2017

Pavement Maintenance Utility Fee Annual Report

Preserving our past – building our future

Prepared by:

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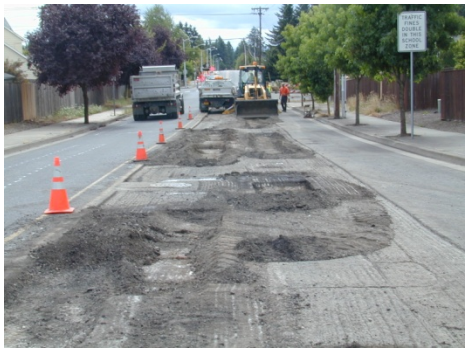

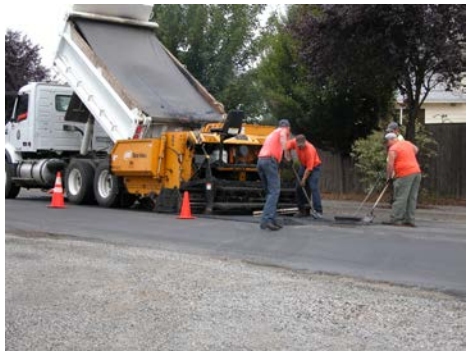

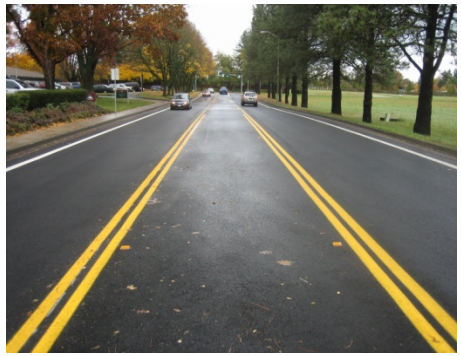

OREGON CITY

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Purpose for an Annual Report

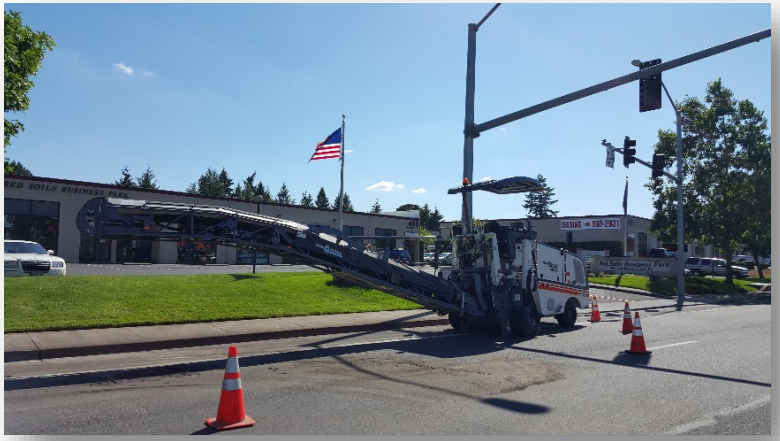
In accordance with Ordinance No. 08-1007, this established City Code 13.30, Transportation Utility Fees (TUF):

> *"City staff shall prepare an annual report that presents how revenues were spent."*

For consistency and to better align the name of the fee with the purpose, throughout the remainder of this report the TUF will be referred to as a Pavement Maintenance Utility Fee (PMUF).

Background

Oregon City has 136 miles of surface streets with a reconstruction value of approximately $1 million per mile. Transportation funding is one of the most challenging issues facing public agencies. In the past, Oregon City has used State gas taxes and road transfer revenues to provide limited maintenance of the City's street system. Historically, the City's pavement maintenance liability far exceeded the amount available for use from these revenue sources.



Public Works Department's Milling Machine

In 2007, the City Commission asked the Public Works Department and a Transportation Funding Study Citizens Committee to identify and establish a sustainable funding source for street maintenance. The Committee concluded that a PMUF is the most equitable and stable source for street funding.

They recommended an annual revenue goal of $1.5 million to at least maintain the City's average Pavement Condition Index (PCI)[1]. The City Commission decided

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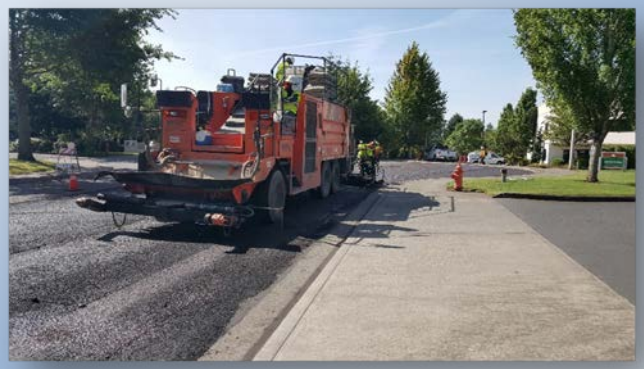
Pavement Condition Index (PCI), developed by the United States Army Corps of Engineers, is based on a visual survey of the pavement and a numerical value between 0 and 100 to define the condition with 100 representing excellent pavement.



Micro Seal Application along Beavercreek Road

that this target be gradually phased in over a 5-year period to allow customers time to incrementally budget for the fee. With this phased in fee scenario, first year fees provided a little over $600,000 in revenue and jump-started the City's pavement maintenance program.

On May 21, 2008, the City Commission approved Ordinance No. 08-1007 establishing the PMUF. The purpose of the fee was to provide cost recovery for maintaining and operating Oregon City's transportation system. The fee was based on actual cost projections from the Street-Saver Pavement Management software (model). Like those in many other Oregon communities, the fee is also based on nationally recognized information developed by the Institute of Traffic Engineers that estimates the average number of vehicle trips generated by a property based on how that property is used.

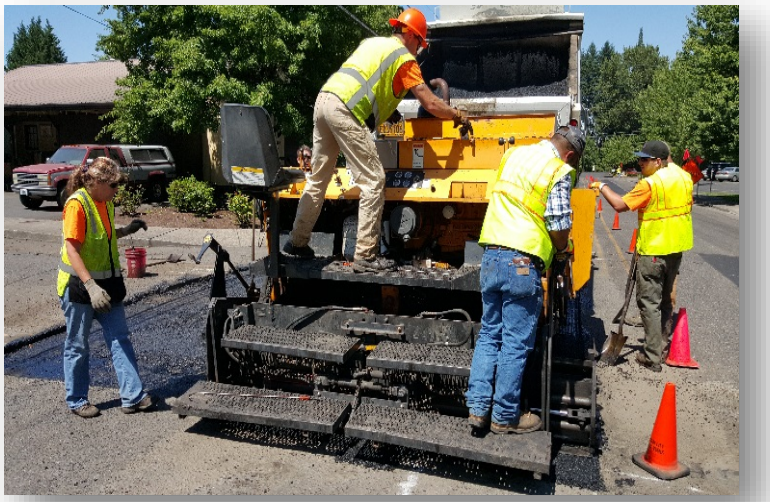
A Billable Unit Rate

In order to meet the annual revenue goal of $1.5M, the residential monthly unit rate, applied to single-family residential land uses, was established at $1.15 per adjusted average daily trip. The monthly non-residential unit rate, applied to all other land uses, was established at $0.189 per adjusted average daily trip. For the first five years, this fee has been phased in to help ease the impact of this fee. The schedule of the phased in fee (with inflation included) can be seen in **Table 1**.

Table 1 – PMUF Rates

Time Period	Residential Monthly Rate	Residential Rate per Trip	Non-Residential Rate per Trip	Annual Total Revenue
July 1, 2008 through June 30, 2009	$4.50	$0.470	$0.077	$605,650
July 1, 2009 through June 30, 2010	$6.00	$0.627	$0.103	$972,044
July 1, 2010 through June 30, 2011	$7.50	$0.784	$0.129	$1,231,835
July 1, 2011 through June 30, 2012	$9.00	$0.940	$0.154	$1,569,587
July 1, 2012 through June 30, 2013	$11.20	$1.172	$0.192	$1,877,915
July 1, 2013 through June 30, 2014	$11.56	$1.207	$0.198	$2,043,166
July 1, 2014 through June 30, 2015	$11.90	$1.243	$0.204	$2,108,444
July 1, 2015 through June 30, 2016	$12.23	$1.281	$0.210	$2,199,836
July 1, 2016 through June 30, 2017	$12.62	$1.319	$0.216	$2,305,254

Rates and Rate Types



Adoption of the PMUF established a rate structure providing for a variety of parcel types. The rates for single-family residences are a straight-forward unit rate per each parcel. Multi-family housing rates were a similar calculation. The monthly fee for schools is computed based on the number of students, which varies based on enrollment. All other developed parcels have a monthly fee based on the non-residential unit rate and then considering factors of estimated daily trips and square footages of buildings. Currently, there are 519 non-residential customers.

Oregon City's Pavement Condition Index

The Pavement Condition Index rates the condition of the surface of a road network. In July 2015, the City completed a 5-Year Pavement Maintenance Plan Update, which can be found on the City's website, with an updated review of the condition of portions of all Oregon City streets. The pavement condition survey is a detailed field assessment of a minimum 10% representative sample of each street segment. This survey information is compiled within the Street-Saver software system where a computation is run to establish a citywide Pavement Condition Index (PCI).

In 2017, the overall citywide PCI was 76. This means the Oregon City transportation system is in "good" condition.

Preventive Maintenance

Preventive pavement maintenance treatments are surface treatments that are applied early in the life of the roadway to prolong the life of the surface. The objective of preventive maintenance is to add a protective coating on top of the existing surface to keep surface water from seeping through the small cracks into the underlying base rock or native soil. Crack sealing, slurry sealing, and chip sealing are the traditional types of preventive maintenance used in our region. Preventive maintenance project locations and segment details for 2017 are included below in table form as **Tables 2**, **3, and 4**.

Table 2 – Type II Slurry Seal @ $1.53/sq. yd.

Street	Beginning	Ending	Length (ft)	Total Area (sf)	Total Area (sy)	Total Cost
Atlanta Drive	Auburn Street	Central Point Road	940	28,303	3,145	$4,811.85
Auburn Street	Atlanta Drive	19313 Auburn Street	144	4,320	480	$734.40
Autumn Crest Place	Walnut Grove	18844 Autumn Crest N. Property Line	128	3,712	412	$630.36
Beavercreek Way	Entirety		550	12,922	1,436	$2,197.08
Berge View Avenue	Entirety		719	19,413	2,157	$3,300.21
Brittney Terrace	Berge View Ave	Phase Line E. of Quiet Oak	539	14,553	1,617	$2,474.01
Cantata Drive	Entirety		237	7,017	780	$1,193.40
Cathy Adams Drive	Ginger Way	Leann Marie Lane	327	8,626	985	$1,465.74
Cedar Lane	Entirety		256	6,400	711	$1,087.83
Cominger Way	Entirety		224	6,944	772	$1,181.16
Cook Street	N. End of 18763	Oaktree Avenue	481	14,430	1,603	$2,452.59
Effinger Way	Entirety		525	15,225	1,692	$2,588.76
Fandango Drive	Entirety		486	13,608	1,512	$2,313.36
Fortuna Court	Entirety		565	20,061	2,229	$3,410.37
Friars Lane	Pavilion	Ross Street	864	25,406	2,823	$4,319.19
Gentry Highlands	S. End of 19230	Cul-De-Sac	380	15,052	1,672	$2,558.16
Gilman Drive	Division Street	Trillium Park Drive	771	22,359	2,484	$3,800.52
Hazelnut Avenue	Central Point Road	Aspen Ridge Court	893	25,897	1,229	$4,401.81
High School Avenue	Entirety		698	14,713	1,635	$2,501.55
Homestead	Pebble Beach Drive	City Limits at 20283	808	23,432	2,604	$3,984.12
Leann Marie Lane	Entirety		485	18,667	2,074	$3,173.22
Legato Drive	Entirety		438	13,533	1,504	$2,301.12
Maggie Place	Entirety		237	6,873	764	$1,168.92

Street	Beginning	Ending	Length (ft)	Total Area (sf)	Total Area (sy)	Total Cost
McDowell Lane	Entirety		599	15,843	1,760	$2,692.80
Meyers Road	Beavercreek Road	High School Avenue	2,576	130,235	14,471	$22,140.63
Minuet Court	Entirety		115	7,889	877	$1,341.81
Mountain View Street	Molalla Avenue	459 Mountain View Street West Property Line	926	22,224	2,469	$3,777.57
Oak Street	East Street	Terrace Avenue	109	2,180	242	$370.26
Oak Tree Terrace	Oak Valley Drive	Oak Valley Drive	1,021	29,609	3,290	$5,033.70
Oak Valley Drive	Entirety		1,535	44,515	4,946	$7,567.38
Otter Lane	Entirety		359	10,770	1,197	$1,831.41
Paulsen Drive	Ginger Way	Leann Marie Lane	347	10,063	1,118	$1,710.54
Quiet Oak Street	Glen Oak Road	Talawa Drive	1,000	28,000	3,111	$4,759.83
River Birch Place	Entirety		413	11,977	1,331	$2,036.43
Riverhead Parkway	Windmill Drive	Pease Road	369	10,701	1,189	$1,819.17
Roseberry Avenue	Clairmont Way	Caravatta Court	1,031	31,961	3,551	$5,433.03
Sugarpine Street	West of Whitehorse Court	14647 Sugarpine Street	707	19,796	2,200	$3,366.00
Talawa Drive	14384 Talawa Drive	Chanticleer Place	1,278	35,784	3,976	$6,083.28
Terrace Avenue	Oak Street	3rd Street	429	8,580	953	$1,458.09
Todd Kelli Way	N. End of 19294 Todd Kelli Way	Legato Drive	123	3,444	383	$585.99
Walnut Grove Way	E. Property Line at 14521 Walnut Grove Way	E. Property Line at 14668 Walnut Grove Way	672	18,144	2,016	$3,304.80
Yellow Wood Road	Entirety		521	15,109	1,679	$1,745.05
Totals			**25,825**	**798,290**	**88,699**	**$135,107.50**

Table 3 – Type III Micro Seal @ $5.79/sq. yd.

Street	Beginning	Ending	Length (ft)	Total Area (sf)	Total Area (sy)	Total Cost
9th Street	Railroad Avenue	McLoughlin Blvd	501	19,539	2,171	$12,570.09
Beavercreek Road	HWY 213	Fir Street	1,061	77,249	8,583	$49,695.57
Railroad Avenue	McLoughlin Blvd	9th Street	1,255	85,248	9,472	$54,913.11
Total			**2,817**	**96,788**	**20,226**	**$117,178.77**

Table 4 – Asphalt Rubber Chip Seal @ $4.29/sq. yd.

Street	Beginning	Ending	Length (ft)	Total Area (sf)	Total Area (sy)	Total Cost
Clackamas River Drive	Melinda Street	City Limits at 13305	2,439	58,536	6,504	$27,902.16
Holmes Lane	Linn Avenue	Molalla Avenue	2,527	72,229	8,025	$34,484.84
Total			**4,966**	**130,765**	**14,529**	**$62,387.00**

In-House Pavement Maintenance and Street Reconstruction

In-house pavement maintenance is work that the Oregon City Public Works Department (OCPW) performs using City equipment. In the summer months, staffing is augmented by seasonal workers and Street Division work can be anything from pothole repair or spot repair of small pavement failures to larger scale pavement failure repair using the same in-house resources. All in-house pavement maintenance projects focused on repairing the base of the road, adding additional strength, and repairing failing pavement sections.

Summer 2017 - OCPW used in-house staff and equipment to complete a total of 10 larger-scale individual projects utilizing a total of 880.76 tons of asphalt at a cost of $66,561. **Table 5** includes a summary of the 2017 in-house pavement repairs.

Table 5 – 2017 In-House Work

Street	Beginning	Ending	Material Cost	General Treatment Description
Molalla Avenue	Beavercreek Road	Clairmont Way	$4714	Mill and pave
Otter Lane	Entirety		$1,261	Mill and pave
Cook Street	Entirety		$2,644	Mill and pave
Warner Parrott Road	Canemah	King	$16,277	Mill and pave
Jason Lee Way	Barclay Hills	Jason Lee Drive	$3,145	Overlay
Pierce Street	15th	16th	$3,166	Overlay
Park Place Court			$14,371	Overlay
4th off of High Street			$4,510	Overlay
Spring Street	Entirety		$1,887	Overlay
Belle Court	Entirety		$14,586	Overlay

Contracted Street Reconstruction

Typically, this work includes asphalt overlays, cold plane pavement removal (milling) combined with an asphalt overlay, structural dig-outs and repairs, or a complete reconstruction of the entire street section. Costs for this kind of work vary widely based on the type of repairs, classification of the street, volume of traffic, anticipated vehicle loading, and complexity of temporary traffic control. Generally, these kinds of projects include engineering, project administration, detailed plans, and contract specifications. The work performed is outlined in **Table 6**.

Table 6 – 2017 Contracted Street Reconstruction

Street	Beginning	Ending	Area (sf)	Treatment Unit Cost ($/sf)	Estimated Project Allocation	General Treatment Description
15th Street	McLoughlin Blvd (edge of intersection)	Polk Street (through intersection)	111,986	$7.68	$860,052	2" mill and inlay/reconstruct
Van Buren Street	12th Street (edge of intersection)	15th Street (edge of intersection)	23,105	$7.03	$162,428	Reconstruct roadway
Main Street (12' wide at centerline)	McLoughlin Blvd	6th Street (through intersection)	3,765	$3.46	$13,026	2" mill and inlay
Brighton Avenue	Ogden Drive (edge of intersection)	Park Drive (edge of intersection)	40,013	$5.10	$204,066	1" grind & 3" overlay
Jersey Avenue	Brighton Avenue (edge of intersection)	Charman Street (edge of intersection)	34,433	$5.18	$178,362	1" grind & 3" overlay
Warner Milne Road	Leland Road (300' east of intersection)	Beavercreek Road (edge of intersection)	48,394	$3.75	$181,477	2" mill and inlay
Totals					**$1,599,411**	

Conclusion

This is a program which we are committed to working into an already heavy workload. We know this program is important and valuable to the community. We continue to improve our in-house paving program and balance the demands on the department with the demands of the paving season. Our small paving crew and lightweight equipment continue to provide strong support for the more robust abilities of construction companies in the business of milling and paving.

Thus far, all pavement maintenance expenses have stayed within the City's PMUF budget allocation. The highly competitive bids have helped to ensure that the City continues to complete the planned projects with little in the way of deferred projects.

Attachments

Exhibit A – Map - PMUF Major Accomplishments 2017
Exhibit B – Map -2017 Street Repair Projects

City of Oregon City

GEOGRAPHIC INFORMATION SYSTEM

PMUF
Major Accomplishments
2008 - 2017

Plotted 4/17/2019

- Slurry Seal
- Chip Seal
- Milling and Paving
- Overlay
- Remove and Replace Asphalt
- Reconstruct
- Zipping and Patching (not shown for clarity)
- City Limits
- Urban Growth Boundary
- Unimproved Streets

Exhibit A

N W E S

0 0.25 0.5 1 1.5 Miles

0 1,000 2,000 4,000 6,000 8,000 Feet

City of Oregon City
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625 Center St.
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Plot date: 4/17/19
Map: 2008 - 2017 Street Repair Projects - 11x17P.mxd
Plot: 2008 - 2017 Street Repair Projects - 11x17P - 20190417.pdf

City of Oregon City

GEOGRAPHIC INFORMATION SYSTEM

2017 Street Projects

Printed January 25, 2017

- Slurry Seal
- Micro Seal
- Chip Seal
- Rehabilitation
- City Limits
- Urban Growth Boundary

N W E S

0 0.25 0.5 1 Miles

0 1,000 2,000 4,000 6,000 Feet

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Plot date: January 25, 2017
Plot name: PMUF - 2017 Projects Map - 20170123 - 11x17P.pdf
Map name: PMUF - 2017 Projects Map - 20170123 - 11x17P.mxd