



Agenda Item No: 1.j

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: June 17, 2025

Submitted by: Gabriel Guerrero-Gabany

From: Public Works

Subject:

Resolution Adopting Fiscal Year 2025-26 Project List for Compliance with SB 1, The Road Repair and Accountability Act of 2017

Financial Impact:

Fiscal Impact:

Projected Revenue: \$1,414,458 FY 2025-26 Budget
(SB 1/RMRA FUND)

Summary:

The State Legislature approved Senate Bill (SB) 1, the Road Repair and Accountability Act of 2017 (the "Act") in the Fiscal Year (FY) 2016-17 Legislative session. The Act provided local governments in California with a new annual revenue stream to fund road maintenance, repairs, and other related transportation projects. It is estimated that the City will receive a total of \$1,414,458 in the Road Maintenance and Rehabilitation Account (RMRA) funds under this program in FY 2025-26 which will be used to repair and maintain Placentia's streets. Cities and counties receiving these funds must submit a list of proposed projects along with an adopted resolution to the California Transportation Commission (CTC) by July 1st of each year. Staff is recommending the City Council adopt the proposed project list in conformance with the Act to continue receiving RMRA funding.

Recommendation:

Recommended Action: It is recommended that the City Council take the following actions:

1. Approve Resolution No. R-2025-32, a Resolution of the City Council of the City of Placentia, California, adopting the List of Projects for Fiscal Year 2025-26 funded by SB 1, The Road Repair and Accountability Act 2017; and
2. Authorize Staff to submit the project list and all necessary documentation to the California Transportation Commission to satisfy SB1 funding requirements; and
3. Authorize the City Administrator and/or her designee to execute all necessary documents, in a form approved by the City Attorney.

Strategic Plan Statement:

This item is consistent with strategic goal #5, Implement Public Infrastructure to Meet Community Needs.

Discussion:

On April 28, 2017, the Governor signed Senate Bill 1 (SB 1), also known as the Road Repair and Accountability Act of 2017. This legislation aimed to address essential road maintenance, rehabilitation, and safety needs for both state highways and local streets. SB 1 achieved this by increasing per-gallon fuel excise taxes, raising diesel fuel sales taxes and vehicle registration fees, and allowing for inflationary adjustments to tax rates in the future.

Since November 1, 2017, the State Controller began depositing this additional funding into the newly created Road Maintenance and Rehabilitation Account (RMRA). Each month a percentage of the RMRA funds are apportioned by formula to the City pursuant to Streets and Highways Code Section 2032(h). As codified in the Streets and Highways Code (SHC), RMRA local streets and roads allocations must be used for projects that include, but are not limited to:

- Road maintenance and rehabilitation
- Bridge replacement and rehabilitation
- Safety projects
- Railroad grade separations
- Traffic control devices
- Completion of street components, including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project.

This will be the ninth (9th) year in which the City is receiving SB 1 funding which is a critical source of funding needed to help the City address its backlog in road maintenance and rehabilitation. Based on the released May 2025 estimates, the City is estimated to receive a total of \$1,414,458 in RMRA funds in FY 2025-26.

As part of SB 1's various accountability and transparency measures and the CTC's 2021 Reporting Guidelines for Local Streets and Roads Funding Program, the City is required to adopt a resolution (Attachment 1) establishing the list of projects and submit that list annually to the CTC by July 1 and subsequently provide year-end updates on the progress and expenditures of previously proposed projects by December 1st of each year. In line with these guidelines, Staff has identified eligible projects for RMRA funding in the proposed FY 2025-26 Capital Improvement Program Budget. The following list of proposed projects will be funded in-part or solely with SB 1 funding in FY 2025-26:

Project Name	Description	Proposed SB 1 Funding Amount
FY 2024-25 Residential Street Rehabilitation Project	The northwestern area of the City including Brookhaven Ave, Tuffree Blvd, and Livingston Blvd as well as some residential streets bounded by Bastanchury Rd, Yorba Linda Blvd, Placentia Ave, and Brookhaven Ave (Attachment 2)	\$1,414,458

Staff is recommending that the City Council adopt the attached resolution (Attachment 1) and

authorize Staff to submit the project list and necessary documentation to the CTC to remain eligible for funding.

Fiscal Impact Summary:

Based upon the released May 2025 estimates, the City is estimated to receive a total of \$1,414,458 in RMRA funds in FY 2025-26. To be eligible to receive RMRA funding, the City must prepare and submit a project list annually to the CTC by July 1st. The City must also provide a public record which documents that the proposed projects have been adopted in the operating or capital budget. The recommended actions will enable the City to be eligible to receive RMRA funding in FY 2025-26.

Attachments

[Attachment 1 - Resolution No R-2025-32.pdf](#)

[Attachment 2 - Project Area.pdf](#)