



Administrative Report

H.7., File # 25-0511

Meeting Date: 6/17/2025

To: MAYOR AND CITY COUNCIL

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2506-037, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2025-26 FUNDED BY SB 1 - THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

EXECUTIVE SUMMARY

Senate Bill (SB) 1, the Road Repair and Accountability Act of 2017, provides statewide and local funding to address roadway maintenance, repair, and improvements through the collection of gasoline and diesel excise taxes, diesel sales tax, and vehicle fees. The City's FY 2025-26 allocation of SB 1 funding has been estimated by the State as \$1,901,824, an increase of \$65,705 (3.6%) from FY 2024-25.

According to adopted accountability and transparency provisions, the City is required to annually designate, by City Council resolution, and submit a list of projects to be funded by SB 1 proceeds. The annual submittal deadline is July 1st, and staff recommends Council adopt the attached Resolution in order to meet SB 1 accountability and transparency provisions for the local expenditure of these funds. The Resolution designates FY 2025-26 SB 1 funding to be applied to the Residential Street Rehabilitation Project, Sidewalk Improvements and Repairs Project, and Citywide Striping Projects as reflected in the proposed 2025-2030 Capital Improvement Program (CIP).

BACKGROUND

SB 1 was signed into law on April 28, 2017 and projected an investment of \$52.4 billion to fix roads, freeways, and bridges in communities across California for a 10-year period. These funds are split equally between state and local investments. California's state-maintained transportation infrastructure receives approximately \$26 billion in SB 1 revenue, with the other \$26 billion going to local roads, transit agencies, and an expansion of the state's growing network of pedestrian and cycle routes. Each year, this funding is used to address deferred maintenance needs both on the state highway system and the local road system. Some of the identified maintenance needs include:

1. Repairs to Local Streets and Roads: \$1.5 billion (over 10 years)
2. Maintenance/Rehabilitation of State Highway System: \$1.5 billion (over 10 years)
3. Maintaining/Repairing the State's Bridges & Culverts: \$400 million (over 10 years)

Road Maintenance and Rehabilitation Account (RMRA) funds are generated by collecting gasoline and diesel excise taxes, diesel sales tax, and vehicle fees that took effect in 2017 and 2018.

The City receives Gas Tax funds (Highway Users Tax) on an annual fiscal year basis. RMRA funds from SB 1 increased the amount of gas tax-related funds the City receives, as per the table below:

RMRA (SB 1)	Revenue
FY 2017-18	\$403,764
FY 2018-19	\$1,259,412
FY 2019-20	\$1,185,944
FY 2020-21	\$1,148,351
FY 2021-22	\$1,322,509
FY 2022-23	\$1,521,498
FY 2023-24	\$1,736,399
FY 2024-25	\$1,836,119
Estimates FY 2025-26	\$1,901,824

Prior-year allocations were appropriated for the Manhattan Beach Boulevard Resurfacing Project - Aviation Boulevard to Inglewood Avenue, Torrance Blvd Resurfacing Project, Citywide Striping, the Residential Street Rehabilitation Project, and the Sidewalk Improvements and Repairs Project.

California Transportation Commission (CTC) guidelines require cities to submit a resolution with an updated list of projects to be funded by SB 1 by July 1 of each funding year. As noted above, the Resolution allocates FY 2025-26 SB 1 funding to the Residential Street Rehabilitation Project, Sidewalk Improvements and Repairs Project, and the Citywide Striping Projects as reflected in the proposed CIP.

Construction of the next two cycles of the Residential Street Rehabilitation Project is scheduled for FY 2025-26. The Sidewalk Improvements and Repair Project is an ongoing maintenance CIP that will continue throughout FY 2025-26. Lastly, the Public Works Department engaged striping contractors for the Citywide Striping Project during FY 2022-23, with work continuing through FY 2025-26.

COORDINATION

The Public Works Department coordinated preparation of this report with the Financial Services Department and the City Manager's Office. The City Attorney's Office approved the Resolution as to form.

FISCAL IMPACT

Adoption of the proposed Resolution will have no impact on the City's General Fund Budget. The City expects \$1,901,824 in SB 1 funding for FY 2025-26 based on State estimates. FY 2025-26 RMRA revenue is recommended for appropriation for the following projects:

• Residential Street Rehabilitation Project	\$1,100,000
• Sidewalk Improvements and Repairs	\$500,000
• Citywide Striping	\$200,000

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - No. CC-2506-037 Adopting a List of Projects for FY 2025-26 SB 1 Funding