



# Pavement Management Plan Annual Update

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**Fiscal Year 2025 (FY25)**

April 2025

## Update Overview

This document is an update to the Pavement Management Plan published in January 2024 (FY24 PMP). This update summarizes Fiscal Year 2024 accomplishments, Fiscal Year 2025 goals, and current and future funding needs based on recent investments. For more information on the City's overall street network, the treatments used to maintain and rehabilitate pavement, the paving street selection process, the 2023 pavement condition assessment, and the in-house paving assessment, please refer to the [2024 Pavement Management Plan](#).





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## 1. Introduction

In January 2024, the City of San Diego (City) published its first-ever [Pavement Management Plan \(PMP\)](#) for Fiscal Year 2024 (FY24 PMP). The plan summarized the City's street network, pavement maintenance and rehabilitation strategies, street selection criteria, and the condition of the 2023 pavement. The plan provided transparency on the metrics used to assess pavement condition and identified the necessary funding to maintain the pavement to an overall average Pavement Condition Index (PCI) of 70 throughout the City.

This milestone plan represented a comprehensive approach to managing the City's extensive street network, which includes over 6,600 lane miles of streets and alleys. The City's goal is to maintain and improve pavement conditions across the City, ensuring the efficient movement of people and goods while enhancing the overall quality of the City's infrastructure. The Transportation Department is responsible for managing the pavement asset but works closely with other City departments to help reach the City's goals.

The following report provides a summary of the Fiscal Year 2024 (FY24) accomplishments for paving mileage, equity, and unimproved streets, establishes goals for Fiscal Year 2025 (FY25), provides an update on the in-house paving team and summarizes funding needs for future fiscal years.



### 1.1 PMP Annual Update Overview

This document marks the first annual update to the FY24 PMP, consolidating key achievements from the previous year, summarizing future goals, and ensuring that the City remains accountable and transparent in managing its street network. The update follows the strategic approach outlined in the original PMP, incorporating the [Performance Audit of the City's Street Maintenance Program](#) recommendations and focusing on long-term sustainability of the City's street network. In addition to summarizing the previous fiscal year's accomplishments and future goals, this report also includes equity considerations for paving, the City's efforts to address unimproved streets, and the progress of the in-house paving teams.

This PMP Annual Update addresses anticipated challenges with meeting paving goals in FY25 and beyond, and provides potential solutions to allow the City to prioritize projects and effectively manage funding.

## 1.2 Updated Pavement Funding Scenarios

The [FY24 PMP identified a 10-year funding need of \\$1.9B](#), with a funding gap of \$1.2B, to achieve the desired Pavement Condition Index (PCI) of 70 within that time period. The PMP identified the need for additional revenue sources to address the funding gap. In November 2024, a ballot measure was pursued for a 1% sales tax increase within the City of San Diego (Measure E). This ballot measure would have supported reducing the funding gap for the paving program. However, this item did not receive enough votes to pass. **As a result, the City is currently facing a budget deficit for Fiscal Year 2026 (FY26) and beyond.** This PMP Annual Update includes updated pavement funding scenarios to consider given the current budget deficit.

## 1.3 In-House Paving Team

The FY24 PMP included an [assessment](#) on the feasibility and cost-effectiveness of performing more paving using City crews. This assessment determined that City crews are more cost-effective per mile of asphalt overlay than contractors. **In FY25, two new in-house paving teams were created to perform cost-effective rehabilitation on City streets.** In FY25 these teams are addressing streets in “poor” to “failed” conditions that are not already being addressed via contractors. More information on the in-house teams' FY25 goals is included in [Section 3.2](#).





## 2. Fiscal Year 2024 Accomplishments

FY24 was a landmark year for the City's paving program, as it marked the first comprehensive report summarizing strategies and initiatives to improve the street network. This section highlights key accomplishments, including exceeding pavement maintenance and rehabilitation goals, integrating equity into the street selection process, and laying the groundwork for addressing unimproved streets. These accomplishments reflect the City's proactive approach to managing its infrastructure and its dedication to providing a comprehensive and data-driven PMP that supports long-term sustainability and community equity. These efforts ensure safer and more accessible streets for all residents.



### 2.1 Pavement Maintenance and Rehabilitation Mileage Performance

In FY24, the City of San Diego achieved significant milestones in pavement maintenance and rehabilitation efforts under the PMP. Cost-efficient pavement maintenance techniques are activities that preserve pavement that is in "satisfactory" to "good" condition, such as [crack seals, slurry seals, and cape seals](#). More extensive pavement rehabilitation includes activities to resurface or reconstruct roads in "failed" to "fair" condition, such as asphalt overlay, full-depth reclamation, or reconstruction. For the purpose of this report, mileage numbers are reported in **lane miles**, and historic/completed mileage is reported in **repair miles** to be consistent with the [terminology used in the FY24 PMP](#).

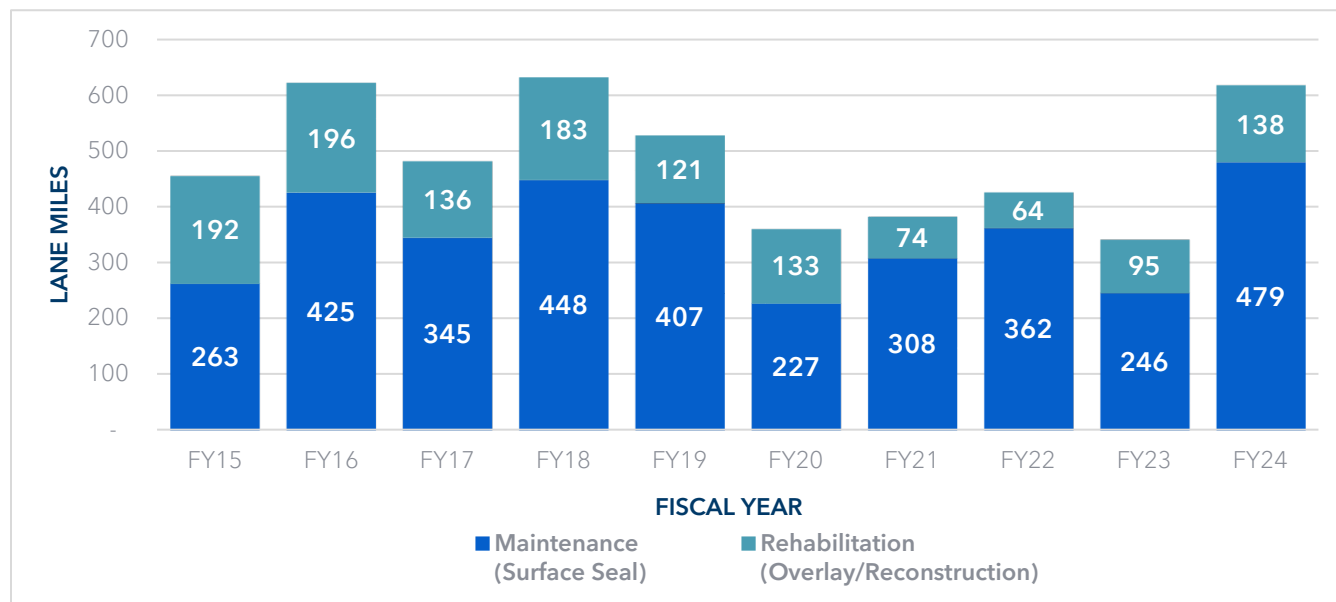
**Pavement Maintenance:** crack seals, slurry seals, and cape seals  
**Pavement Rehabilitation:** asphalt overlay, full-depth reclamation, or reconstruction

In FY24, the City exceeded its paving mileage goals and completed **479 lane miles (252 repair miles)** of pavement **maintenance** and **138 lane miles (75 repair miles)** of **rehabilitation**.

**Figure 2-1** illustrates the City of San Diego's pavement maintenance and rehabilitation efforts over the past 10 years. **FY24 stands out as one of the most productive years, with 479 lane miles (252 repair miles) of pavement maintenance completed– the highest amount of maintenance performed in the last decade.** The City was able to complete a backlog of slurry seal projects accumulated from multiple fiscal years, leading to this historic accomplishment.

FY24 achievements reflect the City's focused efforts to prioritize pavement preservation through surface seals and other maintenance treatments to extend the life of streets. **The City also completed 138 lane miles (75 repair miles) of pavement rehabilitation in FY24, surpassing the**

**year's initial goal of 60 repair miles.** This combination of increased maintenance and rehabilitation efforts highlights the City's recent increased investments in the paving program, and demonstrates the City's emphasis on improving the overall street network and addressing pavement needs before they escalate into more costly repairs. **Figure 2-1** highlights the pavement lane miles completed over the last decade.



**Figure 2-1.** 10-year Pavement Lane Miles Completed

## 2.2 Equity Performance

A key component of the FY24 PMP was the integration of an equitable community investment factor into the street selection process for paving. **For the first time, new equity factors were considered during the prioritization process for pavement maintenance and rehabilitation selection.** This factor considers the streets' proximity to census tracts eligible for Community Development Block Grant (CDBG) funds, in a Promise Zone, or within areas defined as "very low", "low", or "moderate" Climate Equity Index scores. These factors are consistent with the Equal and Equitable Community Investment factors used in Council Policy 800-14 - Prioritizing Capital Improvement Program Projects. Applying an equity lens allows for analyzing the City's streets and its communities to appropriately frame policy, practice, and budget decisions with the goal of producing equitable outcomes. For more information on how equity is included in the street selection process, please refer to the [Inclusion of Equity in Street Selection](#) section of the FY24 PMP.

## 2.3 Unimproved Street Performance

In FY24, the PMP included the first-ever comprehensive analysis of the [funding required to improve the City's unimproved streets](#)—paved and unpaved streets and alleys that do not meet current City standards. In FY24, a dedicated budget request was submitted to address the condition of these roads. However, significant costs are associated with the improvements of unimproved roads; they are generally much more expensive than paving. Due to competing infrastructure priorities, funding for these improvements was not allocated in FY25. Funding for unimproved streets will continue to be a long-term challenge, but the City will continue to request funding for improvement as part of the annual budget process.

### 3. Fiscal Year 2025 Goals

The primary focus of the paving program in FY25 is to deliver on the mileage that can be completed within the available budget while building the capacity of the in-house paving teams. The FY25 goals align with the budget, which supports the maintenance and rehabilitation efforts for critical sections of the street network.

#### 3.1 Pavement Maintenance and Rehabilitation Mileage Goals

The City's FY25 budget supports the completion of 300 lane miles of pavement maintenance and 125 lane miles of pavement rehabilitation, and 20 lane miles completed via the City in-house crew. These targets reflect the actual funding received in FY25, which is less than the 608 lane miles targeted for Year 1 (FY25) in [Table 3-7 of the FY24 PMP](#). **If the FY25 mileage goals**

FY25 goals are to complete **300 lane miles** of pavement **maintenance**, **125 lane miles** of **rehabilitation** via **contractors**, and **20 lane miles** via **City in-house crews**

**are achieved or exceeded, it is estimated that the average network PCI will rise to 65 by the end of FY25, an increase from the PMP's originally projected PCI of 63 for FY25.** This increase is due to the historic paving mileage completed since the [2023 Pavement Condition Assessment](#), which includes the completion of a significant backlog of work. If funding is made available, the City is prepared to continue delivering these large pavement mileages, similar to the accomplishments of FY24, and the new in-house paving team will contribute to this by efficiently paving streets.

#### 3.2 In-House Paving Team

FY25 marks a significant expansion of the City of San Diego's in-house paving capabilities, with the addition of two new paving teams—a mill & pave team and a reconstruction team. These teams were funded as part of the City's ongoing efforts to improve its street network and reduce reliance on external contractors. **In FY25, the in-house mill and pave team is performing curb-to-curb pavement work, targeting streets that are in "poor" to "failed" condition that will not be addressed through contractor-based projects, ensuring that critical streets receive timely rehabilitation.** In FY25, the goal of the in-house paving team is to complete 20 lane miles of





rehabilitation. These teams will enable the City to expand its reach and efficiently tackle smaller-scale projects and streets that won't be completed via contractors. These teams will continue to evaluate their cost-effectiveness, which will be included in the FY26 update to this report.

### 3.3 Equity Goals

FY24 was pivotal in integrating equity into the street selection process for paving, with targeted investments in communities with equity needs. In FY25, efforts will focus on ensuring underserved areas see continued improvement.

The [2023 Pavement Condition Assessment](#)

found that the PCI is consistent between communities with equity needs and the overall City network. Currently, 43% of



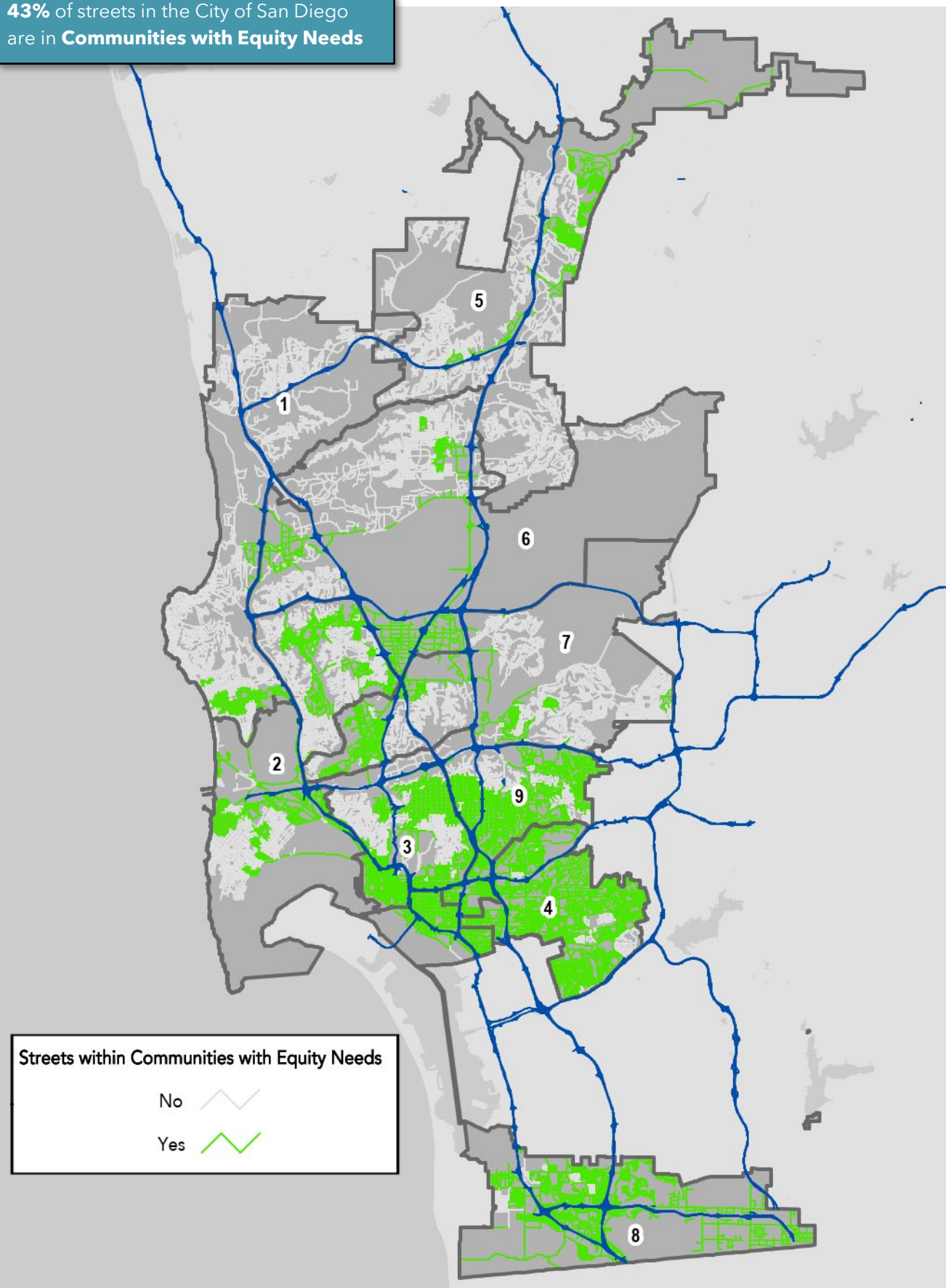
streets in the City are within communities with equity needs, as shown in [Figure 3-2](#). Historically, the City has attempted to balance investments geographically based on the percentage of the total street network within each council district. **Moving forward, at least 43% of the streets selected annually for pavement improvements will be within communities with equity needs.** This metric will be utilized for the FY26 street selection process and beyond and will be re-evaluated based on the next pavement condition assessment results.

It is important to note that paving occurs throughout the City through private permits and other Capital Improvement Projects (CIPs) outside of the paving program. This street selection metric will only apply to the annual street selection for slurry seal and overlay projects.

### 3.4 Unimproved Streets Goals

In FY25, the Transportation Department will continue to pursue its established goal of requesting funding for the improvement of two unimproved streets per year. These streets, which were not built to City standards, cost more per mile to improve compared to paving. Significant costs are associated with unimproved streets due to the level of improvements that are required (e.g. grading and utility installation). Funding for these streets will continue to be requested each fiscal year.

**43%** of streets in the City of San Diego are in **Communities with Equity Needs**



**Figure 3-2.** Streets within Communities with Equity Needs

## 4. Current and Future Funding Needs

The FY24 PMP reported that to achieve a City-wide street network PCI of 70, an average annual investment of \$188M and a total investment of [\\$1.9B is required for 10 years](#), with a \$1.2B funding gap projected over that 10-year period. **However, the funding received in FY25 was only 58% of the FY25 (Year 1) funding projected in the FY24 PMP, and a revised funding scenario is needed to determine the new funding required to meet the City's long-term goals.** The City is currently facing a large budget deficit for FY26 and beyond due to lack of dedicated revenue sources. This will need to be considered when assessing future pavement funding scenarios.

**Section 4** outlines 3 potential funding scenarios and their impacts, given the current budget deficit.

The funding scenarios presented are intended for planning purposes. These scenarios will be updated annually as actual funding sources are identified and to reflect the City's operational capacity. This approach helps ensure that planning remains responsive to both available funding and the City's actual capacity to deliver projects.

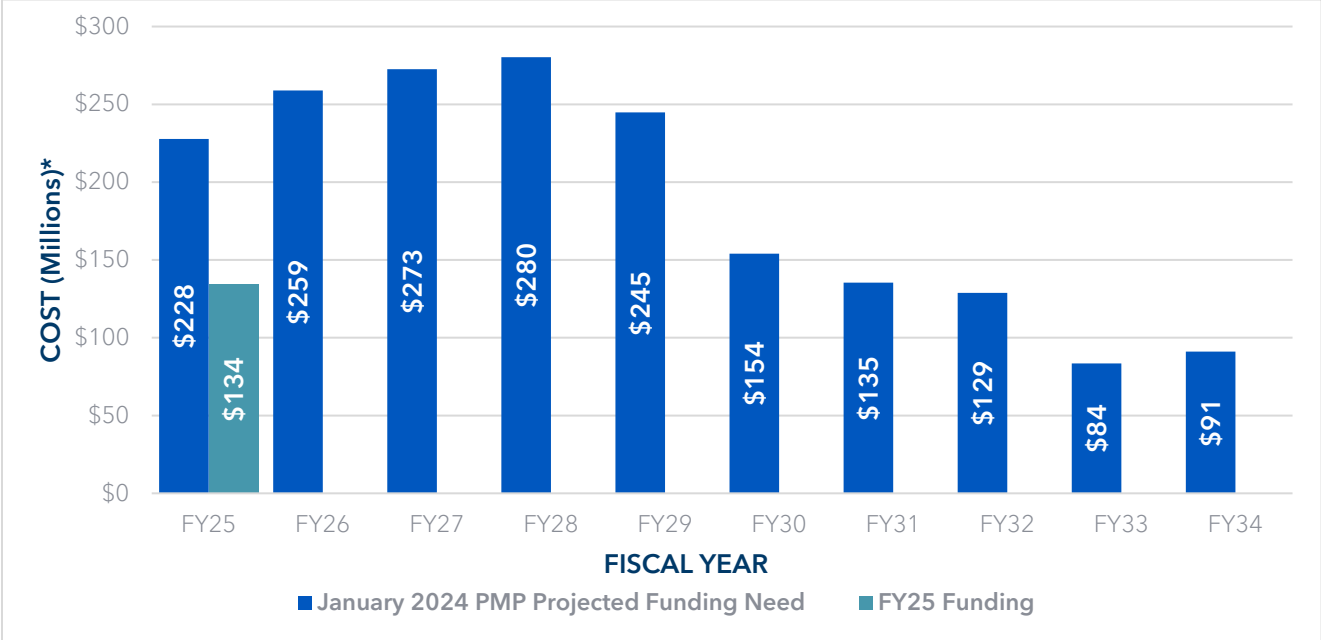


### 4.1 FY25 Funding

In FY25, the City of San Diego allocated **\$36.1M** for pavement maintenance and **\$98.1M** for rehabilitation, a total of **\$134.2M** for **FY25**. While this funding is significantly more than the average annual funding received from FY13 through FY23 (\$19.8M for maintenance and \$26.6M for rehabilitation), additional funding is needed to maintain or improve the Citywide PCI. If FY25 mileage goals are achieved, it is estimated that the average network PCI will be 65 by the end of FY25, which is an increase from the PCI of 63 predicted in the FY24 PMP. This increase is due to the large paving mileage accomplished by the City since the [2023 Pavement Condition Assessment](#), which included the completion of a backlog of work. As a result, all funding scenarios displayed in this section will show an anticipated PCI of 65 at the end of FY25.



**Figure 4-1** provides a visual comparison of the funding received in FY25, versus the 2024 PMP target funding need for FY25 to maintain the City’s pavement network at optimal levels, showing a significant deficit compared to the projected funding need from the FY24 PMP. Despite these constraints, the City remains committed to addressing critical pavement needs by maximizing the impact of available resources. Strategic efforts will target streets before they require the costliest repairs, while ensuring equity remains central to the City's maintenance and rehabilitation strategy.



\*2024 dollars

**Figure 4-1. Actual vs. Projected Funding Need**

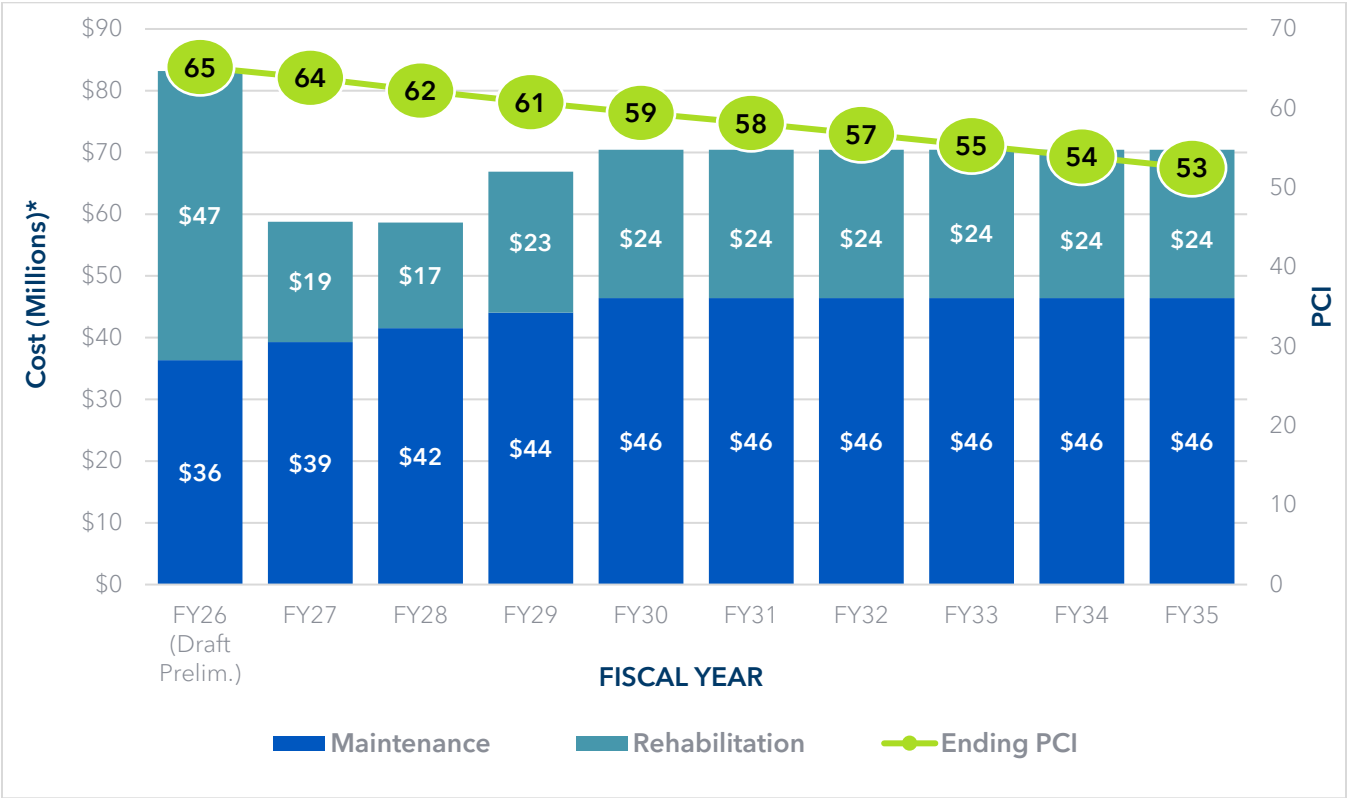
**4.2 Current Known Funding Scenario**

The City has [six funding sources](#) for transportation infrastructure, as outlined in the FY24 PMP. These funding sources are: Road Maintenance & Rehabilitation Account (RMRA), TransNet, Gas Tax, Street Damage Fee, Infrastructure Fund, and Debt Financing. Only four of the six funding sources are projected to provide significant funding for paving efforts over the next 10 years (FY26-FY35): RMRA, TransNet, Gas Tax, and the Street Damage Fee. Based on current funding assumptions, approximately 33% of the total estimated TransNet revenue is projected to be allocated annually to pavement maintenance and rehabilitation over the 10-year analysis horizon. The FY26 draft preliminary budget is used in this scenario, with anticipated funding of \$0.7B, which includes debt financing in FY26 in addition to these four funding sources. Please note that debt financing assumptions cannot be projected over the 10-year period. The City ran a funding scenario to determine the impacts to the PCI if only this funding were received, shown in [Figure 4-2](#).

This projected current funding pattern is predicted to drop the City average street network PCI from a PCI of 65 (“fair”) in FY26 to a PCI of 53 (“poor”) by the end of **FY35** as depicted in [Figure 4-2](#). The consequences of underfunding are severe, as deterioration is not linear over time. As the pavement deteriorates, the cost of repair rapidly increases. [Figure 3-5](#) from the FY24 PMP

If the City solely relied on current known funding sources, the citywide PCI would drop to **53 “poor”** by the end of **FY35**

highlights the financial consequences of underfunding; streets that are proactively maintained or repaired while in good condition will generally cost less over their lifetime than those left to deteriorate to a “poor” condition. It is recommended that more funds are allocated to the paving program to prevent the street network from slipping into “poor” condition.



\*2025 dollars

**Figure 4-2.** Current Funding Scenario for Pavement Maintenance and Rehabilitation FY26 - FY35

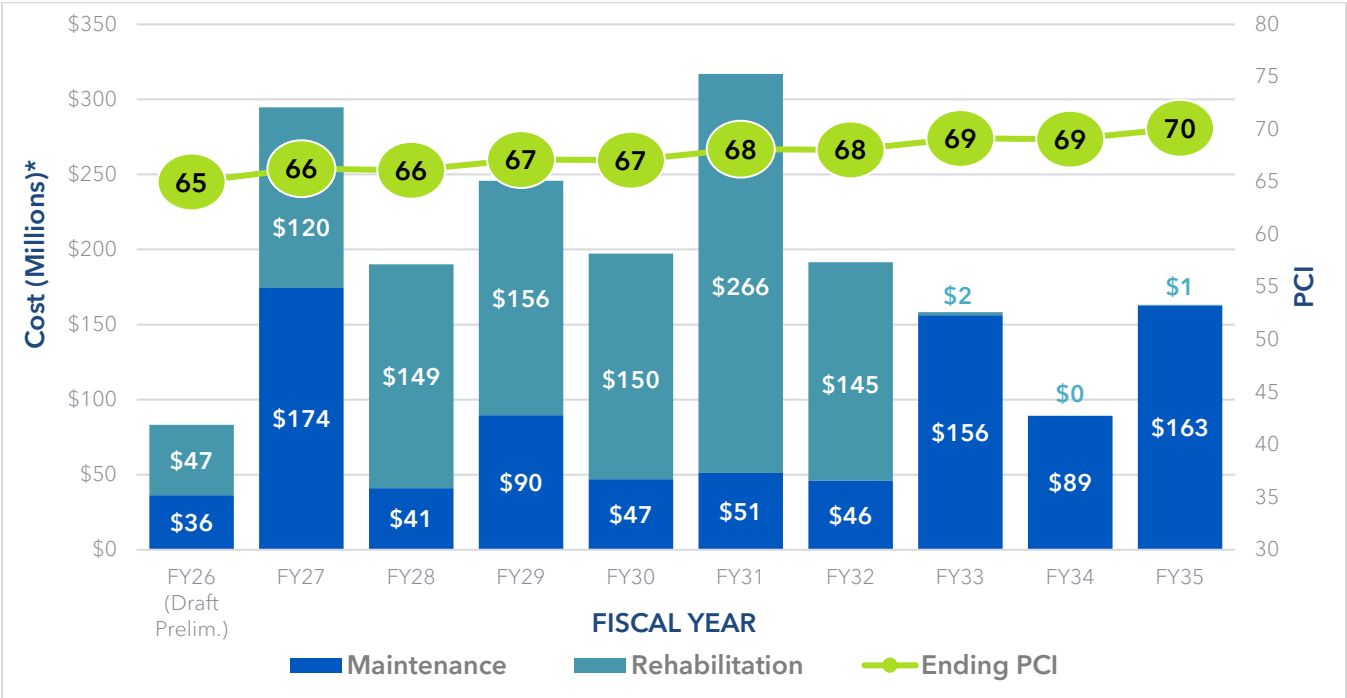
### 4.3 Funding Scenario to Reach PCI of 70

Another funding scenario that should be considered aims to reach a PCI of 70 over the next 10 years, as originally recommended and preferred in [Section 3.4 of the FY24 PMP](#). **Table 4-1** and **Figure 4-3** illustrate the funding scenario over the next decade (FY26 – FY35) to achieve this goal. **Over the next 10 years, the financial need is \$1.9B, with a funding gap of \$1.2B to reach a PCI of 70.** Similar to the [Recommended Funding Strategy](#) in FY24 PMP, the total funding need is \$1.9B to achieve a PCI of 70 over 10 years. This similar funding need is due to the recent historic paving mileage and investments over the past few fiscal years, which have contributed to a projected PCI of 65 by the end of FY25. Although the funding need is

**Table 4-1.** Summary of Funding Scenario to Reach PCI of 70

Scenario Differences	Known Funding Sources (Section 4.2)	PCI to 70 Scenario (Section 4.3)	FY24 PMP PCI to 70 Scenario ( <a href="#">Section 3.4 of FY24 PMP</a> )
Year to PCI 70	--	FY35	FY32
10-Year Funding	\$0.7B (Anticipated)	\$1.9B (Needed)	\$1.9B
10-Year Funding Gap	--	\$1.2B	\$1.2B

similar, the year to reach a PCI of 70 is FY35 compared to FY32 in the original PMP. The scenario represents an ideal scenario used for budget planning purposes and will be revised as actual funding sources are identified. The reality of this scenario is challenging given the City’s current budget deficit, as explained in the beginning of [Section 4](#).



\*2025 dollars with 3% annual cost increase

Figure 4-3. Funding Scenario for 10-year PCI 70

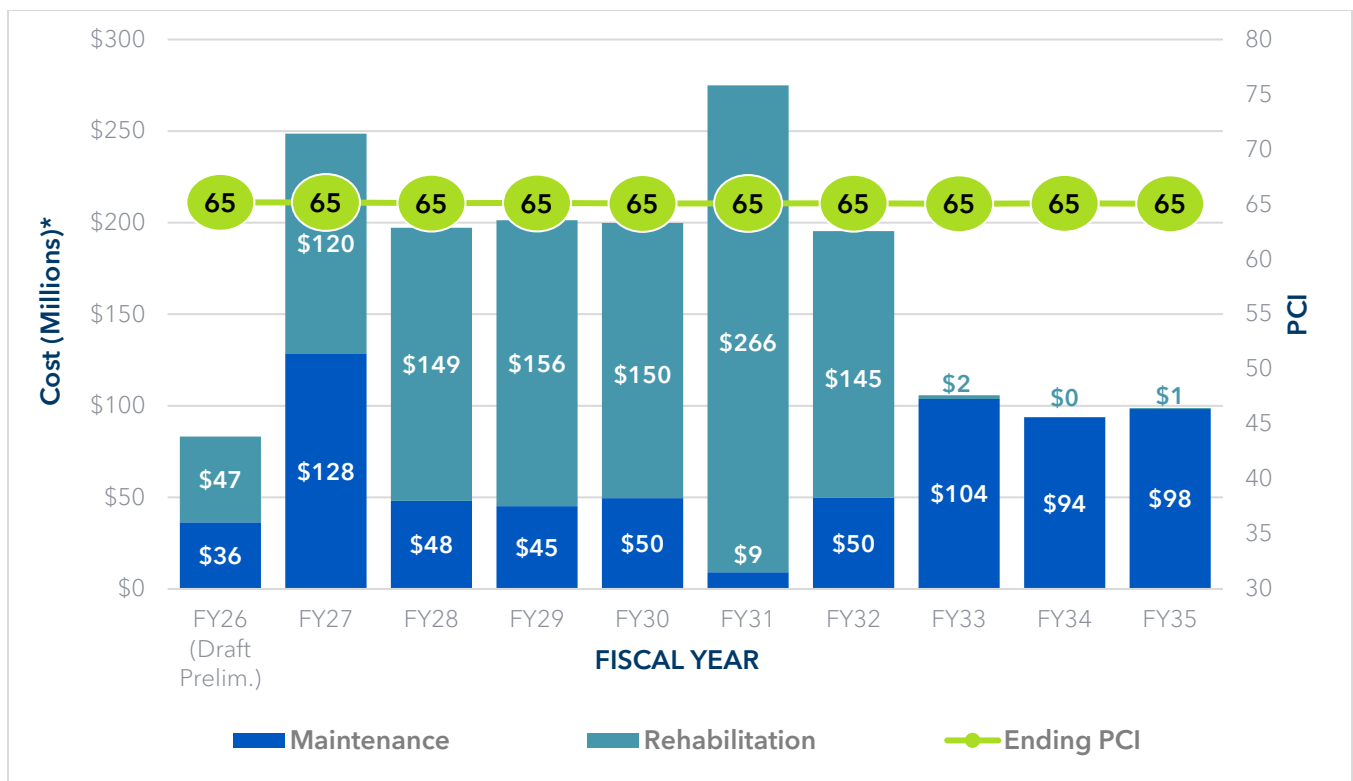
#### 4.4 Funding Scenario to Maintain Current Condition (PCI 65)

An alternative funding scenario is maintaining the current pavement condition at a PCI of 65. This balances the street network by maintaining a “fair” designation while being cognizant of the current budget deficit. This is preferred to the current anticipated funding scenario ([Section 4.2](#)), which may result in a “poor” PCI designation and require more money over time to maintain and improve the deteriorated streets. This scenario may be more financially realistic than raising the PCI to 70 and keeps the street network out of the “poor” designation while maintaining current conditions. **To maintain the PCI of 65 over the next decade, the 10-year financial need is \$1.7B, with a funding gap of \$1.0B**, as shown in [Table 4-2](#) and [Figure 4-4](#). This is the preferred and recommended approach, given the current budget deficit.

Table 4-2. Summary of Funding Scenario to Maintain PCI of 65

Scenario Differences	Known Funding Sources (Section 4.2)	Maintain PCI of 65 Scenario (Section 4.4)	FY24 PMP PCI to 70 Scenario ( <a href="#">Section 3.4 of FY24 PMP</a> )
Ending FY35 PCI	53 “Poor”	65 “Fair”	70 “Good”
10-Year Funding	\$0.7B (Anticipated)	\$1.7B (Needed)	\$1.9B (Needed)
10-Year Funding Gap	--	\$1.0B	\$1.2B





\*2025 dollars

**Figure 4-4.** Funding Needed to Maintain PCI 65

## 4.5 Future Funding Outlook

Due to the City's current budget deficit, the 3 scenarios described above will be used to develop the budget for FY26 and beyond, with the goal of maintaining the paving network. The funding scenarios presented are intended for planning purposes only. These scenarios will be updated annually as actual funding sources are identified and to reflect the City's operational capacity. This approach helps ensure that planning remains responsive to both available funding and the City's actual capacity to deliver projects. **Table 4-3** summarizes the 3 funding scenarios described above and the required funding for each. **Due to the current budget deficit, the funding scenario to maintain a PCI of 65 is the more feasible funding approach compared to the funding needed to reach a PCI of 70.**

**Table 4-3.** Comparison of Funding Scenarios

	Known Funding Sources	Funding needed to achieve PCI 70	Funding needed to maintain PCI 65
Ending FY35 PCI	53 "Poor"	70 "Good"	65 "Fair"
10-year Funding (FY26 - FY35)	\$0.7B (Anticipated)	\$1.9B (Needed)	\$1.7B (Needed)
10-year Funding Gap (FY26 - FY35)	--	\$1.2B	\$1.0B

Sufficient funding applied proactively extends the life cycle of the City's street network and reduces long-term costs, and the importance of proactive pavement management funding cannot be overstated. Tactical street maintenance and repairs create safer streets and more enjoyable and equitable conditions for drivers, bicyclists, and pedestrians.

## 5. Anticipated Challenges and Strategies to Achieve Goals in FY25 and Beyond

The FY24 PMP outlined [anticipated challenges](#) with the street resurfacing program including regional contractor availability, resources to implement paving projects, availability of pavement materials, and weather considerations. Similar challenges are anticipated in FY25 and beyond, with new challenges arising due to increased paving using City crews. This section discusses anticipated challenges and potential solutions for this fiscal year and beyond.

### 5.1 Contractor Pool

#### **Challenge - Limited Contractor Availability:**

The availability of qualified contractors for paving and maintenance projects has been a significant challenge in recent years. Due to the specialized nature of pavement work, a small number of contractors are consistently bidding on the City's resurfacing projects. This lack of competition can lead to higher costs and delays in project completion, as well as limited contractor availability due to bidding on other agency projects.

#### **Strategy - Industry Workshops and In-House Paving:**

To address the shortage of available contractors, the City has actively engaged in workshops and outreach efforts to expand the contractor pool. These workshops have focused on educating potential contractors about bidding opportunities, City requirements for bidding, and how they can participate in future pavement projects. By hosting these events, the City aims to attract a more diverse group of contractors and increase competition, ultimately driving down costs and increasing the annual resurfacing mileage that can be completed within the City. Even with these workshops, diversifying and expanding the contractor pool remains a regional challenge that the City and others in the region will need to continue to address.

Additionally, the City has begun performing more in-house pavement work, especially for smaller rehabilitation projects, through its dedicated crews. This approach not only reduces reliance on external contractors but also allows for quicker response times and more control over project schedules. Expanding the in-house paving team and investing in equipment will remain a priority moving forward.



## 5.2 Funding Shortfalls

### **Challenge - Inconsistent Funding:**

Despite large investments in the paving program in FY24 and FY 25, securing stable, long-term funding continues to be one of the biggest hurdles for maintaining and improving the City's street network. Without consistent, reliable funding, maintenance can be deferred, leading to more costly repairs down the road.

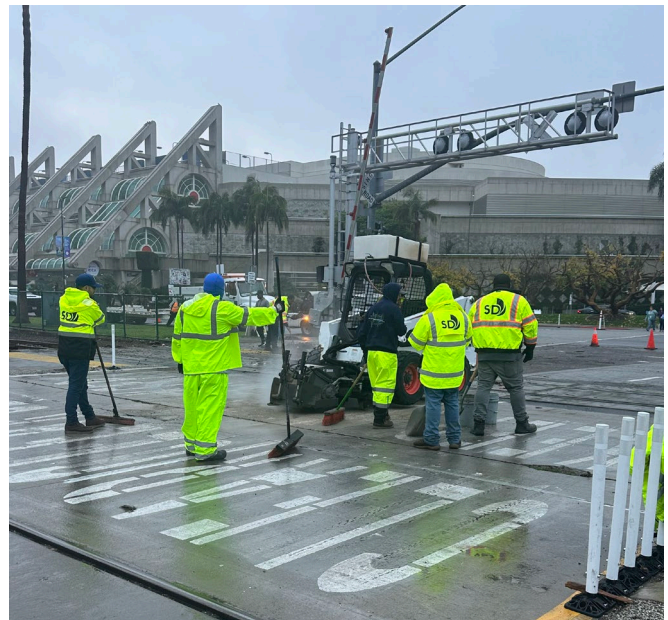
### **Strategy - Advocate for Stable Funding and Retain Existing Programs:**

The City is committed to securing stable, year-over-year funding for its pavement management efforts. To achieve this, the City is working closely with regional partners and stakeholders to advocate for dedicated funding streams. Exploring new funding avenues, such as state and federal grants, public-private partnerships, and potential local ballot measures, will be a key part of this strategy. Sustained investment is necessary to keep the Pavement Condition Index (PCI) at a desirable level and prevent deferred maintenance from leading to more expensive repairs in the future. As the City navigates the current budget deficit, it is recommended not to reduce programs that support pavement maintenance and rehabilitation, such as City crews that perform pothole patching and mill and pave, and engineering teams that prioritize, plan, and design paving programs. Any reductions to these teams will have a negative impact on the pavement condition and ultimately lead to more costly repairs in the future.

## 5.3 Purchasing and Procuring Equipment for the In-House Paving Team

### **Challenge - Procurement Timelines:**

While the introduction of the new in-house teams provides a significant advantage in terms of flexibility and responsiveness, the teams face several challenges that must be addressed to fully maximize their potential. Acquiring the necessary equipment for the in-house paving team is one of those challenges and will be a lengthy process due to procurement timelines for specialized equipment. The average expected procurement timeline is approximately 2 years. The Purchasing & Contracting Department and Transportation are working to mitigate the delay in receiving equipment, but equipment is crucial to the in-house team meeting its goals.



### **Strategy - Expediting Equipment Ordering and Utilizing Rental Equipment:**

Various strategies are being used to address the lengthy procurement timeline for specialized paving equipment. Equipment is ordered as soon as possible and often before the team is fully staffed with employees to use the equipment. As the team is being hired, Transportation is using equipment that can be rented, while training employees on the existing specialized equipment that the team already has. The Purchasing & Contracting Department utilizes cooperative purchasing to help expedite the purchasing process. Still, the continued need for rentals to help support the team



is critical to the success of the in-house team. Procurement of specialized equipment remains a challenge, and the City is working on strategies to resolve this issue so the in-house team can meet its goals.

#### 5.4 Hiring of Specialized Staff for the In-House Paving Team

##### **Challenge - Specialized Skillsets for Paving Team:**

Assembling the in-house paving teams has required careful recruitment efforts to find [personnel with the expertise](#) needed to operate heavy paving equipment and carry out the technical aspects of pavement work. Additionally, the City's strategic hiring freeze has halted hiring for the FY25 in-house paving positions, so the in-house paving teams are not fully staffed, resulting in vacancies for critical positions on the mill and pave teams.

##### **Strategy - Implement City Training Program:**

Starting June 2024, the Transportation Department implemented an *Equipment Operator Training Class* to help advance the skillset of City staff. This course included 20 staff and took place over 8 weekends, culminating in a comprehensive review and final skills assessment, and increasing the number of eligible employees for the equipment operator job classification. The Transportation Department will continue to implement similar training programs to increase employees' skillsets in positions that are needed City-wide. Once the City's strategic hiring freeze is lifted, the Transportation Department will immediately extend offers for many of the employees who passed the training. In addition to hiring, the City will continue to evaluate the need for special salary adjustments for these job classifications to remain competitive.



#### 5.5 Space Constraints for City Crews and Equipment

##### **Challenge - Space Limitations at Chollas Operations Yard:**

Potential expansion of Transportation's in-house paving teams is limited based on the current space at the Chollas Operations Yard. As discussed in [Section 2.8](#) of the FY24 PMP, there is no space for additional paving teams beyond those most recently created in FY25. If the City would like to expand in-house paving operations, additional space is required for the employees and equipment is needed to do so. This space is crucial to the in-house paving team meeting its goals.

##### **Strategy - Assessment of the Chollas Operations Yard:**

The City is currently initiating a project to evaluate and plan improvements for the Chollas Operations Yard. If improvements are identified that can increase space, funding will be needed to implement the improvements. If the yard cannot be improved to the point that space is increased, additional operations facilities will be needed for additional in-house paving crews if their goals are to be achieved.

## 6. Conclusion

The annual update to the FY24 PMP provided a summary of the FY24 accomplishments and goals for FY25 for the City's extensive street network, consisting of over 6,600 lane miles of streets and alleys. FY24 was one of the City's most productive years, with 479 lane miles (252 repair miles) of pavement maintenance and 138 lane miles (75 repair miles) of pavement rehabilitation completed, exceeding the fiscal year goals. In FY25, the City will continue to improve upon this momentum by completing 300 lane miles of pavement maintenance, 125 lane miles of rehabilitation via contractors, and 20 lane miles of pavement rehabilitation via City crews.

If the FY25 mileage goals are completed, the City-wide PCI is projected to be 65, a 2-point increase from the projected PCI of 63 in the [2023 Pavement Condition Assessment](#). This increase is due to recent increased investments in paving and demonstrates the City's commitment to maintaining the pavement condition.

The City is currently facing a budget deficit for FY26 and beyond but is committed to maintaining the current pavement condition through strategic approaches, including cost-effective paving by utilizing in-house City crews, continual maintenance of streets in good condition, and tactical selection of streets for paving to reduce deferred maintenance.

