



TO: Albany City Council  
VIA: Wes Hare, City Manager  
FROM: Jeff Blaine, P.E., Public Works Engineering & Community Development Director  
Chris Bailey, Public Works Operations Director  
DATE: January 8, 2017, for the January 23, 2017, City Council Work Session  
SUBJECT: Pavement Asset Management

RELATES TO STRATEGIC PLAN THEME: ● Great Neighborhoods  
● Safe City  
● An Effective Government

Action Requested:

No action is requested at this time.

Discussion:

Asset management is a systematic process of cost effectively operating, maintaining, and replacing assets. For Public Works, asset management strategies lay the foundation for managing our street, water, sewer, and stormwater infrastructure. Once the desired level of service is identified, managers and policy makers can use asset management strategies to cost effectively maintain infrastructure, identify funding gaps, and project future revenue requirements. When adequate resources are not available to meet future revenue requirements, policy makers are faced with the tough decision of lowering the level of service or securing additional revenues. Asset management strategies help facilitate the decision-making process by depicting the financial relationship between level of service and least cost delivery of that service.

Asset management is not a new concept for Albany. Over the years Public Works staff and Council have had numerous detailed discussions about managing our street, water, sewer, and more recently, stormwater assets. However, it has been a number of years since staff has brought forward a detailed discussion of street assets. It is no secret that the needs of the transportation system exceed our financial resources. This is particularly true when looking at our local street system. This is not a new problem for Albany, and is unfortunately a common problem across the country.

Recognizing that the needs exceed financial means, over the last few decades Albany has pursued additional revenues. Pursuit of revenues primarily focused on General Obligation bonds and a gas tax. To date, only General Obligation bonds have had limited success. The number of transportation assets continues to grow while funding has maintained relatively stagnant. Consequently, the overall condition of existing streets continues to decline past acceptable levels. Unlike our piped infrastructure, this decline is visible to the public and has led to citizen complaints and requests for investment in pavement infrastructure. In response, Council requested staff provide a detailed condition report on our street system.

Staff's first report to Council will take place at the January 23, 2017 Council Work Session. This initial report will cover "pavement asset management 101" in order to lay the foundation necessary for a detailed discussion about the desired level of service and condition of Albany's pavement assets at the February meeting. The attached "white paper" was written by Assistant

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City Engineer, Guy Graham, and summarizes the topics that will be covered at the January work session.

Following these discussions in January and February, if it is clear that available financial resources are inadequate to meet Council's desired level of service, staff will request direction regarding next steps. Potential next steps include:

- Financial needs assessments for meeting various levels of service targets
- Funding alternatives analysis
- Financial impact of a specific funding alternative to meet a specified level of service

Budget Impact:

This memorandum is for discussion only.

JJB:rk

Attachment

c: Jorge Salinas, IT Director (via email)  
Jon Goldman, Transportation Superintendent (via email)  
Jeff Babbitt, Public Works/Community Development Business Manager (via email)  
Staci Belcastro, P.E., City Engineer (via email)  
Guy Graham, P.E., Engineering Manager/Assistant City Engineer (via email)  
Ronald G. Irish, Transportation Systems Analyst (via email)