



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** OCTOBER 10, 2017

**DEPARTMENT:** PUBLIC WORKS

**FROM:** JIM SANDOVAL, CITY ENGINEER/ASSISTANT DIRECTOR

**TITLE:** FY 2017-18 CAPITAL IMPROVEMENT BUDGET AMENDMENT

### RECOMMENDED MOTION:

A motion to approve a Resolution to amend the Fiscal Year 2017-18 Capital Improvement Program Budget to incorporate a list of projects which are proposed to be funded by Senate Bill 1.

### RECOMMENDATION:

Staff recommends that the City Council approve a resolution to amend the FY 2017-18 City of Salinas Capital Improvement Program Budget to incorporate a list of projects proposed to be funded by California Senate Bill 1 (SB 1).

### BACKGROUND:

SB 1, the Road Repair and Accountability Act of 2017 was passed by the California Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide. For cities, SB 1 will double the amount of revenues they each receive from the state for their local street maintenance and rehabilitation needs. Annually, \$500 to \$650 million will go to cities statewide, allocated on a per capita basis. A vast majority of the new revenues for cities will come out of the newly created Road Maintenance and Rehabilitation Account (RMRA) where cities would have to prioritize fixing their existing infrastructure first before having some additional flexibility for those funds for other transportation needs. SB 1 will provide Salinas an estimated \$910,000 in RMRA funding in FY 2017-18 and an estimated \$2,730,000 in years thereafter.

By October 16, 2017, the City must submit the attached list to the California Transportation Commission (CTC) of projects proposed to receive funding in FY 2017-18 from the RMRA, and a resolution that amends the City's FY 2017-18 budget. The list was developed through a combination of direct community feedback to Council members and staff, feedback by the community at public meetings, and transportation infrastructure assessments by City engineering and maintenance staff and professional engineering consultants. Note, there are more projects on the list than SB 1 funding can cover. Staff developed the robust list to enable flexibility in

prioritizing projects and in the utilization of varied funding sources, such as SB 1, Measure X, General Fund, grants, etc.

By November 1, 2017, Public Works will receive the results of a Pavement Management System (PMS)<sup>1</sup> analysis that will assist staff with prioritizing street repairs to ensure capital improvement funding is being utilized in the most cost-effective way, while also meeting the community's priorities for transportation investment. After the PMS results are received, the City may elect to reprioritize its project list. Formal notification to the CTC of any changes to the list is not required. However, the Project Expenditure Report form that is due to the CTC by October 1st of each year, will provide an opportunity for the City to communicate such changes to the CTC as part of the regular reporting process.

The City has had a growing backlog of deferred maintenance. The funding provided by SB 1 will enable the City to start catching up on the backlog and make our transportation infrastructure safer, smoother and sustainable in the long term, not to mention create jobs and help grow the local economy. In most cases, maintaining local roads is less expensive and time consuming than waiting for them to deteriorate and having to completely replace them.

#### CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

#### STRATEGIC PLAN INITIATIVE:

The staff recommendation supports the Council goals of a safe, livable community and excellent infrastructure.

#### FISCAL AND SUSTAINABILITY IMPACT:

SB 1 will provide an estimated \$910,000 in RMRA funding in Fiscal Year 2017-18 and an estimated \$2,730,000 in years thereafter to fund capital improvement projects that help the City maintain and rehabilitate transportation infrastructure.

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<sup>1</sup> PMS is an industry practice of defined procedures for collecting, analyzing, maintaining, and reporting pavement condition data, to assist decision makers in developing cost-effective strategies for sustainably maintaining roads.

ATTACHMENTS:

Resolution  
CTC Project List Forms