2022

Pavement Maintenance Utility Fee Annual Report

Preserving our past – building our future

Prepared by:

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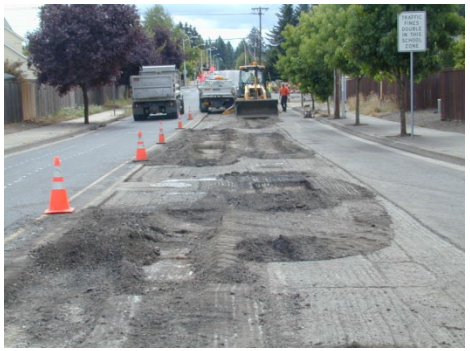

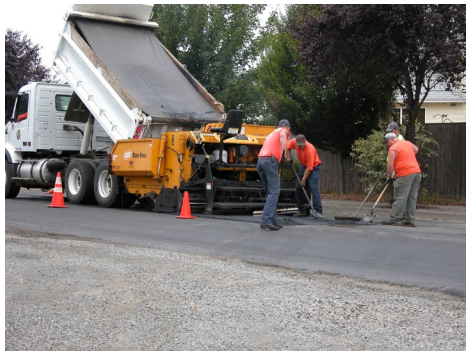

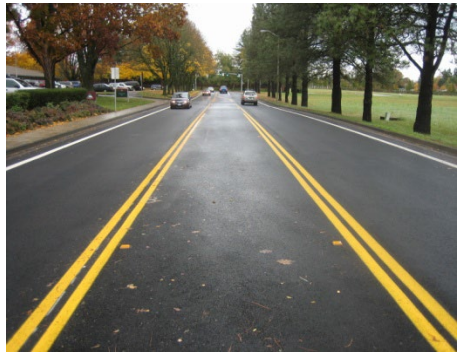

OREGON CITY PUBLIC WORKS OPERATIONS CENTER – 13895 FIR STREET, OREGON CITY OR 97045

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2022 Pavement Maintenance Utility Fee Annual Report

Purpose for an Annual Report

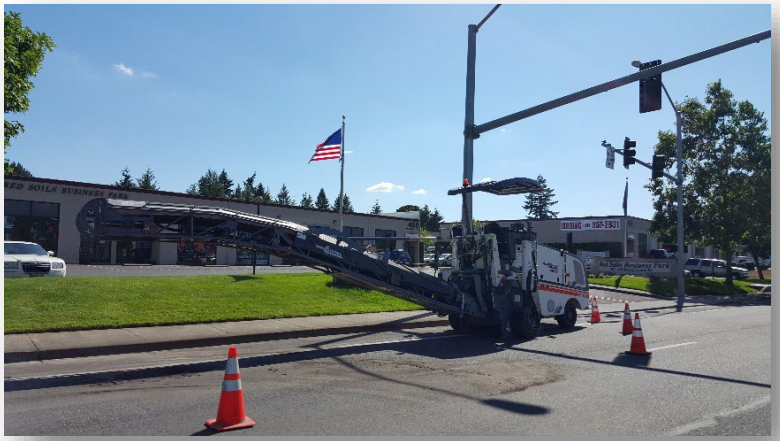
In accordance with Ordinance No. 08-1007, this established City Code 13.30, Transportation Utility Fees (TUF):

> *"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 139 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.

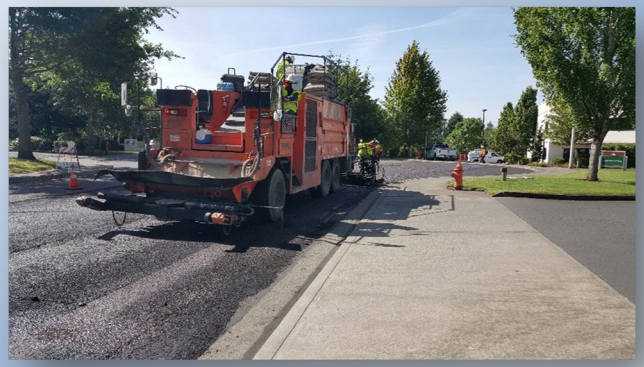


Public Works Department's Milling Machine

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 PMUF was 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 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.

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

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. 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

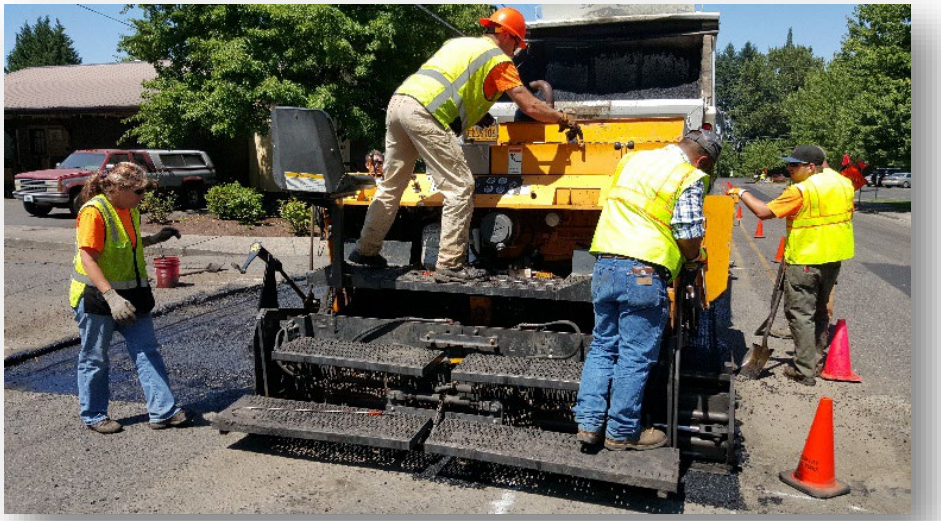
In order to meet the annual revenue goal of $1.5M, the residential monthly unit rate, applied to single-family residential land uses, was established at $1.15 per adjusted average daily trip. The monthly non-residential unit rate, applied to all other land uses, was established at $0.189 per adjusted 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

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 footage of buildings. Currently, there are 545 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 2020, 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 2021, 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 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 2021 are included below in table form as **Tables 2 and 3**.

Table 2 – Type II Slurry Seal @ approx. $2.02/sq. yd.

Street	Beginning	Ending	Length (ft)	Total Area (sy)	Total Cost
Alden Street	Hilda Street	Barclay Hills Drive	220	709	$1,432.00
Boynton Street	Towercrest Street	Central Point Road	1,828	6,703	$13,540.00
Canyon Ridge Drive	Conway Drive	Dead End	213	686	$1,385.00
Chiara Drive	Spring Valley Drive	Towercrest Drive	621	2,001	$4,042.00
Cokeron Drive	Gaffney Lane	Lot #19221	391	1,216	$2,456.00
Cokeron Drive	Lot #19221	Garden Meadow Drive	601	1,869	$3,775.00
Coltrane Street	Rollins Street	Cul de Sac	1,231	4,811	$9,718.00
Conway Drive	Highway 213	Caufield Road	2,403	8,272	$16,709.00
Current Drive	Conway Drive	Dead End	210	677	$1,367.00
Elmar Drive	Woodlawn Avenue	Cul de Sac	284	1,223	$2,470.00
Faircrest Drive	Towercrest Drive	Chiara Drive	789	2,542	$5,134.00
Hiefield Court	Leland Drive	Lot #12856	232	644	$1,300.00
Hiefield Court	Lot #12856	East to End of Pavement	390	1,790	$3,615.00
Hilda Street	200 Ft. E. of Molalla Avenue	Alden Street	850	2,550	$5,151.00
Julie Ann Drive	Cook Street	Josephine Street	664	2,139	$4,320.00
Landmark Street	Dead End (s)	Hiefield Street	150	483	$975.00
Miles Street	Coltrane Street	Rollins Street	292	1,048	$2,117.00
Pleasant Avenue	Sommer Street	Molalla Avenue	517	2,068	$4,177.00
Pleasant Avenue	Molalla Avenue	Sommer Street	940	3,602	$7,276.00
Rollins Street	Coltrane Street	Thayer Road	1,303	4,199	$8,280.00
Rose Road	South End Road	South Deer Lane	2,133	5,214	$10,351.00
Spring Valley Drive	Boynton Street	Partlow Road	1,461	4,708	$9,511.00
Sprite Way	Rose Road	Sunblaze Drive	218	727	$1,469.00
Stitt Court	Coltrane Street	Cul de Sac	97	1,005	$2,031.00
Sunblaze Drive	Rose Road	Dead End W. of Sprite Way	995	3,335	$6,767.00
Towercrest Drive	Chiara Drive	Boynton Street	949	4,038	$8,157.00

Street	Beginning	Ending	Length (ft)	Total Area (sy)	Total Cost
Towercrest Drive	Chiara Drive	Spring Valley Drive	960	3,200	$6,465.00
Vista Hill Court	Entirety		145	1,206	$2,546.00
		Totals	**21,087**	**72,665**	**$146,536.00**

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 include 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 are focused on repairing the base of the road, adding additional strength, and repairing failing pavement sections.

Summer 2022 - OCPW used in-house staff and equipment to complete projects utilizing a total of **1049.05** tons of asphalt at a cost of **$81,276.95**. **Table 3** includes a summary of the 5 larger scale, in-house, pavement repair project for 2022.

Table 3 – 2022 In-House Work

Street	Beginning	Ending	Material Cost	General Treatment Description
Alden Street	Barclay Hills Drive	Hilda Street	$5,510.00	Overlay
Holcomb Street	Redland Road	Swan Avenue	$27,641.00	Rut Patch
Lincoln Street	9th Street	Dead End	$6,119.00	Overlay
Holcomb School Road	Holcomb Boulevard	Holcomb School	$14,169.00	Overlay
Division Street	Eluria Street	Morton Road	$21,753.00	Rut Patch

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 and 5.**

Table 4 – 2022 Contracted Street Construction

Street	Beginning	Ending	Material Cost	General Treatment Description
10th Street	Van Buren Street	Polk Street	$97,275.00	2” Grind and Inlay
14th Street	Washington Street	Center Street	$133,197.00	Reconstruction
Ainsworth Street	Charman Street	McKinley Street	$60,572.00	2” Overlay with Fibers
Allegheny Drive	Shenandoah Drive	Shenandoah Drive	$341,000.00	2” Overlay with Fibers
Anchor Way	18th Street	Redland Road	$170,366.00	2” Overlay
Applegate Terrace	Peter Skene Way	End	$120,330.00	2” Grind and Inlay
Barker Road	Barker Avenue	South End Road	$123,955.00	2” Grind and Inlay

Street	Beginning	Ending	Material Cost	General Treatment Description
Blue Ridge Drive	Allegheny Drive	Round Tree Drive	$79,281.00	2” Overlay with Fibers
Fir Street	Beavercreek Road	Molalla Avenue	$380,377.00	3” Grind and 5” Overlay
Josephine Street	Lawton Road	Amanda Court	$89,971.00	2” Overlay with Fibers
Markham Court	Peter Skene Way	End	$49,106.00	2” Grind and Inlay
Netzel Street	Lawton Road	Amanda Court	$89,971.00	2” Overlay with Fibers
Peter Skene Way	Barclay Hills Drive	End	$230,876.00	2” Grind and Inlay
Sunny Lane	Lawton Road	Julie Ann Drive	$141,175.00	2” Overlay with Fibers
Van Buren Street	9th Street	10th Street	$63,469.00	2” Grind and Inlay

Table 5 – 3/8” - #8 Chip Seal @ approximately $10.19/sq. yd.

Street	Beginning	Ending	Material Cost
Holcomb Boulevard	Hwy 213 Overpass	Swan Avenue	$119,712.00
Washington Street	Amtrak Entrance	Hwy 213 Overpass	$180,866.00

Conclusion

This is a program that 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 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 2022

City of Oregon City

GEOGRAPHIC INFORMATION SYSTEM

2022 Street Projects

Printed June 6, 2022

Activity

- Rehabilitation
- Micro or Chip Seal
- Slurry Seal
- City Limits

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: June 6, 2022
Plot name: PMUF - 2022 All Projects Map - 20220606 - 11x17P.pdf
Map name: PMUF - 2022 Projects Map - 20220606 - 11x17P.mxd