

Attachment D

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County Road Maintenance Program

OVERVIEW

In 2012, the Board of Supervisors adopted a policy to annually allocate Transient Occupancy Tax (TOT) funds to the Road Fund to address smaller road maintenance needs outside of budgeted/planned activities. This policy started in 2013 by allocating 20% of available TOT funds, which was increased one percent (1%) per year to a maximum allocation of 25% of available TOT funds in 2017. The TOT allocation replaced annual General Fund allocations of \$2 million per year to assist with road maintenance activities and provide more certain funding.

Throughout the year, Supervisorial Districts request services to address smaller road maintenance items that are outside of the budgeted/planned activities, and do not rise to the level of a capital project. The County Road Maintenance Program (CRMP) intends to allocate a specific amount of TOT funding for each Supervisorial District to prioritize road maintenance services in their area (e.g., potholes, road striping/markings, tree trimming, vegetation removal, road signs, etc.).

Splitting CRMP funding for road projects equally by district (20% each) would not accurately represent the road miles within each District. There is about 1,250 road miles to maintain in Monterey County that is generally divided among the supervisorial districts as follows: District 1: 0%; District 2: 19%; District 3: 57%; District 4: 3%; and District 5: 21%. While there are no County roads within District 1 and very limited infrastructure in District 4, County lands within the two districts have applicable road-related maintenance projects. Over the five supervisorial districts, varying weather and soil conditions and topography such as Elkhorn Slough, mountains and valleys, increase the frequency and magnitude of services required in certain areas.

PROGRAM

Up to 50% (\$2 million minimum) of the annual TOT allocation will be assigned to programmed road maintenance. Another 25% of the annual TOT allocation will be allocated as part of the Program to be used for unprogrammed, qualifying road maintenance projects that are under \$100,000 with no engineering and can be handled by RMA-Public Works Road & Bridge Maintenance at the discretion of the Chief of Public Works. Examples of qualified projects include, but are not limited to: streetsweeping, vegetation clearing, litter removal, etc. (beyond base program).

Funding for CRMP will be divided among the supervisorial districts as follows:

10%	Divided between Districts 1 and 4
25%	District 2
40%	District 3
25%	District 5

Any unused funding at the end of a fiscal year rolls over into the next, increasing the overall funding available for that fiscal year, which would be distributed using the same formula.

BACKGROUND

RMA manages multiple funding sources under the Road Fund to program capital road/bridge projects. Regular funding sources include (revenues vary depending on the economy):

- *Highway User Tax Account* (HUTA, aka Gas Tax). State constitution (Article XIX) requires excise tax on motor vehicle fuels to be used for streets and highways. Annual allocation based on maintained mileage, vehicle registration, population, amongst other factors. Currently, these funds have no sunset date.
- *Road Maintenance and Rehabilitation Account* (SB1, aka Gas Tax). Initiated by the legislature, ratified by public vote. Went into effect in 2017. Annual revenue fluctuates depending on gas tax receipts. Currently, these funds have no sunset date.
- *Measure X*. Local ballot initiative in 2016 applying 3/8 percent sales tax for 30 years. Funding is divided between local agencies and TAMC. Infrastructure and non-infrastructure projects were promised as part of this initiative. Examples include certain road projects such as major maintenance improvements to specific county roads and community patching and sealing programs for the communities of Castroville, Pajaro, Boronda, and Chualar. A commitment was made to support Safe Routes to School (SRS) to improve the safety and health of children by funding projects that promote walking and biking to school. The Health Department, specifically Planning, Evaluation, and Policy and Chronic Disease and Injury Prevention, have partnered with TAMC on a Countywide SRS efforts and a SRS task force to negotiate a Master Agreement for SRS Program, which sets forth processes for creating a sustainable program as well as obtaining additional complementary funding. The sunset date for Measure X funds is FY 2047.
- *Transient Occupancy Tax* (TOT). When SB1 and Measure X went into effect, TOT became part of the required maintenance of effort for those funds.
- *Grants – through Federal Highway Administration (FHWA), Caltrans and the California Transportation Commission, Transportation Agency of Monterey County (TAMC) for regional grants, etc.* County applies for federal funding via Caltrans for bridge maintenance and repairs, for traffic safety grants through the Highway Safety Improvement Program (HSIP), and for other State funding for road repaving and other improvements. The Health Department also applies for grants to support active transportation and SRS efforts through community engagement, outreach, and education. Current grants include the California Office of Traffic Safety (OTS) and Caltrans Active Transportation Program (ATP). This year, the focus area for the OTS grant has been in the communities of Soledad and Greenfield, offering education on bicycle and pedestrian safety to schools and seniors. The focus areas of the current ATP cycle includes several cities and unincorporated areas offering pedestrian and bicycle safety to elementary, middle, and high school students; seniors; and the community at large. A current effort is underway to apply for the new ATP cycle with proposed focus areas including Seaside, Marina, Castroville, San Ardo, San Lucas, King City, and Chualar.

Based on estimated revenues, RMA develops a work program where projects move through the following phases for forecasting capital projects:

- 1 Design. The first phase is to start design and process necessary permit(s), including environmental review. Time required to complete this phase can vary significantly depending on the complexity of the project and number of agencies involved.

- 2 Bidding. Once the design/permit process is complete, a Project is ready to bid. The requests for bids process is typically 45 days, which then starts a process to negotiate and award a contract, subject to counsel review and approval by the Board of Supervisors (3-4 months).
- 3 Construction. Design/permit complete, bids received. Target window for starting construction is Spring immediately following the rainy season, accounting for school session and special events as much as possible.
 - a. One year construction
 - b. Multiyear construction

Projects are determined based on the following factors:

- Pavement Management Program (PMP). Establishes a priority list based on criteria related to level and type of use.
- Measure X Program as presented with the initiative.
- Critical/Emergency (failure, hazard)

The Five-Year Capital Improvement Plan (CIP) assigns funding to projects for the current fiscal year. It also projects anticipated priorities and magnitude of funding needs for the following four years. The CIP is considered by the Capital Improvement Committee, Budget Committee, Planning Commission, and Board of Supervisors. By majority vote, the Board approves the Plan either as presented or with modifications (e.g., revise priority).

There can be challenges (pressures) and competing interests when it comes to assigning funding for capital projects. In addition, Supervisorial District offices receive requests for services beyond the County's planned program.

Generally, there are the following levels of project:

- 1 Maintenance. Under \$100,000 with no required Engineering or Project Management. Projects may be handled by RMA-Public Works Road & Bridge Maintenance at the discretion of the Chief of Public Works. Certain services (and levels of service) are included within the budget.
- 2 Minor. Under \$100,000, but requires Engineering/Design. The Chief of Public Works recommends prioritization based on available resources, subject to concurrence of the RMA Director.
 - a. In-house
 - b. Contract (Professional Services Agreement)
- 3 Major. Over \$100,000, prioritized in CIP. Projects need to be prioritized based on available resources, and phases (design/permitting, construction). There is a process established for prioritizing major projects.

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