



Council Communication

Office of the City Manager

Date	May 5, 2008
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Agenda Item No.	9
Roll Call No.	08-
Communication No.	<u>08-277</u>
Submitted by:	Jeb E. Brewer, P.E. City Engineer

AGENDA HEADING:

Approval of FY 2007-08 Annual Management Fee.

SYNOPSIS:

Recommend approval of the Fiscal Year (FY) 2007-08 annual management fee in the amount of 0.40-cents per equivalent lineal foot (with a minimum fee of \$100) for the Right-of-Way (ROW) Management Program, which is documented in the Supplemental Right-of-Way Management Budget information attached to the Roll Call.

FISCAL IMPACT:

Amount: \$92,701 in revenues

Funding Source: \$80,126 from right-of-way non-city utility users and \$12,575 from City of Des Moines sewer enterprise funds.

ADDITIONAL INFORMATION:

The City Engineer has calculated and hereby submits for City Council consideration the FY 2007-08 annual management fee in the amount of 0.40-cents per equivalent lineal foot of ROW usage. This fee is charged to all ROW users on the basis of their reported or estimated usage of City ROW as required by Section 102-711 of the City Code. Right-of-way users have utilities or other facilities in our public rights-of-way, either underground or overhead. Program costs that can be attributed to specific users (allocable costs) are recovered through permit fees, which are specified in separate fee schedule and are charged to those users when they obtain a permit for construction. Program costs that cannot be attributed to specific users (non-allocable) are recovered through an annual management fee, which is charged to all users, including the City, based on their pro-rata occupancy of City ROW. This 0.40-cent fee is used to recover these non-allocable costs.

All users of City right-of-way are required to report to the City Engineer the amount of equipment they own and operate in the City ROW and update it on an annual basis. The 2007-2008 total equivalent lineal footage of all ROW users is 23,189,682 equivalent lineal feet. The amount of the annual management fee charged to each user is then calculated based on their reported, estimated usage and the 0.40-cent fee.

PREVIOUS COUNCIL ACTION(S):

Date: February 26, 2007

Roll Call Number: 07-402

Action: Fiscal Year 2006-07 Annual Management Fee and Right-of-Way Management Program budget. ([Council Communication No. 07-120](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: May 23, 2005

Roll Call Number: 05-1283

Action: Fiscal Year 2005-06 Annual Management Fee and Right-of-Way Management Program budget. ([Council Communication No. 05-270](#)) Moved by Vlassis to adopt. Motion Carried 5-2. nays: Kiernan and Hensley.

Date: November 22, 2004

Roll Call Number: 04-2531

Action: Fiscal Year 2004-2005 Annual Management Fee and Right-of-Way Management Program Budget. ([Council Communication No. 04-591](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Annual approval of the management fee.

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