



Office of the City Manager

REVISED AGENDA MATERIAL for Supplemental Packet #2

Meeting Date: November 28, 2023

Item Number: 17

Item Description: Street Rehabilitation Five Year Plan for Fiscal Years 2024-2028

Submitted by: LaTanya Bellow, Interim Director, Public Works

The purpose of this supplemental update is to provide an update to Table 1 “Five Year Paving Program Funding Source Allocations by Year” included in the Fiscal Impacts of Recommendation section of the report. The revised table is needed to correct the beginning year of CPI growth assumption for the “CIP Fund/Council Policy on Adequate Street Maintenance” funding line and update the annual funding and total funding amounts resulting from this update.

The “CIP Fund/Council Policy on Adequate Street Maintenance” Fund Source was established by Council Resolution 70,456-N.S. on July 26, 2022, establishing a commitment to increase the General Fund contribution to streets paving by \$8,000,000 annually, to be adjusted annually for inflation using the greater of cost of living in the SF Bay Area or statewide CPI. While the amounts appropriated in FY 2023 (\$5,100,000) and FY 2024 (\$9,000,000) under this policy combine to be less than the desired \$8,000,000 plus inflation, they were made based on available funding in the FY 2023 – 2024 biannual budget cycle. For the purposes of planning over the life of the five-year paving plan, staff does assume that the full amount of the new funding source is available, beginning with the FY 2025 year building off of two years of assumed CPI increases from the intended \$8,000,000 allocation in FY 2023.

The previous version of this table applied the CPI calculation prematurely to FY 2023. The updated Table 1 in this supplemental packet shifts the first year of applied CPI adjustments to FY 2024. Staff has applied a 5.3% CPI increase for FY 2024, based on the February 2022 – February 2023 SF Bay Area CPI, with all future years assuming a 3% CPI increase. All funding from FY 2025 and beyond is subject to appropriation by City Council.

Table 1: Five Year Paving Program Funding Source Allocations by Year					
Fund Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
State Transportation Tax	495,303	495,303	495,303	495,303	495,303
Road Repair and Accountability Act of 2017	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Measure BB – Local Streets & Roads	2,980,000	2,980,000	2,980,000	2,980,000	2,980,000
Measure F Vehicle - Registration Fee	155,000	155,000	155,000	155,000	155,000
Capital Improvement (CIP) Fund	2,127,562	1,925,000	1,925,000	1,925,000	1,925,000
CIP Fund/ Council Policy on Adequate Street Maintenance	5,996,598	8,676,720	8,937,022	9,205,132	9,481,286
Zero Waste Fund	1,000,000	1,000,000	1,000,000	2,000,000	2,000,000
Storm Water Fund	0	1,125,000	0	1,500,000	1,500,000
TOTAL	14,454,463	18,057,023	17,192,325	19,960,435	20,236,589