



**To:** Douglas City Council  
**From:** Lisa Nocerini, City Manager  
**Date:** March 16, 2026  
**Subject:** Road System Status and Funding Presentation

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At the March 16, 2026 City Council meeting, I will be presenting an overview of the current condition of the City's roadway system and initiating a policy discussion regarding future road funding strategies. I will be presenting key findings from the City's Street Asset Management Plan and outlines the financial implications of maintaining, stabilizing, or improving the condition of Douglas' road network.

The City currently maintains approximately 16 miles of roadway, which are evaluated using the PASER pavement rating system and tracked through the RoadSoft asset management program. Based on the most recent assessment, the City's roadway network is showing a concerning trend as a growing percentage of roads move into the "poor" condition category. The most recent data indicates that over one-third of the City's roadway network is now rated in poor condition, which represents an increase from approximately 20 percent eight years ago.

Once roadways deteriorate beyond the "fair" category, preventative maintenance options are no longer effective and reconstruction becomes necessary. Reconstruction projects can cost several hundred thousand dollars per mile, significantly exceeding the cost of earlier maintenance treatments such as crack sealing or overlays. As outlined in the presentation, delaying roadway maintenance can increase repair costs by four to ten times the original maintenance cost.

Historically, the City has allocated approximately \$100,000 annually toward road work, primarily through Act 51 major and local street funding. While these funds help address some maintenance needs, they are not sufficient to significantly improve overall road conditions or address the growing number of streets entering the poor category. The purpose of this presentation is not to request immediate action, but rather to begin a broader policy discussion with Council regarding the long-term direction for maintaining the City's roadway infrastructure.

The presentation will outline several potential funding approaches commonly used by municipalities, including increased annual allocations, road millages, capital bonding strategies, and the establishment of dedicated infrastructure reserves.

Ultimately, the core policy question before Council is what level of roadway condition the City wishes to maintain over time. Different funding levels can stabilize the system, allow for gradual improvement, or address the backlog of deteriorated streets more aggressively.

This discussion is intended to help Council better understand the current condition of the City's road network and begin considering potential strategies for addressing roadway maintenance needs in the coming years.