

# Item No. 5 – Traffic Signal In-Lieu Fees

Discuss and take action, providing a recommendation to Council on a staff proposal to modify the Transportation Department's schedule of fees and charges for traffic signal in-lieu fees (citywide).

# Traffic Signal In-Lieu Fees

## Existing fee structure (2019)

- Four-leg intersection - \$350K
- T-intersection - \$320K

## In-Lieu Fee Applicability

- Developers required to pay as part of offsite improvement requirements
- Sites adjacent to intersections where a traffic signal is planned
- Does not apply to traffic signals with warrants tied to a specific development
- Mesa collects less than three traffic signal in-lieu fees per year



# Traffic Signal Costs

Signal Location	Description	Year	Cost
Cadence & Crismon Rd	New traffic signal construction at 4-lane arterial to 2-lane collector street	2024	\$682,656
Pecos Rd & 80th St	New traffic signal construction at 5-lane arterial to 2-lane collector street	2025	\$777,065
Brown Rd & 40th St	New traffic signal construction at 5-lane arterial to 2-lane collector street	2025	\$1,057,048
Hampton Ave & Val Vista Dr	Full traffic signal reconstruction at 6-lane arterial to 2-lane collector street	2025	\$864,614
Hampton Ave & Signal Butte Rd	Partial traffic signal reconstruction with new intersection leg at 6-lane arterial to 4-lane major collector street	2025	\$947,264
Warner Rd & Mountain Rd	New traffic signal construction at 6-lane arterial to 4-lane major collector street	2025	\$955,283

- Traffic signal in-lieu fees were last updated in 2019 when costs were set at \$350,000 for a traffic signal at a four-leg intersection
- Significant increases in construction costs of labor and materials in the past several years
- Any difference in the actual cost of the traffic signal will be borne by the City as part of the Traffic Signal CIP Program

# Proposed Schedule of Fees & Charges

## Department: Transportation

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
<i>Traffic Signal In Lieu FeeS</i>					
Per Quadrant at Arterial-To-Arterial <b>FOUR-LEG</b> Intersections	\$87,500	\$225,000	Per Quadrant	\$412,500	Raising fee to reflect the actual cost of traffic signal construction as of 2025. Fiscal impact is dependent on number of developments requesting in-lieu fee. Typical collections range from 0-3 per year.
Per <b>SHARE AT "T"</b> IntersectionS With No Driveway Access Planned at Top of "T"	\$80,000	\$200,000	Per Quadrant <b>SHARE</b>	\$0	Raising fee to reflect the actual cost of traffic signal construction as of 2025. Fiscal impact is dependent on number of developments requesting in-lieu fee. Typical collections range from 0-3 per year.

**Estimated Total Annual Fiscal Impact: \$412,500**

\*Other text amendments are proposed for the Traffic Signal In Lieu Fees to more clearly define the associated descriptions of service and distinguish four-leg and "T" intersection categories.

# Proposed Schedule of Fees & Charges

## Recommendation:

- Based on the cost data, staff recommends setting the fee for a traffic signal at **\$900,000 (\$225,000 per quadrant) for a four-leg intersection** and **\$600,000 (\$200,000 per share) for a “T” intersection.**

## TAB:

- Discuss & take action, providing a recommendation to Council

