



# Memorandum

**TO:** HONORABLE MAYOR AND CITY COUNCIL

**FROM:** Councilmember Donald Rocha

**SUBJECT:** PAVEMENT MAINTENANCE ON NEIGHBORHOOD STREETS

**DATE:** March 19, 2018

Approved

*Don Rocha*

Date

*3-19-18*

*PH*

## RECOMMENDATION

That the City Council approve the Mayor's Budget Message and provide the following additional direction to be brought forward as part of the budget process:

1. Direct staff to bring forward options for setting aside a small portion of the 2018-19 pavement maintenance allocation for the purpose of rehabilitating neighborhood streets that are in the worst condition.
2. Direct staff to identify excess funds in the 2017-18 budget year that could potentially be carried forward into the 2018-19 budget year and devoted to maintaining neighborhood streets that are in the worst condition. Staff should evaluate the following potential sources, in addition to any others that they may identify:
  - a. Higher than anticipated revenues in the Construction Excise Tax Fund for the 2017-18 fiscal year. (The Five-Year Forecast shows \$3 million in excess construction excise tax revenue for 2017-18, see page V-14.)
  - b. Any savings from the pavement maintenance projects that are completed in the 2018 construction season.
  - c. Any ending fund balance identified in the 2017-18 Annual Report available to be spent on infrastructure maintenance pursuant to provision 4a of Council Policy 1-18.

## ANALYSIS

This year the City will begin maintaining neighborhood streets for the first time since 2012. This is a great achievement and I'm very grateful to DOT staff for their work on this issue. I know our residents will be very excited about this development. When they begin seeing maintenance projects around the city many of them will likely reach out to their Council offices asking about when their street will receive maintenance. In



preparation for these questions, I've taken a close look at staff's report to the March 5<sup>th</sup> Transportation and Environment Committee, where they outline their approach to choosing which streets will receive maintenance. In reviewing this report, I've come across an issue that I think the Council should discuss.

DOT's proposal is to prioritize maintenance in neighborhoods with streets in fair condition and to avoid neighborhoods with streets in poor condition. This approach may sound counter-intuitive, but there's a reason behind it: performing preventative maintenance on streets that aren't yet in bad shape can avoid significant costs in the future, while rehabilitating streets in poor condition is very expensive and doesn't provide the same cost savings. If we're looking for a strategy that avoids the most future costs, maintaining fair streets and letting poor streets continue to degrade does make some sense.

I appreciate and respect DOT's work on this issue and understand why they've adopted this approach, but from the perspective of a resident—especially a resident who lives on a street that's in very bad shape—it may raise concerns about fairness. If you live on a street that's crumbling into a dirt road and hasn't been maintained since the early 1990's, you might feel a little bit irritated if your street is passed over for maintenance in favor of a street that's in reasonably good condition and was last maintained in the late 2000's. Even if people in City Hall can make arguments about why it's an efficient use of money, it might be hard to convince you that's it's fair.

## Example: Hill Park Drive

We all know of poorly maintained streets in our districts. One of the worst in my district is Hill Park Drive, which as you can see is developing large unpaved patches.





With this memo, I propose that we explore setting aside a relatively small amount of money in the pavement maintenance budget for conducting maintenance on neighborhood streets that are in the worst condition. I'm not proposing that we upend DOT's strategy of focusing on streets in fair condition, but that we make some effort to balance out that focus by setting aside limited funding to address the most severe problems on neighborhood streets. In addition to making our pavement maintenance program slightly more fair, this approach would give us the ability to act when neighborhood streets get so bad that they begin raising safety concerns for residents or severely impacting quality of life. The goal wouldn't be to fix all streets in poor condition, but to have some flexibility to invest in the worst streets.

I identify two strategies to achieve this goal: first, designating a small portion of the 2018-19 pavement maintenance budget for maintaining streets in poor condition, and second, identifying excess revenue or unexpended funds in the 2017-18 budget that could be carried forward into the 2018-19 budget and designated for maintaining streets in poor condition. My proposal is not that we decide on these options now, but that we ask staff to evaluate them and return with options through the budget process.

The ultimate solution for streets in poor condition will probably be to identify additional funding sources. That's a worthy effort that we should continue pursuing, but in the meantime I think it's appropriate for us to discuss how we strike a balance between prioritizing preventative maintenance for streets in fair condition, in the interests of efficiency, and responding to concerns about streets in poor condition, in the interests of fairness. Balancing different values, like the values of efficiency and fairness, is what the budget process is meant to help us do. I look forward to having this discussion together with my colleagues and the community.