



City Council Report

Date: May 22, 2017
To: City Council
Through: Kari Kent, Assistant City Manager
From: RJ Zeder, Transportation Director
Gordon Haws, Deputy Transportation Director
Subject: Changes to the Transportation Department's Schedule of Fees and Charges, Citywide

Purpose and Recommendation

Staff recommend that Council approve the revised schedule of fees and charges for the Transportation Department, as shown on the attached two pages. The changes proposed herein include eliminating the SRP (Salt River Project) Streetlight Cabinet Connection Fee and modifying the Traffic Signal and Streetlight Equipment Deposit and Loan Fees (with the Deposit and the Loan Fee being two separate charges).

Background

To help maintain schedules for the City's capital improvement projects (CIP) or private development projects, the City's Transportation Department occasionally loans the contractor or developer the traffic signal or streetlight equipment that the department has in stock that the contractor or developer cannot get in a timely manner and requires the contractor or developer to replace the item in the department's stock with an identical item as soon as practical. For providing this equipment, the City charges the contractor or developer a deposit (also referred to as "loan deposit"), which is fully refundable when the item is replaced, and a separate loan fee, which is a nonrefundable charge for this service.

Relative to the "SRP Streetlight Cabinet Connection Fee", the City of Mesa used to collect this fee from private developers who were installing public streetlights as part of their project. SRP then billed the City in the same amount when connection to the electric cabinet was made. SRP has now revised their process to bill the developers directly, obviating the need for the City to collect this fee.

Discussion

Traffic Signal and Streetlight Equipment Deposit: The deposit charged to the contractor or developer for equipment loaned to them is set at an amount equal to two times the current cost of the equipment, as available through the City's warehouse or other City contract. The deposit is fully refunded to the contractor or developer when the item is re-stocked to the City. Only if the contractor or developer

fails to return the item to the City's inventory would the City not refund the deposit. Charging double the purchase cost of the equipment for the deposit fee encourages the contractor or developer to re-stock the item and helps cover the cost of equipment replacement and City staff time necessary to replace the item if it is not re-stocked.

Traffic Signal and Streetlight Equipment Loan Fee: The loan fee is set at ten (10) percent of the current cost of the equipment, as available through the City's warehouse or other City contract. The loan fee is nonrefundable and helps to cover the staff costs in providing this service and coordinating these activities with the contractor or developer.

Changes to the Traffic Signal and Streetlight Deposit and Loan Fees: Previously, the deposit and loan fees were published on our schedule of fees and charges as actual dollar values. Given that the price of the equipment may change from year-to-year and may even change during a single year, staff recommend revising the fee schedule to set these two charges as a percentage of the pricing available to the City through its warehouse or other City contract rather than citing specific dollar values. Adopting a fee schedule that sets these two fees relative to current City warehouse or other City contract pricing avoids the need for Council action each time such prices are revised. Setting the deposit at two times the purchase price and the loan fee at ten percent of the purchase price correlates well with pricing shown on previous versions of the schedule of fees.

SRP Streetlight Cabinet Connection Fee: Since SRP now collects this charge directly from developers, the City no longer needs to collect this fee on their behalf and this fee can be eliminated from Transportation's schedule of fees and charges.

Alternatives

The Council can choose to take no action, in which case, the fees currently in place will remain in effect. This is not recommended since the SRP Streetlight Cabinet Connection fee is no longer needed and since the current Traffic Signal and Streetlight Equipment Deposit and Loan Fees are not reflective of current pricing for these items.

For the Traffic Signal and Streetlight Equipment Deposit and Loan Fees, the Council may also direct Staff to include actual dollar values on the fee schedule instead of setting these fees as a percentage of the pricing currently available through the City's warehouse or other City contract. This is not recommended since the cost of the equipment may vary from year-to-year or even change within a given year, requiring Council action each time to revise the fees.

Fiscal Impact

Since the City passed the SRP Streetlight Cabinet Connection fee on to SRP, eliminating this fee has no impact on the City's finances.

Since the Traffic Signal and Streetlight Equipment Deposits are fully refundable, they are not a revenue source for the City and revising them has little or no fiscal impact on the City.

The Traffic Signal and Streetlight Equipment Loan Fees are nonrefundable and are used to cover staff costs associated with providing this service and coordinating the loan. The fiscal impact of the recommended Council action would be to set the loan fees as a percentage of current City warehouse and contract pricing versus a set dollar value, with little change in the actual dollar value and minimal fiscal impact on the City. The significance of the change is only that it will keep the fee current with the City's current pricing without the need for further Council action.

Coordinated With

This report and recommendation have been coordinated with the Transportation, Business Services, and Development Services departments.

SCHEDULE OF FEES AND CHARGES

Department: Transportation

Date Last Reviewed: May 22, 2017
Contact: Elisa Gin, (480) 644-3824

RJ Zeder, Transportation Department Director

Description of Services:	FY 2016/17 Fee/Charge	FY 2017/18 Fee/Charge (Effective 7/1/17)	Date Last Revised	Notes			
Signal & Street Light Equipment Loan Deposits Traffic Signal Equipment Deposit		See Note 1	7/1/2017 07/01/14	Base on city cost rather than set schedule.			
— Pole, Pedestrian or Type A	\$1,060.00						
— Pole, Type J, K, Q, or R	\$5,148.00						
— Pole, type L, S	\$11,828.00						
— Arm, luminaire or mast, 20' or less	\$1,536.00						
— Arm, mast, 25' to 30'	\$1,904.00						
— Arm, mast, 35' to 50'	\$3,654.00						
— Arm, mast, 55'	\$5,220.00						
— Signal head	\$1,615.00						
— Controller cabinet with controller, complete	\$22,282.00						
— Controller	\$6,000.00		07/01/10				
— Other miscellaneous signal equipment	\$600.00						
Street Light Equipment Deposit		See Note 1	7/1/2017 07/01/08				
— Pole, type P-203, 210	\$4,862.00						
— Pole, Type P-205, 206, 207	\$1,550.00						
— Pole, Type P-204, 304, 305	\$2,402.00						
— Pole, Type P-301, 302, 307	\$2,682.00						
— Pole, type P-306, 308, 309	\$2,828.00						
— Pole, Type P-310, 311, 313	\$3,262.00						
— Pole, Type P-401 – 413	\$1,004.00						
— Pole, Type P-414 – 418	\$1,298.00						
— Pole, Type P-419, 420	\$1,506.00						
— Pole, Type P-501, 502	\$2,736.00						
— Arm, Type TS-101, TS-102, TS-103, TS-104	\$876.00						
— Arm, 15', 18', or 20' for 200 Pole Series, Not Listed Elsewhere	\$760.00						
— Arm, 6' or 8' for 100 Pole Series	\$232.00						
— Luminaire, Cobra Head	\$460.00						
— Luminaire, Decashield	\$738.00						
— Lighting Control Cabinet	\$1,340.00						
— Other miscellaneous street light equipment	**						
Note 1: Deposit equal to two times the current cost of the equipment as available through the City's warehouse or City contract on the date of the loan. Deposit is refundable when the item is re-stocked to the City.							
Signal & Street Light Equipment Loan Fee Traffic Signal Equipment Loan Fee		See Note 2	7/1/2017 07/01/14	Base on city cost rather than set schedule.			
— Pole, Pedestrian or type A	\$106.00						
— Pole, type J, K, Q, or R	\$514.80						
— Pole, type L, S	\$1,182.80						
— Arm, luminaire or mast, 20' or less	\$153.60						
— Arm, mast, 25' to 30'	\$190.40						
— Arm, mast, 35' to 50'	\$365.40						
— Arm, mast, 55'	\$522.00						
— Signal head	\$161.50					07/01/15	
— Controller cabinet with controller, complete	\$2,228.20						

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RJ Zeder, Transportation Department Director

Description of Services:	FY 2016/17 Fee/Charge	FY 2017/18 Fee/Charge (Effective 7/1/17)	Date Last Revised	Notes
Signal & Street Light Equipment Loan Fee (Cont.)			07/01/10	
— Controller	\$600.00	See Note 2	7/1/2017	
— Other miscellaneous signal equipment	\$60.00			
Street Light Equipment Loan Fee				
— Pole, type P-203, 210	\$485.00			
— Pole, Type P-205, 206, 207	\$155.00			
— Pole, Type P-204, 304, 305	\$240.00			
— Pole, Type P-301, 302, 307	\$270.00			
— Pole, type P-306, 308, 309	\$285.00			
— Pole, Type P-310, 311, 313	\$325.00			
— Pole, Type P-401 – 413	\$100.00			
— Pole, Type P-414 – 418	\$130.00			
— Pole, Type P-419, 420	\$150.00			
— Pole, Type P-501, 502	\$275.00			
— Arm, type TS-101, TS-102, TS-103, TS-104	\$90.00			
— Arm, 15', 18', or 20' for 200 pole series, not listed elsewhere	\$75.00			
— Arm, 6' or 8' for 100 pole series	\$25.00			
— Luminaire, Cobra Head	\$45.00			
— Luminaire, Decashield	\$75.00			
— Lighting Control Cabinet	\$135.00			
— Other miscellaneous street light equipment	\$60.00			
Note 2: The loan fee is assessed at 10% of the current cost of the equipment as available through the City's warehouse or City contract on the date of the loan and is non-refundable.				
SRP Street Light Cabinet Connection Fee	\$227.00		7/1/2017	SRP has now revised their process to bill the developers directly, obviating the need for the City to collect this fee.