

Lancaster County Transportation Strategy

July 12, 2018



Agenda

- Introductions
- Results of Survey
- Funding Gap Review
- Review of Funding Options
- Group Exercise
- Discussion

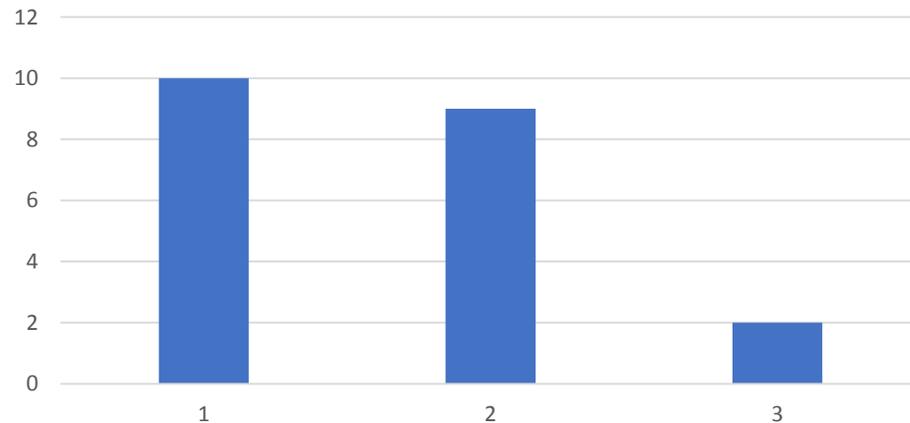


Survey Results

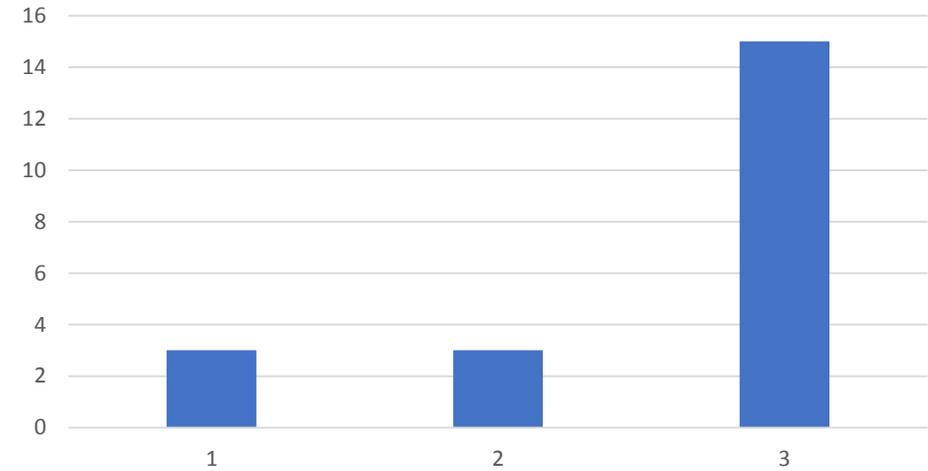
(21 responses)

Please prioritize the following maintenance improvements. Rank from 1 (highest) to 3 (lowest).

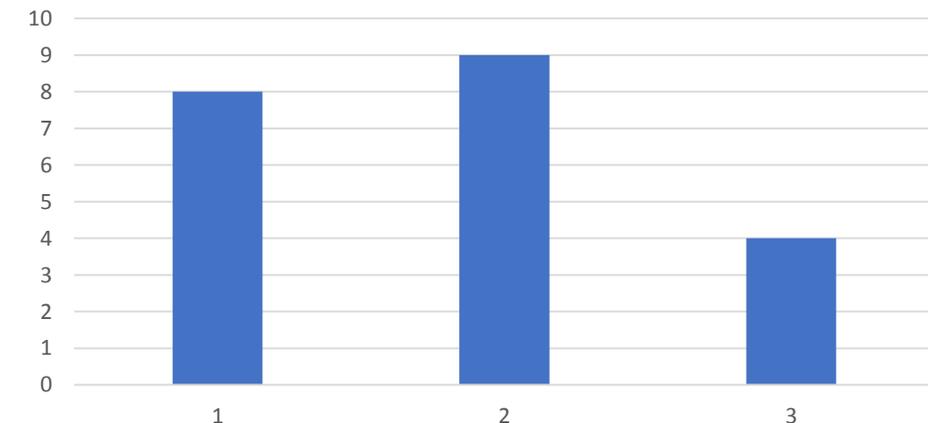
Maintain existing roadways (including pavement maintenance, regrading, and/or dust control)



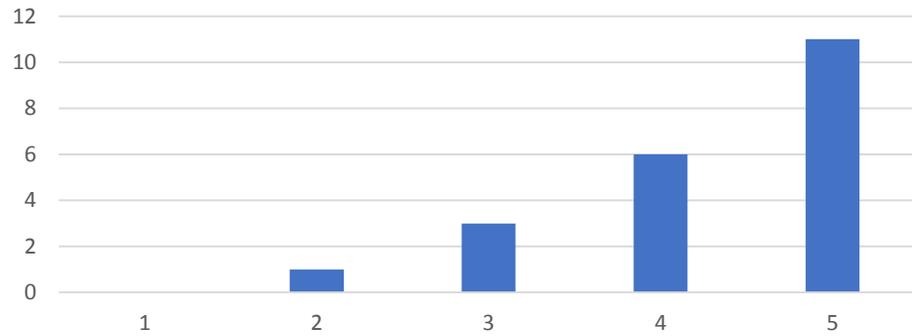
Pave gravel roads



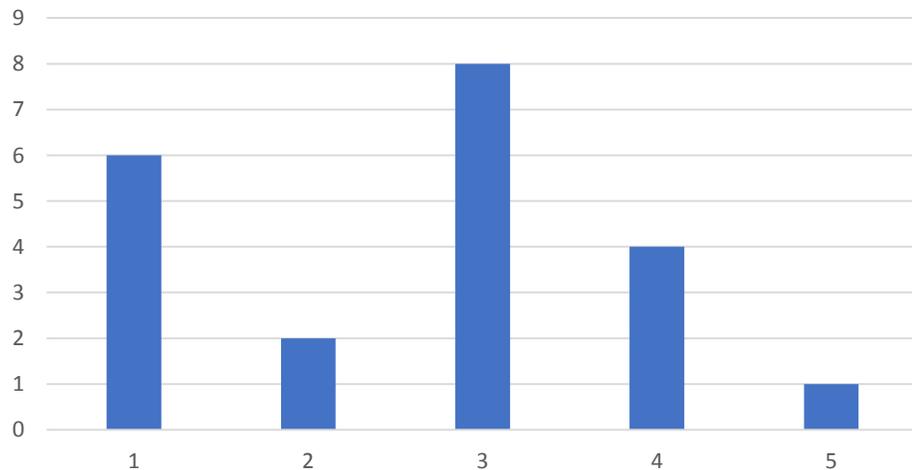
Improve reliability (focused on bridge and culvert repair and replacement)



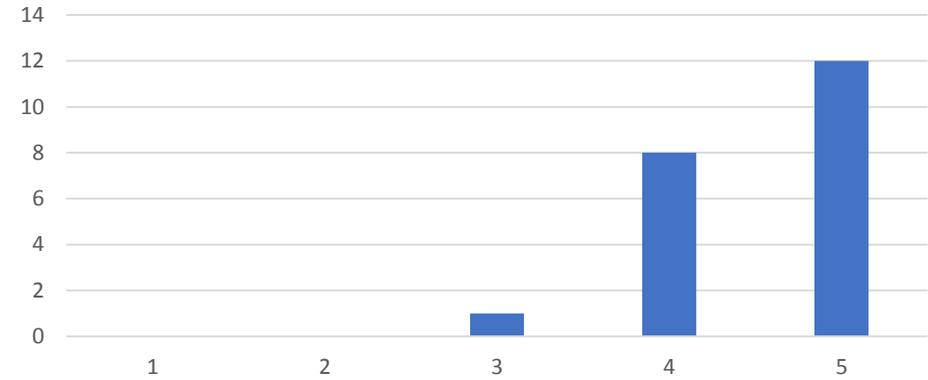
The county should continue to invest in developing a Preservation Management Strategy, including the use of an Asset Management Plan and Software



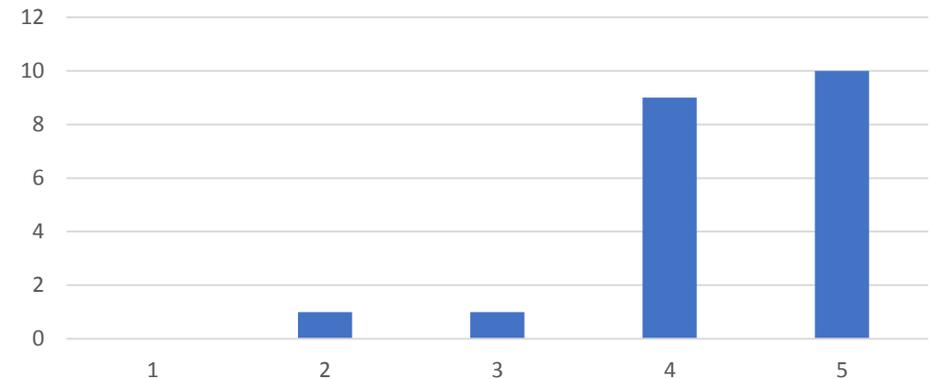
The county should test dust control measures



The county's Asset Management Plan should be multi-year and build on a defined 5-6 year Capital Improvement Plan (CIP)



The county should standardize their process for paving roadways, based upon best management practices.



Indicate your support, ranked from 1 (do not support) to 5 (fully support)

Survey Comments

- Reduce the width of gravel roads where applicable to extend the benefit of each maintenance dollar. I also feel the state minimum standards hinder the options available for roadway improvements. As a task force that is looking to develop out of the box strategies, addressing this hindrance is something that needs to be considered.
- This survey is very poorly written!
- Develop a process to include what steps can occur for the County to abandon roadways (dirt roads in particular. By this I mean a way for the County to maintain less road miles by finding ways to eliminate ownership of some road miles. Maybe some of these dirt roads should be maintained privately, not publicly?
- Prioritize and coordinate road improvements near growing communities like Lincoln, Hickman and Waverly.
- Incorporate design features that promote preservation such as riprap and aprons, devise standard corrective details, work with USACE to establish programmatic agreements to speed up the permitting process, have a maintenance policies and procedures guidebook, etc.

Survey Comments

- Operationally the maintenance team needs to look at new innovative/ways of doing things. Logistically some things are performed "because they have always done it that way". The operations staff could be reduced, by discontinuing unneeded practices, and being much more efficient. As some employees retire/move it may be more economical for the county to not replace them and for some services to be bid out to subcontractors? For instance, Brush trimming/tree removal, mowing ditches, weed control, etc. Bidding some services out to contractors would avoid using so much of the budget on expensive equipment, full time employees, added benefits for those employees, etc.
- Educate the community on potential changes, wants and needs discussion.

Survey Comments

- Develop a payment method for county roads that does not use Lincoln's property taxes to pay for those improvements.
- Focus efforts and energy on more revenue generating ideas/taxes to would go specifically to the county for road/bridge infrastructure improvements. Need to have some hard discussions on raising tax revenue for the county
- Set additional taxing sources, e.g. wheel tax on county residents who utilize the county roads. Explore idea of utilizing the additional sales tax for remote companies for county roads. That would yield property tax relief that governor is always talking about.
- Development of dedicated funding sources to make progress on deferred maintenance issues for county bridges
- Would the county consider a user fee as a way to help financially support future maintenance needs? For example, if a specific type of use or access requires additional maintenance of a roadway or an increased maintenance interval, could a fee structure be adopted allowing for users to help subsidize maintenance needs? Maybe this already exists, or maybe there are other communities or counties we could model that have similar programs?
- Collect county sales tax to be used strictly for roads and bridges.

Survey Summary

- Participants ranked improving reliability and maintenance high priority, with paving roadways as the lowest.
- Participants had strong support for establishing plans and procedures, including:
 - Preservation Management;
 - Asset Management Plan;
 - Capital Improvement Plan; and
 - Standardized Process for Paving Roads.
- Participants had mixed support for exploring dust control measures.
- Significant comments on funding and management practices.

Best Management Practices to Explore

- Coordination on new roads in growth areas
 - Who should construct, how is it funded, and timelines?
 - Include in new Capital Improvement Plan?
- Incorporate design features that promote preservation such as riprap and aprons
- Devise standard corrective details
- Work with USACE to establish programmatic agreements to speed up the permitting process
- Have a maintenance policies and procedures guidebook, etc.
- Outsourcing of routine services (mowing, tree trimming, etc.)
- Explore road abandonment (dirt roads)
- Explore new minimum standards (gravel roads)

Funding Gap Explained

- Cost looked at documented needs from bridges and culverts
 - Including bridge ratings, structural deficiencies, scour critical, weight restricted, etc.
 - Option 1 – replace all documented bridge needs
 - Option 2 – replace all documented critical bridge needs
 - Includes closed, structurally deficient, scour critical, and/or load posted
- Current spending on road surface maintenance (paved, gravel, dirt)
 - Current roadways, not including bridges and culverts, in generally good condition
- Current funding levels over past 3 years used as budget

Funding Needs

Small group exercise will follow

Options to consider:

- Program Length in Years
- Inflation Rate
- New Paving

Lancaster Budget Gap Calculator				
	<i>Program Length (Years)</i>	20		
	<i>Inflation Rate</i>	5%		
Capital Replacement Programs (Existing Needs)				
Bridge Replacements (from bridge inventory, county sources)			\$	122,000,000
Critical Replacements Only (Closed, Structurally Deficient, Scour Critical, Load Posted)			\$	44,000,000
Culvert Replacement				
	By county staff	65	\$3,500	\$ 200,000
	By contractors	585	\$45,000	\$ 26,300,000
Rural Asphalt Overlays / Repair (21 miles at \$360k)			21	\$360,000 \$ 7,600,000
Subdivision Asphalt Overlays / Repair (3 miles at \$530k)			3	\$530,000 \$ 1,600,000
New Paving (Traffic > 400 vehicles/day)			6	\$530,000 \$ 3,200,000
Total Replacement Program				\$ 160,900,000
Total Critical Only				\$ 82,900,000
Yearly Programs				
Culvert Replacement		4800 culverts		
	Culvert Life Cycle	100 years		
	By county staff (10%)	5	\$3,500	\$ 20,000
	By contractors (90%)	43	\$45,000	\$ 1,900,000
Bridge Replacement Program		184 bridges		
	Bridge Life Cycle	50 years		
		4	\$1,000,000	\$ 4,000,000
Grading / Regrading Gravel Roads (existing materials budget)				\$ 2,200,000
Pavement Rehabilitation (miles per year, assume 20-year life)			12.5	\$360,000 \$ 4,500,000
New Paving (includes ROW)			5	\$750,000 \$ 3,800,000
Total Program Cost over Program Length				\$ 205,000,000
Annual Cost over Program Length				\$ 29,000,000
Critical Bridges Only				\$ 23,000,000
Existing Funding (from budget, not including outsourcing)				\$ 14,000,000
Funding Gap				\$ 15,000,000
Critical Bridges Only				\$ 9,000,000

Peer County Budget Review

		County Population	Major Community Population	% of Rural Pop	Rural Pop	Centerline Miles	Budget	Budget/ Centerline Miles
	Lancaster Co, NE (Lincoln)	285,407	258,379	9%	27,028	1304	\$ 24,000,000	\$ 18,405
3	Minnehaha Co, SD (Sioux Falls)	187,318	183,200	2%	4,118	347	\$ 14,400,000	\$ 41,499
5	Larimer Co, CO (Fort Collins)	343,976	164,207	52%	179,769	905	\$ 26,000,000	\$ 28,729
7	Dane Co, WI (Madison)	536,416	252,551	53%	283,865	541	\$ 18,800,000	\$ 34,750
11	Albany Co, WY (Laramie)	38,256	32,382	15%	5,874	587	\$ 600,000	\$ 1,022
14	Douglas Co, CO (Castle Rock/Denver Metro)	335,299	48,231	86%	287,068	2344	\$ 72,000,000	\$ 30,717
16	Stearns Co, MN (Saint Cloud)	154,708	67,641	56%	87,067	966	\$ 32,599,000	\$ 33,746
	Average	265,996	124,702	53%	141,294	948	\$ 27,399,833	\$ 28,893
	Lancaster %	107%	207%	18%	19%	138%	88%	64%
	Median	285,407	164,207	52%	87,067	905	\$ 24,000,000	\$ 30,717
	Lancaster %	100%	157%	18%	31%	144%	100%	60%
	w/o Albany County, Wyoming							
	Average	307,187	162,368	43%	144,819	1,068	\$ 31,299,833	\$ 31,308
	Lancaster %	93%	159%	22%	19%	122%	77%	59%
	Median	310,353	173,704	53%	133,418	936	\$ 25,000,000	\$ 32,232
	Lancaster %	92%	149%	18%	20%	139%	96%	57%

Peer County Budget Review

- Lancaster's budget / centerline mile would be approximately average of peers under full replacement
 - \$30k / mile compared with \$28 - \$32k / mile
- Lancaster's budget /centerline mile would be below average of peers under critical replacement
 - \$25k / mile compared with \$28 - \$32k / mile
 - Approximately 15% below average



Future Funding Options



Survey Comments

- Develop a payment method for county roads that **does not use Lincoln's property taxes** to pay for those improvements.
- Focus efforts and energy on **more revenue generating ideas/taxes** to would go specifically to the county for road/bridge infrastructure improvements. Need to have some hard discussions on raising tax revenue for the county
- Set additional taxing sources, e.g. **wheel tax** on county residents who utilize the county roads. Explore idea of **utilizing the additional sales tax for remote companies** for county roads. That would yield property tax relief that governor is always talking about.
- Development of **dedicated funding sources to make progress on deferred maintenance** issues for county bridges
- Would the county consider a **user fee** as a way to help financially support future maintenance needs? For example, if a specific type of use or access requires additional maintenance of a roadway or an increased maintenance interval, could a fee structure be adopted allowing for users to help subsidize maintenance needs? Maybe this already exists, or maybe there are other communities or counties we could model that have similar programs?
- Collect **county sales tax** to be used strictly for roads and bridges.

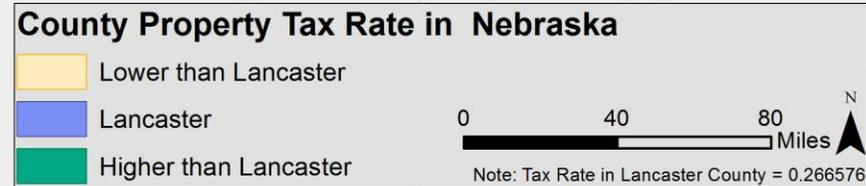
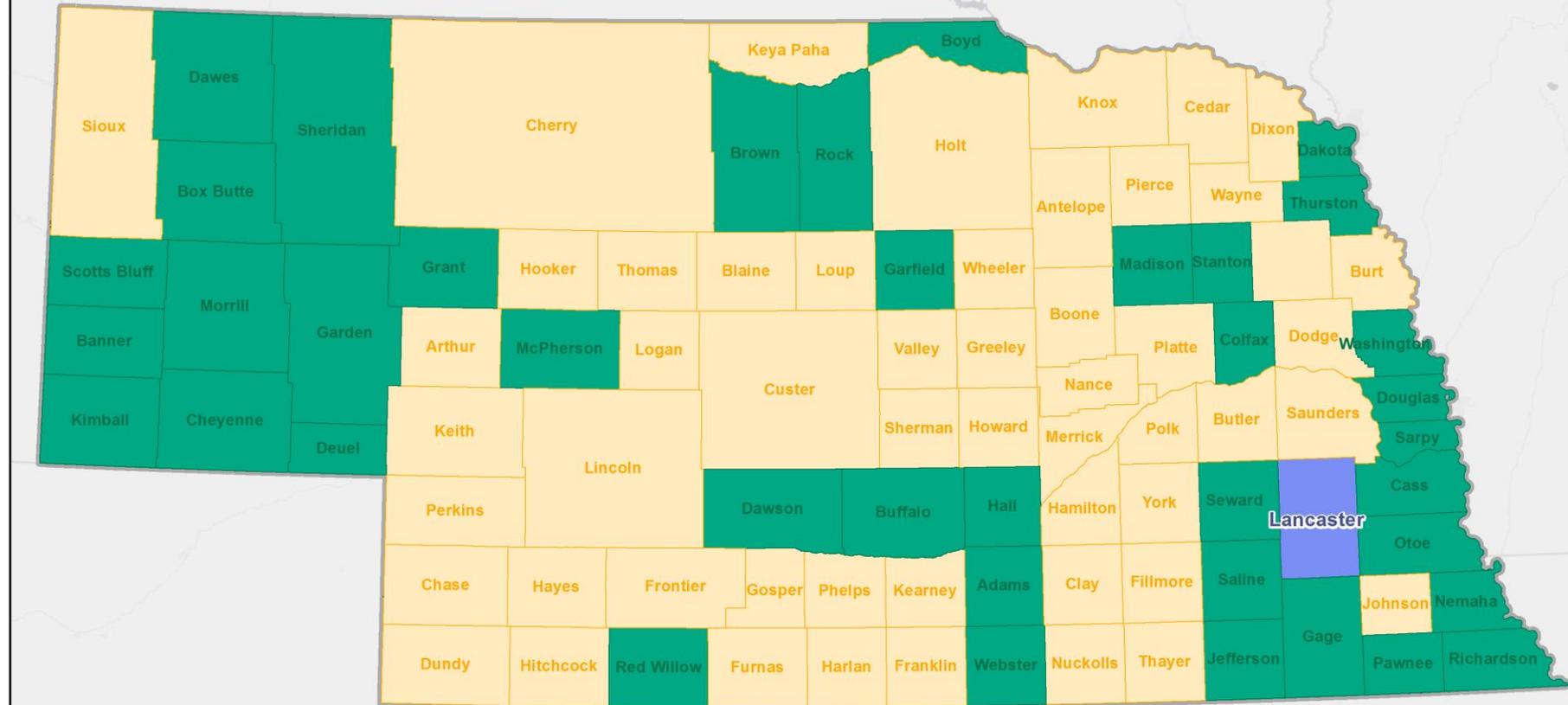
Revenue Sources

- Federal funds
 - Grant Awards
- State funds
- Local funds
 - Property Tax
 - \$0.45 per \$100 of valuation – NE statute
 - Can go to \$0.50 with community partnership
 - Sales Tax (limited impact)
 - Wheel tax (requires partnership with community)
 - Railroad Transportation Safety District (RTSD)



County Property Tax Rates in Nebraska

- Lancaster County
 - Tax Rate = 0.266576*
 - Joint Agreements use all but about 0.03 to 0.08 of allowable
 - Each 0.01 of levy raises about \$2.1 million



Other Property Taxes

- Agricultural Societies
- Regional Library
- Correctional
- Public Building Commission
- Railroad Transportation Safety
- Community College
- City/Town/Village Tax (varies)
- Educational Service (varies)
- Natural Resources (varies)
- Rural Fire Protection District (varies)
- School District (varies)
- Sanitary Improvement Districts (varies)

Lancaster County (LPS/Southeast Fire) - Example Property Taxes					
Tax Year: 2018					
Notes: This chart was created for general reference only; see the Lancaster County Treasurer's Office for official Property tax computations. This chart <u>does not</u> include tax credits that may be applied by the County Treasurer.					
Assessed Value:	\$100,000		Total Tax Amount:	\$1,741.92	
Exemption (Assuming None):	None		Total Tax Rate:	1.741919%	
Tax District:	0005 RURAL		Tax Change:	\$0.00	
Authority	Bond	Fund	Millage	Tax Amount	% of Total Tax
LANCASTER COUNTY	No	COUNTY GENERAL	0.002645710	\$264.57	15.1885%
LANCASTER COUNTY	No	COUNTY BUILDING FUND	0.000020050	\$2.01	0.1151%
NEW LANCASTER COUNTY			TRANSPORTATION	0.000000000	\$0.00
PUBLIC BLDG COMM	No	PUBLIC BUILDING COMM	0.000170000	\$17.00	0.9759%
LINCOLN PUBLIC SCHOOLS	No	GENERAL 1	0.010500000	\$1,050.00	60.2783%
LINCOLN PUBLIC SCHOOLS	Yes	*LPS CAPITAL PURPOSE	0.000272840	\$27.28	1.5663%
LINCOLN PUBLIC SCHOOLS	No	LPS SPEC BLDG2016	0.000000000	\$0.00	0.0000%
LPS-06 BOND	Yes	*LPS 2006 BOND	0.000750220	\$75.02	4.3069%
LPS-99 9-12 BND	Yes	*LPS 1999 BOND	0.000285400	\$28.54	1.6384%
LPS-2014 BOND	Yes	*LPS 2014 BOND	0.000580880	\$58.09	3.3347%
EDUC SERV UNIT 18	No	GENERAL	0.000150000	\$15.00	0.8611%
SOUTHEAST FIRE DIST	No	GENERAL	0.000213250	\$21.33	1.2242%
SOUTHEAST FIRE DIST	No	SINKING FUND	0.000103520	\$10.35	0.5943%
LOWER PLATTE NRD	No	GENERAL	0.000320660	\$32.07	1.8408%
RAILROAD SAFE DIST	No	GENERAL	0.000222170	\$22.22	1.2754%
SE COMM COLLEGE	No	GENERAL	0.000707000	\$70.70	4.0587%
SE COMM COLLEGE	No	CAP PURP/12	0.000200000	\$20.00	1.1482%
COUNTY LIBRARY	No	RURAL LIBRARY	0.000156880	\$15.69	0.9006%
AG SOCIETY	No	GENERAL	0.000009060	\$0.91	0.0520%
AG SOCIETY	No	CAPITAL IMPR	0.000005030	\$0.50	0.0289%
AG SOCIETY JPA	No	FAIR BND JPA	0.000027890	\$2.79	0.1601%
JAIL JPA COUNTY	No	BND JPA CNTY	0.000078630	\$7.86	0.4514%
			TOTAL:	1.7419190%	\$1,741.92
				100.00%	

Funding Sources

- **Property Tax**

- 83.16% comes from properties within city/township boundaries
- \$67.8 million in taxes levied in 2017 by county
- Between 11% and 15% of total property tax goes to county

- **Wheel Tax**

- Required Joint Public Agency Act or Interlocal Cooperation Act
- Per county, approximately 29,000 vehicles in unincorporated county
- Would require \$310 - \$520 to fund gap examples

Question - should residents of Lincoln be exempt from supporting county roads?

Note -
Approximately 35% of Lincoln sales tax comes from non-residents

Funding Sources

- **Special Assessments**
 - Targeted Property Taxes
- **Sales Tax**
 - County can impose rates of 0.5%, 1%, or 1.5%
 - Must be approved by voters
 - Required Joint Public Agency Act or Interlocal Cooperation Act
- **Potential Sales Tax Revenue (based on 2017)**
 - 0.50% = \$14,700
 - 1.00% = \$29,400
 - 1.50% = \$44,100

City	Net Taxable Sales
Bennet	6,187,752
Davey	2,393,180
Denton	3,696,275
Firth	4,451,440
Hallam	834,642
Hickman	8,741,913
Lincoln	3,765,280,828
Malcolm	2,005,457
Martell	8,287,051
Panama	298,896
Raymond	4,286,264
Roca	32,204,400
Sprague	602,021
Walton	2,912,261
Waverly	47,401,413
City Total	3,889,583,793
County Total	3,892,522,238
Rural County	2,938,445

Revenue Generation

Small group exercise will follow

Options to consider:

- Mill Levy
- Sales Tax
- Wheel Tax

Mill Levy		Levy Rate		
increments of 0.01 to 0.08		0.01	\$	2,100,000
Sales Tax				
0.50, 1.00, or 1.50		0.50%	\$	15,000
Wheel Tax				
Per 29,000 vehicles		\$70	\$	2,030,000.00
Existing Funding (from budget, not including outsourcing)			\$	14,000,000
New Funding			\$	4,145,000
Total Funding			\$	18,145,000
Funding Gap			\$	8,855,000
Critical Bridges Only			\$	2,855,000

Lancaster County Transportation Strategy

Group Discussion
Gap Calculation
Funding Options



Discussion/Questions

Thank you!!

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