251) based on the January 2026 State Department of Finance statewide RMRA revenue projections to fund the projects. The approved projects will be included in the FY 2026-27 Proposed CIP budget as follows:

Project Title	FY 2026-27 RMRA Funding Allocation
FY 2026-27 Citywide Street Rehabilitation Project	\$350,000
Harbor Blvd. Cornerstone Bike Trail Repairs	\$450,000
Newport Boulevard (Northbound from 22nd Street to Bristol Street and Southbound from Bristol Street to Mesa Drive)	\$2,350,000
Allocation in Future Fiscal Year	\$6,556

LEGAL REVIEW:

The City Attorney’s Office has reviewed this report and the proposed 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. 2026-XX, approving a list of projects for funding with Road Maintenance and Rehabilitation Account (RMRA) revenues for Fiscal Year 2026-27.