

# Financial Strategic Planning: How a planned approach can save you money!

## Client A

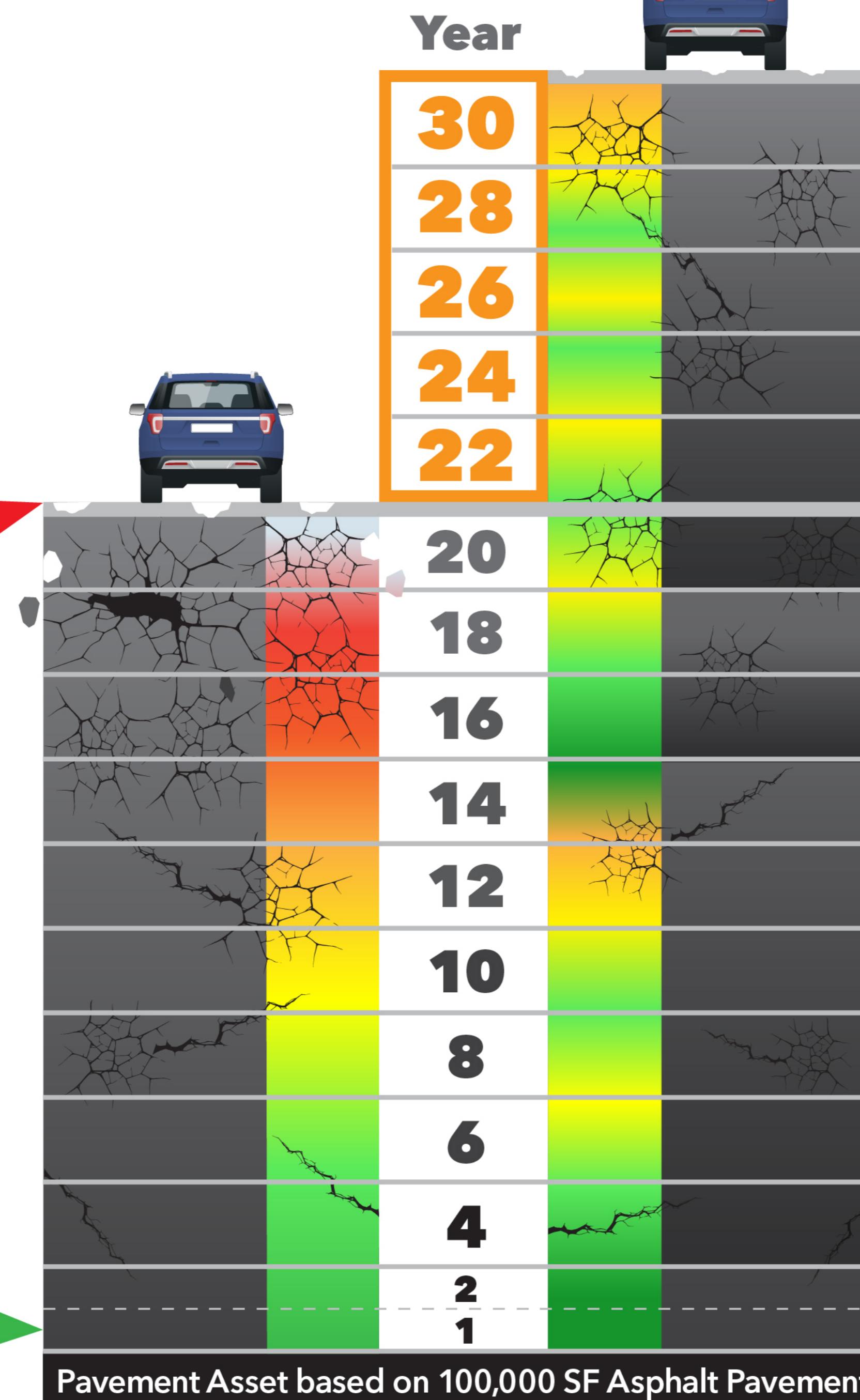
does nothing - no pavement management plan

**Total approximate cost over 20 years:**  
**\$2.55 million**

PLUS,  
the pavement  
could last 10-15  
more years and won't  
need reconstruction  
until year 30  
or beyond!



Year 20: New construction  
@ \$17.50 psf = \$1,750,000



## Client B

follows a pavement management plan

**Total approximate cost over 30 years:**  
**\$1.93 million**  
over \$620K saved

Year 28: \$145,000  
Surface Treatment @ \$1.45 psf = \$145,000

Year 24: \$170,000  
Patching \$15,000  
Crack Seal (20%) \$30,000  
Surface Treatment @ \$1.25 psf = \$125,000

Year 19: Surface treatment  
@ \$1.00 psf = \$100,000

Year 15: 1 1/2" Mill/Overlay<sup>(#2)</sup>  
@ \$5.50 psf = \$550,000

Year 9: \$105,000  
Patching \$10,000  
Crack Seal (20%) \$25,000  
Surface Treatment @ \$.70 psf = \$70,000

Year 5: Surface treatment<sup>(#3)</sup>  
@ \$.58 psf = \$58,000<sup>(#1)</sup>

Year 1: New construction  
@ \$8.00 psf = \$800,000

Pavement Condition Index (PCI)	Type of Distress	86-100	Good
Severity Level	71-85	Satisfactory	Fair
Extent of Distress	56-70	Poor	Poor
	41-55	Very Poor	Very Poor
	26-40	Serious	Serious
	11-25	Failed	Failed
	0-10		

### NOTES:

- #1 - All future prices are based on 4% yearly inflation after Year 1.
- #2 - Assumes existing pavement is adequate for Mill/Overlay.
- #3 - All Surface Treatments include Re-Striping. Pavement Evaluations should typically be done every 3-4 years.