



SMALL TOWN, BIG BEACH™

DATE: 09/28/20

ISSUE: Gulf Shores FY2021 Transportation Plan

RECOMMENDATION: Adopt the Gulf Shores FY2021 Transportation Plan to meet the eligibility requirements of HB 2 Rebuild Alabama Gas Tax Funds. Included in the Gulf Shores FY2021 Transportation Plan are the following projects that the City Council also adopted in the FY2021 Capital Budget:

1. Gulf Beach Walking District Improvements
2. Annual City Streets Resurfacing and Pedestrian Improvements

BACKGROUND: In 2019, the Alabama Legislature passed a statewide gas tax increase to help with transportation infrastructure funding. Of the new taxes collected by the Alabama Department of Revenue:

- 8.33% shall be allocated and disbursed to the municipalities of the state to be used for transportation infrastructure improvement, preservation and maintenance, as provided for in this act, as follows:
 - 25% of this amount shall be allocated equally among the municipalities of the state.
 - 75% of this amount shall be allocated among the municipalities of the state on the basis of the ratio of the population of each municipality to the total population of all municipalities of the state according to the last and any subsequent federal decennial census commencing April 1, 2010.

Based on the above breakdown, Gulf Shores received approximately \$48,000 in 2020, an estimated \$64,000 in 2021 and \$80,000 annually thereafter.

The City did receive \$48,000 in HB 2 Rebuild Alabama Gas Tax Funds in FY2020.

PREVIOUS COUNCIL ACTION: Adoption of Resolution 6181-19 to fund FY2020 Transportation Plan

BUDGET IMPLICATIONS: The City would have an additional revenue source of \$64,000 in FY2021 to fund annual transportation and pedestrian improvements.

RELATED ISSUES: None

ATTACHMENTS:

- Draft Resolution

DEPARTMENT: Engineering

STAFF CONTACT: Mark Acreman, City Engineer