



## Council Agenda Report

**From:** Dick McKinley, Public Works Director  
Ditas Esperanza, Capital Projects Engineer

**Subject:** Proposed Adoption of Street Maintenance and Repair Expenditure Plan Using Supplemental Sales Tax, Gas Tax, and SB 1 Funds

**Date:** October 17, 2017

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### Facts

1. In 2012, the citizens of Paso Robles passed a ½-cent Supplemental Sales Tax. The measure is set to expire in 2024. In July 2013, the City Council adopted a “Five-Year List” of streets to be repaired using Supplemental Sales Tax. At that time, the list focused on arterial and some collector streets because these streets are widely used by the community and provide a benefit to a majority of the citizens. The “Five-Year List” will conclude in 2018.
2. Staff has prepared a new list that takes the Street Maintenance and Repair Expenditure Plan to FY 2024-2025, when the Supplemental Sales Tax measure sunsets. The new list is based on an expected \$500,000 Annual Gas Tax Revenue, \$500,000 Annual SB1 Revenue, and \$4,750,000 Annual Supplemental Sales Tax Revenue, as well as some Grants that are already in place and/or expected.
3. In September 2016, the City Council authorized staff to update and evaluate the City’s Street Pavement Condition Index (PCI) for every street in the system. The goal is to use this information from the PCI to develop the new Street Maintenance and Repair Expenditure Plan (Plan). The new Plan includes three arterial streets from the prior list to be carried over (i.e., Spring Street – 24<sup>th</sup> to 36<sup>th</sup>, Sherwood – Creston to Fontana, and Vine Street). However, the proposed Plan consists largely of residential streets both on the west side and on the east side of town, as well as other known projects.
4. Staff developed the Plan using the results of the updated PCI report, and using a “critical point management” system to extend a street’s useful life (see graph/exhibit). In addition to the specific list of streets, this new Plan has “Annual” projects to allow staff to repair curb ramps, sidewalks, striping, hot spot repairs, etc. based on annual priorities. In addition, the Plan identifies which streets will be repaired using SB1 revenue (note: the State requires the City to specifically identify streets that will be repaired using SB1 Funds).

### Options

1. Take no action;
2. Adopt Resolution No. 17-xxx, adopting the attached Street Maintenance and Repair Expenditure Plan for street maintenance for FY 2018-2019 to FY 2024-2025;
3. Refer back to staff to consider an alternative Expenditure Plan.

### Analysis and Conclusions

As noted, revenues equal or greater to the first five years of the Supplemental Sales Tax revenue stream were used to repair and maintain the arterial streets and a few collector streets. Since then, complaints to fix these roads have decreased. However, the citizens are now asking that residential streets be repaired next. This new Plan addresses these concerns. The streets selected used the “critical point pavement

management” system to allow a larger benefit of extending a streets useful life, with minimum expense. There were a few streets added from older tracts within the City that could benefit from maintenance.

**Fiscal Impact**

The Expenditure Plan of \$49.4 million will be funded from the following revenue sources:

Revenue Source	Estimated Revenues
Gas Tax	\$ 500,000
SB 1	\$ 500,000
Supplemental Sales Taxes (or equivalent)	\$ 4,750,000
Total Estimated Annual Revenues	<u>\$ 5,750,000</u>
Number of years	<u>x 7</u>
Total Estimated Revenues	\$ 40,250,000
Estimated Grant Revenues (one-time)	<u>\$ 3,867,300</u>
Total	<u><u>\$ 44,117,300</u></u>

Thus, total revenues for the 7-year period are projected to be \$44.1 million. Although this is a big number, it is significantly less than the \$25 million on average that the City would need to spend each year for the next ten years, in order to raise our PMI to an 84 (out of 100), which would be an acceptable standard, one that would demonstrate we are making needed repairs at the appropriate time, in order to minimize long term costs. Also note that the total amount included in the Expenditure Plan is \$38,810,800 because some of City’s revenues equivalent to the Supplemental Sales Tax revenues are being used for 2017-18 projects. Total expenditures will parallel Supplemental Sales Tax revenues during the entire period.

It should also be noted that in some instances, expenditures will be incurred prior to the receipt of the revenue source, in order to reduce the damage that results a certain points in the lifecycle of pavement (i.e., the rate of pavement degradation is not linear). As a result, the Plan will need to be adjusted if any of these revenue streams changes significantly. SB 1, for example, may be challenged through a ballot measure in November 2018.

**Recommendation**

Adopt Resolution No. 17-xxx, approving the Street Maintenance and Repair Expenditure Plan from FY 2018-2019 to FY 2024-2025.

**Attachments**

1. Resolution No. 17-xxx
2. Expenditure Plan
3. Zone Maps
4. Critical Point Pavement Management Exhibit
5. Location Map

RESOLUTION NO. 17-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES PROPOSED  
ADOPTION OF STREET MAINTENANCE AND REPAIR EXPENDITURE PLAN USING  
SUPPLEMENTAL SALES TAX, GAS TAX, GRANTS, AND SB 1 FUNDS

WHEREAS, in 2012, the citizens of Paso Robles passed a ½-cent Supplemental Sales Tax. The measure is set to expire in 2024. In July 2013, the City Council adopted a “Five Year List” of streets to be repaired using Supplemental Sales Tax. At that time, the list focused on arterial and some collector streets because these streets are widely used by the community and provide a benefit to a majority of the citizens. The “Five Year List” will conclude in 2018; and

WHEREAS, staff has prepared a new list that takes the Street Maintenance and Repair Expenditure Plan to FY 2024-2025, when the Supplemental Sales Tax measure sunsets. The new list also includes an expected \$500,000 Annual Gas Tax Revenue, and \$500,000 Annual SB1 Revenue, and \$4,750,000 Annual Supplemental Sales Tax, as well as some Grants that are already in place and/or expected; and

WHEREAS, in September 2016, the City Council authorized staff to update and evaluate the City’s Street Pavement Condition Index (PCI) for every street in the system. The goal is to use this information from the PCI to develop the new Street Maintenance and Repair Expenditure Plan (Plan). The new Plan will include a few arterial streets from the prior list that will be carried-over (i.e. Spring Street – 24<sup>th</sup> to 36<sup>th</sup>, Sherwood – Creston to Fontana, and Vine Street). However, the proposed Plan consists largely of residential streets both on the west side and on the east side of town as well as other known projects; and

WHEREAS, staff developed the Plan using the results of the updated PCI report, and using a “critical point management” system to extend a streets useful lie (see graph/exhibit). In addition to the specific list of streets, this new Plan has “Annual” projects to allow staff to repair curb ramps, sidewalks, striping, hot spot repairs, etc. based on annual priorities. In addition, the Plan identifies what streets will be repaired using SB1 revenue (note: the State requires the City to specifically identify streets that will be repaired using SB1 Funds).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES  
HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. The City Council hereby adopts the attached Street Maintenance and Repair Expenditure Plan to be used to maintain the City’s streets from FY 2018-2019 to FY 2024-2025. Funding for projects identified in the Plan must be appropriated through the budget process.

APPROVED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Steven W. Martin, Mayor

ATTEST:

\_\_\_\_\_  
Kristen L. Buxkemper, Deputy City Clerk

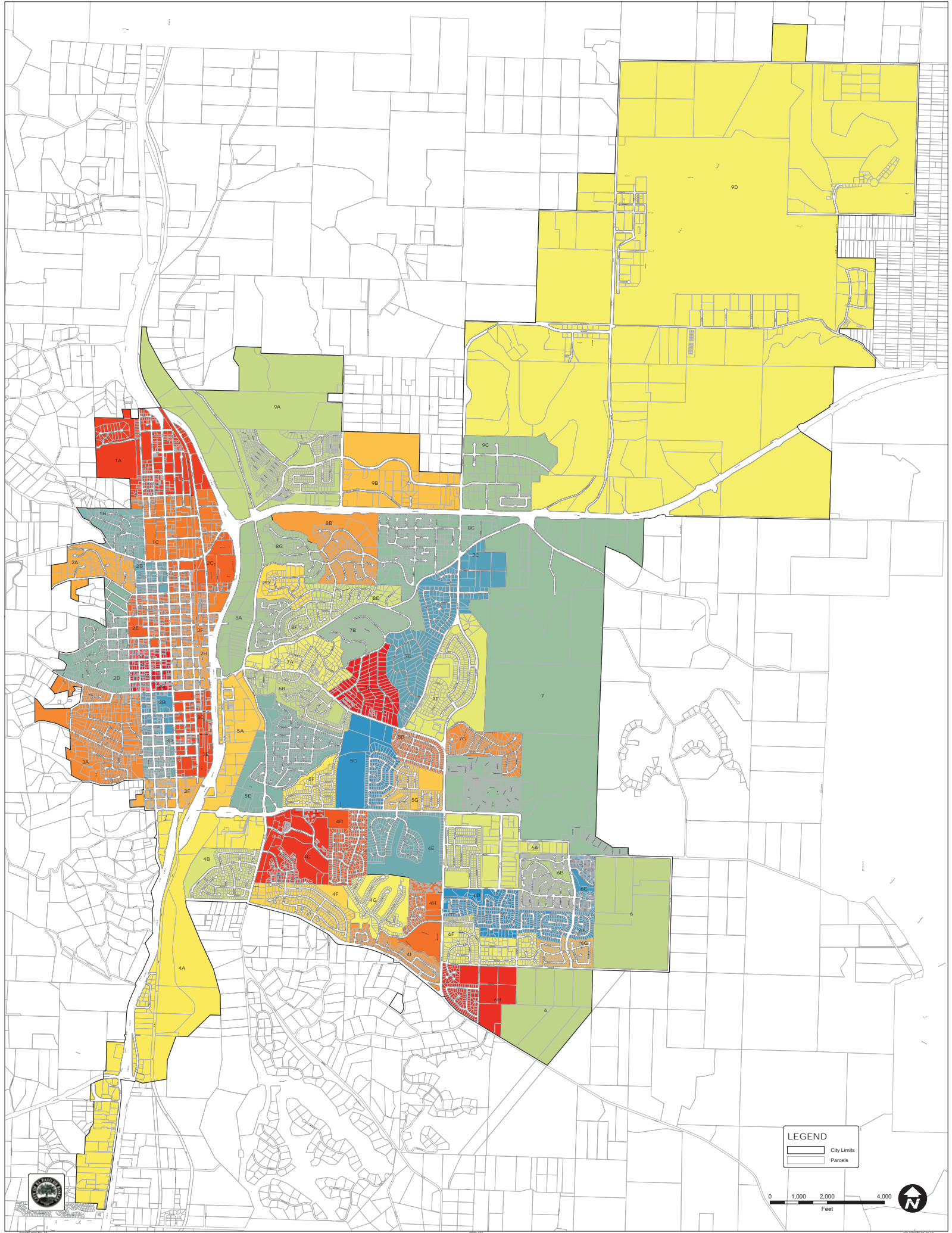
Attachment – Street Maintenance and Repair Expenditure Plan

FY 2018-2019		FY 2019-2020		FY 2020-2021		FY 2021-2022		FY 2022-2023		FY 2023-2024		FY 2024-2025		
<i>Proposed</i>	<i>Cost</i>	<i>Proposed</i>	<i>Cost</i>	<i>Proposed</i>	<i>Cost</i>	<i>Proposed</i>	<i>Cost</i>	<i>Proposed</i>	<i>Cost</i>	<i>Proposed</i>	<i>Cost</i>	<i>Proposed</i>	<i>Cost</i>	
Annual maintenance items	\$ 500,000	Annual maintenance items	\$ 500,000	Annual maintenance items	\$ 500,000	Annual maintenance items	\$ 500,000	Annual maintenance items	\$ 500,000	Annual maintenance items	\$ 500,000	Annual maintenance items	\$ 500,000	
(slurry/pavement striping/sidewalks/curb ramps/hot spot repairs)		(slurry/pavement striping/sidewalks/curb ramps/hot spot repairs)		(slurry/pavement striping/sidewalks/curb ramps/hot spot repairs)		(slurry/pavement striping/sidewalks/curb ramps/hot spot repairs)		(slurry/pavement striping/sidewalks/curb ramps/hot spot repairs)		(slurry/pavement striping/sidewalks/curb ramps/hot spot repairs)		(slurry/pavement striping/sidewalks/curb ramps/hot spot repairs)		
Niblick Road signal synchronization	\$ 300,000	Union Road along BSP	\$ 1,600,000	Zone 4G	\$ 835,000	Zone 8A & 8F	\$ 930,000	Zone 6A	\$ 3,000,000	Zone 4C & 4F	\$ 980,000	Zone 5G & 5D	\$ 2,500,000	
13th St. - Park to Pine Ped. Imp.	\$ 150,000	10th - Vine to Spring	\$ 500,000	Zone 4D (+Nicklaus)	\$ 800,000	Zone 8C	\$ 730,000	Zone 6B	\$ 1,400,000	Zone 4I	\$ 350,000	Zone 9B & 9C	\$ 1,200,000	
Note: CDBG \$143,300	\$ 143,300	6th - Spring to Pine	\$ 500,000	Zone 4D (+Nicklaus)	\$ 500,000	Zone 5F	\$ 500,000	Zone 6C	\$ 730,000	Riverside - 17th to 24th	\$ 300,000	Merry Hill - Fresno to Pacific	\$ 250,000	
USHA Grant \$280,000	\$ 280,000	Park - 6th to 9th		Olive - north end to 19th	\$ 980,000	Zone 5C	\$ 1,600,000	Golden Hill - Rolling Hills to Creston	\$ 250,000	Riverside - 17th to 24th	\$ 500,000	15th St. - Terrace Hill to Locust	\$ 250,000	
(This request \$150,000)		9th - Pine to Park	\$ 110,000	20th/19th/18th/17th - Spring to east end		Zone 7C	\$ 560,000	Golden Hill - Rolling Hills to Creston	\$ 500,000			Terrace Hill - 15th to end		
SB1 \$500,000	\$ 500,000	13th/Niblick Bridge Deck Re-surfacing		16th - Spring to R/R tracks										
Total: \$1,073,300		Grant:	\$ 1,230,500											
San Augustin/Santa Ynez/Santa Ysabel	\$ 200,000	City Match:	\$ 160,000											
(Note: contribution towards paving restoration of sewer main upgrades)														
Creston Road (per community vision)	\$ 8,000,000													
Note: Hoped for Grant \$2,000,000	\$ 2,000,000													
This request \$8,000,000														
Total: \$10,000,000														
13th/Niblick Bridge Deck Re-surfacing														
Grant: \$214,000	\$ 214,000													
City Match: \$28,000	\$ 28,000													
Dry Creek Road Re-surfacing & Re-alignment (Design only)	\$ 250,000													
<b>TOTAL</b>	<b>\$ 12,565,300</b>	<b>TOTAL</b>	<b>\$ 4,100,500</b>	<b>TOTAL</b>	<b>\$ 3,615,000</b>	<b>TOTAL</b>	<b>\$ 4,820,000</b>	<b>TOTAL</b>	<b>\$ 6,380,000</b>	<b>TOTAL</b>	<b>\$ 2,630,000</b>	<b>TOTAL</b>	<b>\$ 4,700,000</b>	<b>\$ 38,810,800</b>
<b>GAS TAX</b>	<b>\$ 500,000</b>		<b>500,000</b>		<b>500,000</b>		<b>500,000</b>		<b>500,000</b>		<b>500,000</b>		<b>500,000</b>	<b>3,500,000</b>
<b>SB 1</b>	<b>\$ 500,000</b>		<b>500,000</b>		<b>500,000</b>		<b>500,000</b>		<b>500,000</b>		<b>500,000</b>		<b>500,000</b>	<b>3,500,000</b>
<b>Grant (Existing or anticipated)</b>	<b>\$ 2,637,300</b>		<b>1,230,500</b>		<b>2,615,000</b>		<b>3,820,000</b>		<b>5,380,000</b>		<b>1,630,000</b>		<b>3,700,000</b>	<b>27,943,000</b>
<b>Supplemental Tax</b>	<b>\$ 8,928,000</b>		<b>1,870,000</b>		<b>2,615,000</b>		<b>3,820,000</b>		<b>5,380,000</b>		<b>1,630,000</b>		<b>3,700,000</b>	<b>38,810,800</b>

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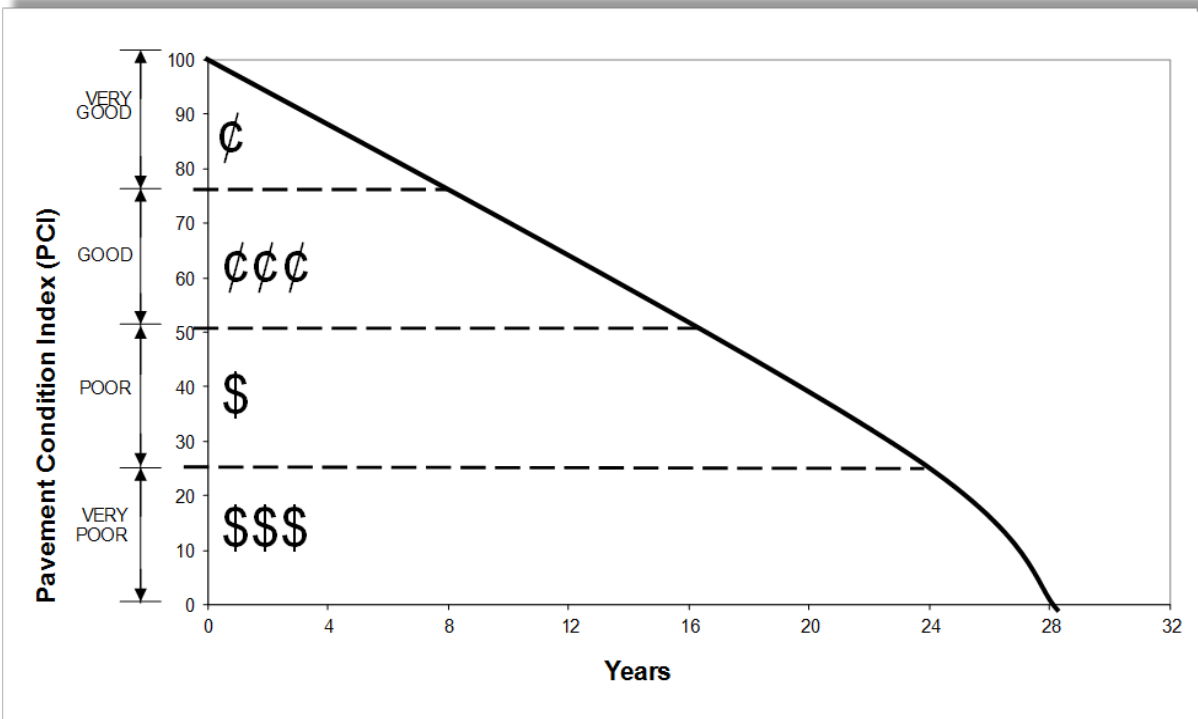


**LEGEND**  
City Limits  
Parcels

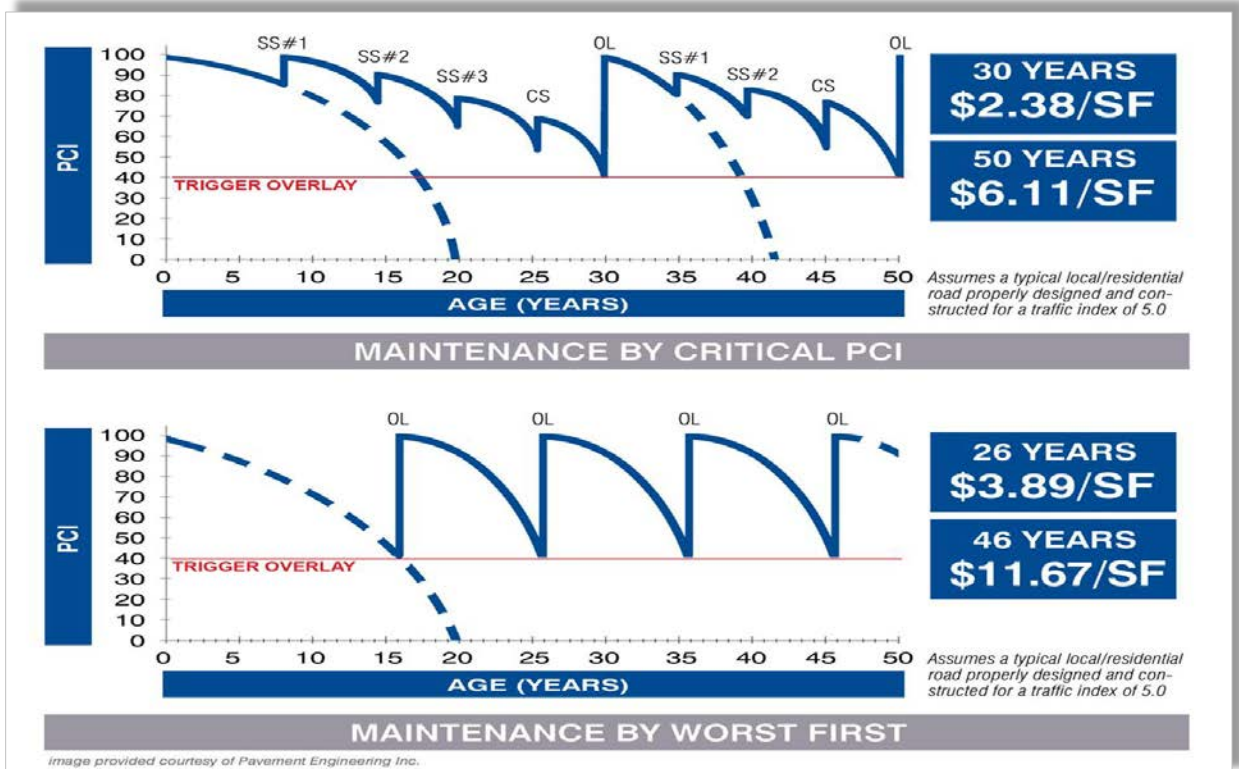
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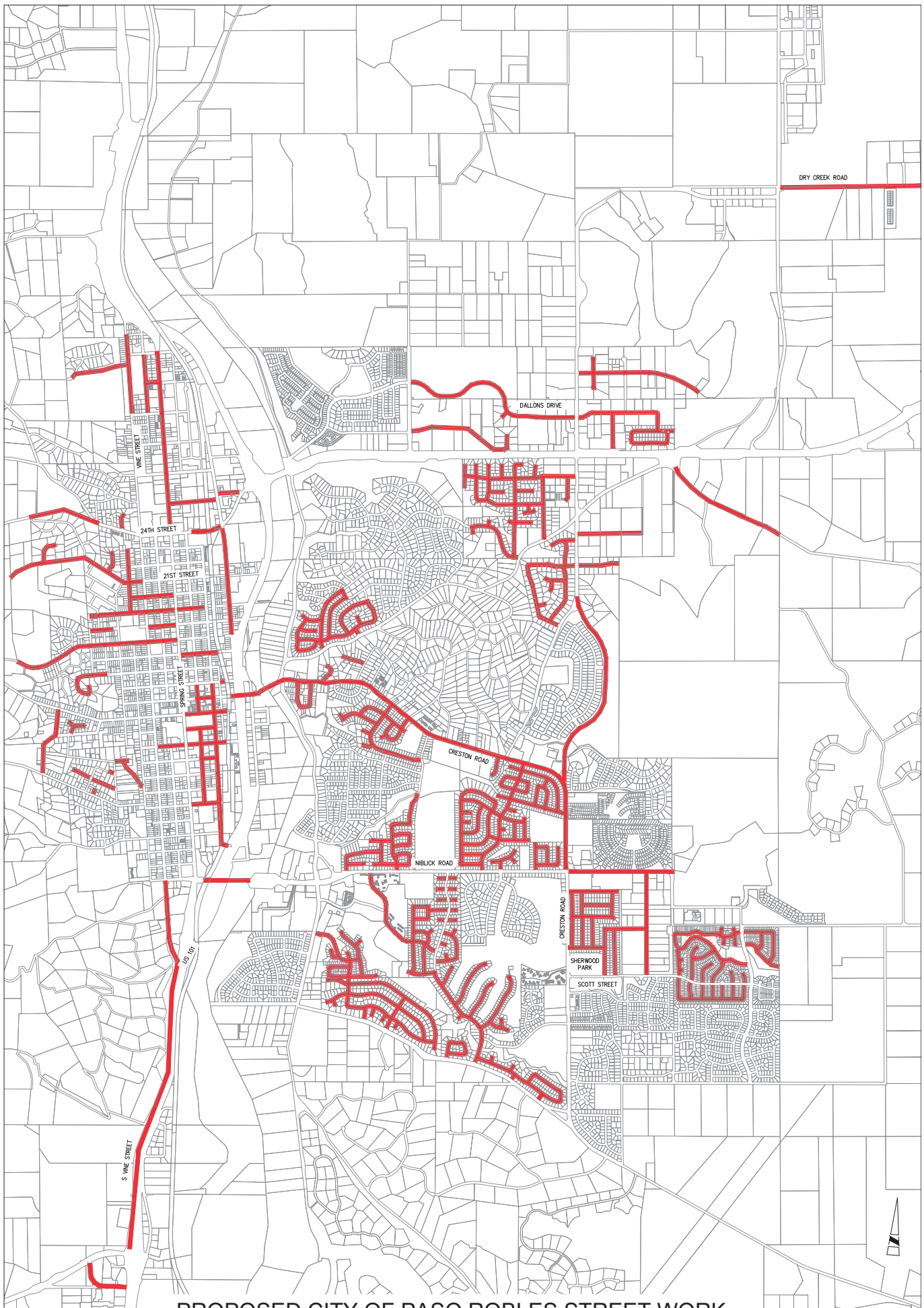


# CRITICAL POINT MANAGEMENT



## REHABILITATION COST COMPARISON





**PROPOSED CITY OF PASO ROBLES STREET WORK**