

**GRAND JUNCTION CITY COUNCIL
MONDAY, AUGUST 1, 2016**

**WORKSHOP, 5:00 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

- 1. Update on Street Maintenance:** Council has been considering capital projects and funding over the last several months. During the April, 2016 workshop, Council reviewed financial statements of various capital projects including the on-going maintenance of streets. Staff has prepared a presentation on the condition of streets and associated costs for discussion.

[Attachment
Supplemental Documents](#)

- 2. Next Workshop Topics**
- 3. Committee and Board Reports**
- 4. Other Business**



**Grand Junction City Council
Workshop Session**

Meeting Date: August 1, 2016
Requested by: Greg Lanning
Department: Public Works

Information

SUBJECT: UPDATE ON STREET MAINTENANCE

EXECUTIVE SUMMARY: Council has been considering capital projects and funding over the last several months. During the April, 2016 workshop, Council reviewed financial statements of various capital projects including the on-going maintenance of streets. Staff has prepared a presentation on the condition of streets and associated costs for discussion.

BACKGROUND OR DETAILED INFORMATION:

Three reports have been prepared over the last 12 years by the same consulting firm on the condition of roadway pavements in the City. In each report, a pavement condition index (PCI) has been determined for all roadway segments as well as a PCI for the overall condition. According to these reports, a trend has developed in which pavement condition has steadily declined from a PCI of 78 in 2004 to a current PCI of 69. A PCI of 69 is considered fair, only one point below satisfactory which ranges from 70 to 84. A pavement in good condition ranges from 85-100.

FISCAL IMPACT:

Pavement condition modelling analysis indicates the PCI will continue to decline at current funding levels of \$2,800,000 (\$2,000,000 for contract street maintenance, and \$ 800,000 for preventive maintenance such as chip seal, the two key treatments that affect pavement condition).

The model also indicates funding at \$6,250,000 (\$5,500,000 for contact street maintenance and \$800,000 for chip seal) will not only arrest the downward trend but improve the PCI to 73 over five years. It is estimated funding at \$4,000,000 a year will maintain the PCI in subsequent years after the five years of funding at \$6,250,000 a year. (Note: \$4,000,000 for continued maintenance includes both contract street maintenance and preventive maintenance).

SUGGESTED ACTION:

Options for funding on-going street maintenance were presented at the April workshop and will be discussed following the presentation.

SD

City of Grand Junction
 City Council Workshop
 August 1, 2016



Option A	Year 1 2017	Year 2 2018	Year 3 2019	Year 4 2020	Year 5 2021	Year 6 2022	Total 6 Year Investment
Existing Funding	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 16,800,000
Part 1	3,500,000	-	-	-	-	-	3,500,000
Part 2	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000
Total Additional	\$ 4,500,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 9,500,000
Total Investment	\$ 7,300,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 26,300,000

Option B	Year 1 2017	Year 2 2018	Year 3 2019	Year 4 2020	Year 5 2021	Year 6 2022	Total 6 Year Investment
Existing Funding	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 16,800,000
Part 1	3,500,000	-	-	-	-	-	3,500,000
Part 2	3,800,000	3,800,000	3,800,000	-	-	-	11,400,000
Total Additional	\$ 7,300,000	\$ 3,800,000	\$ 3,800,000	\$ -	\$ -	\$ -	\$ 14,900,000
Total Investment	\$ 10,100,000	\$ 6,600,000	\$ 6,600,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 31,700,000

Option C	Year 1 2017	Year 2* 2018	Year 3 2019	Year 4 2020	Year 5 2021	Year 6 2022	Total 6 Year Investment
Existing Funding	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 16,800,000
Part 1	3,500,000	-	-	-	-	-	\$ 3,500,000
Part 2	-	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	\$ 20,000,000
Total Additional	\$ 3,500,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 23,500,000
Total Investment	\$ 6,300,000	\$ 6,800,000	\$ 6,800,000	\$ 6,800,000	\$ 6,800,000	\$ 6,800,000	\$ 40,300,000

* If new tax goes to vote April 2017 would not be implemented until January 1, 2018.

City of Grand Junction

Update on Street Maintenance

Council Workshop
August 1, 2016



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CONTENT

- Background
- Street Maintenance
 - Funding



Capital Exercise

Priorities
All investments and other activities are consistent with the following priorities:

- 1. Enhance the City's infrastructure and public facilities
- 2. Improve the City's public safety and security
- 3. Enhance the City's economic development and job creation
- 4. Improve the City's environmental quality and sustainability
- 5. Enhance the City's cultural and recreational opportunities

Resources
Based on the City's current resources and the following assumptions:

- 1. The City's current resources are sufficient to fund the capital exercise.
- 2. The City's current resources are sufficient to fund the capital exercise.
- 3. The City's current resources are sufficient to fund the capital exercise.

Capital Exercise Summary

Item	2017	2018	2019	2020	2021	2022	2023	2024	2025
Capital Expenditures	1,000,000	1,200,000	1,500,000	1,800,000	2,000,000	2,200,000	2,400,000	2,600,000	2,800,000
Debt Service	500,000	550,000	600,000	650,000	700,000	750,000	800,000	850,000	900,000
Operating Expenses	1,500,000	1,600,000	1,700,000	1,800,000	1,900,000	2,000,000	2,100,000	2,200,000	2,300,000
Revenue	1,800,000	1,900,000	2,000,000	2,100,000	2,200,000	2,300,000	2,400,000	2,500,000	2,600,000

City Council Workday - 12/15/2016

Item	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Expenses	1,500,000	1,600,000	1,700,000	1,800,000	1,900,000	2,000,000	2,100,000	2,200,000	2,300,000
Revenue	1,800,000	1,900,000	2,000,000	2,100,000	2,200,000	2,300,000	2,400,000	2,500,000	2,600,000
Capital Expenditures	1,000,000	1,200,000	1,500,000	1,800,000	2,000,000	2,200,000	2,400,000	2,600,000	2,800,000
Debt Service	500,000	550,000	600,000	650,000	700,000	750,000	800,000	850,000	900,000

“One-Offs” & Annual Maintenance



TRANSPORTATION CONTEXT



**ROAD
MAINTENANCE**

- Road Maintenance
- Capacity (TCP)
- *Other* Road Projects
- Bridges
- Sidewalks
- Alleys
- Paint/Markings/Signs
- Traffic Signals
- Street Lights
- Bus Pullouts
- Trails

Road Maintenance & Pavement Condition



Crackfill & Repair

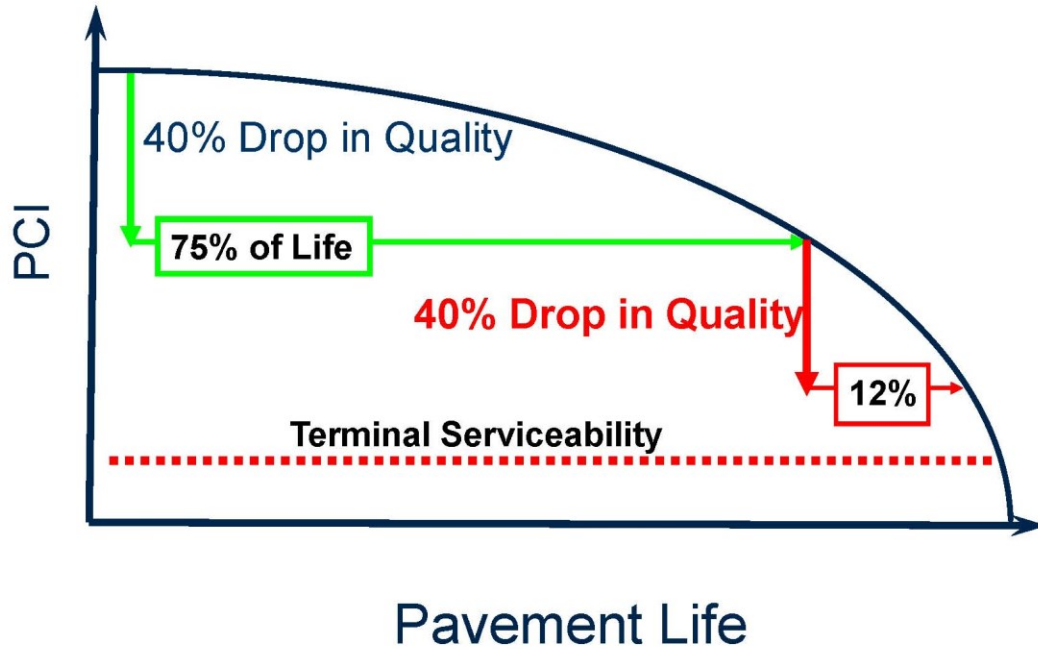
Preventive Maintenance
(Chipseal)

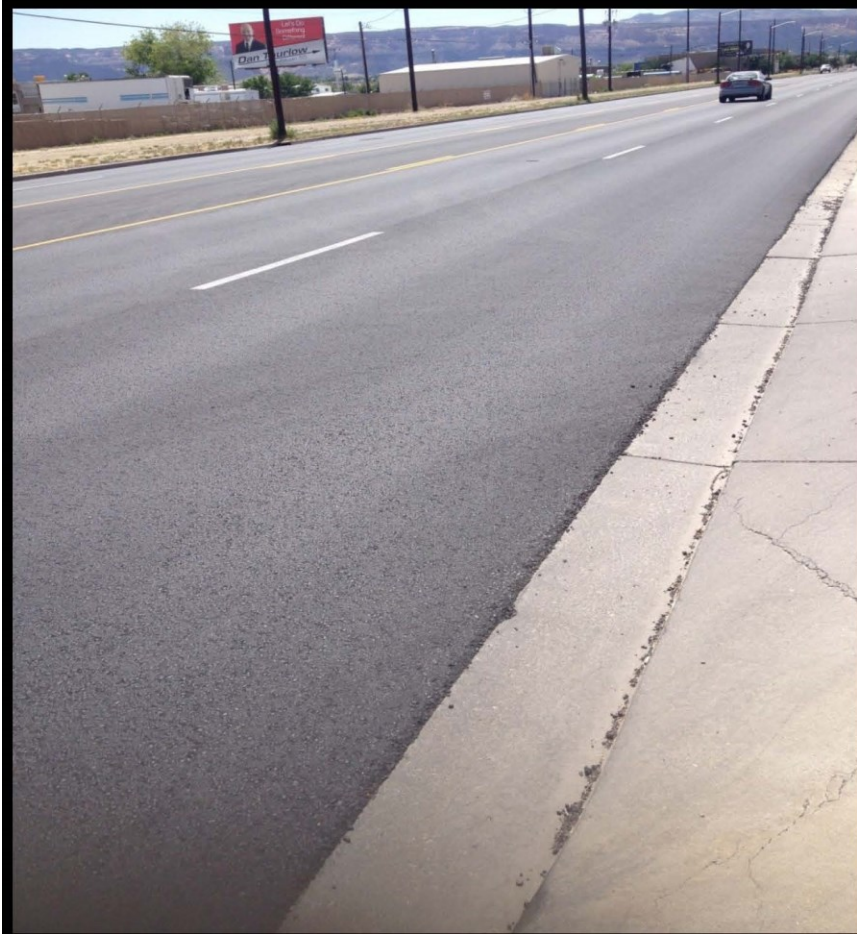


Contract Street Maintenance



Pavement Condition Index (PCI)





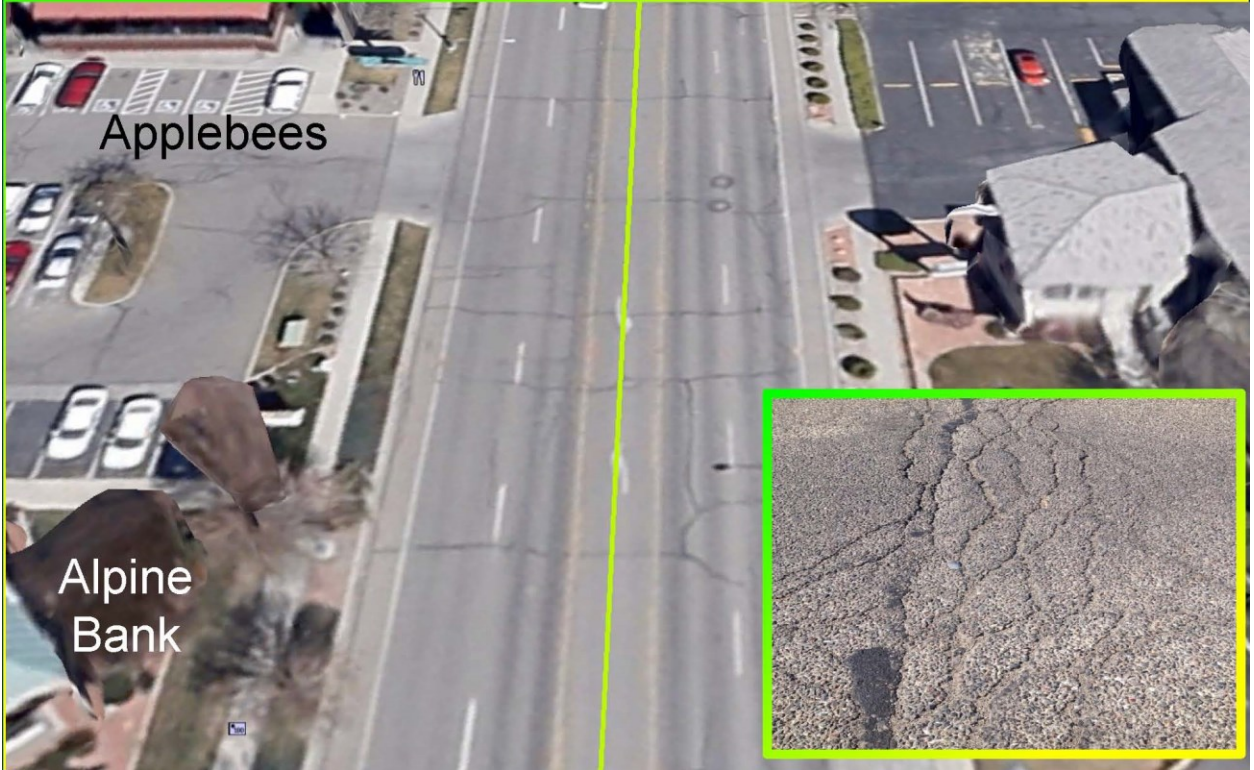
Patterson Road

PCI – 92

Horizon Drive

PCI – 63

Block Cracking at Transverse Joints





**Legends
Way**



PCI – 40
High
Severity
Depressions



**1st Street
Proposed
Reconstruction**

PCI - 29

High Severity
Alligator &
Edge Cracking



Existing Maintenance Program



Crackfill - \$135,000

Chipseal - \$750,000

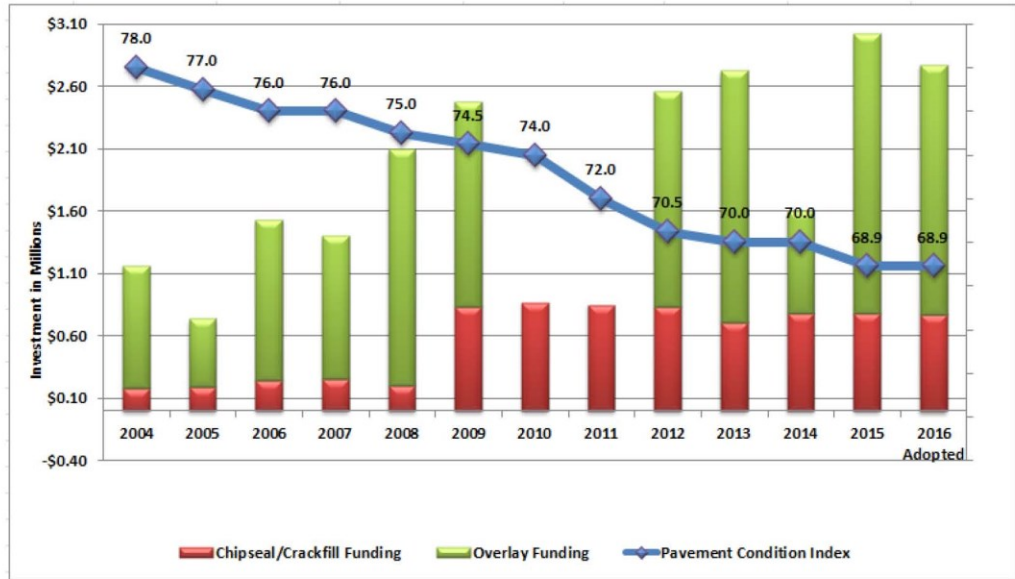


Contract Street Maintenance - \$2M

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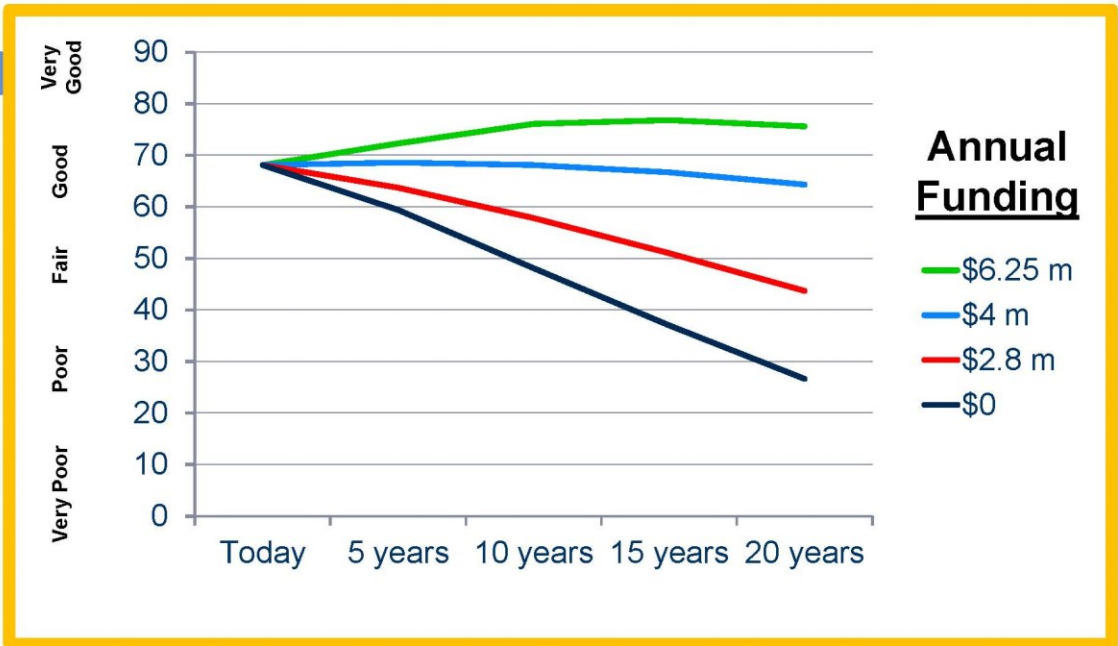
Street Maintenance - Recent History

Funding Level



PCI

Average PCI



Value of the City of GJ Street Network (at PCI 69): \$266,000,000



Funding Options

Option A:

Part 1-Moving forward with Council consensus from the May 9th Capital Workshop; use of \$3.5 million of the \$11.2 million in funds accumulated for the Riverside Parkway debt to overlay the Riverside Parkway in 2017. Moves early redemption of the bonds out 1 year which still saves \$821k in interest.

Part 2-Marginally increase contract street maintenance budget within existing resources.

Option A	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total 6 Year
	2017	2018	2019	2020	2021	2022	Investment
Existing Funding	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 16,800,000
Part 1	3,500,000	-	-	-	-	-	3,500,000
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Total Additional	\$ 4,500,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 9,500,000
Total Investment	\$ 7,300,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 26,300,000



Funding Options

Option B:

Part 1-Moving forward with Council consensus from the May 9th Capital Workshop; use of \$3.5 million of the \$11.2 million in funds accumulated for the Riverside Parkway debt to overlay the Riverside Parkway in 2017. Moves early redemption of the bonds out 1 year which still saves \$821k in interest.

Part 2-Use remaining \$7.7 million in funds accumulated for the Riverside Parkway debt in addition to the annual TABOR excess to pay the debt payment of \$3.8 million for 2017, 2018, and 2019. Apply the capital funds available to contract street maintenance. (Council has the authority through modification of the resolution)

Option B	Year 1 2017	Year 2 2018	Year 3 2019	Year 4 2020	Year 5 2021	Year 6 2022	Total 6 Year Investment
Existing Funding	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 16,800,000
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Part 2	3,800,000	3,800,000	3,800,000	-	-	-	11,400,000
Total Additional	\$ 7,300,000	\$ 3,800,000	\$ 3,800,000	\$ -	\$ -	\$ -	\$ 14,900,000
Total Investment	\$ 10,100,000	\$ 6,600,000	\$ 6,600,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 31,700,000



Funding Options

Option C:

Part 1-Moving forward with Council consensus from the May 9th Capital Workshop; use of \$3.5 million of the \$11.2 million in funds accumulated for the Riverside Parkway debt to overlay the Riverside Parkway in 2017. Moves early redemption of the bonds out 1 year which still saves \$821k in interest.

Part 2-Invest new 1/4% sales and use tax estimated to generate \$4M annually in contract street maintenance. (require vote of residents)

	Year 1	Year 2*	Year 3	Year 4	Year 5	Year 6	Total 6 Year
Option C	2017	2018	2019	2020	2021	2022	Investment
Existing Funding	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 16,800,000
Part 1	3,500,000	-	-	-	-	-	\$ 3,500,000
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