

City Council Report

Date: May 7, 2012
To: City Council
Through: Kari Kent, Deputy City Manager
From: Dan Cleavenger, Transportation Department Director
Alan Sanderson, Deputy Transportation Director-Traffic Engineer
Subject: Elimination of Fee for Block Party Barricades
Council Districts Citywide

**Strategic
Initiatives**



Purpose and Recommendation

The purpose of this report is to present a resolution to eliminate the fee for barricades provided by the City for neighborhood block parties. Increasing the block party fee to \$50 from the current \$25 was initially recommended by the Transportation Department to match the City's cost for block party barricades under the new barricade contract. The Audit, Finance, and Enterprise Committee recommended eliminating the fee.

Background

Historically the City provided barricades for neighborhood block parties free of charge to residents. In 2005 the City started charging a fee to cover the cost of block party barricade rental. The City contracts with a barricade company for this service, and the current fee to residents is \$25 based on the previous contract price. However, the barricade contracts were recently rebid with the new contracts effective November 1, 2011. The cost for barricades for a block party is now \$50 under the new contract. Cost proposals from the various companies ranged from \$50 to \$150 per block party.

The last two years there have been 104 and 107 block parties per year. Prior to implementing the fee for block parties, the City provided barricades for an average of 285 parties per year.

Discussion

Other Valley cities handle barricades for block parties in a variety of ways.

Tempe provides barricades for block parties that residents must pick up and return to the City yard. They require a \$25 fully refundable deposit, but do not charge for the use of barricades.

Chandler also provides barricades for block parties that residents must pick up and return to the City yard. This service is provided at no cost unless the barricades are not returned.

Gilbert will deliver and pick up barricades free of charge up to 24 hours before and after the event.

Glendale supplies barricades at no charge (based on availability) and drops off at the applicant's address 24 hours prior to the start of the block party and collects at the same address within two working days following the block party. With City approval, the applicant may use another vendor source at their own expense.

Phoenix does not supply barricades for block parties; residents must provide them at their own expense.

Scottsdale provides barricades free of charge for block parties.

Alternatives

The City could eliminate the service and require residents to rent barricades for block parties directly from barricade companies at a cost substantially higher than under the City's current contract cost of \$50. Barricading may be inconsistent with different companies contracting with numerous residents. The higher cost may also result in fewer block party requests.

The fee could remain at \$25 with the City subsidizing half the rental cost for block party barricades. This would result in an estimated cost of \$2,625 per year to Transportation.

Fiscal Impact

Eliminating the fee but continuing to provide the service will cost \$5,250 per year based on the current average of 105 block parties. The actual cost could be higher if more block parties are held after eliminating the fee. Given that the number of block parties decreased after the fee was implemented, it would not be surprising if the number increases after eliminating the fee. If the annual number of block parties returns the pre-fee level of 285, eliminating the fee would cost \$14,250 per year.

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SCHEDULE OF FEES AND CHARGES

Department: Transportation
Proposed Changes to Fees and Charges

Document of Change: Resolution

Description of Services:	Current Fee/Charge	Unit	Proposed Fee Charge	Date Last Revised	FY 12/13 Fiscal Impact	Notes
Block Party Barricade Rental Fee (non-refundable)	\$25.00	Per Block Party	\$0.00	07/01/05	(\$2,625.00)	Audit, Finance & Enterprise Committee has recommended elimination of this fee
IN LIEU PAYMENTS FOR PAVEMENT SURFACING REPLACEMENT	NONE	Per Square Yard	\$1.55		\$175,000	Estimate based on last six months of pavement surfacing replacement needed.

Plus Transaction Privilege (Sales) Tax, where applicable.