



## Memorandum

**June 17, 2014**

**TO:** Council

**FROM:** Gene Rogers, Interim City Manager

**SUBJECT:** Study Session/Potential Parcel Tax

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This memorandum is to provide information relative to the parcel tax item on your agenda. Staff recommendation is to provide further direction on how to proceed if the Council remains interested in pursuing this matter in the near future.

The key decision points for the Council to deliberate at this time are the following:

1. Subject of the measure.
2. Amount of tax and duration in years.
3. Whether to consider debt-financing capital improvements.
4. When to conduct the election and whether to use mail ballots.
5. Specific projects that may be of interest to the Council.

Materials presented at the meeting include two 20 year capital project plans, one for local transportation projects relate to the local roads capital improvements and parks-related capital improvements, that could be funded from a parcel tax of \$100 with 20 years of tax revenues. Funding both plans would require parcel tax of \$200. The identified projects would be eligible for debt-financing if desired. The transportation plans involves construction projects oriented to improving arterials and connectors, the city's most traveled roadways. The parks plan lists projects from its long range plan, with priority on projects that would conserve money or resources and/or refurbish existing facilities. (Note: a 10 year plan for parks is also included.) Projects could be traded out for others on the list if Council has other priorities than those devised by staff.

The city's financial advisor, Mark Northcross, will be attending and will be available to discuss financing alternatives. He also has prepared some options pertaining to financing projects for 10, 20 and 30 years with a tax of \$100. It would be a simple matter to consider other options by prorating the figures from the materials provided.

Michael Coleman will also be attending the meeting. He is a financial and policy consultant specializing in municipal finance, and he is well-known for his expertise in municipal taxes. He volunteered to be available as a resource for this subject.

Enclosures

Proposed Meeting Agenda

Power Point Slide Presentation

June 10 Council Report re: Potential Tax Measure

Parcel Tax Projections

Materials Submitted by Financial Consultant about Comparative Debt Service Options

Memo and Materials Submitted by Public Works about Transportation Projects

Memo and Materials Submitted by Parks and Community Services about Parks Projects

# **Study Session Meeting Agenda/Potential Parcel Tax Measure**

## **Introductions**

### **Issues Being Considered (but not limited to)**

- Subject of potential tax measures**
- Amount and duration of potential tax measures**
- Debt financing of capital improvements**
- Potential timing of election and use of mail ballots**
- Specific projects to include in capital plans**

### **Tax Measure Options Assumed**

- Parcel tax for local transportation**
- Parcel tax for parks maintained capital facilities**

### **Revenue Options**

- Parcel taxes projected for 10, 20 and 30 years**
- Inflationary impact on future revenues**
- Debt financing options for capital projects**

### **20 Year Capital Program**

- Local transportation projects/pavement management program**
- Parks maintained capital facilities (w 10 year program also)**

## **General Discussion**

## **Council Direction on Next Steps**

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## STAFF REPORT

**DATE:** June 10, 2014  
**TO:** City Council  
**FROM:** Gene Rogers, Interim City Manager  
**SUBJECT:** Potential Tax Measure for November 2014 Ballot

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### **Recommendation**

1. Review the information provided in this report and provide direction on which potential ballot measure(s) to study in more detail at the Council study session to be conducted on June 17;
2. Consider a parcel tax that would fully fund the parks maintenance budget and/or a parcel tax that would provide substantial funding for unfunded capital needs, including road maintenance, bicycle paths/trails, and other priority capital projects;
3. If no action is taken to place a tax measure on the November 2014 statewide election ballot, make it a legislative priority to study a general tax measure that would augment the general fund by providing funding to address the city's long term budget deficit, deferred maintenance and unfunded capital needs. Since it would be a general tax, it should be targeted for the June 2016 municipal election ballot.

### **Fiscal Impact**

There is no fiscal impact associated with actions that council may take at this time.

### **Council Goal(s)**

- Fiscal Stability

### **Background and Analysis**

Council requested staff to bring this legislative matter before the body immediately after the state primary/municipal election. The purpose of this report is to provide information about a potential tax measure that Council may decide to place on the November ballot or consider for a subsequent election. A staff report presented to Council last February 11 provided information about two potential tax measures that were under consideration—a sales tax ordinance and a parcel tax ordinance. The full report is attached. After deliberating about the subject, Council decided by unanimous vote to place a ½ cent sales tax increase measure on the ballot for the June 3 state primary election. Technically the measure increased the existing ½ cent sales tax to one cent and extended its expiration to 2020.



The primary election has been concluded and the sales tax ordinance has been approved. The additional sales tax is expected to raise \$3.6 million annually. After several years of enduring significant staff cuts, compensation reductions and organizational restructuring, the city's current general fund budget is temporarily stabilized going into FY2014/15. Long term financial projections, however, foreshadow that the city will continue to struggle with its finances until the day comes when its economic development initiatives are realized and more revenue is produced through growth in the tax base as well as job growth that benefits local businesses. The economic benefit to the budget, however, is more likely to occur several years in the future and revenue growth attributable to economic expansion is not factored into the 5 year financial projection from which this conclusion is drawn.

Though there is a significant spike in revenue from the newly imposed sales tax, the 5 year projection predicts that the current reserve of \$5 million will be virtually eliminated without additional reductions in costs or additional revenues. It would be imprudent to let the reserve draw down below the projected 3.8 million predicted at the conclusion of the FY14/15 budget year. More cost reductions and revenue increases will need to be considered through time. Importantly, it must be acknowledged that there is a growing list of unmet maintenance and capital needs that will require funding from the city's general fund unless or until alternative funding sources can be identified. In response to this situation Council has expressed interest in placing a parcel tax measure on a future ballot, perhaps as soon as the statewide election to be held in November 2014.

#### Parcel Tax (requires 2/3 majority vote)

Currently there is a special voter-approved parcel tax for parks maintenance (parks tax) levied on each parcel in the city. The parcel tax on each residential unit is \$49. Commercial, group living, industrial and day care are taxed on different bases. It raises \$1.4 million annually, which is about 20% of the current Parks operating budget. There is also a parcel tax of \$24 per residential unit which provides funding for the acquisition and maintenance of open space. It raises \$650,000 annually.

Council has not determined the nature of a potential parcel tax. One option previously discussed by Council is to increase the existing parks tax to a higher level. Funding the complete Parks maintenance operating budget of \$6.9 million would require an additional levy of about \$200 per residential parcel. While at first blush that may seem high, in reality the cost to a residential unit is less than \$20 per month; \$16.66 to be exact. Presumably this tax would guarantee that the quality of parks maintenance remains high, it would provide more resources for capital projects, and it would relieve some of the stress on the general fund which can then apply the savings to augment operations where service levels have dipped below standard and to deferred maintenance and other desired capital projects. The ballot measure could also identify specific projects that would receive priority, such as replacement or rehabilitation of playground equipment, bicycle paths, athletic fields and any number of other projects that are related to parks and recreation services. A partial list of identified needs is included in Attachment A.

Another variation that was previously discussed by Council is a parcel tax that would raise funds to be used exclusively for road maintenance and rehabilitation. In addition to routine



maintenance activities undertaken daily, there is a backlog of recommended road repairs and rehabilitation for which there is inadequate funding available.

One option for transportation related capital projects (and perhaps other capital projects for that matter) is to bond for the projects by committing parcel tax receipts to repay the debt associated with the projects, but one implication is that bonded debt would require a long-term commitment, say 30 years, for the parcel tax to remain in place since bond underwriters would need guarantee on the revenue stream. Also it should be emphasized that bonds cannot be issued for routine maintenance. An alternative is to impose the tax and fund the projects in a “pay-as-you-go” manner.

Another option is to consider issuing bonds funded by ad valorem tax. The ad valorem alternative is only available for bond financing and the use of funds is restricted to capital projects only, not maintenance. Once the capital plan funded by the bonds is completed and funded, then the bond measure could automatically expire if desired, or a term limit could be set.

There are other ways for parcel tax receipts to be dedicated, such as public safety or other capital projects not mentioned herein.

#### General Tax (requiring simple majority vote)

There are a several commonly-levied general taxes—taxes that are available for any lawful expenditure—with a simple majority vote threshold that are available as “local” taxes to California local government. The most common are utility users taxes, business taxes, transient occupancy (hotel) taxes, and certain sales taxes. With the apparent passage of its local sales tax measure the city now collects all of the above forms of general taxes except the utility users tax. Utility users taxes are levied as a percentage of the direct cost of the utility service delivered, such as electricity. The tax appears in the monthly billing paid by the customer and the tax is paid to the utility which in turn remits the taxes to the local government that levied the tax. Many California cities levy a utility users tax and it is often a substantial revenue stream for their general fund. Utility users tax is easy to collect and administer, it tracks with inflation, it applies to a broad range of the population (e.g. homeowners, renters, businesses) and it is not as sensitive to economic downturns as the other general taxes. The tax may be levied on electricity, gas, garbage, water, communications, sewer and/or cable television. The 2012 State Controller’s Report identifies 145 California cities that have a utility users tax with rates that range from 1 to 10%, with most ranging between 3 and 7%. The median tax rate is 5%. Of the four Yolo County cities only Winters imposes a utility users tax (at the rate of 9.5%). It is not possible to determine how much revenue would be raised by a utility users tax in Davis since it is not certain what utilities the tax would cover if it is enacted. To give some perspective, however, if the median of 5% was levied on all utilities, the annual income generated is roughly projected to be in the \$3-4 million range.

To balance the budget without drawing on reserves is projected to require about \$1 million per year. In addition, as noted, there are significant unfunded maintenance, rehabilitation and other capital projects for which there is no available funding source. With the city’s annual general fund needs being several million dollars, increases in the business tax and transient occupancy

wouldn't generate enough revenue to do anything more than put a dent into the problem. A sales tax increase of ¼ cent would produce about \$1.8 million annually. The cumulative sales tax percentage, however, may be reaching a threshold where it is perceived to be on the high side.

#### Which Taxes and Approaches Should Be Studied and Considered Now?

The information in this report is provided as the starting point for the next step of Council's quest to secure adequate funding to sustain city operations and capital funding needs. From staff's perspective at least two basic approaches should be studied further—parcel tax and a general tax. Insofar as a general tax is limited as to when it can go on the ballot, it should be considered as an option at a later time, if desired.

As it goes to the parcel tax, there are two basic variations of parcel taxes that have been identified. One provides a funding source that would provide funding to cover all or a significant portion of the current operating budget for parks maintenance. A second option provides a funding source for identified capital priorities, most notably road maintenance and rehabilitation. A third option could be one that focuses on unmet deferred maintenance needs, rehabilitation of certain types of facilities and construction of new capital projects. Finally, another conceivable direction is to consider a bond to fast-track deferred maintenance, rehabilitation and capital projects, funded by a parcel tax.

#### How Much?

Regardless of which path may be followed, one of the key decision factors is the amount or rate of the tax levy. This is of course dependent upon the identified need and the practicality of the amount or rate to be imposed.

#### How Long?

The just-enacted ½ cent sales tax ordinance specifies a sunset date in 2020. It is a judgment call as to whether that is helpful in making the case for the need for the tax. From an operational standpoint tax elections have unintended consequences including inability to plan on future revenue streams for capital items and the disruption of sometimes divisive elections.

#### Timing

As a general rule, special tax elections can be conducted at any time and general tax elections can be conducted only at time at which there are municipal elections (except in cases where there is a fiscal emergency and the body unanimously declares it). Parcel taxes, with their 2/3 majority vote standard, are considered special elections. Utility users taxes are almost always designated as general taxes. Therefore placing a utility users tax measure or any other general tax measure on any ballot other than the June 2016 municipal election would require activation of the emergency provision of Proposition 218(?)



### Inflationary Increases

It is a desirable feature to include some allowance for inflationary increases in tax measures since otherwise the value of the revenue declines significantly over the years. Many taxes, however, have inflation adjustments automatically included in the sense the revenues are sensitive to change in costs since the taxes are based on a percentage, not a flat fee. Such is the case with ad valorem tax, sales tax and utility users tax. For a parcel tax, which pays for operations, either the standard 2% formula used for statewide property tax or some other common inflation index would work. The 2% may be perceived as more acceptable since it is what is used for property taxes. For capital-oriented taxes, such as for bonds, a construction-related index might be appropriate.

### Advisory Measure for a General Tax

If a general tax is place upon a ballot, in some cases a companion measure advising the Council on preferred use of the funds is placed on the same ballot. In any case, however, Council must maintain its discretion on the allocation of funds raised by the tax measure to maintain its status as a general tax.

### Schedule

The next scheduled meeting is a Council study session to be held on Tuesday, June 17, at 5pm. The purpose of the meeting is to provide an opportunity for Council to study this matter in more depth and provide staff with more direction about what is needed to reach a final decision.

Assuming Council decides to continue to move forward with a measure aimed at the November 2014 election, this item will be scheduled for Council meeting of July 1. The last date possible for Council approve what is required to place a tax measure on the November ballot is July 15.

### Attachments

1. Potential Capital Projects supported by New Revenue Measure
2. February 11 Staff Report on Ballot Measures



## Potential Capital Projects supported by New Revenue Measure

- **Transportation Maintenance, Infrastructure Improvements & Programming**
  - **Street/Bike Path Infrastructure Improvements**
    - 3<sup>rd</sup> Street Improvements A to B Streets - Total project \$6M; \$1.3M unfunded
    - H Street at Davis Little League & Covell – Total project \$730,000; \$390,000 unfunded
    - Richards Gateway Project - \$7M total project; City share TBD
    - East Covell Corridor Plan - \$4.5M unfunded
    - Downtown Parking Master Plan Implementation - \$1.4M unfunded
    - Traffic Operations Center (Remote Signal control) - \$500,000 unfunded
    - Walk/Bike Audit Recommendations - \$7M unfunded
  - **On-Going Operations & Maintenance**
    - Traffic Signal Maintenance/Replacement backlog - \$1.1M unfunded need
    - Traffic Signal Maintenance - \$230,000 annual need; \$210,000 unfunded
    - Park/Pathway Lighting (Energy efficiency conversion) - \$3M annual need
    - Road Pavement Maintenance - \$9.8 M annual need - \$6.2 unfunded
    - Bike Path Maintenance - \$1.2M annual need - \$800,000 unfunded
    - Sidewalk/ADA Ramp Maintenance - \$500,000 annual need - \$400,000 unfunded
  - **New Transportation Programming**
    - Active Transportation Outreach/Education (Beyond Platinum Plan) - \$100,000 unfunded
    - Fare-free Transit - \$500,000 annual need
- **Parks/Urban Forest/Wildlife Amenities and Infrastructure**
  - **Parks Replacements/Renovations**
    - Central Park Update – Water Feature - \$600,000
    - General Rehab/renovation of existing Parks - \$400,000 annual need; \$150,000 unfunded
    - Playfield Park All Weather Turf field replacement - \$400,000 needed by 2019
    - ADA upgrades
  - **Urban Forest/Wildlife Replacements/Renovations**
    - Urban Forestry Maintenance - \$800,000 annual need - \$100,000 unfunded
    - Wildlife Habitat Maintenance - \$250,000 annual need
  - **Pool Replacement/Renovations**
    - Community Pool (\$9M-\$10M– 50 meter pool & 6 lane warm-up)
    - Civic Pool (\$2M if Community Pool is not renovated)
    - Annual Pool equipment replacement - \$200,000 annual need - \$100,000 unfunded
  - **Parks, Greenbelts & Streetscape Water Conservation**
    - Current budget \$500,000 in ongoing annual expenditures
    - Irrigated Turf conversion to Non-Irrigated land
    - Controller & Sprinkler Head Improvements
  - **Playground Equipment Replacement**
    - City has a total of 65 of Park Play Structures in Parks & Greenbelts
    - 23 Play Structures are more than 15 years old (average life span)
    - Rainbow City Rehabilitation – Total Project \$600,000; \$300,000 unfunded

- **Tennis court resurfacing/reconstruction**
  - Total of 17 courts – that have exceeded the 7 year resurfacing life
  - Walnut Park most significant need (6 courts) (Estimated renovation cost \$770,000)
  - Pioneer Park (2) – 2<sup>nd</sup> highest priority
- **New Park Facilities**
  - Purchase of Nugget Field - City would need to negotiate purchase with School District
  - Sports Park
  - Community Gardens Addition
  - Dog Park Addition
- **General Facilities, Infrastructure & Programming**
  - **City Facility Repair/Renovations**
    - Veteran's Memorial Building - \$9 to \$10M for full renovation
    - Fire Station Re-location (Headquarters) \$5M+
    - City Building Maintenance & Replacement - \$4M annual need - \$1.2M unfunded
    - City Hall Renovation/Replacement
  - **New Facilities**
    - Police Firing Range – \$500,000; \$400,000 unfunded
    - Public Safety Training Facility
  - **Infrastructure**
    - New Software Suite – Accounting System & Other Citywide applications
    - General Plan Update - \$1 M unfunded

## Potential Debt Financing

Material submitted by Mark Northcross

Debt financing to net \$25 Million with 10, 20 and 30 year revenue scenarios

Debt financing for 10, 20 and 30 years scenarios at \$100 parcel tax

Comparative Bonding Capacity for \$2.8 million per year parcel tax			
	Scenario 1		Scenario 3
	Scenario 2		Scenario 3
	20 year term		30 year term
	4% interest rate		4.5% interest rate
Net proceeds available to fund projects	110% coverage		110% coverage
	\$21.04 million		\$33.56 million
		\$40.19 million	



**Comparative Debt Service for \$25 million in net proceeds**

	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
	10 year term	20 year term	30 year term
	3% interest rate	4% interest rate	4.5% interest rate
	110% coverage	110% coverage	110% coverage
Year	Annual debt service plus 10% coverage requirement		
1	3,318,700	2,088,900	1,743,500
2	3,318,700	2,088,900	1,743,500
3	3,318,700	2,088,900	1,743,500
4	3,318,700	2,088,900	1,743,500
5	3,318,700	2,088,900	1,743,500
6	3,318,700	2,088,900	1,743,500
7	3,318,700	2,088,900	1,743,500
8	3,318,700	2,088,900	1,743,500
9	3,318,700	2,088,900	1,743,500
10	3,318,700	2,088,900	1,743,500
11		2,088,900	1,743,500
12		2,088,900	1,743,500
13		2,088,900	1,743,500
14		2,088,900	1,743,500
15		2,088,900	1,743,500
16		2,088,900	1,743,500
17		2,088,900	1,743,500
18		2,088,900	1,743,500
19		2,088,900	1,743,500
20		2,088,900	1,743,500
21			1,743,500
22			1,743,500
23			1,743,500
24			1,743,500
25			1,743,500
26			1,743,500
27			1,743,500
28			1,743,500
29			1,743,500
30			1,743,500
<b>Total</b>	<b>33,187,000</b>	<b>41,778,000</b>	<b>52,305,000</b>

## Memorandum

**June 16, 2014**

**TO:** City Councilmembers  
**VIA:** Gene Rogers, Interim City Manager  
**FROM:** Robert A. Clarke, Public Works Director

**SUBJECT: Pavement Maintenance Options**

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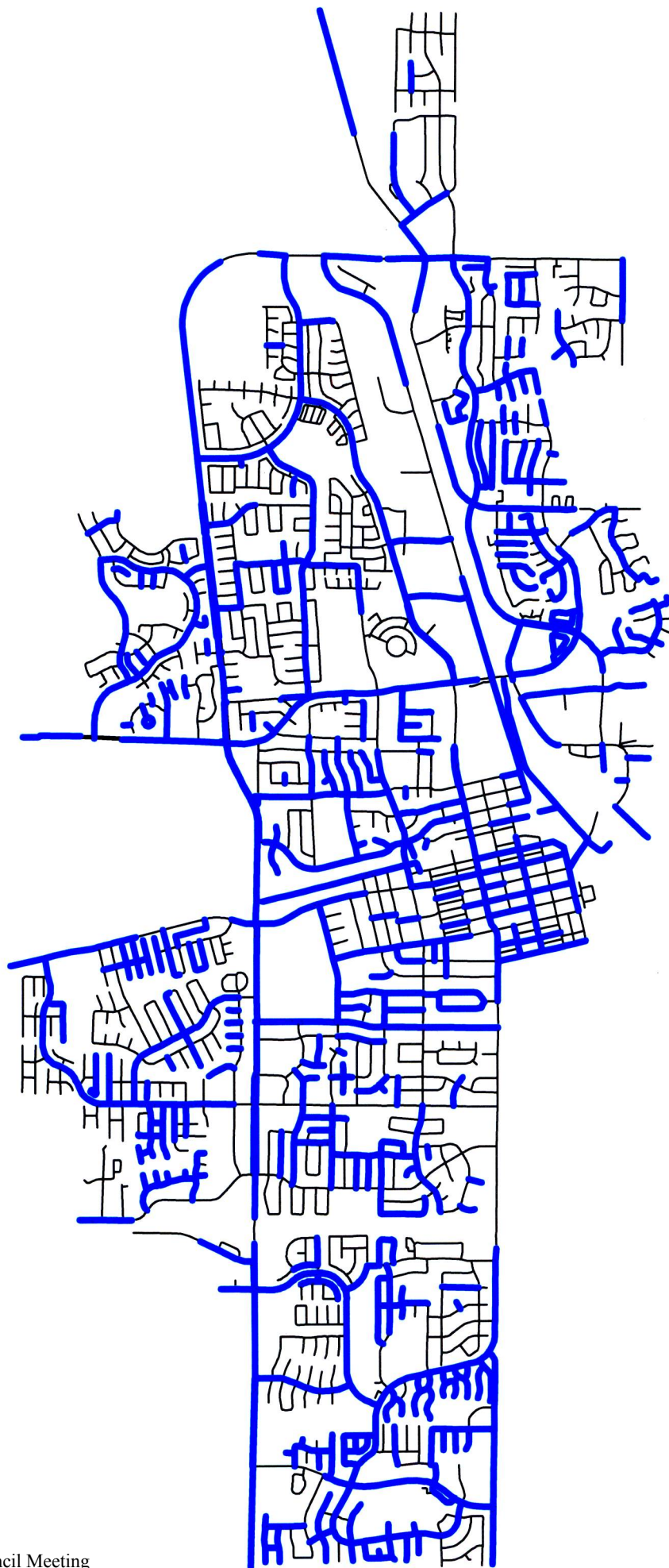
Staff has prepared information on four potential funding options for pavement maintenance;

1. B- Mod. - This represents the preferred plan supported by Council when the Pavement Maintenance Plan was approved in 2013. This option assumed an initial investment of \$25M in the first two years and additional investments for the remaining 18 years, totaling \$246M.
2. Baseline - This option assumes \$1M of funding for pavement maintenance every year for 20 years. This amount approximates the historical average support that has been budgeted.
3. Option 1 - This option takes the baseline \$1M commitment and supplements it with an additional allocation of \$1.4M for a total annual budget of \$2.4M.
4. Option 2 - This takes the baseline \$1M commitment and supplements it with an additional allocation of \$2.8M for a total annual budget of \$3.8M.

For each option, we have included two documents: one showing a visual depiction of which street segments will receive additional AC as a treatment and the other showing a table listing each street segment with the type of treatment, the estimated year the work would be performed in and the limits of the work.

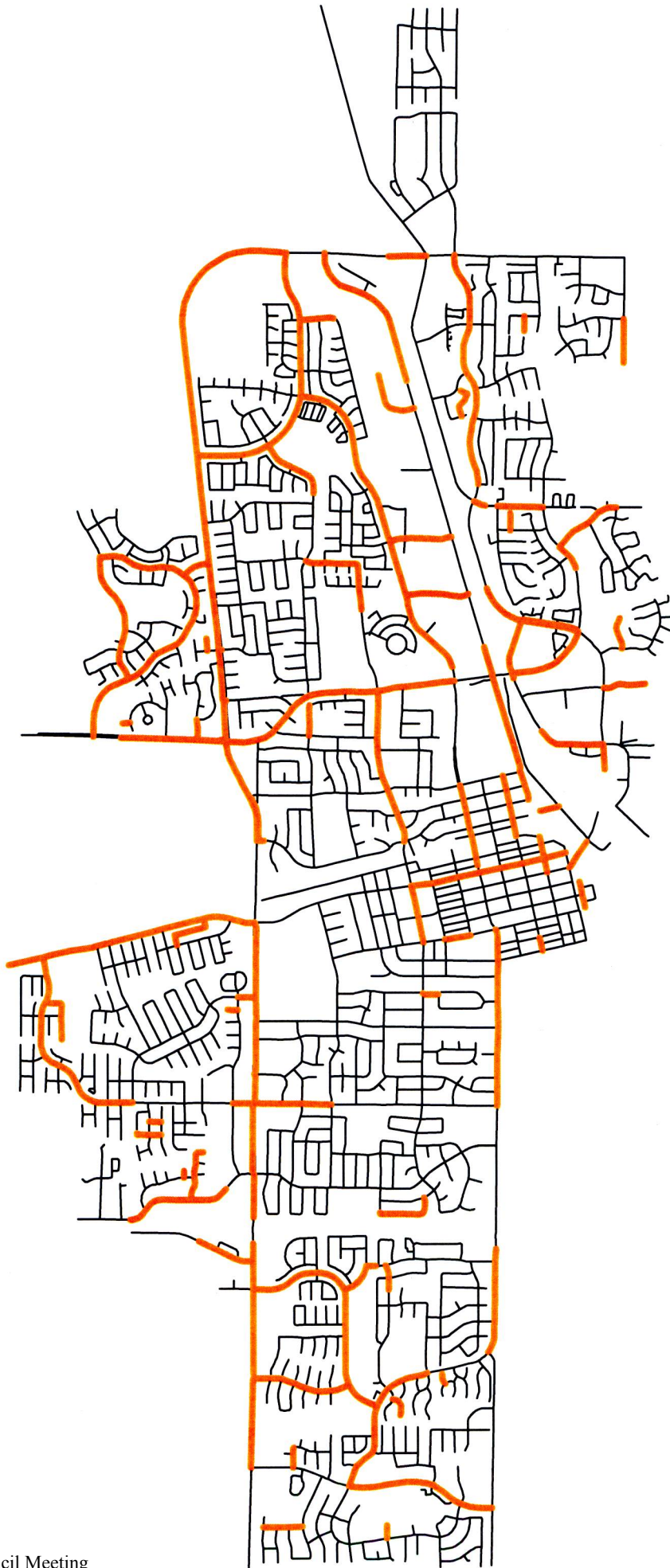
Also included is a document showing the change in the average pavement condition index for roads and paths under each scenario and how the backlog of deferred maintenance changes over the 20 year period. As was discussed last year when Council adopted the Pavement Maintenance Plan, it is assumed the cost of asphalt will increase faster than revenue and this leads, under all scenarios, to a growing dollar value of deferred maintenance. Because of this, front loading as large an investment as possible provides the best value for the City.

Street segments with AC construction over 20 year life of option





Street segments with AC construction over 20 year life of option





**Table - Baseline Construction Segments**

Year	Street Name	Begin	End	Treatment
2032	AGGIE LANE	EAST END	WEST END	THIN AC OVERLAY (2")
2015	ALHAMBRA BOULEVARD	COVELL BOULEVARD	FIFTH STREET	THIN AC OVERLAY (2")
2015	ALHAMBRA BOULEVARD	FIFTH STREET	MACE BOULEVARD	THIN AC OVERLAY (2")
2034	ALMERIA STREET	PAMPLONA AVENUE	MALAGA AVENUE	THIN AC OVERLAY (2")
2034	ANDERSON ROAD	COVELL BOULEVARD	NORTH OF ALVARADO ROUNDABOUT	MILL AND FILL 2" AC
2030	ANTELOPE AVENUE	SYCAMORE LANE	1314 ANTELOPE AVENUE	THIN AC OVERLAY (2")
2031	ARTHUR STREET	HAMPTON DRIVE	120 ft S. OF HAMPTON DRIVE	THIN AC OVERLAY (2")
2028	AUSTIN STREET	BIDWELL STREET	NORTH END	THIN AC OVERLAY (2")
2031	BENICIA COURT	ALVARADO AVENUE	NORTH END	THIN AC OVERLAY (2")
2029	CASSATT AVENUE	DONNER AVENUE	GAUGUIN	THIN AC OVERLAY (2")
2015	COVELL BLVD	WEST CITY LIMIT	WEST SIDE LAKE BOULEVARD	THICK AC OVERLAY (2.5")
2015	COVELL BLVD	200 W/O MONARCH	WEST END GREENBELT	THICK AC OVERLAY (2.5")
2016	COVELL BLVD	ALHAMBRA DRIVE	500' E/O ALHAMBRA DRIVE	THICK AC OVERLAY (2.5")
2017	COVELL BLVD	POLE LINE ROAD	BIRCH LANE	MILL AND FILL 2" AC
2018	COVELL BLVD	EAST OF DENALI	WEST OF SUTTER	THICK AC OVERLAY (2.5")
2018	COVELL BLVD	SR113	SHASTA	THICK AC OVERLAY (2.5")
2029	DANBURY STREET	LILLARD AVENUE	TRAFFIC CIRCLE(380 FT S/O LILL	MILL AND FILL 2" AC
2031	DREW CIRCLE	GREEK COURT	SOUTH END	THIN AC OVERLAY (2")
2015	DRUMMOND AVENUE	COWELL BLVD	272 FEET SOUTH OF COWELL	THICK AC OVERLAY (2.5")
2017	F STREET	COVELL BOULEVARD	BUENO DRIVE	MILL AND FILL 2" AC
2019	F STREET	COVELL POND, SOUTH END	NORTH CITY LIMIT	THICK AC OVERLAY (2.5")
2015	FIFTH STREET	EAST END MEDIAN	2505 5TH ST WEST SIDE	THICK AC OVERLAY (2.5")
2015	FIFTH STREET	300' W/O PENA DRIVE	EAST BNDY MACE RANCH PARK 3	THIN AC OVERLAY (2")
2018	FIFTH STREET	150' E/O "F" STREET	R.R. TRACKS	THICK AC OVERLAY (2.5")
2026	FIRST STREET	"E" STREET	"B" STREET	THIN AC OVERLAY (2")
2028	HICKORY LANE	OLIVE DRIVE	NORTH END	THIN AC OVERLAY (2")
2033	J STREET	100 FT SOUTH OF COVELL	COVELL	MILL AND FILL 2" AC
2016	LAKE BOULEVARD	1004 LAKE BOULEVARD	ARLINGTON BOULEVARD	MILL AND FILL 2" AC
2019	LAKE BOULEVARD	SALEM	1004 LAKE BLVD	THICK AC OVERLAY (2.5")
2019	LILLARD AVENUE	2761 Lillard	Danbury	THICK AC OVERLAY (2.5")
2033	PICASSO AVENUE	POLE LINE ROAD	RENOIR AVENUE	MILL AND FILL 2" AC
2015	POLE LINE ROAD	BRIDGE	FIFTH STREET	THICK AC OVERLAY (2.5")
2018	POLE LINE ROAD	113 FEET N. OF COVELL BLVD.	PICASSO AVE	THICK AC OVERLAY (2.5")
2029	RESEARCH PARK DRIVE	B.C. OF CURVE (N.B.)	E.C. OF CURVE (E.B.)	THIN AC OVERLAY (2")
2015	RICHARDS BOULEVARD	FIRST STREET	nw end Olive dr. intersection	MILL AND FILL 2" AC
2015	RICHARDS BOULEVARD	590 ft W. OF RESEARCH PARK DR	RESEARCH PARK DRIVE	THIN AC OVERLAY (2")
2033	SAN MIGUEL WAY	ALICANTE STREET	ALHAMBRA DRIVE	THIN AC OVERLAY (2")
2016	SECOND STREET	POLE LINE ROAD	2121 2ND ST. (C/L PROPERTY)	THIN AC OVERLAY (2")
2028	SECOND STREET	"J" STREET	"L" STREET	THIN AC OVERLAY (2")
2015	SHASTA DRIVE	290 FT E OF OLYMPIC	COVELL BLVD	THIN AC OVERLAY (2")
2019	THIRD STREET	"A" STREET	UNIVERSITY AVENUE	LOCAL REPAIRS WITH AC OVERLAY
2016	TULIP LANE	LOYOLA DRIVE	1220 TULIP LANE	MILL AND FILL 2" AC



**Table - B Mod Target PCI Construction Segments**

Year	Street Name	Begin Location	End Location	Treatment Name
2015	A STREET	FIRST STREET	RUSSELL BOULEVARD	MILL AND FILL 2" AC
2031	A STREET	8th STREET	"B" STREET	MILL AND FILL 2" AC
2022	ACACIA LANE	CORNELL DRIVE	PLUM LANE	THIN AC OVERLAY (2")
2029	ADELIN PLACE	LEHIGH DRIVE	POMONA DRIVE	MILL AND FILL 2" AC
2030	ALBION PLACE	MADRONE LANE	WEST END	MILL AND FILL 2" AC
2015	ALHAMBRA BOULEVARD	COVELL BOULEVARD	FIFTH STREET	THIN AC OVERLAY (2")
2015	ALHAMBRA BOULEVARD	FIFTH STREET	MACE BOULEVARD	THIN AC OVERLAY (2")
2031	ALHAMBRA BOULEVARD	COVELL BOULEVARD	FIFTH STREET	MILL AND FILL 2" AC
2031	ALHAMBRA BOULEVARD	FIFTH STREET	MACE BOULEVARD	MILL AND FILL 2" AC
2024	ALICE STREET	J STREET	CHESTNUT LANE	THIN AC OVERLAY (2")
2022	ALMERIA STREET	PAMPLONA AVENUE	MALAGA AVENUE	THIN AC OVERLAY (2")
2025	ALMOND LANE	ROSARIO STREET	347 ft E. OF ROSARIO	MILL AND FILL 2" AC
2034	ALMOND LANE	WEST CITY LIMIT	ROSARIO STREET	MILL AND FILL 2" AC
2025	ALPINE PLACE	COOLIDGE STREET	EAST END	MILL AND FILL 2" AC
2019	AMAPOLA DRIVE/EL CAJON	BUENO DRIVE	"F" STREET	THIN AC OVERLAY (2")
2027	AMHERST DRIVE	ANDERSON ROAD	OESTE DRIVE	MILL AND FILL 2" AC
2018	ANDERSON ROAD	NORTH OF ALVARADO ROUNDABOUT	BIANCO COURT	MILL AND FILL 2" AC
2018	ANDERSON ROAD	BIANCO COURT	CATALINA DRIVE	MILL AND FILL 2" AC
2023	ANDERSON ROAD	CATALINA DRIVE	ONE LOT E/O FLICKER AVENUE	THIN AC OVERLAY (2")
2030	ANDERSON ROAD	ONE LOT E/O FLICKER AVENUE	WEST EDGE OF GREENBELT	THIN AC OVERLAY (2")
2031	ANDERSON ROAD	WEST EDGE OF GREENBELT	SANDPIPER DRIVE	THIN AC OVERLAY (2")
2031	ANDERSON ROAD	SANDPIPER DRIVE	F STREET	THIN AC OVERLAY (2")
2018	ANTELOPE AVENUE	1314 ANTELOPE AVENUE	EAST END	THIN AC OVERLAY (2")
2027	ANTELOPE AVENUE	SYCAMORE LANE	1314 ANTELOPE AVENUE	THIN AC OVERLAY (2")
2028	ANTIOCH DRIVE	OAK AVENUE	EUREKA AVENUE	MILL AND FILL 2" AC
2025	ARLINGTON BOULEVARD	SHASTA BLVD	LAKE BOULEVARD	MILL AND FILL 2.5" AC
2027	ARLINGTON BOULEVARD	RUSSELL	CALAVERAS	MILL AND FILL 2.5" AC
2029	ARLINGTON BOULEVARD	CALAVERAS	SHASTA	MILL AND FILL 2.5" AC
2033	ARNOLD STREET	LILLARD DRIVE	ALBANY AVENUE	MILL AND FILL 2" AC
2032	ARROYO AVENUE	NORTH EDGE 4246 ARROYO	ALHAMBRA DRIVE	THIN AC OVERLAY (2")
2032	ARTHUR STREET	HAMPTON DRIVE	120 ft S. OF HAMPTON DRIVE	THIN AC OVERLAY (2")
2019	ASTORIA STREET	OYSTER BAY AVENUE	MORRO BAY AVENUE	THIN AC OVERLAY (2")
2023	AUSTIN STREET	BIDWELL STREET	NORTH END	THIN AC OVERLAY (2")
2025	AVILA BAY PLACE	WESTSHORE STREET	WEST END	MILL AND FILL 2" AC
2025	AVOCET AVENUE	ANDERSON ROAD	WEST END	THIN AC OVERLAY (2")
2017	B STREET	SEVENTH STREET	FOURTEENTH STREET	MILL AND FILL 2" AC
2020	B STREET	SIXTH STREET	SEVENTH STREET	THIN AC OVERLAY (2")
2027	BARCELONA AVENUE	ANDERSON ROAD	MADRID COURT	MILL AND FILL 2" AC
2015	BARKLEY STREET	CALAVERAS AVENUE	IMPERIAL AVENUE	THIN AC OVERLAY (2")
2025	BARONY PLACE	VALDORA STREET	EAST END	THIN AC OVERLAY (2")
2029	BEACON BAY PLACE	MARINA CIRCLE	EAST END	THIN AC OVERLAY (2")
2023	BECERRA WAY	100 FT S. OF LA VIDA	EL SEGUNDO	THIN AC OVERLAY (2")
2027	BECERRA WAY	100 FT S. OF LA VIDA	LA VIDA WAY	MILL AND FILL 2" AC
2027	BEECH LANE	MILLS DRIVE	FOURTEENTH STREET	MILL AND FILL 2" AC
2026	BELHAVEN PLACE	TULIP LANE	EAST END	MILL AND FILL 2" AC
2034	BELMONT DRIVE	TULIP LANE	TULIP LANE	THIN AC OVERLAY (2")
2017	BENICIA COURT	ALVARADO AVENUE	NORTH END	THIN AC OVERLAY (2")
2029	BENTON PLACE	BAYWOOD LANE	EAST END	THIN AC OVERLAY (2")
2024	BLUEBIRD PLACE	FINCH STREET	EAST/WEST ENDS	THIN AC OVERLAY (2")
2022	BOATHOUSE AVENUE	LAKE BOULEVARD	WESTSHORE STREET	THIN AC OVERLAY (2")
2020	BOMBADIL LANE	OAKENSHIELD ROAD	WEST END	THIN AC OVERLAY (2")
2017	BOULDER PLACE	ARNOLD STREET	EAST END	THIN AC OVERLAY (2")
2030	BOYER CIRCLE	I STREET	WEST END	MILL AND FILL 2" AC
2029	BRADDOCK COURT	ALBANY AVENUE	SOUTH END	MILL AND FILL 2" AC
2027	BRANDYWINE PLACE	HUDSON STREET	WEST END	MILL AND FILL 2" AC



**Table - B Mod Target PCI Construction Segments**

2017	BREE LANE	CREEKHOLLOW LANE	EAST END	THIN AC OVERLAY (2")
2018	BRENTWOOD PLACE	DONAVON COURT	SOUTH END	THIN AC OVERLAY (2")
2018	BUCKLEBURY ROAD	ARLINGTON BLVD.	WEST END	THIN AC OVERLAY (2")
2027	BUCKNELL DRIVE	SYCAMORE LANE	PINE LANE	MILL AND FILL 2" AC
2028	C STREET	SIXTH STREET	SEVENTH STREET	MILL AND FILL 2" AC
2034	C STREET	THIRD STREET	FIFTH STREET	MILL AND FILL 2" AC
2029	CACERES WAY	ATLANTIS DRIVE	FRONTERA DRIVE	THIN AC OVERLAY (2")
2024	CADIZ STREET	PAMPLOMA AVENUE	VALENCIA AVENUE	THIN AC OVERLAY (2")
2017	CAMINO COURT	ALVARADO AVENUE	NORTH END	THIN AC OVERLAY (2")
2026	CANOE PLACE	HALIFAX AVENUE	EAST END	THIN AC OVERLAY (2")
2033	CANTRILL DRIVE	SECOND STREET	FIFTH STREET	THIN AC OVERLAY (2")
2025	CARAVAGGIO DRIVE/PLACE	DUCHAMP	END	THIN AC OVERLAY (2")
2017	CARIBOU PLACE	QUAIL STREET	EAST END	THIN AC OVERLAY (2")
2018	CASSATT AVENUE	DONNER AVENUE	GAUGUIN	THIN AC OVERLAY (2")
2015	CATALINA DRIVE	CORONA AVENUE	ANDERSON ROAD	MILL AND FILL 2" AC
2017	CATALINA DRIVE	ANZA AVENUE (NORTH)	CORONA DRIVE	MILL AND FILL 2" AC
2018	CATALINA DRIVE	ALVARADO	ANZA AVENUE (NORTH)	MILL AND FILL 2" AC
2025	CHERRY LANE	EIGHT STREET	NORTH END	MILL AND FILL 2" AC
2019	CHESAPEAKE BAY AVENUE	EAST END	WEST END	THIN AC OVERLAY (2")
2025	CHESTNUT PLACE	POLE LINE ROAD	EAST END	MILL AND FILL 2" AC
2015	CHILES ROAD	MACE	1150 FEET WEST OF MACE	MILL AND FILL 2" AC
2017	CHILES ROAD	EAST END OF CURB & GUTTER	EAST CITY LIMIT	MILL AND FILL 2" AC
2018	CHILES ROAD	MACE BOULEVARD	EL CEMONTE AVENUE	MILL AND FILL 2" AC
2034	CHILES ROAD	COWELL BLVD	W BOUNDARY EL MACERO VISTA	MILL AND FILL 2" AC
2026	CHRISTIE COURT	ABANY AVENUE	SOUTH END	MILL AND FILL 2" AC
2026	CITADEL DRIVE	TAMARACK LANE	REDWOOD LANE	MILL AND FILL 2" AC
2026	CLARA LANE	POLE LINE ROAD	BIRCH LANE	MILL AND FILL 2" AC
2017	CLAREMONT DRIVE	L STREET	END	THIN AC OVERLAY (2")
2033	CLEVELAND COURT/STREET	ALAMEDA	AMADOR	THIN AC OVERLAY (2")
2017	COLLEGE PARK	ENTRANCE ISLAND	EUREKA AVENUE	MILL AND FILL 2" AC
2025	COLUMBIA PLACE	"J" STREET	EAST END	MILL AND FILL 2" AC
2023	COLUSA AVENUE	ARTHUR STREET	ARTHER STREET	THIN AC OVERLAY (2")
2019	CONCORD AVENUE	WEST END	2844 CONCORD AVENUE	THIN AC OVERLAY (2")
2031	CONCORD AVENUE	2844 CONCORD AVENUE	ARNOLD STREET	MILL AND FILL 2" AC
2017	CONCORD PLACE	ARNOLD STREET	EAST END	THIN AC OVERLAY (2")
2024	CONDOR COURT	VALENCIA AVENUE	EAGLE PLACE	THIN AC OVERLAY (2")
2026	CORNELL DRIVE	ACACIA LANE	SYCAMORE LANE	MILL AND FILL 2" AC
2031	CORNELL DRIVE	SYCAMORE LANE	PINE LANE	MILL AND FILL 2" AC
2027	CORTEZ AVENUE	BUENO DRIVE	DIABLO AVENUE	MILL AND FILL 2" AC
2015	COVELL BLVD	HANOVER DRIVE	"F" STREET	THICK AC OVERLAY (2.5")
2015	COVELL BLVD	200 W/O MONARCH	WEST END GREENBELT	THICK AC OVERLAY (2.5")
2015	COVELL BLVD	WEST CITY LIMIT	WEST SIDE LAKE BOULEVARD	THICK AC OVERLAY (2.5")
2016	COVELL BLVD	POLE LINE ROAD	BIRCH LANE	MILL AND FILL 2" AC
2016	COVELL BLVD	300 E. OF BAYWOOD	200 W/O MONARCH	THICK AC OVERLAY (2.5")
2016	COVELL BLVD	WEST END OF GREENBELT	ALHAMBRA DRIVE	THICK AC OVERLAY (2.5")
2016	COVELL BLVD	ALHAMBRA DRIVE	500' E/O ALHAMBRA DRIVE	THICK AC OVERLAY (2.5")
2016	COVELL BLVD	500' E/O ALHAMBRA DRIVE	EAST CITY LIMIT	THICK AC OVERLAY (2.5")
2016	COVELL BLVD	WEST SIDE LAKE BLVD	DENALI	MILL AND FILL 2.5" AC
2016	COVELL BLVD	EAST OF DENALI	WEST OF SUTTER	THICK AC OVERLAY (2.5")
2016	COVELL BLVD	SR113	SHASTA	THICK AC OVERLAY (2.5")
2016	COVELL BLVD	W. SIDE DENALI	W. SIDE SHASTA	MILL AND FILL 2.5" AC
2016	COVELL BLVD	LAKE	DENALI	THICK AC OVERLAY (2.5")
2017	COVELL BLVD	"F" STREET	"J" STREET	MILL AND FILL 2.5" AC
2018	COVELL BLVD	"L" STREET	POLE LINE ROAD	THICK AC OVERLAY (2.5")
2019	COVELL BLVD	ANDERSON ROAD	HANOVER DRIVE	MILL AND FILL 2.5" AC
2020	COVELL BLVD	STATE ROUTE 113	SYCAMORE LANE	THICK AC OVERLAY (2.5")