

COUNCIL AGENDA REPORT

TO: Mayor and City Council

FROM: Brett Fulgoni, Director of Public Works

DATE: May 5, 2026

SUBJECT: Adoption of a Resolution Approving a Road Maintenance and Rehabilitation Account Project List for Senate Bill 1, the Road Repair and Accountability Act of 2017

Description:

The City Council will consider adopting a Resolution approving a Road Maintenance and Rehabilitation Account Project List for Fiscal Year 2026-2027.

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

RECOMMENDATION:

Adopt a Resolution adopting a list of projects for Fiscal Year 2026-27 funded by Senate Bill 1, the Road Repair and Accountability Act of 2017.

BACKGROUND:

The Road Repair and Accountability Act of 2017, Senate Bill 1 (SB-1), was passed by the State Legislature and signed into law by the Governor in April 2017. The purpose of the bill is to help state and local agencies address transportation funding shortfalls. SB-1 has generated revenue through increases in gas tax, vehicle registration fees, and fees on zero-emission vehicles.

One of the major components of SB-1 is the Road Maintenance and Rehabilitation Account (RMRA), which allocates funding specifically for roadway maintenance and rehabilitation. SB-1 is expected to generate over \$5 billion annually at full implementation, with \$1.5 billion distributed to local agencies through the RMRA. The City of Santa Maria is projected to receive \$3,148,391 in RMRA revenues for Fiscal Year (FY) 2026-27, an increase of \$178,723 from the 2025-2026 allocation.

SB-1 includes accountability and transparency provisions to keep local residents informed about proposed projects in their area. As part of these requirements, local agencies must adopt a project list prior to the start of each fiscal year. This list must include description and location of each proposed project, a proposed schedule for completion, and the estimated useful life of the improvement. This list must be approved by the City Council

via Resolution and submitted to the California Transportation Commission (CTC) no later than July 1, 2026, to remain eligible for RMRA funding.

The primary focus of the RMRA is the maintenance of existing infrastructure within the City's rights-of-way. Other transportation funding sources, such as Gas Tax, Measure A, LSTP (Local Surface Transportation Program), Growth Mitigation, and other grant programs remain available for capital expenditures through the normal budget process.

On June 3, 2025, the City Council approved the RMRA project list for FY 2025-26, which was submitted to the CTC as required. That list consisted of the roads in the City to receive a grind and overlay. The project was allocated a total of \$3,200,000, comprised of \$2,901,998 RMRA funds, and \$298,000 in Gas Tax funds. The project selection was based on eligibility and the City's Pavement Management Program. The previously approved project for FY 2025-26 was:

SB-1 RMRA Funded Projects for Fiscal Year 2025-26:

1. Enhanced Asphalt Maintenance

This project will include the enhanced asphalt maintenance of North College Drive, North Miller Street, east Donovan Road and Mahoney Road in the City of Santa Maria. The work will consist of grinding and overlaying these arterial roadways. Additionally, the project will include the installation of new striping and pavement markings.

Location:

North College Drive: Main Street to Donovan Road
North Miller Street: Main Street to Donovan Road
East Donovan Road: Lynne Drive to Carlotti Drive
Mahoney Road: Black Road to Betteravia Road

DISCUSSION:

Staff have identified a new pavement rehabilitation project for RMRA funding in Fiscal Year 2026-27. This project is identified as Enhanced Asphalt Maintenance. It is eligible for RMRA funds and can be completed within the fiscal year.

SB-1 RMRA Funded Projects for Fiscal Year 2026-27:

1. Enhanced Asphalt Maintenance

A detailed description of the project is included in the Resolution.

Approval of the Resolution will allow the City to submit the project to the CTC before the July 1, 2026, deadline and maintain eligibility for FY 2026-27 RMRA funding.

This action does not preclude the City from using these funds for other eligible roadway maintenance projects during FY 2026-27. If the City decides to utilize the funds for

alternate projects, updated reporting to the CTC will be completed at the end of the fiscal year, as required.

Future RMRA project lists will be identified as part of the Pavement Management Program. Projected funding will also support infrastructure improvements such as pedestrian and bicycle facilities, underground utilities, and drainage systems.

Alternative(s)

The recommended action is to approve the SB-1 RMRA Project List for FY 2026-27.

Alternatively, the City Council may direct staff to revise the project list to include alternate locations. However, per SB-1 requirements, the list must be approved by resolution and submitted to the CTC no later than July 1, 2026. Delays may jeopardize timely funding eligibility.

Fiscal Considerations

Approval of the Resolution enables the City to request SB-1 apportionment revenues for FY 2026-27. The CTC will review statewide submittals and adopt project lists at its August 2026 meeting.

Impact on the Community

The community will benefit from transportation revenues that support improvements to Santa Maria's roadways.

Other Agency Review

No outside agency review was required. The approved list will be submitted to the CTC.

ATTACHMENT(S)

- A. Resolution
- B. LSR Projected Revenues 2025-2026 and 2026-2027
- C. LSR Estimates 2025-2026, 2026-2027