

**Citizen’s Capital Improvement Plan Committee (CCIPC)
January 8, 2015
DRAFT MEETING SUMMARY**

Attendance

Melissa Beck	Lindsay Gomez	Julie Rasmussen
Dan Cupit	Ken Haack	Ron Slinger
Michelle DeLaria	Cindi Kreutzer	Janet Steinkamp
Ascenzo Di Giacomo	John Malito	Bob Wilson
Kelly Eargle	Kelly Mueldener	Don Wood
Nancy Ford	Leanna Principe	

Other Speakers and Staff in Attendance: Bryan Archer, Mark Bowman, Lorie Gillis, and Bill Ray

Facilitator: Heather Bergman

Action Item

All	Any Committee member who is interested in doing so should create a list of what they view as good evaluation criteria. Lists should be sent to Heather by January 15, 2015.
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\$70 M: How Did We Get Here?

Bryan Archer summarized for the group how the City determined that there is \$70 million available for the CCIPC to apply to unfunded capital projects. The City Code (Section 98-101) directs the City to allocate a portion of City resources for capital projects; the unallocated amount of these funds expected to be available for future unfunded capital projects is \$15 million. To supplement these funds, the City has historically issued bonds to generate additional resources. Future bonding capacity is expected to produce an additional \$55 million. An election would be needed to continue the bonding capacity. The bond is a one-time commitment for 20 years.

Questions/Answers

- *If there is no bond, how is the \$42 million allocated over 10 years?* \$4.5 million a year, which starts in 2019.
- *Can you summarize the bond interest rate?* It is based on construction over a 20-year period. A 3% average is used.
- *What is the benefit of bonding over 20 years?* This is a good question for further discussion at a later meeting.

Updated Streets Costs

Mark Bowman presented staff’s recommendation for funding for street maintenance.

- **Background**
 - City Council set a strategic goal of getting 70% of Arvada roads to “fair” condition or better.

- To achieve this goal, the City would need to invest \$30 million in streets maintenance for two years, then reduce that amount by \$5 million each year for the next three years, and finally sustain \$10 million per year after that.
- Just to stabilize the condition of the roads without meeting Council's goal would cost \$17.5 million per year.
- The current proposed funding for streets maintenance is \$5.5 million for the next three years, followed by two years of \$4.5 million in funding, then sustained funding of \$3.5 million per year.
- **Staff recommendation**
 - There is a practical limit to how much the City can invest in streets maintenance, due to the ability to manage the work and the need to keep traffic flowing through the City.
 - Funding levels that start at \$5.5 million in 2015 and increase to \$10 million by 2018 could be successfully implemented.
 - This level of funding is expected to achieve an improvement in the condition of 65% of the streets in Arvada.

Questions/Answers

- *Is there currently a constant expenditure on streets maintenance?* Yes, \$3.5 million is allocated per year at this time. But this won't be enough, so the proposal is to raise this amount to achieve a 65% improvement level.
- *Is the limitation on the funding needed based on managing the work?* This is partially due to management of the work needed and also based on construction zones, as well as other things. It is a complicated issue.
- *How does the City manage the operating vs. capital expenditure budget?* Again, this is complicated. Maintenance (road surface) vs. major work (digging things up) is considered major work and is a much bigger expenditure.
- *Is it an ongoing challenge for the group not to give the lion's share of funding that becomes available to roads and should we try to come up with alternative funding?* That is a decision for the group to make. Roads will always need additional funding, so this will be an ongoing challenge.
- *Why change from \$5.5 million to \$3.5 million between 2015 and 2020 in the proposed budget?* It is a reaction to a surge in need and funding provided as "a shot in the arm" for street improvements, but also a need to get back to the original funding plan for streets.
- *How did we get to this point, and how do other cities handle this issue? Is it a common problem?* Yes, this issue applies to the whole state and much of the country. All cities have the same ongoing issue. We have become much more proficient at gathering the information about the condition of the roads than in the past, which has been very helpful, but it has also made the need so much clearer.
- *Does putting so much money into roads bring the City any economic gain?* Not directly. People want and expect their streets to be good, but they do not want to incur the cost of maintaining them.
- *Is there a city that has resolved this problem that we can look at and use their model?* We don't know of one. The infrastructure everywhere is 20-60 years old. Add

growth on top of that and you have compounded problems and need for never-ending road funding.

- *Is the cost exponential?* Our practical, “best guess” funding scenario indicates a slight improvement of the situation from where we are now. Lots of factors are involved in this “best guess.” Lots of details and gray areas are involved.
- *It seems it is critical to know when it irresponsible not to spend money to fix things. When is the point of no-return on maintenance?* Yes, letting things go too far without staying on top of repairs will cause bigger more expensive problems later on.
- *When did we get into situation?* It is not always obvious when roads are deteriorating. Things are not obvious until they show up on the surface. Finances have also gotten a little more behind each year.
- *Are residential roads not as important to keep in perfect condition as arterial collector roads?* Residents want their roads to look good. Curbside appeal is very important to the public. People complain about the appearance of patched roads.
- *Can the Committee help with ideas to prioritize street investment?* Yes, any ideas are welcome.
- *Is there some new, cutting edge technology out there that should be considered?* Chip seal works well and is a cheaper alternative. In the past the public has not liked this method, but there have been some improvements that may make it a more viable option. The chip is now much smaller than in the past and fog seal is used so it is both smaller and smoother now. However, aesthetics continues to be a primary concern for some residents.
- *Can we bond for more than \$55 million?* Yes, bonding capacity is \$320 million. However, what we can afford to pay back is \$87 million.
- *Is data collection helping things to move forward toward the future?* Yes, it has helped with the identification of segments in need of repair, so we can target resources at specific segments rather than replacing larger swaths of road.
- *How much does patchwork affect the overall maintenance?* It is very important. Materials determine life expectancy of the patch, so the time of year the work is completed matters. Also, once you cut into it, the integrity of the street is affected.
- *Should we look at City rules regarding new development and how those roads are managed?* That is definitely an idea worth discussing. New roads in new developments do go through a rigorous 2-year warranty period after completion.
- *When does Arvada take over the roads?* After the 2-year warranty period.
- *Is 2 years long enough of a warranty period?* No, but we would be very hard pressed to get contractors to warranty their product longer than that.
- *Where is a stretch of road that has been chip sealed?* There is a stretch on Quaker Street, between 64th and 72nd that was completed in August/September of 2014.
- *Do you think our roads are terrible? I haven't noticed really bad sections.* No, but they are not on par with the rest of the state.
- *What about traffic calming, seal coat, or recycled shingles as alternatives?* Costs for traffic calming are fairly reasonable. The thickness of seal coat is fractions of an inch, approximately 30 ml. Recycled shingles are a hard product to use and are not consistent.

- *Where does the \$55 million fall in terms of pavement condition ratings?*
Understanding that the overall condition of streets is an evolving analysis, staff's current projection (subject to revision and modification) is that the additional expenditure would get the street system to about 65% in a fair or better condition by 2025. Currently many roads are in the fair category, and we are trying to keep them there, while we also work on fixing failed roads.
- *In the staff recommendation, what does funding in 2025 look like, \$3.5 million or \$12 million? \$12 million.*

Other comments:

- The \$87 million stated is contingent on selling bonds to the public, which is very hard. Perhaps the City should rethink the use of capital vs. operating dollars and make a different recommendation.
- Residences provide 29% of the cost of street maintenance.

Committee Project Ideas Submitted in December 2014

Bob Wilson, Dan Cupit, and Cindi Kreutzer each presented project ideas for the Committee to consider for the upcoming year. They each outlined the objectives, details, and funding options for each project they proposed. Details about these projects have been posted to the CCIPC website.

Bob Wilson's Project Ideas

- Ralston Creek Trail Design Problem: Investigate improving the trail just east of the Simms Street overpass.
- Continue work on sidewalks along western Ridge Road, specifically sidewalks between Arvada Ridge and Ward Road Gold Line stations.
- Study improving transit around and into Red Rocks Community College; encourage transit use to/from campus.
- Study improving future transit in northwest Arvada; work toward a cooperative effort between Red Rocks Community College, Arvada, and RTD to efficiently re-route the Route 100 bus closer to campus and encourage bus service to northwest Arvada to include the Candelas, Town Center, Leyden Rock, Whisper Creek and Five Parks areas; improve service to support and encourage transit use of the Gold Line.
- Study installation of conduit for fiber optics during road construction.

Dan Cupit's Project Ideas

- Evaluate the level of service at various transit centers starting with the Gold Line stations in Arvada, with a goal of increasing the level of service to all modes of transportation.
- See Last Mile Project through to completion.
- Sidewalk replacement project for 2015.
- Continue project to create a local shuttle service for the City of Arvada as an alternative mode of transportation in and around the city, including but not limited to Gold Line transit stations.

Cindi Kreutzer's Project Idea

- Underground utilities on Grandview Avenue.

Evaluation Criteria

The Committee began the discussion of how they will develop criteria to evaluate future capital improvement/maintenance projects by discussing existing criteria and processes and how they were developed. The group reviewed both the staff project evaluation criteria and the criteria used by the 2007 CIP Committee, which are currently posted on the CCIPC website. Committee members' thoughts and suggestions included the following:

- There is currently no single place to look at long-term strategic goals. Developing this first may be useful. We should look at the big picture first, categorize the projects into topic areas, then evaluate them to determine where funding is best spent.
- We could categorize the funding available, determine how to allocate funding to different categories, and then look at projects and if they meet the criteria for each category.
- The existing staff criteria are a good way to prioritize and rank projects.
- The scheme and point system are good on the 2007 CIP criteria.
- Great Outdoors Colorado (GOCO) developed categories of funding before putting the projects in isolation to review and rate. This system worked well and was efficient.
- We could assign a percentage of money to each category.
- We should not assign a percentage of money to each category. We should invest money where there is the greatest need.
- Most state and government entities use something like the staff criteria. It is a good way to spread wealth across the community and cut the pork from spending.
- We should think about how to free up funds by eliminating projects that are not feasible.
- We should think about the best way to tweak the criteria and then send all of the current projects, including those funded by the last CIP group, through the evaluation process.
- The two sets of criteria have different application and methodology, but the overall approach and criteria used are very similar.

The group agreed that it would be beneficial to hear more about how the last CIP committee used their criteria, whether they thought the criteria were effective, etc. Additionally, they agreed that it would be helpful to see which of the unfunded projects are currently included in Council Strategic Goals, the Comprehensive Plan, and other planning documents in the City.

Next Steps

- Heather will reach out to T.O. and Larry about sharing their experience with the previous CIP committee's criteria at the next meeting.
- Staff will prepare a table that indicates which of the projects are included in Council Strategic Goals, the Comprehensive Plan, and other planning documents.

- Committee members who are interested in doing so will prepare a list of evaluation criteria that they think makes sense and would serve the group well. Proposed criteria should be sent to Heather by 5 pm on January 15th. These proposed lists will be discussed at the January 22 meeting.