

Gunnison Street Improvement and Pavement Management System Community Outreach Project



Summer 2022



Georgia Ave: Proactive vs. Reactive Costs

We drive these streets every day.



2012 - Cost for Maintenance & Rehabilitation
\$11.50/Square Yard



2021 - Cost for Reconstruction
\$28.50/Square Yard



City of Gunnison Street Pavement Condition Index

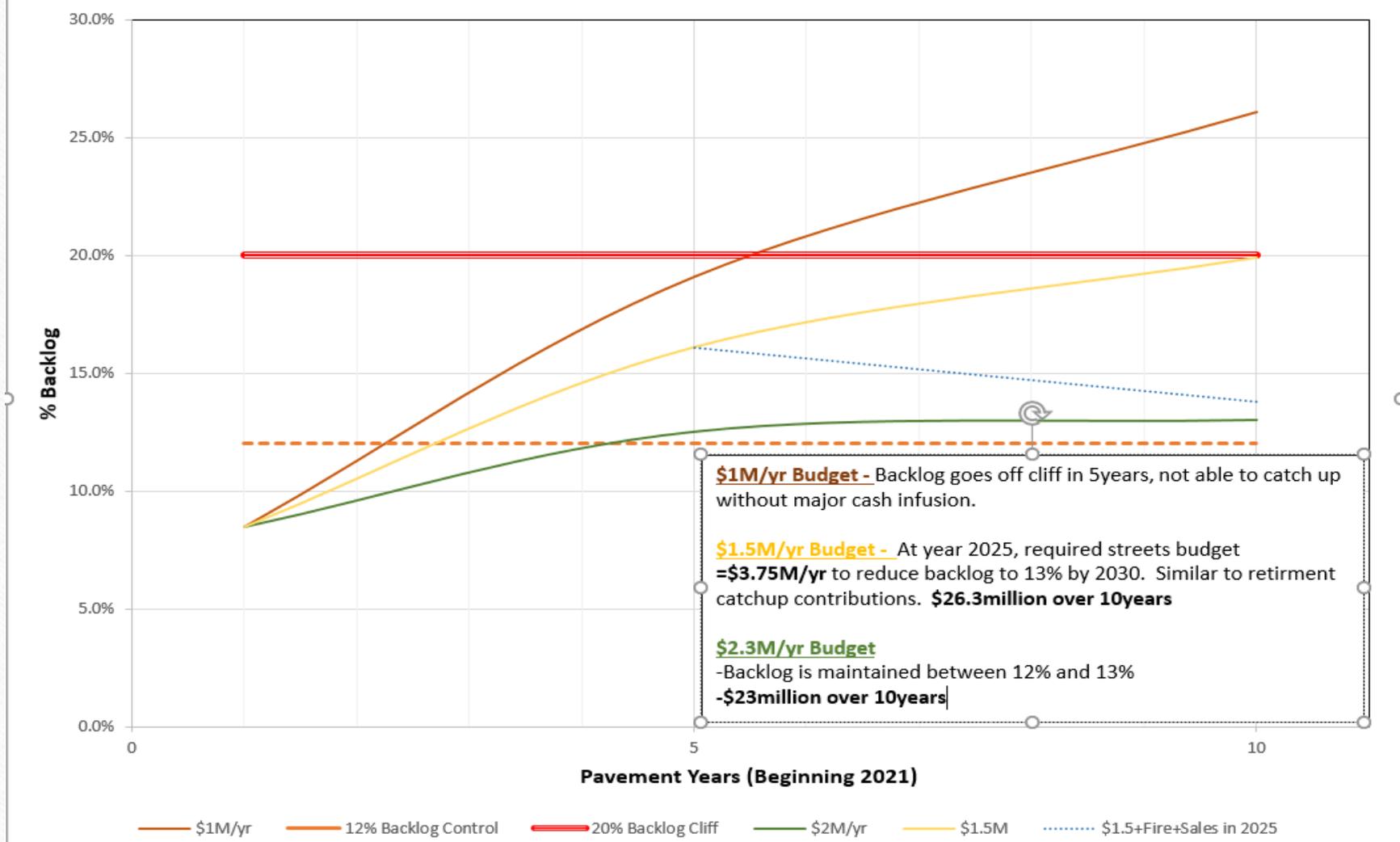


- Since 2018, the city has worked with IMS Infrastructure Management Services (IMS) to conduct an ongoing, objective “pavement condition assessment” to determine the status of each road.
- The IMS assessment produces a road quality rating from 0 to 100 called a “Pavement Condition Index.” A 100 PCI road rating is the best rating a road can have, while a 0 is the worst.



- Pavement analysis shows the City requires \$2.3M per year of street improvements & construction work to maintain a "Backlog" of around 12%.
- Without additional funding, the "Backlog" of poor & very poor will grow to an unmanageable 24%-27-% within 5 years.

Pavement Budget vs % Backlog



A Pavement Management System saves money over the life of the road without reducing drivability

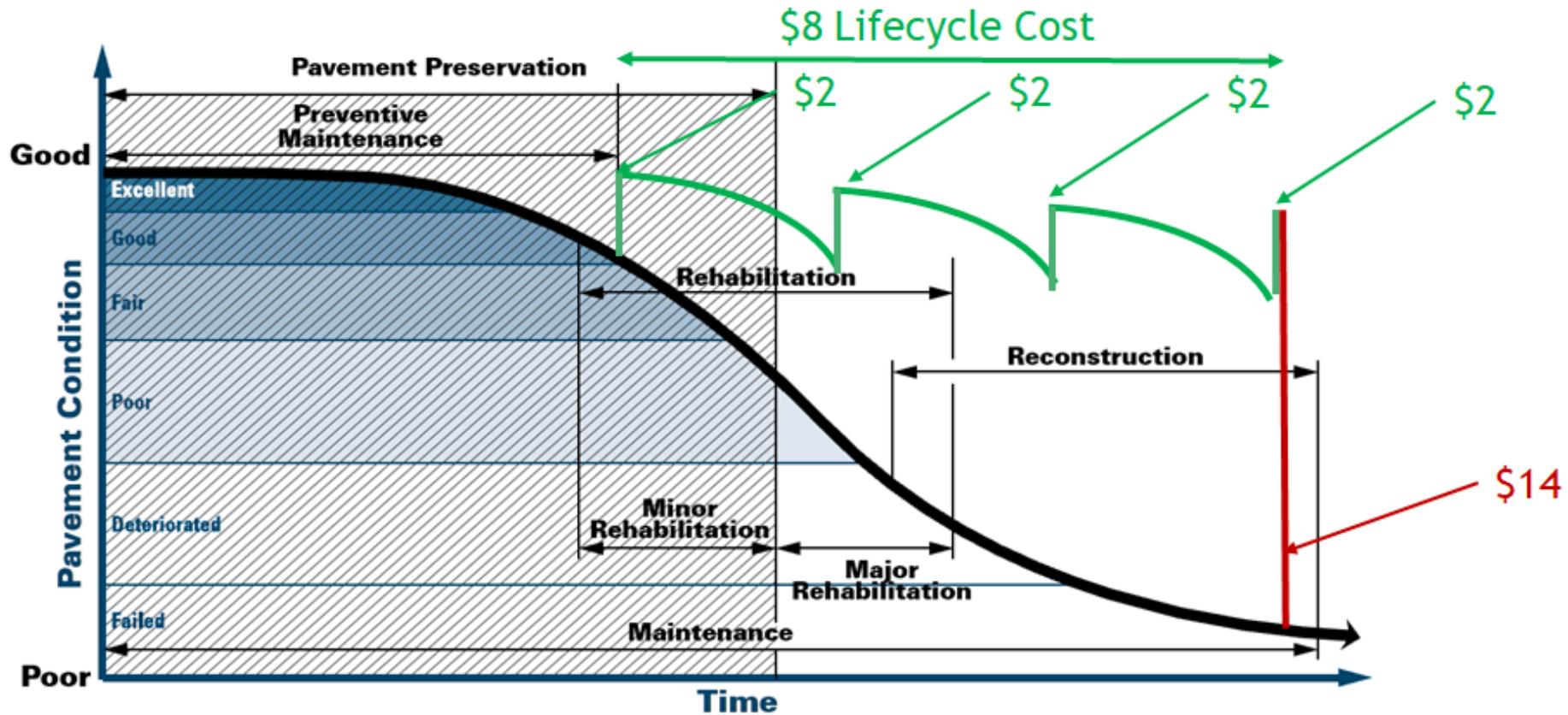


Figure 2.1. Representation of definitions of pavement preservation, rehabilitation, and reconstruction (adapted from Peshkin et al. [2011])



Where does the money for Gunnison Street Improvement & Maintenance Budget go now?



- On average, the city is only able to annually dedicate \$1.1 million for street improvement and maintenance projects. This sales tax generated funding pays for yearly slurry seal, crack sealing, emergency repairs, as well as major street improvement construction. It takes several years of reserving funds to accumulate the finances for projects big enough to be economical for construction.
- For example, the city saved for 3 years in the streets budget order to fully rehabilitate the streets in the Palisades neighborhood. No reconstruction occurred elsewhere during this time.



The more time that passes, the more the materials and construction will cost. Now is the time.

The cost of street materials and construction has outpaced sales tax revenues. Since 1997, Sales Tax revenue has increased by 275%, but cost of Road Base has increased 814%.



Sales Tax	Year
\$2,373,356	1997
\$8,901,170	2021
Overall Sales Tax Percentage Increase from 1997-2021	
275.05%	



Financing a Dedicated Funding Source for a Street Improvement and Pavement Management System

The current budget allows for just **\$1.1 million** to be invested in streets **annually**. The most viable revenue source to generate \$1.2 million is a 0.5% sales tax increase. A **0.5% or 1/2 cent sales tax** would cost a consumer **\$.50 cents** on a \$100 purchase.



City of Gunnison
4.0%

State of Colorado
2.9%

Gunnison
County
1.0%

Rural
Transportation
District
1.0%

\$1,148,376 in Funding Needed

**\$1,169,422 Generated From a
0.5% Sales Tax**



Questions the community is asking. We are answering.

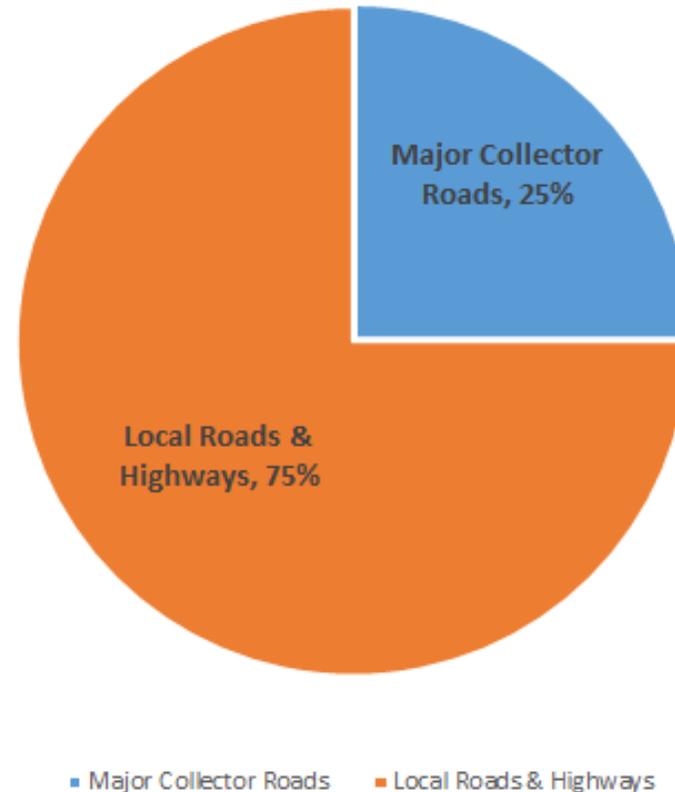
- **Will the tax sunset?** Street improvements and maintenance are a consistent and have ongoing needs.
- **Gunnison Rising?** This tax will NOT pay for new roads in Gunnison Rising (GR). Gunnison Rising is established as a Metro District and responsible for paying for its own streets.
- **Grants?** Grants are not available to pay for general street maintenance.
- **Already high Sales Tax?** Currently Gunnison has a 4% City sales tax, which is the same as 34 other Colorado communities. Currently, sales tax revenue helps fund critical public services, such as the safety personnel and important wellness and community offerings such as Parks and Recreation facilities and senior meals.
- **Can the City absorb the cost?** By making cuts in other areas.



If the 0.5% Street Improvement Sales Tax Fails, What Will Happen?

- Major Collector streets, including Designated Emergency and School Bus routes would be prioritized for maintenance and improvements. (25% of streets)
- Minor Collector streets would experience decreased to no maintenance.
- Local streets would experience decay. Minimal, if any, maintenance would occur in neighborhoods (75% of streets).
- We would cut critical and community-support services and programs.

City of Gunnison Street Classification and Distribution



Trade-offs to Fund \$1.2M for Street Maintenance & Improvements

Scenario 1 - Eliminate Grants and Partnerships	2021 Value
Cut grants for Non-profits	\$ 96,000
Eliminate Funds for Strategic Initiatives (Housing, Safety, Econ Development)	\$ 500,000
Eliminate Support for Strategic Partners (Housing Authority, Chamber of Commerce Info Center)	\$ 195,993
Eliminate funding for Events	\$ 159,710
Eliminate Senior Programs-Could not feed seniors	\$ 143,714
Total	\$ 1,095,417
Scenario 2 Severely Impact Police Dept	
Eliminate 45% of PD -	\$ 1,183,257
Scenario 3 - Severely Impact Parks and Recreation	
Eliminate Parks and Rec Personnel	\$ 428,718
Eliminate Park Crew and Maintenance	\$ 728,380
Total	\$ 1,157,098
Scenario 4- Cut Leadership and City Hall Services	
Eliminate City leadership, clerk, court, building permits, planning, attorney, pay for Council (Would maintain Finance & IT & City Hall Maintenance)	\$ 1,141,012



The Benefits of a 0.5% Dedicated Street Improvement Sales Tax

- The amount generated from the Dedicated Streets Sales Tax would only be applied to Street Improvements and Pavement Management System.
- Streets would be paved and structurally maintained for quality driver, pedestrian, and cyclist use.
- Both residents and visitors contribute equally to funding the streets.
- Street quality is an indication of a healthy community.



**Thoughts?
Questions?**

The City of Gunnison appreciates your time today!

