

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Study Session

Presentation Date: 11-5-2013 **Approx. Start Time:** 10:30 a.m. **Approx. Length:** 1.5 hours

Presentation Title: Funding, Transportation Maintenance and Road Surfacing (Continued)

Department: Department of Transportation & Development

Presenters: Barbara Cartmill, Acting Director, DTD; Gary Schmidt, Director, PGA; Chris Storey, Senior Legal Counsel; Diedre Landon, Senior Policy Analyst, DTD

Other Invitees: Laurel Butman, Deputy County Administrator; Sam Irving, Transportation Maintenance Manager and Mike Bezner, Engineering Manager

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

The purpose of this session is to continue the discussion on a local funding mechanism that would generate additional revenue to fill the funding gaps projected for transportation operations and paving maintenance. Staff will ask the BCC to provide direction on the three program options outlined below and begin discussions regarding a public outreach/education process.

EXECUTIVE SUMMARY:

Staff will review a Transportation Maintenance Utility Fee and Road District for annual revenue generated and examples of the monthly cost to the customer for three specific program options (full, reduced and minimal funding levels).

1. Full-funding option (\$17.65 million) that provides annual revenue resulting in 1) a 21-year program to pave local, collector, and arterial roads across the unincorporated area and 2) maintain the current level of service (operations).
2. Reduced funding option (\$10 million) that provides 1) a minimum of \$2 million toward local road paving, 2) an additional \$3 million for collector and arterial roads and 3) maintains the current level of service (operations). This reduces the annual revenue but extends the program out to a 37-year paving cycle for the unincorporated area.
3. Minimal funding option (\$5 million) will maintain the current level of service (operations) on roads in unincorporated Clackamas County. This program would not support contract paving or any additional roadway treatments, but continues basic system maintenance by providing a safe road network for the public.

At this study session, staff will review the three program options and provide a technical recommendation regarding fiscal implications and begin discussions regarding a public outreach/education process.

FINANCIAL IMPLICATIONS (current year and ongoing):

Funding mechanism chosen will determine the financial implications.

LEGAL/POLICY REQUIREMENTS:

Formation of the funding mechanism will determine the legal and policy requirements.

PUBLIC/GOVERNMENTAL PARTICIPATION:

Public outreach and education plan under development.

OPTIONS:

Staff will ask the BCC to provide direction on the three program options listed above and begin discussions regarding a public outreach/education process.

RECOMMENDATION:

Staff's recommendation is for Option 1: Full-funding of the \$17.65 million annually to cover operations and the paving of local, collector and arterial roads because anything less than a 21-year program would result in an ongoing loss of road quality.

ATTACHMENTS:

Attachment A – Transportation Maintenance Utility Fee Model | Program Options

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Diedre Landon
@ DLandon@co.clackamas.or.us or 503-742-4411.

Unincorporated Clackamas County

Transportation Maintenance Utility Fee Model

Rate Scenario | Assumptions

Full-funding option (\$17.65 million). Provides annual revenue resulting in:
 1) a 21-year program to pave local, collector, and arterial roads across the unincorporated area and 2) maintain the current level of service (operations).

Maintenance Program Funding Gap	Residential (Assumes 46% of Total ADT)	Commercial Industrial (Assumes 54% of Total ADT)	Total Revenue Collection (Assumes 100% of Total ADT)
Arterials & Collectors Resurfacing & Paving	\$3,433,343	\$4,066,657	\$7,500,000
Locals Resurfacing & Paving	\$2,357,562	\$2,792,438	\$5,150,000
Operations Current level of maintenance.	\$2,288,895	\$2,711,105	\$5,000,000
	\$8,079,800	\$9,570,200	\$17,650,000

Estimated Monthly Rates & Funding Comparison | Customer Examples

Customers	Road Utility Fee (Monthly Fee Based on Vehicle Trips)	Road Maintenance District (Monthly Fee Based on Tax Rate & A/V)	Category
Single-Family Residential (SFR \$250,000 A/V)	\$9.90	\$20.80	Residential
Stevens Orchard Apartments (37 Units \$1,769,713 A/V)	\$257.10	\$147.50	
Rose Villa, Senior Living Facility (131 Units \$8,277,498 A/V)	\$291.30	\$689.90	
Wal-Mart, Otty & SE 82nd Ave (140,246 SF \$20,068,574 A/V)	\$3,861.00	\$1,672.70	Commercial Industrial
Clackamas Town Center, General Growth Properties (569,621 SF \$211,695,200 A/V)	\$9,932.30	\$17,644.20	
Pacific Foods Warehouse, 12300 SE Carpenter (164,824 SF \$2,203,504 A/V)	\$426.20	\$183.70	
Eagle Creek Jackpot (8 Vehicle Fueling Positions \$419,926 A/V)	\$166.10	\$35.00	

Unincorporated Clackamas County

Transportation Maintenance Utility Fee Model

Rate Scenario | Assumptions

Reduced funding option (\$10 million) that provides:
 1) a minimum of \$2 million toward local road paving, 2) an additional \$3 million for collector and arterial roads and 3) maintains the current level of service (operations).
 This reduces the annual revenue but extends the program out to a 37-year paving cycle for the unincorporated area.

Maintenance Program Funding Gap	Residential (Assumes 46% of Total ADT)	Commercial Industrial (Assumes 54% of Total ADT)	Total Revenue Collection (Assumes 100% of Total ADT)
Arterials & Collectors Resurfacing & Paving	\$1,373,337	\$1,626,663	\$3,000,000
Locals Resurfacing & Paving	\$915,558	\$1,084,442	\$2,000,000
Operations Current level of maintenance.	\$2,288,895	\$2,711,105	\$5,000,000
	\$4,577,790	\$5,422,210	\$10,000,000

Estimated Monthly Rates & Funding Comparison | Customer Examples

Customers	Road Utility Fee (Monthly Fee Based on Vehicle Trips)	Road Maintenance District (Monthly Fee Based on Tax Rate & A/V)	Category
Single-Family Residential (SFR \$250,000 A/V)	\$5.60	\$11.80	Residential
Stevens Orchard Apartments (37 Units \$1,769,713 A/V)	\$145.70	\$83.60	
Rose Villa, Senior Living Facility (131 Units \$8,277,498 A/V)	\$165.00	\$390.90	
Wal-Mart, Otty & SE 82nd Ave (140,246 SF \$20,068,574 A/V)	\$2,187.60	\$947.70	Commercial Industrial
Clackamas Town Center, General Growth Properties (569,621 SF \$211,695,200 A/V)	\$5,627.50	\$9,996.70	
Pacific Foods Warehouse, 12300 SE Carpenter (164,824 SF \$2,203,504 A/V)	\$241.50	\$104.10	
Eagle Creek Jackpot (8 Vehicle Fueling Positions \$419,926 A/V)	\$94.10	\$19.80	

Unincorporated Clackamas County

Transportation Maintenance Utility Fee Model

Rate Scenario | Assumptions

Minimal funding option (\$5 million) will maintain the current level of service (operations) on roads in unincorporated Clackamas County. Would not support contract paving or any additional roadway treatments, but continues basic system maintenance by providing a safe road network for the public.

Maintenance Program Funding Gap	Residential (Assumes 46% of Total ADT)	Commercial Industrial (Assumes 54% of Total ADT)	Total Revenue Collection (Assumes 100% of Total ADT)
Arterials & Collectors Resurfacing & Paving	\$0	\$0	\$0
Locals Resurfacing & Paving	\$0	\$0	\$0
Operations Current level of maintenance.	\$2,288,895	\$2,711,105	\$5,000,000
	\$2,288,895	\$2,711,105	\$5,000,000

Estimated Monthly Rates & Funding Comparison | Customer Examples

Customers	Road Utility Fee (Monthly Fee Based on Vehicle Trips)	Road Maintenance District (Monthly Fee Based on Tax Rate & A/V)	Category
Single-Family Residential (SFR \$250,000 A/V)	\$2.80	\$5.90	Residential
Stevens Orchard Apartments (37 Units \$1,769,713 A/V)	\$72.80	\$41.80	
Rose Villa, Senior Living Facility (131 Units \$8,277,498 A/V)	\$82.50	\$195.40	
Wal-Mart, Otty & SE 82nd Ave (140,246 SF \$20,068,574 A/V)	\$1,093.80	\$473.80	Commercial Industrial
Clackamas Town Center, General Growth Properties (569,621 SF \$211,695,200 A/V)	\$2,813.80	\$4,998.30	
Pacific Foods Warehouse, 12300 SE Carpenter (164,824 SF \$2,203,504 A/V)	\$120.70	\$52.00	
Eagle Creek Jackpot (8 Vehicle Fueling Positions \$419,926 A/V)	\$47.10	\$9.90	