



March 11, 2015

Steven J. Tyler, P.E.
Superintendent
3 Old Meadow Rd.
Spencer, MA 01562

Subject: **FY2015 Street Conditions Report**

Dear Mr. Tyler,

Enclosed please find our FY 2015 Pavement Management Summary. This memorandum is intended to summarize FST's most recent Pavement Management System (PMS) update. Below are some important notes worth mentioning for your use.

1. Since 2009, FST has been monitoring its PMS and tracking several important performance metrics. This January FST completed a 33% roadway survey in the southern part of Spencer.
2. The average PCI in Spencer is 50.8, which increased from the previous year's value of 50.2. The current Town-wide backlog is \$23.9 million dollars, which is \$1.2 million dollars more than the previous year.
3. Over 16 miles of the network is between the PCI ranges of 15 and 20. This number truly shows the deficiency in funding over the last five years, as most of these segments should have been resurfaced in previous years but were deferred and are now a large part of the unsustainable backlog. The Town needs to take serious stewardship and action to prevent this trend from continuing by sufficiently funding a smart pavement management plan.
4. We have provided five different budget scenarios projected over the next five years:
While other improvements may be needed, these funding scenarios include only pavement costs; they do not include costs for utility, stormwater, drainage, sidewalks, or survey and engineering.
 1. \$2.5M/5years (Historical Budget) – PCI decreases to 44 and backlog grows to \$36M in 2020
 2. \$5.5M/5years(Maintain PCI)– PCI increases to 52 and backlog grows to \$29M in 2020
 3. \$10.5M/5years(Maintain Backlog) – PCI increases to 62 and backlog remains at \$23.4M in 2020
 4. \$14.5M/5years(Proactive Approach) – PCI increases to 69 and backlog drops to \$17.5M in 2020
 5. \$18.5M/5years(Aggressive Approach) – PCI increases to 77 and backlog drops to \$11.8M in 2020
5. We recommend the Town, at a minimum, to strive to follow the 'Aggressive' funding approach. The trend of increasing capital construction mileage is putting the Town in a bigger hole to climb out of. The Town needs to be proactive and adequately fund the pavement network before pavement conditions create a further liability and reduced net worth.
6. It is vital, in a pavement management system, to have sufficient budget to have a successful routine & preservation maintenance program while also addressing capital construction segments. By adhering to the 'Aggressive' funding approach, the Town would have sufficient budget to prevent segments from requiring capital construction with an aggressive funding program. This funding scenario would also allow for the Town to fund high priority capital construction projects and improve network conditions drastically.

If you have any questions or comments pertaining to this report, please don't hesitate to contact me, at (781) 221-1165 or by email at wscarpati@fstinc.com.

Very truly yours,
FAY, SPOFFORD & THORNDIKE, LLC

William P. Scarpati
Principal Asset Management Specialist