



## Council Report

**Date:** May 19, 2014  
**To:** City Council  
**Through:** Kari Kent, Deputy City Manager  
**From:** Lenny Hulme, Interim Transportation Director  
**Subject:** Traffic Signal Equipment Fees (Citywide)

### Strategic Initiatives



### Purpose and Recommendation

The purpose of this report is to recommend revising the fees charged to contractors that borrow City owned traffic signal equipment.

It is recommended that the fees for these activities be adopted per the attached schedule.

### Background

New traffic signal equipment such as signal poles and mast arms are frequently installed by contractors as part of a capital project or a private development project. Since these items are custom materials that are not stocked by distributors they must be custom ordered for each project. The lead time on this material can sometimes be as long as 3 months which may delay a project considerably.

For maintenance purposes the City of Mesa Transportation Department normally stocks a variety of the most commonly used traffic signal poles and mast arms. In some circumstances it is advantageous to loan this equipment to a contractor to keep a project moving forward. The loaned equipment is then replaced by the contractor at a later date once their ordered material is delivered.

The City requires the loan to be secured with a deposit equal to two times the value of the loaned equipment. The City also charges the contractor a fee equal to 10% of the value of the loaned equipment to cover the City's costs to administer the program. The fee also serves to discourage contractors from using the program unless it is absolutely necessary.

### Discussion

The current equipment list has been updated so that it accurately reflects the type of equipment that is available through this program. Also, the fee schedule has been

updated to reflect the most current pricing on the equipment. The fee schedule is based upon pricing in the master agreement that the warehouse has with vendors to supply this equipment.

### **Alternatives**

The alternative is to do nothing. This alternative would mean the City would continue to use a fee schedule that is out of date and does not contain all of the appropriate equipment. In some cases the cost of equipment has increased and therefore no longer provides the appropriate cost recovery for the Transportation Department.

### **Fiscal Impact**

The level of use of the program varies from year to year and is closely linked to the number of construction projects that include traffic signal equipment. Due to the economic conditions of recent years the program has not been used extensively. The 10% administrative fee should cover most of the City's costs associated with this program and therefore the fiscal impact should be negligible.

### **Coordinated With**

No other departments are affected by this recommendation.

**Fee Recommendation Schedule**

Department: Transportation  
Proposed Changes to Fees & Charges

Document of Change: Resolution

Description of Services:	Current Fee/Charge	Unit	Proposed Fee/Change	Date Last Revised	FY 14/15 Fiscal Impact	Notes
<b>Signal &amp; Street Light Equipment Loan Deposits*</b>						
Traffic Signal Equipment						
Pole, Pedestrian or Type A	\$560.00		\$ 1,060.00	07/01/13	\$ -	Fees changing to become consistent with Material and Supply Warehouse pricing (supplier). Anticipating no fiscal impact.
Pole, Type J, K, Q, or R	\$8,260.00		\$ 5,148.00		\$ -	"
Pole, type L, S	\$11,200.00		\$ 11,828.00		\$ -	"
Arm, luminaire or mast, 20' or less	\$900.00		\$ 1,536.00		\$ -	"
Arm, mast, 25' to 30'	\$1,600.00		\$ 1,904.00		\$ -	"
Arm, mast, 35' to 50'	\$3,030.00		\$ 3,654.00		\$ -	"
Arm, mast, 55'	\$4,640.00		\$ 5,220.00		\$ -	"
Controller cabinet with controller, complete	\$26,000.00		\$ 22,282.00	07/01/10	\$ -	"
*Deposit is 2 times the cost of the equipment.						
**Cost of miscellaneous equipment will need to be determined on a case-by-case basis.						
<b>Signal &amp; Street Light Equipment Loan Fee</b>						
Traffic Signal Equipment						
Pole, Pedestrian or type A	\$56.00		\$ 106.00	07/01/13	\$ -	"
Pole, type J, K, Q, or R	\$825.00		\$ 514.80		\$ -	"
POLE, TYPE L, S	\$1,182.80				\$ -	"
Arm, luminaire or mast, 20' or less	\$90.00		\$ 153.60		\$ -	"
Arm, mast, 25' to 30'	\$160.00		\$ 190.40		\$ -	"
Arm, mast, 35' to 50'	\$303.00		\$ 365.40		\$ -	"
Arm, mast, 55'	\$464.00		\$ 522.00		\$ -	"
Signal head	\$177.00		\$ 161.50	07/01/10	\$ -	"
Controller cabinet with controller, complete	\$2,600.00		\$ 2,228.20		\$ -	"

Plus Transaction Privilege (Sales) Tax, where applicable.