

South Portland City Council
Position Paper of the City Manager

Subject:

ORDER #8-17/18– Setting the street opening fees for FY 2018. Passage requires majority vote.

Position:

This item is brought forward to set the street opening permit administrative/inspection fee charges for FY 2018, effective July 1, 2017 to June 30, 2018. This process is required annually pursuant to Chapter 23, "Streets and Sidewalks" §23-45 (b) which states:

Sec. 23-45. Permit fee; street and sidewalk opening fees.

(b) All fees shall be enacted annually by order of the City Council. The City's Administrator shall notify currently licensed excavators in advance of annual fee revisions necessary to reflect costs of program administration, permanent pavement restoration, annual excavator's license fee, and other applicable charges.

The proposed fee for FY 2018 is \$370.00. This represents a \$48.00 increase over last year's fee of \$322.00.

This fee is based on the present program cost divided by the total permits issued, averaged at 263 permits per year (average FY14-FY16).

$$\$97,502/263=\$370$$

Attached to and part of the order is a copy of the proposed fee schedule which includes the calculation used to arrive at the \$370.00 figure.

All appropriate excavation permit holders have been notified of this change.

Requested Action:

Council passage of ORDER #8-17/18.



City Manager



CITY OF SOUTH PORTLAND

PATRICIA A. SMITH
Mayor

SCOTT T. MORELLI
City Manager

EMILY F. SCULLY
City Clerk

SALLY J. DAGGETT
Jensen Baird Gardner & Henry

**IN CITY COUNCIL
ORDER #8-17/18**

ORDERED, that the City Council hereby sets the Street Opening Permit Administrative/Permanent Pavement Restoration Fees as shown on the attached schedule effective July 1, 2017 to June 30, 2018.

Fiscal Note: Less than \$1,000

Date: July 10, 2017

District One
CLAUDE V. Z. MORGAN

District Two
PATRICIA A. SMITH

District Three
EBEN C. ROSE

District Four
LINDA C. COHEN

District Five
BRAD FOX

At Large
MAXINE R. BEECHER

At Large
SUSAN J. HENDERSON



Executive Department

**Scott Morelli
City Manager**

MEMORANDUM

TO: City of South Portland Street Opening Permittees
FROM: Scott Morelli, City Manager
SUBJECT: Street Opening Permit Fees for FY 2018
DATE: June 21, 2017

At its July 10th meeting, the South Portland City Council will be reviewing the annual adjustment to the Street Opening Permit Administrative Fee. This change is pursuant to Chapter 23, §45(b) of the City's Code of Ordinances which states: *(b) All fees shall be enacted annually by order of the City Council.*

The proposed Street Opening fee will be in effect from July 1, 2017 through June 30, 2018.

Based on the average number of permits over the last three years and the Street Openings budget, it is proposed to increase the current rate of \$322 to \$370. Although reductions were made in many of the budget line items, the rate increased due to a decrease in the average number of permits per year. A copy of the proposed fee calculation is enclosed.

As it has been for several years, the permanent pavement restoration fee for moratorium streets is \$18/sq. yd.

You are welcome to attend this meeting. It will be held on July 10th, 2017, beginning at 6:30 p.m. in the City Council Chambers at City Hall, 25 Cottage Road.

Enc.

P. O. Box 9422 - 25 Cottage Road
South Portland, ME 04116-9422
Telephone (207) 767-7606 • Fax (207) 767-7629
jgailey@southportland.org

CITY OF SOUTH PORTLAND
Street Opening Permit Administrative/Inspection Fees

The following data is used to develop the Street Opening Permit Administrative/Inspection Fee. It does not include the pro-rated costs of several City staff who assist the Engineering Inspector and Assistant Code Enforcement Officer with the Street Openings Program.

DESCRIPTION	FY 2018
HOURLY	\$50,210
OVERTIME	\$727
MAINE STATE RETIREMENT	\$4,890
SOCIAL SECURITY	\$3,897
WORKERS COMP	\$1,062
HEALTH INSURANCE	\$13,588
ADVERTISING	\$100
TELEPHONE	\$696
MOTOR VEHICLE MAINTENANCE	\$3,500
CONTRACTED SERVICES	\$800
CONTRACT SERVICES-ENGINEERING	\$3,000
TRAINING	\$1,350
OFFICE SUPPLIES	\$500
GAS & OIL	\$874
TIRES	\$400
ENGINEERING SUPPLIES	\$400
HIGHWAY MAINTENANCE	\$10,400
OTHER EQUIPMENT	\$1,000
TRANSFERS OUT	<u>\$108</u>
TOTAL	\$97,502

Average # of Permits per Year

Calendar 2014	297
2015	291
2016	<u>202</u>

Average per last 3 years **263**

Street Permit Fee Calculation

Proposed Street Opening Budget	\$97,502
Average # of permits per year (÷)	<u>263</u>
Proposed FY2017 Annual Fee	\$370

The permanent pavement restoration fee for moratorium streets is based on the following:

Minimum length:

By ordinance there is a 10' separation of utilities installed to a site. The permanent pavement repair requires grinding 20' on either side of the trench. The minimum length would be 50'.

CITY OF SOUTH PORTLAND
Street Opening Permit Administrative/Inspection Fees

Assume the width of a new local street: 30'.

Costs:

Milling: \$ 10/square yard

Asphalt: \$ 80/ton

Calculations: (square yard = square feet divided by 9)

50' X 30' = 1500 ft²/ 9 = 166.67 square yards

Milling costs: 166.67 square yards X \$ 10/ square yard = **\$ 1, 666.70 rounded to \$ 1,667.00**

Asphalt costs: Assume you need 1 ¾" of loose material to be compacted down to 1 ½" thickness

Formula: Tons of asphalt = Length X Width X Thickness of application X 110 pounds per inch
Divided by 18,000.

50' X 30' X 1.75 X 110/ 18,000 = 16.05 Tons

16.05 Tons X \$ 80/Ton = **\$ 1,284.00**

1,667.00 + 1,284.00 = 2,951.00

\$ 2,951.00/167 = 17.67 rounded to \$ 18.00/ square yard.