Street Maintenance Utility Fee Sept. 20, 2017 Public Open House

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City of Molalla

Open House Purpose

- Provide an overview of the process that the City performed to determine the condition of its streets.
- Provide pavement condition information to members of the community.
- Allow City Council and City staff to interact with members of the community and receive input on the possibility of establishing a utility fee for pavement maintenance of City owned and operated streets.

Project Funding, Scope & Report

- A pavement condition survey project was budgeted as part of FY 2015-2016
- Project began in February 2016.
- Database of City owned and operated streets (33 total miles) was created.
- Consultant performed a survey of all streets and rated the condition of the pavement (Pavement Condition Index or PCI) on as scale from 0 to 100 (100 = new street).

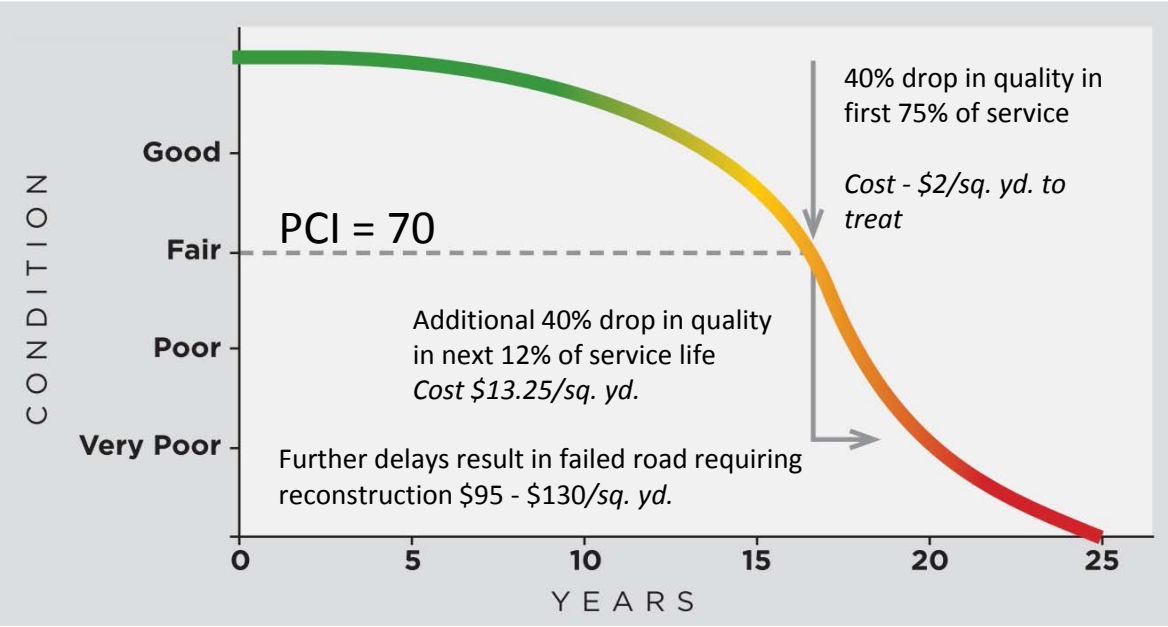
Project Funding, Scope & Report

- Consultant prepared budget option scenarios from the pavement management database.
- Consultant prepared a report in April 2016 titled Pavement Management Budget Options Report.
- City received an overall PCI of 61 in 2016.
- Report provided existing PCI and 4 budget scenarios:
  - Unconstrained (unrestricted funding) with PCI of 84
  - Increase PCI to 70 in 5 years
  - Increase PCI to 75 in 5 years
  - Increase PCI to 75 in 10 years

Report Summary

- Ideal roadway PCI is 82-84.
- PCI of 70 is tipping point where it costs more to maintain the roadway at a higher PCI as the pavement condition drops below 70.

Figure 1 – Road Condition over time



Report Summary

- Scenario 1 = $1,640,000/yr., no deferred maintenance
- Scenario 2 = $850,000/yr., $10,600,00 deferred maintenance
- Scenario 3 = $1,600,000/yr., $6,700,000 deferred maintenance
- Scenario 4 = $1,100,000/yr., $7,100,000 deferred maintenance

Table 1 – Summary of outcome of different funding levels (Scenarios)

Scenario Name	Budget	Final PCI (change)	Deferred maintenance	2025 % good	2025 % Very Poor
1 – Unconstrained	$16.4 million over 10 years	84 (+23)	$0	96.4%	3.6%
2 – Increase PCI to 70 in 5 years	$4.25 million over 5 years	70 (+9)	$10.6 million	73.0%	18.0%
3 – Increase PCI to 75 in 5 years	$8.0 million over 5 years	75 (+14)	$6.7 million	79.9%	11.0%
4 – Increase PCI to 75 in 10 years	$11.0 million over 10 years	75 (+14)	$7.1 million	85.9%	10.0%
	2016 Values	61	$6.35 million	40.6%	10.8%

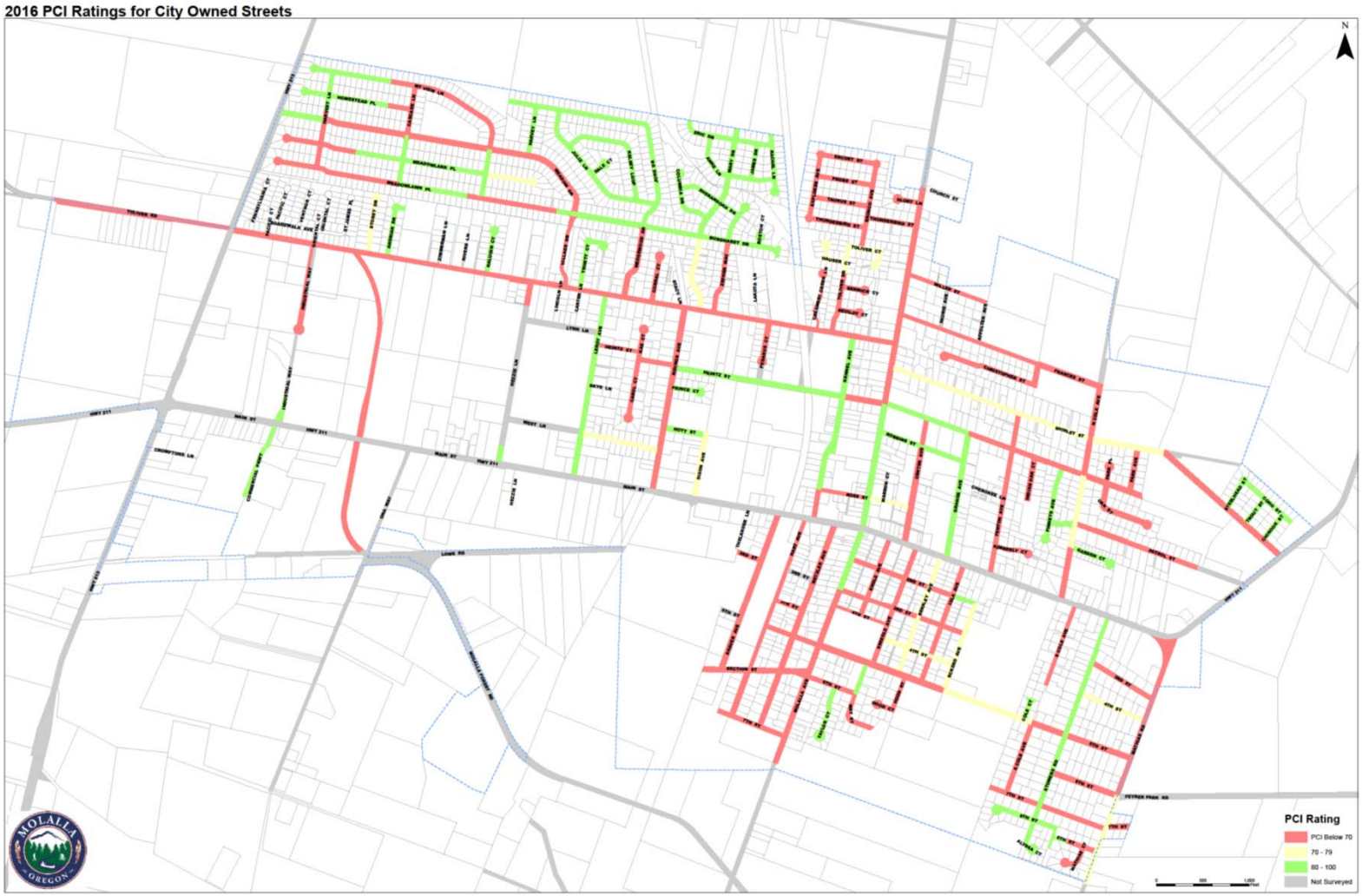
Street Maintenance Utility Fee

- Staff prepared a review of the monthly cost per property account if a flat monthly fee were created. (3,545 user accounts)
- Scenario 1 = $38.55/account/month
- Scenario 2 = $19.98/account/month
- Scenario 3 = $37.61/account/month
- Scenario 4 = $25.86/account/month

Street Maintenance Utility Fee

- Staff then prepared a review of the first year maintenance based on differing levels of investment towards a target PCI of 70.
- Staff created the following maps

Existing PCI



Scenario 2 – 5 Yr. Rotation

Scenario 2 – Repair Types

$5/month Fee ($212,700)

$7/month Fee ($297,780)

$9/month Fee ($382,860)

$11/month Fee ($467,940)

$19.98/month Fee ($850,000)

Questions?