CITY COUNCIL AGENDA REPORT

City of Anaheim
DEPARTMENT OF PUBLIC WORKS

DATE: **SEPTEMBER 13, 2022**

FROM: **DEPARTMENT OF PUBLIC WORKS**

SUBJECT: **ORDINANCE ADDING CHAPTER 12.30 TO TITLE 12 OF THE ANAHEIM MUNICIPAL CODE ESTABLISHING A PAVEMENT TRENCH CUT FEE AND A RESOLUTION SETTING THE AMOUNT OF THE PAVEMENT TRENCH CUT FEE**

ATTACHMENT (Y/N): YES **ITEM # 19**

RECOMMENDATION:

That the City Council, after a public hearing, take the following actions, by Motion:

(1) Introduce an Ordinance adding Chapter 12.30 to Title 12 of the Anaheim Municipal Code establishing a pavement trench cut fee;

(2) Adopt a Resolution to set the amount of the pavement trench cut fee and add said fee to the Public Works Fee Schedule; and

(3) Determine that the adoption of the proposed pavement trench cut fee is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the State CEQA Guidelines.

DISCUSSION:

The City owns and maintains approximately 582 centerline miles of pavement with an average Pavement Condition Index (PCI) of 70 (out of 100) and a condition category of "fair." The PCI is a numerical rating between 0 and 100, which is used to indicate the general condition of a pavement section, where 100 represents a newly paved street. Excavations for trenches in the City's streets degrade, shorten the life, and reduce the PCI of the streets even when the excavations are patched and repaired in conformity with current City standards and requirements.

On July 14, 2020, the City Council approved an engineering services agreement with Nichols Consulting Engineers, Chtd (NCE) to conduct a study related to the impact and costs of cutting into the existing pavement. The study concluded that utility cuts reduce pavement life by 15-55% while weakening the adjacent pavement. Consequently, this costs local agencies millions of dollars in premature street repair and remediation expenses. The study also evaluated both the structural (reduced pavement strength) and functional (shortened pavement service life) damage at 20 test sites on arterial and local streets with varying pavement conditions and ages within the City.

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Key findings of the study include:

- Sixty-five percent (65%) of test sites exhibited structural damage in the cut or zone of influence.
- On average, the PCI of sections with utility cuts was approximately 20 points lower than those without cuts.
- The average percent reduction in service life due to cuts was 21.3%. Pavements with higher PCIs experienced more functional damage than pavements with lower PCIs.
- Recommended fees are based on functional damage costs for pavements with PCIs greater than 65 or less than 55 and structural damage costs for pavements with PCIs between 55 and 65.

The purpose of this fee is to recover both direct and indirect costs for the degradation and shortened life of the street pavement from excavations through a pavement trench cut fee. It is appropriate that entities responsible for excavations in the street surface bear the burden of the resulting cost for damage to the pavement. The estimated annual revenue from the data reviewed would be approximately $0.5 million, which will be restricted for pavement rehabilitation projects throughout the City.

These findings developed and established the recommended pavement trench cut fee schedule for the City of Anaheim provided in the following table.

PCI	Fee	
	Trench or Bore Pit ($/SF)	**Pothole ($/EA)**
> 65	$8.40	$69.30
55 to 65	$11.60	$95.70
< 55	$3.60	$29.70

IMPACT ON BUDGET:

Revenues from pavement trench cut fees are included in the Public Works FY 2022/23 restricted transportation funds budget.

Respectfully submitted,

Rudy Emami
Director of Public Works

Attachments:

1. Ordinance
2. Resolution
3. Pavement Trench Cut Fee Final Report