

2023

# Pavement Maintenance Utility Fee Annual Report

*Preserving our past – building our future*

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# 2023 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.

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)<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, 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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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 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
July 1, 2022 through June 30, 2023	\$15.07	\$1.575	\$0.258	\$2,908,227

## **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 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 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 2023, 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 2023 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
Armell Drive	City Limits	Oyer Drive	594	24,152	2,683	\$5,634.00
Auburn Drive	Boynton Drive	End	1,304	42,394	4,710	\$9,891.00
Augusta Drive	Glen Oak Road	Pebble Beach Drive	846	24,534	2,726	\$5,724.00
Chapin Drive	Hein Street	End	172	9,665	1,074	\$2,255.00
Conn Street	Vincent Drive	Auburn Drive	238	6,902	767	\$1,611.00
Elder Road	Thayer Road	Sugarpine Street	1,322	38,628	4,292	\$9,013.00
Filbert Drive	Mahogany Drive	Hazelgrove Drive	247	7,163	796	\$1,672.00
Four Oaks Street	Blue Ridge Drive	End	364	17,020	1,891	\$3,971.00
Gerber Woods Drive	Gaffney Lane	Deer Meadows Road	155	4,495	499	\$1,047.00
Hartwood Drive	Hazel Grove Drive	Westwood Drive	361	10,469	1,163	\$2,442.00
Hazel Grove Drive	Geranium Place	Hartwood Drive	2,357	68,353	7,595	\$15,949.00
Hazelnut Court	Hazel Grove Drive	End	245	12,347	1,372	\$2,881.00
Hein Street	Highland Drive	End	1,199	42,534	4,726	\$9,925.00
King Salmon Court	Meyers Road	End	498	18,806	2,090	\$4,389.00
Moccasin Way	Meyers Road	NE Prop Line House #13227	781	22,649	2,517	\$5,285.00
Morrie Drive	Frontier Parkway	Silverfox Parkway	1,045	30,305	3,367	\$7,070.00
Oyer Drive	Trail Drive	Armell Drive	740	21,317	2,369	\$4,975.00
Pebble Beach Drive	Torey Pines Drive	End	1,557	51,153	5,684	\$11,936.00
Prospector Terrace	Frontier Parkway	End	1,723	49,967	5,552	\$11,659.00
Provisioner Lane	Smoke Tree Place	End	872	30,797	3,422	\$7,186.00
Salmonberry Drive	Hazel Grove Drive	N. Prop Line House #11697	300	8,700	967	\$2,030.00
Shenandoah Drive	S Central Point Road	Warner Parrott Road	2,298	73,539	8,171	\$17,159.00
Smoke Tree Place	McDowell Lane	Prospector Terrace	530	15,370	1,708	\$3,586.00
Sugarpine Street	Elder Road	Whitehorse Court	122	3,538	393	\$825.00
Trail Drive	Barlow Drive	Umberview Lane	960	29,081	3,231	\$6,785.00

Street	Beginning	Ending	Length (ft)	Total Area (sf)	Total Area (sy)	Total Cost
Vincent Drive	Partlow Road	End	951	33,044	3,671	\$7,709.00
Westwood Drive	Skellenger Way	Hartwood Drive	1,645	62,848	6,983	\$14,664.00
Willis Drive	Provisioner Lane	End	497	14,413	1,601	\$3,362.00
Wynton Drive	Coltrane Street	Blueblossom Way	789	22,695	2,522	\$5,296.00
<b>Totals</b>			<b>24,712</b>	<b>796,878</b>	<b>88,542</b>	<b>\$185,938.00</b>



## **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 2023** - OCPW used in-house staff and equipment to complete projects utilizing a total of **1787.09** tons of asphalt at a cost of **\$134,709.21**. **Table 3** includes a summary of the 9 larger scale, in-house, pavement repair projects for 2023.

**Table 3 – 2023 In-House Work**

Street	Beginning	Ending	Material Cost	General Treatment Description
10 <sup>th</sup> Street	Main Street	Singer Hill Road	\$3,243.00	2" Mill and Inlay
5 <sup>th</sup> Street	Washington Street	Center Street	\$5,146.00	2" Mill and Inlay
Caufield Road	Highway 213	City Limits	\$44,922.00	Taper Grind with 2.5" Overlay
Caufield Street	Pleasant Avenue	Latourette Street	\$13,122.00	Taper Grind with 2.5" Overlay
Center Street	2 <sup>nd</sup> Street	S 1 <sup>st</sup> Street	\$14,428.00	Rut Patch
Dimick Street	Caufield Street	602 Dimick Street	\$15,447.00	Taper Grind with 2.5" Overlay
Eluria Street	Pearl Street	207 Eluria Street	\$1,544.00	Taper Grind with 2.5" Overlay
Pearl Street	Eluria Street	531 Pearl Street	\$6,431.00	Taper Grind with 2.5" Overlay
Sommer Street	Pleasant Avenue	106 Sommer Street	\$17,773.00	Taper Grind with 2.5" Overlay

## **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 – 2023 Contracted Street Construction**

Street	Beginning	Ending	Material Cost	General Treatment Description
Central Point Road	Skellenger Way	Boynton Street	\$1,724,807.00	Full Reconstruction
Ethel Street	Linn Avenue	East End	\$145,907.00	2" Overlay
Leonard Street	Williams Street	Holmes Lane	\$160,811.00	2" Overlay
Hood Street	Linn Avenue	East End	\$130,740.00	2" Overlay
Center Street	14 <sup>th</sup> Street	Alley	\$14,791.00	1" Overlay

## 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 2023



City of Oregon City

GEOGRAPHIC INFORMATION SYSTEM

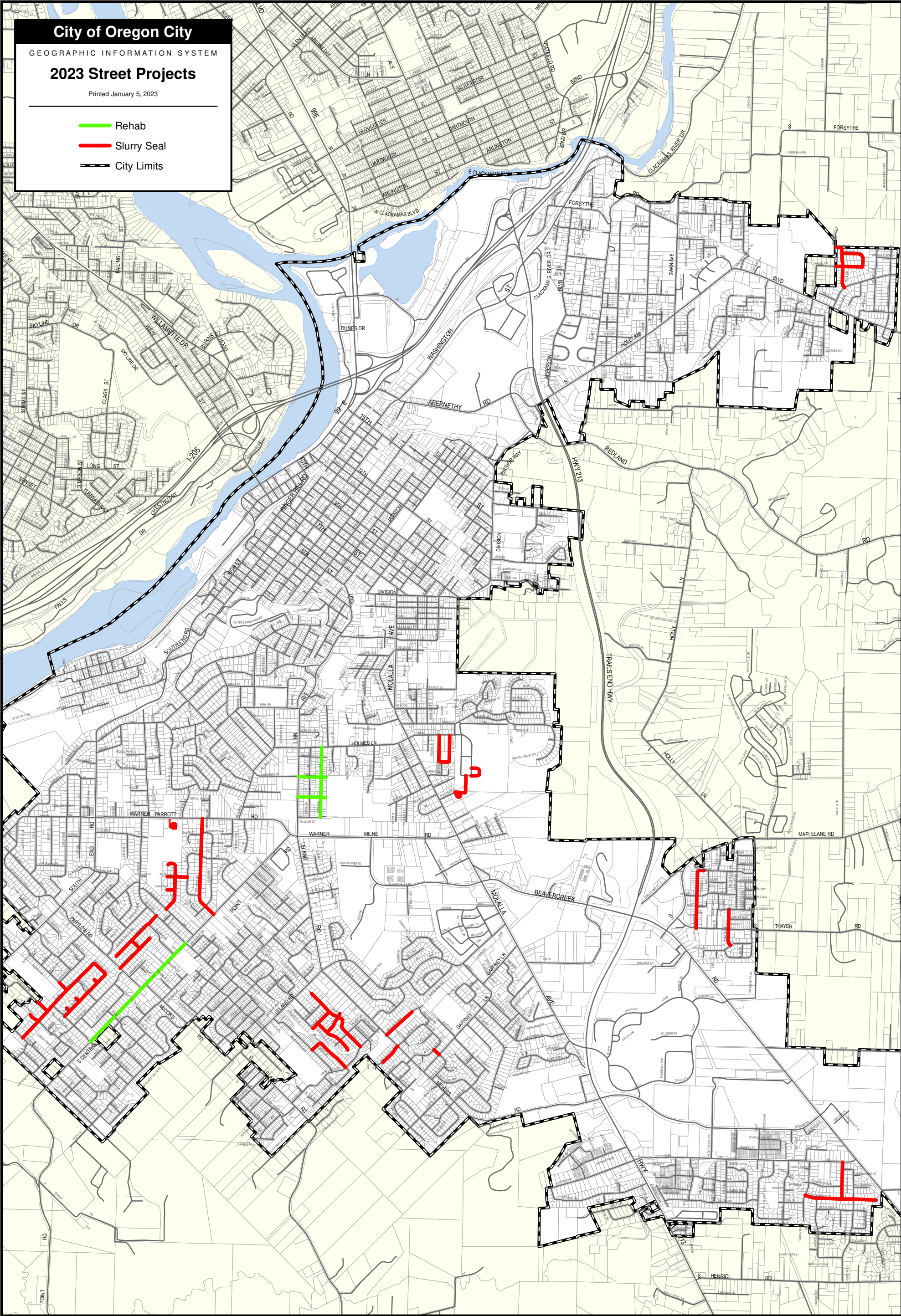
2023 Street Projects

Printed January 5, 2023

Rehab

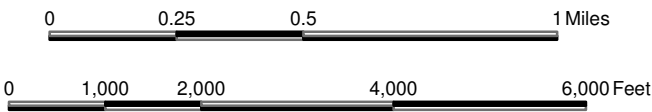
Slurry Seal

City Limits



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