



Office of the City Manager

INFORMATION CALENDAR

December 3, 2013

To: Honorable Mayor and Members of the City Council
From:  Christine Daniel, City Manager
Submitted by: Andrew Clough, Director, Public Works
Subject: Status Report: Failing Streets: Time to Change Direction to Achieve Sustainability

SUMMARY

On November 15, 2011 the City Auditor issued its report: [Failing Streets: Time to Change Direction to Achieve Sustainability](#)¹. The objective of this audit was to “determine what it would take to raise the City’s Pavement Condition Index from ‘at risk’ to the mid-range of ‘good.’ At ‘good,’ streets can be maintained at a much lower cost than if they are allowed to deteriorate and require more costly repairs. The deteriorated streets are a growing unfunded need that is a liability for the City now and in the future.” As noted in the Auditor’s report, this audit was conducted in cooperation with the Public Works Department, and staff from the Metropolitan Transportation Commission, TRIP, and other agencies.

When the Audit was submitted to Council, there was a single Finding: 134 (62%) of Berkeley’s 216 Linear Miles of Streets Need to Be Resurfaced or Reconstructed at an Estimated Cost of \$54 Million; and 2 recommendations: The City Manager should recommend options to the City Council to improve the City’s pavement condition index (PCI) to a certain level over a specified timeframe; and the Department of Public Works should use *StreetSaver*® to develop strategies for meeting the target PCI. Both Audit recommendations have been implemented and this closes the Audit.

The first status report on implementation of these recommendations was delivered to Council on November 27, 2012². Berkeley voters had just approved Measure M earlier that month for the City to issue \$30 million in general obligation bonds to accelerate the street paving program, while incorporating “green infrastructure” (in accordance with the Watershed Management Plan) where appropriate. Since then a process has been undertaken to create an accelerated 5-Year Street Paving Plan and an Expenditure Plan for the bond funding. Council held a Worksession on October 1, 2013 at which Public Works staff and the Public Works Commission presented information on the process and its expected outcomes. The Commission submitted the final accelerated 5-Year Street Paving Plan to Council on November 19, 2013.

¹ Failing Streets: Time to Change Direction to Achieve Sustainability:
[www.ci.berkeley.ca.us/uploadedFiles/Clerk/Level_3 - City Council/2011/11Nov/2011-11-15 Item 09 Failing Streets.pdf](http://www.ci.berkeley.ca.us/uploadedFiles/Clerk/Level_3_-_City_Council/2011/11Nov/2011-11-15_Item_09_Failing_Streets.pdf).

² November 27, 2012 agenda: [www.cityofberkeley.info/Clerk/City_Council/2012/11Nov/City_Council_11-27-2012 - Regular Meeting Annotated Agenda.aspx](http://www.cityofberkeley.info/Clerk/City_Council/2012/11Nov/City_Council_11-27-2012_-_Regular_Meeting_Annotated_Agenda.aspx)

CURRENT SITUATION AND ITS EFFECTS

Both recommendations from the Audit have been incorporated into the planning and analysis for the accelerated streets paving program, incorporating Measure M funding for paving and appropriate green infrastructure (GI) features.

Finding 1: 134 (62%) of Berkeley's 216 Linear Miles of Streets Need to Be Resurfaced or Reconstructed at an Estimated Cost of \$54 Million.

Recommendation 1.1: The City Manager should recommend options to the City Council to improve the City's pavement condition index to a certain level over a specified timeframe. The recommendation should include:

- The desired average citywide PCI and timeframe within which to achieve it.
- Potential funding strategies to meet the PCI goal within the desired timeframe.
- A commitment to provide to the commissions and Council an annual progress report on the PCI as part of the 5-Year Street Paving Plan.

Status: Implemented. Measure M has created the much-needed ability to fund a major expansion of Berkeley's street paving program, by providing \$30 million over 5 years. This amount is in addition to \$17 million the paving program is anticipated to receive from other sources, for a total of \$47 million over a 5-year period. With all Measure M funds applied only for paving, the Citywide PCI could potentially rise to 70 at the end of 5 years, up from the current 54. However, as already stated, the City is also committed to incorporating "green infrastructure" (in accordance with the Watershed Management Plan) where appropriate. Application of Measure M funds to Watershed improvements will affect what the average PCI outcome will be.

Measure M currently represents the only scenario to achieve realistic funding levels that would result in significant and meaningful increases in the overall street pavement conditions.

Specifics of Recommendation 1.1 implementation

- The desired Citywide PCI level would be in the range of 66 – 70 and the target timeframe is 5 years. As stated above, the initial *Streetsaver*® run resulted in a final overall PCI of 70 but did not allocate funding for GI improvements. Accounting for this allocation would expect to lower the final PCI to the low end of this range (about 68).
- The funding strategy (actual, not potential) is Measure M augmenting other street paving funding sources (State gas tax, county sales tax, local general fund). A countywide sales tax measure may be submitted and approved in the next few years.
- Staff will issue annual progress reports to commissions and Council.

Recommendation 1.2: The Department of Public Works should use *StreetSaver*® to develop strategies for meeting the target PCI. To ensure the reliability of the *StreetSaver*® scenarios, staff should:

- Update the *StreetSaver*® unit costs annually, including soft costs, such as administrative costs.

- Ensure the 5-Year Street Plan includes strategies that will achieve the Council-adopted PCI goal.
- Include annual costs for preventive maintenance in the 5-Year Street Plan.

Status: Implemented. Public Works has used *StreetSaver*® to achieve the measurable results of the enhanced street paving program as a result of the infusion of Measure M funding as discussed above.

- Unit costs have been updated in *StreetSaver*® and will be in the future. Soft costs are budgeted separately from the construction dollars, and are in accordance with the labor rates for FY 2014, which will be adjusted over future years.
- See Recommendation 1.1 for the funding strategy and PCI goal.
- *StreetSaver*® results for street treatments include recommended maintenance to maintain pavement condition ratings (PCI) at the highest level for the extended period of time, and before renewal treatments (overlay, reconstruction, etc.) are needed.

BACKGROUND

The Audit, [Failing Streets: Time to Change Direction to Achieve Sustainability](#)³, was performed in 2011, and used the same software-based evaluation system (*StreetSaver*®) that the Public Works Department uses routinely to program street paving and repairs. Historically, in accordance with the Street Repair Policy adopted by Council, Public Works procedures currently integrate the output with actual street maintenance treatments, while developing a 5-Year Plan to recommend to the Council.

New *StreetSaver*® scenarios were run once actual funding scenarios based on the passage of Measure M bond funding were realized. These were used to determine actual funding scenarios that are now feasible in Berkeley.

POSSIBLE FUTURE ACTION

As indicated above, Public Works will provide detailed annual reports on Measure M expenditures and the 5-Year Paving Plan to Council and to cognizant Commissions.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

The expenditure plan for FY 2014 is \$5.9 million in street improvements per Measure M provisions, and approximately \$9.4 million for the remaining years of the Plan (including all funding sources).

CONTACT PERSON

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³ Failing Streets: Time to Change Direction to Achieve Sustainability:
www.ci.berkeley.ca.us/uploadedFiles/Clerk/Level_3_-_City_Council/2011/11Nov/2011-11-15_Item_09_Failing_Streets.pdf

