STREET MAINTENANCE FUNDING

DS-18-088

October 23, 2018

City of Killeen Street Operations

- City of Killeen Inventory
  - 2,191 lane miles (12’ wide x 1 mile long) of roadway
  - 98 signalized intersections
  - 65 school flashers
  - Various alleys, sidewalks, driveways, signs, and other appurtenances
- City of Killeen Street Operations
  - FY 19 Personnel - 56 FTEs
  - FY 19 Operating Budget - $4,680,336

City of Killeen Street Operations

- City of Killeen Street Operations

Expense	Adopted FY 19 Budget
Personnel Services	$2,583,766
Materials & Supplies	767,748
Roadway Drainage	126,511
Street Light Electricity	750,000
Pavement Maintenance	330,000
Pavement Marking	92,311
Signals & Traffic Lights	89,150
Sign Maintenance	30,000

Pavement Preservation

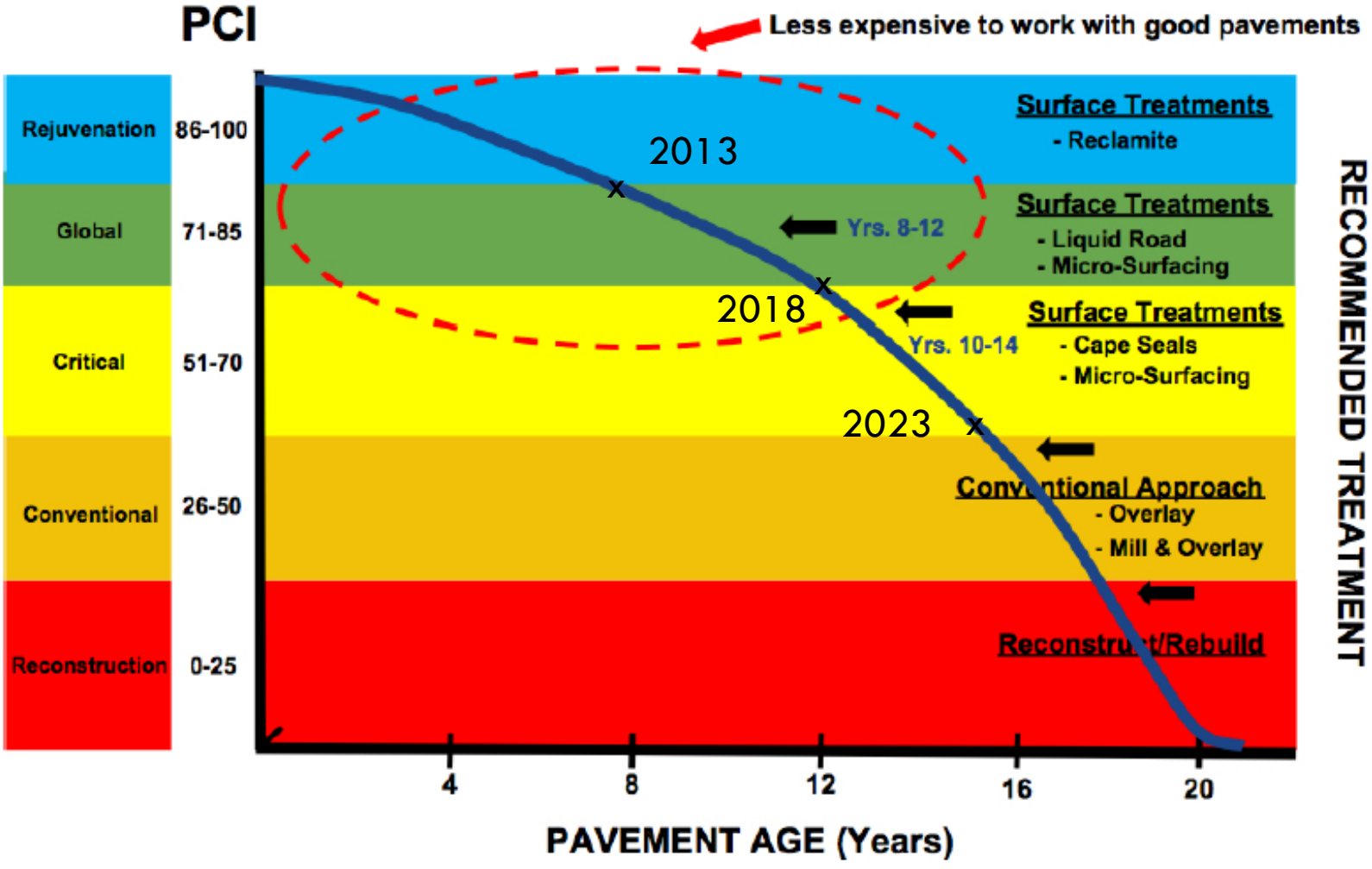
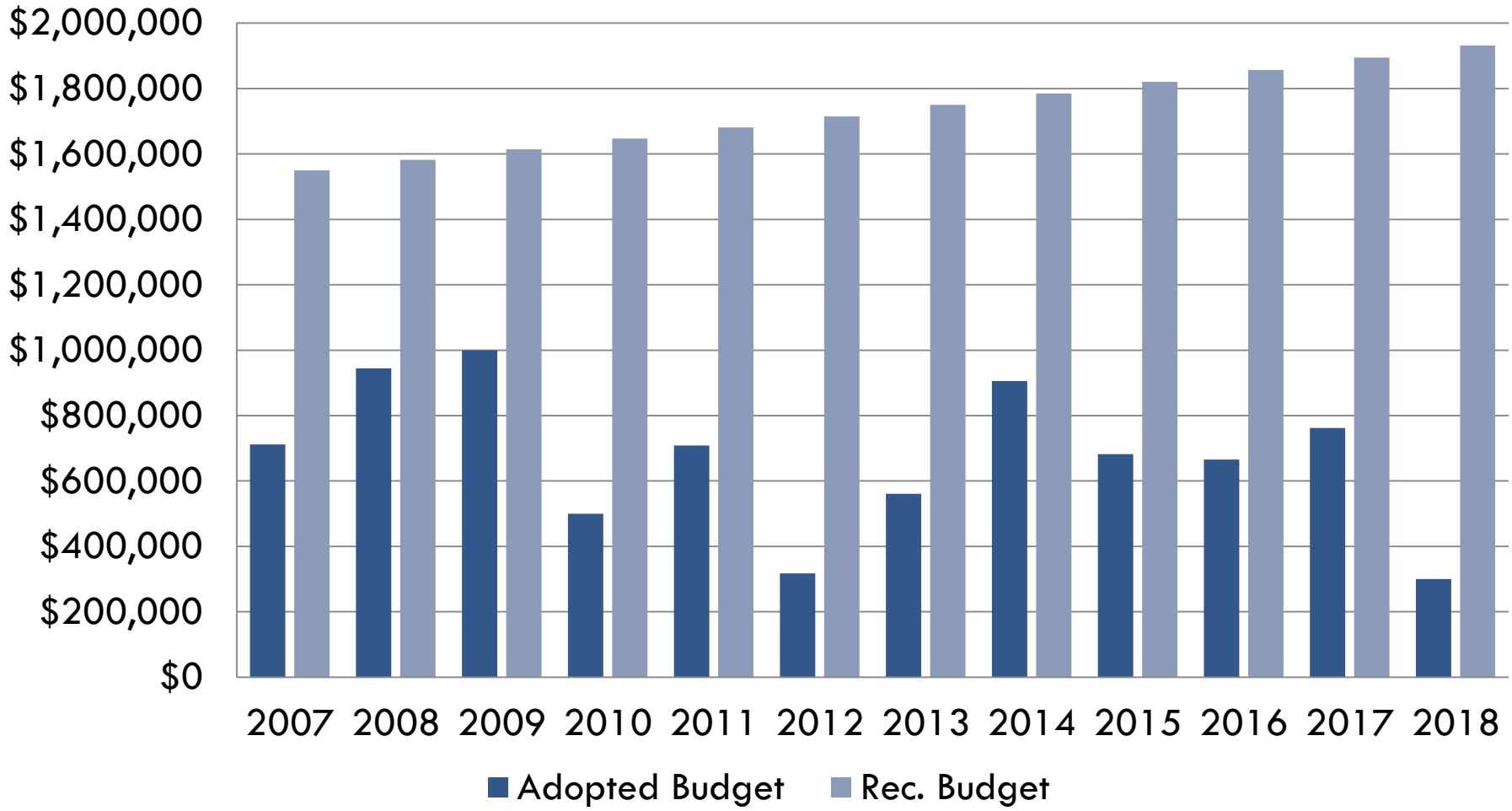


Figure 4-1 Pavement Preservation

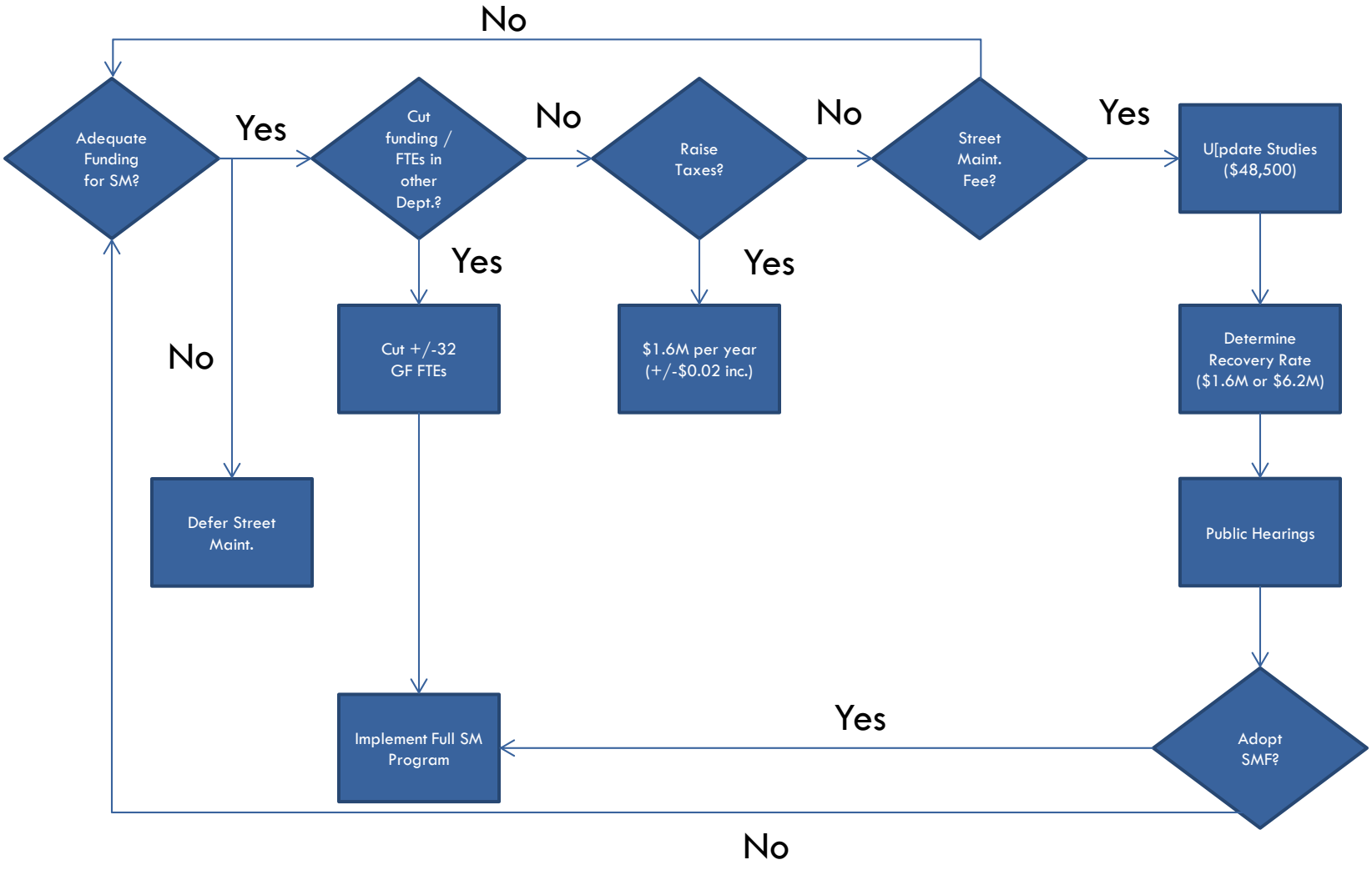
Historical Street Maintenance Funding



Strategic Concerns

- Current funding for streets comes from the General Fund.
  - General Fund dollars have too much competition.
  - The level of funding is inadequate.
- The City must consider alternative funding sources for street maintenance.

Decision Tree



Alternatives

1. Do nothing.
2. Increase property taxes ($1.6M annually).
3. Decrease other expenditures ($1.6M annually).
4. Adopt a Street Maintenance Fee
    a) Fee for $1.6M annual increase to address only the street maintenance deficit.
    b) Fee for $6.2M to address Street Operations in totality, and relieve the burden on the General Fund.

Street Maintenance Fee (Alt. 4a)

The Street Maintenance Fee is the primary source of revenue to fund the Street System Maintenance Program.

The fee is based upon the use of the streets system by a resident or commercial establishment, billed monthly, and is calculated using four components:

1. **System Cost** - Amount necessary to maintain the streets system;
2. **Land Use Designation** - How the property is used;
3. **Trip Factor –** Vehicle trips generated based on land use, used to equate land use to a single-family home; and
4. **Single-Family Equivalent –** Factor equating the trips generated to a single-family household.

System Cost

- The system cost for the Streets System, like the operating budget, has three components:
  - Personnel
  - Operations & Maintenance
    - Includes pavement maintenance, pavement marking, traffic signal maintenance, etc.
  - Capital Outlay (fleet, tools, etc.)
- Items such as growth, inflation, cost of living, etc. will contribute directly to the total system cost.
- Consultant developed model calculating the system cost at $6,217,221.

Land Use Designation

- This is the description of how the property is being used. Some examples of Land Use Designation are:
  - Medical Office;
  - Single-Family Residential;
  - Supermarket;
  - Multi-Family Residential
- City staff and the consultant have developed a list of 78 land uses along with their SFE.

Trip Factor

- The trip factor is a number that is derived from studies performed by the Institute of Transportation Engineers (ITE). These studies tie the amount of traffic generated by a particular land use to the amount of traffic generated by a single-family home.
  - ITE is a national collaboration of traffic studies performed on different types of land use.
- The trip factor indicates the vehicle trips and miles generated per unit and is used to calculate the SFE.

Single-Family Equivalent

- The number of units is used to quantify the size of the land use and compare the traffic generated by the land use to that of a single-family home.
  - A single family residential home is 1 SFE.
  - An apartment complex yields 0.57 SFE per dwelling unit. An apartment complex with 20 apartments would be 11.4 SFEs.
  - A supermarket has an SFE of 4.88 SFE per 1,000 sq. ft. A 20,000 sq. ft. supermarket would have contain 97.6 SFE.

Items Not Included in Fee

- Debt Service
- Capital Maintenance (i.e Watercrest Road, Gilmer Road, etc.).
- New Roads/Streets
- A portion of street sweeping.

Sample Rates

- Rate:
  - System Cost - $6,217,221
  - Monthly Rate - $6.47 per SFE*
    - Single Family Home - $6.47
    - 20 Unit Apartment Complex - $73.76
    - 20,000 sf Supermarket - $631.47
  - Formula: Monthly Rate x Total SFEs x 12 = $6,217,221
    - Current Total SFEs = 80,077.56

*Final rates will vary based upon exemptions, exclusions, capped rates, etc.

Next Steps

- Gather questions
- Discuss at 11/6 workshop, and gather additional questions.
- Discuss at 11/20 workshop and consider motion of direction.