

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 18-19, 2023

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.11, Action

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Subject: Adoption of the Fiscal Year 2023-24 Road Maintenance and Rehabilitation Account, Local Streets and Roads Funding Subsequent Report of Eligible Cities and Counties, Resolution G-23-65

Recommendation:

Staff recommends the California Transportation Commission (Commission) adopt the Fiscal Year 2023-24 Road Maintenance and Rehabilitation Account, Local Streets and Roads Funding Subsequent Report of Eligible Cities and Counties as provided in Attachment B, and direct staff to transmit the list of eligible jurisdictions to the California State Controller (Controller).

Issue:

The Commission must submit the adopted Fiscal Year 2023-24 Road Maintenance and Rehabilitation Account, Local Streets and Roads Subsequent Report of Eligible Cities and Counties to the Controller by October 31, 2023, in order for those jurisdictions to start receiving monthly formulaic apportionment disbursements from the Controller by November 2023.

The Commission adopted the Fiscal Year 2023-24 Road Maintenance and Rehabilitation Account, Local Streets and Roads Funding Initial Report of Eligible Cities and Counties on August 18, 2023. The initial report reflects eligibility for 526 jurisdictions (469 cities and 57 counties) out of 539 total jurisdictions and was transmitted to the Controller on August 24, 2023. The disbursement of monthly formulaic program apportionments for the initial eligible jurisdictions began in September 2023.

Twelve cities and one county did not provide a complete project list and resolution to the Commission by the initial deadline of July 1, 2023. The Commission received complete submittals from the remaining 13 jurisdictions by the subsequent September 30, 2023, deadline in accordance with the adopted 2021 Local Streets and Roads Funding Program Guidelines. These jurisdictions, now deemed eligible for funding, are identified in the Fiscal Year 2023-24 Road Maintenance and Rehabilitation Account, Local Streets and Roads Funding Subsequent

Report of Eligible Cities and Counties (Attachment B). Commission staff worked closely with each of the jurisdictions to ensure their complete project list and resolution were submitted by the deadline.

With the adoption of the subsequent report, all 539 jurisdictions (481 cities and 58 counties) will be deemed eligible for fiscal year 2023-24 funding.

Background:

On April 28, 2017, Governor Brown signed Senate Bill 1 (Beall, Chapter 5, Statutes of 2017). A percentage of the Road Maintenance and Rehabilitation Account funding created by Senate Bill 1 is apportioned by formula and disbursed monthly by the Controller's Office to eligible cities and counties pursuant to Streets and Highways Code Section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Pursuant to Streets and Highways Code Section 2034, for jurisdictions to be included in the initial eligibility report presented to the Commission for consideration, a list of projects adopted by resolution must be submitted to the Commission, each year.

In March 2021, the Commission adopted the 2021 Local Streets and Roads Funding Program Reporting Guidelines to amend the 2019 Local Streets and Roads Funding Program Reporting Guidelines. Amendments made to the guidelines provided technical clarification for program terms and processes already in practice, provide clarification on the program's eligibility requirements, and modify the program's reporting schedule.

Cities and counties that receive fiscal year program funds are required to submit an expenditure report to the Commission each year. Each fiscal year Expenditure Reports are due to the Commission by December 1, to account for all program funds received and spent in the fiscal year.

Attachments:

- Attachment A: Resolution G-23-65
- Attachment B: Fiscal Year 2023-24 Road Maintenance and Rehabilitation Account, Local Streets and Roads Funding Subsequent Report of Eligible Cities and Counties

CALIFORNIA TRANSPORTATION COMMISSION
Adoption of the Fiscal Year 2023-24 Road Maintenance and Rehabilitation
Account Local Streets and Roads Funding
Subsequent Report of Eligible Cities and Counties

RESOLUTION G-23-65

- 1.1 **WHEREAS**, on April 28, 2017, Governor Brown signed Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), known as the Road Repair and Accountability Act of 2017, to address basic road maintenance, rehabilitation, and critical safety needs on both the state highway and local streets and road system; and
- 1.2 **WHEREAS**, beginning November 1, 2017, portions of new funding from increases to certain fuel excise and sales taxes and vehicle registration fees were deposited into the Road Maintenance and Rehabilitation Account, and a percentage of this new funding is apportioned monthly by formula by the California State Controller pursuant to paragraph (2) of subdivision (h) of Section 2032 of the Streets and Highways Code to eligible cities and counties for basic road maintenance, rehabilitation, and critical safety projects on local streets and roads; and
- 1.3 **WHEREAS**, Streets and Highways Code Section 2034(a)(1) requires that prior to receiving an apportionment of Road Maintenance and Rehabilitation Account funds, an eligible city or county shall submit to the California Transportation Commission (Commission) a list of projects proposed to be funded with these funds pursuant to an adopted resolution; and
- 1.4 **WHEREAS**, Streets and Highways Code Section 2034(a)(2) requires that the Commission report to the California State Controller the cities and counties that have submitted a list of projects as described in this subdivision and that are therefore eligible to receive an apportionment of funds under the program for the applicable fiscal year. The California State Controller, upon receipt of the report, shall apportion funds to eligible cities and counties; and
- 1.5 **WHEREAS**, Streets and Highways Code Section 2034(a)(1) specifies that the project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities, so long as the projects are consistent with Streets and Highways Code Section 2030(b); and

- 1.6 **WHEREAS**, the Commission, in consultation with cities, counties, and their representatives, as well as the California State Controller's Office and other stakeholders, developed the 2021 Local Streets and Roads Funding Program Annual Reporting Guidelines adopted by the Commission on March 24, 2021, revising the detail and process for the project list submittal and project expenditure reporting; and
- 1.7 **WHEREAS**, Commission staff collected the Fiscal Year 2023-24 project list resolution submittals from cities and counties as required by Streets and Highways Code Section 2034(a)(1); and
- 1.8 **WHEREAS**, Commission staff, pursuant to Streets and Highways Code Section 2034(a)(1), reviewed submittals for completeness. Commission staff did not select or authorize the projects listed; and
- 1.9 **WHEREAS**, on August 18, 2023, the Commission adopted the Initial Report of Eligible Cities and Counties including 469 cities and 57 counties. The eligible cities and counties provided complete project list resolution submittals and were therefore deemed eligible by the Commission to receive Fiscal Year 2023-24 monthly formula apportionments of Road Maintenance and Rehabilitation Account Local Streets and Roads Funding; and
- 1.10 **WHEREAS**, there were 12 cities and 1 county whose complete project list resolution submittals were not received by the July 1, 2023 deadline and whose eligibility to receive Fiscal Year 2023-24 monthly formulaic program apportionments could not be determined; and
- 1.11 **WHEREAS**, these remaining 12 cities and 1 county provided the Commission their complete project list resolution by September 30, 2023 and were found eligible to receive Fiscal Year 2023-24 monthly formula apportionments, as reflected in the Subsequent Report of Eligible Cities and Counties (Attachment B); and
- 1.12 **WHEREAS**, Attachment B is intended to serve as the subsequent report of eligible cities and county as required by Streets and Highways Code Section 2034(a)(2), for transmittal to the California State Controller.
- 2.1 **NOW, THEREFORE, BE IT RESOLVED**, that the Commission adopts the attached Fiscal Year 2023-24 Road Maintenance and Rehabilitation Account

Local Streets and Roads Funding Subsequent Report of Eligible Cities and Counties; and

2.2 **BE IT FURTHER RESOLVED**, that Commission staff is authorized to make minor technical changes as needed to the report; and

2.3 **BE IT FURTHER RESOLVED**, that the Commission directs staff to transmit the report to the California State Controller as required by Streets and Highways Code Section 2034(a)(2).

**CALIFORNIA TRANSPORTATION COMMISSION
FISCAL YEAR 2023-24
ROAD MAINTENANCE AND REHABILITATION ACCOUNT,
LOCAL STREETS AND ROADS FUNDING PROGRAM
SUBSEQUENT REPORT OF ELIGIBLE
CITIES AND COUNTIES**

Pursuant to Streets and Highways Code Section 2034, the cities and county listed below provided the Commission their complete project list resolution submittals by September 30, 2023, and are deemed eligible for Fiscal Year 2023-24 funding.

A list of projects submitted by all eligible cities and counties is available on the Commission's website at: www.catc.ca.gov/programs/sb1/local-streets-roads-program

ELIGIBLE CITIES

City	County	Project Count
Amador City	Amador County	3
City of Holtville	Imperial County	2
City of Norwalk	Los Angeles County	1
City of Merced	Merced County	15
Sand City	Monterey County	1
City of Riverside	Riverside County	1

City	County	Project Count
City of Tracy	San Joaquin County	1
City of Morro Bay	San Luis Obispo County	1
City of Fort Jones	Siskiyou County	1
City of Mount Shasta	Siskiyou County	1
City of Dixon	Solano County	1
City of Rohnert Park	Sonoma County	3

ELIGIBLE COUNTY

County	Project Count
San Bernardino County	17

SUMMARY OF ALL ELIGIBLE CITIES AND COUNTIES

Total Fiscal Year 2023-24 Eligibility (Initial and Subsequent Eligibility)

Cities Eligible	Proposed Projects	Counties Eligible	Proposed Projects	Total Cities & Counties	Total Proposed Projects
481	1,216	58	1,015	539	2,231