



## City Council

### Approval of an Ordinance Adopting a Pavement Restoration Fee

**Agenda Date:** 12/11/2018  
**Agenda Item Number:** 4.L  
**File Number:** 18-0301

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**Type:** ordinance **Version:** 2 **Status:** Passed

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#### **Title**

Approval of an Ordinance Adopting a Pavement Restoration Fee

#### **Recommended Action**

##### **Committee Recommendation:**

The Land Use and Environment Committee recommends approval of an ordinance adopting the Pavement Restoration Fee.

##### **City Manager Recommendation:**

Move to approve the ordinance adopting a Pavement Restoration Fee on second reading.

#### **Report**

##### **Issue:**

Whether to approve an ordinance adopting the proposed Pavement Restoration Fee.

##### **Staff Contact:**

Fran Eide, P.E., City Engineer, Public Works Engineering, 360.753.8422.

##### **Presenter(s):**

None - Consent Calendar Item.

##### **Background and Analysis:**

Background and analysis has not changed from first to second reading.

Despite an effort undertaken in the late 1990s, there is no clear guidance related to the establishment, application, or collection of Pavement Restoration Fees for damage done to streets within five-years of the original paving date. This is affecting the life cycle of pavement as well as the collection of funds to help the City address premature pavement failure.

In 2016 and 2017, a committee made up of staff from the private utilities, Public Works, Community Planning and Development, and Information Services met to develop processes, procedures and a fee structure. The committee evaluated fee information from Lacey, Tumwater, Tukwila, Seattle Department of Transportation, Phoenix, and Concord (New Hampshire).

On February 16, 2018, staff made a presentation to the Land Use and Environment Committee (LUEC), providing an update on the proposed Pavement Restoration Fee.

The structure uses a base fee of \$25.00 per square foot or portion thereof and a five-year de-escalation.

Year 1 (new treatment):	5X base fee (or \$125.00 per square foot or portion thereof);
Year 2:	4X base fee (or \$100.00 per square foot or portion thereof);
Year 3:	3X base fee (or \$75.00 per square foot or portion thereof);
Year 4:	2X base fee (or \$50.00 per square foot or portion thereof);
Year 5:	1X base fee (or \$25.00 per square foot or portion thereof).

**Neighborhood/Community Interests (if known):**

Adopting a Pavement Restoration Fee will help ensure higher quality street surfaces by:

- increasing the level of communication between agencies about planned projects;
- providing a predictable permitting process; and
- providing up to date maps of recently paved streets.

The proposed fee schedule is the same one being used in Tumwater and Lacey, providing consistency among the three jurisdictions.

**Options:**

1. Revise Olympia Municipal Code (OMC) Title 4 (*Fees and Fines*) to establish a Pavement Restoration Fee schedule as follows:

Year 1 (new treatment):	5X base fee (or \$125.00 per square foot or portion thereof);
Year 2:	4X base fee (or \$100.00 per square foot or portion thereof);
Year 3:	3X base fee (or \$75.00 per square foot or portion thereof);
Year 4:	2X base fee (or \$50.00 per square foot or portion thereof);
Year 5:	1X base fee (or \$25.00 per square foot or portion thereof).

The overall pavement rating for City streets will improve. Any funds collected will be used for pavement repair.

2. Revise Olympia Municipal Code (OMC) Title 4 (*Fees and Fines*) to establish a revised Pavement Restoration Fee schedule. The revised schedule could include a different base fee and/or a modified de-escalation schedule and/or a flat fee, regardless of the pavement age.

The impact of establishing a modified Pavement Restoration Fee schedule is that any benefit is delayed until staff communicates the revised schedule with stakeholders before gaining approval from the Council for implementation.

3. Do not establish a Pavement Restoration Fee.

There will be no incentive for an applicant to avoid cutting into new pavement, resulting in an

overall decline in pavement condition. There will be no additional funding to help restore street surfaces that fail prematurely.

**Financial Impact:**

The amount collected will vary year to year. Funds collected will be used by Public Works Transportation to repair pavement.

Any fee that the City assesses through the permit process will be passed along to the consumer.

**Attachments:**

Ordinance