

CITY OF OAKLAND

AGENDA REPORT

OFFICE OF THE CITY CLERK
CITY OF OAKLAND

2006 APR 27 PM 1:11

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: May 9, 2006

RE: **Informational Report From The Public Works Agency On Strategies To Address Severely Deteriorated Streets Throughout Oakland**

SUMMARY

On April 11, 2006, the Public Works Committee requested an informational report from staff on how to deal with those streets in the poorest condition throughout Oakland. This informational report is in response to that request.

FISCAL IMPACT

This is an informational report and there are no fiscal impacts identified as part of this report.

BACKGROUND

All current available funding for street resurfacing in Oakland comes from one of three sources:

1. **Federal Surface Transportation Program (STP) grants** (funds only major arterial and collector streets classified as the "Metropolitan Transportation System (MTS).") Only streets classified in the lower-end of "good" condition or better may be rehabilitated in order to optimize available funds;
2. **State Proposition 42 subventions** (funds any local street and road maintenance and rehabilitation project); or
3. **The Alameda County ½ cent sales tax for transportation (Measure B) Local Street and Road subventions** (funds any local street and road maintenance and rehabilitation project).

The above restrictions and the current level of funding leave out a significant portion of the City streets that are either local streets, which are not eligible for STP funding, or streets in worse than good condition¹. While it seems counter-intuitive to not rehabilitate streets in poor condition, it reflects the significant cost difference between rehabilitating a street in relatively

¹ While Proposition 42 and Measure B subventions are not as restrictive, if the City channeled these funds to address severely deteriorated streets, the impact would be minimal in that it would fund only 20% of the number of streets that could be rehabilitated otherwise. It would result in even more streets dropping into the poor category.

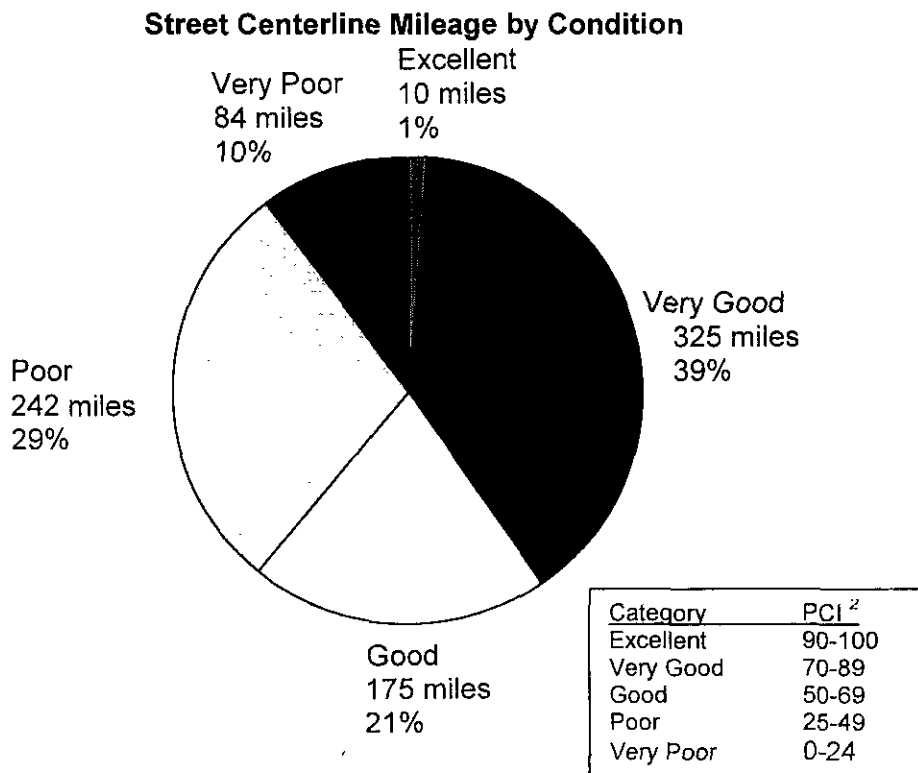
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good condition versus the reconstruction required for a street in poor condition and the need to optimize the minimal funding available.

KEY ISSUES AND IMPACTS

The City’s street network consists of 836 centerline (total length of a street) miles. The pie chart below shows the condition of the City’s streets. It should be noted that the information below is based on the last street inspection data, some of which is eight years old².

A Pavement Condition Index (PCI) is used to rank the condition of each segment of all City streets³. Ten percent 10% (84 miles) is in Very Poor condition, 29% (242 miles) in Poor condition, 21% (175 miles) in Good condition, 39% (325 miles) in Very Good condition, and 1% (10 miles) in Excellent condition.



² A new study is currently underway to assess present conditions and will be completed in June. After the completed street survey is received and reviewed by staff, a comprehensive report will be presented to Council with detailed recommendations and timelines for a multi-year plan following the completion of the survey.

³ The PCI is based on a visual inspection of each street. It assigns a numerical scale from 0-100. This ranking system is part of the City’s Pavement Management System and is widely used throughout the region as required by the Metropolitan Transportation Commission.

Street resurfacing in Oakland is currently at an 85-year paving cycle. (A best practice is a 25-year cycle.) The high incidence of deteriorating streets and potholes Citywide is the result of years of deferred rehabilitation and maintenance. The result is a significant amount of costly base repairs (full pavement reconstruction versus resurfacing) on street resurfacing contracts, which reduces the amount of streets that can be resurfaced annually.

A significant expansion in the street rehabilitation program is needed to elevate and maintain the City's pavement network to an optimum condition. It is estimated that an annual investment of \$26 million is needed to adequately address current resurfacing needs.

Funding Options-Federal & State

As noted above, grant funding is not available for non-MTS streets or for severely deteriorated streets due to the need to optimize the available funding. Oakland has long advocated for *increased funding at the federal, state and regional level for local streets and roads*. Although Oakland routinely receives \$1-2 million per year in federal grants, the need far outstrips available resources. Also, while California voters have been generous in approving funds for local streets and road rehabilitation – via Measure B re-authorization and Proposition 42 -- the revenues generated fall far short of what Oakland needs to bring its streets up to a serviceable condition.

At the state level, there are two opportunities that may provide additional funding for the City's street rehabilitation program. They are:

- With both the Governor's and the legislature's current focus on infrastructure funding, there is an opportunity to include street rehabilitation funds in the emerging statewide infrastructure bond proposed for the November 2006 ballot. Staff is currently working with the City's lobbyist to advocate for such a line item in the bond.
- Senate Bill 1611, now pending in the state legislature, could provide up to \$25 million *countywide* annually in Alameda County. This bill would allow counties to impose a motor vehicle registration fee of up to \$25.00 for transportation purposes. Oakland's share would be approximately \$7 million per year.

Regional & Local Funding

At the regional level, staff is currently participating in the following regional plan:

- The Metropolitan Transportation Commission (MTC) recently embarked on development of a *Strategic Plan for Roadway Infrastructure Maintenance*. This plan will identify options employed by communities throughout the country to address

roadway maintenance needs. This report should help inform Council's discussion of viable options. This report is scheduled for completion in fall 2006.

On the local level, adequate short-term and consistent long-term funding is needed for a comprehensive street rehabilitation program. For the interim, local funding is urgently needed to address those streets that are in the poorest condition that do not qualify for available grant funds. For long-term funding needs, Oakland may wish to consider the following sources:

- City ballot measure to raise funds for street rehabilitation. Other cities facing a growing backlog like Oakland have turned to their local voters to dedicate funds for street maintenance e.g., via a parcel tax or general obligation bonds.
- Road Impact Fee. Several communities in Marin and Santa Clara counties now impose a heavy truck road impact fee on new developments based on the improvement valuation. Revenues help repair damage due to the impact of heavy truck traffic used on construction projects. This is not a traffic impact fee.⁴

Conclusion

Because of the size of Oakland's deficit for street rehabilitation, a combination of new funding measures will be required to begin reducing Oakland's backlog and elevate the City's pavement network to an optimum condition. Each fee will have tradeoffs that must be carefully analyzed. Prior to proposing any new fee or voter-approved initiative, a careful analysis must be done that addresses the concerns of and impacts to all parties.

As stated above, MTC is currently evaluating a variety of funding options including those highlighted above and will be presenting their findings in a report, which is due this Fall. At the same time, a new field survey is currently underway in Oakland to assess present conditions of the City's pavement network. This survey will be completed in June. After the completed street survey is received and reviewed by staff and in conjunction with the MTC study, a comprehensive report will be presented to Council with detailed recommendations and timelines for a multi-year plan.

⁴ Transportation Impact Fees (TIF) are commonly collected in many jurisdictions in the Bay Area and throughout California to aid in financing transportation infrastructure required by new development. Currently, the City of Oakland does not collect Transportation Impact Fees (TIF) from new developments. However, staff in CEDA are in the process of producing a pilot program in Oakland. A TIF program will constitute a funding mechanism for traffic improvements required to mitigate cumulative traffic impacts as documented in the Environmental Impact Reports. The fee is not imposed to improve or correct deficiencies in baseline service levels, or to mitigate the impacts of regional (through) traffic.

ACTION REQUESTED OF THE CITY COUNCIL

This is an informational report on strategies to address severely deteriorated streets throughout Oakland. No action is requested.

Respectfully submitted,



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Design & Construction Services Department

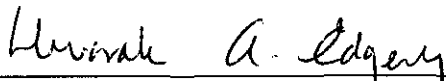
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APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE:



OFFICE OF THE CITY ADMINISTRATOR