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**Title:** \*\*\*RESOLUTION - Authorizing application for and acceptance of funds from the State of Good Repair Program of California's Department of Transportation (Citywide) (subject to Mayor's veto)

**Sponsors:** Department of Transportation

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**Attachments:** 1. SB-1 Reso 010318.pdf

Date	Ver.	Action By	Action	Result
1/11/2018	1	City Council	adopted	

**REPORT TO THE CITY COUNCIL**

**January 11, 2018**

**FROM:** JIM SCHAAD, Director  
Department of Transportation

**BY:** DARLENE CHRISTIANSEN, Senior Management Analyst  
Department of Transportation

**SUBJECT**

\*\*\*RESOLUTION - Authorizing application for and acceptance of funds from the State of Good Repair Program of California's Department of Transportation (Citywide) (subject to Mayor's veto)

**RECOMMENDATION**

Staff recommends Council approve a resolution authorizing the Director of Transportation or designee to file annual grant applications and project proposals to the State of California's State of Good Repair (SGR) program under Senate Bill 1 (SB-1), and to execute and file all necessary documents to accept funding on behalf of the City. First year funding of this program is designated for the purchase of one electric bus and construction of electrical charging infrastructure.

**EXECUTIVE SUMMARY**

The Department of Transportation (Department) seeks Council approval of the attached resolution authorizing the Director of Transportation, or designee, to execute and file required certifications and

assurances, project proposals, grant approval documents, and other documents required by the State of California on behalf of the City for programs with the California Department of Transportation (Caltrans). Approval of the attached resolution would reduce delays in receiving state funds by authorizing the Director of Transportation or designee to execute and file annual grant documents each following fiscal year, provided the grant amounts and projects have been approved by Council in the annual budget resolution.

## **BACKGROUND**

The Department will annually submit project proposals to Caltrans for available SB-1 SGR funding. These anticipated revenues and corresponding appropriations will be included in the Department's proposed budget each fiscal year, or the Department will return to Council to request the appropriations.

In recent years, the Department has aggressively pursued new sources of revenue, including transit specific grant funds through the Federal Transit Administration (FTA); Congestion Mitigation Air Quality (CMAQ); San Joaquin Valley Air Pollution Control District (SJVAPCD); and through the State of California. These funds provide for transit specific operating and capital expenditures. Program funds can often be anticipated in advance, and the revenues and appropriations will be included in the Department proposed budget for Council approval each fiscal year.

Senate Bill 1, known as the Road Repair and Accountability Act of 2017, was established in 2017 (Chapter 5, Statutes of 2017) in order to provide funding to repair highways, bridges and local roads, to make strategic investments in congested commute and freight corridors, and to improve transit service.

The SGR Program represents a \$105 million annual investment in transit, and is available to California transit operators for eligible maintenance, rehabilitation, and capital projects. The program is funded from a portion of a new Transportation Improvement Fee on vehicles registrations due on or after January 1, 2018. Revenue from the fees will be transferred to the State Controller's Office (SCO) for the SGR Program. In collaboration with the SCO, Caltrans is tasked with the management and administration of the SGR Program. These funds will be allocated under the State Transit Assistance (STA) Program formula to eligible agencies pursuant to Public Utilities Code (PUC) section 99312.1. Initial program funds are anticipated for allocation in August 2018 (FY19).

While SB-1 addresses a variety of transportation needs, this program has a specific goal of keeping transit systems in a state of good repair, including the purchase of new transit vehicles, and maintenance and rehabilitation of transit facilities and vehicles. These new investments are intended to lead to cleaner transit vehicle fleets, increased reliability and safety, and reduced greenhouse gas emissions and other pollutants.

In recent years Council approved similar resolutions relating to annual federal and state funding. This has reduced delays in submitting and executing grant documents to the FTA and various state agencies that occur on an ongoing basis.

The attached resolution has been reviewed by the City Attorney's Office. The resolution is consistent with transportation funding resolutions previously approved by Council, and authorizes the Director of Transportation, or designee, to execute and file documents required by the State for funding from Caltrans on behalf of the City of Fresno, provided the grant amounts have been approved in the

annual budget resolution.

### **ENVIRONMENTAL FINDING**

This is not a “project” for the purpose of CEQA pursuant to CEQA Guidelines Section 15378.

### **LOCAL PREFERENCE**

Local preference was not considered because this is not a bid or award of a contract.

### **FISCAL IMPACT**

There is no impact to the General Fund from this action. If the department will match (leverage) a particular project in future years, any local match funds will be identified in the annual budget or in amendments to the Annual Appropriations Resolution, as approved by Council.

Attachment:

Resolution Authorizing Application for and Acceptance of Funds