

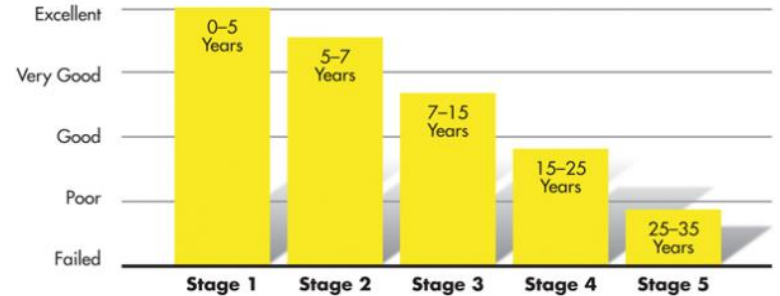
Street Maintenance



Street Maintenance – Where Are We Now?

Pavement Life Cycle:

- Stage 1 – New Pavement (0-5 Years)
 - Little or no maintenance
- Stage 2 – Initial Preventive Maintenance (5-7 Years)
 - Initial sealcoating (not done)
 - Crack sealing – *as needed, assuming Plan 2027 & 2032*
- Stage 3 – Minor Repairs and Continued Preventive Maintenance (7-15 years)
 - Second some patch repair
 - Crack sealing ← ✓ 2018: \$92,884
 - Sealcoating/Slurry seal (still pending) ← Estimated 2023: \$368,000
- Stage 4 – Major Repairs (15-25 Years) – *Plan 2032*
 - Extensive patching
 - Asphalt overlay
 - Third sealcoating/Slurry seal
- Stage 5 – Extensive Repairs or Complete Resurface (25-40 Years) – *Plan 2040*



We are here!
\$21,300 in street reserves
(May 2020)

With just property taxes, \$13,100 per year , insufficient funds to accomplish *any* maintenance

Crack seal in 2018 took 10 years of property taxes to fund!



Street Maintenance - Financing

- Currently receive \$13,100 from County from property taxes for street maintenance
- Additional Funding is responsibility of CPAD
- Streets Resurfaced in 2010
 - Original street asphalt from when airpark was established (about 1967) had failed
 - \$1.28M needed to remove and replace asphalt
 - There was no reserves to maintain asphalt pavement
 - Assessment District established in 2008 to approve USDA loan
 - About \$900 per year per parcel, paid through property tax bill
 - Option to paid off in full, which some parcels did

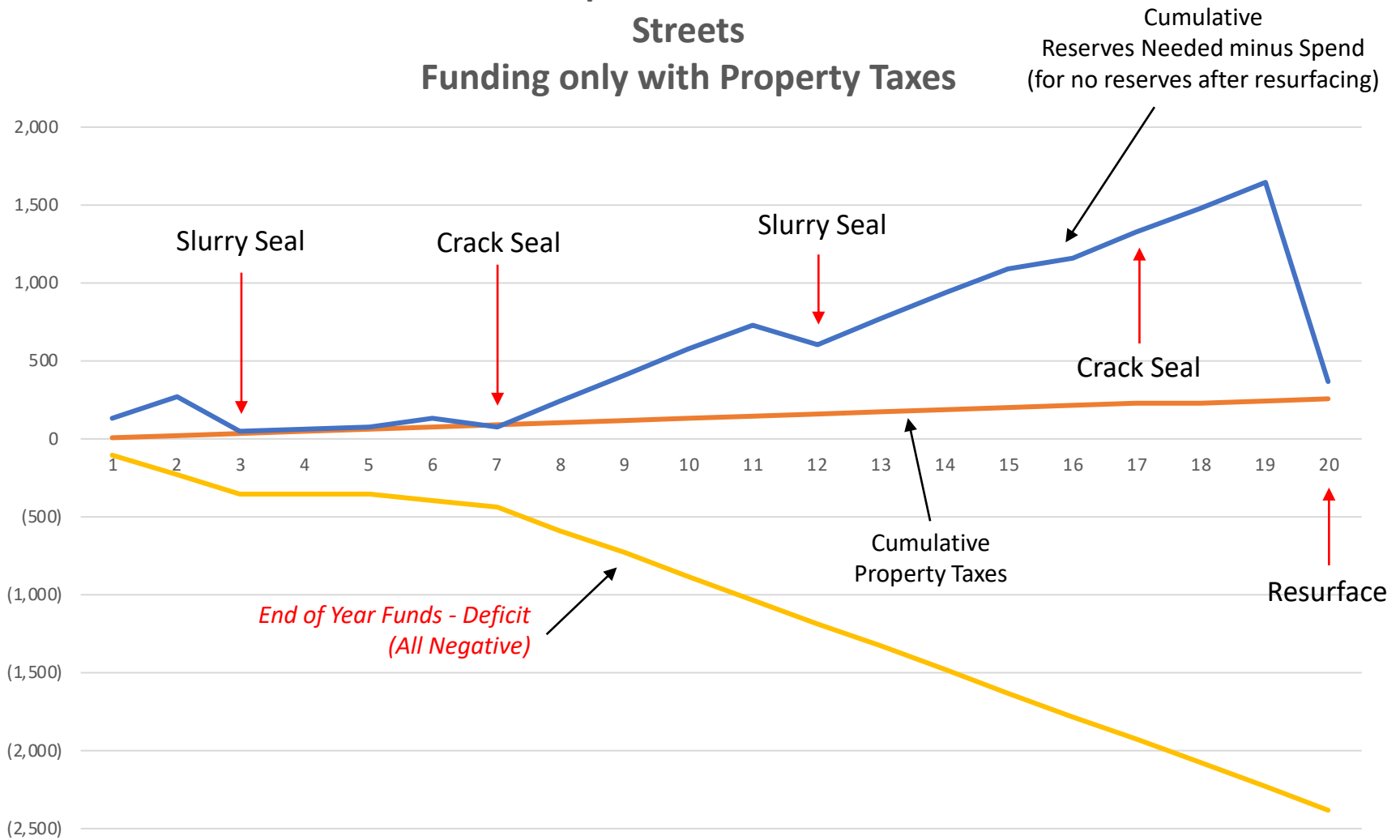


Assessment District

- Cost of removal and replacement of asphalt 2009
 - Street project \$1,280,000
 - Bond Interest and fees costs
 - *Final amount through 2029* \$720,000
- Total Bond Cost through 2029 \$2,000,000
- Bonds are expenses! Bond interest and fees are 64% of the Bond cost!
- \$720,000 is equivalent to \$23 per month per parcel or \$275 per parcel per year

*Assuming reserve funds had been available in 2009 for street resurfacing, about **\$720,000 could have been saved and available for maintenance today** with equivalent monthly payment !*

Expense Profile A Streets Funding only with Property Taxes



— End the Year With
 — Cumulative Income
 — Cumulative Reserves minus Net Spend

Conclusion

- Without additional funds we will not have enough for street maintenance including resurfacing
- New loan would be needed – *high cost*
- No maintenance means streets continue to degrade and fail
 - Potholes, large cracks, loose aggregate (rocks)