

2024

# Pavement Maintenance Utility Fee Annual Report

*Preserving our past – building our future*

**Prepared by:**  
Jayson Thornberg  
Transportation  
Maintenance Manager



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# 2024 Pavement Maintenance Utility Fee Annual Report

## 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 146.2 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, vehicle registration fees, and road transfer revenues to provide limited maintenance of the City's street system. However, the City's pavement maintenance liability far exceeded the amount available for use from these revenue sources.

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 PMUF was the most equitable and stable source for street funding.

The Committee recommended an annual revenue goal of \$1.5 million to at least maintain the City's average Pavement Condition Index (PCI)<sup>1</sup>. The City Commission decided 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, the first-year fees provided a little over \$600,000 in revenue and jump-started the City's pavement maintenance program.



*Public Works Department's Paving Machine*

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1. 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.



*Slurry Seal Treatment*

On May 21, 2008, the City Commission approved Ordinance No. 08-1007 establishing 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. 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 the fee. The schedule of the phased in fee (with inflation included) is shown 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
July 1, 2017 through June 30, 2018	\$13.00	\$1.359	\$0.223	\$2,405,028

Time Period	Residential Monthly Rate	Residential Rate Per Trip	Non-Residential Rate Per Trip	Annual Total Revenue
July 1, 2018 through June 30, 2019	\$13.39	\$1.399	\$0.229	\$2,531,390
July 1, 2019 through June 30, 2020	\$13.79	\$1.441	\$0.236	\$2,622,443
July 1, 2020 through June 30, 2021	\$14.21	\$1.485	\$0.243	\$2,713,309
July 1, 2021 through June 30, 2022	\$14.63	\$1.529	\$0.251	\$2,810.004
July 1, 2022 through June 30, 2023	\$15.07	\$1.575	\$0.258	\$2,908,227
July 1, 2023 through June 30, 2024	\$15.53	\$1.622	\$0.266	\$3,032,477

## **Rates and Rate Types**

Adoption of the PMUF, established a rate structure providing 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 consider factors of estimated daily trips and square footage of buildings. Currently, there are 544 non-residential customers.

## **Oregon City's Pavement Condition Index**

The Pavement Condition Index, rates the condition of the surface of a road network. In June 2024, 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 2024, the overall citywide PCI was 77. 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 stop the sun from oxidizing the asphalt and to keep surface water from seeping through the small cracks into the underlying base rock or native soil. Crack sealing, slurry sealing, micro sealing, and chip sealing are the traditional types of preventive maintenance used in our region. Preventive maintenance project locations and segment details for 2024 are included below in table form as **Table 2**.



**Table 2 – Type II Slurry Seal @ approx. \$2.10/sq. yd.**

Street	Beginning	Ending	Length (ft)	Total Area (sf)	Total Area (sy)	Total Cost
Aladdin Way	Warner-Parrott Rd	Locust Farm Ct	596	18169	2019	\$4,260.09
Ann Dr	Swan Av	Wayne Dr	270	7830	870	\$1,835.70
Blue Ridge Dr	Shenandoah Dr	Shenandoah Dr	1421	44051	4895	\$10,328.45
Bonn St	Swan Av	Visionary Ct	303	8787	976	\$2,059.36
Brookside Rd	Warner - Parrott Rd	100' N/O Shore Pine Pl	462	9628	1070	\$2,257.70
Cathy Adams Dr	Ginger Way	Gentry Way	676	16900	1878	\$3,962.58
Dahlia Ter	Derringer Dr	Kolar Dr	475	13775	1530	\$3,228.30
Daybreak Ct	Sunset Springs Dr	Cul De Sac	262	13698	1522	\$3,211.42
Derringer Dr	Parrish Rd	Geranium Pl	433	11691	1299	\$2,740.89
Dimick St	House #601	Cul De Sac	387	13830	1536	\$3,240.96
Gentry Way	South End Rd	Paulsen Dr	510	14790	1643	\$3,466.73
Geranium Pl	Derringer Dr	Dead End (N)	990	37599	4178	\$8,815.58
Ginger Way	Cathy Adams Dr	Paulsen Dr	198	5544	616	\$1,299.76
Glacier St	South End Rd	Boynton St	1080	30223	3358	\$7,085.38
Heskett Ct	Marysville Ln	Cul De Sac	342	17250	1917	\$4,044.87
Josephine St	Julie Ann Dr	Lafayette Ave	1247	36058	4006	\$8,452.66
Kolar Dr	Parrish Rd	Geranium Pl	413	11977	1330	\$2,806.30
Kolar Dr	Geranium Pl	Dead End	116	3364	374	\$789.14
Lassen Ct	Glacier St	Cul De Sac	493	21826	2425	\$5,116.75
Locust Farm Ct	Aladdin Way	Cul De Sac	198	9991	1110	\$2,342.10
Marci-June Way	Paulsen Dr	Towercrest Dr	220	6600	733	\$1,546.63
Marysville Ln	Leland Rd	Cul De Sac	850	31250	3472	\$7,325.92
Merchant Pl	Brando St	North End Of Loop	155	4340	482	\$1,017.02
Merchant Pl	North End Of Loop	South End Of Loop	777	13986	1554	\$3,278.94
Merchant Pl	South End Of Loop	Forest Ridge Rd	264	7392	821	\$1,732.31
Noble Dr	Beemer	Bonn St	630	21970	2441	\$5,150.51

Street	Beginning	Ending	Length (ft)	Total Area (sf)	Total Area (sy)	Total Cost
Nutmeg Ln	Blue Blossom Way	Dead End N Of Oregon Iris Way	1339	37659	4184	\$8,828.24
Oregon Iris Way	Nutmeg Ln	Dead End	353	10237	1137	\$2,399.07
Parrish Rd	Central Pt Rd	Kolar Dr	977	21494	2388	\$5,038.68
Paulsen Dr	Ginger Way	Church Entrance	926	26854	2984	\$6,296.24
Powers Way	Aladdin Way	Dead End	226	6328	703	\$1,483.33
Purple Ash Way	Nutmeg Ln	Dead End	369	10701	1189	\$2,508.79
Salmon Ct	Sunset Springs Dr	Cul De Sac	114	9481	1053	\$2,221.83
Shore Pine Pl	Brookside Rd	West Dead End	160	4931	548	\$1,156.28
Sugarpine St	100' E. Of Yellow Wood Rd (House #14647)	Dead End E. Of Lodgepole Way	490	14210	1579	\$3,331.69
Sunset Springs Dr	McCord Rd	Dead End 170 Ft. E. Of Salmon	806	23374	2597	\$5,479.67
Swan Ave	Bonn St	Holcomb Rd	850	24650	2739	\$5,779.29
Visionary Ct	Bonn St	Cul De Sac	170	10003	1111	\$2,344.21
Wayne Dr	Entirety		1070	31030	3448	\$7,057.63
		<b>Totals</b>	<b>21,618</b>	<b>490,322</b>	<b>73,715</b>	<b>\$155,321.00</b>

## In-House Pavement Maintenance and Street Reconstruction

In-house pavement maintenance is work that the Oregon City Public Works Department (OCPW), Street Division, performs using City equipment. In the summer months, staffing is augmented by seasonal workers and the Street Division work can include anything from pothole repair, spot repair of small pavement failures to larger-scale paving projects.

These larger scale projects include milling and paving inlays and the complete overlay of city streets. Over the last ten years, Oregon City has made a significant investment in the equipment needed to accomplish this larger scale paving project, adding another tool to the paving maintenance tool box.

**Summer 2024** OCPW used in-house staff and equipment to complete projects utilizing a total of **1,673** tons of asphalt at a cost of **\$112,102**. **Table 3** includes a summary of the 11 larger scale, in-house, pavement repair projects for 2024.



**Table 3 – 2024 In-House Work**

Street	Beginning	Ending	Material Cost	General Treatment Description
Main Street	12th Street	11th Street	\$8,617.00	2" Grind & Inlay
Swan Avenue	Holcomb Boulevard	Ann Drive	\$3,913.00	Patching/2" Grind & Inlay
Central Pointe Road	Boynton Street	Trade Wind Street	\$6,432.00	Rut Patching
South End Road	Salmonberry Drive	John McLoughlin School	\$5,239.00	Shoulder Widening
Center Street	2nd Street	3rd Street	\$8,998.00	Overlay sink hole as needed
Kamm Street	Entirety		\$9,750.00	Taper Grind & 2 1/2" overlay
Hughes Street	Entirety		\$16,800.00	Taper Grind & 2 1/2" overlay
Warner Street	Street Pauls Cemetery	Bullard Street	\$19,875.00	Taper Grind & 2 1/2" overlay
King Street	Woodlawn Street	School Property	\$8,175.00	Taper Grind & 2 1/2" overlay
Woodfield Court	Entirety		\$27,000.00	Taper Grind & 2 1/2" overlay
Woodlawn Court	Entirety		\$13,438.00	Taper Grind & 2 1/2" overlay
		Total	\$128,237.00	

## **Contracted Street Reconstruction**

Typically, this work includes asphalt overlays, cold plane pavement removal (milling) combined with an asphalt overlay, structural dig out 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 4**.

**Table 4 – 2024 Contracted Street Construction**

Street	Beginning	Ending	Material Cost	General Treatment Description
10th Street	McLoughlin Blvd	Main Street	\$63,718.00	2 1/2" grind & Inlay
Autumn Lane	S. Meyers Road	Clairmont Way	\$99,132.00	2" Grind & Inlay
Bedford Drive	Clairmont Way	End Of Loop	\$61,860.00	2" Grind & Inlay
Calgary Way	Whitney Lane	Clairmont Way	\$20,869.00	2" Grind & Inlay
Conifer Drive	Madrone Drive	Lafayette Avenue	\$46,056.00	2" Grind & Inlay
Fortuna Court	Roseberry Avenue	Cul De Sac	\$55,950.00	2" Grind & Inlay
Glenwood Court	Linn Avenue	Cul De Sac	\$45,120.00	2" Grind & 3" Inlay
Madrona Drive	Madrona Court	End	\$61,052.00	2" Grind & Inlay
Narain Court	Linn Avenue	Cul De Sac	\$44,366.00	2" Grind & Inlay
Pease Road	Leland Road	Comminger Drive	\$271,511.00	4" Grind & Inlay/Reconstruct
Randall Street	Canemah Road	Hartke Loop	\$54,159.00	2" Grind & Inlay
Rosebery Avenue	Fortuna Court	Wassail Lane	\$216,808.00	2" Grind & Inlay
Wassail Lane	Clairmont Way	Clairmont Way	\$76,932.00	2" Grind & Inlay
Whitney Lane	Clairmont Way	Autumn Lane	\$140,871.00	2" Grind & Inlay
		Total	\$1,258,404.00	

## **Conclusion**

We know this program is important and valuable to the community, therefore it is a program that we are committed to working into an already heavy workload. 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 department has received highly competitive bids which 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 2024