

CITY OF MARTINEZ

Road Improvement and Maintenance Transactions and Use Tax Expenditure Plan for Anticipated One-Half (0.50%) Percent Transactions and Use Tax Revenue

The one-half percent (0.50%) transactions and use tax passed by the City of Martinez voters will be dedicated to specific uses: road improvement and maintenance. The funds cannot, and will not, be used for any other purpose. One hundred percent (100%) of the revenues generated by the new tax will be allocated to road improvement and maintenance.

ROAD IMPROVEMENT AND MAINTENANCE

The City of Martinez street system consists of approximately 121.6 miles of streets and is composed of 938 pavement sections with an approximate network replacement value of \$125 million.

The City enlisted Quality Engineering Solutions, Inc., (QES) in 2014 to conduct inspections of the City's pavement network and complete an assessment of its condition. Based on the findings in the *Pavement Management Program (PMP) P-TAP 14 Budget Options Report* issued by QES on March 16, 2015, the overall condition of the City's street network is at a Pavement Condition Index (PCI) level of 51. This low overall score reflects a street system a mere 2 points from being considered within the "Poor" category and places Martinez within the bottom of the "At Risk" category as identified in the Metropolitan Transportation Commission (MTC) *Pavement Condition Index for Bay Area Jurisdictions, 2015* report. The "At Risk" category is defined as "deteriorated pavement requiring immediate attention, including rehabilitative work." Furthermore, the MTC report shows that among the 19 cities within Contra Costa County, the condition of Martinez streets ranked next to last.

The City relies on a variety of funding sources to support its pavement program. The City remains committed to pursue Federal and State funding whenever available to help support road improvements. Due to significant declines in State Gas Tax revenues and the limited availability of paving grants for which the City is eligible, however, the City's projected average annual pavement funding level from recurring annual sources (e.g. Measure J and Gas Tax funding) within the 5-year Capital Improvement Program (CIP) is only \$640,000. The City's Gas Tax funding dedicated to maintenance is approximately \$280,000 per year, resulting in a total average annual funding level of approximately \$920,000. The PMP report anticipated a current City investment level of \$1 million per year.

Even at the higher annual funding level of \$1 million, the City will not be able to prevent the further deterioration of the current pavement condition and the PCI of the Martinez pavement network would decrease to a score of 44 after five years, according to the PMP report. Additionally, the City's deferred maintenance paving backlog would jump from \$36.6 million to \$65.5 million.

Without the one-half percent (0.50%) transactions and use tax revenue, the City will be unable to accomplish its task to maintain the streets at an adequate level to serve the traveling public. It is estimated that a one-half percent (0.50%) special roads transactions and use tax will produce \$2.1 million in revenues annually. This additional funding will allow us to address critical paving projects in our roadway network. Roads selected for improvement will be done pursuant to an annual public process. State law requires the City to prepare and adopt an expenditure plan describing the specific projects for which the revenues from the tax may be expended.

The City of Martinez has prepared a proposed Road Improvement and Maintenance Transactions and Use Tax Expenditure Plan for the next 15 years beginning in 2017 and going through March 31, 2032. Adherence to the Expenditure Plan will be reviewed annually by the Citizen's Oversight Committee.

**City of Martinez Road Improvement and Maintenance Transactions and
Use Tax Expenditure Plan**

0.50%, ≈\$2.1M Annually

Annual Expenditure Program 2017 - 2032	
Activity	Estimated Expenditure (% of tax proceeds)
<p>Road Improvement and Maintenance</p> <ul style="list-style-type: none"> • Asphalt pavement overlay and rehabilitation projects • Pothole and surface repair • Pavement dig outs & asphalt overlays less than 1-inch • Full-depth reclamation, cold in-place asphalt recycling and other street reconstruction Best Management Practices • Paving and pavement rehabilitation project material testing and other quality assurance measures • Crack filling • Shoulder restoration • Pavement grinding, removal and replacement • Chip seals, micro-seals, slurry seals and other surface treatment • Re-striping, thermoplastic and/or painting and installation of pavement markers and reflectors • Graveling and grading on publicly maintained unpaved roads • Required curb ramps • Raising storm drain and/or street monument boxes to grade • Maintenance of street signs • Bridge deck and railing repair or replacement • Rock rip-rap protections • Maintenance equipment lease, rental, or purchase • Road construction equipment rental, lease, purchase • Road construction equipment repair • Road improvement and maintenance design, inspection, project management and administration costs • Road-related infrastructure improvements, such as repair or replacement of storm drains and drainage systems, bridges, public sidewalks and bicycle facilities 	<p>95%</p> <p>% equivalent in \$ \$1,995,000</p>
<p>Matching Grant Funding</p> <ul style="list-style-type: none"> • Grant matching funds for street improvement projects 	<p>5%</p> <p>% equivalent in \$ \$105,000</p>