

# Memo

To: Village Board  
Fr: Craig Berndt  
Re: Budgeting for Street Maintenance  
Date: August 12, 2015

The objective of this evaluation is to identify the Public Works operating budget funding level needed to repair and maintain village streets. While much street and utility reconstruction (via bond borrowing) has been completed recently, there remains considerable maintenance work (operating budget) to be done.

The Water Utility rate case filing provides one option for additional funding if the balance of the fire protection charge (\$3.57 per month) is changed to a direct bill, and the tax levy remains the same with the levied fire protection charge set aside for street maintenance. See the attached memo.

Note that this evaluation is for funding purposes only. It is not to be used for release to residents for scheduling street work. Further development of the schedule for the street work is necessary and will be completed based on the funding available.

The evaluation shows that the current funding level will result in delaying a large part of the maintenance work.

Increasing the funding level to \$500,000 per year will help to complete a large part of the needed maintenance in a ten year period. Note that this is maintenance work, not reconstruction work with includes underground utilities.

There may be other sources of funding besides the fire protection charge/tax levy.

### FIRE PROTECTION CHARGE AND PSC RATE CASE

The Allouez Water Utility rate case application will be submitted in mid to late August for consideration of a rate increase for 2016. Part of the rate case is continuing or making any change to the current Fire Protection Charge. Currently this charge is billed ½ direct bill to customers (\$3.57 per month) and the other half is on the tax levy. If a change is to be made to the second half of the fire protection charge it must be as part of the rate case.

Long-term it will be necessary for the village to increase the funding level for street maintenance and repairs. As the village has reconstructed streets and utilities, and as the street maintenance program has resurfaced many streets, it will be necessary to increase funding for continuing the maintenance program. Part of the reason the village was so far behind on the street maintenance program is the lack of funding (and therefore resurfacing projects) in the past. To maintain the new streets in the future additional funding is needed.

This is being brought up at this time because of the PSC rate case. This is a funding change that can be considered at this time.

With regard to street maintenance the village has over 50 miles of streets. At least one mile of street maintenance and resurfacing will be needed per year to keep up with the 50 miles of streets. This assumes that the street and utility reconstruction program continues as planned thru 2024 and the projects in plan are all completed. Even after 2024 there will still be reconstruction needed but the number of streets will be much less.

If the balance of the fire protection charge is changed to a direct bill (adding \$3.57 to the utility bill) and the tax levy remains as present, there will be an additional approximate \$275,000 for street maintenance. This would be used for reconstruction in the immediate future (as bonding options might be somewhat limited) and would help with the catch-up of poor streets. After perhaps 5 years this money will be focused on milling/overlay and reclaiming only. This is the long-term maintenance program.

This is brought up for consideration. This presents an opportunity to provide the street funding that will be needed in the future.

C. Berndt  
July 10, 2015`

**SUMMARY OF RESIDENTIAL CHARGES ON UTILITY BILLS-July 1, 2015**

Charges(1)	Municipality									
	Ashwaubenon	Green Bay	Bellevue	Hobart	Lawrence	Ledgeview	DePere	Allouez		
Water, \$/month	\$23.21	\$18.13	\$35.20	\$29.58	\$33.26	\$38.68	\$34.68	\$34.84		
Sewer, \$/month	\$26.82	\$17.37	\$29.20	\$33 (est)	\$40.69	\$30.07	\$30.08	\$34.58		
Storm ERU, \$/mo	\$4.17	\$5.87	\$4.00	\$4.05	\$5.00	\$2.85	\$5.58	\$7.50		
Fire Prot, \$/month	<u>\$3.23</u>	<u>\$2.97</u>	<u>\$8.55</u>	<u>\$7.00</u>	<u>\$2.51</u>	<u>\$3.24</u>	<u>\$9.27</u>	<u>\$3.57</u>		
Total	\$57.43	\$44.34	\$76.95	\$73.62	\$81.46	\$74.84	\$79.61	\$80.49		
Notes:	(1) All costs based on Allouez water use of 4,500 gals/month									

# VILLAGE OF ALLOUEZ

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## Department of Public Works

### FUNDING FOR STREET MAINTENANCE AND RECONSTRUCTION PROJECTS

This analysis evaluates the need for increased funding for long-term street maintenance of village streets. This is a cost evaluation to establish a reasonable funding level for street maintenance in the Public Works annual budget. This analysis is not intended to provide the exact schedule for individual street repairs (that is the next step).

The current Public Works street maintenance funding is \$225,000 per year.

The streets are presented based on the Paser survey from 2013 which rates streets based on pavement condition. The Paser survey is the road management program the state requires each municipality to use as part of state funding for roads. The costs in this analysis are from the Paser program, they are not engineering estimates so they are planning level only.

*Variation in the schedule for specific streets is expected as this plan is further developed. This analysis should not be used for conveying street repairs to the general public.*

The Street Maintenance and Reconstruction Plan include the following:

1. Street Reclaiming Projects: Streets Paser rated 4 or less require pavement removal, re-grade the base, repair curbs, and pave the street. These are streets in very poor/failed condition (potholes, alligator, gravel). Reclaiming generally provides 20 years plus service life.
2. Street Milling and Overlay: Streets Paser rated 5 or 6 benefit from milling the surface and paving with an asphalt overlay to provide an additional 15 years plus service life. The overlay results in a Paser rating of 10 (new pavement).
3. Reconstruction Projects: Required when both the street and underground utilities are in poor condition and should be replaced. These streets are from the 2010 Street and Utility Reconstruction plan. Note that some additional streets may be added to the reconstruction plan because of continued deterioration.
4. WisDOT Projects: These are the two WisDOT projects currently in planning phases. The initial reconstruction of Webster Avenue is also included.

The yellow lined areas represent a rough approximation of the streets that can be repaired at the current budget level of \$225,000 per year.

The projection shows that at least \$500,000 per year is required to increase the maintenance repairs to accomplish more of the needed projects. If additional funding is not provided many of the streets must be postponed to the future. This appears to double the time frame to repair these streets.

