

City Council received and ordered filed the Pavement Management Analysis Report dated May 2018.

DISCUSSION:

In September of 2017, IMS completed a pavement condition assessment of 875.4 miles of City streets. The assessment surveyed many distresses in the pavement including:

- Ride quality
- Extensive fatigue cracking
- Progressive and Extensive Cracking
- Base and Structural failures
- Potholes
- Rutting
- Extensive Patching
- Swelling
- Shoving and other distresses

In May 2018, IMS completed a Pavement Management Analysis Report summarizing the results of the City's road network health. In part, the report rates the City's roadway network on a numerical value between 0 and 100, with 100 representing the best possible condition (new roadway) and 0 representing the worst possible condition. Based on IMS' analysis:

- 1) The City's street network scored an average Pavement Condition Index (PCI) of 61 out of 100. The national average PCI score is between 60 and 65, which places the City road network at the lower spectrum of the national averages. By comparison, City of Corona has a PCI of 72 and Rancho Cucamonga has a PCI of 75.
- 2) The percent of City roads rated as "excellent" is relatively low at 13.2%. These roads have a PCI score between 85 and 100.
- 3) The percent of City roads rated as "poor" and "very poor" (herein referred to as backlog) is 12.7%. These roads have a PCI score between 0 and 40. Roads with a poor and very poor condition are expected to more than double if the City maintains its current budget allocation for roadway maintenance.

The City's current annual street maintenance budget of \$13.5 million is comprised of:

- Gas Tax (Traditional) – \$2.8 million
- Gas Tax (SB1) - \$5.4 million
- Measure A (Sales Tax) - \$2.4 million
- Measure Z (Sales Tax) - \$2.9 million

Based on the current budget, the average PCI will drop to 57 within the next 5 years and the backlog will increase to 26.7%. If the backlog percentage exceeds 20% of the total network, the ability to fund the pavement management program adequately will become extremely difficult.

An annual budget of \$24 million will maintain the average network PCI of 61, while the roads

classified as “poor” or “very poor” will increase to 18.8%. To increase the average network PCI to 63 and reduce the impact to the backlog an annual budget of \$30 million is needed for the next 5 years. The State’s Gas Tax (SB1) funding incentivizes and rewards agencies that meet or exceed a Pavement Condition Index of 80 or greater. Agencies and counties that have a PCI of 80 or greater have the flexibility to spend SB1 funds for other transportation priorities.

Staff met with City of Corona and Rancho Cucamonga to determine how each respective agency allocates funding and manages their Pavement Management Program. In Corona, the city has made a funding commitment to maintain a PCI of 70 or greater and their goal is to reach a PCI to 80 within the next 5 years. In Rancho Cucamonga, they use general funds and Measure I (San Bernardino County half-cent sales tax) to augment their pavement maintenance needs.

Funding

Based on staff’s research and outreach to local agencies, the following is a discussion of funding options.

Grants: There are very limited Federal or State grant opportunities for street maintenance projects. Historically, Riverside has received funding from CalRecycle and the Surface Transportation Program (STPL). However, the City has aggressively pursued these funding sources and has exhausted the grant funds allotted to the City. Additionally, the Public Works Department receives (through the Community and Economic Development Department) limited US Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) grants. In the past 5-years Public Works has received a total of \$6,052,371 in CDBG grants which have been utilized for street maintenance projects.

Bond Proceeds: In 2013, the City issued 20-year Certificates of Participation (bonds) backed by the City’s Measure A revenue, generating approximately \$38 million for a three-year street maintenance program (Program) with an annual debt service payment of \$3 million. Utilizing these funds over the course of the Program the City was able to rehabilitate and preserve 23.6 miles of arterial streets and 63.5 miles of local streets, resulting in an estimated increase in the average network PCI by about 5 to 6 points. However, the Public Works Department does not recommend a similar funding mechanism in the future due to the amount of debt service required over the life of the bond, and the resulting reduction to the annual street maintenance budget.

General Fund: The Public Works Departments does not rely on General Funds to augment roadway maintenance. Many agencies including Rancho Cucamonga utilize some money from the General Fund and/or special tax measures to provide a stable funding source for maintenance efforts.

Taxes: The City has committed \$2.9M Measure Z funds annually through FY 22/23 for roadway maintenance. The Commission should consider increased roadway funding as a high priority when recommending Measure Z funding allocations to keep pace with maintenance needs. In addition, during years that Measure Z exceeds projected revenue, those additional funds may be distributed to roadway funding to allow the Public Works Department to better address roadways classified as “poor” and “very poor”.

The relatively high percentage of roads potentially deteriorating in the near future coupled with

the City's current underfunded pavement program will negatively impact the City's street network. Without increased annual funding, the roadway network condition's decline will become increasingly challenging to rectify. According to Caltrans, it estimates that for every dollar spent on preventative maintenance today it averts as much as \$10 in future repairs. Postponing or neglecting roadway maintenance would result in higher direct and indirect costs as eventually road repairs may require thick asphalt resurfacing or partial to full reconstruction.

Improved roadways also correlate to increased safety and increased economic development. Roads are one of our biggest investments and businesses are dependent on quality roads for goods movements and jobs creation. A reliable roadway network also improves the quality of life of residents as noise and vehicle repairs are minimized. Increased investment in the City's Pavement Management Program is critical as residents and businesses rely on a strong roadway infrastructure to thrive and grow in the region.

FISCAL IMPACT:

There is no fiscal impact associated with this presentation.

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Attachment:

1. Presentation