



CITY COUNCIL STAFF REPORT

TO: City Council

DATE: February 23, 2026

DEPARTMENT: Public Works & Administration

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Engineering

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AGENDA TITLE: Receive Report, Receive Public Works and Facilities Committee Recommendation, and Provide Direction on Street Rehabilitation Funding, Strategies, Location, and Scope

RECOMMENDATION

Staff recommends that the City Council provide direction on advancing a revised street maintenance strategy that balances immediate infrastructure needs with long-term operational sustainability.

1. Establishment of an In-House Streets Crew – Provide direction on whether to proceed with forming a dedicated Public Works streets crew consistent with the operational realignment outlined below. This includes:
 - Procuring the full equipment package necessary to support a functional and efficient road crew.
 - Implementing staffing and seasonal reassignment plans.
 - Finalizing equipment storage and deployment logistics; and
 - Transitioning toward a hybrid delivery model that reduces reliance on contractors for maintenance-level work.
 - This approach is intended to improve response times, reduce long-term patching and restoration costs—particularly in light of broadband construction impacts—and maximize the effectiveness of limited street funding.

2. Oak Street Storm Drain Investigations – Provide direction on whether to proceed with investigative potholing and utility verification for the Oak Street storm drain system as the next step toward a future rehabilitation project design.

Staff is not requesting authorization to initiate rehabilitation work at any Level 3 or Level 4 locations at this time. Any future construction work will return to Council for review, funding consideration, and approval following completion of design-level analysis.

AGENDA ITEM NO. 8A

BACKGROUND

Historically, the City's street maintenance program has relied primarily on outside contractors due to limited in-house staffing capacity and the lack of specialized equipment. Public Works staff have performed only minor maintenance activities, such as cold patch repairs, while larger and more technical work has been outsourced

Outsourced services have included:

- Asset Preservation Treatments (slurry seals and crack sealing)
- ADA Curb Ramp Improvements
- Full-Depth Pavement Dig-Out and Rehabilitation, including the 2022 and 2025 Street Projects

To better leverage limited funding, the City transitioned to a two-year street rehabilitation cycle, allowing staff to bundle projects and maximize economies of scale. The City currently receives approximately \$1.3 million annually in local street-related revenues, in addition to:

- Local Partnership Program (LPP) Formulaic Funding: ~\$400,000 (\$200,000 annually).
- LPP Incentive Funding: ~\$1.2 million (one-time incentive for renewing special street sales tax).

These funding sources require strategic planning to stretch limited dollars across a growing list of deteriorating streets and alleys.

During the April 2025 Mid-Year Budget Review, the City Manager recommended utilizing unassigned General Fund balance to implement a Stop-Gap Street Repair Project, incorporated into the 2025 Streets Project, to address rapidly deteriorating road conditions.

Simultaneously, the FY 2025–2026 Budget included \$354,023 for street equipment to begin building in-house asphalt repair capacity. The objective was to transition from a reactive, contractor-dependent model to a hybrid approach that increases internal capability for maintenance-level work.

Since that time, updated vendor quotes and operational planning indicate that establishing a fully functional road crew requires a more comprehensive equipment package, now estimated at \$571,845 excluding staff time.

Broadband Construction Impacts

Ongoing municipal broadband construction has resulted in temporary trench patches throughout the City. While these are necessary infrastructure improvements, they increase the demand for timely asphalt restoration.

Under the previous outsourced model, response times and mobilization costs limited flexibility. Establishing an in-house road crew would improve responsiveness, reduce long-term restoration costs, and provide greater quality control over patch repairs and surface restoration.

Operational Realignment

Over the past several months, the City Manager and Operations Manager have evaluated a revised delivery model focused on investing in an in-house streets crew to launch this summer to better maximize limited street funding.

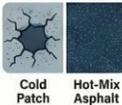
To create operational capacity within Public Works, the City is transitioning certain maintenance support functions—including landscaping and janitorial services—to fully outsourced contracts, anticipated to be in place by March 15. This shift allows existing personnel and future hires to focus more directly on roadway maintenance and infrastructure repair priorities.

DISCUSSION AND ANALYSIS

1. Road Crew Establishment

Strategic Maintenance Fleet: Enhancing In-House Asphalt Repair

The City of Fort Bragg is proposing a strategic shift toward self-performing asphalt repairs to improve responsiveness to community complaints and increase repair quality. This transition requires a specialized fleet of heavy machinery and specialized attachments to handle hot-mix asphalt logistics and installation.

Strategic Benefits & Logistics		
 Increased Community Responsiveness Enables the City to address pothole complaints faster than contracted capital projects.	 Hot-Mix Quality vs. Cold Patch Transitioning to hot-mix asphalt provides longer-lasting, more durable street repairs.	 Professional Staff Development Offers internal maintenance teams opportunities for complex field work and advanced machinery training.

© NotebookLM

Figure 1: Enhancing In-House Road Repair Capacity

Equipment Costs and Funding

- Original allocation: In May 2025, City Council authorized **\$354,023** for the purchase of road repair equipment. The funding streams consisted of a combined Local Streets and Roads (SB1-LSR) Funding and unreserved funds (FY 25-26). With LSR revenue contributing: **\$187,714**.
- Subsequent vendor quotes and a more comprehensive operational assessment indicate that establishing a fully functional crew requires a broader equipment

package, now estimated at \$571,845 The table below shows the equipment proposed for purchase. Refer to attachment #1 for more information about each piece of equipment.

	Equipment	Description	Estimated Cost (Brand New)
1	Compact Track Loader (Caterpillar 265)	Vertical-lift compact track loader used for grinding, grading, and small-area paving prep	\$174,905.59
2.	Insulated Asphalt Trailer (Thermo-Lay)	Hot-mix asphalt patching machine for pothole and patch paving work	\$377,553.39
3.	83" x 20' Tilt-Deck Equipment Trailer	Heavy-duty tilt-deck trailer for hauling loader, roller, and attachments	\$13,266.50
4.	Skid Steer Paver	Compact asphalt and base placement attachment designed for use with a skid steer or compact track loader.	\$6,119

- **LPP Formulaic Funds:**

- As a “Self-Help City” we are eligible for **\$200,000 annually**. We currently have \$400,000 available and unprogrammed.
- Another **\$400,000** is anticipated in the next cycle, November 2026. First available July 2027.
- **Uncertainty:** LPP guidelines allow “road maintenance and rehabilitation,” but do **not** explicitly confirm eligibility for non-transit maintenance equipment. Staff must verify with CTC before assuming these funds can be used for equipment.

Given the scale of the updated equipment costs, Council direction is needed on whether to continue pursuing the full equipment package or to modify the scope.

Personnel Requirements

To safely and effectively operate the proposed equipment and perform Level 1 and Level 2 work (explained in the “Crew Capabilities” section below), a dedicated crew is required:

- **4-5-person road crew model:**
 - 2-3 flaggers/laborers
 - 2 Equipment operators
- Staffing needs:
 - **1 Additional Full-Time Maintenance II** with direct street construction experience. This position must possess a valid Class A Commercial Driver’s License (CDL). The City will need to advertise and recruit to fill this role.
 - **2–3 Laborers/Flaggers**, which may be structured as seasonal or part-time positions. Alternatively, existing maintenance personnel may be reassigned to the road crew on a seasonal basis, with backfill support provided through seasonal hires.

Storage Requirements

To protect equipment longevity and maintain operational reliability, covered or indoor storage is required.

- Minimum estimated space: **5,000 sq ft.**
- Staff is evaluating both short-term lease options and long-term property acquisition.

Crew Capabilities - Streets Crew Matrix

Below is a **Streets Plan Classification Matrix**, intended to categorize future capacity of the roads crews, that can be used in deciding appropriateness of work to be performed. The matrix utilizes a four-level classification system to categorize road projects based on the severity of their structural issues and the resources required to address them. This classification system can be used to determine whether work is performed by internal public works crews or external contractors.



Figure 2: Visual of Streets Crew Maintenance Strategy

Classification Levels and Project Alignment Strategy

FORT BRAGG STREETS CREW	
LEVEL 1	Simple patch paving (stop gap)
LEVEL 2	Hybrid coordination, City Crew perform preparation and hire contractors
LEVEL 3	Advanced pavement work, trained crews do prep and paving
LEVEL 4	Complex engineering or utility project

Level 1: Internal Crew Training and Maintenance

Definition: These projects are considered the most appropriate for the **first year of efforts** for public works road crews, utilizing newly purchased equipment to train staff.

Equipment: The track loader and attachments support limited-width grinding, grading, and patch paving, consistent with the Stop-Gap Patch Paving Project techniques like Linear wheel-path cracking repair and standard pothole patching.

This repair method improves drivability without requiring engineering design or utility coordination.

Level 1 Locations:

- **Alley N 400D (Behind Brewery):** Identified as having enough existing pavement to "grind and pave to".
 - **Broadband/Utility Patching:** This is a **priority scenario** for patch paving to help crews develop a cohesive crew.
 - **Oak Street Pavement Patch Paving:** Degraded pavement between Sanderson and Dana may be classified as Level 1 or 2, corrected through maintenance or local contractors.
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Level 2: Hybrid Crew and Contractor Work

Definition: Public works crews perform the grind and surface preparation, while a contractor can be hired to handle the paving and striping.

Level 2 Locations:

- **Walnut Street:** Designated for staff prep and contractor paving.
 - **Oak Street:** Depending on the approach, the patch paving between Sanderson and Dana may fall under this level.
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Level 3: Full Width Paving

Definition: Work in this category consists of the City crew doing both the prep, full pave out, and striping like level 2 without hiring out the paving work to a contractor. The goal is to work up the staff's capacity through building a cohesive trained team and potential procurement of additional equipment (a paver and grader box) in future years. Due to the increased financial commitment associated with this level of work, the City should plan to employ professional materials testing oversight to ensure the integrity of the materials being placed meet specifications.

Example Level 3 Locations:

- **West Street:** Classified as **Level 3 or 4** because it has suffered a **full edge-to-edge failure**, requiring a full grind and overlay.
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Level 4: Complex Engineering and Subsurface Issues

Definition: These projects are most appropriate for standard design – bid – build. Due to known underlying issues like poor subgrade (native or sandy soils), compaction issues, utility conflicts, drainage, ADA curb ramp construction, or other issues requiring professional engineering design and construction oversight.

Example Level 4 Locations:

- **South Harrison:** Cited for subsurface failures, poor subgrade, and drainage issues.
 - **Chestnut:** Classified here for known utility and compaction issues.
 - **Oak Street Utility Repairs:** Involves 1,700 linear feet of failed storm drain.
 - **Alley N 300D:** Utility conflicts.
 - **Alley N 100E:** Noted for severe drainage issues.
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2. Oak Street Storm Drain Investigations

Oak Street continues to be the City’s most complex corridor, with collapsed storm drain segments, aging utilities, and pavement failures documented in prior staff reports. The next step toward a future rehabilitation project is to complete **targeted investigative work** to confirm existing conditions and develop a defensible basis for design.

Lumos Utilities Assessment Proposal (January 21, 2026)

Lumos & Associates submitted a proposal for a storm drain condition assessment, including CCTV inspection, potholing, and a 15% conceptual design package (attachment # 2). The proposal also includes optional sanitary sewer assessment tasks.

The base scope includes:

- **Task 1 – Storm Drain CCTV** -certified inspection and defect coding. *Cost: \$18,150*
- **Task 2 – Storm Drain Potholing** Up to 8 hours of potholing, estimated 8–10 potholes. *Cost: \$24,200 - Deduct \$19,000 if City crews perform potholing.*
 - **Cost-Saving Opportunity.** If the City elects to use the maintenance crew for potholing, the Task 2 cost decreases from **\$24,200** to **\$5,200**, reducing the total base cost to **\$63,050**.
 - This option is dependent on staff availability and the City’s ability to provide traffic control and patching.
- **Task 3 – Storm Drain Condition Analysis & Proposed Upgrades** Includes evaluation of abandoned conduits, rehabilitation vs. replacement strategies, and 15% conceptual design. *Cost: \$29,700*
- **Task 4 – Contingency** *\$10,000 (time and materials, used only at City direction)*

Total Base Cost: \$82,050 Potential Reduction: –\$19,000 if City crews perform potholing.

Optional Sewer Assessment Tasks

Tasks 5 and 6 (sewer CCTV and sewer condition analysis) total **\$31,900** and would only be initiated with authorization. Sewer Condition assessment is work recommended by the draft Collection System Master Plan as an area of potential surcharge with a recommendation to upsize the pipe.

Why This Work Is Needed Now

The storm drain system between California Way and Sanderson is in a state of collapse and represents a safety risk in the corridor. Completing this investigative work will:

- Confirm the extent of failures
- Identify constructability constraints
- Support development of a future design scope
- Strengthen the City's position for the **November 2026 LPP Competitive Grant** if Council elects to recommend this construction project as the priority for the application.

3. Deferment of Level 3 and 4 Projects Locations

In accord with the above proposed **Streets Plan Classification Matrix**:

The following **Level 3** and **Level 4** locations are **not** proposed for rehabilitation under either option presented today:

- South Harrison – subsurface failures, poor subgrade, drainage issues
- Chestnut – utility and compaction issues
- West Street – full edge-to-edge failure requiring full grind and overlay
- Alley N 300D – utility conflicts
- Alley N 100E – severe drainage issues

These locations require design-bid-build delivery and professional engineering oversight. They are not suitable for the new road crew or the proposed equipment.

Future Funding Opportunity

These Level 3 and 4 locations may be strong candidates for the November 2026 LPP Competitive Grant, which aligns with:

- Their complexity
- The need for engineered design
- The City's long-term rehabilitation strategy

Staff will return with a recommended grant package later this year alongside Oak Street if that is the preferred Council direction.

FISCAL IMPACT/FUNDING SOURCE

1. Road Crew Establishment

- Equipment purchase: **\$400,000-\$571,845**
- Available LSR funds: **\$187,714**
- The City initially budgeted \$354,023 for equipment, leaving a shortfall of **\$211,701**
- Hiring Additional Employees
- Storage

2. Oak Street Investigations

- Lumos Base Proposal: **\$82,050**
- Reduced Cost if City Performs Potholing: **\$63,050** (Recommended Path)
- Optional Sewer Tasks: **\$31,900** (only if authorized)

Staff will return with budget amendments at Mid-Year Budget if Council elects to proceed with either or both of the above tasks.

ENVIRONMENTAL ANALYSIS:

This investigative action and establishment of maintenance capacity do not have a direct impact on the environment and do not constitute a project under CEQA. Individual repair projects will be evaluated for regulatory compliance as they are programmed.

STRATEGIC PLAN/COUNCIL PRIORITIES/GENERAL PLAN CONSISTENCY

- **Strategic Plan Goal 2F:** Maintain resilient and walkable streetscapes and coordinate roadway improvements with utility work.
- **General Plan Policy C-15.1.6:** Maintain an ongoing inventory of transportation system needs.
- **General Plan Policy C-9.2:** Improve east–west arterials including Oak Street and Chestnut Street.

COMMUNITY OUTREACH

Street project priorities have been discussed at multiple Council and Committee meetings, with public comment received at each. Additional outreach will occur as project scopes are refined.

COMMITTEE REVIEW AND RECOMMENDATIONS

The Public Works & Facilities Committee reviewed these topics on January 8, 2026, and requested that staff return to Council with:

- A comprehensive financial overview
- Clarification on equipment procurement
- Direction on Oak Street storm drain investigations

Links to Past Reports/Files:

1. November 25, 2024, City Council Staff Report LPP Funded Project Selection Direction.
<https://cityfortbragg.legistar.com/View.ashx?M=F&ID=13566485&GUID=E58936D2-DBE6-4FBC-A749-17E3DC574152>
2. May 12, 2025, City Council Agenda Item 8C; Street Project Planning.
<https://cityfortbragg.legistar.com/LegislationDetail.aspx?ID=7395121&GUID=C9FDA6C2-6BB9-439F-8F40-5A0F1CCCFC32>
3. Public Works and Facilities Committee Agenda Item 3A; Streets Planning Direction.
<https://cityfortbragg.legistar.com/LegislationDetail.aspx?ID=7793743&GUID=02E25707-8FEB-43F0-AE9C-550AAEA8F9E1>

ALTERNATIVES:

1. Proceed with both the road crew establishment and Oak Street investigations.
2. Proceed with road crew establishment only and defer Oak Street investigations.
3. Proceed with Oak Street investigations only and defer road crew establishment.
 - a. Authorize Lumos to proceed with Tasks 1–3 only, with City crews performing potholing to reduce costs.
 - b. Authorize Lumos to proceed with the full scope including optional sewer tasks.
4. Defer both items pending additional financial and staffing analysis.

ATTACHMENTS:

1. Equipment Purchase Summary
2. Lumos Proposal for Oak Street Utility Investigation

NOTIFICATION:

None.