

Attachment B

County of Monterey Board Policy Manual

Policy Name Local Road Rehabilitation Program v2.0. Policy	Policy Number O- XX	Page 1 of 4
Policy Category Operations and Maintenance		

I. Purpose

This policy will provide information and procedures to be followed in managing the Local Road Rehabilitation Program v2.0 (Program) approved by the Board of Supervisors on January 30, 2024. This policy is to be reviewed consistently with, and interpreted in general conformance with, the definitions and procedures contained in the January 30, 2024 Board Report, and the associated “10 Year Local Road Rehabilitation Program” Summary Report prepared by Harris & Associates dated September 16, 2022. The “Initial 10 Year Road Repair Plan” (aka Pilot Plan) set forth in Table 6 therein is to be a guide for Program investments. Any questions regarding the interpretation of this policy should be directed to the Director of the Public Works, Facilities, and Parks Department (PWFP).

II. Background

- A. The County Administrative Office (CAO) and PWFP received Board Referral 2020.12 on March 3, 2020, to consider funding options to increase the Pavement Condition Index of County roads to at least a “Fair” standard over the next ten years. Upon receiving the Board Referral, staff began researching options and consulted with the County’s municipal public finance advisors, to identify funding/financing strategies within the context of the Road Fund existing revenue sources.
- B. Staff and the advisors performed extensive research and analysis of potential financing options and security structures to possibly leverage existing Road Fund revenues. Based on this collective research and evaluation, the primary financing options available were: 1) Revenue Bonds, non-General Fund backed; 2) Certificates of Participation (COPs), General Fund backed - but with debt service/repayment covered by the Road Fund (specifically, Measure X revenue proceeds); and 3) A ‘pay as you go’ (PAYGo) program (rather than debt financed) with the dedicated funding source being the Road Fund’s share of the County Transient Occupancy Tax (TOT).
- C. The Program implementation began in Fiscal Year (FY) 2022-23 and relied on available Road Fund balance to fund local road repairs until FY 2024-25. That approach is not financially sustainable.
- D. After substantial internal discussions, as well as with the CAO and both the County’s Debt Advisory (DAC) and Budget (BC) Committees, staff in PWFP recommended a financing option for Board consideration which does not involve bond issuance or debt financing. The financing approach using bond issuance was called the Local Road Rehabilitation Program v1.0, while the financing approach using PAYGo was called the Local Road Rehabilitation Program v2.0.
- E. On January 30, 2024, the Board considered the options and directed that a ‘PAYGo’ program (rather than debt financing) be utilized beginning in FY 2024-25 for the remaining term of the 10 year ‘Pilot Pilot’. The dedicated funding source would be the Road Fund’s share of the TOT consistent with the adopted County General Financial Policy, which includes allocating 25% of TOT to the Road Fund in FY 2024-25 as part of the FY 2024-25 Budget Process.

III. **Definitions – Road Fund Revenue Sources**

PWFP manages multiple funding sources under the Road Fund to program capital road and bridge projects. Regular funding sources include (revenues vary depending on the economy):

- A. **Highway User Tax Account (HUTA, aka Gas Tax)** - State constitution (Article XIX) requires excise tax on motor vehicle fuels to be used for streets and highways. Annual allocation based on maintained mileage, vehicle registration, population, amongst other factors. Currently, these funds have no sunset date.
- B. **Road Maintenance and Rehabilitation Account (SB1 - part of the Gas Tax)** - Initiated by the legislature, ratified by public vote. Went into effect in 2017. Annual revenue fluctuates depending on gas tax receipts. Currently, these funds have no sunset date.
- C. **Measure X, Local ballot initiative in 2016 applying 3/8 percent sales tax for 30 years** - Funding is divided between local agencies and the Transportation Agency for Monterey County (TAMC). Infrastructure and non-infrastructure projects were promised as part of this initiative. Examples include certain road projects such as major maintenance improvements to specific county roads and community patching and sealing programs for the communities of Castroville, Pajaro, Boronda, and Chualar. The sunset date for Measure X funds is FY 2046-47.
- D. **Grants** – County applies for regional, state, and federal transportation funding through the Federal Highway Administration (FHWA), Caltrans and the California Transportation Commission, and TAMC, etc. Grants are available for bridge maintenance and repairs, for traffic safety grants (Highway Safety Improvement Program - HSIP), for Active Transportation Program (ATP) projects, and for various other road repaving and improvement projects.
- E. **Transient Occupancy Tax (TOT)** - When SB1 and Measure X went into effect, a Road Fund share of countywide TOT collections became part of the required maintenance of effort for those funds.

IV. **Policy and General Benefits**

Fundamental tenets and potential benefits of the ‘PAYGo’ program approach, include:

- A. **No Planned Bond Issuance** – Utilizing a ‘PAYGo’ program is intended to mitigate concerns regarding the cost of the Program, specifically, the high cost of debt service associated with possible bonding. In addition, it eliminates the need to utilize Measure X revenues to secure and repay the bonds. Local road repairs will be funded to the extent existing TOT revenue source allows.
- B. **Utilizing TOT for the Local Road Rehabilitation Program starting in FY 2024-25** - The Road Fund annually receives a portion of the TOT collected countywide. As a result of the planned increased transfer to the Road Fund in FY 2024-25 from General Fund TOT (to 25% of tax receipts), just over \$10 million is expected to be available in FY 2024-25 (up from a little over \$6 million in the previous fiscal year – FY 2023-24). The projected 10-year total for this revenue stream is approximately \$100 million.
- C. **Protecting other recurring Road Fund revenues, including Measure X and SB1 proceeds** – A ‘PAYGo’ program funded by TOT will permit those funds to continue to be dedicated to major maintenance and road improvements consistent with what was originally envisioned when passed by the electorate in 2016 and 2017 (i.e., for Pavement Management and other improvements on higher-volume County roads which function to strengthen the economic backbone of the region). In addition, the current road selection process of the 5-year CIP prioritizes these higher-volume roads that carry significant amounts of people and goods movement, particularly agricultural goods (a policy of the Monterey County General Plan), and is consistent with other policies of the Circulation Element of the Monterey County General Plan. Switching to a “PAYGo” program allows more funding for these roads in the 5-year CIP to be performed (rather than paying interest on debt).

- D. **Facilitating the management of the Road Fund to stay ‘in the black’** and comply with the County’s General Financial Policies which recommend that major funds create reserves for operational contingencies equal to one percent (1%) of estimated annual revenue and a strategic reserve equal to ten percent (10%) of estimated annual revenue.
- E. **Helping to satisfy the objective of Board Referral 2020.12** - “Consider funding options to increase the Pavement Condition Index for County roads to at least a ‘Fair’ standard over the next ten years”. PWFP staff believes that a “Fair” Standard is achievable without bonding. Pavement Condition Index (PCI) provides a snapshot of the pavement health of a road. PCI is measured using a scale of 0 to 100 where 100 means a newly paved road. Examples of typical pavement surface distresses are spalling, rutting, scaling, pot holing, and cracking. The Overall System PCI for County Roads is presently about 45. It is projected that County efforts will attain a systemwide PCI of 50 (‘Fair’) by 2032 with the current/continued Pavement Management Program utilizing existing Measure X and SB1 revenue streams for major maintenance/upgrade of higher-volume County roads which serve as important agricultural and tourism links, and TOT for the generally lower volume local roads - all of which is consistent with the Circulation Element policies of the Monterey County General Plan. PWFP staff foresees the Program will have a meaningful impact on the quality of the local roads in the Pilot Plan, improving the condition of these roads from an overall “Poor” condition rating to an overall “Very Good” condition.
- F. **Program Policy Framework/Priorities** - Subject to funding capacity, the program is available for:
- Deferred maintenance on County maintained roads in neighborhoods which are part of disadvantaged communities.
 - Deferred maintenance on County maintained roads in neighborhoods which are part of communities without County Service Areas (CSAs).
 - One-time deferred maintenance on County maintained roads in neighborhoods which are part of CSA areas – with concurrent commitment to activation and utilization of the CSA’s ‘Street and Sidewalk Maintenance’ function moving forward.

V. **Procedures and Program Specifics**

Key elements of the Program include:

- A. **Initial Road Repair Plan** - will be utilized as a guide for the Program. During the 10-year pilot period timeframe, Program capital investments will follow the plan as outlined in the Summary Report prepared by Harris & Associates dated September 16, 2022, unless subsequently modified by action of the Board of Supervisors. The “Initial 10 Year Road Repair Plan” (Pilot Plan) is set forth in Table 6 therein as a guide for Program investments.
Refer to Attachments A and B).
- B. **Annual CIP Process** – The Program will be included in the annual Capital Improvement Program (CIP) and Road Fund Work Program Updates. Some restructuring/adjustment of the specific scheduling of projects (from what is reflected in the Initial 10 Year Road Repair Plan as initially developed in 2022) may be necessary on an annual basis to align cash flow to match available revenue.
- C. **Reporting** – The Program’s specifically planned and completed work/projects will be part of PWFP’s Semi-Annual Reports on Key CIP Capital Projects. Program adjustments, if necessary, will be accomplished as part of the regularly scheduled annual Capital Improvement Program Update.
- D. **Engineering and Best-Practice Based** – Maintenance and rehabilitation strategies will be developed utilizing appropriate engineering evaluations to make cost-effective decisions related to the specific roads and network. Specific rehabilitation strategies selected will depend on functional class, pavement conditions, and the type of distresses found in the roadway sections. This Program will focus on, and be limited to, pavement repair and rehabilitation. It does not include addressing existing deficiencies in rights-of-way, sidewalks, drainage systems, trees, bus pads, etc. - or non-

structural improvements such as decorative crosswalks, medians, lighting, and street furniture. Those and other road related repair needs will be addressed via other road maintenance funding programs.

- E. **Existing Community Road Maintenance Program (CRMP)** - This Program will be retained. It is a subset for unprogrammed, qualifying road maintenance projects that can be handled by PWFPP at the discretion of the Director of PWFPP. Per existing County policy (refer to Attachment C), CRMP funding is allocated among the supervisorial districts based on a formula set forth in the adopted policy. The annual total CRMP programmed amount will be held at the FY 2023-24 level (approximately \$1.5m) during the Pilot Period so that Road Fund TOT share can be primarily focused on the Pilot Plan projects included in the Program.
- F. **Strengthened Regular Maintenance Capacity** – related local road programs will also be part of the Program, including:
- Annual Seal Coat Program (already part of TOT) - \$2 million per year; and
 - Augmented Maintenance Crew Needs (Countywide) - \$1 million per year. This will supplement HUTA funds, which are presently not adequate to fund essential maintenance functions (both activities and equipment) performed by the County’s Road Yards.
- G. **Sample Program Year (FY 2024-25)** – for illustration purposes (all numbers rounded for the sake of simplicity):
- Revenue: \$10 million
- Expenditure categories:
- \$2.0 million – Annual Seal Coat Program
 - \$1.0 million – Augmented Maintenance Crew Needs
 - \$1.5 million - CRMP
 - \$5.5 million - Planned projects in Local Road Rehabilitation Program (Pilot Plan).
- Total Expenditure: \$10 million
- H. The PWFPP Chief of Public Works (or designee) is designated as the Local Road Rehabilitation Program Manager and shall review this policy at least twice per year. In addition, they will attend and present Semi-Annual Updates to the Budget Committee (BC) and Capital Improvement Committee (CIC) as part of regular reports on Key CIP Capital Projects.

VI. Review Date

In consultation/coordination with the CAO, this Policy will be reviewed with the Board for continuance or modification not less than once every 5 years. The next review shall be completed by July 2029.

VII. Board Action

- A. Legistar File Number: _____, 2024.

Attachments:

- Attachment A – Initial Local Road Repair Program Summary Table
- Attachment B – Initial Local Road Repair Program Complete Report
- Attachment C – Community Road Maintenance Program Policy

ATTACHMENT A
Initial Local Road Repair Program Summary Table

Neighborhood Costs			
District	Neighborhood		Est. Cost
2	2-1	Aromas	\$2,515,629
5	5-1	CSA 66	\$535,890
5	5-3	CSA25	\$5,785,567
Total FY23			\$8,837,086
3	3-1	San Ardo	\$6,058,460
5	5-7	Tierra Grande	\$4,342,287
Total FY24			\$10,400,747
2	2-2	Moss Landing Residential	\$1,867,464
3	3-4	Spreckels	\$5,115,192
5	5-6	Carmel Hills Dr. Area	\$2,591,797
Total FY25			\$9,574,453
3	3-3	Bradley	\$2,289,845
5	5-12	Carmel Knolls (CSA 34)	\$2,478,452
5	5-13	Rio Vista (CSA 34)	\$5,156,482
5	5-5	Part CSA 51	\$1,103,836
Total FY26			\$11,028,615
2	2-16	Oak Tree Hills	\$9,387,375
5	5-20	Brookdale	\$3,001,877
Total FY27			\$12,389,252
5	5-19	Ribera Rd Carmel	\$1,283,962
5	5-8	Carmel Valley Village	\$11,182,376
Total FY28			\$12,466,338
2	2-3	CSA 37	\$633,093
2	2-4	Portion CSA 32	\$406,377
3	3-5.2	Bryson Hesperia Rd.	\$7,397,345
Total FY29			\$8,436,815
2	2-12.1	Portion of CSA 9	\$7,571,007
2	2-17	Portion of CSA 9	\$1,645,533
Total FY30			\$9,216,540
2	2-12.2	Portion of CSA 9	\$4,975,394
3	3-6	CSA 20	\$3,614,253
Total FY31			\$8,589,647
5	5-11	Viejo & Valenzuela Roads	\$1,736,766
5	5-16	CSA 58 and Portion of CSA 44	\$5,768,797
Total FY32			\$7,505,563
GRAND TOTAL PROGRAM			\$98,445,056

Attachment B



Monterey County
10 Year Local Road Rehabilitation Program



SUMMARY REPORT
SEPTEMBER 16, 2022



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- Table 6 – Neighborhood Costs
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Appendix A

I. EXECUTIVE SUMMARY

In March 2020, the Monterey County Board of Supervisors (Board) directed staff to evaluate funding options that would support an accelerated program of road repair to improve the overall condition of County roads. Staff consulted with the County's municipal finance advisor to evaluate potential revenue measures and financing tools. Since February 8, 2021, the County has been pursuing a pilot program approach that will use one or more bonds, supported by various County Road Fund revenues, to implement an accelerated road repair program for communities. The County continues to develop the details of the proposed financing approach, which the Board is expected to consider in Fall 2022.

The purpose of this report is to provide the basis for and outline of the proposed accelerated road repair program for communities. For this effort it was assumed that a bond financing approach would provide \$100 million over a 10-year period, although it is acknowledged that the actual approach being finalized may generate a different amount. The County has over \$600 million in deferred road repair needs and road repair funding is typically directed toward County roads with higher traffic volumes, greater proportion of truck traffic and roads on key transportation, agriculture or tourism corridors. Per coordination with the Board and its Capital Improvement and Budget Committees, this accelerated program is intended to focus on local roads that service primarily residential areas and communities. This program will help improve pavement quality on local County roads for which grants or other State and Federal supplemental road funding sources are typically not available.

The County engaged Harris & Associates (Harris) to develop a proposed 10-year Bond Measure Plan to show how and where bond financing proceeds could be applied to improve local County roads. Harris used the Metropolitan Transportation Commission's (MTC) StreetSaver Online Edition for this analysis and plan development. This software is used to help make cost-effective decisions related to the road network, maximizing the County's return on investment from available maintenance and rehabilitation funds; generating a prioritized plan and identifying specific areas in need of maintenance and rehabilitation.

II. PAVEMENT NETWORK

Based on the County's latest StreetSaver database, the County's entire road network is comprised of approximately 1,098 centerline miles of paved roads and is divided into 2,337 pavement management sections. To assist in planning maintenance needs, the County's roads are grouped according to functional class. Table 1 below shows the County's pavement mileage by functional class for the entire road network along with the Pavement Condition Index (PCI). PCIs are expressed as a number between 0 and 100, a PCI of 0 would correspond to a badly deteriorated pavement with virtually no remaining life. A PCI of 100 would correspond to a new pavement with proper engineering design and construction at the beginning of its life cycle.

Table 1

Network Summary Statistics for Monterey County				
Classification	Total Sections	Total Centerline Miles	Total Lane Miles	PCI
Minor Collector	197	163.97	327.99	32
Other Principal Arterial	21	5.16	14.46	72
Major Collector	346	209.66	454.48	52
Minor Arterial	19	11.66	28.01	55
Local	1,754	707.62	1,350.72	36
Total	2,337	1,098.07	2,175.66	40

The County selected 124 centerline miles of local roads, which are divided into about 618 pavement management sections, to be part of the Bond Measure Program. The County selected local roads in areas to make meaningful improvements to entire communities or neighborhoods and address needed deferred maintenance. The list of selected roads was provided to Harris in order to create a unique identifier of these roads in the StreetSaver database. The table below shows the County’s pavement mileage by functional class of the selection of roads included in the Bond Measure Program. As shown in Table 2 below, the vast majority of roads selected fall into the “Local” functional class. To the extent that some selected areas include a minor or major collector through the community, those road segments were also included in the program (e.g. a “main” street in an otherwise small residential community).

Table 2

Network Summary Statistics for Bond Measure Program				
Classification	Total Sections	Total Centerline Miles	Total Lane Miles	PCI
Major Collector	21	6.98	15.51	45
Minor Collector	2	0.64	1.28	14
Local	595	116.73	231.59	31
Total	618	124.35	248.38	32

III. DECISION TREE UPDATES

A Decision Tree is used to model the decision-making process that the County can follow to select a maintenance or rehabilitation strategy. The decision tree contains “branches” for each functional classification, surface type, and condition category. The County is able to outline its Maintenance and Rehabilitation (M&R) strategy, choosing a treatment for each branch.

Harris worked with the County to update the treatments and unit costs in the Decision Tree. The treatments and unit costs were based on similar completed projects in the region. The unit costs consist of hard cost, soft costs, and total improvement costs (on a per square yard basis).

Hard costs consist of paving and non-paving cost. Paving hard costs include material, labor, and equipment, while non-paving hard cost include traffic control, curb & gutter, curb ramps, striping, and signal loops. Non-paving hard costs are typically 25% of the paving hard costs. Soft Cost include design, construction inspection, construction management, and contingencies. This is an assumed 30% markup of the total hard costs. The total costs include all hard and soft costs. This fully loaded program cost was ultimately used for the Decision Tree in the Streetsaver Program.

The pavement conditions of the roads in the Bond Measure program include those in Good, Poor, and Very Poor condition categories, however, most of the identified roads are in the Poor and Very Poor categories. Roads in the Good condition category are roads with PCIs ranging from 50-69 and are typically in need of rehab or a surface seal with dig outs depending on the type of distresses found in those sections. The Poor condition category are roads with PCIs ranging from 25-49 and are typically in need of rehab treatments. The roads in the Very Poor condition category have PCIs that range from 0-24 and are typically in need of reconstruction. Because of this, it was decided that preventive maintenance treatments like slurry seal and cracks seal be removed from the Collected and Residential branches of the decision tree. Table 3 below summarizes the treatment and cost for each functional class and condition category (on a per square yard basis). The few roads on the Bond Measure list that are in need of preventative maintenance will be handled separately and will be covered in more detail in Section V – 10 Year Plan Scenario of this report.

Table 3

Decision Tree								
PCI Ranges	Surface Type (ST)	Condition Category	Treatment Type	Proposed Pavement Treatment	Hard Costs		(c) Soft Costs 30% of (a+b)	Total Cost (Hard + Soft Costs)
					(a) Paving	(b) Other Non-Paving 25% of (a)		
(70-90)	AC	I - Very Good	Crack Treatment	Do Nothing	N/A	N/A	N/A	N/A
(70-90)	AC	I - Very Good	Surface Treatment	Do Nothing	N/A	N/A	N/A	N/A
(70-90)	AC	I - Very Good	Restoration Treatment	Do Nothing	N/A	N/A	N/A	N/A
(60-69)	AC	II - Good, Non-Load Related	Rehab	Thin AC OL or Type 1 SS W/DO	\$17.00	\$4.25	\$6.38	\$27.63
(50-59)	AC	III - Good, Load Related	Rehab	Thin AC OL (1.5") W/ Digouts	\$20.00	\$5.00	\$7.50	\$32.50
(25-49)	AC	IV - Poor	Rehab	Thick AC OL (2.5") or CIR	\$35.00	\$8.75	\$13.13	\$56.88
(0-24)	AC	V - Very Poor	Rehab	Reconstruct Structure/FDR	\$70.00	\$17.50	\$26.25	\$113.75

IV. LIMITS OF STUDY

It must be recognized that this report is limited to the existing road pavement repairs. It does not include existing deficiencies for right-of-way concrete sidewalks, drainage, trees, bus pads and non-structural improvements such as decorative crosswalks, medians, lighting and street furniture. Costs for these right-of-way repairs and improvements throughout the County would easily exceed the deferred maintenance costs (the cost of crucial maintenance work not performed in a specific year) identified in this report and can be identified and estimated separately in future reports. To the extent that deficiencies noted impact the ability to repair selected road segments, the County will pursue repairs in advance of the planned road work under other Road Fund maintenance programs. Also, for communities with existing sidewalks, this program will include upgrades to existing or installation of new curb ramps where necessary to comply with current ADA requirements to the maximum extent practicable.

The County currently uses MTC's Pavement Management Program (PMP). The PMP provides a management tool to inventory street pavement, assess pavement condition, record historical maintenance, forecast budget needs, and view impacts of funding on network pavement condition over time. The following recommendations generated by the PMP are for planning purposes only. The resulting general recommendations are not intended to replace sound engineering judgment, which should dictate specific needs for an individual project. Maintenance and rehabilitation projects should be based on a combination of the system's recommendations weighed against the County's preferences, budget constraints, and other contributing factors. In addition, further refinements may be warranted from an engineering staff review of the pavement condition. For example, a particular pavement section may require treatment earlier (or later) than the rest of the roads in its localized area. Also, this plan is intended to be a living document that will necessarily need to be updated over the course of the 10-year program.

District Breakdown

The County is divided into five supervisorial districts, but there are no County roads in District 1 (which is entirely comprised of the City of Salinas) and the relatively few County roads in District 4 are not local roads targeted under this program. Therefore, the road sections in the Bond Program are contained only in Supervisorial Districts 2, 3, and 5. Table 4 below lists the number of road segments targeted within each district, as well as the corresponding centerline miles and percentage of each. Over the 10-year road program, it is the County's goal to implement local repair projects generally in proportion to the relative amount of centerline road miles within each of the three target supervisorial districts. Many of the targeted roads are located in County Service Areas (CSAs), and District 5 has many large CSA areas. Therefore, District 5 has the highest percentage of roads targeted under this bond-financed program.

Table 4

District Breakdown			
	# Road Segments	Centerline Miles	% of Total
District 2	145	23	18%
District 3	85	31	25%
District 5	388	71	57%
TOTAL	618	124	100%

V. 10 YEAR PLAN SCENARIO

Budget Scenario Criteria

For the development of this initial plan, it was assumed that a bond financing approach would provide \$100 million over a 10-year period, although the actual approach being finalized may generate a different amount. If the actual total is lower, then roads planned in the later years of the program may need to be removed. If the amount is higher, then additional roads could be added. These adjustments would be reflected in periodic plan updates over the life of the program. The program is intended for a 10-year period, beginning with the County’s current Fiscal Year 2022-23 period. An annual inflation rate of 4% was assumed to aid with estimates of future project costs. Based on the percentage of target roads within each supervisorial district, the program will strive to allocate total program funds in proportion to those percentages over the life of the program as shown in Table 5 below. Note that the budget percentages shown below differ from the road segment percentages shown in Table 4. This is because of the differing proposed pavement treatments for the road segments (e.g. some will require less costly pavement repair than others).

Table 5

District Budget Breakdown		
	% of Total	Approximate Total Spending
District 2	29%	\$29,001,872
District 3	25%	\$24,475,095
District 5	46%	\$44,968,089
TOTAL	100%	\$98,445,056

Preventative Maintenance

Within the program there are about \$350,000 worth of local roads needing improvements for which relatively lower cost preventative maintenance could be implemented because the condition of these roads does not require the greater level of treatment than roads with worse pavement conditions. Typically, for these roads a preventative treatment such as a slurry seal would suffice to help maintain the road in a good condition. Since this level of treatment may not be considered a capital project eligible for bond financing, these roads are not included in the bond program per se, but

the County will pursue preventative treatments (using another source of road funding) in parallel with this bond program to address these road segments. Once a road is re-paved, it should be considered for a preventative treatment again (such as a slurry seal) within five to eight years to re-seal the asphalt surface to slow pavement deterioration and extend its life. For roads addressed in the early years of this program, preventative treatments would be needed before the end of this repair program. For the reason noted above, when that time comes, the County will implement preventative treatments on roads completed under this program using other road funding sources. This strategy would allow more sections within the Bond Program to be touched at least once during the 10-year analysis period as opposed to the roads in need of preventive maintenance to be revisited later in the analysis period, freeing up more of the budget in later years for roads in need of more major treatments that haven't yet been treated.

Neighborhood Grouping

Roads included in the program were grouped into "neighborhoods," so that roads located in relatively close geographic proximity were included in the same neighborhood. This was done to assist with tracking, and as an initial method for assigning actual construction repairs. The intent is to complete repairs on selected roads in the same geographic area to avoid returning to the same area multiple times over the life of the program. This should help improve cost efficiency as contractors working on this program can address multiple roads in the same area at the same time, and minimize disruption to residents by impacting them with construction activity only once. Neighborhood groupings were identified with the aid of County staff to ensure logical groupings, and were assigned a two part number in this format: X-Y, where the first number represents the supervisorial district and the second the neighborhood in that district. A map depicting all of the neighborhood groupings throughout the County is provided in Appendix A.

10-Year Program List

Table 6 below lists the neighborhoods selected for each year of the ten-year program, along with estimated cost. Maps depicting the roads included within each neighborhood are provided in Appendix A.

Table 6

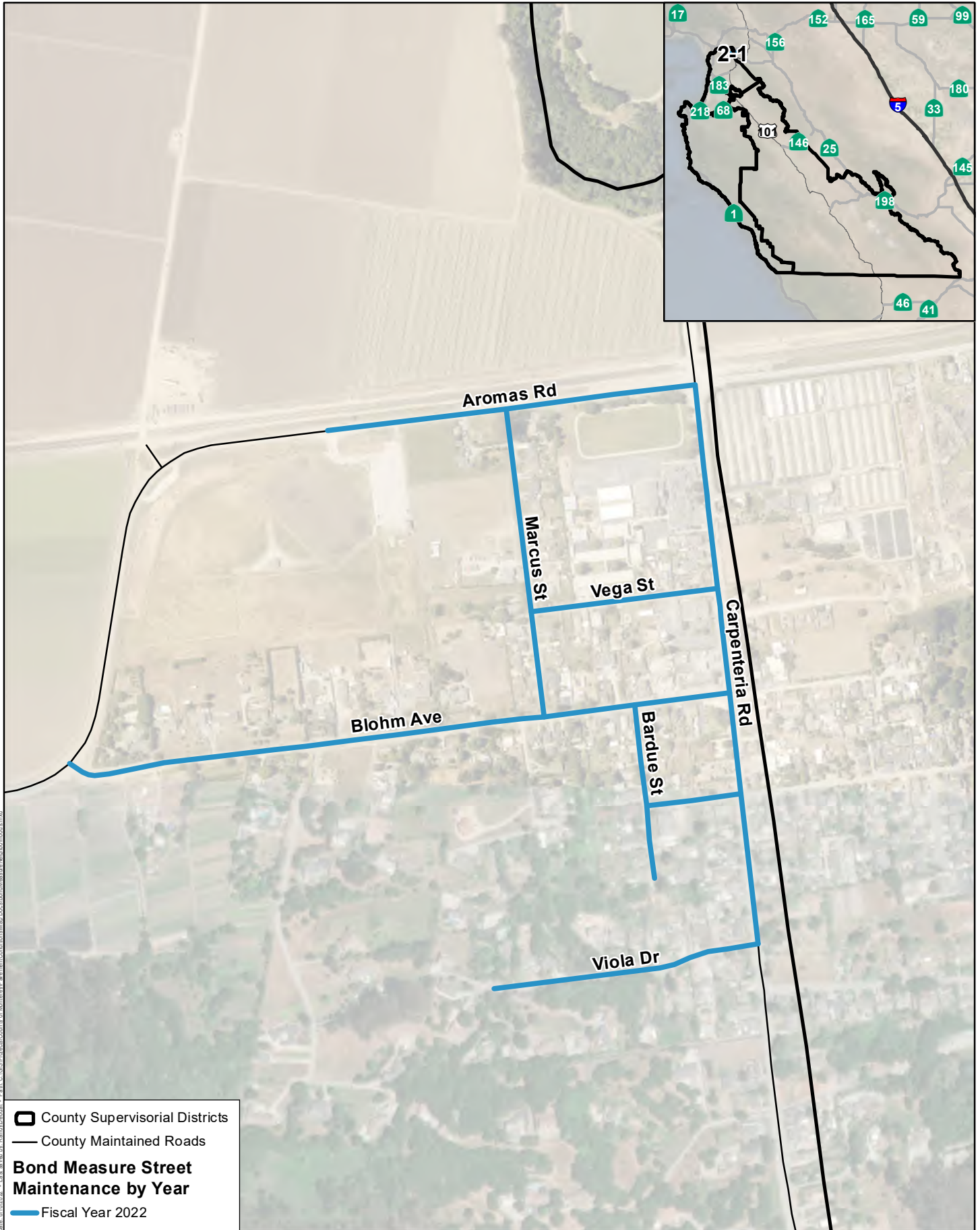
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Total FY32			\$7,505,563
GRAND TOTAL PROGRAM			\$98,445,056

Table 7 below summarizes the PCI trend by year. The “Never Treated” PCI is what the PCI is expected to deteriorate to if the program treatment is not applied. If no sections in the Bond Measure program are treated, the overall PCI of the target Bond Measure roads would decrease from 34 to 11 over the next 10 years. Based on the planned annual budgets and treatments for the selected roads, the overall pavement condition for the selected Bond Measure roads will improve from 36 to 86 over the 10-year program as shown below.

Table 7

Projected Average PCI By Year		
FY	Bond Measure Roads Never Treated PCI	Bond Measure Roads Average Treated PCI
2022	34	36
2023	31	43
2024	28	48
2025	25	54
2026	22	64
2027	19	71
2028	17	74
2029	15	78
2030	12	82
2031	11	86

APPENDIX A



Date: 8/10/2022 - 1:14:54 PM by: Randi.Donati - Path: C:\GIS\Projects\County of Monterey\Summer\Code\locMap\Doc\BondMeasure\Neighborhood.mxd

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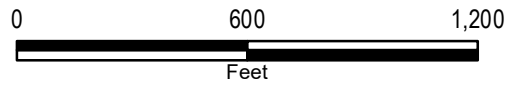
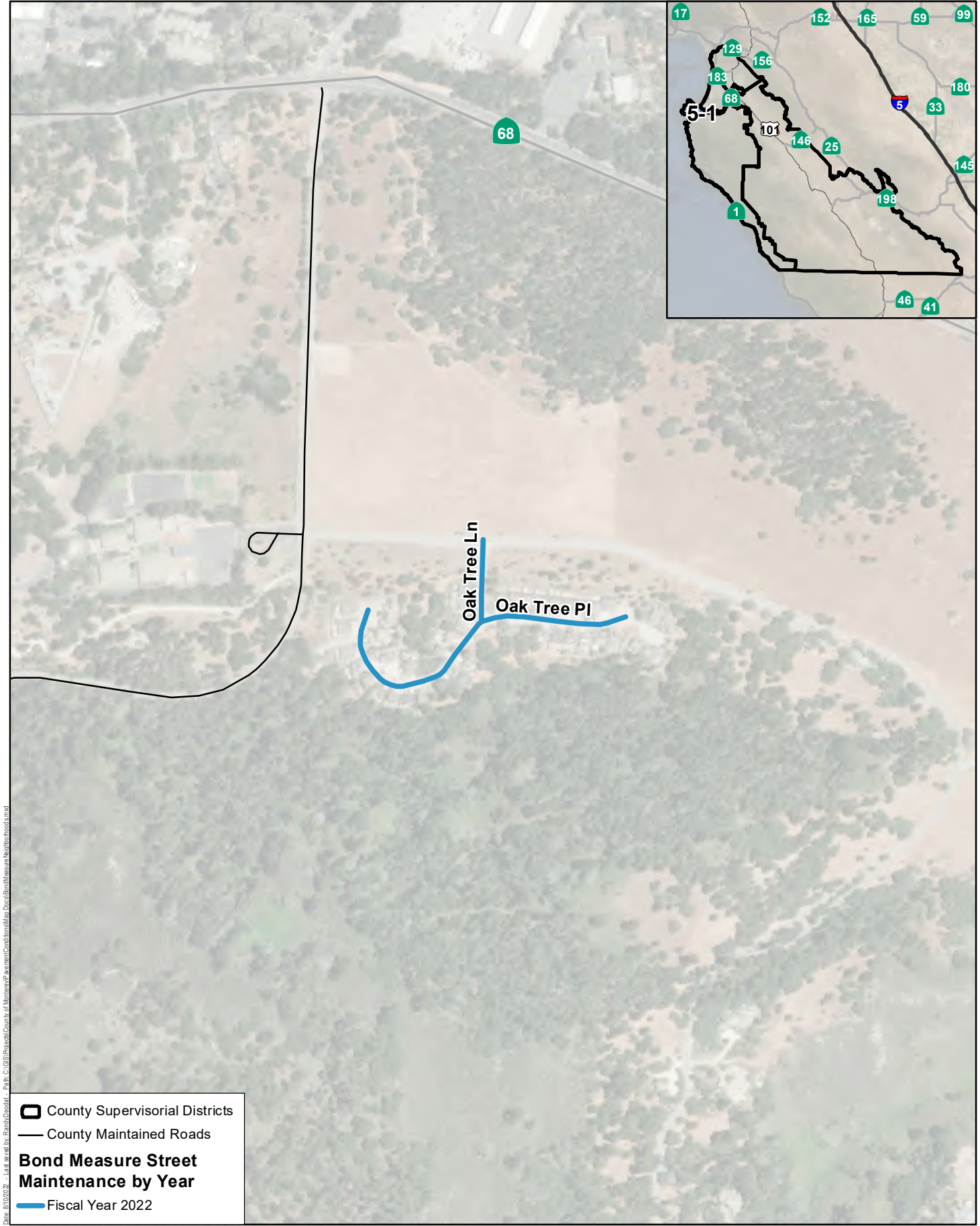


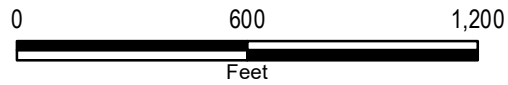
Figure 1
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 Monterey County

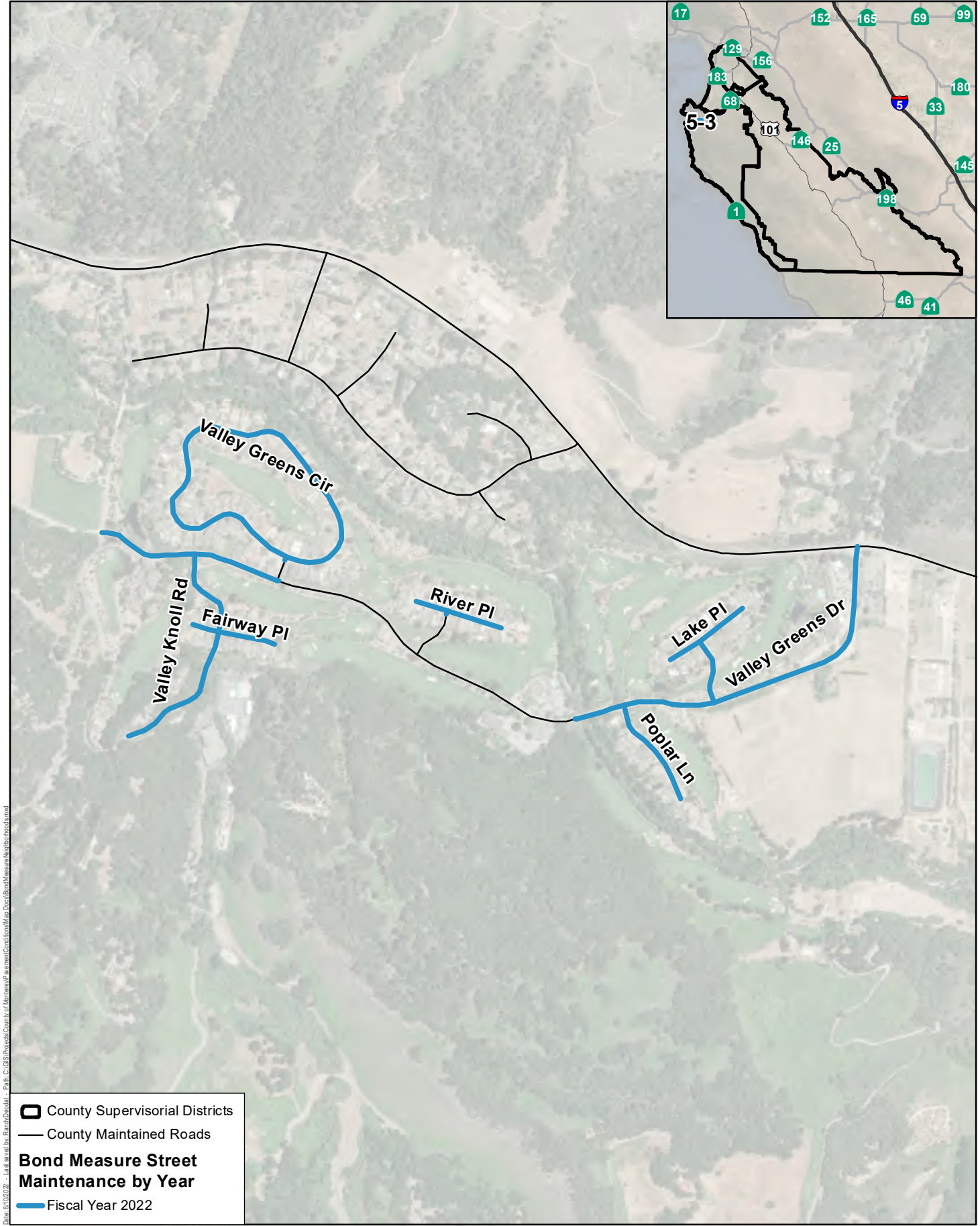


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County Supervisorial Districts
 County Maintained Roads
Bond Measure Street Maintenance by Year
 Fiscal Year 2022

Source: Maxar Imagery 2021.





Date: 8/10/2022 - 1:14:54 PM by: Randi.Douglas - Path: C:\GIS\Projects\County of Monterey\Summer\County Maint\Docs\BondMeasure\Neighborhood.mxd

County Supervisorial Districts
 County Maintained Roads
Bond Measure Street Maintenance by Year
 Fiscal Year 2022

Source: Maxar Imagery 2021.

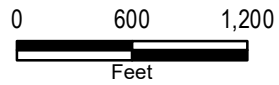
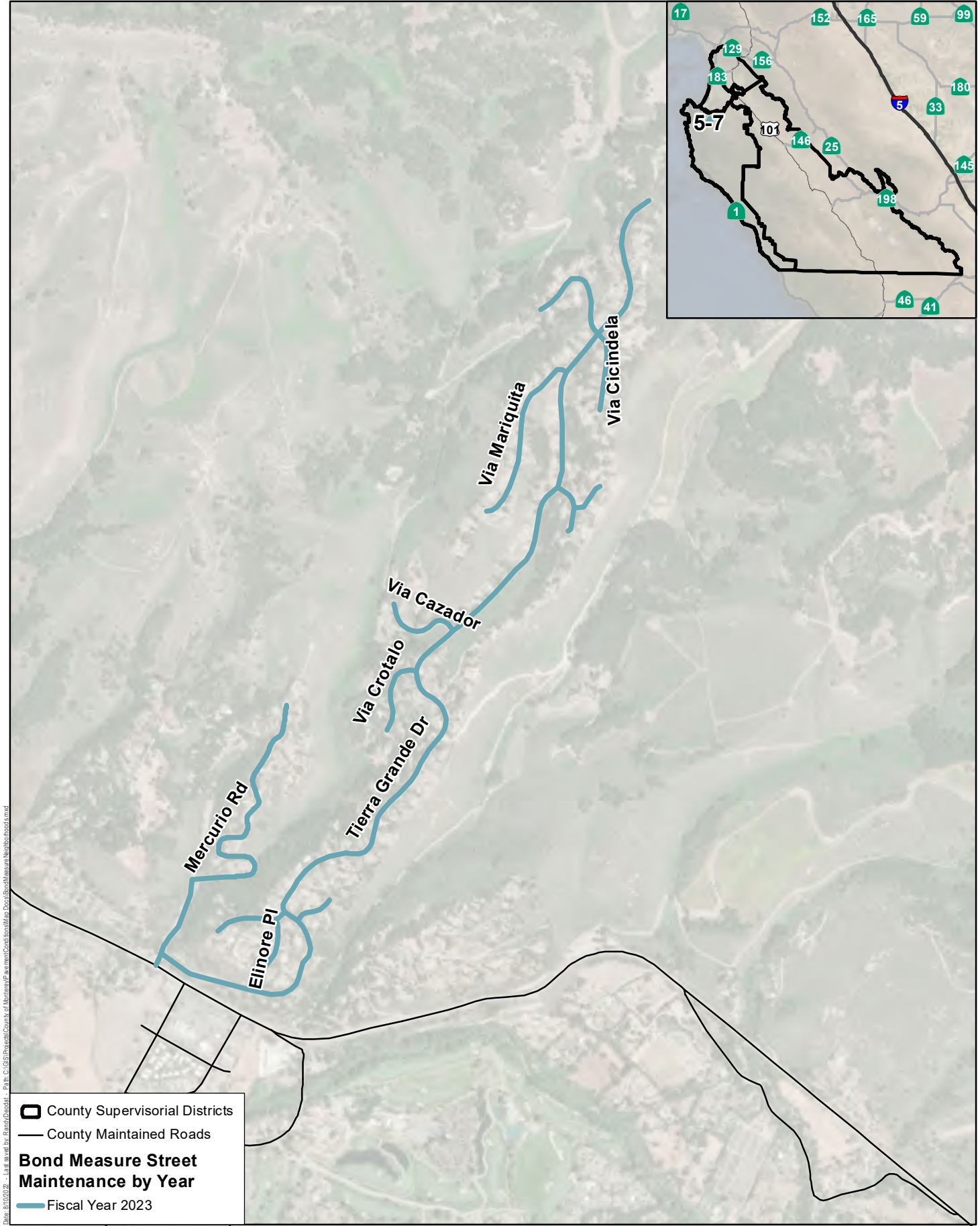


Figure 3
2022 - Neighborhood 5-3
Monterey County



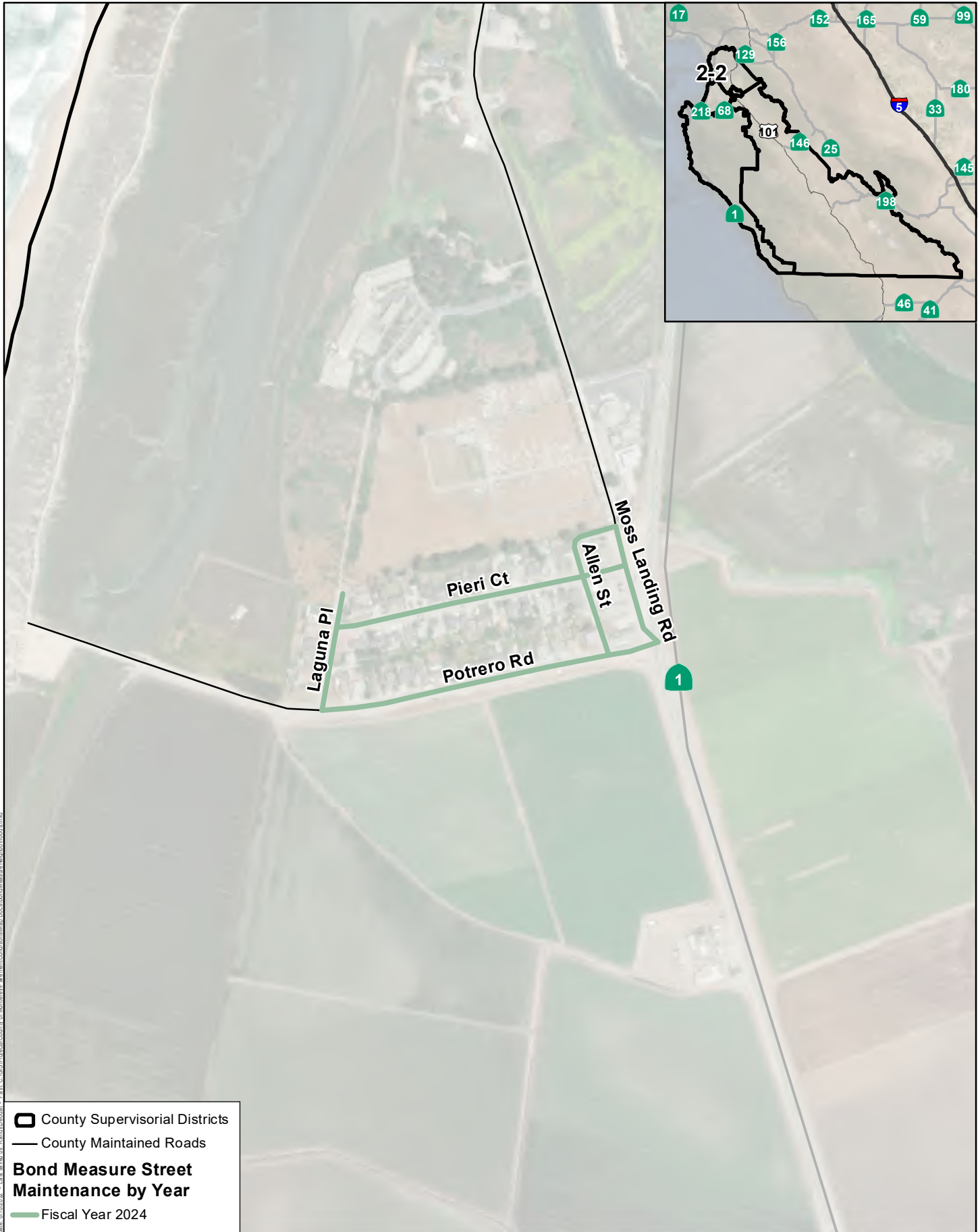
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Source: Maxar Imagery 2021.



Date: 8/10/2022 - 1:14:54 PM by: Randi@harris.com; County of Monterey; C:\Users\Randi\Documents\GIS\Projects\County of Monterey\GIS\Projects\Map Docs\BondMeasure\Neighborhood.mxd

Source: Maxar Imagery 2021.



Date: 8/10/2023 - Last saved by: Randi Douda - Path: C:\GIS\Projects\County of Monterey\Exam\Code\loc\Map Docs\BondMeasure\Neighborhood.mxd

County Supervisorial Districts
 County Maintained Roads
Bond Measure Street Maintenance by Year
 Fiscal Year 2024

Source: Maxar Imagery 2021.

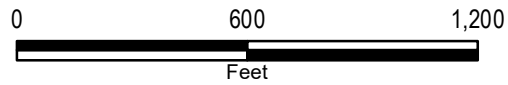
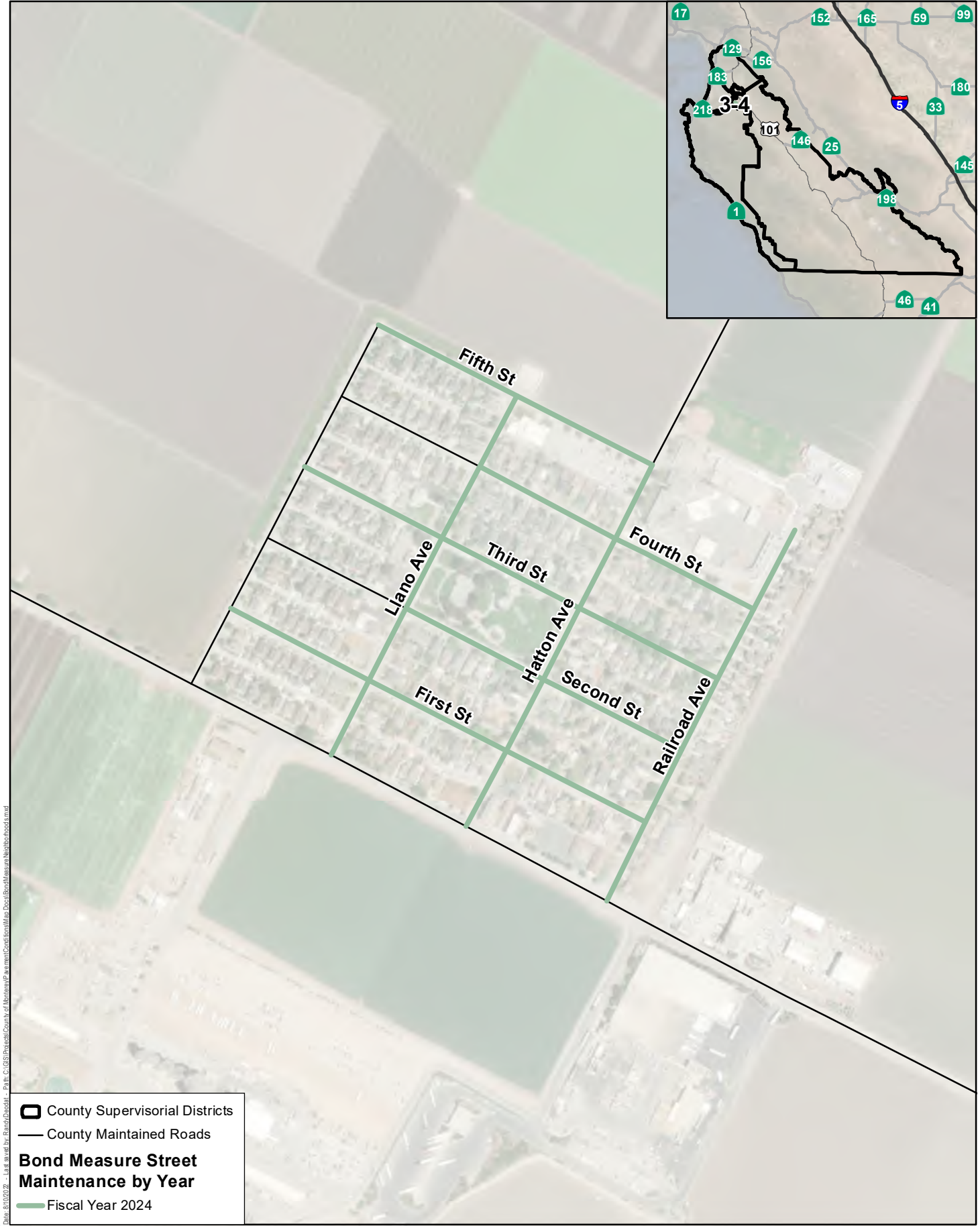
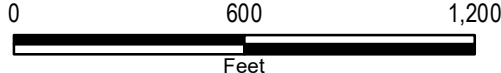
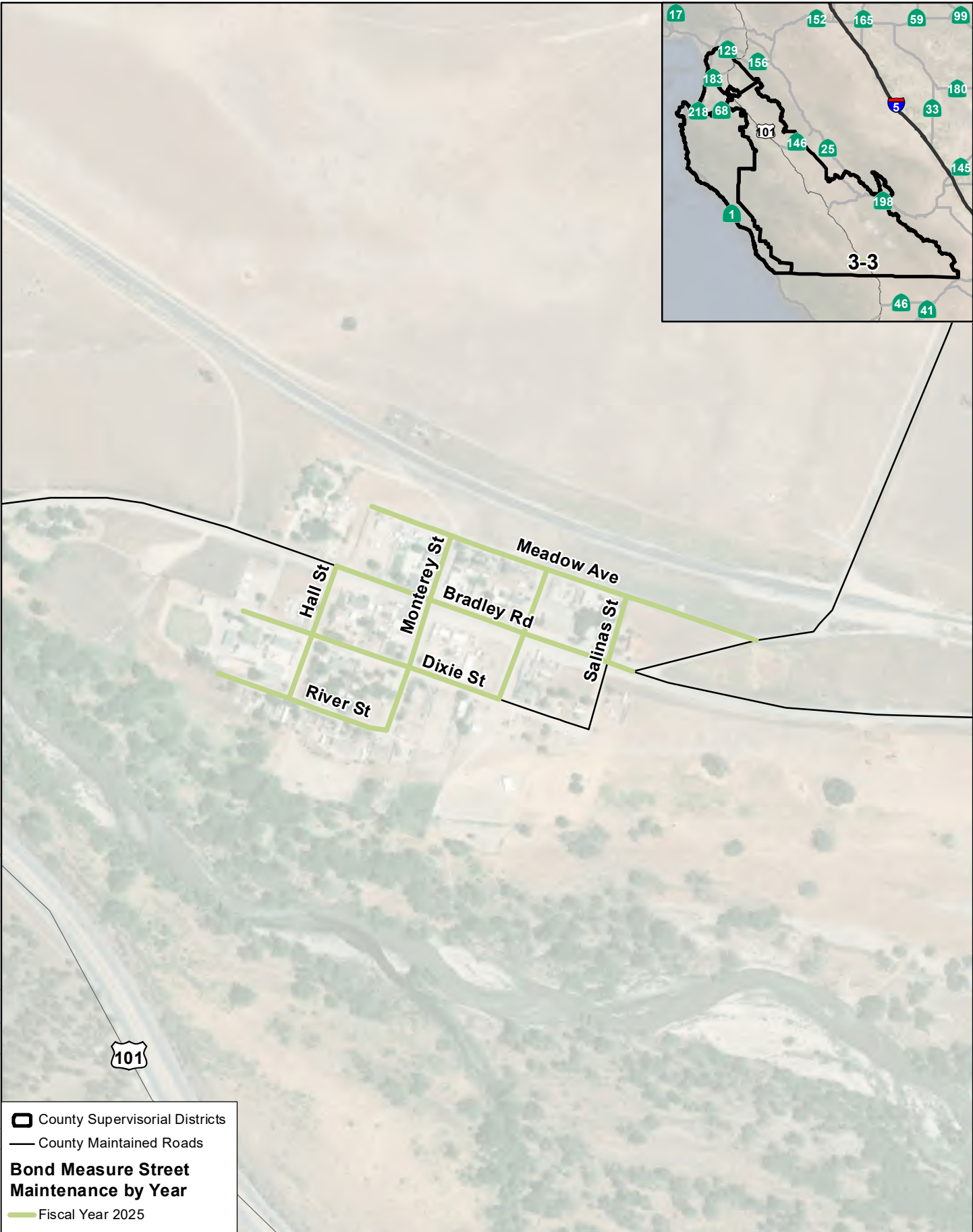


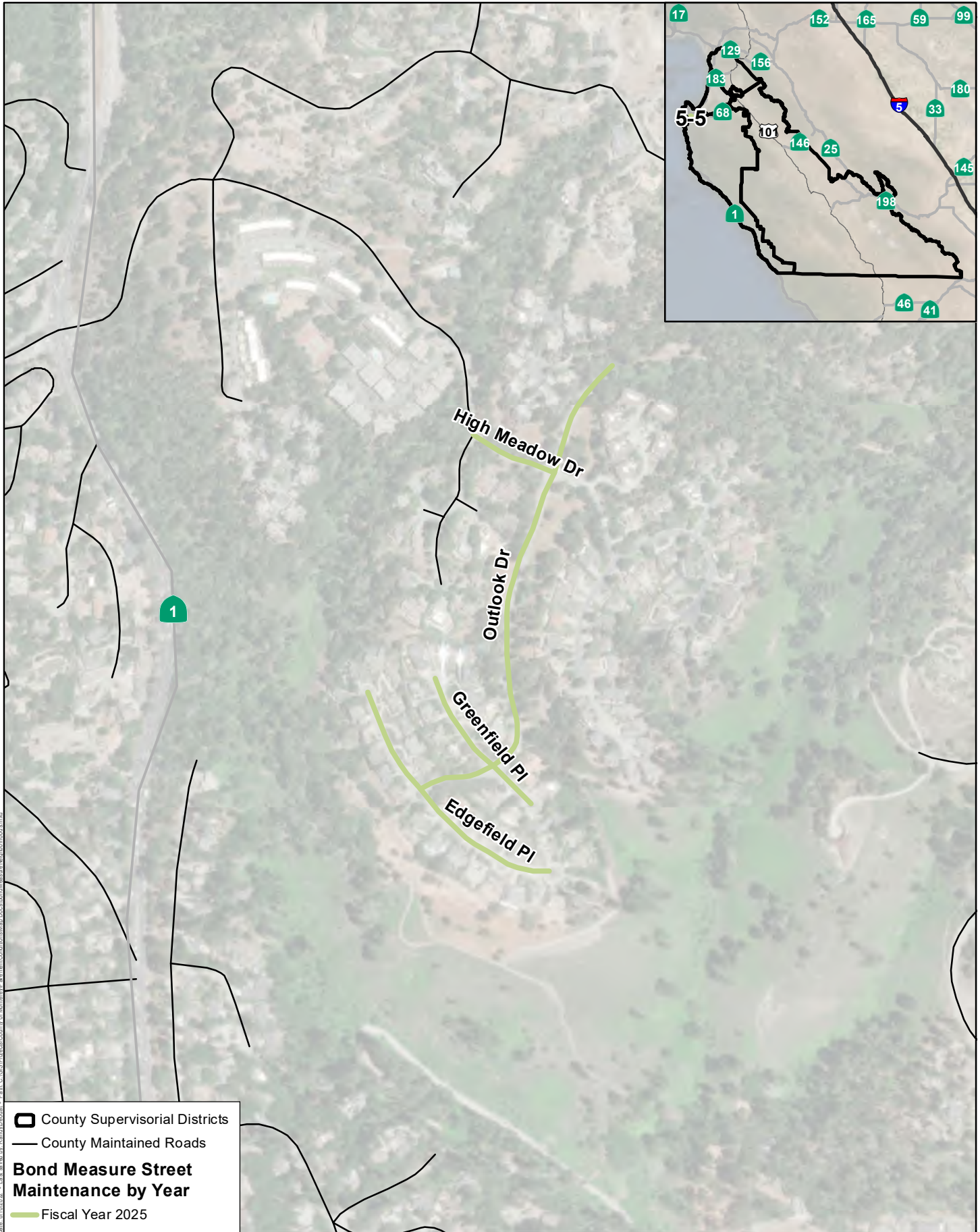
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2024 - Neighborhood 2-2
Monterey County



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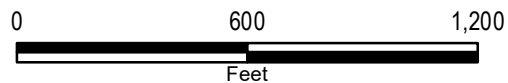
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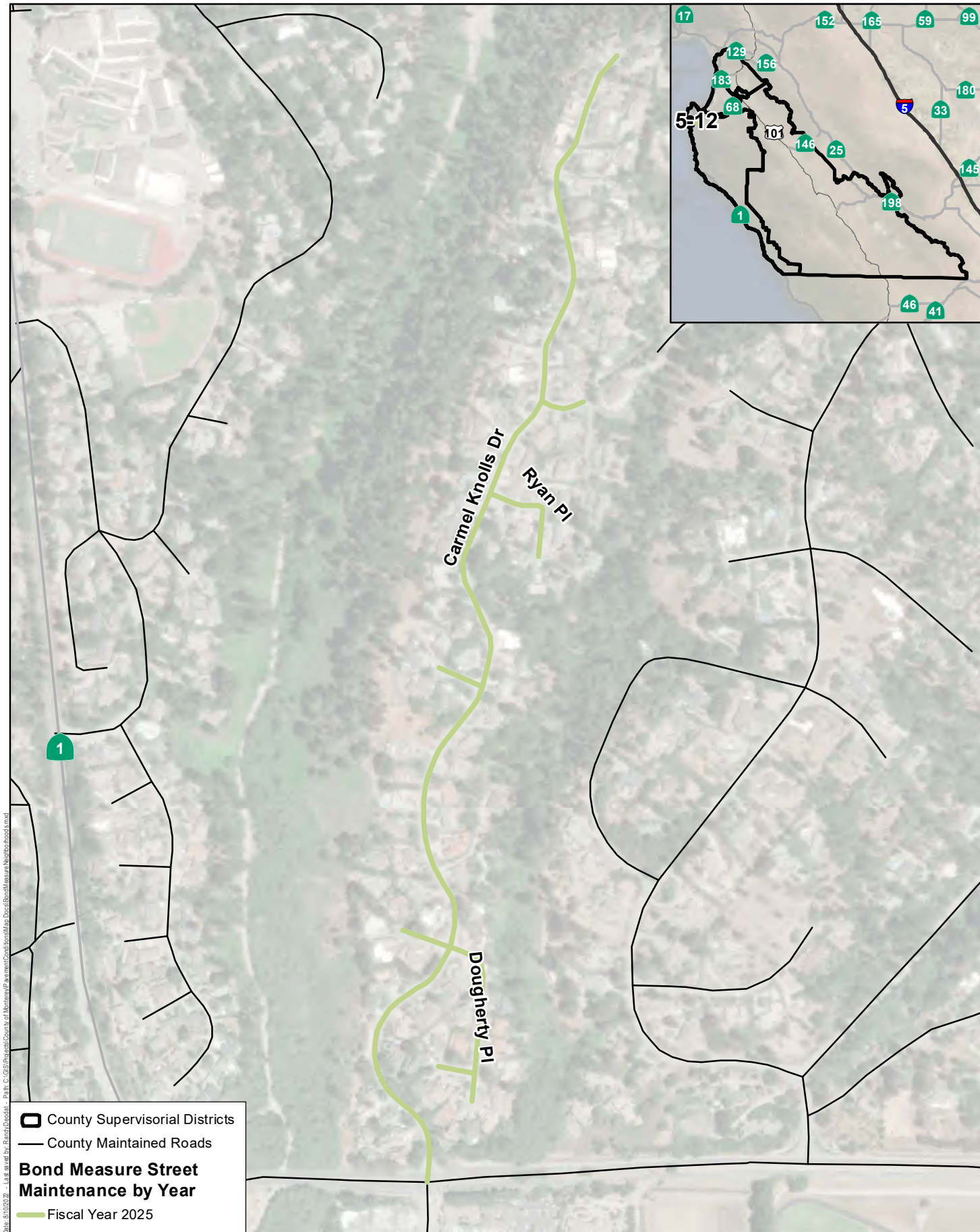




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Date: 8/10/2022 - 1:14:54 PM by: Randi@harris.com - Path: C:\GIS\Projects\County of Monterey\Exam\Code\Exam\Doc\BondMeasure\Neighborhood.mxd

Source: Maxar Imagery 2021.



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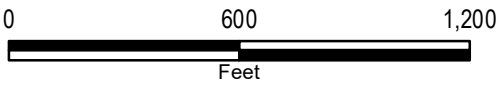
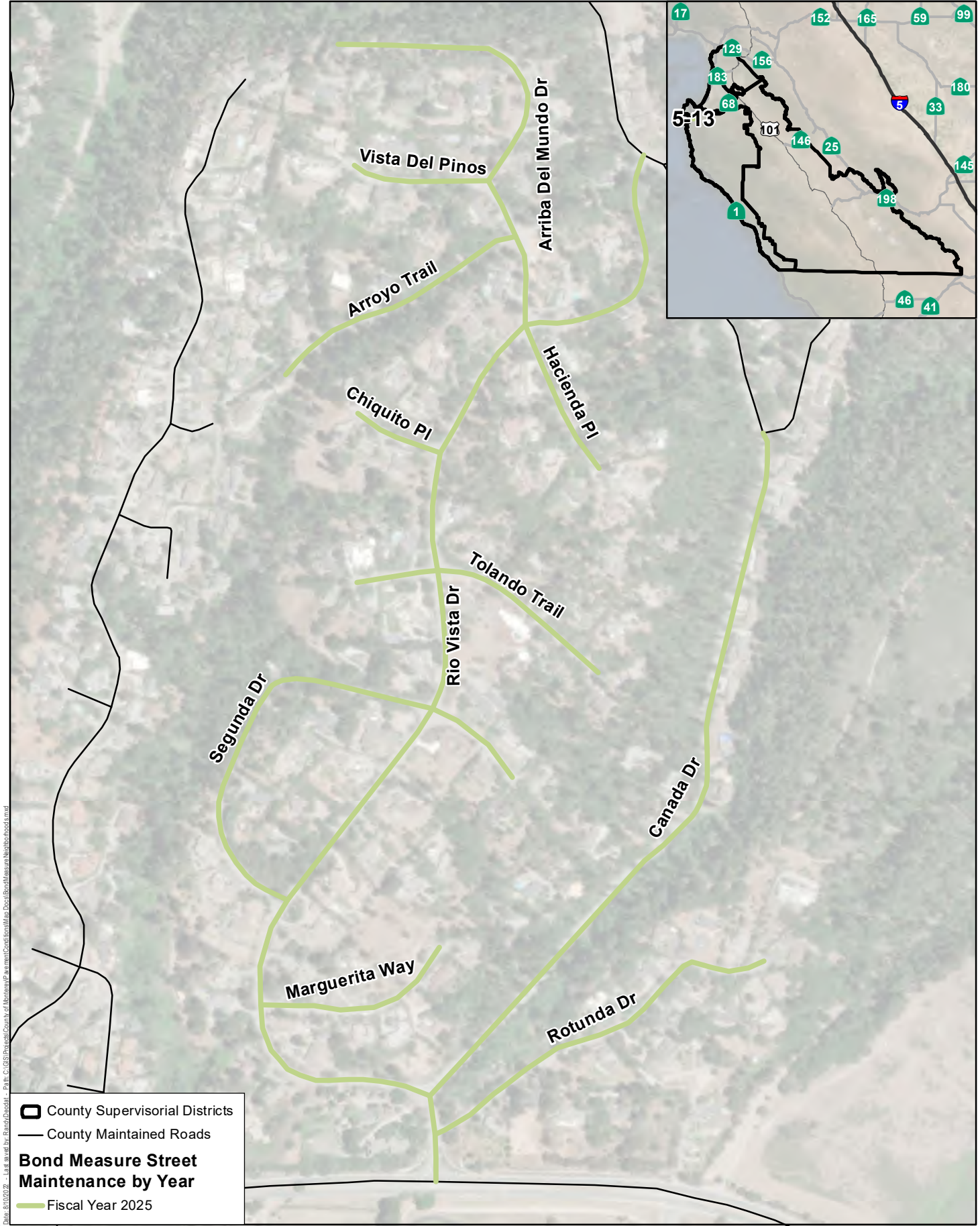
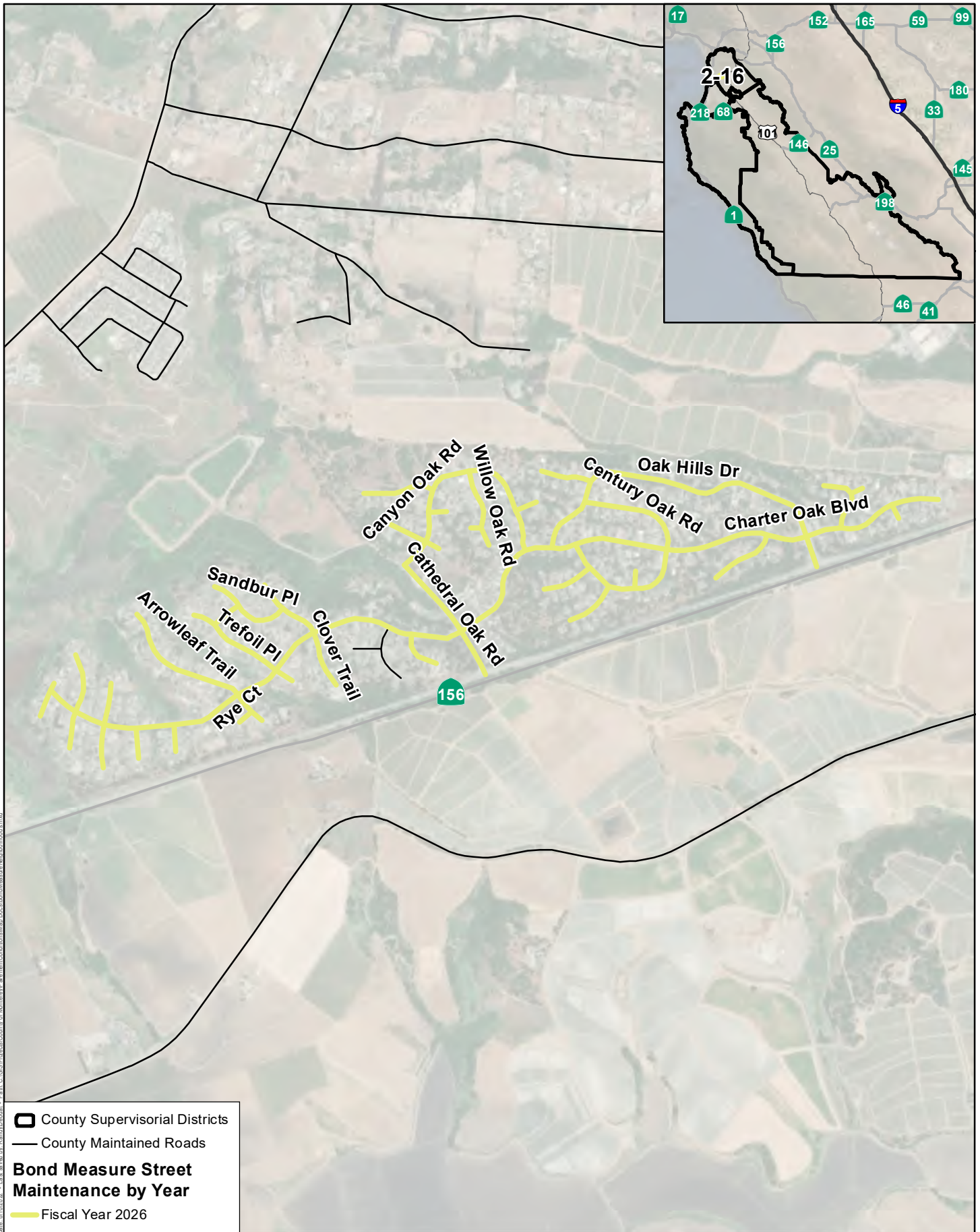


Figure 11
2025 - Neighborhood 5-12
Monterey County

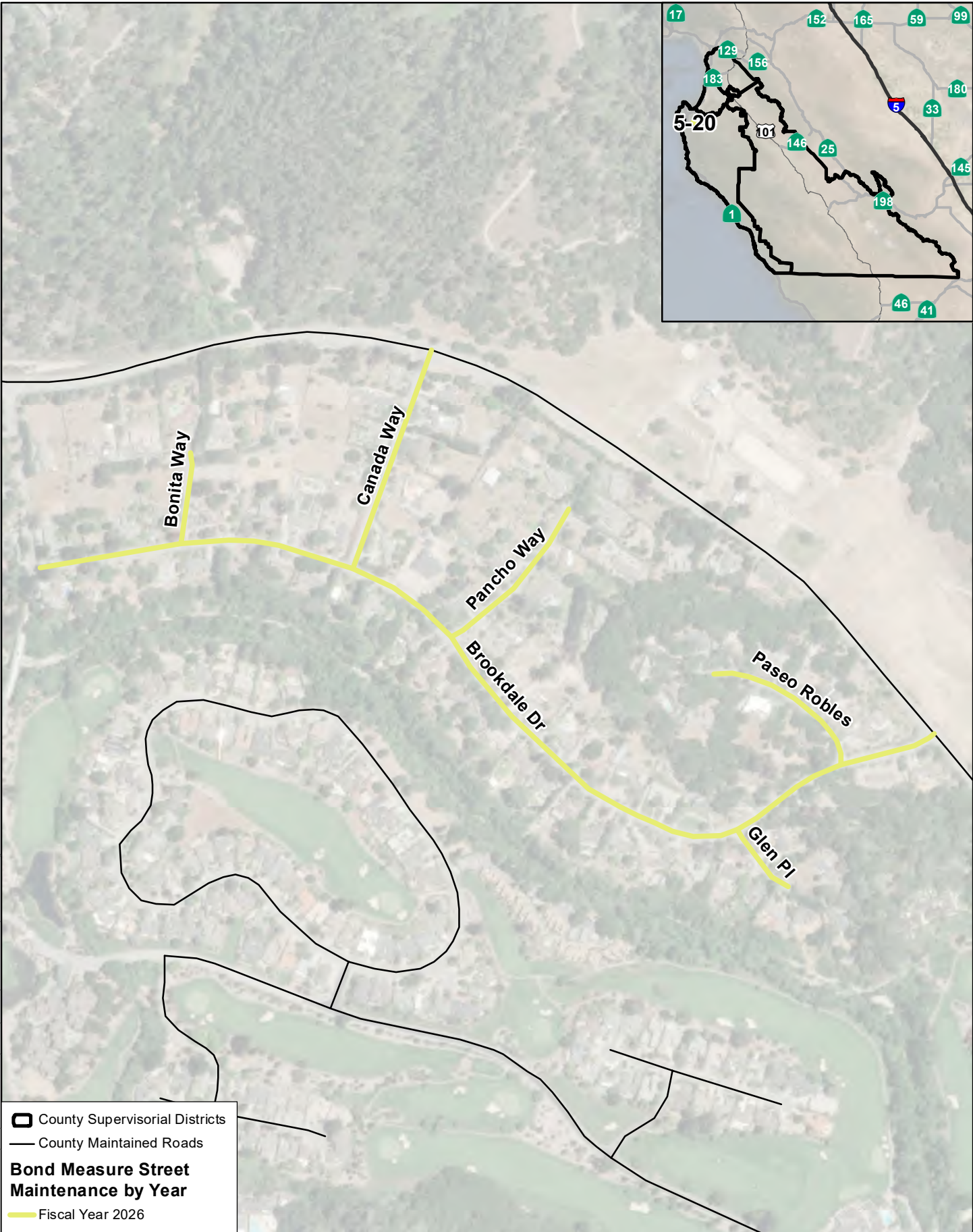


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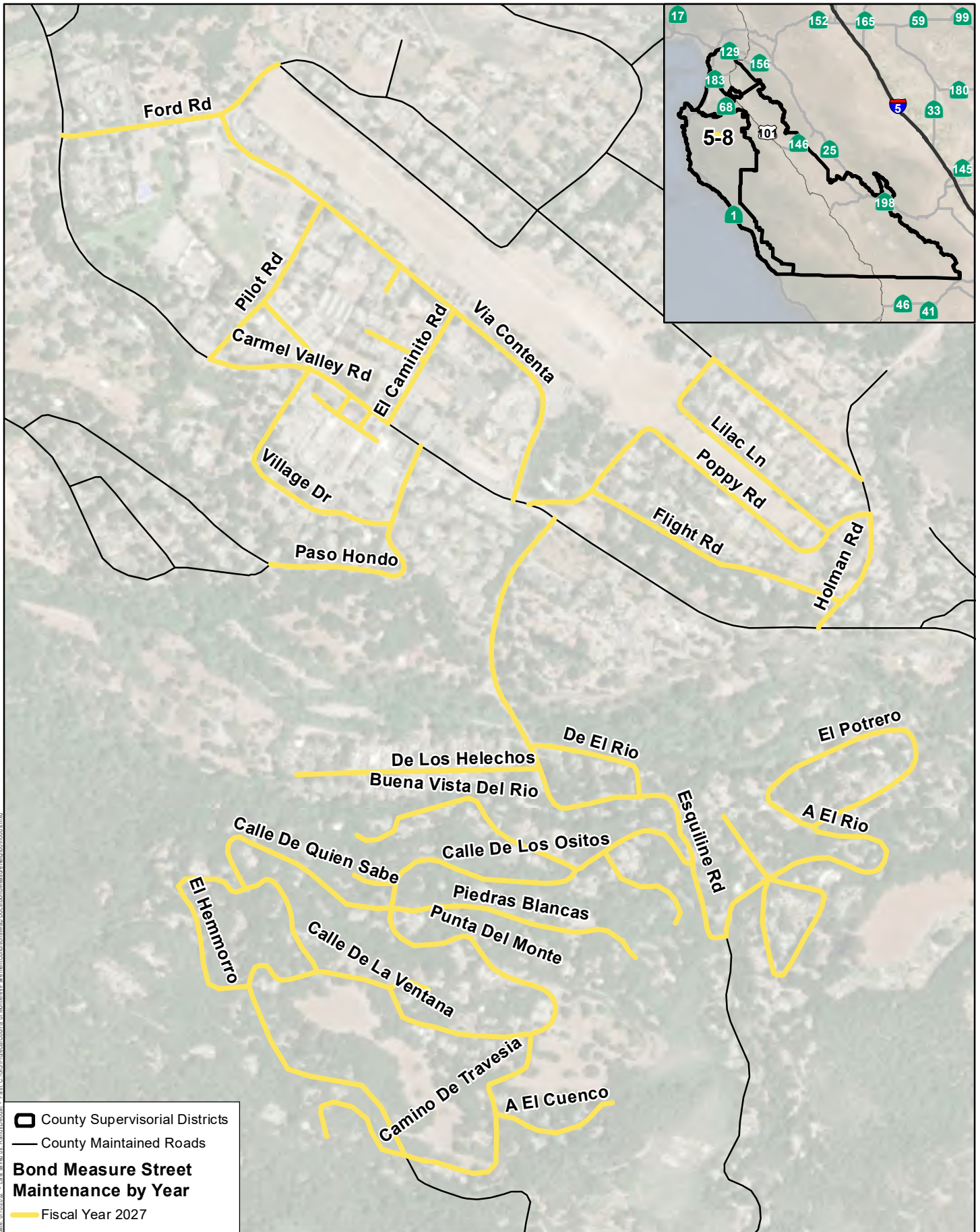
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Source: Maxar Imagery 2021.



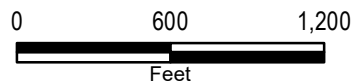
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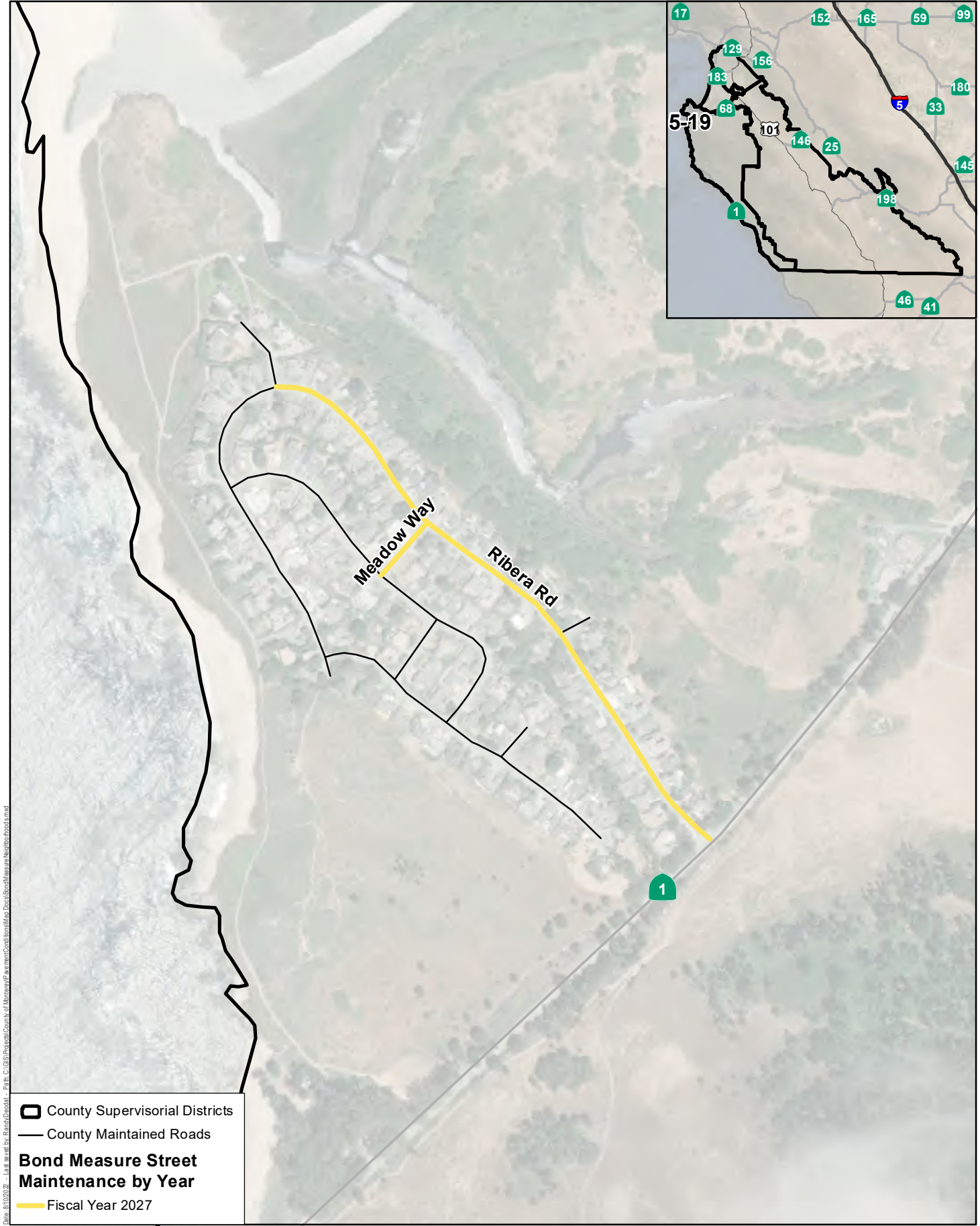
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Source: Maxar Imagery 2021.





Date: 8/10/2022 - Last saved by: Randi Doudart - Path: C:\GIS\Projects\County of Monterey\Exam\Code\loc\Map Docs\BondMeasure\Neighborhood.mxd

County Supervisorial Districts
 County Maintained Roads
Bond Measure Street Maintenance by Year
 Fiscal Year 2027

Source: Maxar Imagery 2021.



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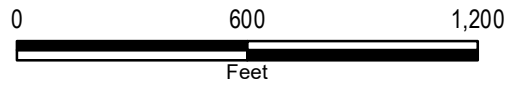
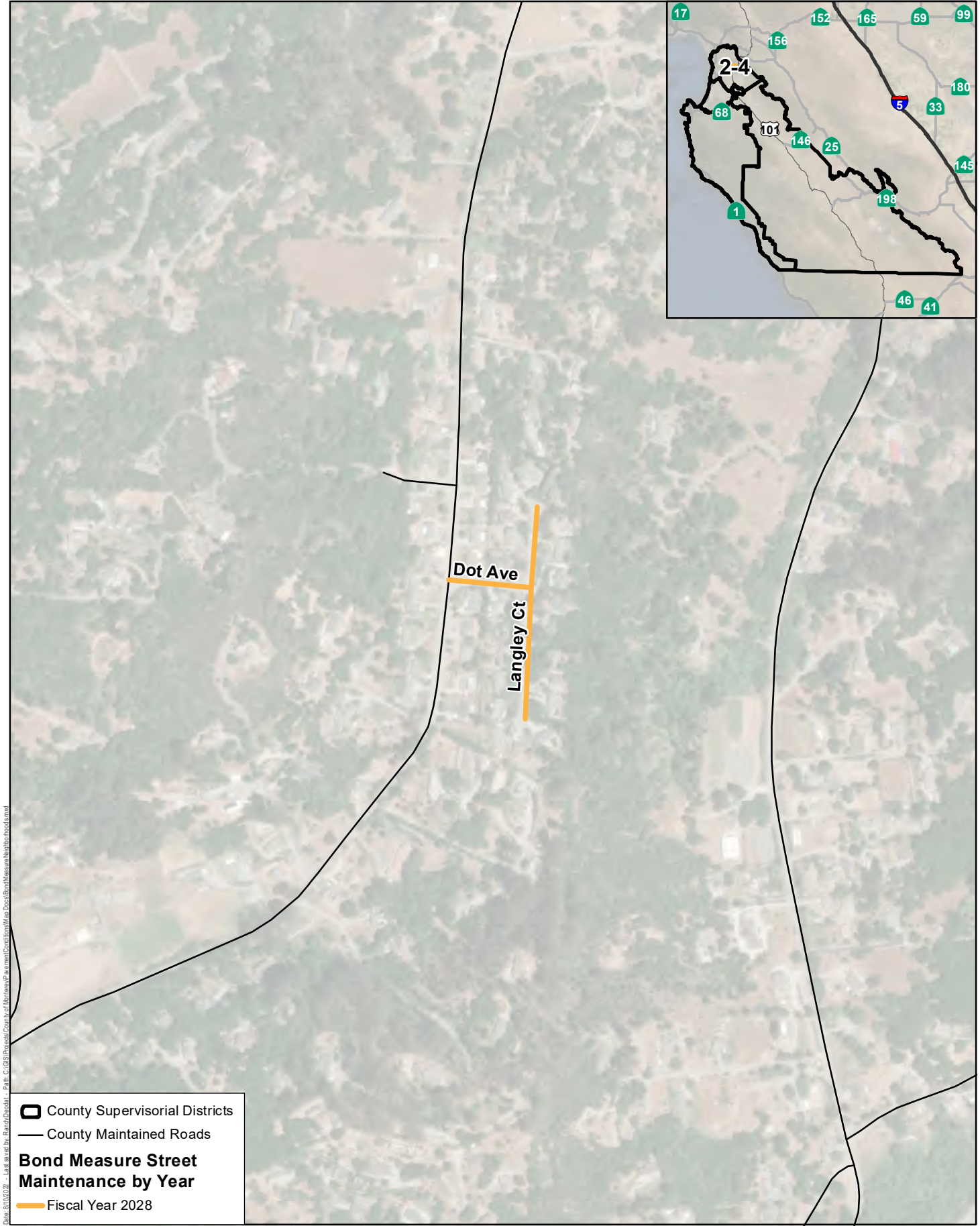


Figure 16
2027 - Neighborhood 5-19
Monterey County



Date: 8/10/2022 - 1:14:54 PM by: Randi@csd.ca.gov - Path: C:\GIS\Projects\County of Monterey\28\monterey\28\BondMeasure\Neighborhood.mxd

County Supervisorial Districts
 County Maintained Roads
Bond Measure Street Maintenance by Year
 Fiscal Year 2028

Source: Maxar Imagery 2021.

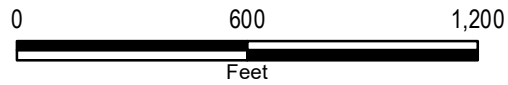
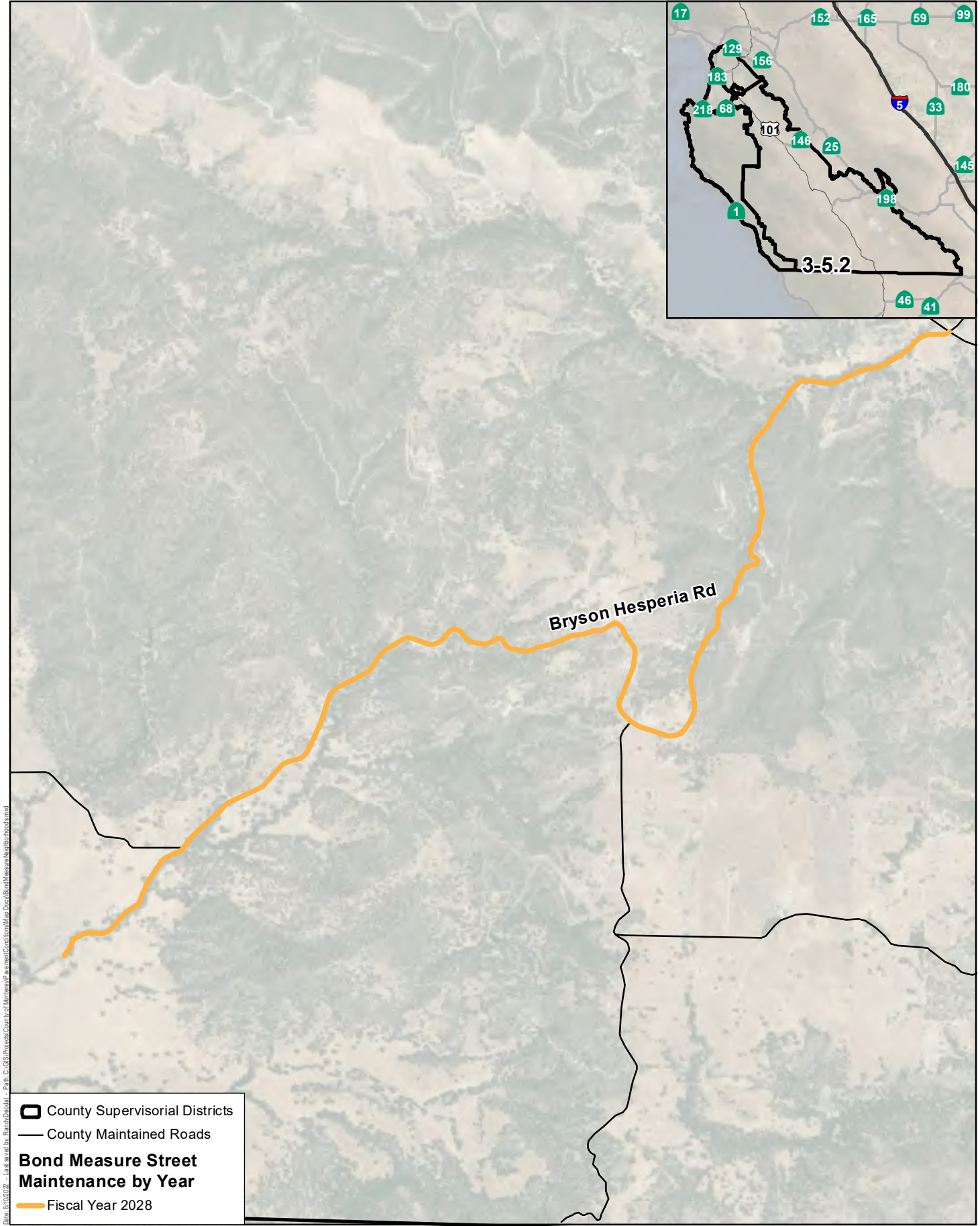


Figure 18
2028 - Neighborhood 2-4
Monterey County



Date: 8/10/2022 - 1:14:54 PM by: Randi@harris.com - Path: C:\GIS\Projects\County of Monterey\Map Documents\BondMeasure\Neighborhood.mxd

County Supervisorial Districts
 County Maintained Roads
Bond Measure Street Maintenance by Year
 Fiscal Year 2028

Source: Maxar Imagery 2021.

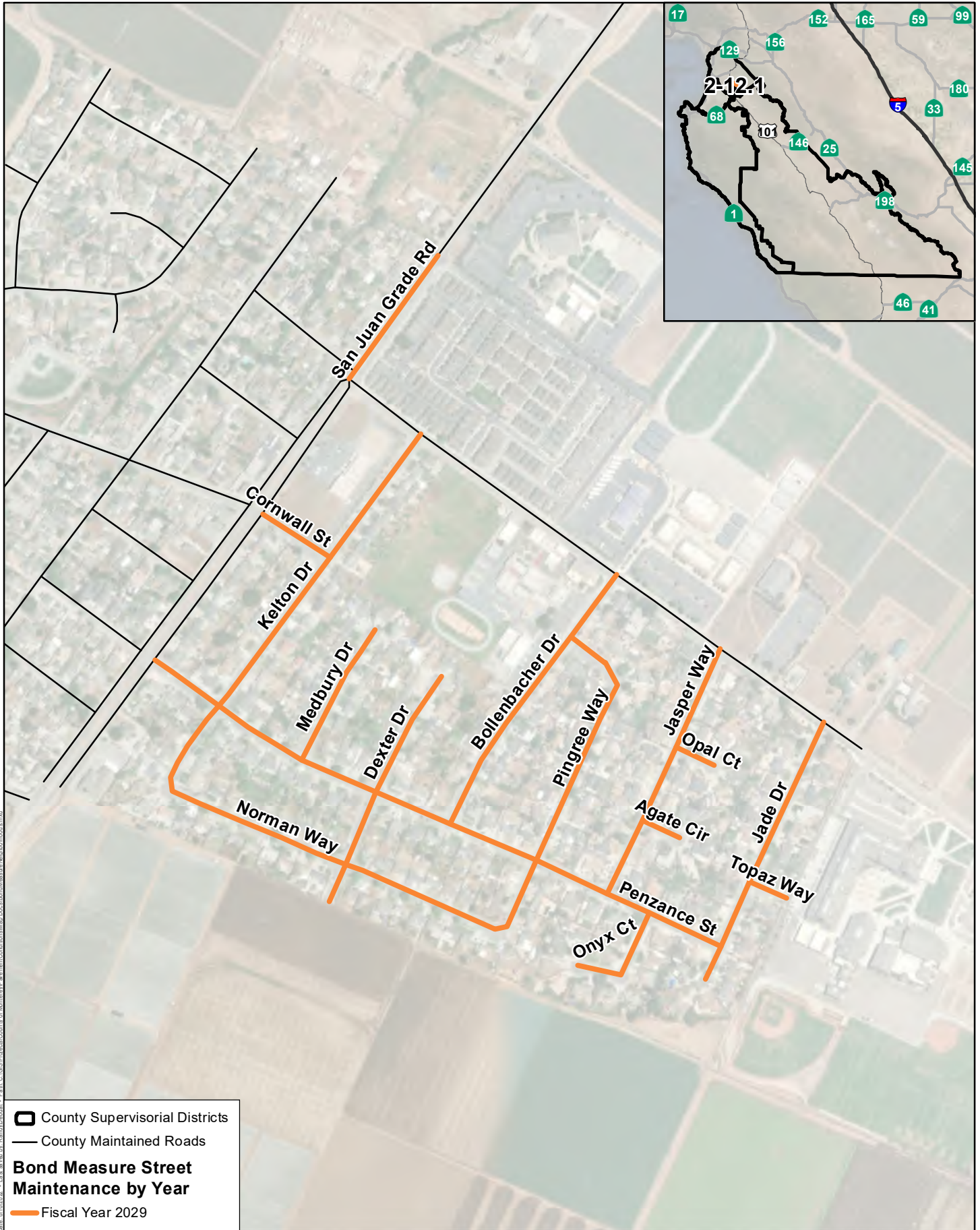


Harris & Associates



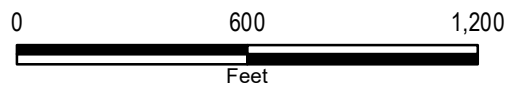
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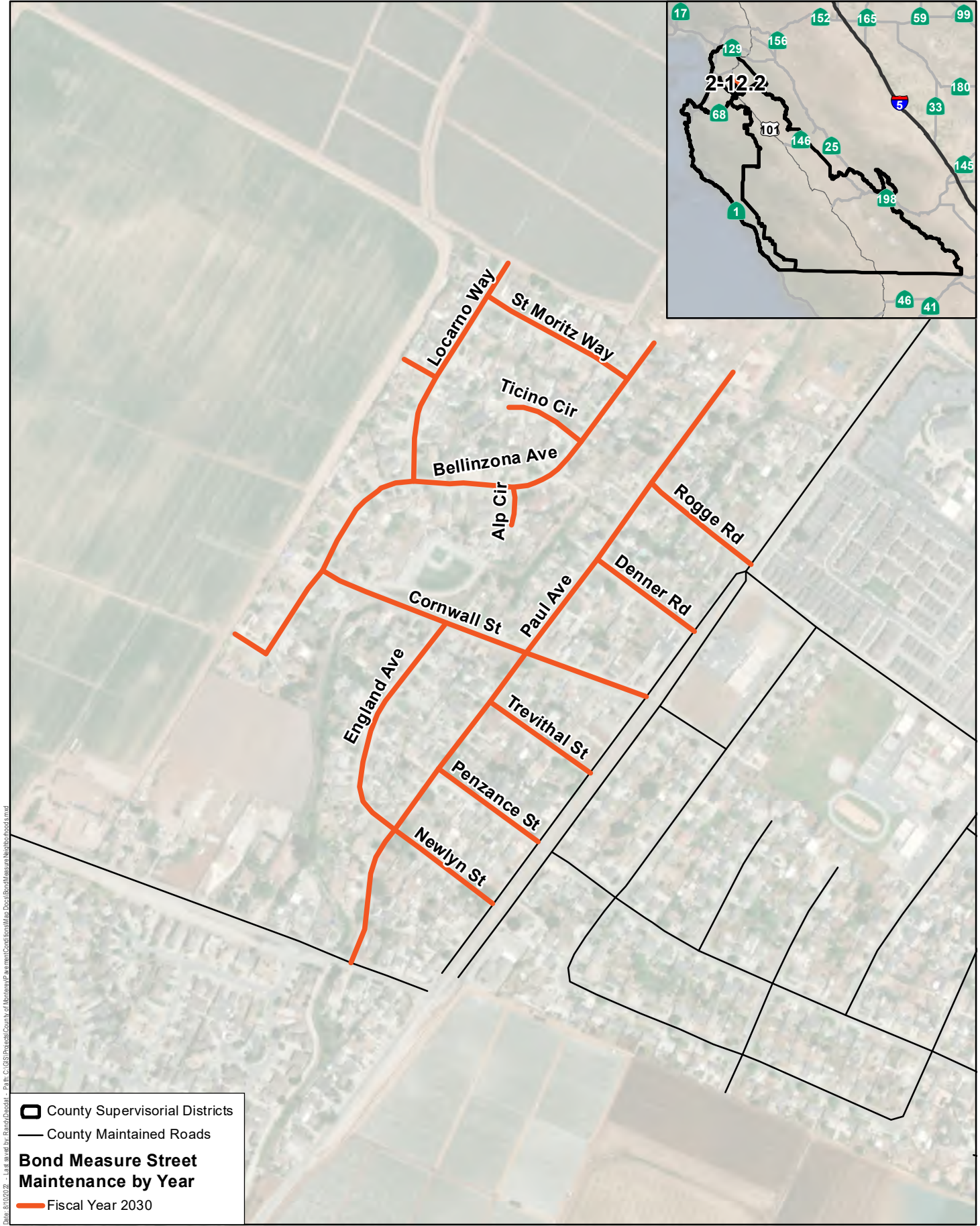
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2028 - Neighborhood 3-5.2
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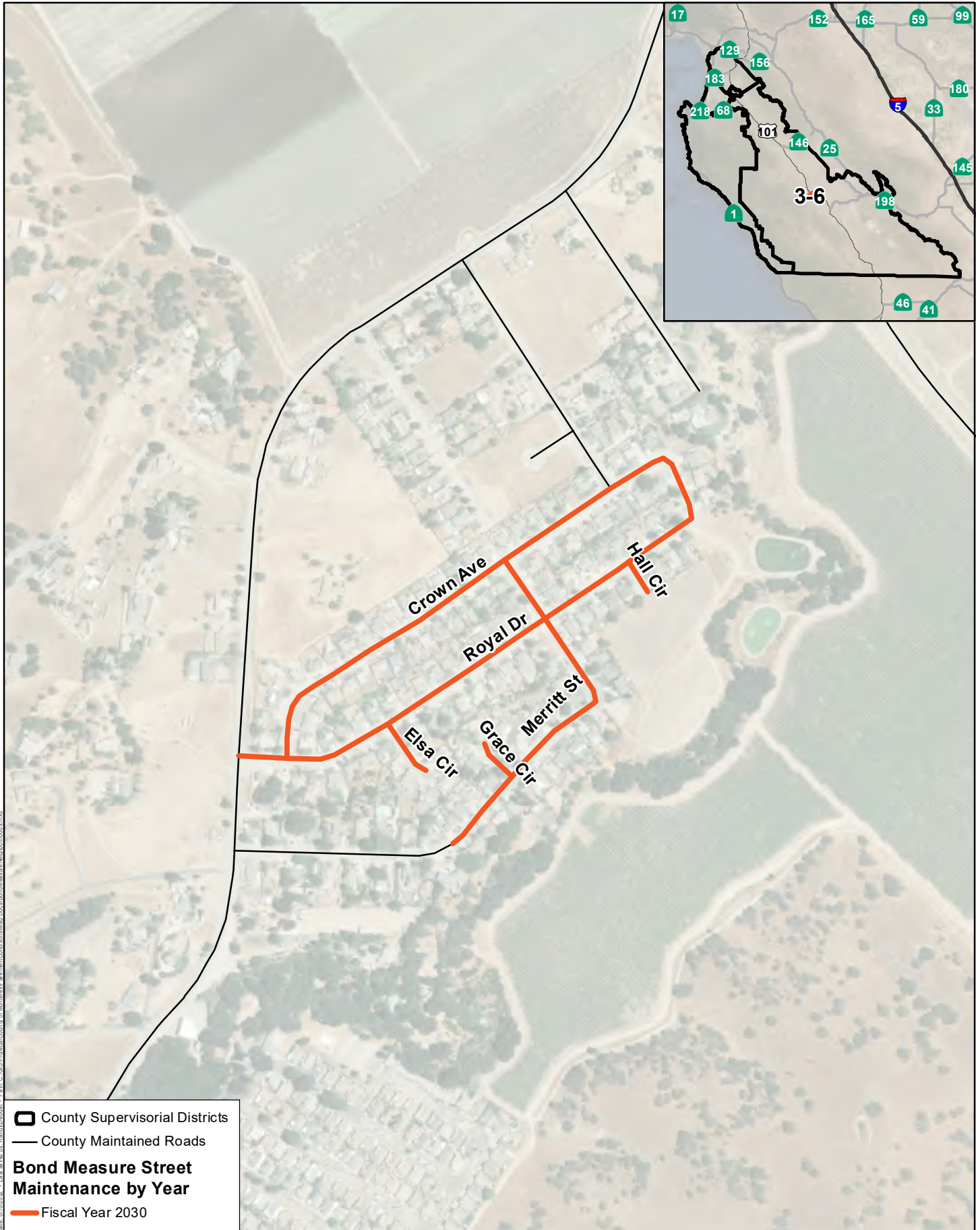
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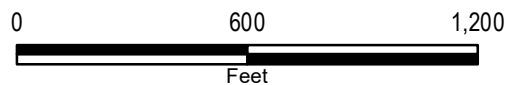
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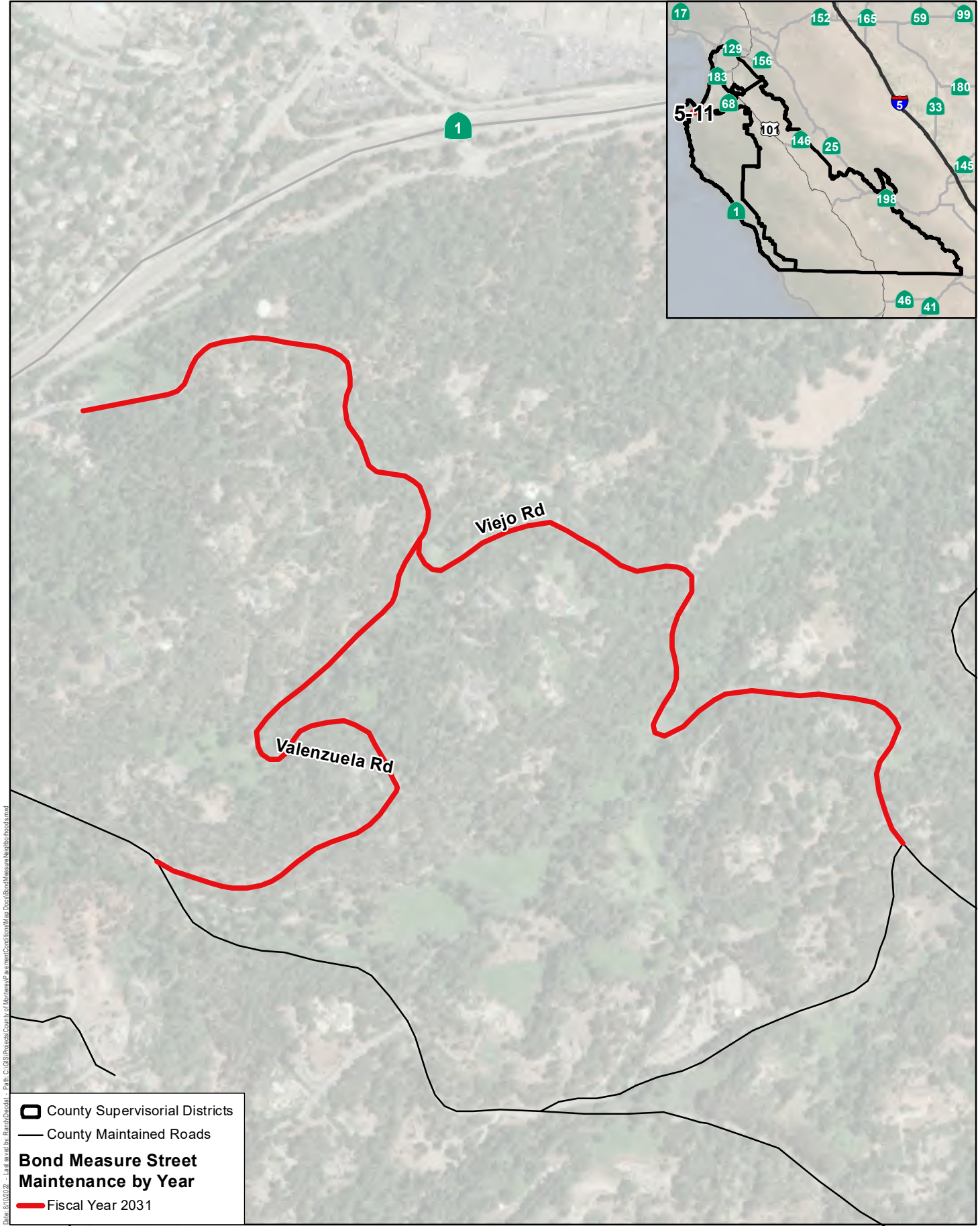
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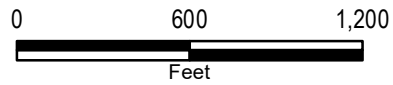
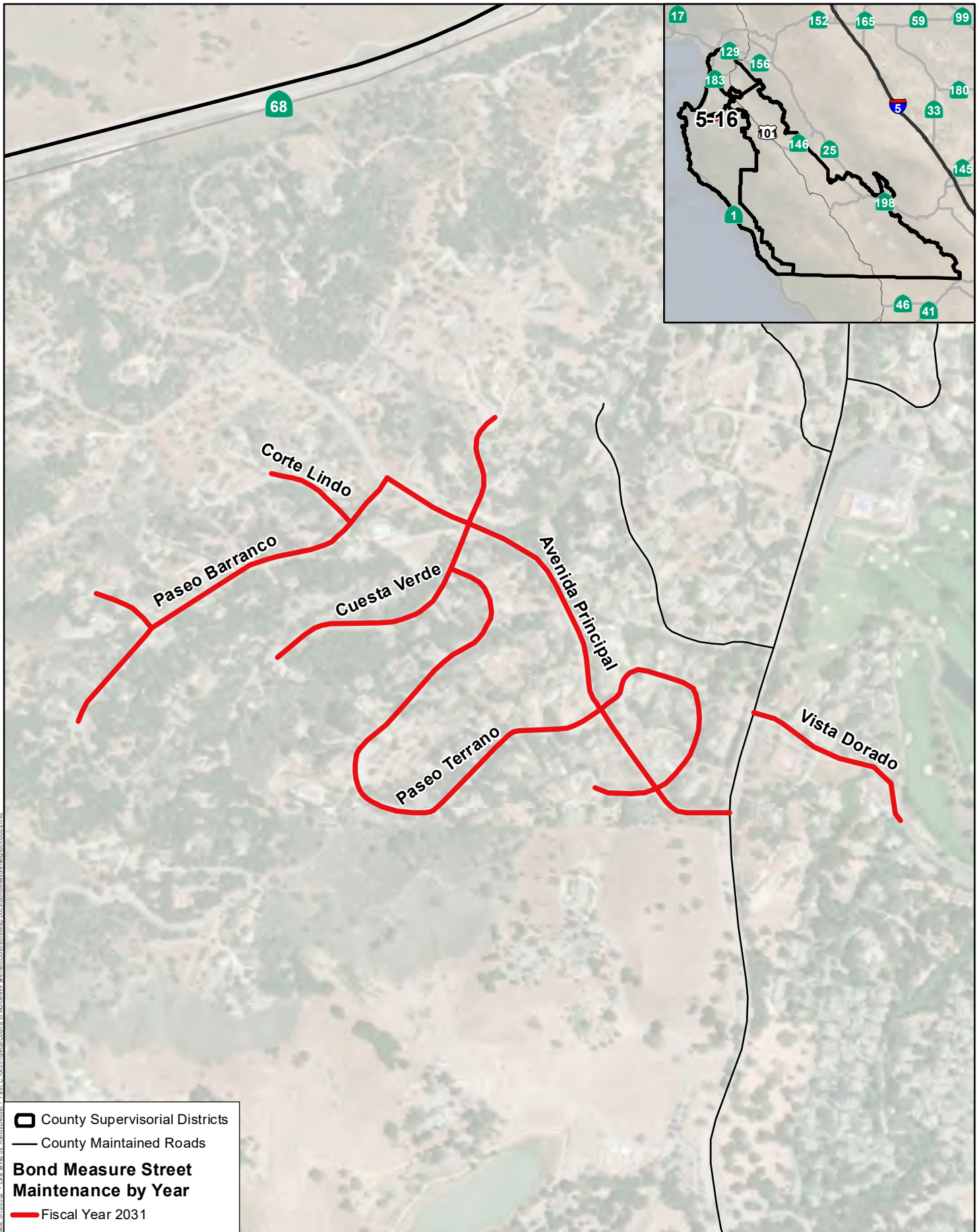
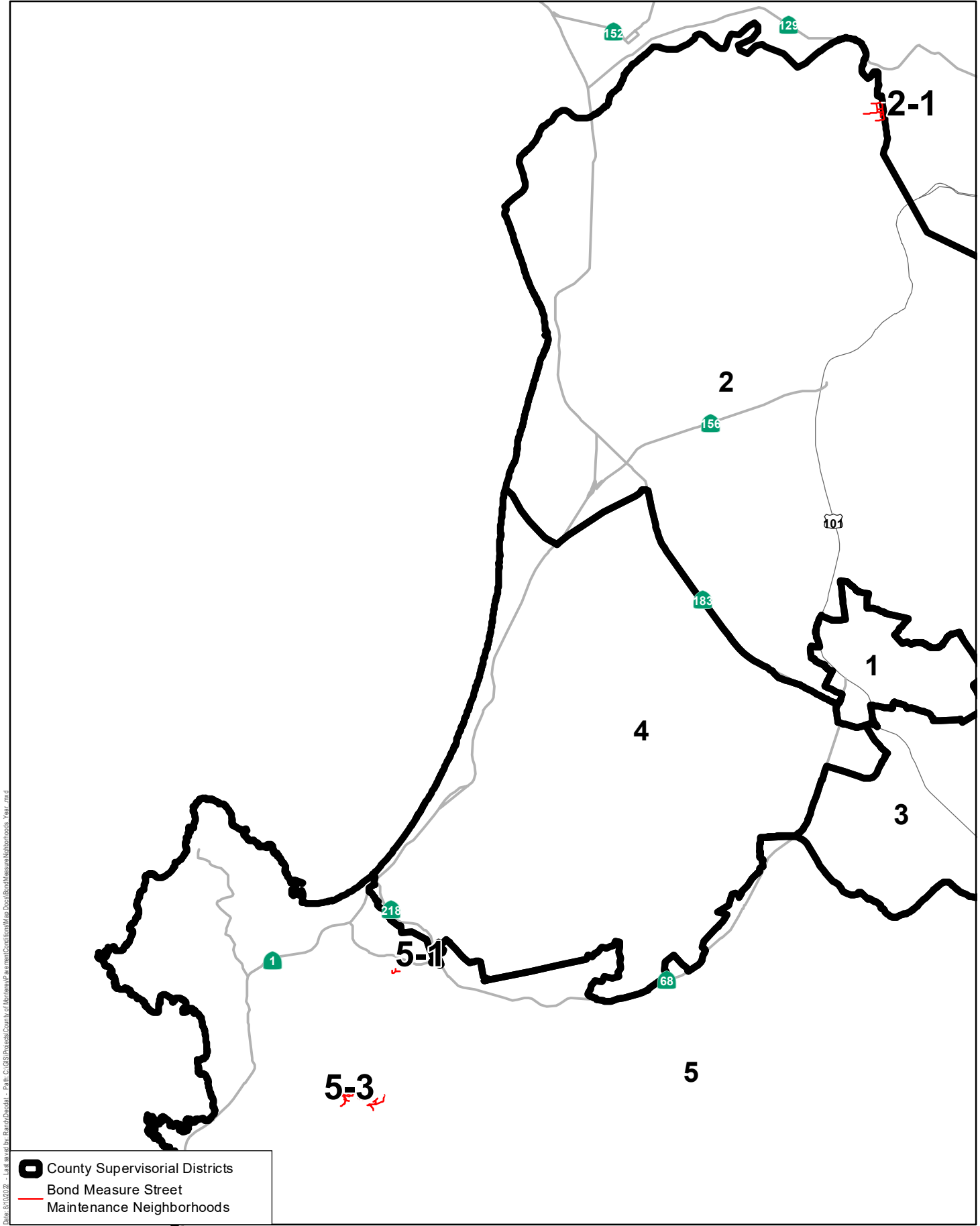


Figure 24
2031 - Neighborhood 5-11
Monterey County



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Source: Maxar Imagery 2021.



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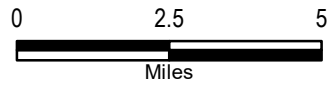
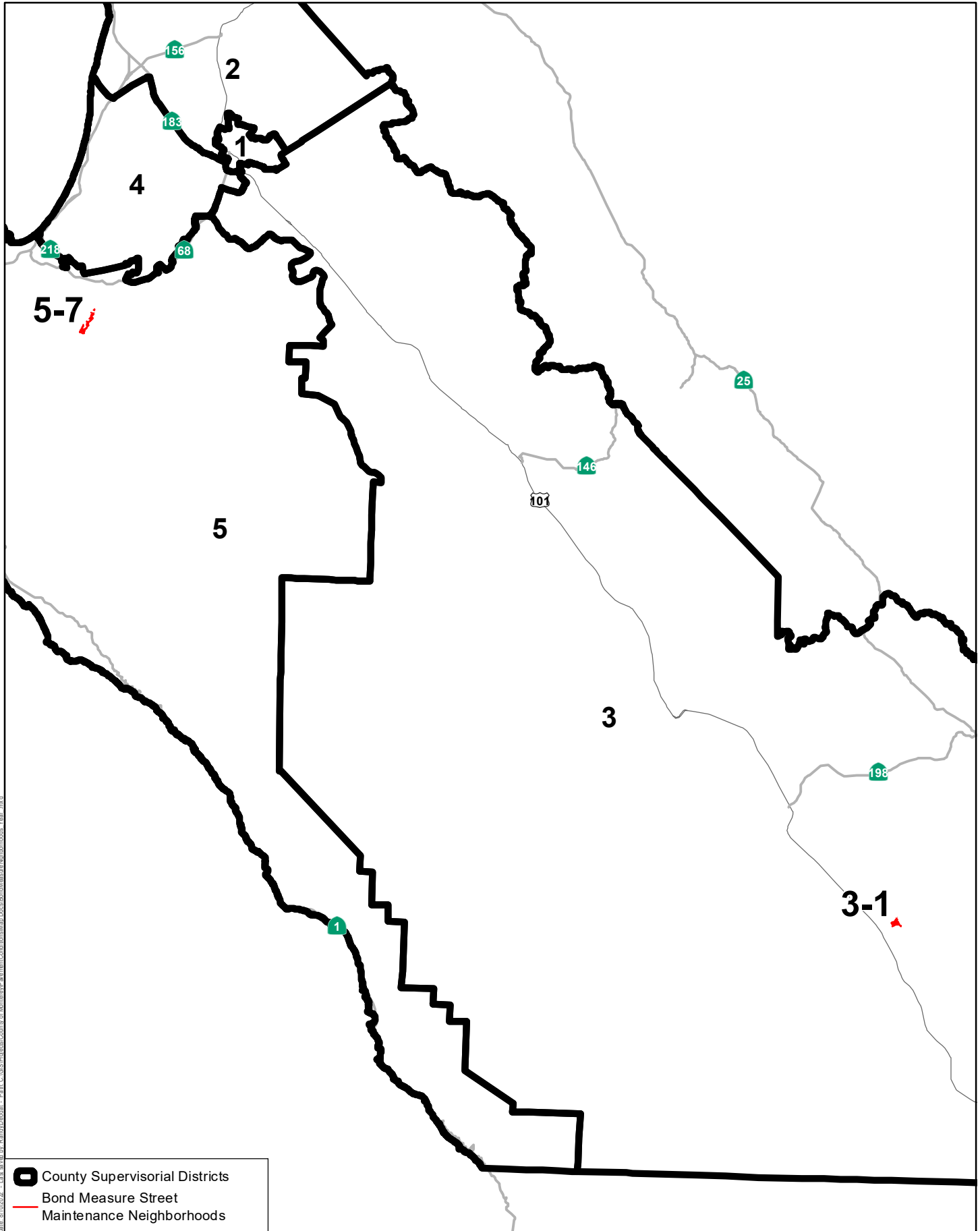


Figure 1

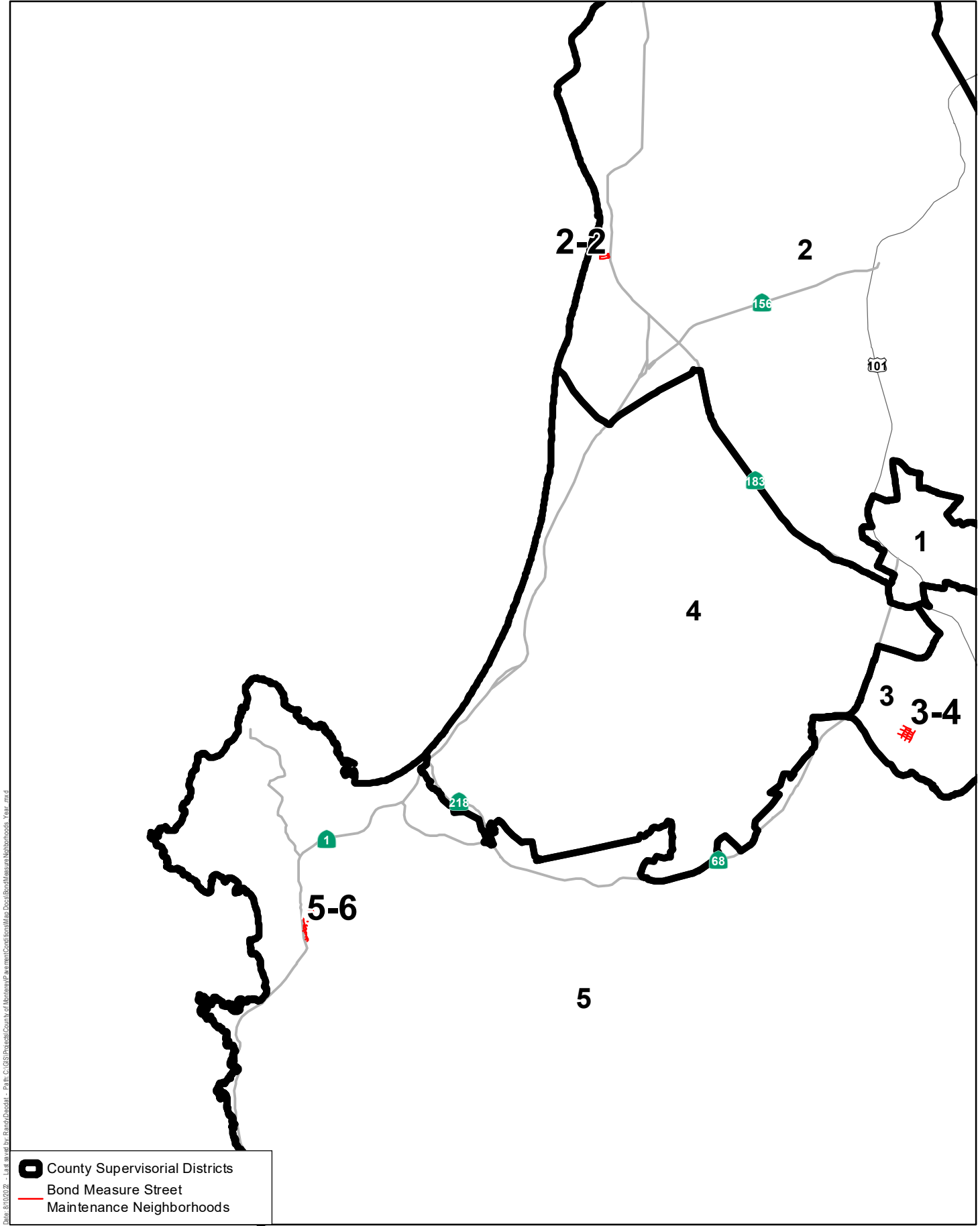
Bond Measure Street Maintenance - 2022

Monterey County



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Source: Maxar Imagery 2021.



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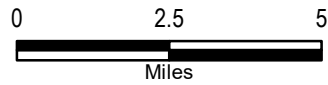
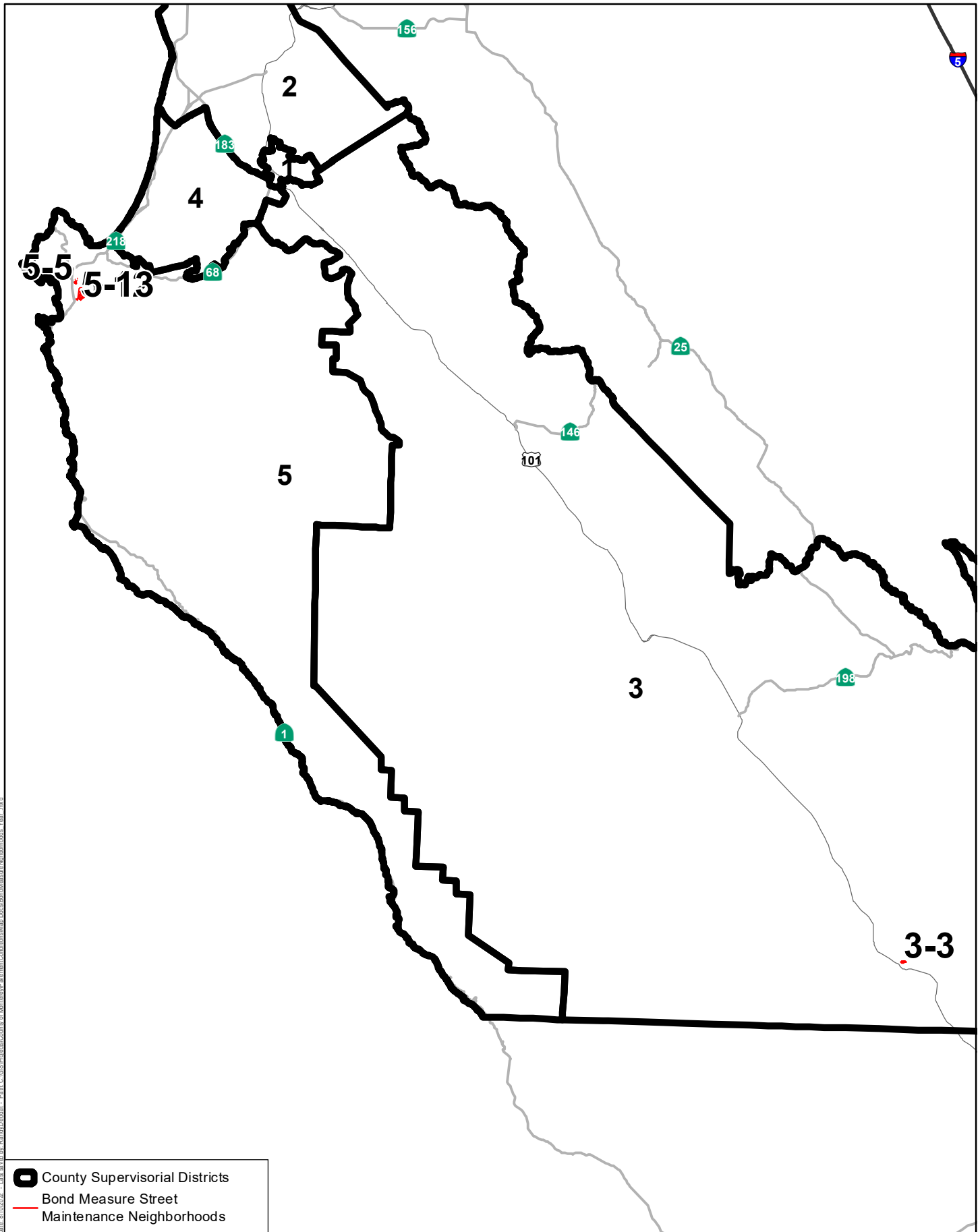


Figure 3

Bond Measure Street Maintenance - 2024

Monterey County



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Source: Maxar Imagery 2021.



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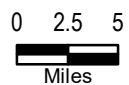
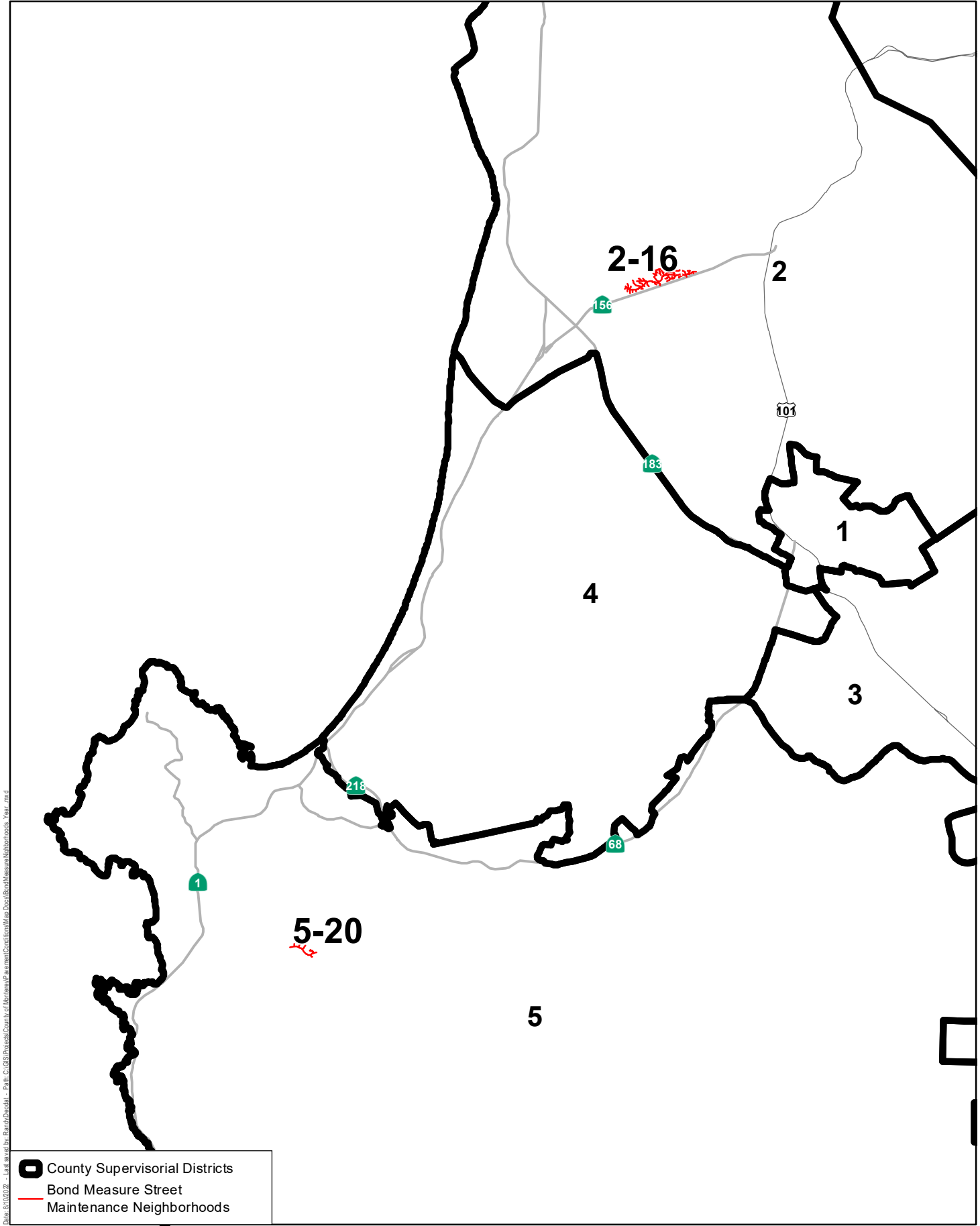


Figure 4

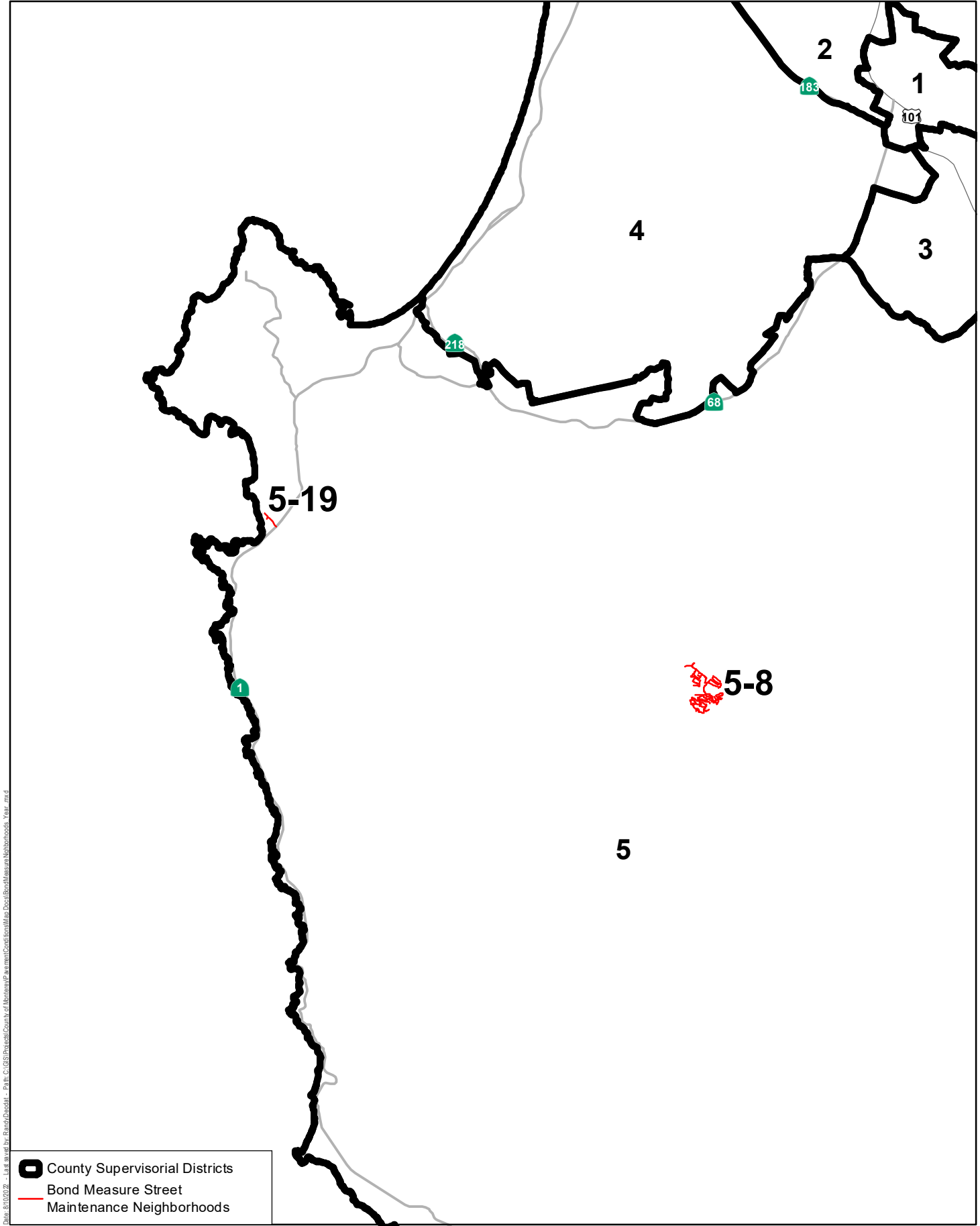
Bond Measure Street Maintenance - 2025

Monterey County



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Source: Maxar Imagery 2021.



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- County Supervisorial Districts
- Bond Measure Street Maintenance Neighborhoods

Source: Maxar Imagery 2021.



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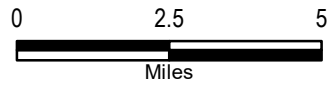
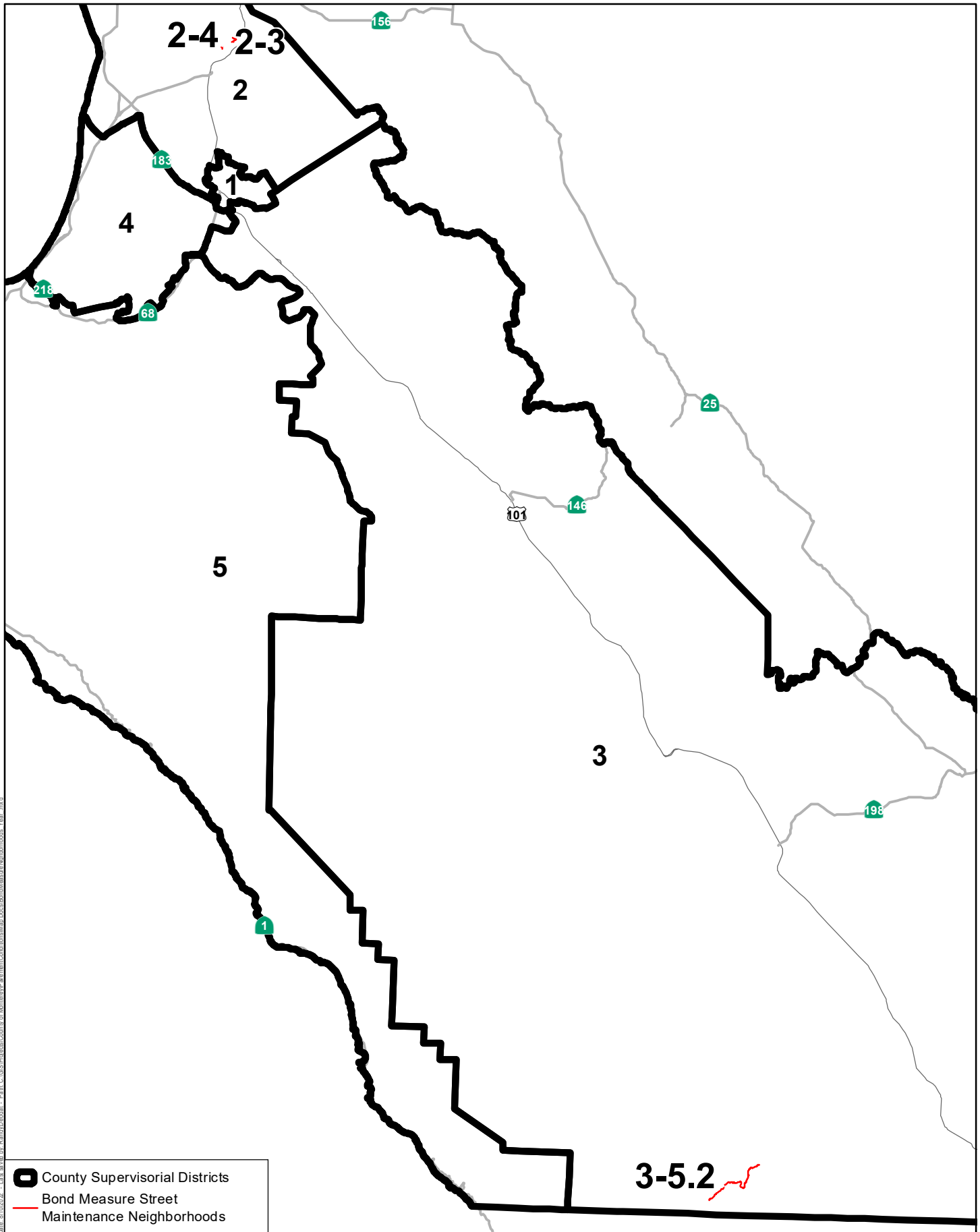


Figure 6

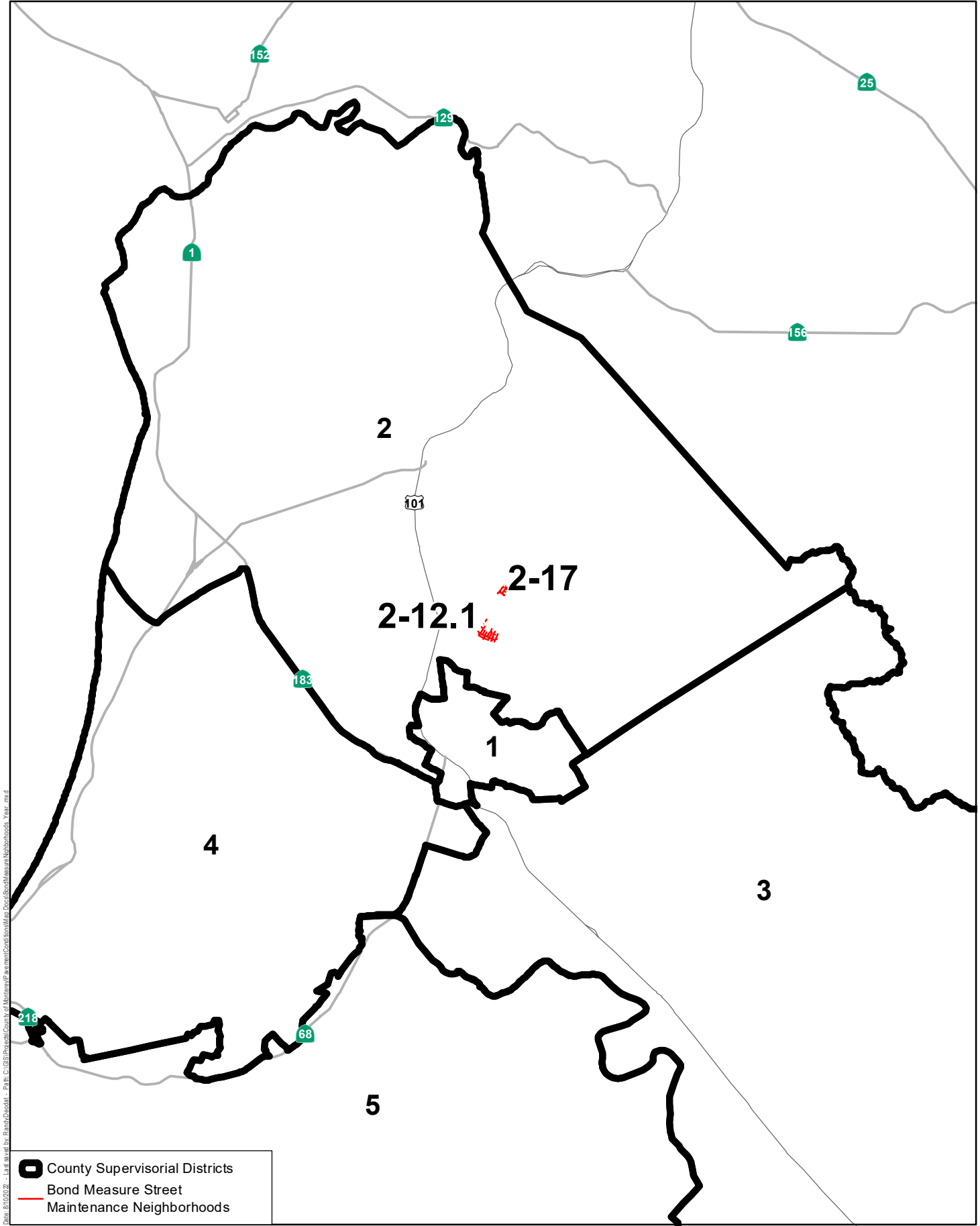
Bond Measure Street Maintenance - 2027

Monterey County



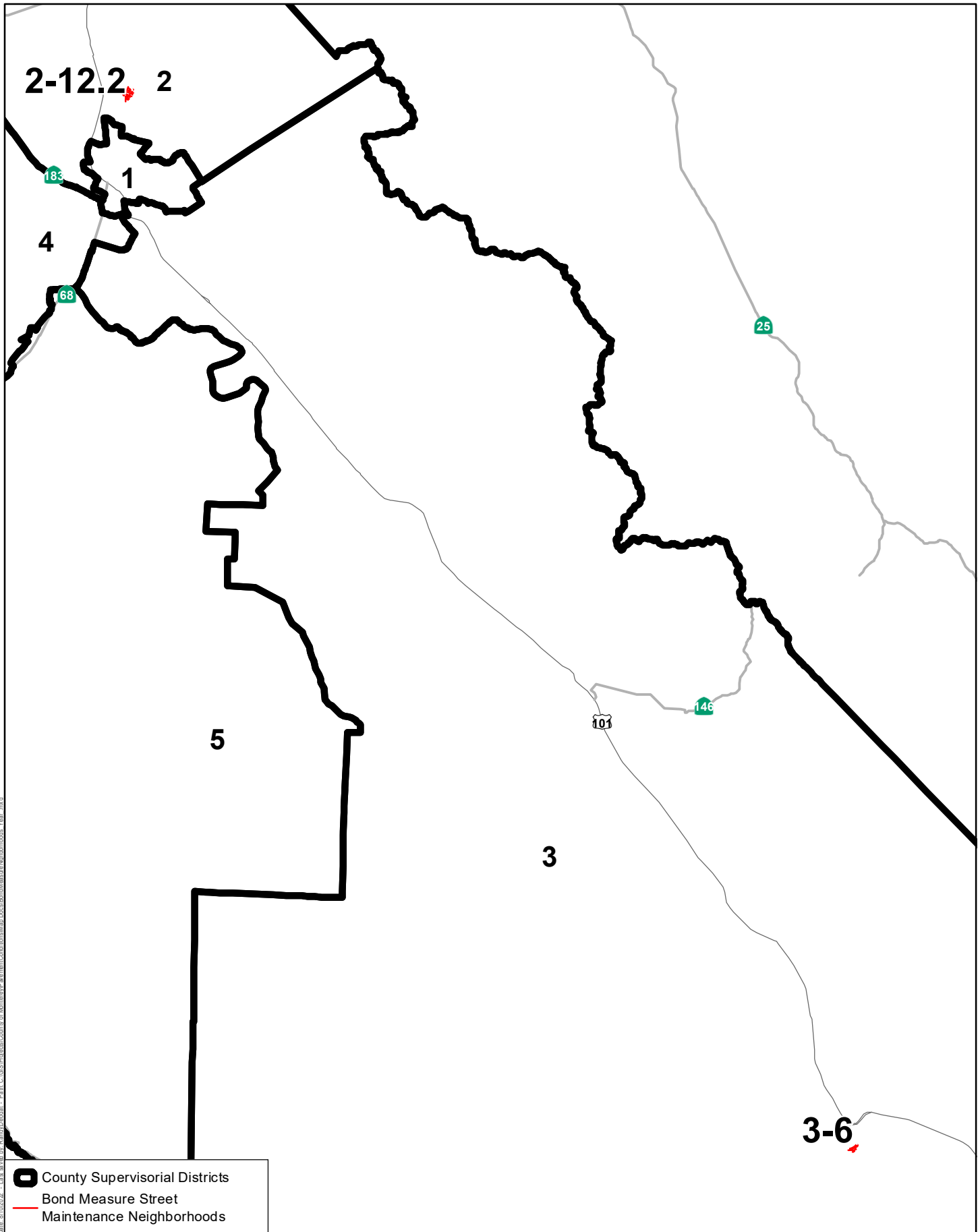
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Source: Maxar Imagery 2021.



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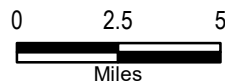
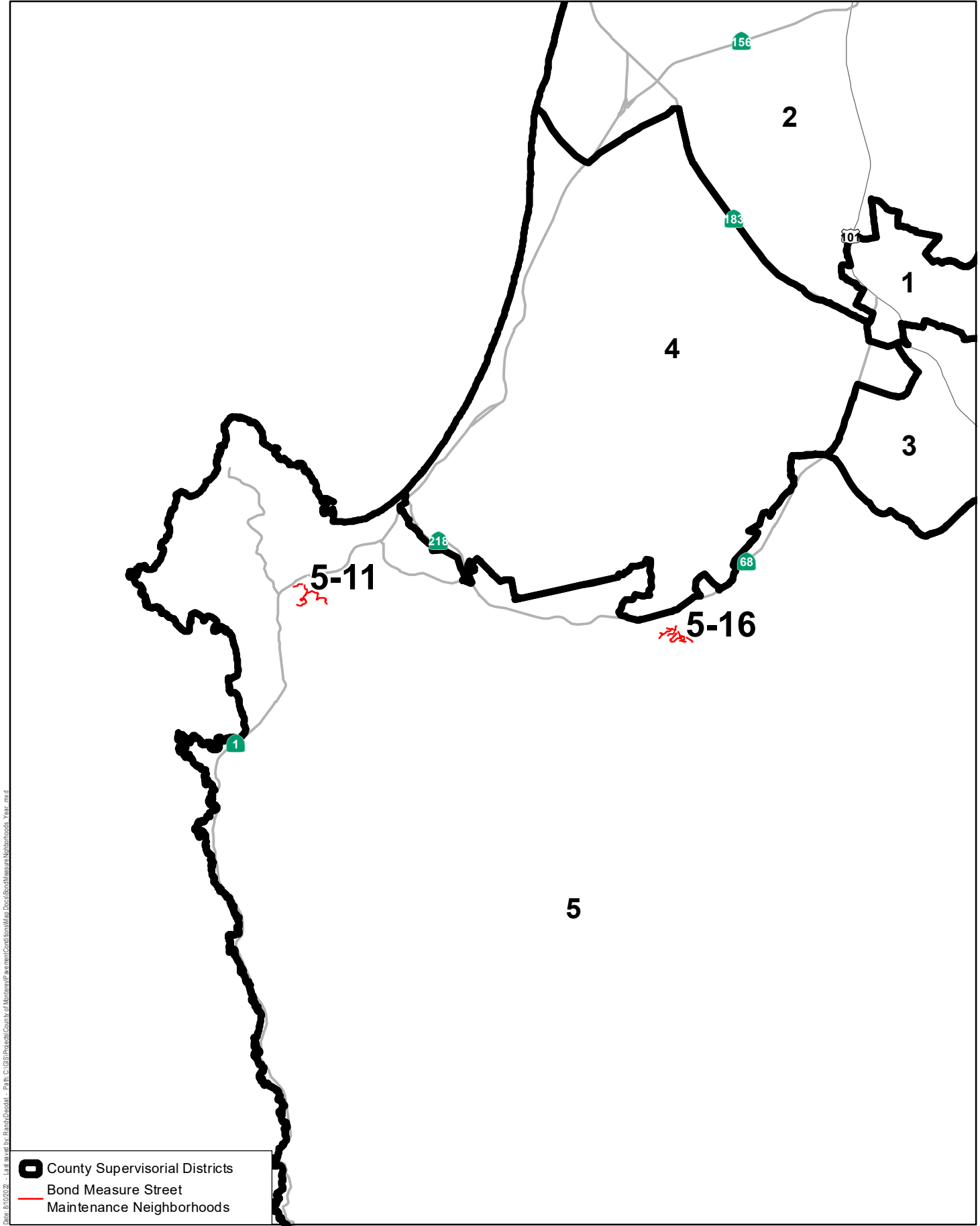


Figure 9

Bond Measure Street Maintenance - 2030

Monterey County



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Source: Maxar Imagery 2021.



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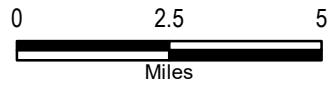


Figure 10
 Bond Measure Street Maintenance - 2031
 Monterey County

Attachment C

County Road Maintenance Program

OVERVIEW

In 2012, the Board of Supervisors adopted a policy to annually allocate Transient Occupancy Tax (TOT) funds to the Road Fund to address smaller road maintenance needs outside of budgeted/planned activities. This policy started in 2013 by allocating 20% of available TOT funds, which was increased one percent (1%) per year to a maximum allocation of 25% of available TOT funds in 2017. The TOT allocation replaced annual General Fund allocations of \$2 million per year to assist with road maintenance activities and provide more certain funding.

Throughout the year, Supervisorial Districts request services to address smaller road maintenance items that are outside of the budgeted/planned activities, and do not rise to the level of a capital project. The County Road Maintenance Program (CRMP) intends to allocate a specific amount of TOT funding for each Supervisorial District to prioritize road maintenance services in their area (e.g., potholes, road striping/markings, tree trimming, vegetation removal, road signs, etc.).

Splitting CRMP funding for road projects equally by district (20% each) would not accurately represent the road miles within each District. There is about 1,250 road miles to maintain in Monterey County that is generally divided among the supervisorial districts as follows: District 1: 0%; District 2: 19%; District 3: 57%; District 4: 3%; and District 5: 21%. While there are no County roads within District 1 and very limited infrastructure in District 4, County lands within the two districts have applicable road-related maintenance projects. Over the five supervisorial districts, varying weather and soil conditions and topography such as Elkhorn Slough, mountains and valleys, increase the frequency and magnitude of services required in certain areas.

PROGRAM

Up to 50% (\$2 million minimum) of the annual TOT allocation will be assigned to programmed road maintenance. Another 25% of the annual TOT allocation will be allocated as part of the Program to be used for unprogrammed, qualifying road maintenance projects that are under \$100,000 with no engineering and can be handled by RMA-Public Works Road & Bridge Maintenance at the discretion of the Chief of Public Works. Examples of qualified projects include, but are not limited to: streetsweeping, vegetation clearing, litter removal, etc. (beyond base program).

Funding for CRMP will be divided among the supervisorial districts as follows:

- 10% Divided between Districts 1 and 4
- 25% District 2
- 40% District 3
- 25% District 5

Any unused funding at the end of a fiscal year rolls over into the next, increasing the overall funding available for that fiscal year, which would be distributed using the same formula.

BACKGROUND

RMA manages multiple funding sources under the Road Fund to program capital road/bridge projects. Regular funding sources include (revenues vary depending on the economy):

- *Highway User Tax Account* (HUTA, aka Gas Tax). State constitution (Article XIX) requires excise tax on motor vehicle fuels to be used for streets and highways. Annual allocation based on maintained mileage, vehicle registration, population, amongst other factors. Currently, these funds have no sunset date.
- *Road Maintenance and Rehabilitation Account* (SB1, aka Gas Tax). Initiated by the legislature, ratified by public vote. Went into effect in 2017. Annual revenue fluctuates depending on gas tax receipts. Currently, these funds have no sunset date.
- *Measure X*. Local ballot initiative in 2016 applying 3/8 percent sales tax for 30 years. Funding is divided between local agencies and TAMC. Infrastructure and non-infrastructure projects were promised as part of this initiative. Examples include certain road projects such as major maintenance improvements to specific county roads and community patching and sealing programs for the communities of Castroville, Pajaro, Boronda, and Chualar. A commitment was made to support Safe Routes to School (SRS) to improve the safety and health of children by funding projects that promote walking and biking to school. The Health Department, specifically Planning, Evaluation, and Policy and Chronic Disease and Injury Prevention, have partnered with TAMC on a Countywide SRS efforts and a SRS task force to negotiate a Master Agreement for SRS Program, which sets forth processes for creating a sustainable program as well as obtaining additional complementary funding. The sunset date for Measure X funds is FY 2047.
- *Transient Occupancy Tax* (TOT). When SB1 and Measure X went into effect, TOT became part of the required maintenance of effort for those funds.
- *Grants – through Federal Highway Administration (FHWA), Caltrans and the California Transportation Commission, Transportation Agency of Monterey County (TAMC) for regional grants, etc.* County applies for federal funding via Caltrans for bridge maintenance and repairs, for traffic safety grants through the Highway Safety Improvement Program (HSIP), and for other State funding for road repaving and other improvements. The Health Department also applies for grants to support active transportation and SRS efforts through community engagement, outreach, and education. Current grants include the California Office of Traffic Safety (OTS) and Caltrans Active Transportation Program (ATP). This year, the focus area for the OTS grant has been in the communities of Soledad and Greenfield, offering education on bicycle and pedestrian safety to schools and seniors. The focus areas of the current ATP cycle includes several cities and unincorporated areas offering pedestrian and bicycle safety to elementary, middle, and high school students; seniors; and the community at large. A current effort is underway to apply for the new ATP cycle with proposed focus areas including Seaside, Marina, Castroville, San Ardo, San Lucas, King City, and Chualar.

Based on estimated revenues, RMA develops a work program where projects move through the following phases for forecasting capital projects:

- 1 Design. The first phase is to start design and process necessary permit(s), including environmental review. Time required to complete this phase can vary significantly depending on the complexity of the project and number of agencies involved.

- 2 Bidding. Once the design/permit process is complete, a Project is ready to bid. The requests for bids process is typically 45 days, which then starts a process to negotiate and award a contract, subject to counsel review and approval by the Board of Supervisors (3-4 months).
- 3 Construction. Design/permit complete, bids received. Target window for starting construction is Spring immediately following the rainy season, accounting for school session and special events as much as possible.
 - a. One year construction
 - b. Multiyear construction

Projects are determined based on the following factors:

- Pavement Management Program (PMP). Establishes a priority list based on criteria related to level and type of use.
- Measure X Program as presented with the initiative.
- Critical/Emergency (failure, hazard)

The Five-Year Capital Improvement Plan (CIP) assigns funding to projects for the current fiscal year. It also projects anticipated priorities and magnitude of funding needs for the following four years. The CIP is considered by the Capital Improvement Committee, Budget Committee, Planning Commission, and Board of Supervisors. By majority vote, the Board approves the Plan either as presented or with modifications (e.g., revise priority).

There can be challenges (pressures) and competing interests when it comes to assigning funding for capital projects. In addition, Supervisorial District offices receive requests for services beyond the County's planned program.

Generally, there are the following levels of project:

- 1 Maintenance. Under \$100,000 with no required Engineering or Project Management. Projects may be handled by RMA-Public Works Road & Bridge Maintenance at the discretion of the Chief of Public Works. Certain services (and levels of service) are included within the budget.
- 2 Minor. Under \$100,000, but requires Engineering/Design. The Chief of Public Works recommends prioritization based on available resources, subject to concurrence of the RMA Director.
 - a. In-house
 - b. Contract (Professional Services Agreement)
- 3 Major. Over \$100,000, prioritized in CIP. Projects need to be prioritized based on available resources, and phases (design/permitting, construction). There is a process established for prioritizing major projects.