

Chris Lee

From: Chris Lee
Sent: Friday, June 09, 2017 4:16 PM
To: Chris Lee (clee@counties.org)
Cc: Kiana Valentine; Tracy Sullivan; DeAnn Baker; Merrin Gerety
Subject: CSAC SB 1 Implementation Update - No. 2
Attachments: Draft LSR Program Guidelines V1 6-8-17.docx; AB 1250 List of Exemptions (as amended 05.30.17).docx

To: Public Works Directors
CEAC Transportation Committee

From: Kiana Valentine, CSAC Legislative Representative
Chris Lee, CSAC Legislative Analyst

Re: CSAC SB 1 Implementation Update – No. 2

We're writing to provide you the following updates on SB 1 implementation activities:

California Transportation Commission Reporting Guidelines:

- **Workshop on SB Implementation:** The CTC held a workshop today discussing the adoption of guidelines for SB 1 programs, including reporting requirements for the local streets and roads formula funding that will be allocated to counties following the implementation of the first SB 1 fuel tax increases in November 2017. The presentation slides from the local streets and roads reporting presentation are available online here: http://catc.ca.gov/programs/SB_1/6-9-17_LSR_Overview.pdf
- **Draft Reporting Guidelines:** CSAC is soliciting input from counties on the initial draft of reporting guidelines for local streets and road formula funds from the Road Maintenance and Rehabilitation Account. A draft of the guidelines is attached. Please submit any comments or concerns to clee@counties.org by **close of business on Thursday, June 15**. The guidelines will likely be adopted in August, with the initial submittal of projects due to the CTC by October 2017.
- **CTC SB 1 Implementation Website:** Meeting materials, draft guidelines, and a link to subscribe to SB 1 implementation mailing lists for all of the programs under the purview of the CTC are available online here: <http://catc.ca.gov/programs/SB1.html>

Initial Road Maintenance and Rehabilitation Account (RMRA) Project Lists:

- **RMRA-Funded Projects:** The Governor's administration and legislative offices are very interested in understanding the benefit of SB 1 funding to projects in communities around the state. The deadline for reporting to the CTC on the initial projects planned to receive RMRA funding in 2017-18 will not be until fall 2017 (see presentation above), but CSAC would appreciate any information counties may have developed during the recommended budget process or other internal planning processes that list projects that will benefit from RMRA funding. **Please send any such materials to clee@counties.org as soon as they are available.**

AB 1250 (Jones-Sawyer) – Impacts on SB 1 Projects?

- **Public Contracting and AB 1250:** CSAC is opposed to [AB 1250 \(Jones-Sawyer\)](#), which would create costly barriers to many local government contracts with private and non-profit companies that provide services to county constituents and likely result in the reduction of services. Our opposition letters are available online here: <http://ctweb.capitoltrack.com/public/search.aspx?t=bill&s=ab1250&session=17&go=Search&id=a21cc1dd-911e-48f1-a3c9-8d96959fe4c5>
- **Public Works Exemption:** AB 1250 specifically excludes public works contracts (see attachment) from its provisions, but there are concerns that some contracts entered into in the public works realm may still not be exempt. For instance, certain real estate appraisal contracts related to right-of-way acquisition may be affected. **CSAC would appreciate any analysis your department may have completed related to the potential impacts of AB 1250**, especially as related to SB 1 project delivery. Please send any comments or analysis to tsullivan@counties.org and clee@counties.org as soon as possible.

Thanks and have a great weekend.

Christopher A. Lee

Legislative Analyst – Housing, Land Use & Transportation

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2017 LOCAL STREETS AND ROADS PROGRAM

DRAFT GUIDELINES

June 8, 2017

California Transportation Commission



NOTE: These Draft Local Streets and Roads Guidelines are currently under development. This information is provided in draft form, and is subject to further modification and refinement. This draft information does not represent any final determination by the Commission on any of the issues addressed in these draft guidelines.

**CALIFORNIA TRANSPORTATION COMMISSION
2017
LOCAL STREETS AND ROADS PROGRAM GUIDELINES**

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I. Introduction

1. Background and Purpose of Guidelines

On April 28, 2017 the Governor signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017), which is known as the Road Repair and Accountability Act of 2017. To address basic road maintenance, rehabilitation and critical safety needs on both the state highway and local streets and road system, SB 1: increases per gallon fuel excise taxes; increases diesel fuel sales taxes and vehicle registration fees; and provides for inflationary adjustments to tax rates in future years.

Beginning November 1, 2017, various portions of the funding collected from these increased taxes and fees will be deposited into the newly created Road Maintenance and Rehabilitation Account (RMRA), resulting in more than double the total amount of state local streets and roads funding apportioned annually to cities and counties by the State Controller's Office for road maintenance and rehabilitation (for a detailed breakdown of RMRA funding sources and the disbursement of funding, please see Section 5 of these guidelines).

SB 1 also emphasizes the importance of accountability and transparency in the delivery of California's transportation programs and therefore requires cities and counties to provide basic project reporting to the California Transportation Commission (Commission) regarding the use of RMRA funding.

The reporting of RMRA project information to the Commission pursuant to the requirements outlined in SB 1 will be known as the Local Streets and Roads Program (program) which will be administered by the Commission in partnership with the State Controller's Office (Controller). These guidelines describe the general policies and procedures for carrying out the program's statutory objectives as outlined in Chapter I Section 2 below.

The guidelines were developed in consultation with stakeholders representing state, regional, and local government entities. The Commission may amend these guidelines after first giving notice of the proposed amendments. In order to provide clear and timely guidance, it is the Commission's policy that a reasonable effort be made to amend the guidelines prior to a call for project lists or the Commission may extend the deadline for project list submission in order to facilitate compliance with the amended guidelines.

2. Program Objectives and Statutory Requirements

Pursuant to California Streets and Highways Code (SHC) Section 2030(a), the objective of the Local Streets and Roads Program is to address deferred maintenance on the local streets and roads system through the prioritization and delivery of basic road maintenance and rehabilitation projects as well as critical safety projects.

SHC 2032.5(a) articulates the general intent of the legislature that recipients of RMRA funding be held accountable for the efficient investment of public funds to maintain local streets and roads, and are accountable to the people through performance goals that are tracked and reported.

The main requirements for the program are codified in SHC Sections 2034, 2036, 2037, and 2038 and include the following:

NOTE: These Draft Local Streets and Roads Guidelines are currently under development. This information is provided in draft form, and is subject to further modification and refinement. This draft information does not represent any final determination by the Commission on any of the issues addressed in these draft guidelines.

- Prior to receiving an apportionment of RMRA funds from the State Controller in a fiscal year, a city or county must submit to the Commission a list of projects proposed to be funded with these funds. All projects proposed to receive funding must be included in a city or county budget that is adopted by the applicable city council or county board of supervisors at a regular public meeting [SHC 2034(a)(1)].
- The list of projects must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement [SHC 2034(a)(1)]. Further guidance regarding the scope, content, and submittal process for project lists prepared by cities and counties is provided in Sections 9-10.
- The project list does not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities so long as the projects are consistent with RMRA priorities as outlined in SHC 2030(b) [SHC 2034(a)(1)].
- The Commission will report to the Controller the cities and counties that have submitted a list of projects as described in SHC 2034(a)(1) and that are therefore eligible to receive an apportionment of RMRA funds for the applicable fiscal year [SHC 2034(a)(2)].
- The Controller, upon receipt of the report from the Commission, shall apportion RMRA funds to eligible cities and counties [SHC 2034(a)(2)].
- For each fiscal year in which RMRA funds are received and expended, counties must submit documentation to the Commission that includes a description and location of each completed project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement [SHC 2034(b)]. Further guidance regarding the scope, content, and submittal process for project reports is provided in Sections 12-13.
- Cities and counties receiving an apportionment of RMRA funds are required to sustain a maintenance of effort by spending at least the same amount as previous fiscal years on transportation purposes from the city or county's general fund [SHC 2036]. Monitoring and enforcement of the maintenance of effort requirement for RMRA funds will be carried out by the Controller and is addressed in more detail in Section 16.
- A city or county may spend its apportionment of RMRA funds on transportation priorities other than basic road maintenance and RMRA priorities as outlined in SHC 2030(b) if the city or county's average Pavement Condition Index (PCI) meets or exceeds 80 [SHC 2037].
- By July 1, 2023, cities and counties receiving RMRA funds must follow guidelines developed by the California Workforce Development Board (Board) that address participation & investment in, or partnership with, new or existing pre-apprenticeship training programs [SHC 2038]. Further information regarding the Board Guidelines and future Board-sponsored grant opportunities is available in Section 15.

Cities and counties receiving RMRA funds must comply with all relevant federal and state laws, regulations, policies, and procedures.

3. Program Roles and Responsibilities

Below is a general outline of the roles and responsibilities of recipient cities/counties, the Commission, and the Controller in carrying out the program's statutory requirements:

Recipient Cities/Counties:

- Develop and submit a list of projects to the Commission each fiscal year.
- Develop and submit a project expenditure report to the Commission each fiscal year.
- Comply with all auditing requirements as well as any additional reporting requirements for RMRA funding imposed by the Controller.

Commission:

- Provide technical assistance to cities and counties in the preparation of project lists and reports.
- Receive project lists from cities and counties each fiscal year.
- Provide a list to the Controller each fiscal year of cities and counties eligible to receive RMRA apportionments.
- Receive project expenditure reports from cities and counties each fiscal year and provide aggregated statewide information regarding use of RMRA funds to the Legislature and the public (e.g. the Commission's Annual Report to the Legislature and a SB 1 Accountability Website).

Controller:

- Receive list of cities and counties eligible for RMRA apportionments each fiscal year from the Commission.
- Apportion RMRA funds to cities and counties.
- Oversee MOE and other auditing requirements for RMRA funds as well as reporting required pursuant to SHC 2151.

4. Program Schedule

The following schedule lists the major milestones for the development of the 2017 Local Streets and Roads Program Guidelines, initial submittal of project lists, and transmittal of eligibility list to the Controller. See Appendix C for a more detailed program schedule.

Draft Guidelines Circulated for Public Review	June 19 – July 10, 2017
Commission Adoption of Guidelines	August 16-17, 2017
Call for Project Lists	August 18, 2017
Project Lists due to Commission	September 15, 2017
Commission Adopts List of Eligible Cities and Counties	October 18-19, 2017
Commission Submits List to Controller	November 1, 2017

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II. Funding

5. Source

The State of California imposes per-gallon excise taxes on gasoline and diesel fuel, sales taxes on diesel fuel, and registration taxes on motor vehicles with allocation dedicated to transportation purposes. These allocations flow to cities and counties through the Highway Users Tax Account (HUTA) and the newly established RMRA created by SB 1.

The Local Streets and Roads Program administered by the Commission in partnership with the Controller is supported by RMRA funding which includes portions of revenues pursuant to SHC 2031 from the following sources¹:

- An additional 12 cent per gallon increase to the gasoline excise tax effective November 1, 2017.
- An additional 20 cent per gallon increase to the diesel fuel excise tax effective November 1, 2017.
- An additional vehicle registration tax called the “Transportation Improvement Fee” with rates based on the value of the motor vehicle effective January 1, 2018.
- An additional \$100 vehicle registration tax on zero emissions (ZEV) vehicles of model year 2020 or later effective July 1, 2020.
- Annual rate increases to these taxes beginning on July 1, 2020 (July 1, 2021 for the ZEV fee) and every July 1st thereafter equal to the change in the California Consumer Price Index (CPI).

SHC 2032(h)(2) specifies that 50 percent of the balance of revenues deposited into the RMRA, after certain funding is set aside for various programs, will be continuously appropriated for apportionment to cities and counties by the Controller pursuant to the formula in SHC Section 2103(a)(3)(C)(i) and (ii). The other 50 percent of RMRA revenues are allocated to the California Department of Transportation (Caltrans) for purposes of the State Highway Operation and Protection Program (SHOPP).

6. Estimation of Funds

[Placeholder for language regarding how estimates of available RMRA funds will be developed and communicated to cities and counties.]

7. Disbursement of Funds

Upon receipt of a list of cities and counties that are eligible to receive an apportionment of RMRA funds pursuant to SHC 2032(h)(2) from the Commission, the Controller is required to apportion RMRA funds to eligible cities and counties consistent with the formula outlined in SHC Section 2103(a)(3)(C)(i) and (ii).

It is expected that the Controller will apportion RMRA funds on a monthly basis to eligible cities and counties using a process and system similar to that of Highway User Tax Account HUTA apportionments.

¹ The California Local Government Finance Almanac. Updated May 11, 2017. Page 7. Accessed at: <http://www.californiacityfinance.com/LSR1704.pdf>

III. Eligibility and Program Priorities

8. Eligible Recipients

Eligible recipients of RMRA funding apportionments include cities and counties that have prepared and submitted a project list to the Commission pursuant to SHC Section 2034(a)(1) and that have been included in a list of eligible entities submitted by the Commission to the Controller pursuant to SHC Section 2034(a)(2).

Recipients of RMRA apportionments must comply with all relevant federal and state laws, regulations, policies, and procedures.

9. Program Priorities and Example Projects

Pursuant to SHC Section 2030(a), RMRA funds made available for the Local Streets and Roads Program shall be prioritized for expenditure on basic road maintenance and rehabilitation projects, and on critical safety projects.

SHC Section 2030(b) provides a number of example projects and uses for RMRA funding that include but are not limited to the following:

- Road Maintenance and Rehabilitation
- Safety Projects
- Railroad Grade Separations
- Complete Streets Components (including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project) [Note: need to clarify/better understand what the complete streets component language in parenthesis means]
- Traffic Control Devices
- Satisfying Match Requirement for State or Federal Funds (for an RMRA eligible project)

SHC Section 2030(c)-(f) specifies desired aspirational uses of RMRA funds by cities and counties to the extent possible and cost effective, and where feasible (as deemed by cities and counties) on the following:

- Technologies and material recycling techniques that lower greenhouse gas emissions and reduce the cost of maintaining local streets and roads through material choice and construction method.
- Systems and components in transportation infrastructure that recognize and accommodate technologies including but not limited to ZEV fueling or charging and infrastructure-vehicles communications for transitional or fully autonomous vehicles.
- Project features to better adapt the transportation asset to withstand the negative effects of climate change and promote resiliency to impacts such as fires, floods, and sea level rise (where appropriate given a project's scope and risk level for asset damage due to climate change).

- Complete Streets Elements (such as project features that improve the quality of bicycle and pedestrian facilities and that improve safety for all users of transportation facilities) are expected to be incorporated into RMRA funded projects to the extent (as deemed by cities and counties) beneficial, cost-effective, and practicable in the context of facility type, right-of-way, project scope, and quality of nearby facilities.

Pursuant to SHC Section 2037, a city or county may spend its apportionment of RMRA funds on transportation priorities other than basic road maintenance outlined in SHC Section 2030 if the city or county's average Pavement Condition Index (PCI) meets or exceeds 80.

IV. Project List Submittal

10. Content and Format of Project List

Pursuant to SHC Section 2034(a)(1), prior to receiving an apportionment of RMRA funds from the State Controller in a fiscal year, a city or county must submit to the Commission a list of projects proposed to be funded with these funds pursuant to an adopted city or county budget.

Listed below are the specific statutory criteria for the content of the project list along with additional guidance provided to help ensure a consistent statewide format and to facilitate accountability and transparency within the Local Streets and Roads Program.

a.) Included in an Adopted Budget

All proposed projects must be included in a city or county budget that is adopted by the applicable city council or county board of supervisors at a regular public meeting.

To ensure transparency and to meet the intent of SHC Section 2034(a)(1) "included in a city or county budget" can mean either of the following:

- a.) A specific list of projects proposed for RMRA funding adopted as part of the city/county's regular operating budget, at a regular public meeting; or
- b.) A specific list of projects proposed for RMRA funding amended into the city/county's regular operating budget, at a regular public meeting.

Documentation of Inclusion in an Adopted Budget

A city or county must provide with a project list a public record that projects proposed for RMRA funding through the Local Streets and Roads Program have been included in an adopted city or county operating budget. This public record can be either of the following:

- a.) A copy of the city/county's regular operating budget (or amendment) including the adopting resolution;
- b.) A copy of the city/county's regular operating budget (or amendment) including meeting minutes documenting approval at a regular public meeting.

Submittal of electronic copies of the operating budget (or amendment) and support documentation (i.e. resolution or minutes) is encouraged. Support documentation requirements are further explained in Appendix A.

b.) List of Projects – Content

Pursuant to SHC 2034(a)(1), the project list must include a description and the location of each proposed project, a proposed schedule for each project's completion, and the estimated useful life of the improvement.

Development and Content

The Commission recognizes the inherent diversity of road maintenance and rehabilitation needs among the approximately 540 jurisdictions across the state that may utilize Local Streets and Roads Program funding.

Given the emphasis SB 1 places on accountability and transparency in delivering California's transportation programs, cities and counties are encouraged to prioritize RMRA funding for the most critical road maintenance, rehabilitation, and safety needs. It is also vitally important that cities and counties clearly articulate how these funds are being utilized through the development of a robust project list.

To promote statewide consistency in the content and format of project information received and to facilitate transparency within the Local Streets and Roads Program, the following guidance is provided regarding the key components of the project list.

Additionally, Appendix A has been developed to provide an example of project list content and format.

Project Description

The list must include a project description for each proposed project. The city/county is encouraged to provide a brief non-technical description (3-5 sentences) written so that the main objectives of the project can be clearly and easily understood by the public.

The level of detail provided will vary depending upon the nature of the project; however, it is highly encouraged that the project description contain a minimum level of detail needed for the public to understand what is being done and why it is a critical or high-priority need.

Looking to resources such as the most recently adopted Capital Improvement Program may be helpful in understanding the appropriate level of project detail.

Project Location

The list must include a project location for each proposed project. The city/county is encouraged to provide project location information that, at a minimum, would allow the public to clearly understand where within the community the project is being undertaken. For example, providing specific street names where improvements are being undertaken and specifying project termini when possible are preferable to more general information such as "south-west side of city/county". If project-specific geolocation data is available, it is highly encouraged to be included.

Proposed Schedule for Completion

The list must include a completion schedule for each proposed project. The city/county is encouraged to provide a high-level timeline that provides a clear picture to the public of when a project can reasonably expected to be completed.

Estimated Useful Life

The list must include an estimate useful life for each proposed project. The city/county is encouraged to provide information regarding the estimated useful life of the project that is clear, understandable, and based on industry-standards for the project materials and design.

Technology, Climate Change, and Complete Streets Considerations

SHC Section 2030(c)-(f) specifies desired uses of RMRA funds by cities and counties to the extent possible and cost effective, and where feasible for the following:

- Technologies and material recycling techniques that lower greenhouse gas emissions and reduce the cost of maintaining local streets and roads through material choice and construction method.
- Systems and components in transportation infrastructure that recognize and accommodate technologies including but not limited to ZEV fueling or charging and infrastructure-vehicles communications for transitional or fully autonomous vehicles.
- Project features to better adapt the transportation asset to withstand the negative effects of climate change and promote resiliency to impacts such as fires, floods, and sea level rise (where appropriate given a project's scope and risk level for asset damage due to climate change).
- Complete Streets Elements (such as project features that improve the quality of bicycle and pedestrian facilities and that improve safety for all users of transportation facilities) are expected to be incorporated into RMRA funded projects to the extent (as deemed by cities and counties) beneficial, cost-effective, and practicable in the context of facility type, right-of-way, project scope, and quality of nearby facilities.

Cities and counties are encouraged to consider all of the above for implementation, to the extent possible, cost-effective, and feasible, in the design and development of projects for RMRA funding.

To meet the intent of SHC 2032.5(a) as outlined in Section 2 of these Guidelines, in addition to the statutory requirements outlined in Section 10, the Commission may also ask cities and counties to consider and provide additional information in the proposed project list in order to better communicate that RMRA funding recipients are meeting state performance goals.

The Commission intends to develop a reporting platform that will enable cities and counties to report on each project that meets these additional goals.

Other Statutory Considerations for Project Lists

Pursuant to SHC Section 2034(a)(1), the project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities, so long as the projects are consistent with SHC Section 2030(b).

Pursuant to SHC Section 2037, a city or county may spend its apportionment of RMRA funds on transportation priorities other than those outlined in SHC 2030(b) if the city or county's average Pavement Condition Index (PCI) meets or exceeds 80.

c.) List of Projects – Standard Format

To promote statewide consistency of project information received, a standard project list format using Microsoft Excel has been developed and is further explained in Appendix A.

For the initial submittal of project lists in 2017, cities and counties are required to use the standard form available here [hyperlink to excel form].

In future fiscal years, the Commission intends to make available an online platform so that cities and counties can quickly and easily enter project list information and upload support documentation online.

11. Process and Schedule for Project List Submittal

A city or county must submit a Project List and support documentation by **September 15, 2017** to the Commission. All materials should be provided electronically. Project lists, support documentation, and any questions can be remitted to:

Laura Pennebaker, Associate Deputy Director
Program Manager
California Transportation Commission
Laura.Pennebaker@dot.ca.gov
(916) 653-7121

12. Commission Submittal of Eligible Entities to the State Controller's Office

Upon receipt of Project Lists and support documentation, Commission staff will review submittals to ensure they are complete. Once a project list submittal has been received and deemed complete by staff, the city or county will be added to a list of jurisdictions eligible to receive RMRA funding as required by SHC Section 2034(a)(2). All project lists and support documentation submitted by cities and counties will be posted to the Commission's website.

The list of eligible cities and counties will be brought forward for Commission consideration at a regularly scheduled meeting where staff will request Commission direction to transmit the list to the Controller. Upon direction of the Commission, staff will transmit the list to the Controller and the cities and counties included will be deemed eligible to receive RMRA apportionments pursuant to SHC Section (a)(1). Upon receipt of the list from the Commission, the Controller is expected to apportion funds to the cities and counties included on the list pursuant to SHC Sections 2034(a)(2) and 2032(h).

In the event a city or county does not provide a complete project list and support documentation in a timely manner for Commission consideration and eligibility designation as outlined in these guidelines, cities and counties are expected to work cooperatively with Commission staff to provide any missing information. Once completed information is provided, Commission action to establish eligibility will be taken at the next earliest opportunity or within 60 days.

The Controller will hold RMRA funding apportionments for cities and counties that have not been deemed eligible until eligibility is established by the Commission and communicated to the

Controller at which point apportionments (including any outstanding balances accrued) will begin/resume.

V. Project Expenditure Reporting and Auditing

13. Scope of Completed Project Expenditure Report

Pursuant to SHC Section 2034(b), for each fiscal year in which an apportionment of RMRA funds is received and upon expenditure of funds, cities and counties shall submit documentation to the Commission that includes: a description and location of each completed project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement.

Listed below are the specific statutory criteria for the content of the completed project expenditure report along with additional guidance provided to help ensure a consistent statewide format and to facilitate accountability and transparency within the Local Streets and Roads Program.

a.) Completed Project Expenditure Report – Content

Development and Content

Given the emphasis SB 1 places on accountability and transparency in delivering California's transportation programs, it is vitally important that cities and counties clearly articulate the public benefit of these funds through the development of a robust Completed Project Report.

To promote statewide consistency in the content and format of completed project expenditure information submitted and to facilitate transparency and robust reporting within the Local Streets and Roads Program, the following guidance is provided regarding the key components of the completed projects expenditure report. Additionally, Appendix B has been developed to provide an example of completed project expenditure report content and format.

The completed project expenditure report must cover the full fiscal year and should include projects that have completed construction and are fully operational.

Completed Project Description

The report must include a project description for each completed project. The city/county is encouraged to provide a brief non-technical description (3-5 sentences) written so that the main objectives of the project can be clearly and easily understood by the public.

The level of detail provided will vary depending upon the nature of the project; however, it is highly encouraged that the project description contain a minimum level of detail needed for the public to understand exactly what work was completed.

Completed Project Location

The report must include a project location for each completed project. The city/county is encouraged to provide completed project location information that, at a minimum, would allow the public to clearly understand where within the community the project was constructed. For example, providing specific street names where improvements were undertaken and specifying project termini when possible are preferable to more general

information such as “south-west side of city/county”. If project-specific geolocation data is available, it is highly encouraged to be included.

The Amount of Funds Expended and the Project Completion Date

The report must include the amount of RMRA funds expended on the project and its date of completion.

Estimated Useful Life

The report must include an estimated useful life for each completed project. The city/county is encouraged to provide information regarding the estimated useful life of the completed project that is clear, understandable, and based on industry-standards for the project materials and design.

Technology, Climate Change, and Complete Streets Considerations

SHC Section 2030(c)-(f) specifies desired uses of RMRA funds by cities and counties to the extent possible and cost effective, and where feasible for the following:

- Technologies and material recycling techniques that lower greenhouse gas emissions and reduce the cost of maintaining local streets and roads through material choice and construction method.
- Systems and components in transportation infrastructure that recognize and accommodate technologies including but not limited to ZEV fueling or charging and infrastructure-vehicles communications for transitional or fully autonomous vehicles.
- Project features to better adapt the transportation asset to withstand the negative effects of climate change and promote resiliency to impacts such as fires, floods, and sea level rise (where appropriate given a project’s scope and risk level for asset damage due to climate change).
- Complete Streets Elements (such as project features that improve the quality of bicycle and pedestrian facilities and that improve safety for all users of transportation facilities) are expected to be incorporated into RMRA funded projects to the extent (as deemed by cities and counties) beneficial, cost-effective, and practicable in the context of facility type, right-of-way, project scope, and quality of nearby facilities.

Cities and counties are encouraged to consider all of the above for implementation, to the extent possible, cost-effective and feasible, in the design and development of projects for RMRA funding. In the event that completed projects contain technology, climate change, and complete streets considerations pursuant to SHC 2030(c)-(f), cities and counties must include this information in the completed project expenditure report so that the Commission may report on the implementation of these practices at a statewide level.

To meet the intent of SHC 2032.5(a) as outlined in Section 2 of these Guidelines, in addition to the statutory requirements outlined in Section 13, the Commission may also ask cities and counties to consider and provide additional information in the completed project expenditure report in order to better communicate that RMRA funding recipients are meeting state performance goals.

The Commission intends to develop a reporting platform that will enable cities and counties to report on each project that meets these additional goals.

Other Statutory Considerations for Completed Project Reports

Pursuant to SHC Section 2037, a city or county may spend its apportionment of RMRA funds on transportation priorities other than basic maintenance outlined in SHC Section 2030(b) if the city or county's average Pavement Condition Index (PCI) meets or exceeds 80. This provision however, does not eliminate the requirement for cities and counties to prepare and submit a completed project expenditure report or the requirement to consider technology, climate change, and complete streets elements to the extent possible, cost-effective and feasible, in the design and development of projects for RMRA funding.

b.) Completed Project Expenditure Report – Standard Format

To promote statewide consistency of project information submitted, a standard completed project expenditure report format using Microsoft Excel has been developed and is further explained in Appendix B.

For the initial submittal of project expenditure reports in 2017, cities and counties are required to use the standard form available here [hyperlink to excel form].

In the future, an online platform will be available so that cities and counties can quickly and easily enter completed project information online.

14. Process and Schedule for Project Report Submittal

Completed Project Reports must be developed and submitted to the Commission according to the statutory requirements of SHC Section 2034(b) as outlined above in Section 12.

A city or county must submit a Completed Project Report by **October 1, 2018** to the Commission. All materials should be provided electronically. Reports and any questions can be remitted to:

Laura Pennebaker, Associate Deputy Director
Program Manager
California Transportation Commission
Laura.Pennebaker@dot.ca.gov
(916) 653-7121

15. Commission Reporting of Project Information Received

In order to meet the requirements of SB 1 which include accountability and transparency in the delivery of California's transportation programs, it is vitally important that the Commission clearly communicate the public benefits achieved by RMRA funds. The Commission intends to articulate these benefits through the development of an SB 1 accountability website and through other reporting mechanisms such as the Commission's Annual Report to the Legislature.

Upon receipt of Completed Project Reports, Commission staff will review submittals to ensure they are complete. If any critical project information is missing (i.e. SHC 2034(b) requirements such as project description, location, etc.) Commission staff will work with city/county staff to complete.

All Completed Project Reports submitted by cities and counties will be posted to the Commission's SB 1 Accountability website. The Commission will also analyze the Completed Project Reports provided by cities and counties and aggregate the project information to provide both statewide and city/county level summary information such as the number, type, and location of RMRA funded projects. This information will also be provided on the Commission's SB 1 Accountability website by December 1st each year, and included in the Commission's Annual Report to the Legislature which is delivered to the Legislature by December 15th each year.

In the event a city or county does not provide a Completed Project List by the deadline requested (October 1st each year) to allow for for Commission analysis and inclusion on the SB 1 accountability website and in the Annual Report to the Legislature, absence of the report will be noted on the website, in the Annual Report, and will be reported to the State Controller.

16. Additional Project Reporting and Signage Requirements

In addition to the RMRA completed project reporting requirements outlined in SHC Section 2034(b), SHC Section 2151 requires each city and county to file an annual report of expenditures for street or road purposes with the State Controller's Office. SHC Section 2153 imposes a mandatory duty on the State Controller's Office to ensure that the annual streets and roads expenditure reports are adequate and accurate. Additional information regarding the preparation of the annual streets and roads expenditure report is available online in the [Guidelines Relating to Gas Tax Expenditures for Cities and Counties](#) prepared and maintained by the State Controller's Office. These Guidelines were last updated in August 2015 and are anticipated to be updated again to address new accountability provisions of SB 1.

Pursuant to SHC Section 2038, by July 1, 2023, cities and counties receiving RMRA funds must follow guidelines developed by the California Workforce Development Board that address participation & investment in, or partnership with, new or existing pre-apprenticeship training programs. Upon California Workforce Development Board adoption of guidelines and grant funding opportunities in this area, the Commission will update the Local Streets and Roads Program Guidelines to incorporate this information by reference. [Placeholder for standardized language].

In order to ensure the delivery of RMRA funded projects is visible to the public, projects utilizing RMRA funds must post Project Funding Information signage illustrating that the project was made possible by SB 1 – The Road Maintenance and Rehabilitation Act of 2017. [Placeholder for SB 1 Funding Signage language, need to insert PFI signage standards, similar to Proposition 1B]

17. Project Auditing and Maintenance of Effort Requirement

Expenditure authority for RMRA funding is governed by Article XIX of the California Constitution as well as Chapter 2 (commencing with Section 2030) of Division 3 of the California Streets and Highways Code. RMRA funds are subject to audit by the State Controller's Office pursuant to SHC Section 2036.

NOTE: These Draft Local Streets and Roads Guidelines are currently under development. This information is provided in draft form, and is subject to further modification and refinement. This draft information does not represent any final determination by the Commission on any of the issues addressed in these draft guidelines.

[Note: this is placeholder language]

SHC Section 2036

(a) cities and counties shall maintain their existing commitment of local funds for street, road, and highway purposes in order to remain eligible for RMRA funding apportionment.

(b) In order to receive an allocation or apportionment pursuant to Section 2032, the city or county shall annually expend from its general fund for street, road, and highway purposes an amount not less than the annual average of its expenditures from its general fund during the 2009–10, 2010–11, and 2011–12 fiscal years, as reported to the Controller pursuant to Section 2151. For purposes of this subdivision, in calculating a city's or county's annual general fund expenditures and its average general fund expenditures for the 2009–10, 2010–11, and 2011–12 fiscal years, any unrestricted funds that the city or county may expend at its discretion, including vehicle in-lieu tax revenues and revenues from fines and forfeitures, expended for street, road, and highway purposes shall be considered expenditures from the general fund. One-time allocations that have been expended for street and highway purposes, but which may not be available on an ongoing basis, including revenue provided under the Teeter Plan Bond Law of 1994 (Chapter 6.6 (commencing with Section 54773) of Part 1 of Division 2 of Title 5 of the Government Code), may not be considered when calculating a city's or county's annual general fund expenditures.

(c) For any city incorporated after July 1, 2009, the Controller shall calculate an annual average expenditure for the period between July 1, 2009, and December 31, 2015, inclusive, that the city was incorporated.

(d) For purposes of subdivision (b), the Controller may request fiscal data from cities and counties in addition to data provided pursuant to Section 2151, for the 2009–10, 2010–11, and 2011–12 fiscal years. Each city and county shall furnish the data to the Controller not later than 120 days after receiving the request. The Controller may withhold payment to cities and counties that do not comply with the request for information or that provide incomplete data.

(e) The Controller may perform audits to ensure compliance with subdivision (b) when deemed necessary. Any city or county that has not complied with subdivision (b) shall reimburse the state for the funds it received during that fiscal year. Any funds withheld or returned as a result of a failure to comply with subdivision (b) shall be reapportioned to the other counties and cities whose expenditures are in compliance.

(f) If a city or county fails to comply with the requirements of subdivision (b) in a particular fiscal year, the city or county may expend during that fiscal year and the following fiscal year a total amount that is not less than the total amount required to be expended for those fiscal years for purposes of complying with subdivision (b).

Appendix A – Local Streets and Roads Project List Form

[Placeholder for Project List form and examples] This will be a Microsoft Excel form with drop down menus for certain fields to ensure accuracy of information provided. Eventually we hope to have an online platform and underlying data base through which cities and counties can enter project information online. For discussion purposes, examples of the nature/type of information that would be asked for is compiled below:

General Info:

- City/County Name
- Point of Contact
- Legislative Districts
- Average City/County PCI
- Fiscal Year

Proposed Project A

Description:

- 3-5 sentences, written in a non-technical way that is understandable the public
- Have city/county check a box specifying the type of project it is based on RMRA priorities or “other” and the inclusion of any aspirational elements (SHC 2034)
- Ask for specific measureable changes to the built environment resulting from the project (i.e. feet/miles of pavement, presence of complete streets components)

Location:

- Should be as specific as possible (i.e. street names and project termini) and geolocation information should be provided if available (to make mapping projects possible and also to potentially determine the location of projects within Disadvantaged Communities)

Proposed Schedule for Completion:

- Could be as simple as a drop down menu to select the date that the project will be complete/operational etc.

Estimated Useful Life:

- Should be clear, understandable, and based on industry-standards

Other:

- Describe process used to identify the project as a priority to meet Performance Goals

Support Documentation

- Electronic Copy of the City/County’s Adopted Budget or Budget Amendment and reference to where within the budget the proposed project is included
- Adopting resolution or meeting minutes to document budget/amendment approval

Appendix B - Local Streets and Roads Completed Project Expenditure Report Form

[Placeholder for Completed Project Expenditure Report form and examples] This will be a Microsoft Excel form with drop down menus for certain fields to ensure accuracy of information provided. Eventually we hope to have an online platform and underlying data base through which cities and counties can enter project information online. For discussion purposes, examples of the nature/type of information that would be asked for is compiled below:

General Info:

- City/County Name
- Point of Contact
- Legislative Districts
- Average City/County PCI

Completed Project A

Description:

- 3-5 sentences, written in a non-technical way that is understandable the public
- Have city/county check a box specifying the type of project it is based on RMRA priorities or “other” and the inclusion of any aspirational elements (SHC 2034)
- Ask for specific measurable changes to the built environment resulting from the project (i.e. feet/miles of pavement, presence of complete streets components)

Location:

- Should be as specific as possible (i.e. street names and project termini) and geolocation information should be provided if available (to make mapping projects possible and also to potentially determine the location of projects within Disadvantaged Communities)

Amount of Funds Expended:

- Enter the amount of RMRA funds expended on the project and the total project cost
- Enter the amount and type of other funds expended on the project

Completion Date:

- Drop down menu to select the date that the project is complete/operational etc.

Estimated Useful Life:

- Should be clear, understandable, and based on industry-standards

Other:

- Certify that California Workforce Development Board Guidelines were followed (effective July 1, 2023)
- Reporting on meeting Performance Goals
- Project Signage Requirements are met

NOTE: These Draft Local Streets and Roads Guidelines are currently under development. This information is provided in draft form, and is subject to further modification and refinement. This draft information does not represent any final determination by the Commission on any of the issues addressed in these draft guidelines.

Appendix C – Local Streets and Roads Program Schedule

[Placeholder, for discussion]

FY 17-18	
Adoption of Final Guidelines Call for Project Lists	August 18, 2017
Technical Assistance and Outreach to Cities/Counties	August 18 – September 15, 2017
Project Lists due to Commission	September 15, 2017
Commission Adopts List of Eligible Cities and Counties	October 18-19, 2017
Commission Submits List to Controller	November 1, 2017
Controller FY 17-18 Apportionments Begin	TBD
Completed Project Report Submitted to Commission for 2017 - 2018 Fiscal Year	October 1, 2018
Commission Posts Statewide LSR Program Accountability Information Online	December 1, 2018
FY 18-19	
Guidelines Update	Needed?
Call for Project Lists	March, April, May 2018?
Commission Review, Approval & Adoption of List of Eligible Cities and Counties	March, April, May 2018?
Commission Submits List to Controller	No later than mid-June 2018
Controller FY 18-19 Apportionments Begin	July 1, 2018
Completed Project Report Submitted to Commission for 2018 - 2019 Fiscal Year	October 1, 2019
Commission Posts Statewide LSR Program Accountability Information Online	December 1, 2019

NOTE: These Draft Local Streets and Roads Guidelines are currently under development. This information is provided in draft form, and is subject to further modification and refinement. This draft information does not represent any final determination by the Commission on any of the issues addressed in these draft guidelines.

Exempted Contracts (starting on page 6 of the bill) –

1. The contract is for a new county function and the Legislature has specifically mandated or authorized the performance of the work by independent contractors.
2. The contractor is another government entity.
3. The services contracted cannot be performed satisfactorily by county employees, or are of such a highly specialized or technical nature that the necessary expert knowledge, experience, and ability are not available among county employees.
4. The services are incidental to a contract for the purchase or lease of real or personal property. Also known as “service agreements.”
5. The legislative, administrative, or legal goals and purposes cannot be accomplished through the utilization of county employees. Contracts are permissible under this criterion to protect against a conflict of interest or to ensure independent and unbiased findings in cases where there is a clear need for a different, outside perspective. (example – expert witnesses in litigation)
6. The nature of the work is such that the standards of this part for emergency appointments apply. These contracts shall conform with Section 31000.4.¹
7. Public entities or officials need private counsel because a conflict of interest on the part of the county counsel’s office prevents it from representing the public entity or official without compromising its position.
8. The contractor will provide legal services to the county solely on a contingency fee basis.
9. The contract will provide equipment, materials, facilities, or support services that could not feasibly be provided by the county in the location where the services are to be performed.
10. The contractor conducts training courses for which appropriately qualified county employee instructors are not available
11. The services are of such an urgent, temporary, or occasional nature that the delay incumbent in their implementation by county employees would frustrate their very purpose.
12. A contract with private architects, engineering, land surveying, and construction management firms as described in Government Code Section 4525² or 4529.10.³
13. A contract that is subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.⁴
14. A contract for public transit services, including paratransit services, if the county’s transit services are fully funded by Federal Transit Administration assistance and the county is thereby subject to the guidelines established in FTA Circular 4220.1F or any subsequent guidelines or revisions issued by the Federal Transit Administration.
15. A contract for street sweeping services
16. A contract for solid waste handling services defined as the “collection, transportation, storage, transfer, conversion, processing, recycling, composting, or disposal of solid wastes.”
17. Fire protection services that are explicitly authorized by Chapter 4 (commencing with Section 55600) of Part 2 of Division 2 of Title 5 of the Government Code⁵ or by Article 4 (commencing with Section 4141) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code.⁶

1 **GOVERNMENT CODE - GOV**

TITLE 3. GOVERNMENT OF COUNTIES [23000 - 33205]

(Title 3 added by Stats. 1947, Ch. 424.)

DIVISION 4. EMPLOYEES [31000 - 33017]

(Division 4 added by Stats. 1947, Ch. 424.)

PART 1. GENERAL [31000 - 31011]

(Part 1 added by Stats. 1947, Ch. 424.)

31000.

The board of supervisors may contract for special services on behalf of the following public entities: the county, any county officer or department, or any district or court in the county. Such contracts shall be with persons specially trained, experienced, expert and competent to perform the special services. The special services shall consist of services, advice, education or training for such public entities or the employees thereof. The special services shall be in financial, economic, accounting (including the preparation and issuance of payroll checks or warrants), engineering, legal, medical, therapeutic, administrative, architectural, airport or building security matters, laundry services or linen services. They may include maintenance or custodial matters if the board finds that the site is remote from available county employee resources and that the county's economic interests are served by such a contract rather than by paying additional travel and subsistence expenses to existing county employees. The board may pay from any available funds such compensation as it deems proper for these special services. The board of supervisors may, by ordinance, direct the purchasing agent to enter into contracts authorized by this section within the monetary limit specified in Section 25502.5 of the Government Code.

2

CHAPTER 10. Contracts with Private Architects, Engineering, Land Surveying, and Construction Project Management Firms [4525 - 4529.5]

(Heading of Chapter 10 amended by Stats. 1987, Ch. 698, Sec. 1.)

4525.

For purposes of this chapter, the following terms have the following meaning:

(a) "Firm" means any individual, firm, partnership, corporation, association, or other legal entity permitted by law to practice the profession of architecture, landscape architecture, engineering, environmental services, land surveying, or construction project management.

(b) "State agency head" means the secretary, administrator, or head of a department, agency, or bureau of the State of California authorized to contract for architectural, landscape architectural, engineering, environmental, land surveying, and construction project management services.

(c) "Local agency head" means the secretary, administrator, or head of a department, agency, or bureau of any city, county, city and county, whether general law or chartered, or any district which is authorized to contract for architectural, landscape architectural, engineering, environmental, land surveying, and construction project management services.

(d) "Architectural, landscape architectural, engineering, environmental, and land surveying services" includes those professional services of an architectural, landscape architectural, engineering, environmental, or land surveying nature as well as incidental services that members of these professions and those in their employ may logically or justifiably perform.

(e) "Construction project management" means those services provided by a licensed architect, registered engineer, or licensed general contractor which meet the requirements of Section 4529.5 for management and supervision of work performed on state construction projects.

(f) "Environmental services" means those services performed in connection with project development and permit processing in order to comply with federal and state environmental laws. "Environmental services" also includes the processing and awarding of claims pursuant to Chapter 6.75 (commencing with Section 25299.10) of Division 20 of the Health and Safety Code.

3

4529.10.

For purposes of Article XXII of the California Constitution and this act, the term "architectural and engineering services" shall include all architectural, landscape architectural, environmental, engineering, land surveying, and construction project management services.

(Added November 7, 2000, by initiative Proposition 35, Sec. 4.

PART 7. PUBLIC WORKS AND PUBLIC AGENCIES [1720 - 1964]

(Part 7 enacted by Stats. 1937, Ch. 90.)

CHAPTER 1. Public Works [1720 - 1861]

(Chapter 1 enacted by Stats. 1937, Ch. 90.)

ARTICLE 1. Scope and Operation [1720 - 1743]

(Article 1 enacted by Stats. 1937, Ch. 90.)

1720.

(a) As used in this chapter, "public works" means:

(1) Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by any public utility company pursuant to order of the Public Utilities Commission or other public authority. For purposes of this paragraph, "construction" includes work performed during the design and preconstruction phases of construction, including, but not limited to, inspection and land surveying work, and work performed during the post-construction phases of construction, including, but not limited to, all cleanup work at the jobsite. For purposes of this paragraph, "installation" includes, but is not limited to, the assembly and disassembly of freestanding and affixed modular office systems.

(2) Work done for irrigation, utility, reclamation, and improvement districts, and other districts of this type. "Public work" does not include the operation of the irrigation or drainage system of any irrigation or reclamation district, except as used in Section 1778 relating to retaining wages.

(3) Street, sewer, or other improvement work done under the direction and supervision or by the authority of any officer or public body of the state, or of any political subdivision or district thereof, whether the political subdivision or district operates under a freeholder's charter or not.

(4) The laying of carpet done under a building lease-maintenance contract and paid for out of public funds.

(5) The laying of carpet in a public building done under contract and paid for in whole or in part out of public funds.

(6) Public transportation demonstration projects authorized pursuant to Section 143 of the Streets and Highways Code.

(7) (A) Infrastructure project grants from the California Advanced Services Fund pursuant to Section 281 of the Public Utilities Code.

(B) For purposes of this paragraph, the Public Utilities Commission is not the awarding body or the body awarding the contract, as defined in Section 1722.

(b) For purposes of this section, "paid for in whole or in part out of public funds" means all of the following:

(1) The payment of money or the equivalent of money by the state or political subdivision directly to or on behalf of the public works contractor, subcontractor, or developer.

(2) Performance of construction work by the state or political subdivision in execution of the project.

(3) Transfer by the state or political subdivision of an asset of value for less than fair market price.

(4) Fees, costs, rents, insurance or bond premiums, loans, interest rates, or other obligations that would normally be required in the execution of the contract, that are paid, reduced, charged at less than fair market value, waived, or forgiven by the state or political subdivision.

(5) Money loaned by the state or political subdivision that is to be repaid on a contingent basis.

(6) Credits that are applied by the state or political subdivision against repayment obligations to the state or political subdivision.

(c) Notwithstanding subdivision (b):

(1) Private residential projects built on private property are not subject to the requirements of this chapter unless the projects are built pursuant to an agreement with a state agency, redevelopment agency, or local public housing authority.

(2) If the state or a political subdivision requires a private developer to perform construction, alteration, demolition, installation, or repair work on a public work of improvement as a condition of regulatory approval of an otherwise private development project, and the state or political subdivision contributes no more money, or the equivalent of money, to the overall project than is required to perform this public improvement work, and the state or political subdivision maintains no proprietary interest in the overall project, then only the public improvement work shall thereby become subject to this chapter.

(3) If the state or a political subdivision reimburses a private developer for costs that would normally be borne by the public, or provides directly or indirectly a public subsidy to a private development project that is de minimis in the context of the project, an otherwise private development project shall not thereby become subject to the requirements of this chapter.

(4) The construction or rehabilitation of affordable housing units for low- or moderate-income persons pursuant to paragraph (5) or (7) of subdivision (e) of Section 33334.2 of the Health and Safety Code that are paid for solely with moneys from the Low and Moderate Income Housing Fund established pursuant to Section 33334.3 of the Health and Safety Code or that are paid for by a combination of private funds and funds available pursuant to Section 33334.2 or 33334.3 of the Health and Safety Code do not constitute a project that is paid for in whole or in part out of public funds.

(5) Unless otherwise required by a public funding program, the construction or rehabilitation of privately owned residential projects is not subject to the requirements of this chapter if one or more of the following conditions are met:

(A) The project is a self-help housing project in which no fewer than 500 hours of construction work associated with the homes are to be performed by the home buyers.

(B) The project consists of rehabilitation or expansion work associated with a facility operated on a not-for-profit basis as temporary or transitional housing for homeless persons with a total project cost of less than twenty-five thousand dollars (\$25,000).

(C) Assistance is provided to a household as either mortgage assistance, downpayment assistance, or for the rehabilitation of a single-family home.

(D) The project consists of new construction, expansion, or rehabilitation work associated with a facility developed by a nonprofit organization to be operated on a not-for-profit basis to provide emergency or transitional shelter and ancillary services and assistance to homeless adults and children. The nonprofit organization operating the project shall provide, at no profit, not less than 50 percent of the total project cost from nonpublic sources, excluding real property that is transferred or leased. Total project cost includes the value of donated labor, materials, and architectural and engineering services.

(E) The public participation in the project that would otherwise meet the criteria of subdivision (b) is public funding in the form of below-market interest rate loans for a project in which occupancy of at least 40 percent of the units is restricted for at least 20 years, by deed or regulatory agreement, to individuals or families earning no more than 80 percent of the area median income.

(d) Notwithstanding any provision of this section to the contrary, the following projects shall not, solely by reason of this section, be subject to the requirements of this chapter:

(1) Qualified residential rental projects, as defined by Section 142(d) of the Internal Revenue Code, financed in whole or in part through the issuance of bonds that receive allocation of a portion of the state ceiling pursuant to Chapter 11.8 (commencing with Section 8869.80) of Division 1 of Title 2 of the Government Code on or before December 31, 2003.

(2) Single-family residential projects financed in whole or in part through the issuance of qualified mortgage revenue bonds or qualified veterans' mortgage bonds, as defined by Section 143 of the Internal Revenue Code, or with mortgage credit certificates under a Qualified Mortgage Credit Certificate Program, as defined by Section 25 of the Internal Revenue Code, that receive allocation of a portion of the state ceiling pursuant to Chapter 11.8 (commencing with Section 8869.80) of Division 1 of Title 2 of the Government Code on or before December 31, 2003.

(3) Low-income housing projects that are allocated federal or state low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code, Chapter 3.6 (commencing with Section 50199.4) of Part 1 of Division 31 of the

Health and Safety Code, or Section 12206, 17058, or 23610.5 of the Revenue and Taxation Code, on or before December 31, 2003.

(e) Notwithstanding paragraph (1) of subdivision (a), construction, alteration, demolition, installation, or repair work on the electric transmission system located in California constitutes a public works project for the purposes of this chapter.

(f) If a statute, other than this section, or a regulation, other than a regulation adopted pursuant to this section, or an ordinance or a contract applies this chapter to a project, the exclusions set forth in subdivision (d) do not apply to that project.

(g) For purposes of this section, references to the Internal Revenue Code mean the Internal Revenue Code of 1986, as amended, and include the corresponding predecessor sections of the Internal Revenue Code of 1954, as amended.

h) The amendments made to this section by either Chapter 938 of the Statutes of 2001 or the act adding this subdivision shall not be construed to preempt local ordinances requiring the payment of prevailing wages on housing projects.

5

GOVERNMENT CODE - GOV

TITLE 5. LOCAL AGENCIES [50001 - 57550]

(Title 5 added by Stats. 1949, Ch. 81.)

DIVISION 2. CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 55821]

(Division 2 added by Stats. 1949, Ch. 81.)

PART 2. POWERS AND DUTIES EXERCISED JOINTLY BY CITIES, COUNTIES, OR OTHER AGENCIES [55000 - 55707]

(Part 2 added by Stats. 1949, Ch. 81.)

CHAPTER 4. Fire and Police Protection [55600 - 55642]

(Chapter 4 added by Stats. 1949, Ch. 81.)

ARTICLE 1. Performance of Fire Protection Functions by County Firewarden or State Forester [55600 - 55609]

(Article 1 added by Stats. 1949, Ch. 81.)

55600.

As used in this article, "local agency" means a city, chartered city, or a fire protection district.

55601.

As used in this article, "county" means a county in which a county firewarden has been appointed.

55602.

As used in this article, "forest fire" means any fire burning uncontrolled on any lands partially or wholly covered by timber, brush, grass, grain, or other inflammable vegetation.

55603.

The board of supervisors of any county may contract with any local agency within the county, and the legislative body of the local agency may contract with the county, for the performance by the county firewarden of functions for the prevention and suppression of fires.

55603.5.

Every contract between a county and a city that provides for the furnishing of fire protection services by the county to the city, except a contract to render assistance whenever a fire occurs within the limits of a city or when it cannot be adequately handled by the fire department of the city, shall be for a term of at least one year.

Neither the county nor the city shall have the power to abrogate that contract during the term of the contract. The contractual relationship between the county and the city may, however, be terminated by the voters of either the county or the city.

The board of supervisors or the governing body of the city may, at any time, call and conduct a special election in the county or the city, as the case may be, for the purpose of submitting to the voters of the county or the city a proposition for the termination of the contractual relationship between the county and the city.

An election in the county shall be called and conducted in the same manner as other special elections in the county. An election in the city shall be called and conducted in the same manner as other special elections in the city, except that no notice of the election, other than the notice prescribed by Section 12110 of the Elections Code, need be given and neither sample ballots nor polling place notices need be mailed for the election.

If at an election in the county or an election in the city, a majority of the voters voting vote in favor of the termination of the contractual relationship between the county and the city, the contractual relationship shall be terminated on the first day of July next succeeding the date of the election, if the election is held on or before February 1 of the fiscal year of the county. If the election is held subsequent to February 1 of the fiscal year, the contractual relationship shall be terminated on June 30 of the fiscal year next succeeding.

55604.

When the contract has been made, the county firewarden, his deputies, and assistants may exercise the same powers and duties within the local agency as are conferred upon officers charged with the duty of preventing and suppressing fires by State and local law within such county or local agency.

55605.

In the contract the local agency may provide for the payment by it to the county of an agreed consideration to be paid to the county treasurer.

55606.

The board of supervisors may contract with the state, through the Department of Forestry and Fire Protection, for the performance by the Director of Forestry and Fire Protection, his or her deputies, and assistants of functions for the prevention or suppression of fires within the county.

55607.

The Department of Forestry and Fire Protection may contract with the county for the performance by the county fire warden, his or her deputies, and assistants of functions for the prevention or suppression of fires within the county.

55608.

When a contract has been made, the Director of Forestry and Fire Protection or the county fire warden may exercise the same powers and duties within the county for the prevention and suppression of fires which by state or local law is conferred upon those officers.

55609.

The contract between the county and the State may provide for the duties, directions, and salaries of such personnel upon the terms agreed upon.

6

PUBLIC RESOURCES CODE - PRC

DIVISION 4. FORESTS, FORESTRY AND RANGE AND FORAGE LANDS [4001 - 4958]

(Division 4 repealed and added by Stats. 1965, Ch. 1144.)

PART 2. PROTECTION OF FOREST, RANGE AND FORAGE LANDS [4101 - 4789.7]

(Part 2 added by Stats. 1965, Ch. 1144.)

CHAPTER 1. Prevention and Control of Forest Fires [4101 - 4204]

(Chapter 1 added by Stats. 1965, Ch. 1144.)

ARTICLE 4. Cooperative Agreements [4141 - 4145]

(Article 4 added by Stats. 1965, Ch. 1144.)

4141.

(a) The department may, for the prevention and suppression of forest fires, enter into cooperative agreements with any person, firm, association, or corporation that owns or controls any forest, brush, grass, or grain lands, under such terms as the department deems advisable, and may renew, revise, or terminate these agreements.

(b) The department also may, for the purpose of maintaining a fire patrol system, including staffing and facilities for the prevention and suppression of forest fires in any timber, brush, grass, or other flammable vegetation or material, enter into cooperative agreements and special use permits with the federal government, under those terms as it deems advisable, and may renew, revise, or terminate these agreements.

(c) The expenses incurred under the agreements or permits entered into pursuant to this section shall be paid from appropriations or funds available for forest fire protection.

(Amended by Stats. 2012, Ch. 306, Sec. 6. Effective January 1, 2013.)

4142.

(a) The department, with the approval of the Department of General Services, may enter into a cooperative agreement upon the terms and under the conditions as it deems wise, for the purpose of preventing and suppressing forest fires or other fires in any lands within a county, city, or district that makes an appropriation for that purpose.

(b) Within 30 days of the final approval of a new or renewed cooperative agreement, as described in this section, valued at five million dollars (\$5,000,000) or more, the department shall submit to the relevant fiscal and policy committees of each house of the Legislature, in accordance with Section 9795 of the Government Code, a copy of the final agreement and a brief summary of the agreement for purposes of highlighting information relevant to the Legislature's fiscal oversight of the agreement. The summary shall include, but is not limited to, all of the following:

- (1) The value of the agreement.
- (2) The number of positions associated with the agreement.
- (3) Whether the agreement is new or a renewal.

- (4) Whether the agreement expands upon an existing agreement.
- (5) A brief discussion of the manner in which the agreement scored on the department's evaluation criteria, and the degree to which the agreement aligns with the department's base mission, as described in Sections 713 and 714.
- (6) A brief discussion of any subjective factors that influenced the director's decision.

(c) When the state assumes personnel from a county, city, or district, an actuarially determined benefit factor shall be included as a cost in the cooperative agreement, including renewals of the agreement, for a county, city, or district that elects to allow the completed years an employee worked at that county, city, or district, or a lesser number of completed years specified by the local agency, to be credited towards the vesting period for state postretirement health benefits. The department shall certify the completed years of county, city, or district service to be credited to an employee to the Board of Administration Public Employees' Retirement System at the time of separation for retirement. The actuarially determined benefit factor shall be accepted as sufficient by the Department of Forestry and Fire Protection, upon review by the Department of Finance, to fully compensate the state for the postretirement health benefit costs of those employees. The postretirement health benefit costs charged under this subdivision may be paid in periodic installments at the discretion of the department. If the costs are paid in installments, the payment of the postretirement health benefit costs for years credited for nonstate service shall be a continuing obligation of a county, city, or district that made that election, regardless of whether or not the cooperative agreement continues or is renewed, and regardless of whether or not the employees continue in state service.
(Amended by Stats. 2010, Ch. 718, Sec. 10. Effective October 19, 2010.)

4142.1.

Whenever a county, city, or district considers entering into a cooperative agreement pursuant to subdivision (a) of Section 4142 under which the state would assume personnel from the county, city, or district, the county, city or district shall, prior to the execution of the cooperative agreement, give written notice to each affected employee of how the transfer of functions would affect his or her health benefits upon his or her retirement.

(Added by Stats. 1994, Ch. 1087, Sec. 2. Effective January 1, 1995.)

4143.

The Legislature hereby finds and declares that the maintenance of the economic well-being of the state and the public health and safety require that the state, through the department, obtain full utilization of all equipment, personnel, and buildings under the jurisdiction of the director. In order to obtain these benefits, the director, in accordance with policy determined by the board, may provide personnel for and operate those fire stations, statewide, as the director deems necessary to provide the best possible fire prevention and suppression. Personnel or equipment shall not be assigned to any location or assigned pursuant to Section 4144 if that assignment would not meet policy and

standards established by the board. The policy and standards shall be designed to ensure all of the following:

(a) The striking force and efficiency of the department in its primary mission of wild land fire protection, as well as response to major fires or other natural disasters will not be reduced or impaired.

(b) The department will not need any additional funds to operate its program.

(c) Personnel and equipment assigned pursuant to Section 4144 will not replicate services provided under an agreement made pursuant to Section 4142.

The normal assignment of fire resources of the department throughout California during periods of critical fire weather conditions or during major wild land fires shall not be impaired and shall receive priority over agreements made with counties pursuant to Section 4144.

(Amended by Stats. 2005, Ch. 408, Sec. 1. Effective January 1, 2006.)

4144.

(a) Notwithstanding Section 4142, the director may, with the approval of the Department of General Services, enter into a cooperative agreement, for the purpose of preventing and suppressing fires, with a city, county, special district, or other political subdivision of the state or person, firm, association, or corporation that requests an agreement, under those terms and conditions that the director deems wise.

(b) The director shall not enter into or renew a cooperative agreement pursuant to this section under any of the following circumstances:

(1) With any county that has assumed responsibility pursuant to Section 4129.

(2) If the land to be protected is not in proximity to, nor within lands classified by the board pursuant to Section 4125 as, a state responsibility area. For the purposes of this paragraph, "proximity" means within a distance from an existing facility that results in a response time established by the board that is not longer than that used by the department in meeting its state wild land fire protection mission.

(3) The director determines that the agreement would significantly reduce existing fire prevention and suppression service levels.

(4) The director determines, pursuant to the policy and standards adopted by the board under Section 4143, that the agreement would replicate services provided under an agreement made pursuant to Section 4142.

(5) The director determines that the service area of a particular station under the agreement is more appropriately served under an agreement made pursuant to Section 4142.

(c) The cooperative agreement shall provide all of the following:

(1) The department shall ensure that a staffing level, mutually agreeable to the parties to the agreement, is maintained on all fire prevention and suppression vehicles.

(2) The personnel, equipment, and buildings utilized shall be limited to those used to protect state responsibility areas. Whenever the cooperative agreement provides for the employment of personnel during the nonfire season who would be in addition to the

personnel required for the necessary operation and maintenance of equipment and buildings under the jurisdiction of the director, the full salaries and all benefits of the additional personnel shall be apportioned, as costs to the city, county, special district, or other political subdivision of the state, or person, firm, association, or corporation that contracts with the department pursuant to the cooperative agreement for fire protection. (3) A cost apportionment between the state and the city, county, special district, or other political subdivision of the state, or person, firm, association, or corporation that contracts with the state for fire protection that reasonably reflects cost apportionments made pursuant to Section 4141 or 4142, except that the contracting city, county, special district, other political subdivision of the state, or contracting person, firm, association, or corporation shall be apportioned the additional cost for extended staff availability for 24-hour emergency response, for state personnel assigned to staff fire engines at a rate determined annually by the director, plus staff benefit costs attributable to the apportionment, and total unplanned overtime pay. The department shall recover its actual additional costs.

(Amended by Stats. 2006, Ch. 538, Sec. 562. Effective January 1, 2007.)

4145.

(a) It is the intent of the Legislature that cooperative agreements that are entered into between the department and a local government shall provide for the equitable sharing of costs associated with capital outlay projects that enlarge, enhance, or replace facilities for the purposes of benefiting the cooperating local government.

(b) The department shall prescribe those terms and conditions for those cooperative agreements that would result in an equitable sharing of those costs in proportion to the benefits derived, including any in-kind, lump-sum, or installment payments. Any installment payment made in connection with a cooperative agreement entered into pursuant to this section shall be made over a period of time not exceeding a maximum of 20 years at the same rate of interest as the rate for the state's Pooled Money Investment Account. Any money that is received for reimbursements for facility improvement costs, under a cooperative agreement, shall be deposited in the General Fund.