



CITY OF OAKLAND

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OAKLAND
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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Ryan Russo
Director, OakDOT

SUBJECT: Three Year Pavement Prioritization
Plan

DATE: March 19, 2019

City Administrator Approval

Date: 4/11/19

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Establishing A Three Year Prioritization Plan For The City Of Oakland's Complete Streets Paving Program (2019-2021); And

A Resolution Authorizing The City Administrator Or Designee To Award All Paving and Concrete Construction Contracts That Follow All City Advertising and Competitive Bidding Requirements And Are Awarded In Direct Service Of Delivering The 2019 Three Year Prioritization Plan, Without Return To Council.

EXECUTIVE SUMMARY

The passage of a citywide Housing & Infrastructure Bond (Measure KK), and the statewide gas tax adjustment (Senate Bill 1) have provided long-needed support for Oakland's paving program. To put these funds to expeditious use, staff have prepared this Three-Year Paving Plan which represents a \$100M construction investment in pavement rehabilitation and preventative maintenance. For the duration of this plan, staff recommends that 75% of plan dollars be prioritized for rehabilitating local streets and 25% prioritized for rehabilitation and preventative maintenance on major streets. Reflecting community input and City Council-adopted prioritization values, staff developed a framework to prioritize streets for repaving based on equity, street condition, and traffic safety. Anticipating challenges in delivering triple the current annual volume of construction contracts for paving, staff have also developed a recommendation for streamlining project delivery.

BACKGROUND / LEGISLATIVE HISTORY

Program Background

Most cities do not have the resources to repave every street that needs repaving. A typical pavement management plan assesses repaving needs, reviews available funding, and produces a fiscally-constrained, multi-year workplan of streets to repave. In a typical plan, prioritization is based on street condition and cost-effectiveness. Plans are generally optimized

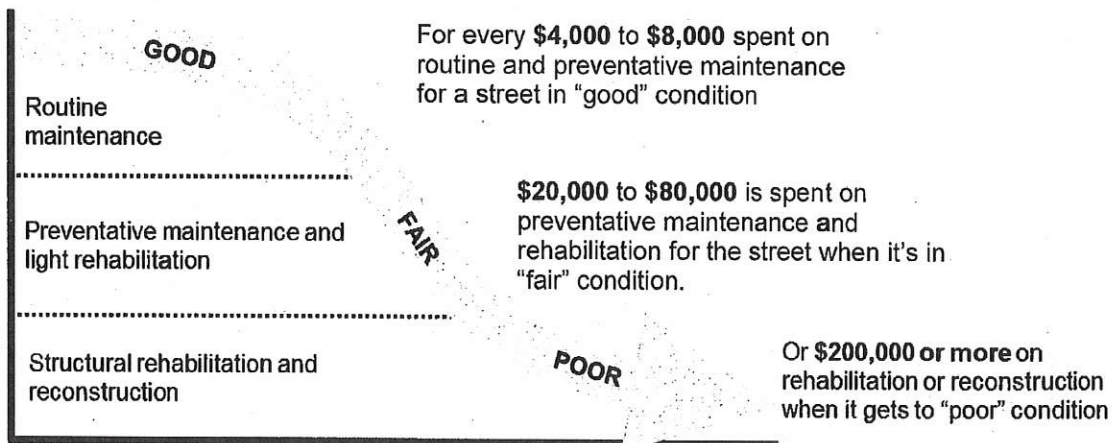
to increase average pavement condition and to decrease paving maintenance backlog over a 20 to 30 year horizon.

The first step in developing a paving plan is to survey pavement conditions citywide. Streets are scored using a Pavement Condition Index (PCI) which scores streets from 0 to 100. Streets in poor condition receive a score from 0-49, followed by streets in fair condition (50-69), good condition (70-89) and excellent or brand new condition (90-100).

The most recent citywide survey of Oakland pavement condition was completed in Fall 2018. Based on this assessment, the 2018 citywide average condition of Oakland streets is fair, with a score of 54 out of 100. The average condition of Oakland's major streets is good, with a score of 70. The average condition of Oakland's collectors and residential streets is poor, with a score of 46.

A best practice with limited funding is to spend dollars on the streets in good condition where most people drive and where conditions degrade fastest and prioritize just a handful of "worst" streets where rehabilitation is expensive. Figure 1 provides an illustration of the relative costs of repaving by street condition. Oakland's current paving maintenance backlog is \$104M for major streets and \$434M for local streets.

Figure 1: Cost of Repaving By Street Condition



2007 and 2014 Pavement Prioritization Plans

The City's Pavement Management Program has been guided by adopted prioritization plans, including those established in 2007 and most recently in 2014. Adopted plans generally identified a best-case funding scenario, incorporating limited local funds with the goal of attaining supplemental grant funds. Given unpredictable funding availability, one of the strategies to preserve the condition of Oakland's major streets was the "80/20" policy for pavement rehabilitation and prioritization, first adopted by City Council in 2007. Under this policy, 80% of any available funding for paving would be dedicated toward pavement

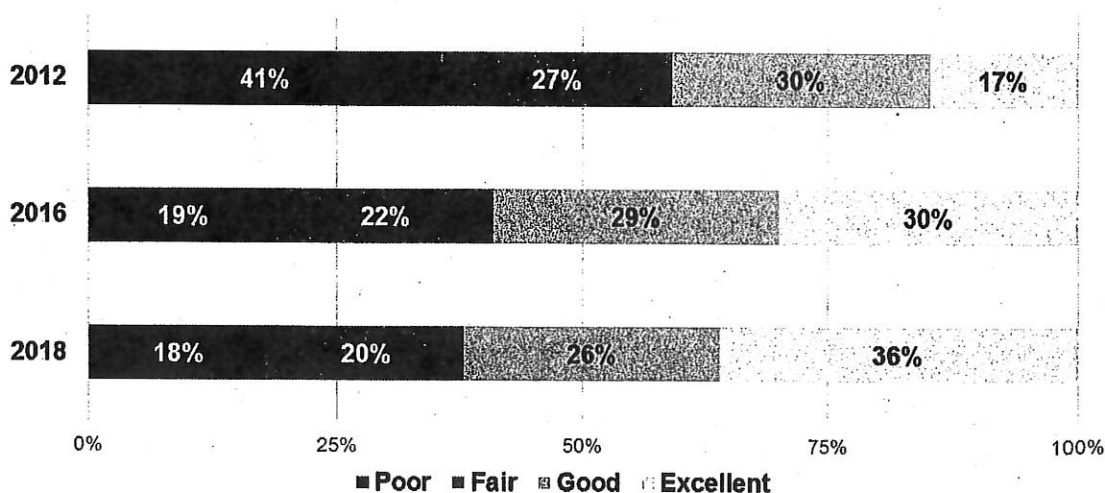
preservation on major streets, and 20% would be dedicated to rehabilitating local streets in poor condition.

The 2007 and 2014 Plans included prioritized lists of major streets toward the 80% of the 80/20 funding policy. These lists were developed using the Metropolitan Transportation Commission (MTC) StreetSaver program, which produces a fiscally-constrained work plan of pavement rehabilitation and preventative maintenance treatments on major streets. However, neither the 2007 nor 2014 plan produced a prioritized list of streets toward the 20% of the 80/20 funding policy, known as the “worst streets set-aside.” The definition on how these funds would be prioritized to be based on “City Council recommendation, citizen complaints, and a street condition assessment.”

Benefits of Past Plans, Practices, and Policies

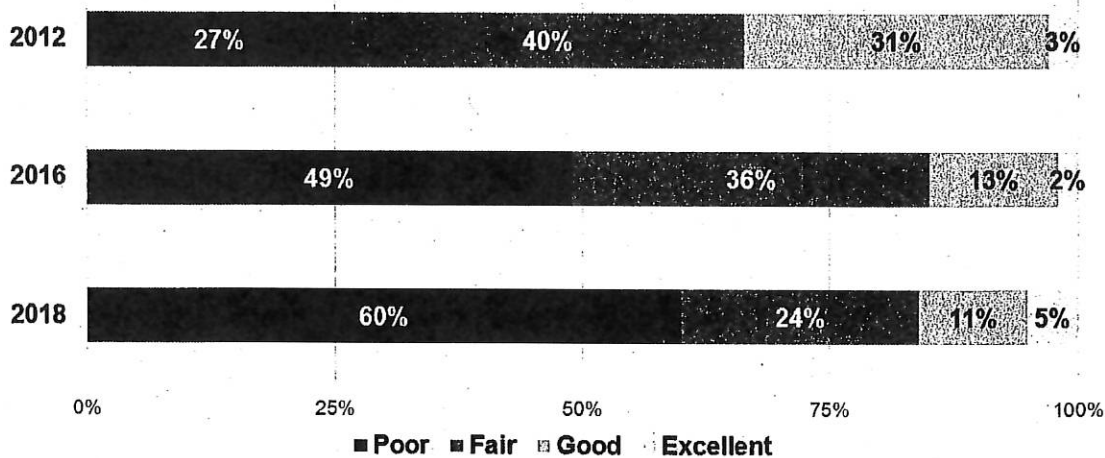
The central benefit of the 80/20 approach was that the condition of the streets on which most Oaklanders drive and ride for the majority of their trips could be maintained and improved despite limited funding. Recently, voter-supported initiatives have provided significant funding for local streets, including transportation sales tax Measure BB, the City of Oakland infrastructure bond Measure KK, and Senate Bill 1 gas tax adjustment. As funding for paving become available through these initiatives, the 80/20 policy worked as intended: more than 60% of Oakland’s arterial miles are now in “good” or “excellent” condition, compared to just 47% in 2012 (Figure 2).

Figure 2: Pavement Condition of Major Streets



The improved condition of major streets can be attributed to increased funding but also to the fact that staff pursued a mix of both pavement rehabilitation and preventative maintenance treatments. This followed industry best practices for pavement management and was an important and cost-effective policy framework for Oakland.

Figure 3: Pavement Condition of Local Streets



While major streets improved, local streets such as collectors and residential streets did not see significant investment. As a result, in just the past 6 years, 60% of Oakland's local street miles are now in "poor" condition, compared to 27% in 2012. Oaklanders have borne the cost of this in the form of bent rims, broken axles, and flat tires from rapidly degrading neighborhood streets, as well as decreased neighborhood quality of life.

In the last ten years, the City Attorney's Office has received nearly 1500 claims and lawsuits related to deteriorated streets, with a rolling average payouts increasing from \$84,000 per year in 2006 to \$330,000 per year in 2016. At the same time, the policy decision to maintain major streets meant that the streets which carry the most traffic were kept in good condition. This provided a smooth ride for the majority of Oaklanders' driving miles and likely even reduced the potential number of claims and lawsuits related to street condition.

Other benefits of past practices include coordination with adopted plans. This has traditionally been an area of strength for Oakland's paving program. The City has limited standalone resources for implementing recommendations from adopted plans, such as the citywide bike plan, citywide pedestrian plan, area and specific plans, and the Americans with Disabilities Act (ADA) Transition Plan. In this context, the paving program has served as a dependable delivery vehicle for many miles of recommended street improvements each year. This coordination enables the City to cost-effectively improve safety and comfort for people walking and riding bicycles, and to make progress implementing adopted plans. The paving program has also historically been an implementation vehicle for the City's ADA Transition Plan. With each pavement rehabilitation project, the paving program delivers accessibility improvements through the construction of new curb ramps, sidewalk repairs, and improved crosswalk markings.

Areas for policy improvement in the paving program include a prioritization methodology that reflects adopted metrics and overall program reporting and accountability. Past plans and policies solely prioritized street condition and did not have additional prioritization requirements such as equity, health, and safety. Transparency about how local streets are prioritized and

basic communication about the status of scheduled paving work are also areas for improvement.

Adopted Prioritization Principles

Since 2014, the City Council has adopted two pieces of legislation that provide policy direction for funding priorities, applicable to all capital projects including pavement rehabilitation. This legislation includes the 2016 Infrastructure Bond Ordinance (No. 86445 C.M.S.) and the 2018 Capital Improvement Program Prioritization Process (No. 87376 C.M.S.).

The 2016 Infrastructure Bond Ordinance articulated that bond-funded projects would be consistent with City Council-established priorities, including those set forth within the City's Capital Improvement Plan. The Ordinance also established the following evaluation framework for projects funded by the bond: a) how the projects address social and geographic equity and provide greater benefit to underserved populations and in geographic areas of greatest need; b) how the projects address improvements to the City's existing core capital assets; c) how the projects maintain or decrease the City's existing operations and maintenance costs; and d) how the projects address improvements to energy consumption, resiliency and mobility.

These values were further codified in the Capital Improvement Program Prioritization Process, which the City Council adopted in 2018. Through resolution (No. 87376 C.M.S.), the City Council established nine factors that would be used to prioritize the City of Oakland's Capital Improvement Program. The areas receiving the most scoring weight included equity, health and safety, existing conditions, and economy. Staff's recommendations on incorporating these adopted evaluation metrics and prioritization factors into this paving plan are included in the subsequent section.

Funding Outlook

Voter approval of Measure KK in November 2016 provided the City with a stable source of funding for the ten years following its passage, primarily for repaving streets. In addition, voters' rejection of Proposition 6 in November 2018 ensured that additional gas tax revenues from Senate Bill 1, which are directly distributed to cities like Oakland, will continue to be available to maintain Oakland's streets. There is simply no way to overstate the importance of these stabilizing sources of revenue for the paving program. These funding sources are the sole reason staff are able to propose increased spending for local streets in this plan. At the same time, Measure KK is a \$350M bond. Anticipating the eventual spend-down of the bond, staff have performed analysis to identify what future funds will be needed to maintain the improved condition of streets citywide, provided in the subsequent section.

ANALYSIS AND POLICY ALTERNATIVES

Summary

The proposed plan outlines a three-year prioritized workplan of streets for repaving. The plan proposes a total construction budget of \$100M, funded through Measure KK, SB1, Measure B/BB, and existing grant awards. The plan proposes establishing two main programs: major

streets and local streets. The plan prioritizes \$25M, or \$8.3M per year, toward major streets. It recommends both rehabilitation and preventative maintenance treatments on major streets to both upgrade pavement condition and preserve existing good pavement. Major streets are prioritized by street condition and by traffic safety to ensure that necessary safety improvements on Oakland's high injury corridors can be advanced quickly.

The plan prioritizes \$75M, or \$25M a year, toward local streets. All local streets paving under this plan would receive rehabilitation (mill and overlay). Of the proposed \$75M for local streets, 85% is programmed into Planning Areas by street condition and equity factors, with individual streets selected by street condition and proximity to schools. Ten percent of local streets dollars (\$7.5M) are reserved for cost-share agreements with utility companies to fully pave streets after utility construction work. Five percent of local streets dollars (\$3.75M) are proposed at City Council discretion, split among the 8 City Council seats. A map and complete list of streets prioritized within the plan is provided in **Attachment A**.

Major Streets Program

Oakland's major streets support the majority of daily vehicle, truck, bus, and bicycle trips. Major streets comprise 176 miles of Oakland's 830-mile street network. This plan prioritizes paving treatment on 50 miles and allocates \$25M over three years in a cost-effective combination of rehabilitation and preventative maintenance treatments. This investment will support maintaining the existing average PCI of 70 on Oakland's major streets.

Nearly one-third of the 40 prioritized major streets miles are on Oakland's High Injury Network. Oakland's High Injury Network includes the 71 miles of streets on which 63% of traffic injuries and fatalities occur and where traffic safety improvements should be prioritized. Past paving plans have not intentionally incorporated a safety analysis to prioritize streets for repaving. In this plan, staff incorporated the High Injury Network to facilitate near-term implementation of safety improvement projects concurrent with repaving. Incorporating this safety analysis into the paving plan reflects the heavy weighting that the Capital Improvement Plan Process places on health and safety.

Local Streets Program

Overall, increased and sustained funding for paving means that the paving program can maintain past levels of funding for major streets while dramatically increasing the level of funding for local streets. This plan proposes \$25M a year toward local streets, a significant increase from the former average of \$2M a year. Of this \$75M total, staff propose 85% of funds be programmed on approximately 60 miles of local streets using prioritization values of equity, safety, and street condition.

For the core local streets program, staff used nine "planning areas" to help identify needs and prioritize funds. Planning areas are a simple way of referring to different parts of Oakland that are smaller than Council Districts but larger than individual neighborhoods. Oakland's 2007 Bicycle Plan, 2017 Pedestrian Plan, and the in-progress 2019 Bicycle Plan have used the planning areas that staff refer to in this plan. Table 1 on page 8 provides basic demographics and street statistics by planning area.

Findings from the Oakland Department of Race & Equity's Oakland Equity Indicators report demonstrate broad disparity in services, resources, outcomes, and opportunities among underserved Oaklanders. Based on this, staff reviewed recent demographic data from the U.S. Census American Community Survey (ACS) to identify underserved populations by planning areas. The definition of underserved populations is a population and/or community that have experienced historic or current disparities, reflected in the Oakland Equity Indicators report and consistent with the Metropolitan Transportation Commission equity analyses. This definition includes people of color, low-income households, people with disabilities, households with severe rent burden, people with limited English proficiency, and youth/seniors.

Prioritizing by Planning Areas

Staff developed a weighting system that equally accounts for street condition and underserved populations for local streets investment. To prioritize by underserved populations, staff used ACS data to total the number of underserved populations who live in each planning area. Staff then identified the share of underserved populations living in each planning area. This share varied from 29% in Central/East Oakland to 2% in North Oakland Hills (Table 1).

To prioritize by street condition, staff reviewed the total number of local street miles in each planning area that were in poor condition (a pavement condition score of less than 50 is considered poor condition). Staff then identified the share of citywide miles in poor condition that are in each planning area. North Oakland/Adams Point has the largest share of Oakland's worst local street miles at 19%; Downtown has the fewest, at 2% (Table 2 page 8).

Staff combined the two metrics (street condition and underserved populations) by planning area to produce a weighting factor that incorporated both equity and street condition. This factor was then used to distribute 85% of the \$75M local streets program, or \$63.8M (Table 3 page 8).

Prioritizing Individual Streets

Within each planning area, staff first prioritized individual streets by street condition and proximity to schools. Streets near schools see increased levels of activity, including walking and biking. Because repaving offers a chance to upgrade crosswalks and improve curb ramps and other Safe Routes to School (SRTS) plan recommendation, streets near schools were prioritized as a way of efficiently implementing SRTS recommendations. After selecting the worst condition local streets near schools, other streets were selected by order of pavement scores from worst to less worse until the planning area budget target was met.

The proposed plan for local streets paving represents a six-fold increase in local streets paving, compared to the 10-year annual average before Measure KK (2005-2015) (Table 4 page 9). Additional metrics, including the proposed miles paved per 10,000 residents by planning area, are also provided for comparison of prioritization outcomes.

Table 1: Demographics by Planning Area

	Population	Share of Citywide Population	Median Income	% People of Color	% Low Income Households
Central / East Oakland	98,937	24%	\$43k	93%	55%
Coliseum / Airport	3,752	1%	\$44k	96%	50%
Downtown	19,169	5%	\$40k	76%	46%
East Oakland Hills	30,733	7%	\$89k	73%	22%
Eastlake / Fruitvale	98,739	24%	\$45k	85%	49%
Glenview/Redwood Heights	31,976	8%	\$103k	48%	16%
North Oakland Hills	23,658	6%	\$158k	31%	6%
North Oakland / Adams Point	79,213	19%	\$76k	50%	27%
West Oakland	36,863	9%	\$37k	77%	55%
Citywide	412,040		\$58k	73%	39%

Table 2: Local Street Condition by Planning Area

	Total Street Miles	Local Street Miles in Poor Condition	Local Streets Average PCI	People per Local Street Mile (PCI < 50)	Share of Local Street Miles in Poor Condition
Central / East Oakland	165	71	48	1,400	18%
Coliseum / Airport	20	7	48	536	2%
Downtown	40	8	54	2,311	2%
East Oakland Hills	98	39	51	781	10%
Eastlake / Fruitvale	134	68	48	1,460	17%
Glenview/Redwood Heights	78	39	48	818	10%
North Oakland Hills	110	62	46	379	16%
North Oakland / Adams Point	126	75	40	1,050	19%
West Oakland	60	25	47	1,040	6%
Citywide	830	394	46	1,044	

Table 3: Local Streets Funding by Planning Area

	Share of Local Street Miles in Poor Condition (A)	Share of Citywide Underserved Populations (B)	Funding Share (A+B)/2	Local Streets Funding Share	3Y Plan Local Street Miles
Central / East Oakland	18%	29%	24%	\$15.1	15.7
Coliseum / Airport	2%	1%	2%	\$0.9	0.7
Downtown	2%	7%	5%	\$2.8	1.7
East Oakland Hills	10%	6%	8%	\$5.0	5.1
Eastlake / Fruitvale	17%	28%	23%	\$14.5	14.6
Glenview/Redwood Heights	10%	4%	7%	\$4.6	5.4
North Oakland Hills	16%	2%	9%	\$5.7	5.6
North Oakland / Adams Point	19%	14%	17%	\$10.7	10.6
West Oakland	6%	8%	7%	\$4.6	3.0
Citywide				\$63.8	62.5

Table 4: Proposed Local Streets Program by Planning Area

	10-Year Annual Avg. Miles Paved (2005-2015)	3-Year Plan Annual Avg. Miles (Est.)	Proposed Miles Paved Per 10k Residents
Central / East Oakland	0.3	6.3	1.9
Coliseum / Airport	0.0	0.4	3.3
Downtown	0.2	0.7	1.2
East Oakland Hills	0.7	1.7	1.7
Eastlake / Fruitvale	0.2	5.1	1.6
Glenview/Redwood Heights	0.3	1.8	1.7
North Oakland Hills	0.3	2.0	2.6
North Oakland / Adams Point	0.7	3.4	1.3
West Oakland	0.1	1.2	0.9
Citywide	2.8	22.6	1.6

Local Streets Program: Utility Cost-Share Streets

Within the remaining local streets program budget, \$7.5M over three years is proposed for cost-share agreements with utility companies. Under the City's excavation requirements, private entities such as utility companies are required to restore streets after construction jobs.

Generally, this restoration includes a 13' wide patch centered on the utility's trench line, extending for the length of the trench. Given that most residential streets are 30' to 40' wide, this restoration does not amount to full-width repaving. Cost-share agreements enable full-width paving after utility construction work by enabling the City to reimburse utility companies, and vice versa, for repaving beyond each entity's responsibility. In past, funds for cost-share agreements were drawn from each Council District's "worst streets" set-aside, introducing a tension between addressing local streets priorities and achieving the cost-efficiencies of working with utility companies to complete full-width repaving. A separate program ensures that the City can collaborate with utility companies to take advantage of cost-share opportunities when they arise.

Staff have proposed a simple rubric for cost-share consideration:

- Local streets only (collector and residential streets)
- Street condition must be poor (PCI<50)
- Construction must be part of a major utility job (greater than 1500' in length)
- Funds will be expended in order of construction

At the end of Year 2 of the Plan, staff will identify whether there are cost-share candidates meeting the above criteria on the horizon. If none exist, funds will augment the local streets program, according to the established funding distribution by planning area. Staff will also report on streets repaved through cost-share agreements during an annual paving program update, and any funds reallocated to the local streets program.

Local Streets Program: Council Discretion Streets

Finally, staff have proposed a strategy of 5% set-aside of local street program funds for distribution at City Council discretion, or \$3.75M. Distributed evenly among the 7 districts and 1 at-large City Council seats, this amounts to approximately \$470,000 per Councilmember. Averaged across three years, this amount is roughly the same as the set-aside that Councilmembers could have input on within the 20% worst streets set-aside, pre-Measure KK.

Under this strategy, staff would work with the Council offices to seek a final list of streets selected for repaving by September 1, 2019. This would enable staff to bring an informational item to Public Works Committee and City Council to publish the final list of City Council priorities, and to ensure that staff have enough time within the three-year plan to deliver the priorities. If the City Council directs staff to not incorporate this strategy, staff would distribute the \$3.75M across planning areas using the local streets program funding distribution, and likewise bring a revised list to local streets priorities to the City Council.

Coordination with ADA 30-Year Transition Plan

Overall, the proposed paving plan would advance the City's ADA Transition Plan. The plan corridors include nearly 6,000 curb ramps that will be reviewed for compliance and upgraded to current accessibility standards. The paving program will also incorporate sidewalk repairs on all paving corridors, repairing sidewalks on City facilities and addressing damage caused by official City trees. These accessibility improvements would be in addition to improved crosswalk markings, delivered as standard improvements within paving project scopes of work.

Coordination with Major Plans and Transit

The City's paving program provides a dependable vehicle for implementing the transportation recommendations of other adopted plans, including specific plans, the citywide bike plan, and the citywide pedestrian plan. Approximately 10 street miles proposed in this plan have existing bikeways and are recommended for upgrades in the draft citywide bike plan, such as from standard bike lanes to buffered bike lanes or to protected bike lanes. Another 25 miles of this paving plan overlaps with recommended new bikeways in the draft bike plan. Together, these 35 miles account for approximately 34% of the paving plan, and 13.5% of the total project mileage recommendations in the draft bike plan.

The proposed plan also identifies approximately 30 miles of paving on streets with existing AC Transit bus service. With appropriate coordination and input from AC Transit, the Department of Transportation can incorporate routine improvements to bus stops along paving corridors, including adjusted red curbs and sidewalk repairs at bus stops to meet current safety and accessibility standards. The 30 miles of transit streets also offer the opportunity to coordinate with AC Transit on more significant changes to bus service, including bus stop optimization and transit priority elements, such as queue jump lanes. As with more significant bikeway improvements, these elements warrant additional community outreach, to be determined on a project-by-project basis.

Coordination with Utility Companies, Development Projects, and Other Work in the Street

One of the perennial challenges to a pavement management program is the work that needs to take place underground. Some work is known in advance, such as pipeline replacements by utility companies, street excavations necessary for developing land, or sewer improvements through the City's capital program. Other cuts are difficult to predict or contain, such as underground emergencies or private sewer lateral improvements. The Department of Transportation maintains coordination with utility companies on two levels: a monthly coordination meeting to identify near-term permits and conflicts with projects, and a quarterly meeting to establish a 12-month lookahead for capital project coordination. In addition to individual project notification, these coordination meetings are part of a best-practice approach to ensure timely coordination and project sequencing to reduce subsequent cuts to newly repaved streets.

Project Delivery Streamlining

With Measure KK securing near-term funding needs for the paving program, key challenges for implementing this plan are the pace of project development and project delivery. Traditional design and project delivery processes have challenged the existing volume of paving construction. Maintaining the status quo while tripling paving spending, as anticipated by this plan, will jeopardize the complete and timely delivery of this three-year plan. A continuing challenge for both paving design and in-house construction are vacancies in budgeted positions that support the paving program. Full staffing and streamlining project delivery offer some of the greatest rewards in cost-effectiveness, staff efficiency, and improved public trust.

A paving program for a city of Oakland's size includes a combination of in-house construction by City crews and contracted construction work by private firms, with the majority of construction work anticipated to be completed by contract.

Contracted construction projects include a bid and award phase between design and construction. Strict bidding procedures and contract execution timelines are established by the City of Oakland Charter, and Chapter 2.04 of the Oakland Municipal Code (the "Oakland Purchasing Ordinance"), and local labor union contract agreements. The council award process, is a specific requirement of the Oakland Purchasing Ordinance for contracts that exceed the City Administrator's purchasing limits (\$250,000) or which require a waiver of the advertising and bidding requirements. Significant staff time is required to administer the contract award process. Staff estimate that for each construction contract brought to City Council, the council award process adds approximately 47 days to the bid-award process per contract (Table 5 below). Since 2008, every paving construction contract brought to the City Council for award has been approved as recommended by staff.

Table 5: City of Oakland Bid and Award Process

Phase	Activity	Days
Bid	Project Manager and Contract Services establish solicitation timeline	66 days
	Contract Services issues Union 30-Day Notification	
	Date of first legal ad	
	Questions due	
	Addendum due	
	Bids due	
	Contracts distributes Bid Results	
Council Award	Compliance evaluation due	47 days
	Project Manager drafts agenda report	
	Department, Budget, City Attorney, City Administrator review	
	Rules Committee	
	Public Works Committee	
Contract Execution	City Council Approval	40 days
	Project Manager submits Schedule T	
	Contract, bonds, and insurance due from Contractor	
	Contract Services routes contract for signatures	
	Contract Services distributes fully executed contract	
	Resident Engineer issues Notice to Proceed for construction to begin	

Staff estimate that to deliver the proposed plan, the City will bid out approximately 20 contracts over the next three years. Maintaining the current practice of bringing each contract over \$250,000 to the City Council for authorization to execute the contract would equate to more than 500 staff hours spent preparing and reviewing agenda reports and attending City Council meetings, and 31 total months of additional time spent in the construction award process.

Approval of the proposed resolution to streamline paving project delivery would make delivery of this plan within the three-year period more likely. The resolution would apply only to construction contracts let in the direct service of implementing the proposed plan, and all construction contract processes would follow fair and competitive bidding procedures established by state and federal law, local union contract agreements, the Oakland Purchasing Ordinance, and City contracting programs, including the City's local business requirements for construction contracts.

Plan Funding

To deliver \$100M in paving construction will require an estimated \$25M in staff costs over the three-year timeline, bringing the total program budget to \$125M over three years (Table 6 below). This reflects a standard 25% staff cost estimate which accounts for engineering design, bid and award, and staff for construction management. This three-year plan is anticipated to be fully funded by Measure KK.

Table 6: Three Year Plan Budget

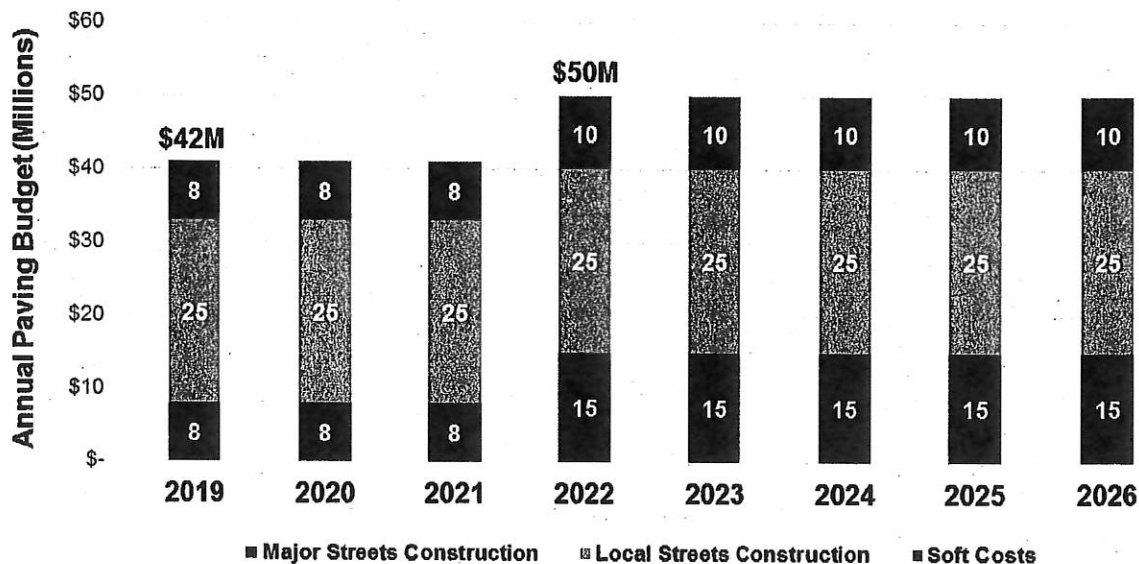
	FY 19/20	FY 20/21	FY 21/22	TOTAL
Major Streets Program Construction	\$8.3	\$8.3	\$8.3	\$24.9
Local Streets Program Construction	\$25.0	\$25.0	\$25.0	\$75.0
Program Soft Costs	\$8.3	\$8.3	\$8.3	\$25.0
Total	\$41.6	\$41.6	\$41.6	\$124.9

The plan also includes a short list of unfunded major streets priorities (**Attachment B**). These streets are major arterials that have low pavement condition scores but are of concrete construction and are therefore significantly more expensive to repair and replace. Staff recommend these streets as priorities for potential grant funding and spot repair by the department's expanded concrete repair team.

Funding Outlook

The plan recommends a significant but short-term "down-payment" on Oakland's paving backlog and massively invests in local streets to address quickly deteriorating conditions. However, in order to maintain the current average pavement condition for major streets (PCI 70), funding levels for major streets must double in the immediate years after this plan, from \$8.3M a year to \$15M annually. This will increase the annual spending on paving construction from \$33.3M a year to \$40M, and increase the total program budget from \$41.6M a year to \$50M a year beginning in 2022. These annual construction and soft cost budget projections are presented in Figure 4.

Figure 4: Proposed and Projected Program Funding Need



Based on this projection and current Measure KK expenditure rates, staff estimate that the \$350M Measure KK infrastructure balance could be depleted between 2024 and 2025. This is approximately 1-2 years before the end of the 10-year bond term (2026).

FISCAL IMPACT

This report represents a recommended paving prioritization plan. The approval of these resolutions will not result in additional appropriation of funds; however, it is anticipated that funding from Measure KK of 2016 will be appropriated for this plan in the upcoming budget to be adopted by the City Council.

PUBLIC OUTREACH / INTEREST

This report was received by the Measure KK Oversight Committee, the Mayor's Commission on Persons with Disabilities, and the Bicyclist and Pedestrian Advisory Commission. Additionally, staff presented the recommended approach at eleven community meetings:

- Redwood Heights Town Hall, March 13, 6:00PM, Redwood Heights Recreation Center
- Bella Vista NCPC, March 13, 7:15PM, Bella Vista Elementary School Auditorium
- Brookfield/Columbian Gardens NCPC, March 13, 6:00PM, Madison Park Academy
- Prescott NCPC, March 14, 6:30PM, Sullivan Community Center
- Chinatown NCPC, March 20, 4:00PM, Hotel Oakland
- Beat 33X/24X, March 20, 6:00PM, Eastmont Police Substation
- Golden Gate NCPC, March 20, 6:30PM, Charles Porter Golden Gate Recreation Center
- Fruitvale Unity, March 20, 6:30PM, Fruitvale San Antonio Senior Center
- Coliseum Melrose NCPC, March 21, 6:00PM, 81st Avenue Library
- Melrose-High Hopes NCPC, March 27, 7:00PM, Horace Mann School
- Beats 12Y/13XYZ, March 28, 7:00PM, Berkeley Tennis Club

The information presented at community meetings was also provided through an online "open house." Staff provided a non-scientific feedback survey at all meetings and provided the same survey instrument online. The survey garnered more than 200 total responses. Based on self-reported data, respondents reporting income greater than \$100,000 were more likely to say the plan approach was not fair. Respondents with household income less than \$100,000 were more likely to say the plan approach was fair. Nearly 30% of respondents self-reported a home zip code of 94611; these respondents represent half of all respondents who felt the plan approach was not fair. Most respondents who voiced concern with the plan approach pointed to specific streets that were not considered and/or questioned the use of equity metrics to prioritize paving investment.

COORDINATION

The Office of the City Attorney and Budget Bureau were consulted in the preparation of this report.

SUSTAINABLE OPPORTUNITIES

Economic: All construction contracts require the payment of prevailing wage rates, which offer a livable wage for workers and contribute to an improved quality of life. Streets in good condition may indirectly improve the business climate.

Environmental: Recyclable materials will be used within the concrete and asphalt concrete construction materials to the greatest extent possible. Grindings from asphalt paving will be recycled whenever possible.

Social Equity: The paving plan represents more than 100 miles of streets that will receive accessibility improvements including curb ramp improvements, sidewalk repairs, and crosswalk marking upgrades. The plan also incorporates social equity as a prioritization metric for local streets paving, ensuring that underserved communities are prioritized for paving investment.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Establishing A Three Year Prioritization Plan For The City Of Oakland's Complete Streets Paving Program (2019-2021); And

A Resolution Authorizing The City Administrator Or Designee To Award All Paving and Concrete Construction Contracts That Follow All City Advertising and Competitive Bidding Requirements And Are Awarded In Direct Service Of Delivering The 2019 Three Year Prioritization Plan, Without Return To Council.

For questions regarding this report, please contact Sarah Fine, Complete Streets Paving & Sidewalks Program Manager at (510) 238-6241.

Respectfully submitted,



RYAN RUSSO
Director
Oakland Department of Transportation

Reviewed by:
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Attachments (1):

- A: Map and List of Prioritized Streets*
- B: Map and List of Unfunded Major Streets Priorities*