

Memorandum



CITY OF DALLAS

DATE February 21, 2020

TO Honorable Mayor and Members of the City Council

SUBJECT **Follow-up from February 18, 2020 Transportation and Infrastructure Committee Briefing – Right-of-Way and Lane Closure Permit Fees**

On February 18, 2020, the Department of Public Works briefed the Transportation and Infrastructure Committee on proposed revisions to permit fees collected for Lane and Sidewalk Closures and the fines associated with Right-of-Way (ROW) Citations.

The purpose of this memorandum is to provide you with a high-level overview of the proposed changes to the Lane and Sidewalk Closure fees and ROW Citation fines. This memorandum will also memorialize the discussion with, and the comments received from, the Transportation and Infrastructure Committee during the February 18th briefing.

Proposed Lane and Sidewalk Closure Fee Revision – Change from \$0.006/Sq. Ft. Per Day to a Tiered Fee Structure

The City currently charges \$0.006/sq. ft. per day to close lanes and sidewalks to support construction. The charges are not applied to telecommunication companies, Atmos Energy or Oncor Electric, or City projects.

After evaluating the existing fee structure and completing comparative analysis of other Texas cities, the Department of Public Works is recommending the addition of a \$50 Application Fee to recover the cost of reviewing the traffic control plans being submitted with the Lane and Sidewalk Closure Permit, and a tiered fee model based on the duration of the closure and the number of lanes associated with the closure (see table below).

Closure Fees	Number of Days Closed	Fees
Sidewalk & 1st Lane Closure	0-60	\$0.012/sq. ft./day
	61-120	\$0.024/sq. ft./day
	121-180	\$0.048/sq. ft./day
	180 or more	\$0.096/sq. ft./day
2nd or Additional Traffic Lane Closures	0-60	\$0.036/sq. ft./day
	61-120	\$0.072/sq. ft./day
	121-180	\$0.144/sq. ft./day
	180 or more	\$0.288/sq. ft./day

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The revised fees, which could result in an additional \$1M-\$3M in annual revenues, are currently being reviewed through the Office of Budget's fee review process and could be incorporated in the summer of 2020 or on October 1, 2020 as part of the FY 2021 Adopted Budget.

While the fees are being vetted through the Office of Budget, Public Works will begin outreach to various development and contractor groups to discuss the proposed fee changes.

Proposed Right-of-Way (ROW) Citation Fine Revision – Increase from \$500 Per Violation, Per Day to \$700 Per Violation, Per Day

Beginning in August 2018, the Department of Public Works began issuing ROW citations, which carry a daily fine of \$500 per violation. Citations are issued to ROW users who are not adhering to the requirements set forth in the ROW Permit issued to the user; citations can be issued for violations such as working without a permit, not having the permit on site, or failed traffic control setup. As part of the FY 2021 budget process, the Department of Public Works is recommending an increase of the daily fine, per violation, from \$500 to \$700.

Similar to the outreach for the Lane and Sidewalk Closure Fee revisions, Public Works will begin communicating the ROW Citation fine revisions to the development and contractor communities.

Possible Addition of a Traffic Control Review Fee

The Department of Transportation is exploring the addition of a separate fee for staff review of traffic control plans, particularly in areas where the lane closure is within 200 feet of a signalized intersection, or when two or more lane closures are warranted. Staff will update the City Council upon completion of an internal, interdepartmental analysis of potential impacts and appropriate costs.

Transportation and Infrastructure Committee Questions/Comments

1. Should we charge Lane and Sidewalk Closure Permit Fees on Public Projects?
It is staff's opinion that charging lane and sidewalk closure fees is not a viable option as the City would be charging itself for public improvements. The cost of the lane or sidewalk closure would be included for a contractor submitting a project bid, and this would increase the overall cost of the project.

To ensure timely completion of public projects, at the time of the construction contract award, public projects are assigned a number of days to complete a project or liquidated damages may be charged to the contractor for each day over the contract time.

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2. Where would the additional revenues from these two revisions go?
Currently, these funds go into the General Fund, but per the Transportation and Infrastructure Committee's recommendation, Public Works will work with the Office of Budget to determine if these additional revenues can be programmed for street maintenance activities only.

3. *Are there any fees for temporary repairs and/or patches?*
No, there is no fee structure for temporary repairs and/or patches, but Public Works staff will research this item and bring forward any recommendations through the FY 2021 budget process.

Staff will immediately begin meeting with the development community and contractors to discuss the proposed changes to the ROW and Lane Closure Fees. In addition, as we work towards bringing these items for City Council consideration, staff will make themselves available for individual meetings with you and your staff. Should there be any questions or need for clarification, please let me know.



Majed A. Al-Ghafry, P.E.
Assistant City Manager

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| T.C. Broadnax, City Manager | Joey Zapata, Assistant City Manager |
| Chris Caso, City Attorney (Interim) | Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer |
| Mark Swann, City Auditor | Michael Mendoza, Chief of Economic Development and Neighborhood Services |
| Biliera Johnson, City Secretary | M. Elizabeth Reich, Chief Financial Officer |
| Preston Robinson, Administrative Judge | Laila Aleqresh, Chief Innovation Officer |
| Kimberly Bizer Tolbert, Chief of Staff to the City Manager | M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion |
| Jon Fortune, Assistant City Manager | Directors and Assistant Directors |