



# Inter-Departmental Communication

DATE: July 24, 2002

TO: Paul Danaher, Chair, Operations Committee  
Members of the Operations Committee

FROM: Mark Funkhouser, City Auditor

SUBJECT: Street Closure/Traffic Control

As you consider an ordinance to implement new traffic control permit fees approved by voters last year, I wanted to provide you with information about our audits and recommendations related to traffic control fees. We have done two audits on street closures, one in 1994 and a follow-up in 2000. In both, we recommended developing a permit fee structure that provides people who close streets a financial incentive to complete their work as quickly as possible.

Closing a lane or street to traffic imposes costs on the people who use the street. Some of these costs include the cost of delays to traffic on an obstructed route, increased operating and time costs associated with traffic diverted to another route, and the cost of lost business resulting from inaccessibility.

Everyone has experienced delays caused by closed lanes or streets. Sometimes the delay is very small. If you're leaving the city hall garage and want to head north, it might take a few extra minutes because of the work on Oak Street. It might not seem like much inconvenience, but it adds up. The inconvenience affects numerous drivers and can last for months.

In our 1994 audit of street closure permit activities, we described a restaurant owner whose business was off by 17 percent because there was construction along the road where the business was located. The owner reported that people had a hard time reaching the restaurant and that it would affect business even after the construction was completed because people develop a habit of avoiding a stretch of road that is affected by construction.

One way to think of the permit fee is that the taxpayers – who own the street system – are “renting” the street. In 1994, we talked to a transportation expert in Missouri who wrote:

Motorists stalled in a traffic backup caused by construction would agree it's a good idea to make contractors who close lanes to motorists rent the lanes from the

motorists. Using lane rental gives contractors an incentive to complete jobs quickly; lane rental results in 30 to 50 percent less time of closure with only a 10 percent cost increase. It reduces motorist inconvenience while including this inconvenience as part of the construction contract.

Citizens care about traffic flow. In our 2001 citizen survey, we asked citizens to identify three areas that should receive the most emphasis from city leaders in the next two years. Maintenance was the number one choice, but traffic flow was one of the top three areas. More respondents listed traffic flow as one of their top three choices than those who listed police, fire, and ambulance services.

cc: Mayor Kay Barnes  
Members of the City Council