



# STAFF REPORT

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**Meeting Type:** Operations Committee/Board Meeting  
**Title:** District Paving Cost Update  
**From:** Crystal Yezman, Director of Engineering  
**Through:** Ben Horenstein, General Manager  
**Meeting Date:** October 20, 2023

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**TYPE OF ACTION:**                      Action              X              Information                      Review and Refer

**RECOMMENDATION:** Receive staff update on current District paving costs and staff initiatives to control paving costs

**SUMMARY:** Over the past 6 years, the District's paving costs have significantly increased—from an average annual cost of \$750,000 to the current estimate of \$3,500,000. The increases are primarily due to the increases in paving requirements by the jurisdictions in the District's service area. Inflationary pressures have also contributed to the increasing costs.

Staff will provide a presentation that reviews the paving expenditures and will update the Board on initiatives staff has taken to control paving costs and collaborate with County and City jurisdictions on District projects.

**DISCUSSION:** The District performs approximately 440 water system leak or main break repairs per year, and replaces upwards of nine miles of water pipeline per year through its Capital and Fire Flow Improvement Programs. The District is experiencing a significant increase in pavement restoration costs for maintenance, emergency repairs, and capital projects. Paving costs associated with main breaks and repairs have increased more than 980 percent between 2012 and 2023, while contract unit costs have increased 160 percent and the Engineering New Record Index (ENR) has increased 54 percent.

Staff will review the negotiated cost savings resulting from collaboration efforts with some local jurisdictions.

Additionally, Staff will update the Board on the execution of a professional services contract with Kimley-Horn for pavement management consulting services. The contract with Kimley-Horn will assist the District with evaluating current and historical trench restoration practices and developing alternative trench restoration details and strategies using Federal Highway Administration (FHWA) and

California Department of Transportation (Caltrans) design standards appropriate for various roadway types and conditions. This effort will culminate in recommendations for a pilot program centered on pavement performance standards and sample warranty agreements that will be presented to local jurisdictions that have expressed interest in participating in the program.

**ENVIRONMENTAL REVIEW:** None.

**FISCAL IMPACT:** None.

**ATTACHMENT(S):** None.