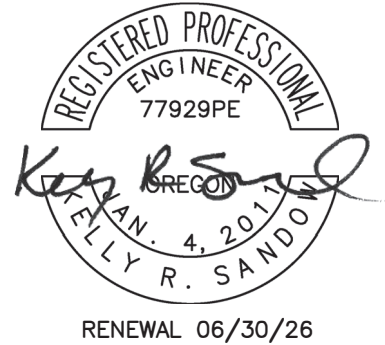


TECH MEMO

DATE: April 15, 2026
TO: City of Winston
FROM: Kelly Sandow P.E.
Sandow Engineering
RE: Transportation Utility Fee Recommendation



The City of Winston currently maintains a transportation utility fee of \$1.00 per Equivalent Dwelling Unit (EDU). This fee provides a funding source for ongoing pavement maintenance, rehabilitation, and related transportation infrastructure improvements. As part of the recent update to the City's Pavement Conditions Evaluation and associated cost analysis, it is appropriate to evaluate the adequacy of the current fee relative to system needs and comparable jurisdictions.

COMPARISON TO SIMILAR CITIES

A review of transportation utility fees for comparable Oregon cities indicates that typical residential rates generally range from approximately \$6 to \$12 per month per EDU, with many communities clustering in the \$7 to \$10 per month range. These fees are structured to support routine maintenance programs, periodic rehabilitation, and long-term preservation of the roadway network.

At its current level, Winston's fee of \$1.00 per EDU is significantly below rates observed in similar jurisdictions and does not provide sufficient revenue to support a sustainable pavement management program.

FUNDING CONSIDERATIONS

The updated pavement condition assessment identifies a total estimated cost of approximately \$7.28 million for recommended pavement maintenance and rehabilitation, with an additional \$2.39 million associated with ADA ramp improvements. These costs reflect current construction pricing and represent a substantial funding need for the City's transportation system.

A transportation utility fee at the current level does not generate adequate revenue to address ongoing maintenance needs, preserve existing pavement conditions, or reduce the backlog of deferred improvements. Without increased funding, pavement conditions are expected to continue to deteriorate, resulting in higher long-term repair costs and more extensive reconstruction needs. Table 1 below summarizes funding rate options for consideration and how the funding impacts maintenance and repair schedules.

TABLE 1: FUNDING RATE OPTIONS

Monthly Fee (per EDU)	Relative Funding Level	What the City Can Accomplish	System Impact
\$1.00 (Current)	Very Low	Limited patching and reactive repairs only	Continued deterioration; increasing backlog; higher future costs
\$4.00 – \$6.00	Moderate	Basic maintenance program (crack seal, limited slurry/chip seal, small rehab projects)	Slows deterioration but does not address backlog
\$7.00 – \$9.00	Sustainable	Full maintenance program (routine preservation + scheduled rehab such as overlays and inlays)	Stabilizes system; extends pavement life; reduces long-term costs
\$10.00+	High	Comprehensive program (maintenance + backlog reduction + targeted reconstruction)	Improves overall system condition; addresses deferred needs

RECOMMENDED FEE RANGE

Based on comparisons of similar Oregon cities and the identified system needs, a transportation utility fee in the range of approximately \$7.00 to \$9.00 per EDU per month would provide a more sustainable funding source for pavement maintenance and rehabilitation activities. While a transportation utility fee in the range of \$7.00 to \$9.00 per EDU would provide a sustainable long-term funding level, a phased approach is recommended given the size and economic conditions of the community. A phased increase over a five-year period would provide a balanced approach to improving system funding while minimizing financial impacts on the community. This approach allows the City to begin implementing meaningful pavement maintenance activities immediately while providing a transition towards a more sustainable funding level. The following represents an optional five-year phasing plan for the fee increase:

Year 1: \$4.00 Annual Fee per EDU

Year 2: \$6.00 Annual Fee per EDU

Year 3: \$7.00 Annual Fee per EDU

Year 4: \$8.00 Annual Fee per EDU

Year 5: \$ 9.00 Annual Fee per EDU

CONCLUSION

The City's current transportation utility fee is not sufficient to maintain and preserve the roadway system. Increasing the fee, with a phased approach to a range between \$7.00 and \$9.00, will allow the City to begin addressing immediate maintenance needs while working toward a sustainable long-term funding level. Without an increase, pavement conditions are expected to continue to decline, and future repair costs will increase.