



# **Agenda Report**

## **Fullerton City Council**

**MEETING DATE:** APRIL 21, 2026

**TO:** CITY COUNCIL / SUCCESSOR AGENCY

**SUBMITTED BY:** STEPHEN BISE, P.E., PUBLIC WORKS DIRECTOR

**PREPARED BY:** DAVID GRANTHAM, P.E., CITY ENGINEER  
JUAN ZAVALA, P.E., PRINCIPAL CIVIL ENGINEER

**SUBJECT:** FISCAL YEAR 2026-27 ROAD MAINTENANCE AND REHABILITATION (RMRA / SB1) ACCOUNT FUNDS ALLOCATION

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### **SUMMARY**

Request to adopt resolution identifying Rancho-Verona-Yucca Area and State College Boulevard as roadway segments planned for rehabilitation for Fiscal Year (FY) 2026-27, funded by the Road Maintenance and Rehabilitation Account (RMRA) also known as Senate Bill 1 (SB1).

### **PROPOSED MOTION**

Adopt Resolution No. 2026-XXX.

RESOLUTION NO. 2026-XXX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

### **ALTERNATIVE OPTIONS**

- Approve the Proposed Motion
- Reject proposed resolution
- Other options brought by City Council.

### **STAFF RECOMMENDATION**

Staff recommends the Proposed Motion.

### **CITY MANAGER REMARKS**

None.

#### PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statements:

- Fiscal and Organizational Stability
- Infrastructure and City Assets.

#### FISCAL IMPACT

The current estimated RMRA / SB1 revenue for Fiscal Year 2026-27 to the City of Fullerton totals \$4,036,949.

The preliminary estimated project cost for Rancho-Verona-Yucca Area totals approximately \$3,700,000 with 100% funding from RMRA funds. Staff proposes allocating the approximately \$336,949 remaining funds as supplemental funding to the State College Boulevard Rehabilitation (Yorba Linda Boulevard to Northerly City Limits) project, a previously approved SB1 project in Fiscal Year 2023-2024 by City Council Resolution No. 2023-028.

#### BACKGROUND AND DISCUSSION

The Governor signed Senate Bill 1, the Road Repair and Accountability Act of 2017, on April 28, 2017 to develop the Road Maintenance and Rehabilitation Account (RMRA) funds to address basic road maintenance, rehabilitation and critical safety needs on state highways and local streets. RMRA revenues derive from gasoline excise taxes, diesel fuel excise taxes and vehicle registration fees and include annual inflationary adjustments. The State Controller distributes these funds apportioned by existing protocols. The Fiscal Year 2026-27 revenue estimate to the City of Fullerton totals \$4,036,949.

The City directly receives annual gas tax revenues. However, receiving RMRA funds requires two supplemental steps:

1. The City must submit a City Council resolution to the California Transportation Commission identifying new and carryover projects funded with RMRA funds.
2. The City must maintain programmed general fund expenditures for street, road and highway purposes. The minimum Maintenance of Effort (MOE) spending is based on average general fund expenditures during the 2009-10, 2010-11 and 2011-12 Fiscal Years.

The California State Controller's office calculated the City of Fullerton three-year average MOE expenditure benchmark requirement for SB1 equals \$2,142,925. This City has a similar mandate from OCTA and Measure M-2 Local Fair Share funds which brings the City MOE expenditure for Fiscal Year 2026-27 to approximately \$6,000,000 which exceeds the required amount.

Staff recommends the Rancho-Verona-Yucca Area Rehabilitation Project, measuring approximately 2.8 miles and generally bounded by Verona Drive, Domingo Road and

Laguna Road. The project would repair damaged curbs, gutters, spandrels and cross-gutters, construct access ramps, install pavement grind and overlay and update signage and striping on Verona Drive, Paseo Dorado, Rancho Circle, Carriage Place, Redondo Place, Terraza Place, Yucca Avenue, Domingo Road and Jose Way.

Pavement conditions and two water main replacement projects make this area is an ideal candidate for rehabilitation. Pavement Condition Index (PCI) scores for the roadway segments generally range from 18 to 62 (very poor to fair per 2024 Pavement Management Plan), except for two short cul-de-sacs which have good pavement conditions. Staff completed the first water main replacement project in fall 2024 and plans to complete the second project currently under construction by late summer 2026.

Staff also recommends allocating remaining FY 2026-27 RMRA / SB1 funds to the State College Boulevard Improvement Project, a previously approved SB1 project from Fiscal Year 2023-2024 (City Council Resolution No. 2023-028). This project has additional funding from a federal grant, however, the project has experienced significant review and approval delays from outside agencies associated with the grant which has substantially impacted the project schedule. Staff recommends supplemental funding to offset expected increased project costs resulting from the delays.

The Infrastructure and Natural Resources Advisory Committee (INRAC) reviewed these projects on March 16, 2026 and unanimously supported the staff recommendation.

Attachments:

- Attachment 1 – PowerPoint Presentation
- Attachment 2 – Resolution No. 2026-XXX
- Attachment 3 – Vicinity Map Rancho-Verona-Yucca Area
- Attachment 4 – Vicinity Map State College Boulevard

cc: City Manager Eddie Manfro