Ivins City Staff Report
City Council Meeting 08/06/2026

Agenda Item: Discussion regarding the updated Transportation Utility Fee (TUF) memorandum and direction on next steps

Submitted by: Thomas Jorgensen, P.E., Public Works Director / City Engineer

Recommended City Council Action:
No formal action is required. Staff requests direction regarding whether to proceed with public engagement, continue refining the TUF proposal and supporting analysis, delay the process, or evaluate a different transportation funding approach.

BACKGROUND:

On July 8, 2026, staff provided Council with a proposed public engagement plan for the Transportation Utility Fee. The plan recommended presenting the issue as a broader discussion about long-term street funding rather than beginning with a predetermined proposal to adopt a fee. The proposed process included defining the funding need, educating the public, collecting feedback, and returning the results to Council before any formal action.

Council members subsequently raised several questions about the funding analysis, public outreach, timing, proposed fee structure, and transportation priorities. Staff responded through a second memorandum dated July 26, 2026, which also summarized a follow-up survey of Council members. The feedback generally supported coordinating outreach with other City engagement efforts, using lower-cost educational materials, focusing the discussion on preserving Ivins' generally good street system, and avoiding specific fee amounts in the initial public survey. The feedback also indicated some hesitation about moving forward with a TUF before Council had another opportunity to review the updated funding information.

FINDINGS AND ANALYSIS:

Staff has now prepared the attached infographic to provide a simpler, system-wide explanation of the transportation funding issue. This is the first time Council has received this graphic.
The infographic estimates approximately $22.825 million in transportation needs over FY 2027 through FY 2036, including capital projects, pavement maintenance, and the transportation-related share of street operations. During the same period, existing transportation revenues are estimated at approximately $19.560 million, leaving a projected ten-year funding gap of approximately $3.265 million. Existing revenues would therefore cover approximately 86 percent of the projected need.

Using the projected billing base over the ten-year period, the infographic shows that an illustrative TUF of approximately $3.90 per residential equivalent unit per month, or $46.80 annually, could close the identified gap. This amount is presented as a planning illustration and is not a proposed fee for adoption at this meeting. The graphic is intended to show the overall relationship between

transportation needs, existing revenues, projected growth, and the potential role a TUF could play in providing a dedicated funding source.

Before staff begins a public-facing engagement process, direction is needed from Council regarding whether the City should continue developing the TUF approach, complete additional refinement of the financial assumptions and rate methodology, coordinate a later public launch, or pursue another funding strategy.

SUPPORT MATERIALS:

- Transportation Utility Fee – Proposed Public Engagement Plan, dated July 8, 2026
- Transportation Utility Fee – Public Engagement Council Questions and Survey Summary, dated July 26, 2026
- Transportation Utility Fee – 10-Year Funding Outlook Infographic

FINANCIAL IMPACT:

There is no immediate financial impact associated with this discussion. Any future financial impact would depend on subsequent Council direction and separate action regarding public engagement or adoption of a transportation funding strategy.

Respectfully Submitted: _____

Thomas Jorgensen, P.E., Public Works Director / City Engineer

Content Review: _____

Chuck Gillette, City Manager

MEMORANDUM

Date: July 8, 2026
To: Mayor Kevin Smith and City Council
From: Thomas Jorgensen, P.E., Public Works Dir/City Engineer
Re: Transportation Utility Fee – Proposed Public Engagement Plan

Purpose. This memo outlines a recommended community engagement approach before the City Council decides whether to pursue a Transportation Utility Fee (TUF) or another long-term transportation funding strategy. The recommended approach is intended to inform the public, collect useful feedback, and give Council a clear record of community priorities before any final decision.

Recommended framing. The public conversation should not begin as "the City wants to adopt a fee." It should begin as a broader street funding conversation: *"Our streets have a funding gap. Here are the choices. Help Council decide what level of road maintenance the community wants and how it should be paid for."*

Main questions we want discussed are:

"What condition are current streets, and what condition do we want our streets to be in"
"Why are we talking about this?"
"What happens if we do nothing?"
"What are the funding choices?"
"What would a TUF look like?"
"How would the fee be calculated?"
"How can I give feedback?"

Executive Summary

- **Four-phase process:** define the street funding need, launch public education, collect feedback, and then provide Council a summary before any formal action.
- **Position the discussion** around transportation funding choices and not around selling a specific fee.
- **Use Utah examples as a guide:** Millcreek gives us a strong model for a public facing website and open house. Our current consultants were also the same consulting firm to help Millcreek through their TUF process.
- **Build the process around transparency:** publish the study/funding need, proposed rate methodology, alternatives, and a clear explanation of how public feedback will be used.

Recommended Four-Phase Engagement Approach

Phase	Focus	Main Work	Why It Matters
1	Define the street funding need.	Prepare the draft study, funding gap, pavement condition information, funding alternatives, draft rate scenarios, FAQ, and a simple summary.	A public process will only work if the City can explain the road need, current funding sources, what happens if nothing changes, and the tradeoffs among funding tools.
2	Launch public education	Create a web page, short explainer, utility bill insert, social media/email messaging, and handouts that describe the problem and options without asking for a yes/no opinion.	This keeps the message from feeling like a predetermined outcome. The goal is to help residents understand the issue before reacting to a proposed fee amount.
3	Collect useful community feedback	Use a public survey, two or three open houses, and accumulate comments.	To get a better sense of how the community would like to address the funding.
4	Summarize feedback and support Council	Prepare a Council packet summarizing public involvement and recommended next steps.	This gives Council a decision record and demonstrates that public input was considered before any formal fee action.

Recommended Timeline

This timeline assumes Council wants a deliberate process, but not an overly long one. It can be compressed or expanded depending on how much technical study work is already complete.

Timing	Public/Staff/Consultant	Council Touchpoint
Current Actions	Finalize the TUF/funding study, road need summary, funding options table, FAQ, and draft rate scenario.	Council receives this draft engagement plan and confirms the questions they want answered.
End of July Billing Cycle and August Newsletter	Launch the "Street Funding Options" web page, post the study/materials, send the utility bill insert, social media, newsletter, and begin the survey.	Council members can direct residents to one consistent source of information.
August 12th	Hold open house #1, continue survey and digital comments, and collect questions for the FAQ. Consultants attend 1st open house.	Council receives informal update on recurring concerns and misconceptions. Council invited to attend open house.
August 13th-31st	Work on and publish a "What We Are Hearing So Far" summary and update the FAQ or rate examples as needed.	Council sees whether the proposed approach should be adjusted before moving toward 2nd open house.
September 2nd (City Council Week)	Hold open house #2 and close the main survey/comment period.	Another informal update on current concerns. Council is invited to attend open house.
September 3rd - September 23rd	Prepare final engagement summary and work on putting together a recommended approach. Ready a week before council meeting.	Council to prepare for work meeting.
October 1st Work Meeting (City Council Week)	Council work meeting, separate from the engagement phase. Council to decide appropriate path forward for staff and consultant to execute.	

Suggested Public Message

Primary message: *Ivins City is evaluating long-term options to maintain local streets. A Transportation Utility Fee is one possible tool, but Council wants public feedback on the overall road funding problem, the acceptable level of service, and the fairest way to pay for street maintenance before making a decision.*

- Avoid starting with: "The City is proposing a new fee."
- Use instead: "The City is reviewing street funding options and wants public input before Council makes a decision."
- Emphasize the tradeoff: lower short-term cost under the status quo may lead to more expensive reconstruction later.
- Show what different funding levels buy: preservation, overlays, reconstruction avoidance, arterial/collector work, and residential streets.

Recommended Public Materials

Material	Purpose
One-page street funding brief	A simple summary of the road maintenance needs, current funding, funding gap, and options.
Dedicated web page	A central page for the study, FAQ, survey, open house dates, rate examples, contact form, and supporting documents.
Pavement condition map	A map or graphic that helps residents understand the condition of streets citywide and in their area.
Funding options comparison	A neutral comparison of status quo, property tax, bond, general fund shift, sales tax-related options, TUF, or a hybrid approach.
Rate examples/calculator	Clear examples showing likely monthly impact for residential, commercial, public, and exempt/appeal categories, as applicable.
FAQ	Questions about why this is being considered, how the fee would be calculated, who pays, how funds are restricted, appeals, and annual reporting.
Survey and digital comment form	A survey designed around tradeoffs, priorities, acceptable service level, and perceived fairness.
Open house boards	Station-style displays: road condition, funding gap, options, sample rates, and feedback collection.

Survey Questions That Would Produce Useful Feedback

The survey should avoid becoming only a yes/no on a fee. Recommended questions include:

- How would you rate the condition of streets in your neighborhood?
- Given that most Ivins streets are currently in good condition, should the City maintain current funding levels, modestly increase pavement preservation funding, or invest more proactively to keep streets from becoming more expensive to repair in the future?
- If additional funding is needed, which option seems most fair: property tax, bond, TUF, general fund shift, sales-tax-related funding, or a combination?
- What monthly residential amount would feel acceptable if tied directly to local street maintenance?
- Should commercial/high-trip uses pay more than residential users if the fee is based on roadway use?
- Which projects should be prioritized: residential streets, collectors/arterials, sidewalks/ADA ramps, or bike lanes/trails?
- What concerns would Council need to address before you could support any new street funding tool?

Link to draft survey: https://forms.gle/Qpv8osamfdeQk72i8

Options for Newsletter Topics

- Ivins Streets Are in Good Shape — So Why Are We Talking About Funding?
- How Street Maintenance Is Paid For Today — And Why It May Not Be Enough Long-Term
- Preservation vs. Reconstruction: Why Timing Matters
- What Are the Funding Options?
- What Would a Transportation Utility Fee Actually Do?

Process and Legal Items to Build Into the Public Message

Staff should coordinate these items with the City Attorney before publication or formal action. Based on Utah H.B. 425 and recent Utah guidance, the public process should clearly address the following:

- A study should identify the transportation need, existing funding sources, why existing sources are inadequate, and the relationship between fee amount and transportation service/benefit/need.
- The fee methodology should be based on objective transportation-related data such as trip generation, vehicle types, and traffic counts; it should not be framed as a property-value charge.
- If adopted, revenues should be placed in a separate transportation fund and used for eligible transportation purposes.
- The City should establish a clear appeal process for user classification or calculation issues.
- Notice, public hearing, and separate Council action should be handled carefully and distinctly from the general budget adoption process as required.
- The City should commit to annual review/reporting so residents can see what was collected, what was spent, and what road work was completed.

Recommended Council Feedback Questions

Before staff prepares final public materials, Council feedback would be helpful on the following questions:

- Does Council agree with framing this as a broader street funding options discussion rather than a TUF-only proposal?
- What road maintenance outcome does Council want the public to evaluate: maintain current condition, modest improvement, or catch-up on deferred maintenance?
- Which funding options should be shown side-by-side with a TUF?
- Should the survey test specific monthly residential rate ranges or wait until after the study is finalized?
- Would Council prefer one, two or more open houses before something like a public hearing?
- What information would Council need in the final engagement summary to feel ready for another work meeting and possible decision?

Staff Recommendation

Recommendation. Proceed with a four-phase community engagement process before Council considers adopting any Transportation Utility Fee. This approach gives Council the best chance of making a well-supported decision while showing residents that the City is not simply trying to add a fee, but is asking for community input on how to responsibly maintain local streets.

MEMORANDUM

Date: July 26, 2026
To: Mayor Kevin Smith and City Council
From: Thomas Jorgensen, P.E., Public Works Dir/City Engineer
Re: Transportation Utility Fee – Public Engagement Council Questions

Purpose. This document consolidates the questions raised by Council members into eight topics. It is intended to support a common factual foundation before public engagement begins. Where the underlying analysis is not yet complete, the response identifies the additional work needed rather than assuming an answer.

Key Figures Currently Available

The following figures are currently available and help frame the transportation funding discussion. These figures should be understood as planning-level estimates and may be refined as staff completes additional review of transportation revenues, capital project needs, impact fee eligibility, and the final TUF methodology.

Item	Current Information
Street network	Approximately 68 segment miles
Current weighted-average PCI	80.3
2026 street/road repair and maintenance budget	$675,000
Class C Road Fund / B&C Road Fund allotment	Approximately $660,000 per year
Highway Sales Tax	Approximately $600,000 per year
Transit Tax	Approximately $250,000 per year
Miscellaneous transportation-related fees	Approximately $22,000 per year
Total recurring transportation-related revenues identified to date	**Approximately $1.53 million per year**
Ten-year pavement treatment-plan estimate	Approximately $860,000 per year
Seven-year pavement treatment-plan estimate	Approximately $1.23 million per year
Estimated annual pavement maintenance gap, using B&C funds as the pavement maintenance baseline	Approximately $200,000 for the ten-year plan; approximately $570,000 for the seven-year plan
Preliminary ten-year monthly TUF rates	Residential: $2.10; Commercial: $111.20; Public Use: $59.80

The estimated pavement maintenance gap shown above is based on the current assumption that B&C Road Funds are the primary revenue source historically used to support pavement maintenance. Under that assumption, the estimated ten-year treatment-plan need of approximately $860,000 per year is compared against approximately $660,000 per year in B&C Road Funds, resulting in an estimated annual gap of approximately $200,000.

This does not mean the City has no other transportation-related revenues. The City also receives Highway Sales Tax, Transit Tax, and miscellaneous transportation-related revenues. However, those funds may be needed for future capital improvement projects, matching funds, safety improvements, pedestrian improvements, drainage-related street projects, and other transportation needs that may be only partially funded by impact fees or may not be impact-fee eligible.

As staff develops a more complete ten-year capital improvement project list or capital facilities plan, including impact fee eligibility for those projects, the City will be in a better position to determine whether any excess from other transportation funds could reasonably be used for pavement maintenance. Until then, the figures above should be treated as a snapshot under current assumptions, not as a final determination of the City's total available pavement maintenance funding.

1. What is the current condition of Ivins streets, and what PCI goal should the City use?

Ivins currently has a weighted-average Pavement Condition Index (PCI) of 80.3 across approximately 68 segment miles. By functional classification, the averages shown in the May 21 presentation range from 70.8 for minor arterials to 84.2 for major arterials. This indicates that the system as a whole is in generally good to very good condition, while also showing that some roadway classes warrant closer attention.

A reasonable initial policy goal would be to maintain the network-wide weighted average at or above 80 over the planning period. A PCI goal of 89 or 90 would represent a high system condition and may be an appropriate aspirational goal, but I wouldn't' recommend that it be adopted as the formal baseline until the City understands the annual funding required to attain and sustain it. It's fairly difficult to predict failure or a reduction in the PCI over time, but staff is currently working on a 10-year plan based on our current streets and our current frequency and typical treatment types. This will give us a better understanding of the costs over the next 10 years, anticipated treatments and costs, and then staff will do our best to anticipate a future PCI score if that ends up being something that we can be fairly confident it will be a useful analysis rather than just an educated guess.

Staff will request current PCI information from nearby cities.

2. What is the current funding picture, and what is the transportation funding gap?

The 2026 budget identifies **$25,000 for street/road repairs** and **$650,000 for street maintenance**, for a total existing annual budgeted commitment of **$675,000** toward street maintenance activities.

In addition to the budgeted street maintenance line items, the City receives several transportation-related revenue sources that help support the broader transportation system:

- **Class C Road Fund Allotment / B&C Road Funds:** approximately **$660,000 per year**
- **Highway Sales Tax:** approximately **$600,000 per year**
- **Transit Tax:** approximately **$250,000 per year**
- **Miscellaneous Fees:** approximately **$22,000 per year**

Combined, these funding sources total approximately **$1.53 million per year**. B&C Road Funds are a major source supporting the City's street program and are distributed by the State based on population and weighted road miles.

Using the current planning assumptions, the estimated average annual pavement-maintenance need is approximately **$860,000** for the ten-year treatment plan and approximately **$1.23 million** for the seven-year treatment plan. At first glance, those figures appear to fit within the City's total annual transportation-related revenues. However, pavement preservation is only one part of the City's overall transportation funding need.

It is important to preserve some existing transportation revenue for future capital projects, matching funds, safety improvements, drainage-related street improvements, sidewalk and pedestrian improvements, and other transportation needs that may not be fully covered by routine pavement maintenance funding. Some future capital projects may only be partially funded by impact fees, and other projects may not be impact-fee eligible at all, particularly when they address existing deficiencies, maintenance needs, safety concerns, or improvements that do not directly result from new development.

For that reason, the transportation funding question is not simply whether the City can fund the annual pavement treatment plan in a single year. The larger question is whether the City can sustainably fund pavement preservation while still maintaining enough flexibility to address future transportation capital needs. If all available transportation revenue is committed to annual pavement preservation, the City may have limited ability to respond to larger street projects, unfunded portions of capital improvements, or projects that fall outside impact-fee eligibility. Once the consultants have completed the capital facilities plan for the next planning period, we'll have a better idea how much additional funds will be available to go toward funding those projects.

The proposed Transportation Utility Fee is being evaluated as one potential tool to create a dedicated and predictable funding source for pavement preservation and transportation maintenance. This would allow the City to better protect the condition of the existing street system while reducing pressure on other transportation revenues that may be needed for larger capital projects or other transportation-related obligations.

3. What funding alternatives should be compared with a Transportation Utility Fee?

The public materials should compare the available choices honestly, including the tradeoffs of each. The most useful comparison is not "TUF or nothing," but rather how each option would affect residents, businesses, other City services, long-term predictability, future capital project needs, and the condition of the street network.

The City currently receives several transportation-related revenue sources, including Class C Road Funds, Highway Sales Tax, Transit Tax, and miscellaneous transportation-related fees. These existing revenues are important, but they also help support the broader transportation system, not just pavement preservation. Some of these funds may be needed for future capital projects, matching funds, safety improvements, pedestrian improvements, drainage-related street improvements, and other projects that may not be fully eligible for impact-fee funding.

The following options should be compared:

- **Continue the current approach.** This avoids a new fee or tax and relies on existing transportation revenues. However, it may require the City to commit a large share of its available transportation funding to pavement preservation, leaving less flexibility for future capital projects, matching funds, or transportation improvements that are not impact-fee eligible.
- **Use additional General Fund/property-tax revenue.** Property tax is a principal General Fund revenue source, so these options are closely related. The City could raise additional general revenue or reallocate existing General Fund dollars toward transportation. However, reallocating General Fund money would reduce funding available for other City services, facilities, and priorities. This option may also place the cost more heavily on property ownership and property value rather than estimated roadway demand.
- **Pursue state and federal transportation funds.** State and federal funds are often allocated through the MPO or other regional and competitive funding processes. These funds can be very helpful for larger, regionally significant roadway projects. However, they typically require a local match, involve additional regulatory and environmental requirements, and often carry higher project delivery costs. They are generally better suited for capital projects on regionally significant roadways than for routine pavement preservation or annual maintenance. It should be noted that Ivins is already heavily engaged in this

option, so it may not be something that would add additional revenue sources beyond what the City has typically been able to do historically.

- **Adopt a Transportation Utility Fee.** A TUF would provide a dedicated, recurring funding source tied to land-use type and estimated roadway demand. It would distribute costs among residential, commercial, public, and other user classes rather than relying only on property value. If adopted, the fee would be intended to create a more predictable funding source for street maintenance and pavement preservation while preserving other transportation revenues for broader system needs and capital projects.
- **Use bonding for major rehabilitation or reconstruction.** Bonding can accelerate large capital projects or major reconstruction needs, but it creates a debt-service obligation and is generally less suitable as the primary funding source for recurring pavement preservation. Bonding may be more useful for large one-time capital projects than an annual maintenance program.
- **Use a combined approach.** Council could retain existing transportation revenues, establish a smaller or targeted TUF, continue using General Fund support, pursue outside funding when appropriate, and use bonding selectively for major capital projects. This option may provide the most flexibility, but it also requires clear policy direction about which funding sources should be used for maintenance, which should be reserved for capital projects, and how the City will maintain accountability over time.

B&C Road Funds, Highway Sales Tax, Transit Tax, and miscellaneous transportation-related fees should be shown as existing funding sources rather than new alternatives. Grants and state or federal funds may be discussed as project-specific opportunities, especially for regionally significant capital projects, but they should not be portrayed as a reliable long-term source for routine street maintenance.

4. How were the preliminary TUF rates developed, how much would they collect, and would they achieve a selected PCI goal?

The preliminary TUF rate analysis uses land-use categories and estimated trip generation to distribute the cost of pavement maintenance among different user types. The condensed structure includes approximately 5,443 residential units, 34 commercial accounts, and 7 public-use accounts. Under the preliminary ten-year plan, the estimated monthly amounts are approximately $2.10 for residential, $111.20 for commercial, and $59.80 for public use. A more detailed structure could further subdivide residential and non-residential uses based on estimated trip-generation levels.

The preliminary rate structure was developed to address the estimated pavement maintenance gap under the current planning assumption that B&C Road Funds are the primary revenue source historically used for pavement maintenance. The City currently receives approximately $660,000 per year in Class C Road Fund/B&C Road Fund revenue. Using the updated ten-year treatment plan assumption of approximately $860,000 per year, this results in an estimated annual pavement maintenance gap of approximately $200,000.

This gap should be understood as a snapshot based on current assumptions. It does not mean the City has no other transportation-related revenues. The City also receives Highway Sales Tax, Transit Tax, and miscellaneous transportation-related revenues. However, those other funding sources may be needed for future capital improvement projects, local matches, safety improvements, pedestrian improvements, drainage-related street projects, and other transportation needs that may only be partially funded by impact fees or may not be impact-fee eligible.

For that reason, one potential benefit of implementing a TUF would be to create a dedicated revenue source for pavement maintenance, while preserving more of the City's other transportation-related funding sources for capital improvement projects. In other words, the preliminary TUF analysis is not based on the assumption that every available transportation dollar should be used for pavement maintenance. Rather, it assumes that pavement maintenance should have a predictable and dedicated funding source so other transportation revenues can remain available for broader system needs.

Once the City has a more complete ten-year capital improvement project list or capital facilities plan, along with a better understanding of which projects are impact-fee eligible, partially impact-fee eligible, or not impact-fee eligible, staff will be in a better position to determine whether any excess from other transportation funds could

reasonably be used for pavement maintenance. Until that analysis is complete, it would be premature to assume that those other funds are available to fully close the pavement maintenance gap.

The underlying TUF model accounts for anticipated account growth and construction-cost inflation. Inflation is spread across the planning period, and the fee would be reviewed and, if warranted, adjusted periodically, likely every two to three years, rather than assumed to remain unchanged for the full ten years.

The current model does not include administrative costs or uncollected accounts. Before final rates are recommended, staff should quantify likely billing, appeal, accounting, and collection costs and determine whether a reasonable collection allowance materially changes the rates.

The analysis also does not currently demonstrate that the proposed rate will attain or sustain a PCI of 89, 90, or any other selected target because future PCI has not been modeled. The most accurate current statement is that the proposed rate is designed to fund the estimated average annual treatment need for the ten-year pavement maintenance program under the assumptions described above.

Whether **$2.10 per month** is the "right" residential amount is ultimately a policy decision. It is a relatively modest residential amount in the preliminary structure, but the final recommendation should be based on a validated funding gap, a defensible classification methodology, administrative costs, the City's capital funding needs, and the maintenance outcome Council selects.

5. Which roads and pavement treatments would receive funding, and what would the work cost?

The current ten-year estimate is a network-level planning model. It uses existing pavement ratings and an assumed mix of likely treatments to estimate the average annual need. It is not a detailed ten-year commitment identifying the exact year, street, treatment, and cost for every segment. With that being said, staff is currently working on our own model as a check, where we will go through and assign a likely treatment option and assign a cost and year to that treatment, for each segment of roadway in the city. We'll also need to account for an anticipated future amount of roadway that the City will accumulate over the next 10 years to try and account for development.

Staff would still continue annual pavement inspections and preparing a detailed annual program. Each year, candidate streets would be evaluated based on the most recently available PCI, observed deterioration, roadway classification and traffic, the opportunity to apply preservation before more costly rehabilitation is needed, drainage or structural issues, utility-project coordination, geographic efficiency, and available funding.

Treatments such as crack sealing, slurry or similar surface seals, HA5, chip seal, overlays, localized repair, or reconstruction would be selected based on the condition and needs of each street at that time. This allows the City to react to actual deterioration, construction prices, utility work, and emerging priorities rather than publishing a rigid ten-year list that may quickly become outdated.

For public engagement, the City can show the staff's representative treatment types, approximate costs, and when we anticipate each treatment is appropriate for the various street segments throughout the city. Annual reports should then identify the streets completed, the treatment used, the cost, and the condition benefit expected.

6. What protections and accountability measures would ensure that TUF revenue is used only for transportation?

If a TUF is adopted, Ivins would establish a separate, dedicated transportation fund and deposit TUF revenue into that fund. The City would not use the fee to reduce the existing General Fund transportation commitment. The ordinance, fund structure, and accounting procedures would be reviewed by legal counsel for compliance with current Utah law before adoption.

Staff proposes the following local accountability commitments:

- Publish an annual report showing the amount billed and collected, fund balance, administrative costs, projects and treatments completed, and expenditures by category.
- Conduct the annual review required by state law and complete a broader policy and rate review approximately every two to three years, including updated costs, account growth, classifications, and the continuing need for the fee.
- Adopt a formal appeal process allowing a property owner or account holder to challenge the assigned user classification or trip-generation basis.
- Maintain clear separation between TUF revenue and other City money and provide the information through the City budget, annual financial reporting, and a public-facing transportation report.
- Explain any proposed rate adjustment publicly before it is adopted.

These commitments should be incorporated into the ordinance or an accompanying Council policy so that they are not merely public-engagement promises.

7. Who will manage communication, how will public feedback be handled, and what will consultant involvement cost?

The Public Works Director/City Engineer will serve as the engagement lead and primary public point of contact. City staff will prepare and coordinate the survey, newsletter articles, website content, social-media information, meeting notices, comment tracking, and responses to recurring questions. Technical content will be reviewed internally and with the consultant as appropriate before publication.

Public comments received through the survey, open houses, email, social media, and Council correspondence should be maintained in a central record. The final engagement report should publish the full survey results, summarize both support and opposition, identify recurring concerns, and explain how the feedback affected the revised recommendation. This is the most direct way to address the concern that residents may believe their input will not be considered.

Under the current scope, the consultant will prepare display boards for the public open house and attend the first open house. Staff has assigned the remaining engagement tasks internally, so the proposed plan is not expected to increase the current consultant budget. Any additional consultant work beyond the identified scope would require authorization and additional cost.

If Council would like the full Transportation Master Plan/TUF consultant contract amount, staff can provide that separately; the relevant answer for this engagement plan is that the currently identified consultant participation is within the existing scope and budget.

8. How will major traffic generators and nonresident traffic be addressed, including BDR, Tuacahn, Vista School, and Snow Canyon State Park?

The TUF methodology is designed to place properties into residential, commercial, public-use, or other legally supportable classifications based on land use and estimated trip generation. Individual properties have not yet been presented to Council by category, although the preliminary model includes the existing accounts within the overall data set. Before a final rate structure is recommended, staff and the consultant should verify the classification and trip assumptions for major generators such as BDR, Tuacahn, Vista School, and other high-trip uses.

A TUF does not directly charge individual visitors or vehicles entering the City. Instead, it attempts to allocate roadway costs to the properties and uses that generate trips. This means some nonresident travel is captured indirectly through the classification of destinations, while pass-through or destination traffic associated with a use outside the City may not be fully captured.

Potential contributions tied to new development, development agreements, impact fees, or specific capital improvements should be evaluated separately from a TUF. Those tools generally address growth-related capital needs and do not replace a recurring source for maintenance of the existing network.

The specific question regarding Snow Canyon State Park and whether an additional State contribution or another arrangement is legally and practically available has not yet been resolved. Staff should verify this issue with legal counsel, the consultant, and the appropriate State agencies before providing a definitive public answer. Until then, the City should not imply that a TUF will recover all costs associated with State Park or other nonresident traffic.

Recommended Next Steps Before Public Launch

1. **Complete the full transportation revenue table.**
   Identify all recurring transportation-related revenue sources, including Class C/B&C Road Funds, Highway Sales Tax, Transit Tax, miscellaneous transportation fees, and any other applicable sources. Confirm that no revenue is double-counted and clearly identify which sources have historically been used for pavement maintenance versus broader transportation purposes.
2. **Clarify the current pavement maintenance funding assumption.**
   Clearly document that the current preliminary TUF gap analysis assumes B&C Road Funds are the primary existing revenue source available for pavement maintenance. Under this assumption, the estimated gap is based on comparing annual B&C revenue to the estimated annual pavement treatment need, rather than assuming all transportation-related revenues are available for pavement maintenance.
3. **Develop the ten-year capital improvement project list or capital facilities plan.**
   Before determining how much of the City's other transportation revenue may be available for pavement maintenance, staff should identify anticipated transportation capital projects over the next ten years. This should include major roadway projects, safety improvements, pedestrian improvements, drainage-related street improvements, and other projects that may compete for transportation funding. In this evaluation we can also anticipate, based on experience, if we're able to obtain federal or state funds from the MPO to help fund some of these capital projects.
4. **Evaluate impact fee eligibility for future capital projects.**
   For each anticipated capital project, determine whether the project is fully impact-fee eligible, partially impact-fee eligible, or not impact-fee eligible. This will help determine how much of the City's existing transportation revenue may need to be preserved for capital projects rather than committed to annual pavement preservation.
5. **Validate account classifications and trip assumptions.**
   Confirm the proposed classifications and trip-generation assumptions for residential, commercial, institutional, nonprofit, and public uses. Particular attention should be given to major traffic generators and unusual land uses so the final methodology is understandable and defensible.
6. **Estimate administrative, billing, appeal, and collection costs.**
   The current model does not include administrative costs or uncollected accounts. Staff should estimate likely costs associated with billing, accounting, customer service, appeals, classification reviews, and collection issues, and determine whether those costs materially affect the final rate recommendation.
7. **Develop a representative annual treatment mix and cost graphic.**
   Prepare a simple graphic showing the types of pavement treatments the annual program may include, such as crack seal, slurry seal, HA5, chip seal, overlays, or reconstruction. This should be presented as a representative annual treatment strategy, not as a fixed ten-year street-by-street project list.
8. **Confirm the treatment of Snow Canyon State Park and other outside traffic generators.**
   Staff should clarify whether any separate funding mechanisms, contributions, agreements, or state participation opportunities exist for traffic associated with Snow Canyon State Park or other major outside traffic generators. If no separate funding source exists, the public materials should explain how those impacts are addressed, or not addressed, in the TUF methodology.
9. **Prepare accountability and legal provisions for review.**
   Draft the framework for a dedicated transportation fund, annual revenue and expenditure reporting, periodic fee review every two to three years, and a formal appeal process for property classification or billing disputes. These provisions should be reviewed by legal counsel before public launch.
10. **Define the communication and response process.**
    Confirm who will serve as the public point of contact, who will prepare technical materials, who will prepare

newsletter and website content, and how public comments, survey responses, emails, and meeting feedback will be tracked and summarized for Council.

11. **Prepare a clear public-facing funding summary.**
    Before public engagement begins, develop a simple explanation showing the difference between pavement maintenance needs, transportation capital needs, impact-fee eligibility, existing transportation revenue, and the role a TUF could play. This will help avoid the misunderstanding that all existing transportation-related revenue is automatically available for annual pavement maintenance.

Council Direction Survey Summary

After receiving initial feedback from Council members, staff prepared a short follow-up survey to help determine whether specific suggestions should be incorporated into the proposed community engagement plan. The survey was intended to focus only on items that could materially change the engagement approach. Technical and financial questions are addressed separately in the preceding sections of this memo.

Staff received four survey responses. The survey questions corresponded with the five potential engagement-plan decisions previously identified. One response option under the educational-materials question referred to a digital story board; that response is summarized below as a lower-cost educational tool rather than a traditional video.

1. Timing of Public Engagement

A majority of respondents favored allowing staff to coordinate the public launch with the Land Use Update, Ivins IQ, and other City activities before setting a final date.

- 3 of 4 respondents selected: “Have staff coordinate with the Land Use Update, Ivins IQ, and other City activities, and then establish the best fall launch date.”
- 1 of 4 respondents supported keeping the original schedule and beginning public outreach in August.

Additional comments raised concerns about overlapping with the Land Use Update, Ivins IQ, possible fire station renovation outreach, staff workload, and overall public-engagement fatigue. Based on the survey results, the revised plan should avoid committing to an immediate August launch and instead allow staff to coordinate with other City priorities before setting the public-facing schedule.

2. Educational Video or Alternative Public Education Tool

There was not majority support for producing a traditional educational video, particularly if the cost is high.

- 2 of 4 respondents preferred continuing with the current plan using the website, FAQ, survey, open houses, and similar tools.
- 2 of 4 respondents preferred something in between, such as a digital story board or a more interactive presentation rather than a traditional video.

Comments specifically noted concern about a quoted video cost of approximately $50,000 and suggested a more cost-effective approach, such as short staff-prepared videos, social media clips, or an interactive digital story board.

Based on the survey results, staff should not proceed with a high-cost video production at this time. Instead, the plan should be revised to include a lower-cost educational tool, such as a digital story board, web-based presentation, short informal videos, FAQ page, and open-house display boards.

3. Ivins Talk About and Open Houses

There was general support for including an Ivins Talk About event if the City proceeds with public engagement.

- 2 of 4 respondents preferred using the Talk About event as the first educational meeting, followed by one additional open house.
- 1 of 4 respondent preferred adding a Talk About event before the two proposed open houses.
- 1 of 4 respondent selected “Other” and expressed concern about moving forward with public engagement before Council takes a closer look at the issue.

The survey results suggest that, if the City proceeds with public outreach, the engagement plan should be revised to include a Talk About-style educational meeting. The results also suggest that the original two-open-house approach could potentially be reduced to a Talk About followed by one additional open house, rather than adding more meetings to an already busy public-engagement calendar.

4. Whether the Initial Public Survey Should Include Specific Monthly Fee Amounts

Council feedback was mixed, but a majority preferred not including specific dollar amounts in the initial public survey.

- 2 of 4 respondents preferred first gathering feedback about priorities, funding principles, and concerns, with the possibility of a later survey once the financial analysis is complete.
- 1 of 4 respondent preferred not asking the public about specific fee amounts through a survey.
- 1 of 4 respondent preferred including specific monthly fee ranges in the initial survey.

Based on the survey results, the initial public survey should probably avoid asking residents to respond directly to specific monthly fee amounts. Instead, the first survey should focus on public priorities, concerns, preferred funding principles, desired maintenance outcomes, and the types of information residents need before forming an opinion. Specific rates could be discussed later if Council decides to move forward with a more refined proposal.

5. Primary Street-Maintenance Objective

There was strong agreement that the public discussion should focus on preserving the existing street system, with most respondents also supporting modest improvement or addressing deferred maintenance.

- 3 of 4 respondents selected: “Focus on preserving the current system while also modestly improving selected streets and addressing deferred maintenance.”
- 1 of 4 respondent selected: “Focus primarily on preserving the generally good condition of Ivins’ existing street system.”

Based on the survey results, the public message should emphasize that Ivins’ streets are generally in good condition and that the purpose of the discussion is to preserve that condition over time, modestly improve selected streets where appropriate, and avoid more expensive reconstruction in the future.

Overall Survey Direction

The survey results suggest the following adjustments to the community engagement plan:

- Do not begin public outreach immediately in August unless Council gives further direction.
- Coordinate the schedule with the Land Use Update, Ivins IQ, and other City outreach efforts.
- Do not pursue a high-cost educational video at this time.
- Use a lower-cost educational tool, such as a digital story board, web-based presentation, FAQ, display boards, or short staff-prepared video clips.
- If public engagement proceeds, include an Ivins Talk About-style educational meeting.
- Consider reducing the number of open houses so the process does not become overly burdensome or confusing.
- Do not include specific monthly fee amounts in the first public survey unless Council gives further direction.
- Frame the public discussion around preserving Ivins’ generally good street system, modestly improving selected streets, and planning responsibly for long-term maintenance and capital needs.

In addition, two comments expressed hesitation about moving forward with a Transportation Utility Fee at this time. One respondent stated they were not convinced a TUF is best for Ivins, and another stated they did not feel good about implementing a TUF unless it is in the $1 to $2 range and suggested Council should look more closely at the issue before beginning public engagement.

For that reason, staff may want to return to Council with the updated funding information, revised engagement schedule, and survey results before launching the public-facing portion of the plan.

Transportation Utility Fee (TUF)

10-Year Funding Outlook | FY 2027–FY 2036

Projected transportation needs exceed existing transportation revenues by approximately **$3.265 million** over the next 10 years. A TUF of about **$3.90 per REU per month** would close that gap without relying on additional General Fund support.

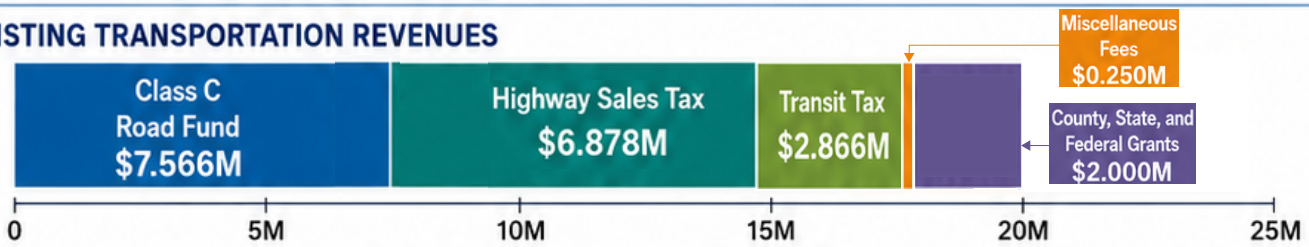
1 TRANSPORTATION NEEDS



Total Transportation Needs: $22.825M

Capital project costs exclude the share expected to be funded by impact fees.

2 EXISTING TRANSPORTATION REVENUES

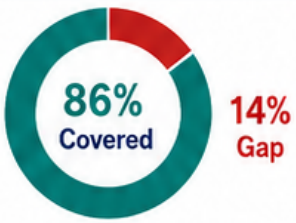


Total Existing Revenues: $19.560M

Grant revenue is included based on historical success, but it is not guaranteed.

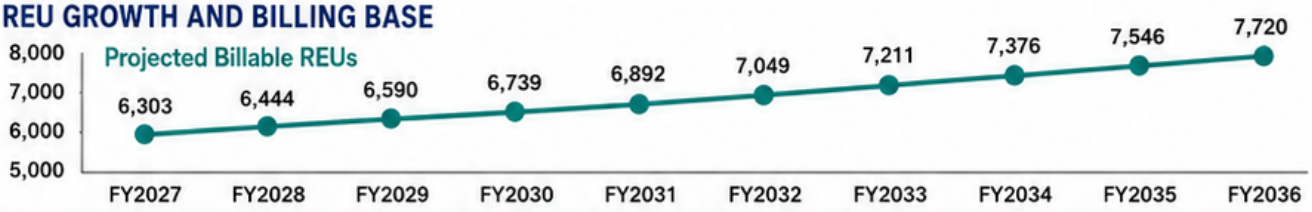
3 FUNDING GAP

$22.825M Transportation Needs − $19.560M Existing Revenues = $3.265M Funding Gap



Existing revenues cover about 86% of projected transportation needs, leaving a gap of about 14%.

4 REU GROWTH AND BILLING BASE



Starting REUs in FY 2027: **6,303**

10-Year Total Billing Base: **69,870** REU-years | **838,440** REU-months

Residential REUs assumed to grow 2.97% annually; commercial and public-use REUs assumed to grow 1.0% annually.

5 RESULTING TUF

$3.265M funding gap ÷ 838,440 REU-months = $3.894 per REU per month

Recommended Illustrative TUF: $3.90 per REU per month

Equivalent Annual Amount: $46.80 per REU

This calculation assumes a constant fee over the 10-year period.

KEY ASSUMPTIONS

- No General Fund contribution included
- No beginning transportation fund balance assumed
- All REUs billed; no exemptions assumed
- 100% collection assumed
- Fee billed 12 months per year
- Fee level as of June 1, 2026
- Available revenues assumed usable for transportation purposes