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# MEMORANDUM

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Date: October 26, 2022

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: Jan Lesher   
County Administrator

Re: **Pavement Preservation and Road Repair Program Update**

Please find attached a memorandum from Transportation Director Kathryn Skinner providing an update on the completion of the FY 2021/2022 pavement program and status of the FY 2022/2023 program. Since Fiscal Year 2019/2020, Pima County has invested in excess of \$244 million in road repair for local, collector and arterial streets in the unincorporated area.

More than 850 mile of road have received mill and pave repairs, along with 172 miles of surface treatments. The overall Pavement Condition Index rating has improved from 55 in 2019 to an expected average of 74 after completion of the Fiscal Year 2022/2023 program.

The FY 2021/2022 program was budgeted at \$85.5 million but due to the inflation and extreme cost escalation, the program costs increased to over \$101 million, an 18 percent increase. The FY 2022/2023 program is facing similar challenges and is expected to exceed the \$66.8 million budgeted for the program. Options for covering this overage are being evaluated.

Please let me know if you have any questions.

JKL/vm

Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator  
Kathryn Skinner, P.E., Director, Department of Transportation

**DATE:** October 26, 2022



**TO:** Jan Leshner  
County Administrator

**FROM:** Kathryn Skinner, P.E.  
Director

**SUBJECT:** Road Pavement Repair and Preservation Update

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The Department of Transportation (DOT) is well into delivering the fourth year of the Road Pavement Repair and Preservation Program. This update will provide both a look at the successes and challenges of the program thus far and a status update for the Fiscal Year 2021/2022 (FY22) and Fiscal Year 2022/2023 (FY23) programs. DOT continues to work closely with the Pima County Transportation Advisory Committee (PCTAC) each year to establish and/or reaffirm the prioritization methodology and we greatly appreciate the time and effort of the volunteers on that committee in developing this successful program.

### **FY22 Program Summary**

The FY22 Road Pavement Repair and Preservation Program faced many challenges throughout the year. There were staffing changes, material shortages, large price escalations, challenges with asphalt plant availability, and even challenges with striping contractor availability. Despite these challenges, the Department was still able to deliver the full FY22 program as promised to the public. In May, former Director Ana Olivares sent an update on the progress of the FY22 Road Pavement Repair and Preservation Program. At that time, we identified two projects that would have construction completion planned after June 30 due to contractor and material availability. An update on those two projects is provided below.

**Summerhaven** – The project was awarded to Granite Construction at the end of May and construction started in mid-June. The work began with the replacement of three concrete wash crossings at the end of life and in poor condition. This work was completed before the July 4 holiday weekend. Construction was paused during the monsoon season. Work resumed on September 6 after Labor Day with milling and paving. The contractor is substantially complete with all of the work and should receive construction acceptance shortly.

**Countryside Subdivision Mill & Pave** (southwest corner of Linda Vista Boulevard and Camino de Oeste) – The Countryside project is complete. The project was awarded to Southern Arizona Paving at the end of May. The contractor began work on July 11 and reached substantial completion on August 31. All punch list items have been resolved and construction acceptance was given to the contractor on September 13.

All other FY22 projects are substantially complete. A majority of the FY22 projects have been closed, with a few remaining projects working on final punch list items. As mentioned in the May memorandum, any project costs associated with the FY22 projects which were incurred after June 30 are being paid for with funding set aside for the FY22 program. None of the costs associated with the FY22 program will affect the funding commitment for the FY23 Road Pavement Repair and Preservation Program. At the completion of the FY22 program, the Network Pavement Condition Index (PCI) was 71, which is 7 points higher than it was at the completion of the FY21 program.

The original budget for the FY22 program was \$85.5M. The program experienced unprecedented cost escalations with the average cost per square yard of milling and paving more than doubling during the course of the fiscal year. The actual FY22 program costs are projected to be \$101.1M. Fortunately, the HURF funding

received by the Department was also higher than expected so the Department was able to cover the additional costs.

**Partnering in preparation for the FY23 Program**

For the FY23 program, some of the anticipated increased costs were captured during the planning process for FY23 but the planning occurs well in advance of the start of project advertisements and prices have continued to increase since that time. The budgeted funds for FY23 total \$66.8M. The Department is keeping a close eye on the budget and will make every effort to deliver the FY23 program as published.

In preparation for the FY23 program, DOT staff met several times with the members of Arizona Transportation Builders Association (ATB) to discuss the challenges faced during the FY22 program and changes that could be made when implementing the FY23 program to improve on our process. The most significant change that came out of these discussions was the re-introduction of Bituminous and Fuel Adjustments to the hard bid contracts. The intent of incorporating these adjustments was to improve bid pricing for the County, while reducing the risk for the contractors, which has been a major concern with the price fluctuations experienced this past year. The tradeoff is that the project schedules will be held to a narrower window, which provides less flexibility in scheduling multiple projects. ATB also provided DOT with suggestions on the types of projects which work best early in the fiscal year as well as some general suggestions on the pace of advertising the work. DOT incorporated their input and balanced that against the existing constraints of our program when planning the projects for FY23.

**FY23 Program Summary**

The FY23 program includes 27 different construction packages (contracts) with a mix of advertised hard bid projects and job order contracts (JOC). The milling and paving of two of the roads on this year's list, South Sierrita Mountain Road and West Hilltop Road, were combined with a CIP intersection improvement to streamline delivery and create less interruption to the residents in the area. Sixteen of this year's contracts have been awarded, which represents approximately 70% of the FY23 program budget. The table below is a breakdown of the different project types.

<b>Project Type</b>	<b>Number Of Projects</b>	<b>Awarded</b>
Hard Bids	11	7
Milling and Paving JOC	7	3
Curb Ramp JOC	6	6
Surface Treatements (JOC and Hard Bid)	2	0
Combined with CIP	1	0
<b>Totals:</b>	<b>27</b>	<b>16</b>

This fiscal year we will also be re-collecting the pavement condition on all of the county roadways within our network. The updated Pavement Condition Index (PCI) will be used for the Fiscal Year 2023/2024 program. The new PCI information will also be compared to the projected PCIs provided by StreetSaver to look at the overall calibration of the system.

**10-Year Program Summary**

FY23 is the fourth year of the ten-year program. The table below summarizes the progress anticipated to be completed at the conclusion of FY23. In 2019, the first network-wide reading of the Pavement Condition

Index (PCI) was taken, providing an initial average PCI of 55. After the completion of the FY23 program, the expected average PCI for the network will be 74.

FY	Budget	PCI	Curb Ramps	Milled and Paved		Surface Treatments
				Local	A/C	
19/20	\$ 36,000,000.00	57	203	75	58	24
20/21	\$ 56,000,000.00	64	764	151	56	38
21/22	\$ 85,500,000.00	71	796	186	137	28
22/23	\$ 66,800,000.00	74	437	95	96	82
<b>TOTALS</b>	<b>\$244,300,000.00</b>		<b>2200</b>	<b>507</b>	<b>347</b>	<b>172</b>

Upon completion of the FY23 list, 44% of the county roadways will have been milled and paved and 21% of the arterial/collector roads will have had at least one preservation treatment. The first four years of the program have focused heavily on the repaving efforts bringing the poorest roads into very good condition. As the program plans for the fifth year, it is necessary to begin balancing the need for additional milling and paving projects with the need to maintain and preserve the recently repaved roadways in order to establish a sustainable pavement management system. We will continue to work closely with the PCTAC as we plan the FY24 program.

Please let me know if you have any questions or would like additional information on this program.

KS:MM;jh

- c: Carmine DeBonis, Jr., Deputy County Administrator
- Terri Spencer, Director, Procurement
- Ellen Moulten, Director, Finance and Risk Management
- Lauren Ortega, P.E., Deputy Director, Transportation