



# City of Oceanside

300 North Coast Highway,  
Oceanside, California 92054

## Staff Report

---

**File #:** 26-1472

**Agenda Date:** 6/17/2026

**Agenda #:** 24.

---

**DATE:** June 17, 2026

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Development Services Department

**TITLE: RESOLUTION APPROPRIATING FUNDS AND APPROVING THE CITY'S SENATE BILL 1 PROJECT LIST FOR FISCAL YEAR 2026-27**

### **RECOMMENDATION**

Staff recommends that the City Council adopt a resolution appropriating \$4,891,724 in Road Maintenance and Rehabilitation Account (RMRA) funds provided by Senate Bill 1 ("SB1") to SB1 Gas Tax Fund 265 and approve the City's SB1 project list for Fiscal Year (FY) 2026-27.

### **BACKGROUND AND ANALYSIS**

In April 2017, SB1, the Road Repair and Accountability Act, was enacted into law. It provides cities with significant additional funding for a broad range of transportation improvements including constructing new, or maintaining existing, transportation infrastructure. The law includes certain provisions to ensure government accountability to the public, which require adoption of improvement plans as part of a separate resolution.

The State levies fuel taxes and distributes a portion of the revenue to cities and counties as Highway User Tax Account (HUTA) funds. Under SB1, cities and counties receive additional funds raised from fuel taxes and vehicle registration taxes from the RMRA. Eligible uses of RMRA are similar to, and as broad as, current HUTA funds. The State Streets and Highways Code Section 2030(a) describes eligible uses of the RMRA fund to include "basic road maintenance and road rehabilitation projects, and critical safety projects."

Since the RMRA was enacted, the City Council has appropriated the following RMRA funds by resolution:

- \$1.00 million in October 2017
- \$3.13 million in April 2018
- \$2.94 million in April 2019
- \$2.69 million in April 2020
- \$3.48 million in April 2021
- \$4.03 million in June 2022
- \$4.28 million in June 2023

- \$4.42 million in June 2024
- \$4.55 million in June 2025

The California League of Cities anticipates that Oceanside will receive \$4,891,724 in RMRA funds in FY 2026-27.

### Program Requirements

SB1 imposes certain public accountability requirements. While not particularly burdensome, they are a requirement for receiving RMRA funds and necessary to demonstrate the program's effectiveness and maintain public support for transportation infrastructure taxation.

By July 1 of each year, cities are required to adopt and forward to the California Transportation Commission a list of projects for the upcoming fiscal year to be funded by RMRA. The list shall include a brief project description, location, schedule, and estimated useful life.

The proposed FY 2026-27 SB1 program will continue to fund street restoration, street preservation, survey monument preservation, pedestrian warning signals, radar feedback signs, safe crosswalk and sidewalk repair projects.

Focus remains on the Pavement Management Program (PMP) to ensure revenues are being used in a cost-effective manner by preventing costly replacement of the entire roadway section and asphalt surface in the future. Historically, annual slurry seal, overlay, and full depth reclamation projects proposed under the PMP have been appropriated estimated RMRA funds in varying amounts, from 69 percent in 2017 and up to 92 percent in 2022.

### FY 2026-27 SB1 Projects

Staff recommends that FY 2026-27 SB1 funds be distributed among the following projects listed in the proposed resolution (Attachment 1):

- Americans with Disabilities Act for Overlay
- Asphalt Overlay
- Annual Storm Drain Improvements
- Street Maintenance
- Street Monument Preservation
- Slurry Seal
- PMP - New Program Assessment
- Pedestrian Warning Signals
- Radar Feedback Signs
- Sidewalk Repairs Citywide
- Inland Rail Trail
- Crosswalk @ S. Coast Highway and Loma Alta Creek - Design
- South Nevada Drainage Improvements - Construction

- SS4A - City Match

Slurry seal and overlay street locations, which were funded by SB1, are shown in the Resolution Candidate Street List (Exhibit A of Attachment 1). Exhibit A includes the list of streets previously programmed in FY 2025-26 that are anticipated to begin or continue construction activities in FY 2026-27.

### **FISCAL IMPACT**

The City's exact RMRA revenue will vary depending upon actual State tax receipts and will be remitted on a monthly basis. Upon receipt of funds, the monies will be deposited into revenue accounts within the RMRA Gas Tax fund, 1265.4132.0002 Gas Tax RMRA Excise Tax. The RMRA funds have been programmed as part of the Capital Improvement Program (CIP) process. Any future funds received in RMRA will be appropriated as needed for given projects. Budget versus estimated revenues are shown in the following table:

<b>Project Description</b>	<b>Project Account</b>	<b>FY 2026-27 Proposed</b>
Slurry Seal	425447265	\$1,000,000
Asphalt Overlay	902155518265	2,496,823
ADA for Overlay	902157619265	1,107,843
Annual Storm Drain Improvements	902158319265	506,519
Street Monument Preservation	902162720265	43,900
Street Maintenance	902165520265	742,964
Pedestrian Warning Signals	903176122265	250,000
Radar Feedback Signs	903169622265	284,634
Sidewalk Repairs Citywide	912177422265	260,303
Pavement Management Program	902162820265	111,205
Inland Rail Trail City Match	902174523265	5,124
SS4A - City Match	902195724265	100,000
Crosswalk @ S. Coast Hwy & LAC	902200925265	297,097
South Nevada Drainage Improvements	902205025265	2,250,000
Laurel Elementary Grant Match - SB1	902169320265	3,190
McNeil Street Construction	902191324265	722,341
S. Melrose Protected Bike Lane	902200524265	70,245
<b>Total FY 2026-27 SB1 Program Budget</b>		<b>\$ 10,252,187</b>
<b>FY 2026-27 Estimated RMRA Revenue</b>		<b>\$ 4,891,724</b>
<b>Estimated June 30, 2026 RMRA Fund Balance Available</b>		<b>\$ 6,158,522</b>
<b>Estimated Remaining Unprogrammed Balance</b>		<b>\$ 798,058</b>

The City is required to comply with a “maintenance of effort” requirement to spend at least \$2.2 million from existing funds for street purposes. This amount is derived from the average expenditures for FY 2009-10 through FY 2011-12. The City uses other existing funding sources such as TransNet and Measure X for the maintenance of effort requirement.

### **COMMISSION OR COMMITTEE REPORT**

The State-imposed deadline of July 1, 2026 to submit the adopted resolution for these SB1-funded projects requires prior approval by the Planning Commission. On May 4, 2026, the Planning Commission determined the projects identified in the FY 2026-27 CIP Budget, including the SB1 Program, are consistent with the City of Oceanside General Plan.

### **CITY ATTORNEY’S ANALYSIS**

The referenced documents have been reviewed by the City Attorney and approved as to form

Prepared by: Victor Velasco, Principal Civil Engineer

Reviewed by: Brian Thomas, Acting Development Services Director/City Engineer

Submitted by: Jonathan Borrego, City Manager

### **ATTACHMENTS:**

1. Resolution
2. Exhibit A