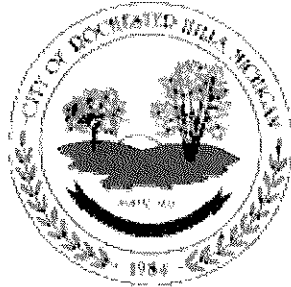


CITY OF ROCHESTER HILLS



PROJECT TO DEVELOP FUNDING STRATEGIES FOR LOCAL ROAD RECONSTRUCTION AND MAINTENANCE

UPDATE PRESENTATION TO THE COMMUNITY DEVELOPMENT AND VIABILITY COMMITTEE

January 22, 2004



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CITY OF ROCHESTER HILLS

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UPDATE PRESENTATION TO THE COMMUNITY DEVELOPMENT AND VIABILITY COMMITTEE

This outline provides a description of the tasks that we have performed, or will perform in completing the study of road funding options. Our approach to the project is designed to culminate in a thorough evaluation of roads maintenance funding options and a structured approach for achieving necessary infrastructure upgrade and improvement. To accomplish this, we will perform the following tasks:

Task 1: REVIEW AND REFINE WORK PLAN WITH THE CITY.

In conducting the study, we will require significant amounts of information pertaining to road maintenance needs, historic backlog, current funding allocation policies, and other pertinent issues. Additionally, it will be necessary to work in a close and coordinated fashion with City officials.

Related to this, we will begin the project by meeting with City officials to review our proposed work plan and determine a logistical approach for data collection, interviews and meetings required of the project.

Task 2: COLLECT DOCUMENTATION PERTAINING TO THE ROAD SYSTEM.

Concurrent with Task 1, we will prepare and submit an initial data request including, but not limited to, the following items:

- Historic financial statements specifying revenues and expenditures pertaining to the roads funds
- Detailed budgetary information pertaining to routine, and project expenditures
- All applicable road system data that can be generated from the pavement management system (PMS)
- Other local roads policies, plans and documentation
- Historic and current information concerning methods and approaches for project and maintenance prioritization
- Historic and current Act 51 reports, ISTEA and Federal roads-related documentation and other similar information

- Other data deemed useful for gaining a full understanding of local roads issues in Rochester Hills.

This information will be reviewed and organized in work paper binders for use in the project. As we complete subsequent tasks, additional data will be collected and our source data collection will be expanded.

Task 3: MEET WITH MEMBERS OF THE CITY’S ADMINISTRATIVE TEAM TO OBTAIN FURTHER UNDERSTANDING OF THE ROAD SYSTEM AND RELATED COMMUNITY NEEDS.

Having reviewed the Task 2 data, we will proceed to interview individuals regarding the specifics of past road maintenance efforts, PMS output and plans, current and past funding strategies, current and future community needs and other relevant data. Preliminarily, we anticipate meeting with, and collecting information from, the following:

- City administration
- Finance personnel
- Senior Public Service personnel
- Community development/planning personnel
- Others as appropriate.

Task 4: MEET WITH CITY OFFICIALS TO GAIN UNDERSTANDING OF LOCAL ROAD POLICIES AND INFRASTRUCTURE OBJECTIVES.

The Task 3 interviews will focus more heavily on technical issues and initiatives. Having completed this task, we will meet with City policymakers and various community representatives to discuss the more qualitative aspects of the local roads issue as well as community sentiments regarding road condition and road funding.

Task 5: INVESTIGATE ALL POTENTIAL LOCAL ROADS FUNDING OPTIONS.

Based on our past experience, we are very familiar with local roads funding options in Michigan. In Task 5, we will document each of these options and indicate the specifics of each option as they pertain to Rochester Hills.

Task 6: EVALUATE ASSEMBLED FUNDING OPTIONS RELATIVE TO THE CITY’S ONGOING ROAD MAINTENANCE NEEDS.

Some road funding (e.g., Act 51 allocations) can be anticipated as a revenue source for local roads, while others, such as a roads millage, or select special assessments, are only potential funding options.

In Task 6, we will integrate the assembled “needs” information with the funding options to create a series of potential funding scenarios. Since the City’s road maintenance needs are multi-year in nature, it will be necessary to create a funding forecast for each scenario; matching revenue inflows with anticipated projects in each of a number of potential scenarios.

Task 7: CONCLUDE UPON PREFERRED FUNDING OPTION(S).

Having completed the Task 6 analysis, we will prepare a series of charts and exhibits for review with the City. Various funding options will be presented with accompanying documentation regarding the adequacy of each approach for meeting the City's needs and objectives. Among these will be our suggested funding formula for local roads maintenance.

Task 8: DEVELOP STRATEGY FOR PUBLIC EDUCATION.

Having completed the technical analysis and identified a preferred funding method, we will develop a strategy for public education. This will be particularly important if a dedicated road millage is suggested as a means of funding local roads maintenance and reconstruction.

As outlined in your Request for Proposals, the public education plan will include many traditional and tested approaches such as survey research, town meetings, mailings and others. While it is impossible to specify the best approach at this point-in-time, we anticipate working with the City to identify the most effective combination of techniques within a timetable and structure. In this regard, we anticipate that the plan will include the following:

- A series of planned activities that coincide with the millage request
- Specification of issues such as target population, distribution and/or location
- Responsibility for activity coordination from an internal perspective
- Specification of consulting and professional inputs that will be required.

Task 9: INCORPORATE ALL WORK PRODUCTS IN A DRAFT FINAL REPORT DOCUMENT.

At the conclusion of Task 8, we will incorporate all findings, conclusions and recommendations in a final report document. This will include, but not be limited to, the following:

- Presentation and explanation of the likely outcomes of each funding scenario
- Presentation of a preferred option linked to a multi-year schedule of maintenance and reconstruction activities
- A financial forecast of revenue requirements and expectations by category; including recommended/necessary millage amount (if applicable)
- A public education strategy as discussed in Task 8.

The draft final report document will be structured as follows:

Section 1: Executive Summary

Containing a brief, concise summary of all findings, conclusions and recommendations and an explanation and summation of the recommended funding options.

Section 2: Findings and Conclusions Section

A summation of the objectives, scope and approach used in conducting the project and a complete description of each significant finding and conclusion, supported by exhibits and analytic results.

Section 3: Recommendations Section

Recommended actions in order of priority and structured to provide a long-range local roads maintenance plan.

Section 4: Implementation Section

An implementation plan for the recommended plan detailing, in matrix form, the procedures which will be required, the benefit which is anticipated and the timetable and actions suggested for the public education campaign.

Task 10: REVIEW DRAFT REPORT WITH PROJECT MANAGER, AND OTHERS, AS DESIRED.

We will communicate frequently with the City's project manager and others, as desired, during the course of the study. Following development of the draft final report, we will submit the report for tentative review and clarify any noted issues, as necessary, prior to the development of a final report document.

Task 11: PREPARE AND PRESENT FINAL REPORT

At the conclusion of Task 10, we will prepare and submit a final report document. We will publicly present the final report as directed by the City, including presentations to City officials, staff and committees.

Task 12: WORK WITH CITY TO IMPLEMENT PUBLIC EDUCATION PROGRAM.

As the conclusion of Task 11, we will have submitted a final report document. We will then be available to assist the City in implementing and conducting the recommended public education program.

At this point, it is impossible to estimate the amount of professional input that will be required, or the specific tasks that will be most effective. We are currently assisting with public education for several millage campaigns and have found that each situation is unique. We would anticipate working closely with the City to specify and coordinate our input in this effort near the completion of Task 9.