



Street Maintenance Fee Adjustment

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As submitted to
the City Council
on September 07, 2021



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Background

- December 2018 – Street Maintenance Fee approved to assist with maintaining streets
 - Initial fee set at \$1.70, provided \$1.6 million for street maintenance
- Street condition assessment performed in 2019
 - Recommended \$4.3 million in annual street maintenance to maintain current street condition
 - Estimated \$120 million in street reconstruction
 - Winter Storm Uri added an estimated \$40 million
 - City Council approved increasing street maintenance by \$4.2 million to address emergency street repairs

Background, continued

- July 2021 – City Council received presentation on funding options to address street maintenance and reconstruction
- Following several meetings and further discussion, decision was made to move forward with \$10 monthly Street Maintenance Fee that is expected to generate \$9.6 million annually
 - Increase annual street maintenance by \$2.6 million to the recommended \$4.3 million
 - Provide approximately \$4.0 million annually to cash fund street reconstruction projects
 - Repay \$24.0 million bond issue to expedite street reconstruction
- Formula revised to incorporate diverted trips (stop by store on way home, changing travel path)
 - Reduced maximum commercial fee from \$5,543 to \$3,768

Alternatives

- Do not amend street maintenance fees and continue using current rates
- Amend street maintenance fees

Recommendation

City Council approve the ordinance amending Chapter 25, Streets, Sidewalks, and Miscellaneous Public Places, of the Code of Ordinances, to amend street maintenance fees