



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JULY 11, 2017**

FROM: PUBLIC WORKS DEPARTMENT **WARDS: ALL**

SUBJECT: UPDATE TO PUBLIC WORKS 2015 USER FEES AND CHARGES TO ADD EXPEDITED REVIEW FEES FOR STREAMLINE RIVERSIDE; ADD A LANE CLOSING FEE AND UPDATE THE WIDE, OVERWEIGHT/LONG-LOAD PERMIT FEE

ISSUES:

Approve the update to the 2015/16 Fees and Charges for Public Works services to include a new fee for expedited review to accommodate Streamline Riverside, add a new lane closing fee and update the wide, overweight/long-load permit fee.

RECOMMENDATIONS:

That the City Council:

1. Approve an update to the 2015/16 Fees and Charges for Public Works services to include a new fee for expedited review to accommodate Streamline Riverside, add a new lane closing fee and update the wide, overweight/long-load permit fee
2. Introduce and adopt an ordinance to revise Section 3.30.030 of the Riverside Municipal Code to provide for adjustments to the City's fees and charges for Public Works activity/services to add a new expedited review fee, a new lane closing fee, and update the wide, overweight/long-load permit fee; and
3. Adopt a resolution authorizing and establishing a schedule of fees and charges for various City services in the Public Works Department to add a new expedited review fee, a new lane closing fee, and update the wide, overweight/long-load permit fee.

BACKGROUND:

On September 8, 2015, the City Council unanimously approved the City's Master Fee List based on the completed 2015/16 Fees and Charges Study (Fee Study) prepared by NBS Government Finance Group. An integral component of the Fee Study is to analyze and determine a fully burdened labor rate for each department/division to be used at the individual fee level to estimate an average full cost of providing each service or activity. The fully burdened labor rate for activities associated with the Public Works Department - City Engineering and Traffic Engineering Services is calculated at \$114 per hour.

The Fee Study reviewed City provided estimates for the average amount of staff time it would take to complete a typical occurrence of each service or activity for reasonableness. The staff time estimates were then applied to the fully burdened labor rate for City Engineering and Traffic Engineering Services to yield an average base fee for service or activity. The base fees for services were approved by City Council on September 8, 2015.

Given the base fees for service, the Public Works Department began to look at ways to improve the customer experience as a part of Streamline Riverside. Evaluating key business processes and researching best practices, provided a guide to enhance or simplify processes, thus items 1 and 2 listed below focus on improving customer's positive experience. Additionally, item 3 is a housekeeping adjustment to reflect corrected assumptions:

1. Expedited Review – Land Development
2. Lane Closing
3. Wide, Overweight/Long-Load

DISCUSSION:

Expedited Review

The Public Works Department is proposing to offer an expedited review option, related to Land Development review services, for Streamline Riverside. The proposed expedited review aligns with similar review services by other divisions - Planning, Fire Prevention, Riverside Public Utilities, and Building and Safety. The following list illustrates the top anticipated review services for those customers prepared to request and pay the proposed additional expedited fee:

1. Water Quality Management Plan (WQMP) - Preliminary
2. WQMP - Final
3. Traffic Impact Analysis
4. Plan Check - Grading
5. Plan Check - Engineering

Utilizing the methodology and fully burdened labor rate of \$114 from the Fee Study, the Public Works Department explored the possibility of offering an "expedited" review service that would be applied using actual hours worked. Therefore, customers choosing the expedited review option, will be charged the applicable base fee (includes General Plan Surcharge and Document Imaging Fees) and the proposed expedited fee. The Expedited fee would be calculated using the fully burdened hourly rate of \$114 multiplied by the actual hours worked. The Expedited Review service is subject to staff availability and current / anticipated workloads. This calculation follows the method used to establish similar expedited review services by other divisions. The following table compares established turnaround review times (i.e. non-expedited) versus proposed expedited turnaround review times:

| Review Services | Current (workdays) | | Expedited (workdays) | |
|-------------------------|--------------------|-------------|----------------------|-------------|
| | Initial | Resubmittal | Initial | Resubmittal |
| WQMP – Preliminary | 20 | 10 | 10-12 | 5-7 |
| WQMP – Final | 20 | 10 | 10-12 | 5-7 |
| Traffic Impact Analysis | 20 | 10 | 10-12 | 5-7 |
| Plan Check – Grading | 20 | 10 | 10-12 | 5-7 |

| | Current (workdays) | | Expedited (workdays) | |
|--------------------------|--------------------|-------------|----------------------|-------------|
| Review Services | Initial | Resubmittal | Initial | Resubmittal |
| Plan Check – Engineering | 20 | 10 | 10-12 | 5-7 |

The above expedited review service will require additional effort by staff in terms of labor hours. These additional labor hours will be utilized to determine the expedited fee amount based on the fully burdened hourly rate.

The following table provides a fee breakdown of review services with the added expedited fee. These expedited values are approximate for typical reviews and will vary based on a case by case basis:

| | | WQMP - Preliminary | | Plan Check - Engineering | |
|---|---------------------------|--------------------|---------|--------------------------|----------|
| | | | Amount | | Amount |
| Base Fee (a) | | | \$1,085 | | \$5,858 |
| Expedited Fee (b) | Fully Burdened Labor Rate | Labor Hours | | Labor Hours | |
| | \$114 | 10.0 | \$1,140 | 54.0 | \$6,156 |
| Total Estimated Fee | | | \$2,225 | | \$12,014 |
| (a) Subject to General Plan Surcharge and Document Imaging Fee. | | | | | |
| (b) Actual hours - Fee recovery 100% of cost of activity / service. | | | | | |

Lane Closing

Public Works performs an activity/service to review and issue Street Opening Permits that include projects of major and minor scope of work. The current Street Opening Permit is a singular fee (one fee fits all) of \$948 plus General Plan Surcharge and Document Imaging Fee and is based on an average amount of effort to process the fee. The effort for smaller scope projects would be better served with an optional new, lower cost fee to appropriately assess costs for the smaller scope and duration. To address reduced scope of work, shorter duration, and equitable permit fee, the proposal is to establish a fee to implement a new Lane Closing permit.

The following table illustrates scope of work criteria and financial requirements for both the Street Opening permit and Proposed Lane Closing permit:

| Street Opening | Proposed - Lane Closing |
|---|--|
| Scope of Work: <ol style="list-style-type: none"> 1. Duration – anything over 1 workday and up to 1 year; 2. Impacts to schools during arrival and dismissal periods; 3. Street Closures/Detours; 4. Performing work and/or construction activities that require a traffic control plan; | Scope of Work: <ol style="list-style-type: none"> 1. Duration – equal to or less than one (1) workday; 2. No impacts to schools during arrival and dismissal periods. 3. Lane closure – left, center, or right, with short durations and not impacting traffic signal(s); 4. Sidewalk closure (i.e...painting a building, |

| Street Opening | Proposed - Lane Closing |
|---|---|
| 5. Installing new utilities such as gas, electric, water lines, communications (phone, cable, etc.), cellular equipment, etc.; 6. Utility annual maintenance permits; and 7. Excavating inside the public right-of-way when proposed by others. | washing windows); 5. Traffic Control per WATCH Manual or CA MUTCD; 6. Non-public works project; 7. No trenching; and 8. No digging. |
| Financial and Insurance requirements: 1. Business License; and 2. Name the City of Riverside as additional insured on the following: a. Insurance – Workers Compensation b. Insurance – General and Auto Liability | Financial and Insurance requirements: 1. Business License; and 2. Name the City of Riverside as additional insured on the following: a. Insurance – Workers Compensation b. Insurance – General and Auto Liability |

Reduced scope of work and shorter duration permits would require less time by City staff to review documents and field inspection. Public Works Department proposes to establish a new Lane Closing fee of \$324, which is a reduction of 66% compared to the current Street Opening Permit fee. The following table summarizes the proposed Lane Closing permit fee:

| | Current Street Opening | | Proposed Lane Closing | |
|--|------------------------|--------------|-----------------------|--------------|
| Activity / Service | Average Labor Hrs | Fee (a) | Average Labor Hrs | Fee (a) |
| Application / documentation review and permit issuance - Land Development, Traffic Engineering, Construction Inspection (b) | 6.75 | \$732 | 2.0 | \$216 |
| Field Inspection – Construction Inspection | 2.0(c) | \$216 | 1.0(d) | \$108 |
| Total Fees | | \$948 | | \$324 |
| (a) Fee recovery 95% of cost of activity / service. (b) Subject to General Plan Surcharge and Document Imaging Fee. (c) Field Inspection - two (2) hour minimum, plus actual hours thereafter. (d) Field Inspection - one (1) hour minimum, plus actual hours thereafter. | | | | |

Wide, Overweight/Long-Load

The transportation of loads exceeding statutory limitations, as stated in Division 15 of the California Vehicle Code, are required to apply for and carry a special permit while transporting wide, overweight/long-loads through the City of Riverside. Companies specializing in the transporting of large loads, or third party companies that specialize in applying and obtaining permits on behalf of companies engaged in transporting large loads, must apply for the special permit from the City when wide, overweight/long-load are transported through the City of Riverside.

To receive a special permit, the applicant must provide information such as detailed route of

travel through the City, proof of business license, proof of insurance & liability, and provide date and time of travel through the City of Riverside. The City issues an average of 990 permits annually.

Under Section 35795, subdivision (b) (1) of the California Vehicle Code allows local authorities to charge a fee for the issuance of this special permit. The fee established by the local authority shall not exceed the fee developed by the Department of Transportation (DOT), pursuant to subdivision (a). Currently, the California Department of Transportation has established fees for a Single Trip Permit of \$16 and Annual Permit of \$90.

The following table summarizes (i.e. what the City should charge) the calculation for activity / service related to Wide, Overweight/Long-Load permitting:

| Activity / Service | Fee for Service | |
|---|-------------------|-------|
| | Average Labor Hrs | Fee |
| Single Trip Permit | 0.4 | \$43 |
| <ul style="list-style-type: none"> Application / documentation review and permit issuance - Land Development, Traffic Engineering and Construction Inspection | | |
| Annual Permit | 1.0 | \$108 |
| <ul style="list-style-type: none"> Application / documentation review and permit issuance - Land Development, Traffic Engineering, and Construction Inspection Field inspections - Construction Inspection and Traffic Signal Maintenance | | |

Currently, the City's Wide, Overweight/Long-Load permit fee is \$12 for both Single and Annual Permits. The Public Works Department proposes to adjust both the Single and Annual Wide, Overweight/Long-Load fees as allowed under Section 35795, subdivision (a) of the California Vehicle Code. Additionally, City staff will contact the appropriate State agency to review and/or update State fees related to Wide, Overweight/Long-Load Permits, as necessary.

The following table summarizes the proposed Wide, Overweight/Long-Load permit fee:

| | Current Fee | Proposed Wide, Overweight/Long-Load (Allowed under DOT) |
|--------------------|-------------|--|
| Single Trip Permit | \$12 | \$16 |
| Annual Permit | \$12 | \$90 |

FISCAL IMPACT:

The fiscal impact will vary depending on service activity levels. Additionally, based on existing and anticipated activity levels for Wide, Overweight/Long-Load, it is estimated that the proposed adjustment to fees could recover a portion of the cost of service.

Prepared by: Mark Steuer, Deputy Public Works Director/City Engineer
 Certified as to
 Availability of funds: Scott G. Miller PhD, Chief Financial Officer/City Treasurer
 Approved by: Al Zelinka, FAICP, Assistant City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Ordinance
2. Resolution
3. Exhibit 1 to the Resolution