



JUNE 13, 2024

AGENDA ITEM # #

RECEIVE A PRESENTATION ON THE 2023 REGIONAL PAVEMENT ANALYSIS AND CONSIDER ACTIONS TO EXPLORE BEST MANAGEMENT PRACTICES, COORDINATE ON EXISTING FUNDING AND CONSIDER A FIX IT FIRST AND SAFETY FUNDING MEASURE CONCEPTS

Action Requested: Receive and File

Key Staff: Kevin M. Bewsey, Executive Director

Recommendation

Staff recommends the STA Governing Board receive a presentation on the 2023 Regional Pavement Analysis and then consider the following actions:

1. Explore best management practices and lessons learned through presentations on the following topics:
 - a. Agencywide Maintenance Community Facilities Districts (CFDs)
 - b. Trench Cut Fees
 - c. General Fund Contributions
 - d. Pavement Moratorium
 - e. Preventative Maintenance
2. Coordinate on the following topics:
 - a. Increasing the federal and state funds that can go to Fix It First type projects with Sacramento Area Council of Governments (SACOG).
 - b. Establishing a minimum percentage of Measure A City Street and County Road Maintenance Program funds to go road maintenance with the Professional Advisory Group (PAG).
 - c. Addressing pavement maintenance with projects identified in the Transportation Expenditure Plan with those remaining agencies receiving Measure A capital funds.
3. Explore Fix It First and Safety Funding Measure Concepts with the Professional Advisory Group (PAG) for consideration of the STA Governing Board.

Background

In 2004, voters approved a 30-year extension of Measure A, allocating 30% of sales tax revenue to the City Street and County Road Maintenance Program for Sacramento County and the cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, and Sacramento. This included taxpayer safeguards and reporting requirements, such as a Maintenance of Effort for existing road maintenance and biennial pavement and bridge maintenance reports audited by the Independent Taxpayer Oversight Committee (ITOC).

By the summer of 2022, STA recognized the need for a more comprehensive review of regional pavement needs beyond the biennial reporting. In March 2023, under the Executive Director's

authority, STA contracted Nichols Consulting Engineers (NCE) to conduct a regional pavement analysis using existing data.

STA's goals were to:

- Satisfy the pavement portion of the Pavement and Bridge Maintenance System report.
- Document current pavement condition, policies, and practices.
- Quantify regional pavement maintenance needs.
- Inform future funding and policy decisions.

Over 15 months, STA and NCE collaborated with the County and cities, starting with a stakeholder meeting in April 2023. Data was collected, and a regional decision tree and unit costs were developed, with initial analysis completed in August 2023. A presentation in January 2024 revealed concerns about discrepancies between regional and individual agency analyses but STA decided to emphasize the regional perspective.

The draft report, developed in April 2024, modeled five scenarios over 30 years:

1. Improve PCI to 70
2. Maintain PCI
3. Existing Agency Budget
4. Existing Agency Budget with New Sales Tax Measure
5. Existing Agency Budget with Additional General Funds

The draft included best management practices for efficiency and cost savings and was circulated for review, with the final draft completed in May 2024.

Discussion

The draft final 2023 Regional Pavement Analysis provides a regional perspective on the pavement maintenance needs for Sacramento County and its incorporated cities. Among these jurisdictions there is a wide range of existing pavement conditions and available funding for pavement maintenance. Fundamentally the report highlights the large pavement maintenance needs and how existing funding is not sufficient.

The report looks at two sets of Scenarios. The first set looks at meeting certain performance objectives and the second set looks at funding levels.

Performance Scenarios

The report includes two scenarios that analyzed the cost to achieve performance objectives at a regional level. Scenario 1 analyzed the cost to improve the Region-Wide Average Pavement Condition Index (PCI) to 70, which is the threshold for "Good" pavement condition. Scenario 2 analyzed the cost to maintain the existing Region-Wide Average PCI at 53. Neither of these costs documented in Scenario's 1 & 2 were attainable with existing funding.

Funding Scenarios

The report includes three scenarios that analyzed funding levels and the performance achieved at a regional level. Scenario 3 looked at the existing agency funding. Scenario 4 looked at existing funding with a New Sales Tax Measure. Scenario 5 looked at existing funding with additional general funds in select agencies that take that approach.

To put these scenarios into regional perspective, the additional funding needed for Scenarios 1, 2, 3, & 4 are expressed in the table below in the form of a new sales tax within Sacramento County, dedicated solely to pavement maintenance. So, for Scenario 1, a new 0.76% Sales Tax measure in Sacramento County would be needed to close the funding gap in this scenario. For Scenario 2, this would drop to 0.43%.

Table 1: Additional Funding for Scenarios 1-4

#	Scenario Name	Region-Wide Average PCI In 2053	Additional Funding Need	Additional Pavement Maintenance Funding Need as New County Wide Sales Tax Percentage
1	Improve PCI to 70	71	\$264.7 Million	0.76%
2	Maintain PCI	53	\$150.2 Million	0.43%
3	Existing Agency Budget	21	\$0 Million	0.00%
4	Existing Agency Budget with New Sales Tax Measure	32	\$64.2 Million	0.18%

The draft final 2023 Regional Pavement Analysis provides several recommendations to reduce the funding need through cost saving measures, innovation, and best management practices. A case study is included to illustrate the value of implementing these recommendations at a local level.

On May 13th, STA staff held a meeting with County and Cities regarding potential STA Governing Board recommendations that could be included with the regional pavement analysis. These recommendations were in addition to those included in the report and have been included with the staff recommendations.

Staff recommends the STA Governing Board receive a presentation on the 2023 Regional Pavement Analysis and then consider the following actions:

1. Explore best management practices and lessons learned through presentations on the following topics:
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 - b. Trench Cut Fees
 - c. General Fund Contributions
 - d. Pavement Moratorium
 - e. Preventative Maintenance
2. Coordinate on the following topics:

- f. Increasing the federal and state funds that can go to Fix It First type projects with SACOG.
 - g. Establishing a minimum percentage of Measure A City Street and County Road Maintenance Program funds to go road maintenance with the Professional Advisory Group (PAG).
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Fiscal Impact

The recommended action would have minimal fiscal impact as most of the proposed action would be covered through existing staff resources. The cost of the Regional Pavement Analysis was \$43,600 and was budgeted in FY 2023-24 in the Administrative Fund.

Attachments

1. Draft Final 2023 Regional Pavement Analysis Report