

**Presentation by Mark Lantz, Crescent Hills Civic Association
to Penn Hills Mayor and Council
June 15, 2015**

My name is Mark Lantz. I live in Crescent Hills and am a member of the Crescent Hills Civic Association. In my capacity as Code Enforcement Chairperson of the CHCA, I act as a middle man between the residents and the municipality. A couple months ago, one of our residents, in frustration with some perceived code violation and also the potholes on her road, declared she would move out because of the failure of the municipality to do something to resolve these issues. This is a caring and responsible resident, and we don't like to hear comments like that. With the recent addition of more code enforcement staff by the municipality, we believe that these types of complaints will now be promptly handled. But for the road problems that our resident was addressing, we want to reference a report commissioned by this council in 2008 and done by Gateway Engineers of Pittsburgh, PA. At that time, Gateway Engineers did an analysis of the general condition of our roads. We commend council for taking this action.

The Gateway Engineer provided their report regarding the condition of Penn Hills roads on January 12, 2009. The report cost \$62,000. It is found at the Public Works offices in a three-ring binder, which contains a several page report, as well as a recommended budget, and a list and rating of all 134 miles of roads that belong to Penn Hills. Lists of the roads paved in 2012, 2013 and 2014 are included in the binder. (10 roads in 2012, 10 roads in 2013 and 12 roads in 2014) We understand that the municipality is currently updating this report.

The Gateway Engineer, here after referred to as "the Engineers," said that they examined all Penn Hills owned roads and used a computer program to analyze and rate

the data. These roads were assigned a numerical number from 0-100 that indicates each road's Overall Condition Index or OCI. Roads with higher use are given more weight than roads with less traffic. The Engineers explained the ratings as follows:

- **0-20** means the road may have to be reconstructed. Only 15 roads were in this category. Quoting the Engineers, reconstruction is very expensive option.
- **20-60** is the category for restoration. These are the roads that should be repaved by typical mill and resurfacing.
- **60-80** are the roads that only need preventative maintenance easily handled by crack sealing in the fall.
- **80-100** means no treatment is needed

Penn Hills overall rating in 2009 was **56**. The Engineers reported that a large majority of roads were ready or soon to be ready for resurfacing.

While we are here today to advocate for the upkeep of **ALL** Penn Hills roads, we will present the data collected in this report in regard to Crescent Hills Roads, because we are familiar with those. [See Chart 1 & 2 – OCI Explanation and CHR Ratings](#)

Road Overall Condition Index (OCI)		GENERAL TREATMENT STRATEGY
Upper Limit	Lower Limit	
100	80	No Treatment Needed
80	60	Only Preventative Maintenance. (crack sealing)
60	20	Road Restoration Needed. Repaved and Resurfaced.
20	0	Road Reconstruction Needed

CRESCENT HILLS ROADS	
Road	Ave. OCI (2008)
Crescent Hills	34.89
Earlwood	37.28
Garlow	66.42
Glenfield	47.77
Hathaway Court	41.26
Springdale cul de sac	34.43
Spring Grove	43.34
Wisteria	41.23
Average OCI for Crescent Hills Roads	43.33
Average OCI for Penn Hills Roads	56

The report warned, and I quote, “It is very important to proactively maintain the condition of each road to prevent it from deteriorating to a condition which requires full depth reconstruction as this is very expensive.” In fact they estimated that full depth reconstruction is about **five times** the cost for traditional milling and resurfacing.

In addition to assigning a rating to the roads, the goal was to establish a five-year program including yearly budget to maintain or improve the overall road conditions. The report presented four budget options and their consequences to the OCI.

Option	Yearly Expenditure	Consequence
1	\$200,000	Spending only \$200,000 a year would result in the OCI dropping to 45 within 5 years.
2	\$1.25 million	The OCI would drop from its current 56 to 52 in 5 years.
3	\$2.25 million	The OCI in five years would be 54.
4	\$3.25 million	This expenditure would increase the OCI to 64

The Engineers recommended Option 3 and said this was the **least amount** necessary to maintain the condition of the roads. They noted that on average roads need to be repaved every 15 years. They further recommended the continuation of the yearly crack seal program, which expense was not included above. An aggressive repaving and maintenance program “will reduce the life cycle costs to maintain the municipal road system. “

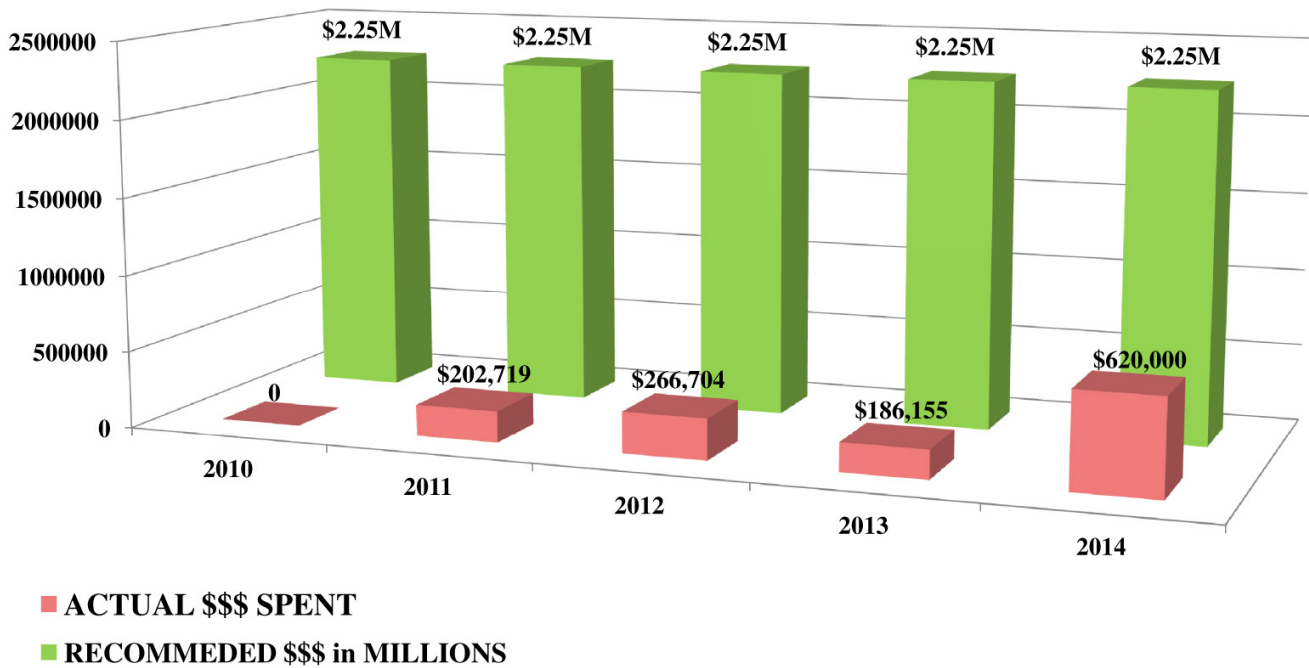
We will look at how Penn Hills has followed these recommendations. The chart that we present includes expenditures prior to the Engineer’s 2009 report.

[Chart 2 - Recommended vs. Spent]

PENN HILLS GENERAL FUND REVENUES & RESURFACING EXPENDITURES

YEAR	REVENUES in Millions	RESURFACING Actual
2008	\$24.7	\$6,912
2009	\$23.5	\$ 528
2010	\$24.4	0
2011	\$24.7	\$202,719
2012	\$30.4	\$266,704
2013	\$33.1	\$186,155
2014	\$34.3	\$620,000

Road Resurfacing Recommended vs. Spent



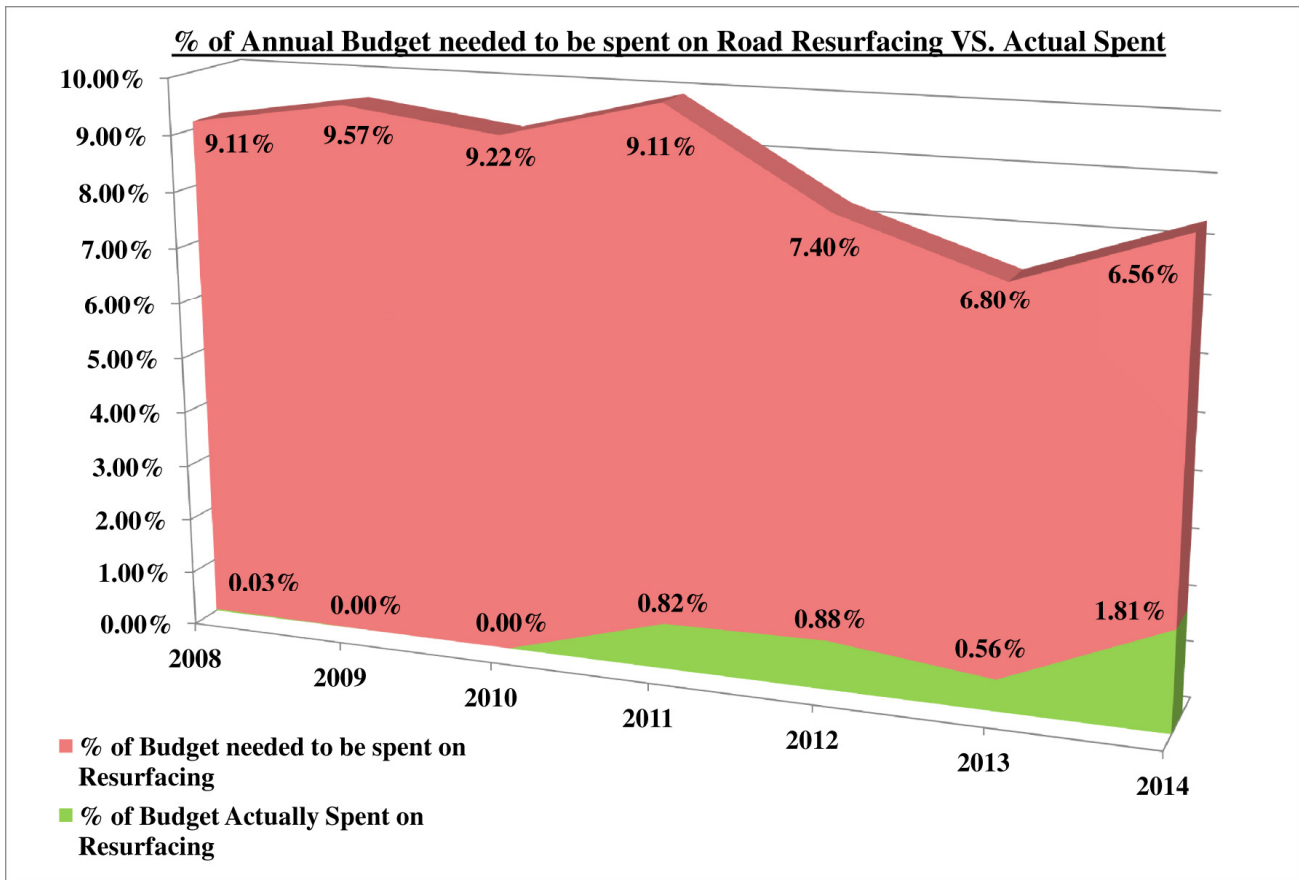
Note that after spending practically zero in the two years preceding the report, the first year after the report, nothing at all was budgeted for road repairs. We know that the municipality also receives a yearly liquid fuels tax rebate, referred to in the budget as “Highway Aid Fund.” But these funds are used for road expenses and not repaving [except for once in 2012].

There was no heed paid to the warning that yearly expenditures as little as \$200,000 would result in the OCI of 56 dropping to 45. We are six years from that report. We can assume that Penn Hills is now below 45 and Crescent Hills may also be in the mid 30’s and precariously close to the reconstruction limit.

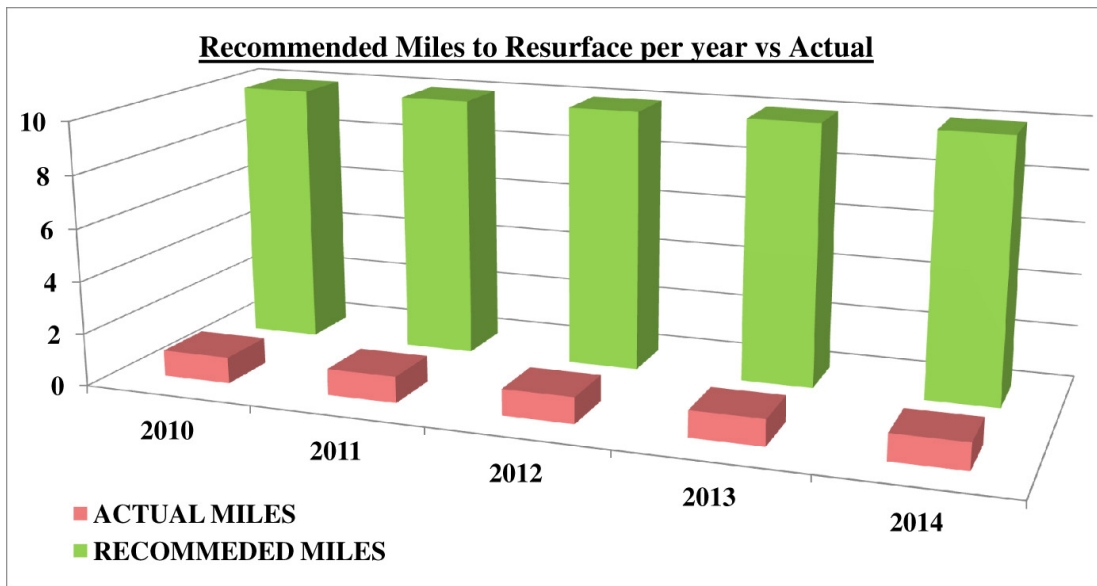
Looking at the Revenue and Expenditure Chart in a percentage format [See Chart below], we can see that General Revenue was the same in 2009 as it was in 2011. But in 2001, and for the first time, a more significant amount was allotted for the roads.

**PENN HILLS GENERAL FUND REVENUES & RESURFACING
EXPENDITURES - % of BUDGET**

YEAR	REVENUES in Millions	RESURFACING Actual	% of Budget Recommended	% of Budget Actual
2008	22.3	\$6,912		.03
2009	24.7	\$ 528		.00
2010	\$24.4	0	9.22	.00
2011	\$24.7	\$202,719	9.11	.82
2012	\$30.4	\$266,704	7.4	.88
2013	\$33.1	\$186,155	6.8	.56
2014	\$34.3	\$620,000	6.56	1.8



\$200,000 remained the average expenditure until 2014. This year \$600,000 is budgeted. But this amount, while so much better than the past, is still only a fraction of the amount that the Engineers said was the least amount necessary to spend. Assuming that it cost approximately \$200,000 to pave one mile of road (based on the recommended budget and percentage of roads to repave), the Engineers were effectively recommending that Penn Hills repave 10 miles of road each year for the next five years. At the end of the five years, 50 of its 134 miles of roads would be repaved. [See Chart 4 – Recommended Miles vs. Actual]



We know what the results of this deficient budgeting does to our community. We live with it. Our roads are pot holed and the neighborhoods blighted as a result. Each year more and more pot holes develop and more berms crumble. Last year Crescent Hills Road, like many other roads, had pot holes from January until July, only to reappear again in December. The Municipal Manager was previously presented with pictures of the repair work done by Public Works and he admitted the work was not good. We suggest that it is not good work because with more and more roads deteriorating, and only one mile of its 134 miles repaved a year, Public Works cannot keep up. We do not blame Penn Hills officials for our bad roads. Our roads are old and poorly constructed, but we do blame you for ignoring the advice for which you paid. Penn Hills is an older community and as such many of its roads were constructed over industrial by products like red dog. Using today's standards, roads would be constructed using filter fabric, compacted stone base, and curb drains. These new roads are expected to last 25-35 years not the 15 years that our roads are lasting.

This community is now purportedly holding a \$5 to 6 million dollar surplus. You are the stewards of our infrastructure. We urge you to follow the recommendations of the 2009 report and to use the surplus to repave our roads. To continue on this path of under budgeting is courting disaster. We urge you to repave roads every 15 years. A few years ago a survey was conducted of Penn Hills residents as to what they considered the most important priority they wanted local government to address. First on the list was demolition of abandoned houses followed by paving the roads. This is what the taxpayer wants. This is what your commissioned report urged. In the long run, you will be saving taxpayers a lot of money. If roads have to be reconstructed, it will cost up to five times as much as repaving.

I thank you for your time tonight we would be glad to answer any questions you might have and look forward to your favorable reply to this presentation.