



Fees and Charges Report

Date: December 4, 2023

To: City Council

Through: Candace Cannistraro, Deputy City Manager

From: RJ Zeder, Transportation Department Director
Ryan Hudson, City Traffic Engineer

Subject: Update to Temporary Traffic Control Fee Schedule (Citywide)

Purpose and Recommendation

To incentivize shortened construction schedules, accurate construction scheduling, and work zones that limit traffic impacts and to better align charges with the degree and duration of traffic restrictions, Council is requested to approve staff's recommendation to update to the Temporary Traffic Control (TTC) fee schedule as shown on Exhibit A.

Background

The assessment of the existing TTC fee schedule was prompted by a recognition that the current fee ranges could be better aligned with the severity of different traffic restrictions. The goal is to revise the fee schedule so that fees incentivize more accurate construction planning, encourage phasing that limits overall traffic restriction impacts, and better represent severities of restrictions. This will require increasing some of the existing fee ranges, introducing new line items, and modifying the applicable fees to include a unit for directions impacted.

Discussion

The current fee ranges under the traffic permit fees are generally low, given severity of traffic impacts and similar charges implemented by other agencies in Arizona. Therefore, an overall recommendation is to raise the fee ranges for some of the current service categories hosted under the TTC fee schedule. These proposed fee increases are detailed on Exhibit A. Other recommended modifications include adding per direction charges, where applicable, adding duration and restriction length charges, and creating new line items to better represent the various types of restrictions and their severity of impacts to traffic and all road users. Each of these modification proposals is discussed in more detail below.

Adding per Direction Charges

Based on the current fee schedule, standard roadway restrictions are charged at a daily rate of \$75, no matter if both directions of travel are restricted or only one. For example, a TTC setup that restricts both northbound and southbound directions on a specific street would cost the same daily amount as a TTC setup that only restricts northbound traffic on that same street. Thus, it is recommended that roadway restrictions be modified to include a per direction unit to incentivize construction phasing that creates less impactful roadway restrictions. This would mimic the existing per day and direction unit for a left turn prohibition at a signalized intersection.

Adding Length and Duration Charges

New permit fee line items are proposed to address overall work zone and traffic restriction lengths and the durations in which the restrictions are in place.

The new line item for restriction lengths will introduce a \$100 per day fee for TTC setups that restrict public street lanes for a ½-mile or more. This will incentivize more confined work zone areas and phasing that limits the overall TTC restriction lengths.

The new impact fee for restriction durations will introduce a \$300 per week charge that is applied once a restriction is in place for over 28 days. The goal of this new line item is to further promote shortened construction durations and to keep construction impacts under one month.

New Service Lines/Categories

New permit fee line items are proposed for two primary reasons – to introduce an increased fee range for 24-hour restrictions and provide more categories to better align restriction severity and fiscal impact.

Two new fee line items are recommended for roadway restrictions and left turn prohibitions at signalized intersections to include a 24-hour distinction. This would create a higher fee range to account for a significant difference on traffic flow impacts that a 24-hour restriction can have, as compared to a setup that gets removed at the end of each construction day. Based on the current fee schedule, a 24-hour TTC setup, restricting traffic at all times of the day, would have the same daily fee as a TTC setup that is only in place during the hours of 8:30AM – 4:00PM. This will generate more incentive for entities to plan and phase their work so that traffic restrictions are only in place during off-peak hours of traffic flow.

New traffic restriction categories are recommended to distinguish between several types of restrictions based on their overall severity and to introduce fees for impacts that were previously not represented. To address the need of improved severity representation, new categories are proposed for collector road closures and residential road closures. This will provide for an appropriate fee range, specific to full street closures, based on the subject street's functional classification. Additionally, sidewalk closures will be distinguished into two categories which will include arterial and local/collector. The street classification is dictated by the street's characteristics and overall traffic volumes, which directly relates to the overall number of vehicles and road users impacted by a closure. Based on the current fee schedule, road closures occurring on collector and residential streets are only being charged the daily \$75 fee for a standard roadway restriction. Only arterial road closures are represented on the existing TTC fee schedule, and Exhibit A shows a proposed fee

increase from \$2,500 to \$4,000 for this line item. Collector and residential road closures have proposed daily fee rates of \$1,000 and \$500, respectively. Arterial sidewalk closures and local/collector sidewalk closures are proposed at \$100 and \$20 per day, respectively. This will add an increased fee range for arterial street sidewalk closures, as compared to the existing service line category that does not distinguish street classification and is set at a universal rate of \$20 per day.

To represent a restriction category that creates a significant impact on public transit, a new fee line item is recommended for bus stop closures or relocations. It is proposed that bus stop closures or relocations be charged at a fee range of \$50 per bus stop per day, as shown on Exhibit A. Based on the current fee schedule, bus stop closures or relocations are not charged, although they present an impact to transit services and riders.

It should be noted that not all entities that apply for TTC permits are required to pay fees. Examples are City Departments, contractors as part of Capital Improvement Projects, and agencies that have an agreement with the City. The proposed fee changes are not meant to have any impact on entities that are currently not charged for permit fees.

Alternatives

Alternative 1 – Do nothing. Not making the recommended changes would mean that TTC permits continue to operate with current fee ranges, not distinguishing 24-hour restrictions, introducing length and duration charges, representing bus stop impacts, or adding fee line items for collector and residential street and sidewalk closures.

Alternative 2 – Approve fees that differ from what is currently proposed. Making the fees cheaper than what is recommended is not desired because that would reduce the effect it would have on entities.

Fiscal Impact

The TTC fee revenues are deposited into the Local Transportation Sales Tax general department fund, and the amount collected in fiscal year 2021/2022 was \$1,604,438. This comprised of over 1,200 TTC permits with fees and an average cost of nearly \$1,300 per permit. The current estimates for fiscal year 2022/2023 total over \$2 million and all revenues were deposited into the Local Transportation Sales Tax general department fund.

As discussed in previous sections, the intent of the proposed TTC fee schedule modifications are to incentivize more accurate construction scheduling and phasing that minimizes the overall impacts to the public street network. The increased fee ranges and new line items are aimed at better aligning restrictions with the work being done and at holding entities more accountable to their construction phasing and durations, influencing the types of TTC setups that are implemented. The proposed fee changes are not being introduced with the goal of increased revenues, but to decrease the duration of some construction projects and thus, impacts on residents, businesses, and visitors of Mesa. Many times, presumably due to the low cost, entities opt to purchase a permit and deploy TTC setups for multiple weeks while the actual work may require less than a week of restrictions and could be done with a less impactful TTC setup. The proposed TTC fee schedule changes are expected to generate a positive influence on construction planning and deter entities from deploying TTC setups that are more restrictive than necessary.

Coordinated With

The proposed TTC fee schedule changes were coordinated with Transit and Business Services. Additionally, the proposed changes were presented to the Sustainability and Transportation Council Committee on September 28, 2023.

Fees & Charges Schedule – Key

Heading Configuration

<u>Schedule of Fees & Charges</u>
Department
Contact Information
HEADING 1
HEADING 2
<i>Heading 3</i>
Description of Fee
Description of Fee 2

Font Indications

Font	Font Indications
Regular Font	Existing fee or language
Strikethrough	Fee or language will be deleted from the Fee Schedule
BOLD CAPS	Language is being added to Fee Schedule
Bold	New or increased Fee Amount

Schedule of Fees & Charges
Exhibit A – Temporary Traffic Control Fees
Department: Transportation

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Revenue Source Code	Total Fiscal Impact	Notes
<i>Temporary Traffic Control Fee</i>						
Traffic Permit Fee:						
Roadway or Alley Restriction	\$75		Per Day AND DIRECTION			
24-Hour Roadway or Alley Restriction		\$200	Per Day and Direction			
Left Turn Prohibition – Signalized Intersection	\$50	\$100	Per Day and Direction			
24-Hour Left Turn Prohibition – Signalized Intersection		\$200	Per Day and Direction			
Traffic Restriction Exceeds ½ Mile in Length		\$100	Per Day and Direction			
Public Impact Fee for Restriction Duration		\$300	Per Week After 28 Days			Fee charged per week once a restriction has been in place for over 28 days
ARTERIAL Sidewalk Closure	\$20	\$100	Per Day			No fee if a pedestrian walkway is maintained
Local/Collector Sidewalk Closure		\$20	Per Day			No fee if a pedestrian walkway is maintained
Arterial Road Closure	\$2,500	\$4,000	Per Day			
Collector Road Closure		\$1,000	Per Day			
Residential Road Closure		\$500	Per Day			
Bus Stop Closed or Relocated		\$50	Per Bus Stop Per Day			

Estimated Total Annual Fiscal Impact: \$0