
CITY COUNCIL REPORT

TO: Mario Paniagua
Deputy City Manager

THRU: Ray Dovalina, Jr., P.E.
Street Transportation Director

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City Engineer

SUBJECT: BACKUP INFORMATION - MODIFICATIONS TO CITY CODE AND
POLICY REGARDING STREET PAVEMENT CUTS

This report provides additional information on the request to adopt a revised Street Pavement Cut Policy and to correspondingly repeal Phoenix City Code, Chapter 31, Article III, Section 31-38(d) and amend Phoenix City Code, Chapter 31, Article III, Section 31-49.1.

Summary

Residents, City Council members, and other users of City streets have raised concerns regarding utility excavation cuts on newly constructed or resurfaced streets and the resulting short- and long-term damage impacts to the roadway service life. The current City ordinance covering street pavement cuts has not been updated since 1987. Street Transportation Department staff presented information related to street pavement cuts at the May 24, 2016 Transportation and Infrastructure (T&I) Subcommittee meeting, including the existing City ordinance and results of comparative research of pavement cut surcharges and restrictions used by Valley cities.

Staff also provided an informational update on the street pavement cut ordinance modifications process for the T&I Subcommittee at its Nov. 29, 2016 meeting. In addition, staff presented this item at the Citizens Transportation Commission (CTC) on Nov. 17, 2016 for information and on Feb. 23, 2017 for approval.

With the passage of Proposition 104 by Phoenix voters in August 2015, the Street Transportation Department anticipates more than \$2.3 billion in Transportation 2050 revenue over the next 35 years, the majority of which will be used for new or resurfaced pavement on City streets. This is in addition to the Highway User Revenue Fund (HURF) revenue dedicated towards the construction and maintenance of the City's nearly 5,000 miles of streets. With additional miles of roadways being resurfaced, it is imperative that right-of-way activities are closely coordinated with pavement restoration projects to ensure that the City's growing investment in its streets is properly protected.

Potential Policy Enhancements

Based on feedback provided by the T&I Subcommittee members at the May 2016 meeting, staff developed additional street pavement cuts policy enhancement proposals, reached out to utility and developer stakeholders, and engaged in ongoing discussions to fully vet and refine the proposals. Initial discussions included options that are shown in comparison to the current ordinance requirements in Attachment A.

Several aspects of potential enhancements to the ordinance have been discussed, including improved coordination, expanded planning horizon, pavement cut surcharge fees, and the requirement for an asphalt pavement mill and overlay for cuts made in new pavement or newly overlaid streets. Other administrative enhancements have been discussed, including how and when the City accepts new pavement and having the City provide mapping information related to recently completed and planned future pavement projects.

In Attachment A, three of the four options (Options A, C, and D) include an asphalt mill and overlay requirement for two years while two of the four options (Options A and C) include the application of the current three-tier surcharge fee structure. In each of the mill and overlay options, the mill and overlay treatment requirement would only apply to new asphalt pavement or asphalt overlay treatments. Additionally, the surcharge fee for each tier would not change from the current calculation methodology. One option (Option B) included paying a decreasing portion of the cost of mill and overlay through five years, while another option (Option D) did not include any surcharge fees for years one through five. All four options (Options A through D) did include a micro surfacing / slurry seal requirement for all cuts regardless of size and age of pavement, if done after the conclusion of mill and overlay requirement.

Stakeholder Input

On Dec. 15, 2016, Street Transportation staff held a third stakeholder meeting with the City's right-of-way partners. At the meeting, staff presented the additional potential ordinance change options (Attachment A). In addition to discussion of the various ordinance change options, the stakeholder group requested clarification on how any new ordinance would treat potholing of City streets, and whether the requirement to extend pavement treatments 50 feet on either side of the pavement cut boundaries could be decreased.

Staff reconvened the stakeholder group for a fourth meeting on Jan. 5, 2017 to review their comments on the four options presented at the previous meeting. The utility partners collectively presented an alternate proposal to the City, which would establish an 18-month asphalt mill and overlay requirement with an elimination of pavement cut surcharge fees. As part of this proposal, the utility partners acknowledged agreement with the City on the following elements of the ordinance changes.

- Organizations performing the pavement cuts may elect to pay the City to perform the pavement treatment (mill/overlay or micro surfacing/slurry seal) in lieu of performing it themselves.
- City will produce a Geographic Information System (GIS) map of pavement treatment locations planned over the next 3-5 years and pavement treatment (new pavement

and mill/overlay) locations completed recently.

- City will work to inspect and accept new pavement and mill/overlay locations upon completion of each location rather than as a group of locations.
- City will hold regular coordination meetings with utility and developer stakeholders (quarterly or bi-annually) to review public and private project plans in the right of way for conflicts.
- Any City ordinance changes will be effective no earlier than July 1, 2017.

At the request of the Citizens Transportation Commission (CTC) Chair and some members of the CTC, staff reconvened the stakeholder group for a fifth meeting on Feb. 8, 2017 with the facilitation assistance of the Greater Phoenix Chamber of Commerce. The goal of this meeting was to further pursue areas of agreement between City staff and our right of way stakeholders on the proposed ordinance changes. At the meeting, City staff and the stakeholders discussed their positions and concerns with the existing ordinance and proposed ordinance changes. Various alternatives and proposals were discussed amongst the parties, and it became clear that the lone remaining concern they voiced to the City was the length of the two-year asphalt mill and overlay requirement. Following this meeting, City staff and the right of way stakeholders continued their dialogue, which ultimately led to mutual agreement on all aspects of the recommended city ordinance changes to the existing street pavement cut policy.

Recommended Policy Enhancements

The City Code requirements concerning street pavement cuts is intended to increase coordination of planned projects in the public right-of-way and reduce excessive pavement cuts. However, even with the best coordination efforts, unscheduled pavement cuts can never be entirely eliminated.

Ultimately, these cuts have a significant impact on the condition and resiliency of our roadway pavement. Even with high-quality repairs, the pavement and adjacent soil cannot be fully restored to its original condition which causes additional degradation over time and shortens the service life of the street. As a result, the street will require more frequent maintenance, resulting in additional rehabilitation costs as well as negatively impacting roadways for drivers and riders.

After careful consideration of many aspects of this issue, utilizing the knowledge and experience of our professional City staff, the input and feedback received from the City's utility and development partners, the concerns of our citizens, and the recent adoption of Transportation 2050, staff is recommending the following key enhancements to the pavement cut ordinance:

- Add asphalt mill and overlay requirement for cuts to pavements up to 24 months in age regardless of size. For longitudinal pavement cuts only, the two-year asphalt mill and overlay requirement would apply to the impacted lane(s) of travel (approximately 12' to 24' in width). For these cuts, the additional micro-surfacing / slurry seal treatment would continue to be required in addition to the asphalt mill and overlay requirement.

- For cuts to pavement greater than 24 months in age, micro-surfacing/slurry seal treatment will continue to be required.
- As an option available to the entity performing the pavement cut, the City will accept payment (including all contracts costs and related administration) for the cost of performing a required pavement treatment in lieu of that entity performing the treatment themselves.
- Required pavement treatment limits will extend 25 feet (25') on either side of a pavement cut.
- All existing pavement cut surcharge fees will be eliminated.
- City will work to inspect and accept new pavement and mill/overlay locations upon completion of each location rather than as a group of locations for more accurate tracking of actual pavement age.
- Pavement potholing will not typically trigger the pavement treatment requirement; rather, a defined number of potholes over a specific length of pavement will trigger such a requirement.
- City will produce a Geographic Information System (GIS) map of pavement treatment locations planned over the next 3-5 years and pavement treatment (new pavement and mill/overlay) locations completed within the timeframe for any asphalt mill and overlay requirement.
- City will hold regular coordination meetings with utility and developer stakeholders (quarterly or bi-annually) to review public and private project plans in the right of way for conflicts.
- Any City ordinance changes will be effective no earlier than July 1, 2017.

A summary of the recommended pavement cut restoration requirements is included in Attachment B.

Concurrence/Previous Council Action

On Feb. 23, 2017, the CTC unanimously recommended T&I Subcommittee and City Council adoption of the proposed modifications to the street pavement cut ordinance.

On Feb. 23, 2017, the T&I Subcommittee unanimously recommended City Council adoption of the proposed modifications to the street pavement cut ordinance.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Street Transportation Department.

Exhibits:

- A. Options for Street Pavement Cuts Ordinance Changes – Dec. 15, 2016
- B. Recommended Pavement Cut Restoration Requirements – Feb. 21, 2017

Options for Pavement Cut Ordinance Changes

Option	Year 1	Year 2	Year 3	Year 4	Year 5
Current	Current Surcharge Fees Level 1	Current Surcharge Fees Level 2	Current Surcharge Fees Level 3	No Surcharge Fees	
A	Mill / Overlay * and pay: Current Surcharge Fees Level 1		Current Surcharge Fees Level 1 ⁺	Current Surcharge Fees Level 2 ⁺	Current Surcharge Fees Level 3 ⁺
B	100% Mill / Overlay Cost (Perform or Pay)	80% Mill / Overlay Cost ⁺	60% Mill / Overlay Cost ⁺	40% Mill / Overlay Cost ⁺	20% Mill / Overlay Cost ⁺
C	Mill / Overlay [*]		Current Surcharge Fees Level 1 ⁺	Current Surcharge Fees Level 2 ⁺	Current Surcharge Fees Level 3 ⁺
D	Mill / Overlay [*]		No Surcharge Fees ⁺		

* The post-cut pavement treatment would be a mill and overlay for new pavement or overlay. For other recent pavement treatment types, the post-cut treatment would be like for like.

+ Roadway pavement resurfacing (microsurfacing) will be required for the length of the trench, starting 50 ft before and after trench limits, per MAG 336.

Current Surcharge Fees	Description
Level 1	< 9 sq.ft. or linear ft. = \$ 1,000 OR > 9 sq.ft. or linear ft. = \$ 2,500 per 50 ft.
Level 2	< 9 sq.ft. or linear ft. = \$ 640 OR > 9 sq.ft. or linear ft. = \$ 1,600 per 50 ft.
Level 3	< 9 sq.ft. or linear ft. = \$ 320 OR > 9 sq.ft. or linear ft. = \$ 800 per 50 ft.

Exhibit B

Pavement Cut Ordinance - Recommended Pavement Cut Restoration Requirements

February 21, 2017

Option	Year 1	Year 2	Year 3	Year 4	Year 5
Current	Current Surcharge Fees Level 1	Current Surcharge Fees Level 2	Current Surcharge Fees Level 3	No Surcharge Fees	
Recommendation	Mill / Overlay *		No Surcharge Fees **		
* The post-cut pavement treatment would be a mill and overlay for new pavement or recent overlay. Mill and overlay would be required for the length of the trench, starting 25 ft before and after trench limits. For longitudinal cuts, treatment would be for 12'-24' width depending on the trench location. In addition to mill and overlay, micro seal and slurry seal treatments would be required for arterial/major collector and local/minor collector streets, respectively. For longitudinal cuts, the micro/slurry seal resurfacing would be for 1/2 width of an arterial/major collector street OR full width for local/minor collector street. For other recent pavement treatment types cut in this timeframe, the post-cut treatment would be micro/slurry seal resurfacing, and treatment limits would be the same as those for micro/slurry seal resurfacing requirement.					
** Roadway pavement resurfacing (micro/slurry seal resurfacing) will be required for the length of the trench, starting 25 ft before and after trench limits. For longitudinal cuts, treatment would be for 1/2 width of an arterial/major collector street OR full width for local/minor collector street.					