

Dear City Manager;

Okay, so I am just gonna say it, when is the city going to do something about our streets? They are awful!

Wow! Thanks for your honesty, and great question! If you have read my answers before, you know that I like to tell a little story. So, way back in December 2021, I got my first call from the City of Palacios regarding the City Manager position. I recall in my conversation with Councilmember Woolf, he asked, very nonchalantly, "How do you feel about a challenge?" Well, the whippersnapper, go-getter, wanting to impress me, said "Oh I love a good challenge!" Then, I visited Palacios. Its beauty took my breath away, but it also rattled the springs loose on my jeep! I immediately knew the challenges that the humble, soft-spoken councilmember meant, and I started questioning my eagerness. But I couldn't get the breathtaking views out of my brain and something about this little town on the water called my name, so I decided that we got this, and this can be done.

As you know, everything costs money. We have five funds, General, Utilities, Economic Development, HOT Tax, and Airport. Utilities are water and sewer, General Fund covers other city needs such as drainage, streets, parks, administration, and police. Utilities are supported by water and sewer rates, and some fees. The General Fund is supported by property taxes, sales taxes, and a variety of other fees. The first charge of my opportunity here was to get our infrastructure in better shape. Infrastructure includes water, sewer, streets, and drainage. We started in 2022 by completing comprehensive water, sewer, and street studies. Why do we need to pay money for a study? Can't we just drive around, and see? Yes, we can, and we did, but using these studies helps us have an engineering-unemotional, non-discriminatory view of what needs to be done and what needs to be done first, second, third, etc. It also helps support any projects we want to do, based on need, not want.

With these reports, regarding streets, we found that we have 5.2 square miles of streets in our town that need to be addressed, some worse than others, but approximately 90% of them need attention. According to this calculation, per engineering estimates at current costs, we need about \$11 million to resurface the city which equals about \$2M per square mile (*includes engineering, design, materials, mobilization, contingency, etc*). And that's chip seal resurface, if we go down the complete reconstruction of roads, we are looking at upwards of \$25 million. Regardless of cost, and costs continue to rise every day we wait, we still need to get this done.

Okay, so where will we get all this money? Like it or not, we are focusing on grants. See, there is this thing called the Bipartisan Infrastructure Bill, and that bill allows for a lot of money to be had for street reconstruction. We have applied for three grants with this bill, totaling \$25M each. Why did we apply for three times as much? Well, it's a first come, first serve, situation so we overshoot to get the best chance to fund the entire project, they may give us just a percentage of the ask amount, so we aim high and hope for the award. What are our chances of getting this funding? Well, thanks to your city council who supported collaboration and agreement with a grant specialist who works directly with federal-level representation, we have a better chance than we ever had.

Remember, we *shouldn't* pay for streets with water and sewer funds, those funds are for water and sewer infrastructure, repair, upgrade, maintenance, and operation. We need general fund money for streets, and if we tried to pay for this ourselves, it would take decades to have enough money, and our taxes would not be decreasing as they are this year, they would need to increase, and could be looking at the highest tax rate we ever had, so grants is the plan and grants will get us what we need. Yes, we could do bonds, but debt costs, too. We are working on financing options for water improvements, water is necessary for life, and streets aren't, it's that simple.

You can find the street study on our website under the projects tab, and see which streets would come first, second, third, and so on. Construction, once it begins, will be a major inconvenience. The work will not happen overnight. It will be a long, noisy, dirty, messy, muddy, process but wonderful once done. I know I keep asking and will continue to do so, please be patient, and please support your leadership with positivity, because we are working very hard to make improvements that are desperately needed. Give us time, trust, understanding, and support, we will make this happen, together. We know everyone has heard all this before and for years, but the proof is in the pudding, things are happening. Keep the questions coming, we love interaction, interest, and care for our town.

Got a question? Email me at craleigh@cityofpalacios.org