

**CITY COUNCIL
COMMUNICATION:**

03-247

AGENDA:

JUNE 9, 2003

SUBJECT:

STREET CUT
RESTORATION
CHARGES – COST
OF SERVICE
ALIGNMENT
BETWEEN
CHARGES AND
COSTS

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

WILLIAM STOWE
PUBLIC WORKS
DIRECTOR

JEB BREWER, P.E.
CITY ENGINEER

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

SYNOPSIS —

This action would authorize a 10 percent increase in the rate charged for street service restoration to bring the rates in line with the actual costs. Charges for street service restorations are standardized based on the surface size, the depth of cut, and the type of street. A table outlining these fees is attached to the roll call.

FISCAL IMPACT —

The cost for restoring street cuts is billed directly to the contractor making the excavation. The recommended rate increase will generate an additional \$37,000 in General Fund revenues.

RECOMMENDATION —

Approval.

BACKGROUND —

The Public Works Department restores all excavations on paved streets to ensure quality and, in turn, reduce future defects. Program expenses are offset with revenues generated by billing the contractors making the excavations. The amounts charged have been standardized, for the most part, relative to surface size, depth of cut, and surface type of street.

The Public Works Department first met with area plumbers on January 16, 2002, and again on April 23, 2002, regarding construction standards, street service cut restoration rates, and alternatives to City-only restoration of service cuts. Plumbing contractor compliance with construction standards has been very satisfactory and the majority still opt to have the City complete the work.

With respect to fees, on April 8, 2002, by Roll Call No. 02-937, the City Council approved an initial rate increase of 10 percent to bring rates more in line with actual costs. As previously discussed with plumbing customers, an additional rate increase is now recommended to have rates match expenses incurred in restoring street cuts.

