



# Asphalt Driveway Budgeting 101 Best Practices in Driveway Condition Analysis and Fiscal Planning Driveway Maintenance, Inc.

## **Asphalt Driveway Budgeting 101: Best Practices in Driveway Condition Analysis and Fiscal Planning**

A White Paper

by Driveway Maintenance, Inc.

<http://www.driveway.net>



## ***About Driveway Maintenance, Inc.***

[Driveway Maintenance Inc.](#) (DMI) is a LEED-accredited full-service, self-performing [paving contractor](#) and [sealcoating company](#) serving clients throughout Florida, including Miami, Naples, Orlando, Palm Beach, Ft. Lauderdale, Ft. Myers, Tampa, Ft. Pierce, Delray and Daytona. DMI provides paving and sealcoating services to commercial entities, including apartment complexes, community associations, commercial office parks and retail shopping centers. Learn more at [Driveway.net](#).

## ***Asphalt Driveway Budgeting 101: Best Practices in Driveway Condition Analysis and Fiscal Planning***

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Times are tight: How can facilities management remain fiscally afloat and ensure parking lots, driveways and other paved facilities are maintained - while still being prepared for the unexpected?

National property maintenance organizations, landlords, retail property owners and condominium associations face a litany of issues when budgeting and planning for the long-term health of or improvements to their parking lots and roadways. Whether capital projects, maintenance, corrective repairs, emergency and contingency preparations, even national economic issues like the Great Recession or "fiscal cliff" and budget negotiations, all have an effect on fiscal planning.

Yet, few responsible for the task are versed in the best practices that ensure such projects are completed within allocated budgets - or allow for sufficient capital reserves in case of emergencies borne of an accident, natural disaster or other catastrophic event.

Moreover, the current economy has resulted in rising costs of goods and services, which challenges a facilities manager to stay within the overall budget provided by the corporate Finance Department.

Such planning requires a keen understanding of budgeting, with a long-term view of a parking lot's entire lifecycle. From construction to routine maintenance to repairing damage that comes with age, to having reserves on board to handle the effects of a natural disaster, a long-term view can help stave off budget issues.

### **Evaluating Properties: Looking Back to Plan Ahead**

What did your organization spend on parking lot maintenance last year? Facilities managers must understand where money currently is being spent, whether on planned maintenance and repair (M&R), sealcoating and striping, emergency repairs, or capital projects and major renovations.

Each organization must have a budget that reflects both anticipated costs, and accommodations for unexpected service to an entire inventory of paved property. For as properties age, it becomes vital to realize that costs related to maintenance, repairs and eventually replacement will grow as well. But by how much?

By evaluating properties by age and condition, an organization can benchmark future cost projections. For example, using Pavement Condition Index (PCI) or Pavement Surface Evaluation and Rating (PASER)

inspections, property's are assessed and assigned condition ratings. This value can be a number, ranging from 1 to 100, or in some situations a graph ranging from the worst or "Failed" condition to the newest or "Excellent" condition. Some organizations also use a red, yellow and green color-coding system.

Branch Name	Use	Branch-Area	Units	Surface	Section-Length	Units	Last-Const	Insp.-Date	Insp-Age	PCI	
Aaron Ct.	ROADWAY	9,359.	SF	AC		206	LF	6/1/98	9/1/2012	1	100
Aaron Dr.	ROADWAY	13,392.	SF	AC		558	LF	6/1/97	9/2/2012	2	100
Ablemarle Cir. E.	ROADWAY	49,608.	SF	AC		1,014	LF	6/1/97	9/3/2012	2	100
Ablemarle Cir. E.	ROADWAY	49,608.	SF	AC		1,053	LF	6/1/96	9/4/2012	3	91
Ablemarle Cir. W.	ROADWAY	12,912.	SF	AC		538	LF	6/1/98	9/5/2012	1	100
Acme Rd.	ROADWAY	22,678.	SF	AC		1,334	LF	6/1/92	9/6/2012	7	72
Acton Ct.	ROADWAY	11,303.	SF	AC		287	LF	6/1/98	9/7/2012	1	100
Airport Rd.	ROADWAY	41,600.	SF	AC		2,080	LF	6/1/87	10/6/2012	12	14
Alder Ct.	ROADWAY	7,960.	SF	AC		200	LF	6/1/97	9/1/2012	2	100
Alice Dr.	ROADWAY	5,100.	SF	AC		204	LF	6/1/87	9/2/2012	12	27
Alpha St.	ROADWAY	19,680.	SF	AC		820	LF	6/1/97	9/3/2012	2	100
Ann St.	ROADWAY	8,748.	SF	AC		486	LF	6/1/87	9/4/2012	12	62
Annette St.	ROADWAY	13,412.	SF	AC		479	LF	6/1/93	9/5/2012	6	62
Applegate Ln.	ROADWAY	53,376.	SF	AC		1,668	LF	6/1/97	9/24/2012	2	100
Ash St.	ROADWAY	22,296.	SF	AC		929	LF	6/1/96	9/1/2012	3	93
Aspen Ct.	ROADWAY	20,807.	SF	AC		683	LF	6/1/96	9/2/2012	3	98
Bank St.	ROADWAY	5,232.	SF	GR		436	LF	6/1/89	9/3/2012	10	64
Barr Hill St.	ROADWAY	11,904.	SF	AC		496	LF	6/1/96	9/4/2012	3	86
Barrett St.	ROADWAY	15,840.	SF	AC		792	LF	6/1/95	9/5/2012	4	88
Basswood Dr.	ROADWAY	24,336.	SF	AC		1,014	LF	6/1/97	9/6/2012	2	100
Baywood Dr.	ROADWAY	22,958.	SF	AC		883	LF	6/1/93	9/7/2012	6	76
Beech Dr.	ROADWAY	77,408.	SF	AC		2,419	LF	6/1/97	9/8/2012	2	100
Belle Ave	ROADWAY	73,848.	SF	AC		3,077	LF	6/1/97	9/9/2012	2	100
Bellevue Ct.	ROADWAY	26,840.	SF	AC		897	LF	6/1/98	9/10/2012	1	100
Bendelow Ct.	ROADWAY	17,375.	SF	AC		540	LF	6/1/97	9/11/2012	2	100

Developed in the 1970s, by the US Army Corps of Engineers, PCI today is the ASTM standard and solution most widely used. Recommended by the American Public Works Association in the U.S., numerous engineers, municipalities and facilities managers use the PCI system to inventory and inspect their properties, create a condition analysis, and model for future situations. The models also can determine life expectancy - and the annual or recurring costs required to maintain its condition.

Detailed cataloging includes such variables as the total square footages of the paved asphalt or concrete surfaces in the case of parking lots, and population and environmental or the type of vehicular traffic or conditions for parking lots or roadways. The process also can include photography or videography of the parking lots, driveways and other paved facilities, even municipal roadways.

This data can help assess situations that affect condition and deterioration. Using PCI, a facilities manager can better document key details, and organize and plan for upkeep and future remediation, repair or replacement. The objectivity of the initiative also helps managers better prepare for contingencies and unforeseen events or damage. With such details in hand, organizations can improve maintenance and repair planning and budgeting.

Using such data, organizations rate properties and better anticipate budgeted costs associated with repairs or capital improvements. An "A"-condition parking lot, for example, may be the newest, and have the lowest anticipated cost associated with near-term maintenance and require sealcoating and striping to help maintain its "A" condition. A "B"-condition lot aged 8 to 14 years may need patching or sealcoating

and striping to return it to "A" condition; in reality, some paving contractors recommend sealcoating and striping every two to three years.

A "C"-condition facility, on the other hand, may be the oldest, and have the greatest near-term likelihood of capital project expenditure and more extensive repairs.

### **Emergency Preparedness Planning**

How can a national property maintenance organization, landlord, retailer property owner or condominium association budget for the unexpected? How can an organization hit by a hurricane, an earthquake, a sinkhole or other unforeseen circumstance plan accordingly? Obviously, the most costly can be the most difficult to budget for. Older parking lots will have more emergency work, from potholes left unaddressed to sidewalks or pavement raised by tree roots, to sinkholes and underground water mains or irrigation lines that break from age and abuse. Aged facilities in weakened states are even more vulnerable to costly disaster-borne repairs.

Issues also extend to preventing damage or degradation that can lead to accident or injury, which in turn can invite liability. Damage left unaddressed can lead to a pedestrian injury. The property owner faces both an emergency repair situation - and a lawsuit.

The process starts by taking an inventory of the entire facility and ensuring, while also holding in reserves a budget for emergency repairs. Some organizations will hold back 10% of their facilities management budget annually as a contingency against damages from snowstorms, earthquakes, floods, firestorms, even events like Superstorm Sandy or hurricanes Katrina or Wilma.

While no simple way or hard number exist to budget for such catastrophes, it's important to have reserves on hand as an "emergency slush fund" to mobilize people before insurance pays - which could take weeks, or longer.

### **Conclusion**

Indexing and establishing an inventory of parking lots and paved facilities, then budgeting for current and future repairs and even disaster preparedness, can be a painstaking process, depending on how meticulous and thorough the assessment. Organizations perform the project in different ways and budget for planned and unplanned needs based on individual requirements and circumstance. Regardless of the method used, the result is a benchmark of how a parking lot or pavement is performing at the current time, a prognosis for future health - and a roadmap for reliable budgetary planning.

To learn more about PCI and PASER indexing, begin your inventory analysis and refine your asphalt and concrete budget, contact Driveway Maintenance Inc.

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