

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: June 12, 2025

PREPARED BY: Staci Kolbeck, Management Analyst

SUBJECT: RESOLUTION APPROVING THE FISCAL YEAR 2025-26 PROJECT LIST
TO BE FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND
ACCOUNTABILITY ACT

RECOMMENDATION:

Adopt a resolution entitled “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, ADOPTING BEFORE THE CITY COUNCIL A LIST OF PROJECTS FOR FISCAL YEAR 2025-26 FUNDED BY SB1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017.”

BACKGROUND/ANALYSIS:

SB 1, the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature to address basic road maintenance, rehabilitation, and critical safety needs on both the state highway and the local street and road system. SB 1 increased per-gallon fuel excise taxes, diesel fuel taxes, and vehicle registration fees. The City receives funds through the Local Streets and Roads Program. Under this program, the State Controller’s Office deposits funding into the Road Maintenance and Rehabilitation Account (RMRA), which apportions funds to cities and counties through a formula based on population and the number of registered vehicles. The City’s apportionment of RMRA revenue is estimated to be \$1,335,164 for FY 2025-26.

To become eligible to receive RMRA funding, the City is required to submit a resolution annually containing a list of proposed RMRA funded projects to the California Transportation Commission. Allowable project types include road maintenance and rehabilitation, safety projects, traffic control devices, and complete streets components.

The FY 2025-26 RMRA project list includes the following projects:

1. Citywide Street Resurfacing Projects
2. Citywide Pavement Condition Evaluation

These projects were included in the proposed Capital Improvement Project List for Fiscal Year 2025-26 and were selected for maintenance of areas that would not have otherwise been funded by the City at this time.

RMRA funding includes a Maintenance of Effort (MOE) requirement as determined by the State Controller’s Office, to ensure these funds supplement—rather than supplant—General Fund spending on streets and roads. The City’s MOE is set at \$4,689,696, based on the average General Fund expenditures reported in the Annual Street Reports for FYE 2010, 2011, and 2012.

City staff anticipates meeting the MOE requirement for the upcoming fiscal year and therefore recommends submitting a project list for FY 2025-26 to maintain the City's eligibility to receive RMRA funding.

Legal Review:

This report has been reviewed by the City Attorney's Office

FINANCIAL IMPACT:

Adopting the subject resolution and approving the project list will allow the City to receive the estimated RMRA funding of \$1,335,164 restricted for specific types of streets and road projects and deposited into the City's Special Fund 211.

ATTACHMENT:

1. Draft Resolution