

CITY OF NORTH PLAINS, OREGON

Transportation User Fees (TUF)

Generation of Alternative Revenues for
Street Maintenance

North Plains, Oregon Statistics

- The City was incorporated June 25, 1963
- Current population is estimated at 1,910
- City geographic area: Approximately 388 acres
- Location: 15 Miles west of downtown Portland, on U. S. Highway 26 and 4 miles north of Hillsboro. Is situated along the high tech Sunset Corridor in Washington County.
- Of the 13.52 miles of platted right-of-way, within the City limits, 12.20 miles are paved, 0.49 miles are gravel, 0.83 are undeveloped and 3.1 miles are County roads.

Pre-TUF Financial Status

- From Fiscal Years 2000-2001 through 2002-2003 street maintenance revenues reduced 11.8%.
- Prices of materials, such as asphalt, rock and oil, increased significantly.
- Two of three Public Works Maintenance Workers were laid off.
- An increased number of capital projects were identified based upon increased vehicle trips, heavy trucks volumes, and deteriorating road conditions.

Street Condition Examples



Street Condition Examples (Continued)



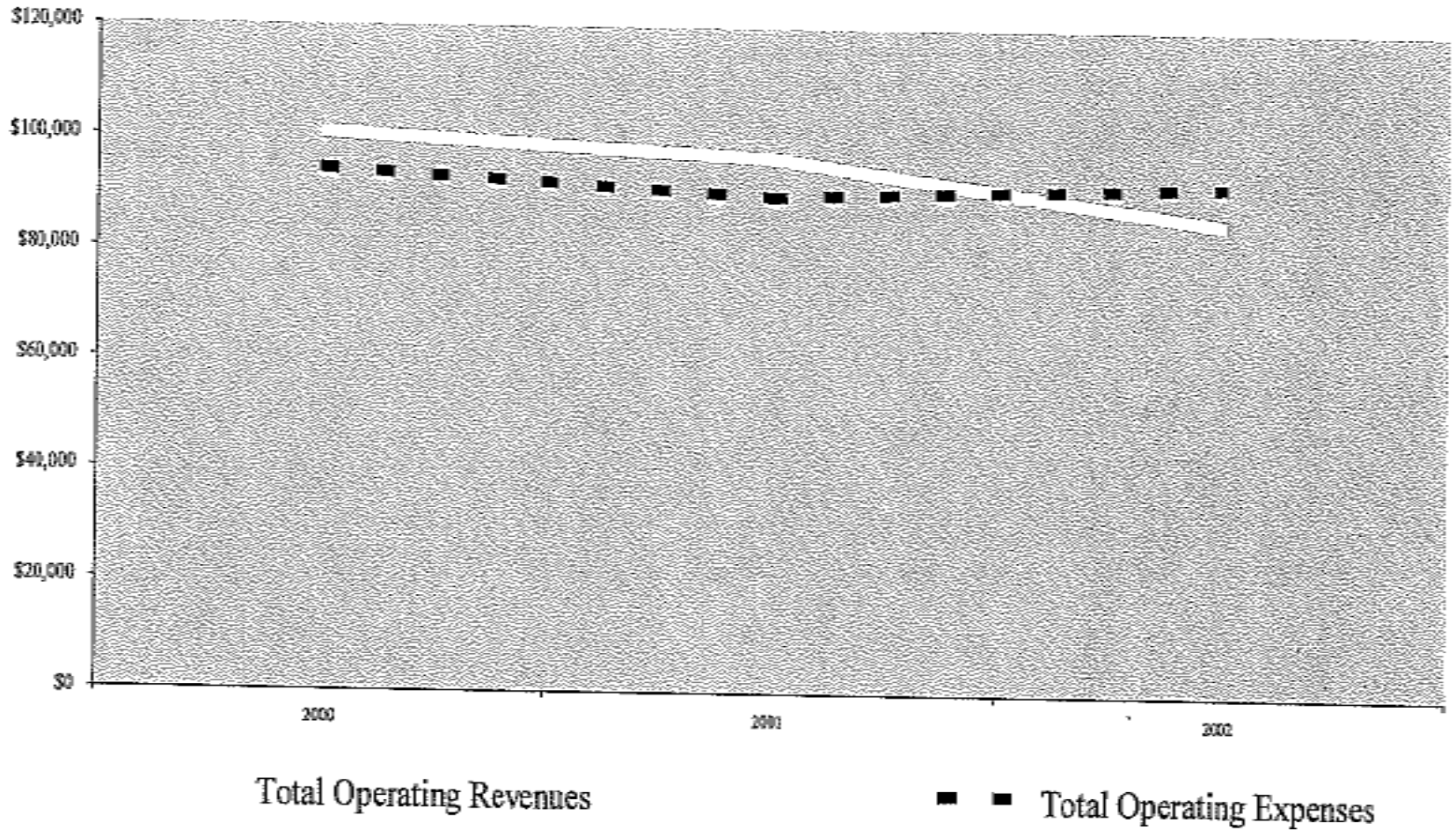
Street Condition Examples (Continued)



Maintenance Needs Identified

- Street maintenance required increasing personnel from a single Public Works staff person.
- Most streets were constructed as basic unimproved roadways with no curb, gutter or sidewalk amenities.
- Many streets had no proper base or sub-base and ancillary improvements were of short term life materials; i.e. culverts were of galvanized steel which degraded over time and allowed water infiltration into the street base.
- Streets were overlaid with 1.5-2" asphalt; ten percent were chip sealed. (Current street standards now require a 3" lift.)

Street Fund History of Cash Flows



History of Street Related Cash Flows

Operational Revenues	FY Ending 06/30/2001	FY Ending 06/30/2002	FY Ending 06/30/2003	Average % Change
Oregon Gas Tax	\$75,403	\$67,424	\$67,564	(10.4%)
Washington County Gas Tax	\$7,229	\$6,174	\$6,736	(6.9%)
Washington County Surface Water Management Fees	\$9,167	\$8,993	\$9,474	3.3%
Interest Earnings	\$2,307	\$1,869	\$686	(70.3%)
Miscellaneous (Permit Fees)	\$2,529	\$1,580	\$775	(69.3%)
TOTAL OPERATING REVENUES	\$96,635	\$85,240	\$85,235	(11.8%)

History of Street Related Cash Flows

(Continued)

Operational Expenses	FY Ending 06/30/2001	FY Ending 06/30/2002	FY Ending 06/30/2003	Average Annual % Change
Personnel	\$49,865	\$49,529	\$41,498	(16.8%)
Total Materials and Services	\$39,843	\$42,661	\$40,669	2.0%
Total Operating Expenses	\$89,708	\$92,190	\$82,167	(8.4%)
Net Operating Revenues	\$6,927	(\$6,950)	\$3,068	(55.8%)

Funding Identified

- Local matches necessary for Oregon Community Development Block Grant funds or Oregon Department of Transportation Grants
- Capital projects were valued at over \$260,000 which required long term savings in order to complete short span projects.
- City revenue sources were the Oregon Gas Tax, Washington County Gas Tax, Washington County Surface Water Management Fees, Interest earnings and Miscellaneous Permit Fees (Right-Of-Way Permits)

Formula Calculation

- The proposed Transportation User Fee was based on the assumption that usage of roadways affected the cost of providing and maintaining the system.
- To equitably reflect the cost to individual customers, the formula was based on three land use characteristics - type of use, employment, and use of trucks over one ton in capacity.
- Residential uses were based by type of residence in proportion to ITE number of trips per day.
- Because the ITE manual does not accurately assess individual land uses, for non-residential uses a separate set of criteria was created to assess businesses. Business License data and the number of heavy trucks trips were used resulting in a two tier approach.

Public Outreach

- Five advertised City Council discussions occurred
- Local gas tax was proposed
- City Council wanted to ensure fairness and for maintenance funding to be self sustaining
- Community outreach was done through City Council meetings, articles in the City newsletter and local newspapers
- Public hearing proposing Ordinance advertised in the community and made available for review, no public testimony provided from community

Transportation User Fee Accountability

- Ordinance sunsets every three years and is reviewed by the City Council to determine whether it continues to meet the funding need and is appropriate within the community.
- City Auditor annually reviews the dedicated use fund to determine appropriate allocation of the revenues and expenditures to the fund
- Revenues cannot be used for parks, general government services, planning or any other non-transportation purpose. Is only for multi-modal transportation system improvements.
- City Council annually reviews street improvement project and capital improvement lists to ascertain priority of improvements

North Plains' Transportation User Fee

- Initially adopted TUF by City Council adopted Ordinance in July 2003
- Fee is assessed to all residential, commercial and industrial users
- Residential fee is assessed per unit/house
 - Rate is \$0.90/unit
- Commercial fee is assessed based on:
 - ITE trip generation and large trucks
 - Low income senior housing and Senior Center is exempt
 - Rates are: \$5.00 for businesses with less than 25 employees, \$20.00 for businesses with 25 or more employees and three times the rate for businesses utilizing large trucks
- Target funding: \$20,000 annually

Conclusion

- In conclusion, if the city did not have additional funding provided through the Transportation User Fees, the City's street maintenance program would be significantly hindered.
- The City does sporadic street patching and have a regular crack sealing maintenance program done annually which is all the city can afford.
- 100% of the annual street maintenance improvements performed annually are fully funded through the Transportation User Fees.