



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jim Ortbal

**SUBJECT: LIST OF PROJECTS
ELIGIBLE FOR SB-1 FUNDING**

DATE: September 5, 2017

Approved

Date

9/14/17

RECOMMENDATION

Adopt a resolution:

- (a) Approving the List of Projects eligible for San José’s 2017-2018 allocation of Road Maintenance and Rehabilitation Account funding, which was made available by the approval of Senate Bill No. 1, otherwise known as the Road Repair and Accountability Act of 2017 (the “Act”); and
- (b) Amending the 2017-2018 Adopted Capital Budget to add the approved List of Projects as set forth herein along with any additional information required to be included in the 2017-2018 Adopted Capital Budget in order to satisfy the project reporting requirements of the Act.

OUTCOME

Approval of this List of Projects will make \$7,202,000 in Road Maintenance and Rehabilitation Account funds available to the City for pavement maintenance in the summer of 2018. The funding will be used to preventively maintain or resurface selected major streets throughout the City, improving their condition and extending their useful life before more costly treatments, repairs or reconstruction is necessary.

BACKGROUND

On April 28th, 2017 Governor Brown signed the Act, which created the Road Maintenance and Rehabilitation Account (RMRA) to address deferred maintenance on the state highway and local streets and roads systems. In accordance with the adopted legislation, the City is obliged to meet specific reporting and accountability requirements established by the California Transportation Commission (CTC). Prior to receiving an apportionment of RMRA funds in a fiscal year, a city or county must submit to the CTC a list of projects proposed to be completed with these funds.

All projects proposed to receive funding must be included in a city or county budget or amended into a city or county budget that is adopted by the applicable city council or county board of supervisors at a regular public meeting. Because the 2017-2018 Adopted Capital Budget was adopted by the City Council in June 2017 and it already accounts for the estimated \$7.202 million in revenue resulting from the Act, staff is recommending that the City Council approve the List of Projects described in the Attachment, and that the 2017-2018 Adopted Capital Budget be amended to include the List of Projects.

As required by the CTC, the attached List of Projects includes a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement. Submitting the List of Projects does not limit the City's flexibility to alter the list and fund other projects in accordance with local needs and priorities so long as the projects are consistent with RMRA priorities. Therefore, the recommended List of Projects is tentative pending further evaluation by DOT.

ANALYSIS

In 2018, RMRA funds will be used for pavement maintenance projects on the city's major streets, comprised of the "Priority Street Network" (PSN) and "Other Major Streets" (OMS) network, which collectively carry approximately 87% of traffic in the City. Construction will occur in the summer and fall of 2018, and the coordination for selecting and maintaining these streets is well underway.

To tentatively identify the streets that are included in the List of Projects for maintenance in 2018 using RMRA funds, DOT utilized information provided by the City's Pavement Management System (PMS) to generate a larger set of candidate streets needing preventive maintenance (sealing) or rehabilitation (resurfacing). The candidate streets and their proposed treatments were a result of the complex analysis that the PMS performs to improve and maintain the pavement network in the most cost-effective manner with available funding. The candidate streets were then thoroughly analyzed by staff using the following criteria to create the attached List of Projects recommended for submission to the CTC:

- Streets categorized as Priority Network Streets or Other Major Streets
- Streets not affected by current or future street related projects
- Opportunity and consideration of other funding availability and requirements
- Streets associated with planned safety, bikeway or other "complete streets" projects
- Relative location of street segments to create multiple, continuous segments, consistency within neighborhoods, and project efficiency
- Multi-year geographic equity across the City and network

The List of Projects recommended for submission to the CTC is intended to identify streets that would be eligible for the \$7.202 million in 2017-2018 RMRA funds. As stated above, the final

list of streets maintained using RMRA funding may differ from the list submitted to the CTC. Therefore, DOT is submitting a larger number of streets for which maintenance will exceed the \$7.202 million available this year to ensure flexibility and maximize the use of funding. It is likely that some of the streets on this list will be maintained using other available pavement maintenance funding, and it is possible that some could be delayed due to unforeseen circumstances, such as conflicts with other construction or development activities.

The entire pavement maintenance program being planned for completion in 2018 will comprise of many more streets not identified on the recommended RMRA List of Projects. With approximately \$71 million in funding from several local, regional, State and Federal sources available in FY 2017-2018 for pavement maintenance, the complete list of streets planned for maintenance in 2018 will include a fully funded major streets program and a partially funded local and neighborhood streets program. DOT is currently developing the final list of streets for 2018, and as in previous years, DOT will provide this list in an informational memorandum to the City Council in December.

EVALUATION AND FOLLOW-UP

DOT will submit the Council-Approved List of Projects to the CTC no later than October 16, 2017. DOT will also submit an informational memorandum to the City Council in December which will include a full list of all streets to be maintained in 2018 using all available funding sources.

As required by the CTC guidelines, DOT will submit a "Completed and In-Progress Project Expenditure Report" to the CTC no later than October 1, 2018. In this report, DOT will describe each project location, funds expended, completion date and estimated useful life among other data points. No City Council action is anticipated for this requirement.

Additionally, the CTC is working with representatives from impacted jurisdictions to develop a schedule for FY 2018-2019 that accommodates existing budget proposal and approval timelines. DOT will bring forward recommendations to the City Council as required by the CTC related to the FY 2018-2019 cycle.

The Department of Transportation provides an ongoing evaluation of the City's pavement conditions and provides periodic reports on this topic to the Transportation and Environment Committee and the City Council.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the September 26, 2017 Council Meeting.

COORDINATION

This memo has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

This memorandum supports the Transportation and Aviation Services City Service Area goal to *Preserve and Improve Transportation Assets and Facilities.*

COST SUMMARY/IMPLICATIONS

Funds have been identified in the Traffic Capital Budget preceding this action, and no additional funds are required at this time.

1. AMOUNT OF RECOMMENDATION:

Project Delivery	\$600,167
Construction Contract	\$6,001,666
Contingency	<u>\$600,167</u>
TOTAL PROJECT COSTS:	\$7,202,000

2. SOURCE OF FUNDING: 480 – State Gas Tax (SB1)
Funding is by enhanced gas tax revenues

3. FISCAL IMPACT: This project will have no net operating and maintenance costs to the General Fund.

BUDGET REFERENCE

Fund #	Appn #	Appn Name	Total Appn	Amt. for Contract	2017-2018 Proposed Capital Budget Page*	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$10,624,000	\$6,001,667		
Remaining Funding Available						
480	5216	Pavement Maintenance -State Gas Tax	\$10,624,000	\$6,001,667	Pg. 811	6/20/2017 29962
Total Current Funding Available			\$7,202,000	\$6,001,667	\$7,202,000	

*The 2017-2018 Adopted Capital Budget was adopted on June 20, 2017.

CEQA

Exempt, File No. PP14-069, CEQA Guidelines Section 15301, Existing Facilities.

/s/
 JIM ORTBAL
 Director of Transportation

For questions please contact Rick Scott, Division Manager, at (408) 794-1925.

Attachment

ATTACHMENT

List of Projects

CD	STREET NAME	BEGIN LOCATION	END LOCATION	SCHEDULE	DESCRIPTION OF PROJECT (see below for more information)	PREDICTED USEFUL LIFE
1	BLANEY AV	PROSPECT RD	BOLLINGER RD	SUMMER/FALL 2018	STREET RESURFACING	20 YEARS
2,10	BLOSSOM HILL RD	BLOSSOM AV	HWY 101 BRIDGE	SUMMER/FALL 2018	STREET SEALING	8 YEARS
3	DELMAS AV	SANTA CLARA ST	AUZERAIS AV	SUMMER/FALL 2018	STREET RESURFACING	20 YEARS
6,9	DRY CREEK RD	BASCOM AV	HICKS AV	SUMMER/FALL 2018	STREET SEALING	8 YEARS
5	MCKEE RD	EASTSIDE DR	CITY LIMIT (RIDGE VISTA AV)	SUMMER/FALL 2018	STREET RESURFACING	20 YEARS
5	MCKEE RD	CITY LIMIT (GRIDLEY ST)	CITY LIMIT (VALLEY VIEW AV)	SUMMER/FALL 2018	STREET RESURFACING	20 YEARS
2,3,7	MCLAUGHLIN AV	WILLIAM ST	TUERS RD	SUMMER/FALL 2018	STREET SEALING	8 YEARS
6	MONROE ST	NEWHALL ST	TISCH WY	SUMMER/FALL 2018	STREET SEALING	8 YEARS
8	NORWOOD AV	WHITE RD	MURILLO AV	SUMMER/FALL 2018	STREET RESURFACING	20 YEARS
4	PLUMERIA DR	1ST ST	MONTAGUE EX	SUMMER/FALL 2018	STREET RESURFACING	20 YEARS
4	RINGWOOD AV	TRADE ZONE BL	MURPHY AV	SUMMER/FALL 2018	STREET RESURFACING	20 YEARS
3	ST JOHN ST	MONTGOMERY ST	13TH ST	SUMMER/FALL 2018	STREET SEALING	8 YEARS
4	TRADE ZONE BL	N CAPITOL AV	MONTAGUE EX	SUMMER/FALL 2018	STREET SEALING	8 YEARS

Additional Information on the Description of Project:

Street Resurfacing: Projects that may consist of removal of failed layers of asphalt, cold-in place recycling, overlay with hot-mix asphalt or rubberized hot-mix asphalt, new roadway markings/striping, complete streets enhancements, and Americans with Disabilities Act (ADA) curb ramp upgrades.

Street Sealing: Projects that may consist of removal of failed areas of asphalt, application of a thin layer of emulsified asphalt (e.g. microsurfacing or slurry seal), new roadway markings/striping, complete streets enhancements, and Americans with Disabilities Act (ADA) curb ramp upgrades.