

An aerial photograph of the town of Mill Creek, showing residential areas, commercial buildings, and parking lots. In the background, a range of large, rugged mountains is visible under a clear blue sky. The image has a semi-transparent blue overlay.

MILLCREEK

Transportation Utility Fee (TUF)

*City Council Work Session
1/12/2026*

An aerial photograph of a city street, likely in a mountainous region, with a large mountain peak visible in the background. The image is overlaid with a semi-transparent orange rectangle containing text and a teal bar at the top.

WELCOME

- Project Overview
- Current Road Conditions
- Current Maintenance Funding
- Future Maintenance Costs & Potential Fee
- Next Steps

PROJECT GOALS

1. Assess current road conditions
2. Calculate maintenance costs to improve roads to industry standard
3. Determine potential fees
4. Ensure legal compliance with State code
5. Explain fee to public and gather input
6. Inform Council so they can make decision whether to adopt new fee



PROJECT SCHEDULE

June
2025

Today's
Meeting

March
2026

Assess Road Conditions

Calculate Fees

Final Report

Determine Maintenance Costs

Inform Public & Gather Input

Council
Adoption

TUF OVERVIEW

Fee vs Tax:

- The Utah Supreme Court established the test to distinguish a fee vs tax
- Tax is for general governmental purposes
- Fee relates usage to services provided

What is a transportation utility fee (TUF):

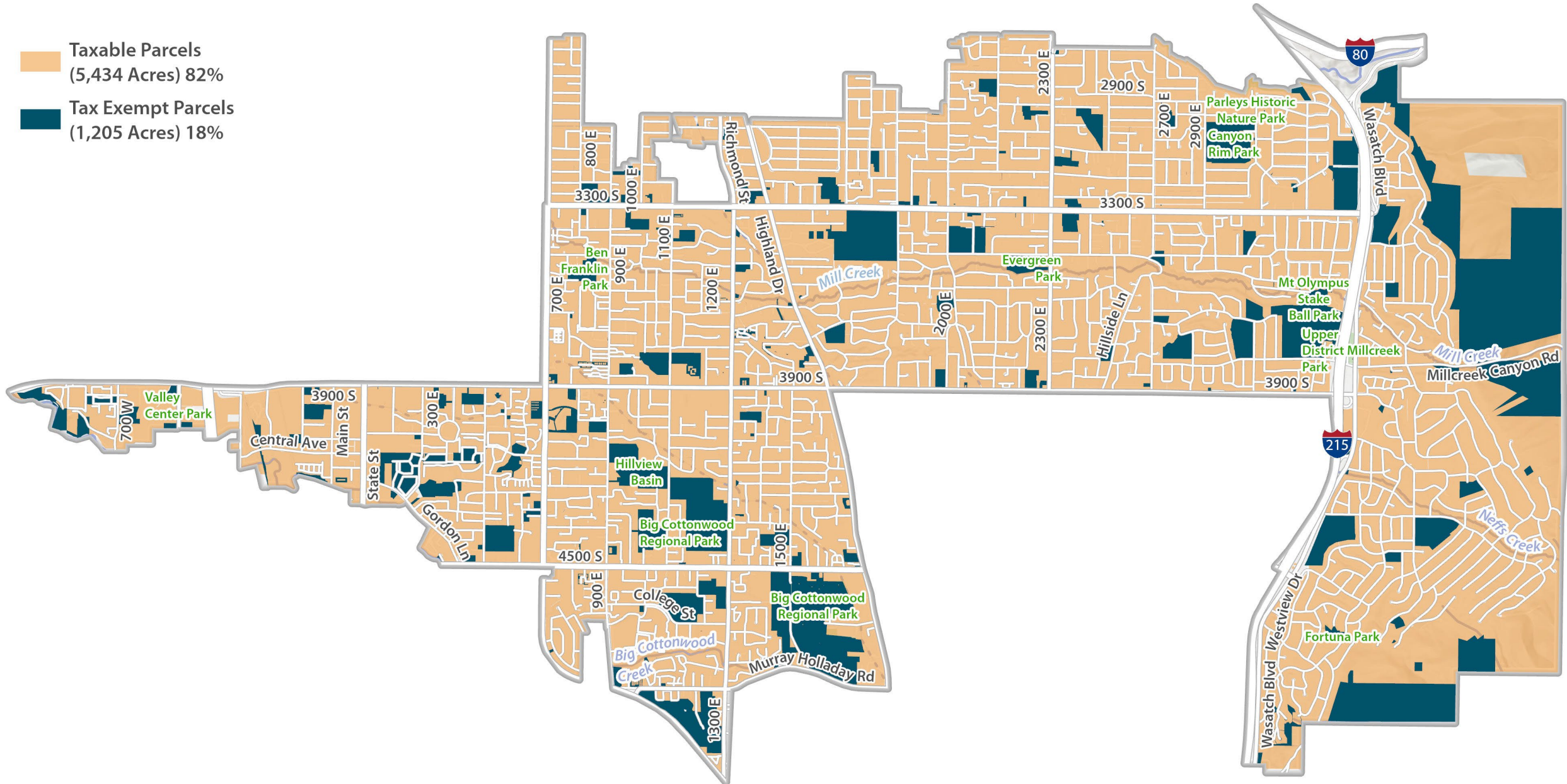
- Based on the type of use, the number of vehicle trips, and their impact to road conditions
- *Larson v. Pleasant Grove City* (2023) determined TUF is a legal fee in Utah

TUF OVERVIEW

	Adopt a TUF	No TUF
Advantage	<ul style="list-style-type: none">• <u>Fairer</u> - all users pay based on usage• <u>Better funded</u> - leads to better roads and <u>less long-term cost</u>	<ul style="list-style-type: none">• <u>Less cost</u> to users in the short-term
Disadvantage	<ul style="list-style-type: none">• Higher <u>short-term costs</u>• <u>New expense</u> - Schools, churches, non-profits will contribute• May need to <u>create in-house billing</u> (currently using Rocky Mtn Power to bill water fees)	<ul style="list-style-type: none">• Continue to use <u>general funds</u>• Underfunded maintenance leading to <u>lower quality roads</u>• More <u>full reconstruction projects</u> in the long-term

Taxable Parcels
(5,434 Acres) 82%

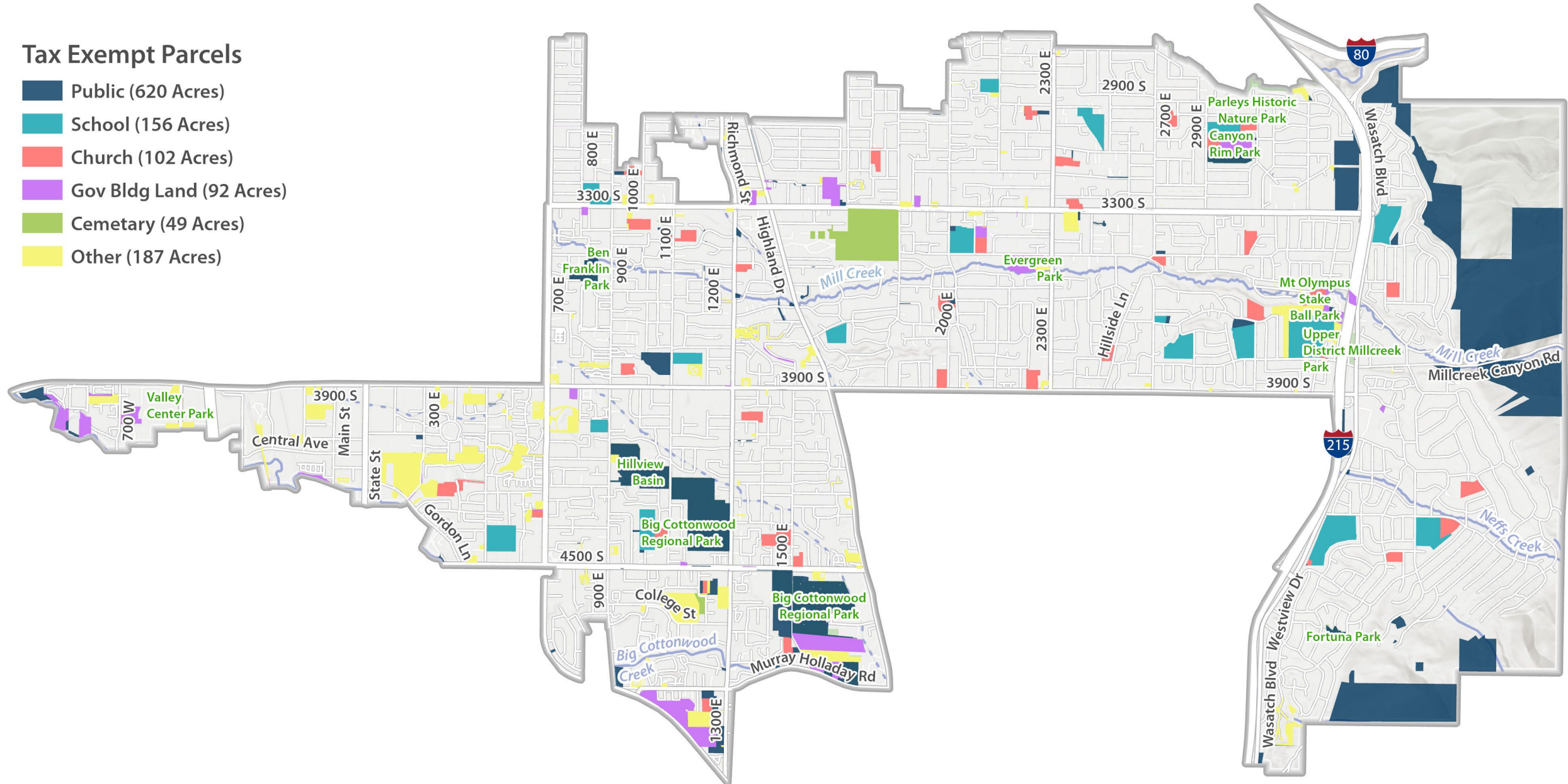
Tax Exempt Parcels
(1,205 Acres) 18%



LAND USE – TAX EXEMPT

Tax Exempt Parcels

- Public (620 Acres)
- School (156 Acres)
- Church (102 Acres)
- Gov Bldg Land (92 Acres)
- Cemetery (49 Acres)
- Other (187 Acres)



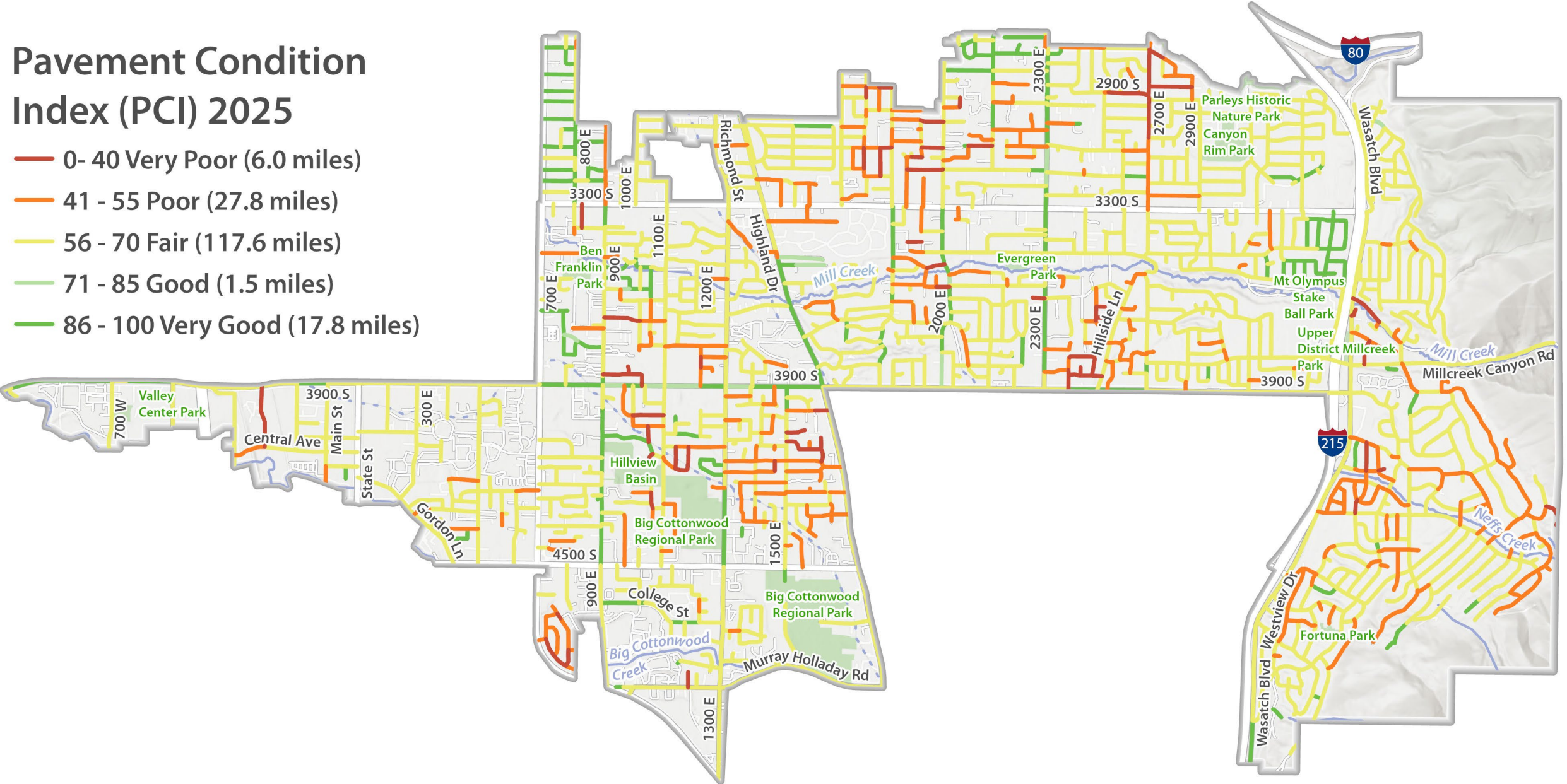
An aerial photograph of a city intersection. A large, light-colored commercial building with a flat roof is in the upper left. A parking lot with several cars is adjacent to it. A multi-lane road runs horizontally across the middle. Another road runs vertically on the right. Traffic lights and cars are visible at the intersection. In the lower left, there's a building with signs for 'Great Clips' and 'Little Caesars'. The text 'Current Road Conditions' is overlaid in the center in a large, white, sans-serif font.

Current Road Conditions

PAVEMENT CONDITION INDEX - 2025

Pavement Condition Index (PCI) 2025

- 0- 40 Very Poor (6.0 miles)
- 41 - 55 Poor (27.8 miles)
- 56 - 70 Fair (117.6 miles)
- 71 - 85 Good (1.5 miles)
- 86 - 100 Very Good (17.8 miles)



SPOT CHECK – MILLBROOK DRIVE

Road	From	To	PCI 2025
Millbrook Dr	East Millbrook Dr	2000 E	40



PCI RANGE		Typical Repair Strategy
86-100		PREVENTIVE MAINTENANCE
71-85		
56-70		
41-55		REHABILITATION
26-40		
11-25		RECONSTRUCTION
0-10		

SPOT CHECK – OAKVIEW DRIVE

Road	From	To	PCI 2025
Oakview Dr	Sunset View Dr	Olympus View Dr	52



PCI RANGE		Typical Repair Strategy
86-100		PREVENTIVE MAINTENANCE
71-85		
56-70		
41-55		REHABILITATION
26-40		
11-25		RECONSTRUCTION
0-10		

PAVEMENT CONDITION SUMMARY

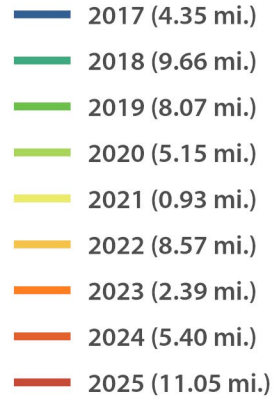
- Citywide average PCI score of 64
- Segments with lower PCI have significant cracking/spalling; segments with higher PCI correspond to recent maintenance projects
- Ideally, all roads receive regular maintenance in a ten-year window, however current funding level is insufficient



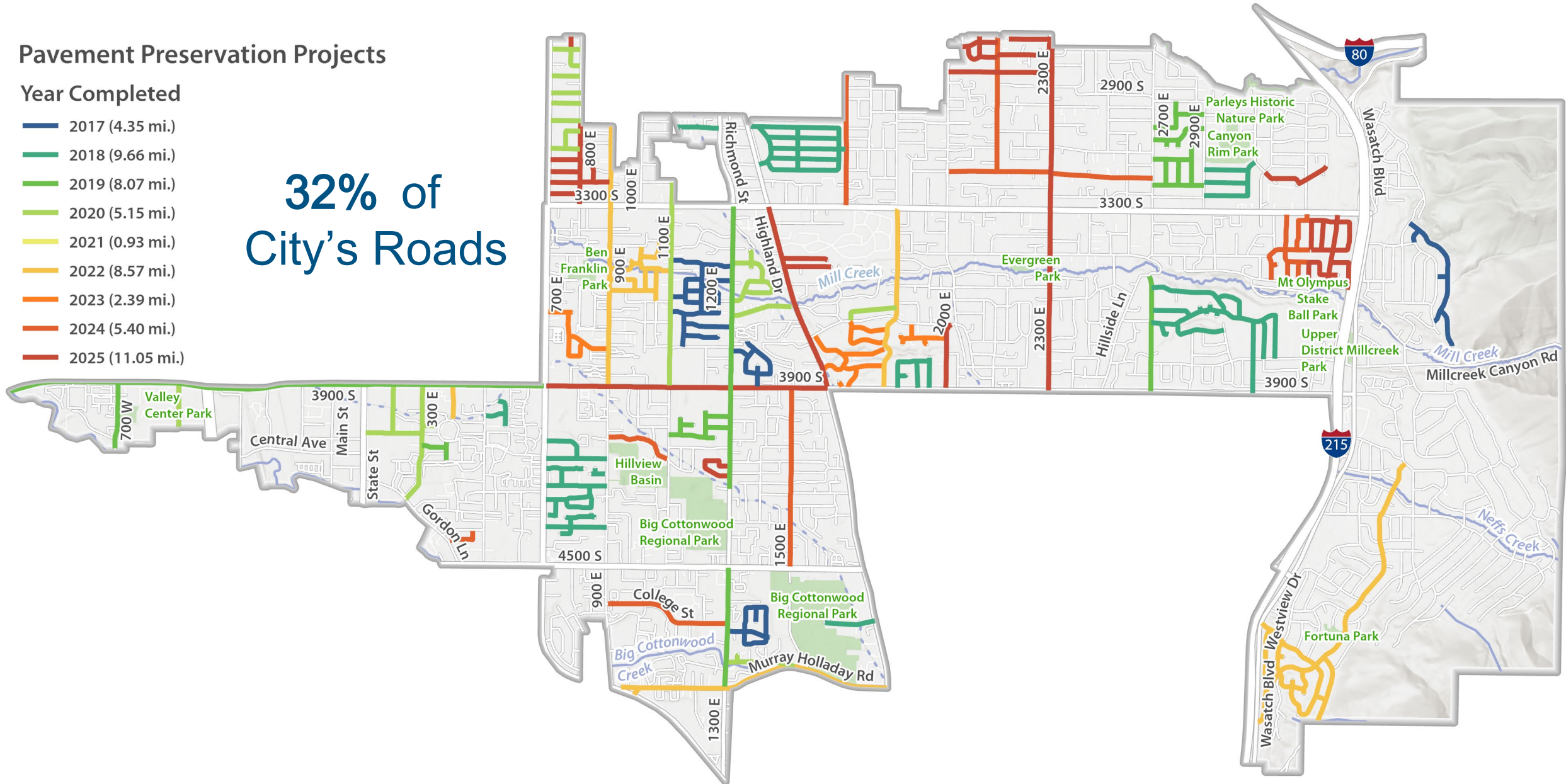
PREVIOUS TEN -YEAR PROJECTS

Pavement Preservation Projects

Year Completed



32% of City's Roads



An aerial photograph of a busy urban intersection. The scene shows multiple lanes of traffic with cars, trucks, and buses. Commercial buildings line the streets, including a large building with a blue and white facade on the right and a building with a red sign on the left. A large, multi-lane highway runs diagonally across the bottom right. The overall image has a blue tint.

Current Maintenance Funding

B&C ROAD FUNDS

FY 2025 Total Funds \$266.5M

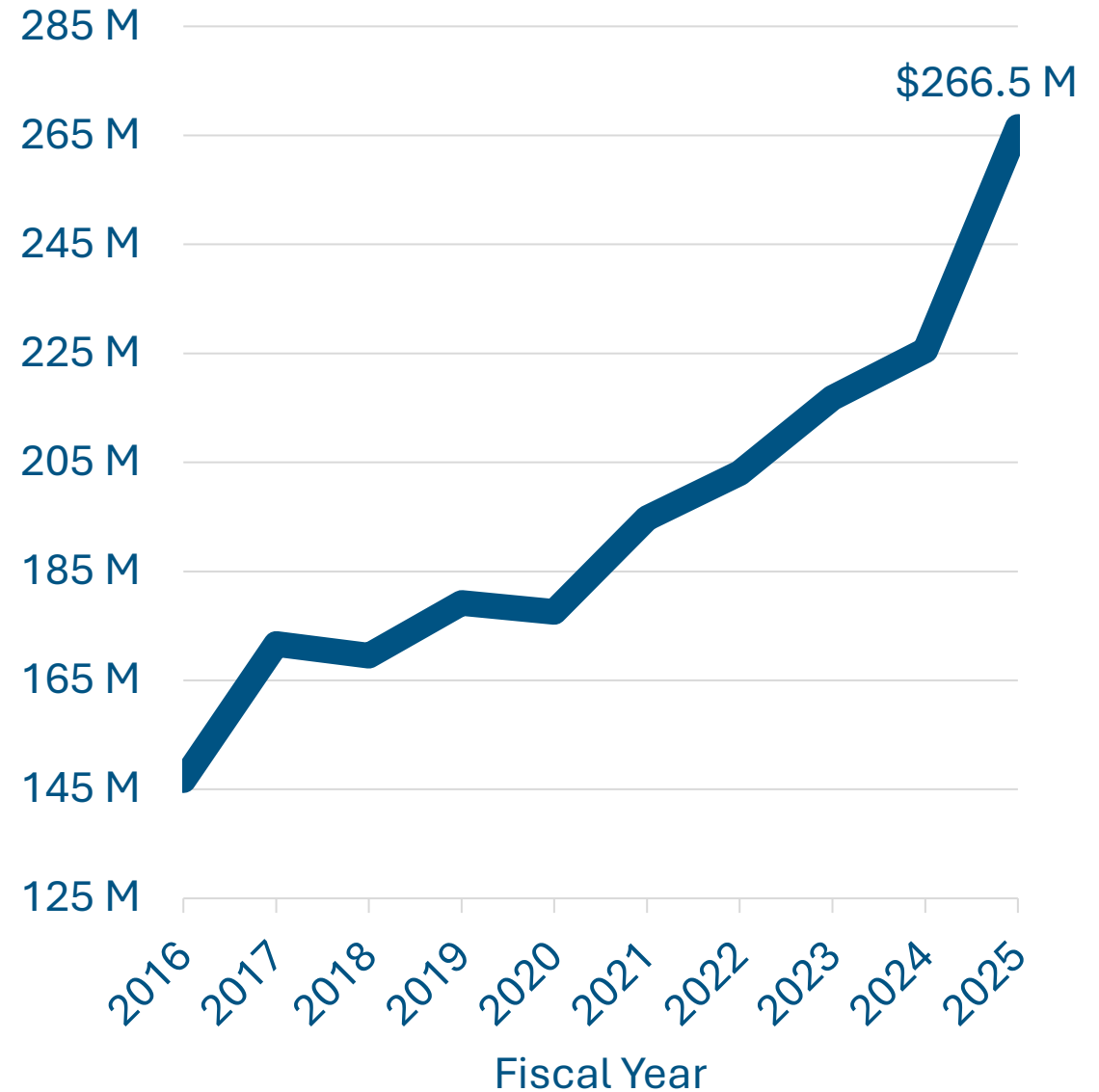
Distributed on road miles and population

- 50% population
- 50% road miles

Millcreek total B&C road miles

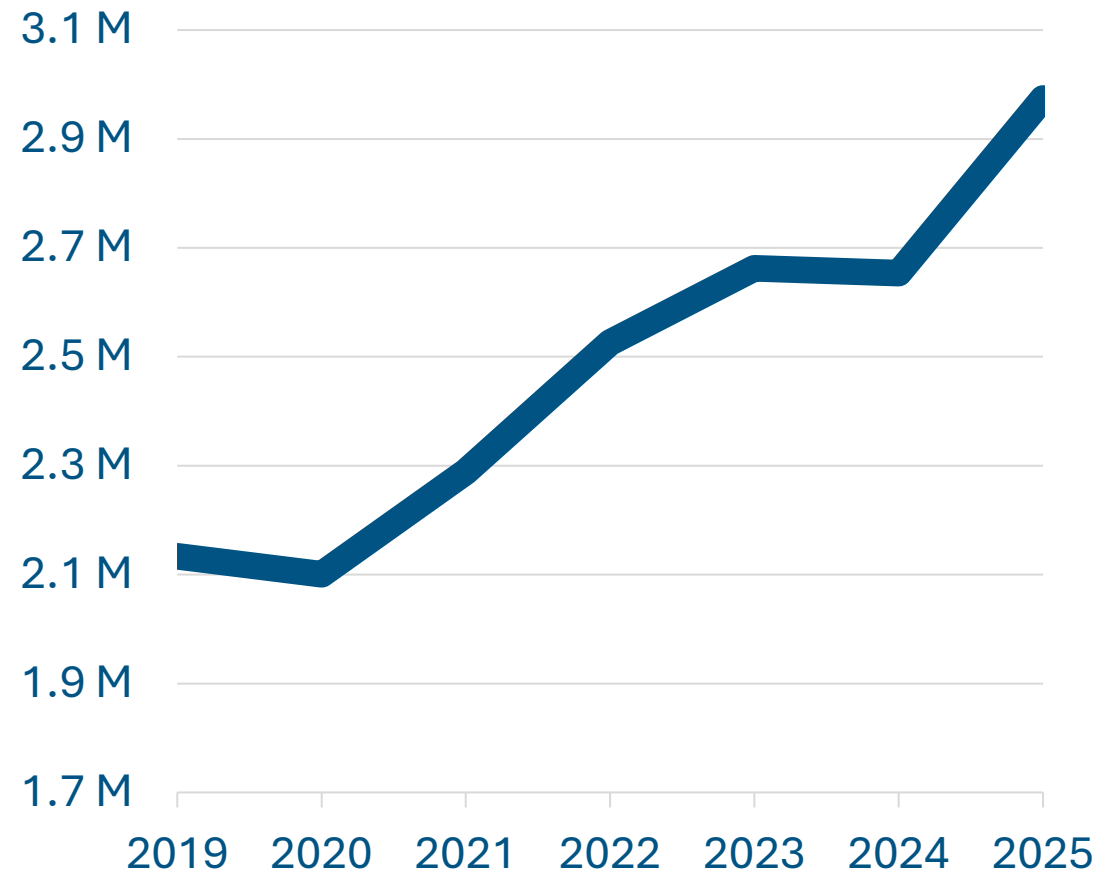
- Last updated March 2017
- 171.56 paved miles
- 857.8 weighted lane miles ~0.7% of state total

Utah Total B&C Road Funds

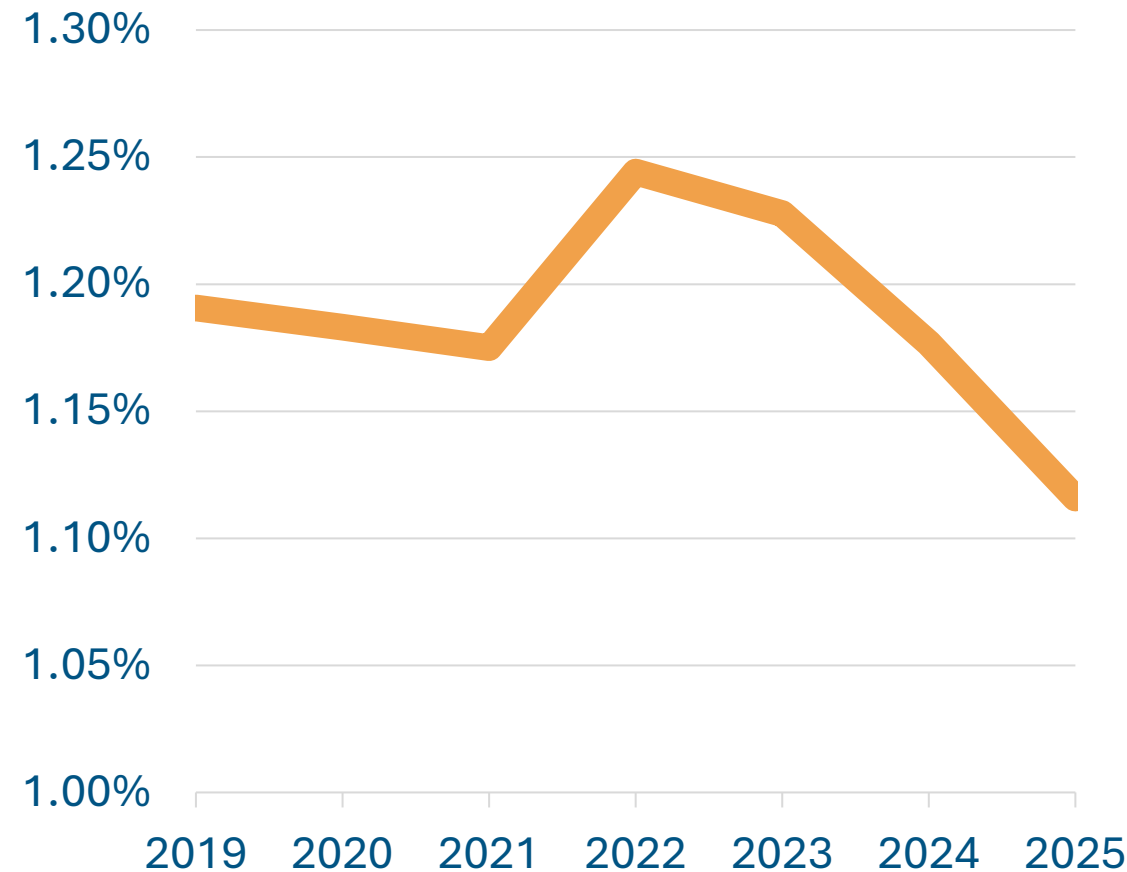


B&C ROAD FUNDING IN MILLCREEK

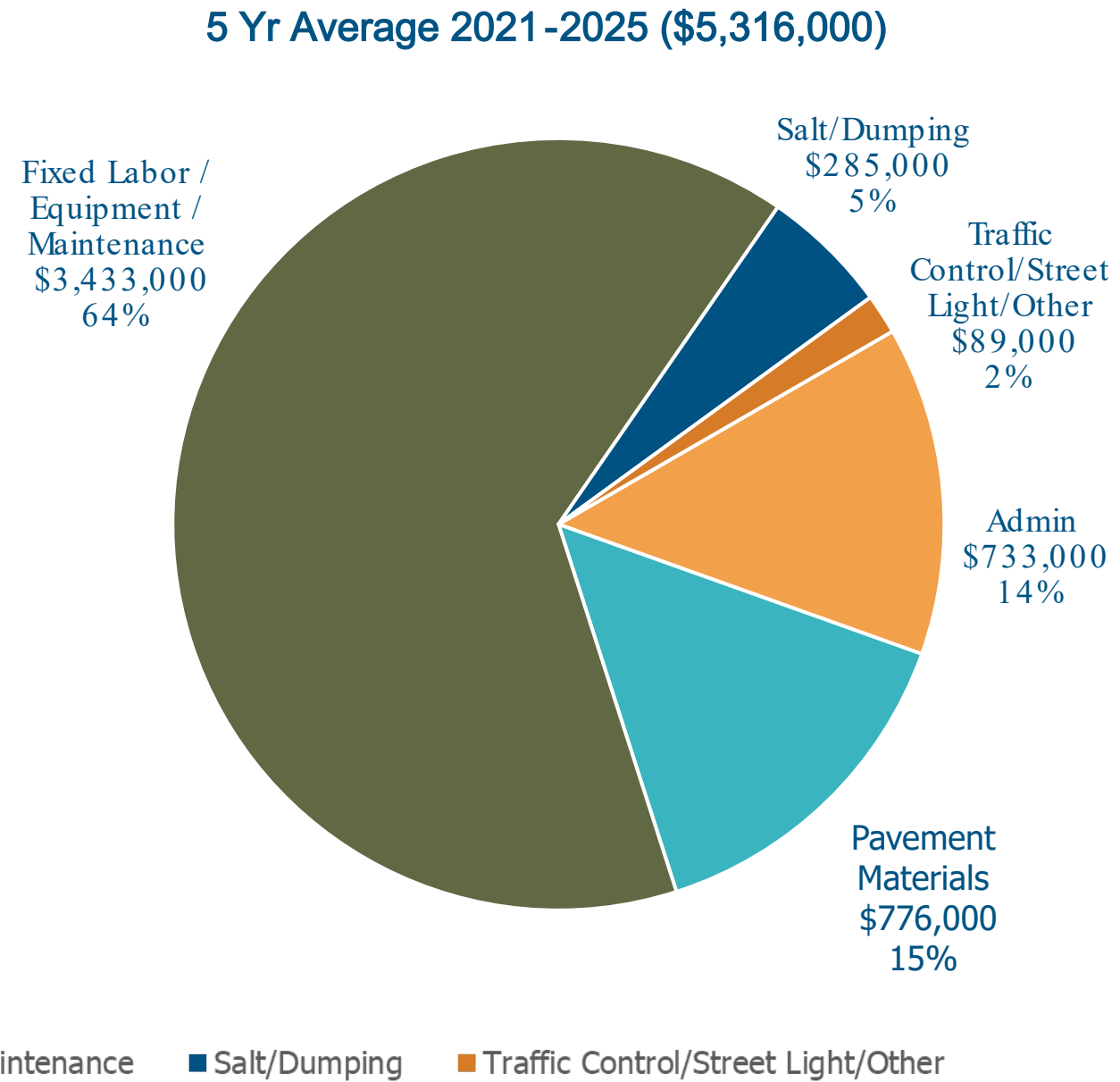
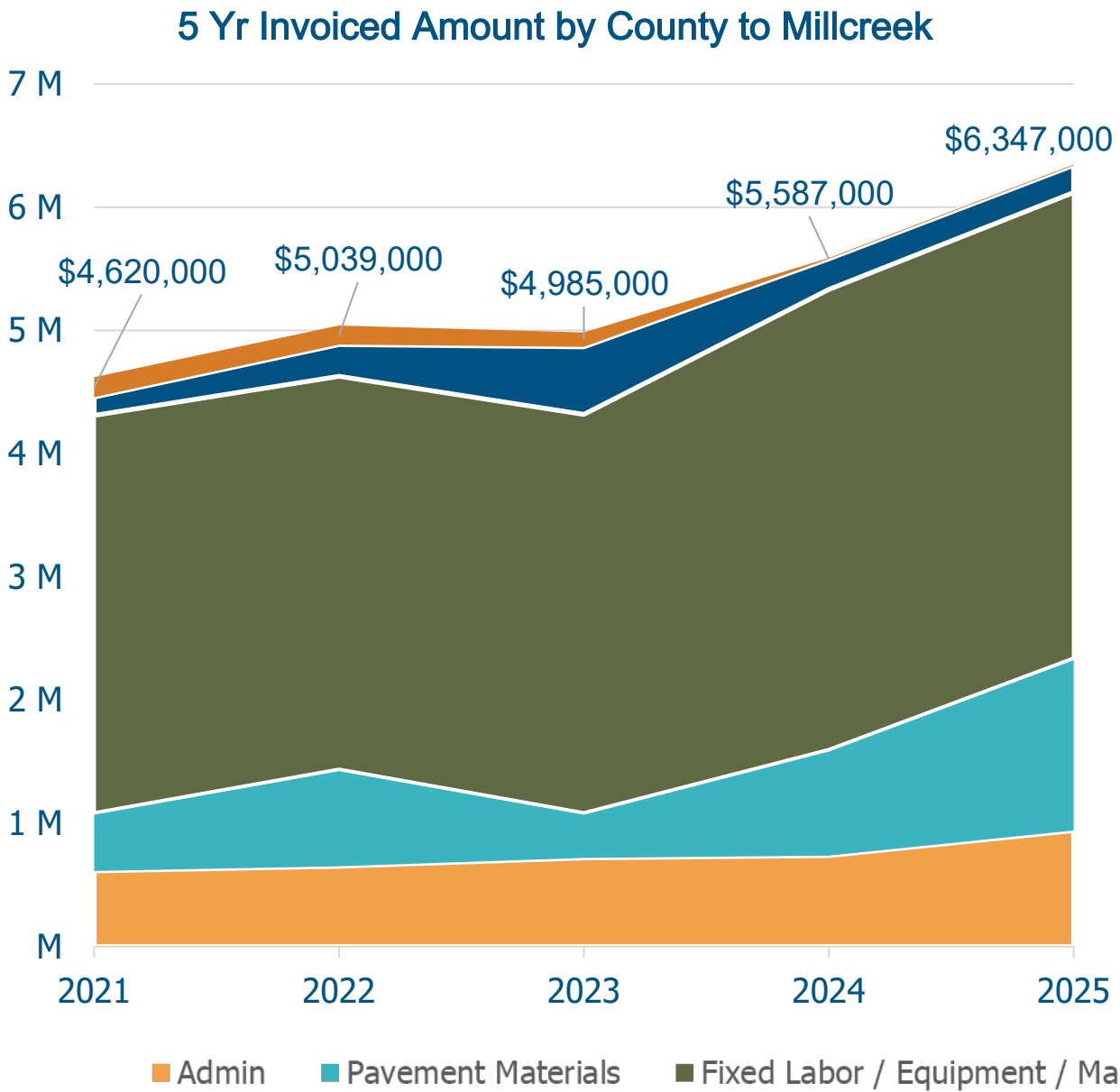
Millcreek B&C Road Funds



Percent of Statewide B&C Funding

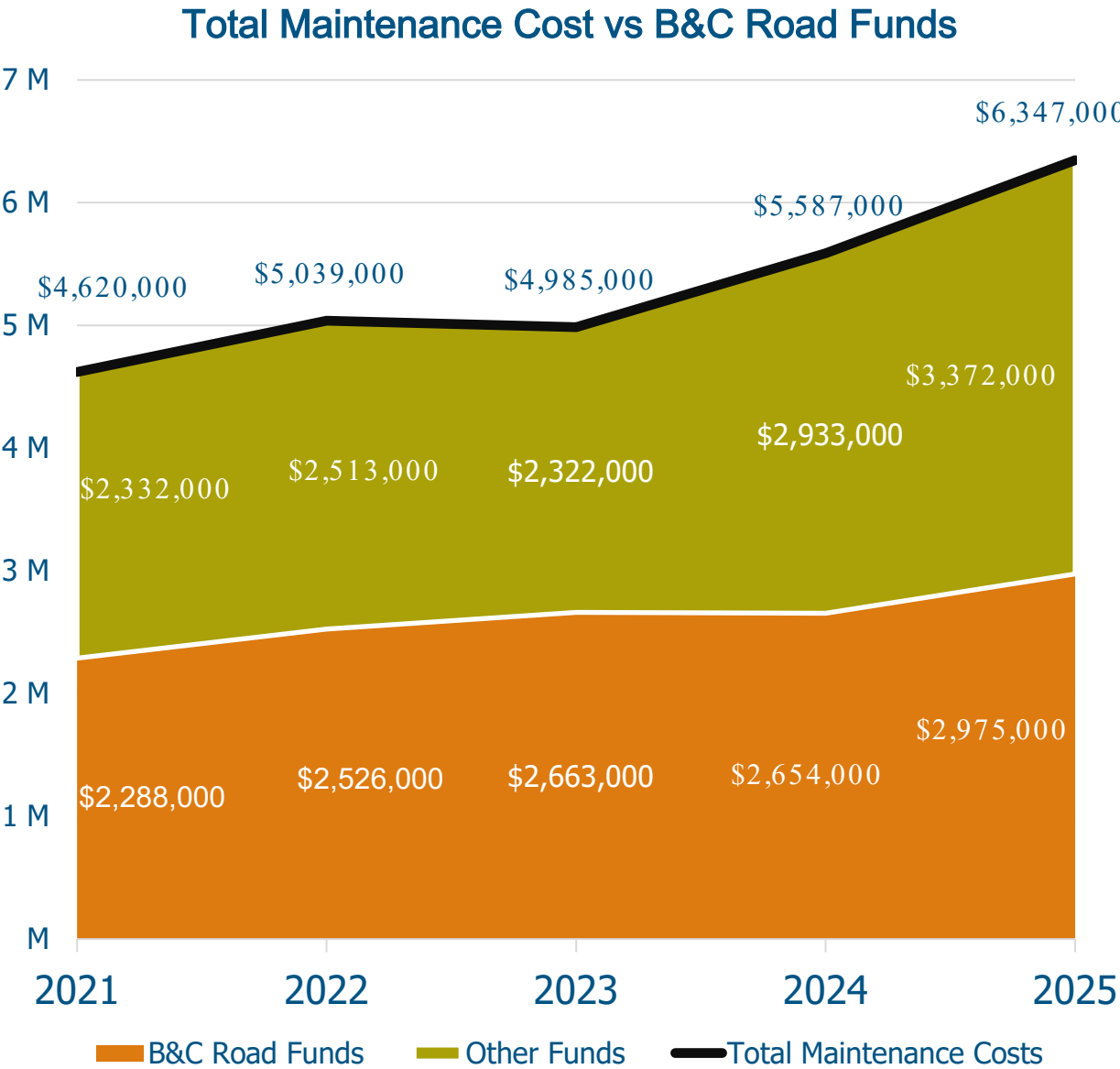


RECENT 5 YEAR MAINTENANCE COSTS (COUNTY CONTRACT)

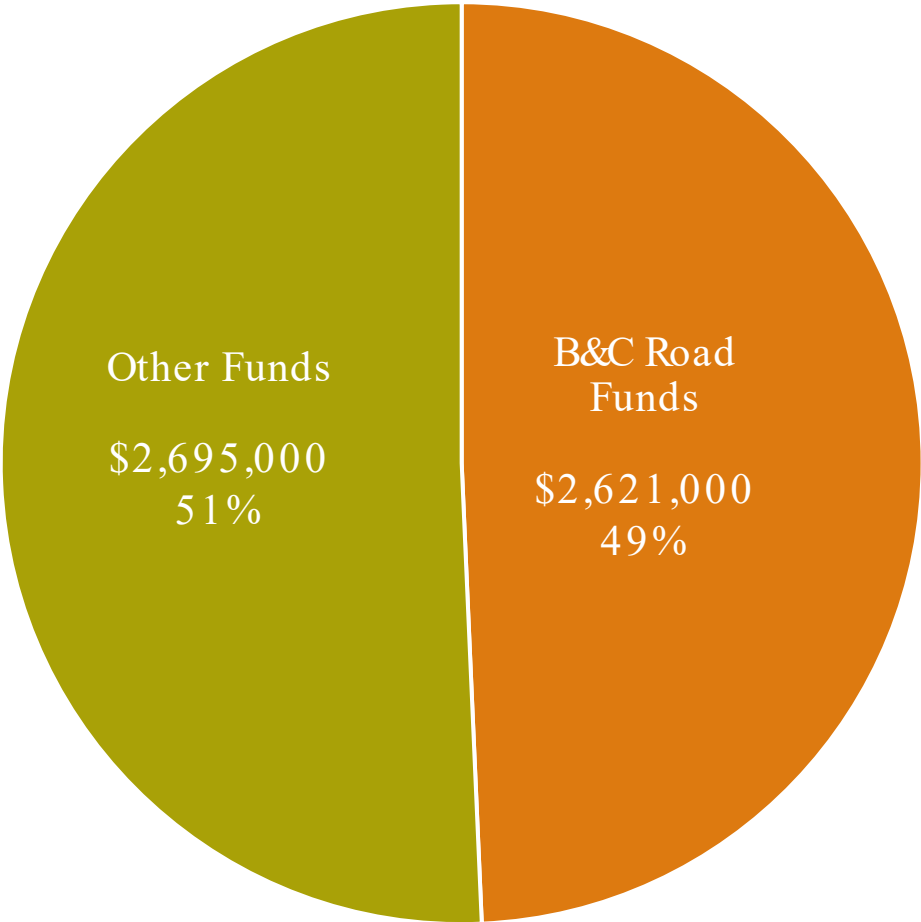


AVERAGE MAINTENANCE COSTS VS. B&C FUNDS '21

- '25



Maintenance Five Year Average (2021-2025) by Funding Source

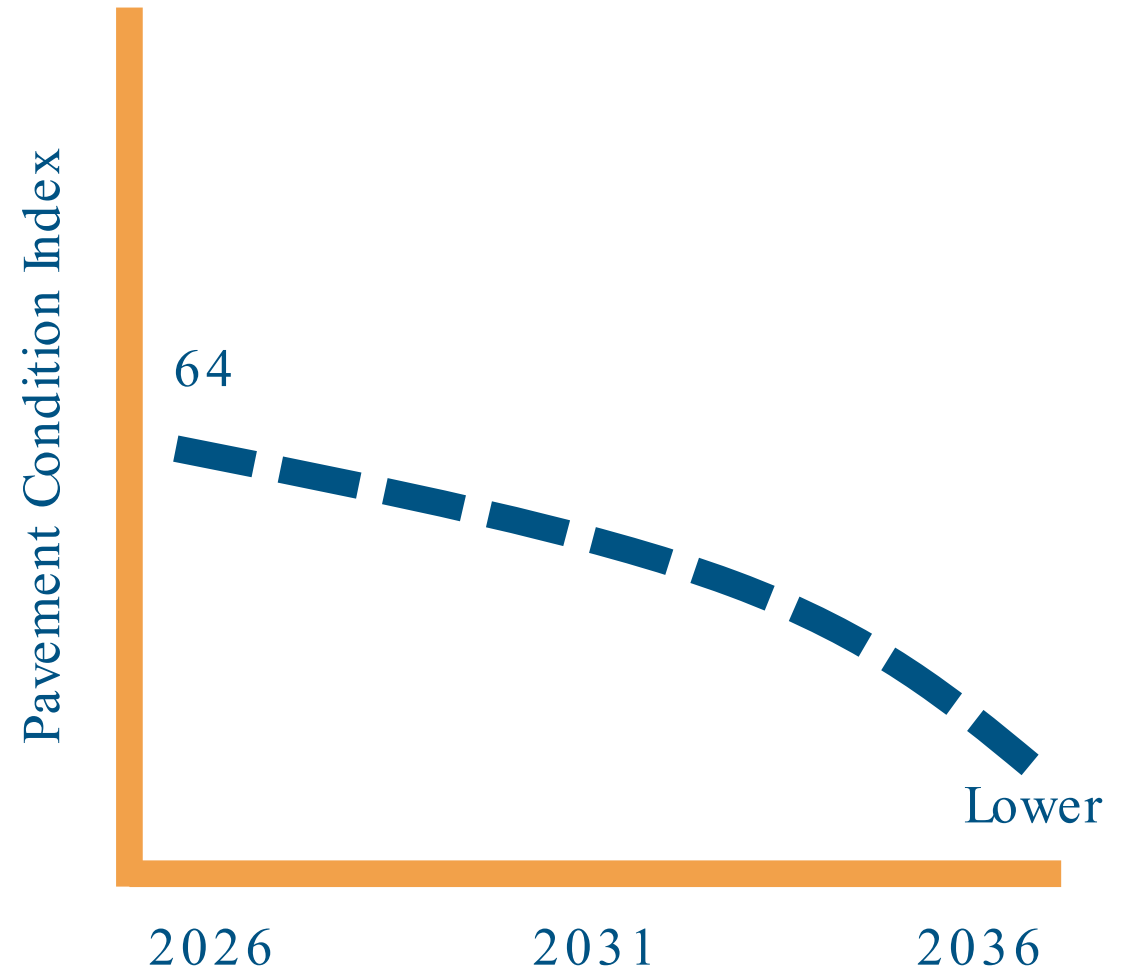




Future Maintenance Costs & Potential Fee

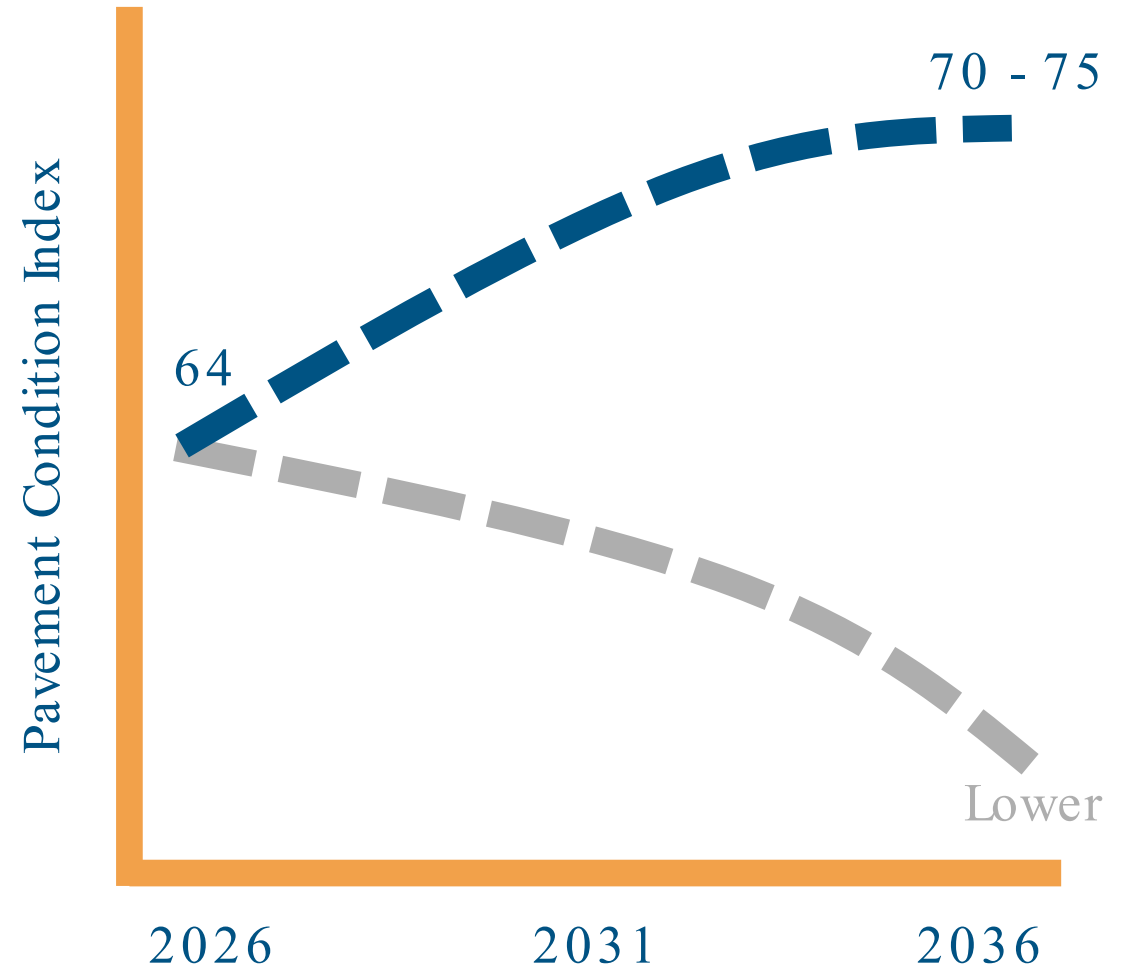
OPTION 1: NO TUF / STATUS QUO

- Continue to contract with County
- Use 100% of B&C Road Funds
- Continue to use General Funds to supplement B&C Road Funds to pay County contract
- *No target PCI, road conditions will drop over time*



OPTION 2: ADOPT TUF

- Follow 10-year maintenance plan to reach industry standard PCI
- Continue to contract with County, utilize contractors to provide supplemental maintenance
- Use 100% of B&C \$, remainder TUF \$, preserve General Funds
- *Road conditions will improve, delaying full reconstructions and saving \$ over time*



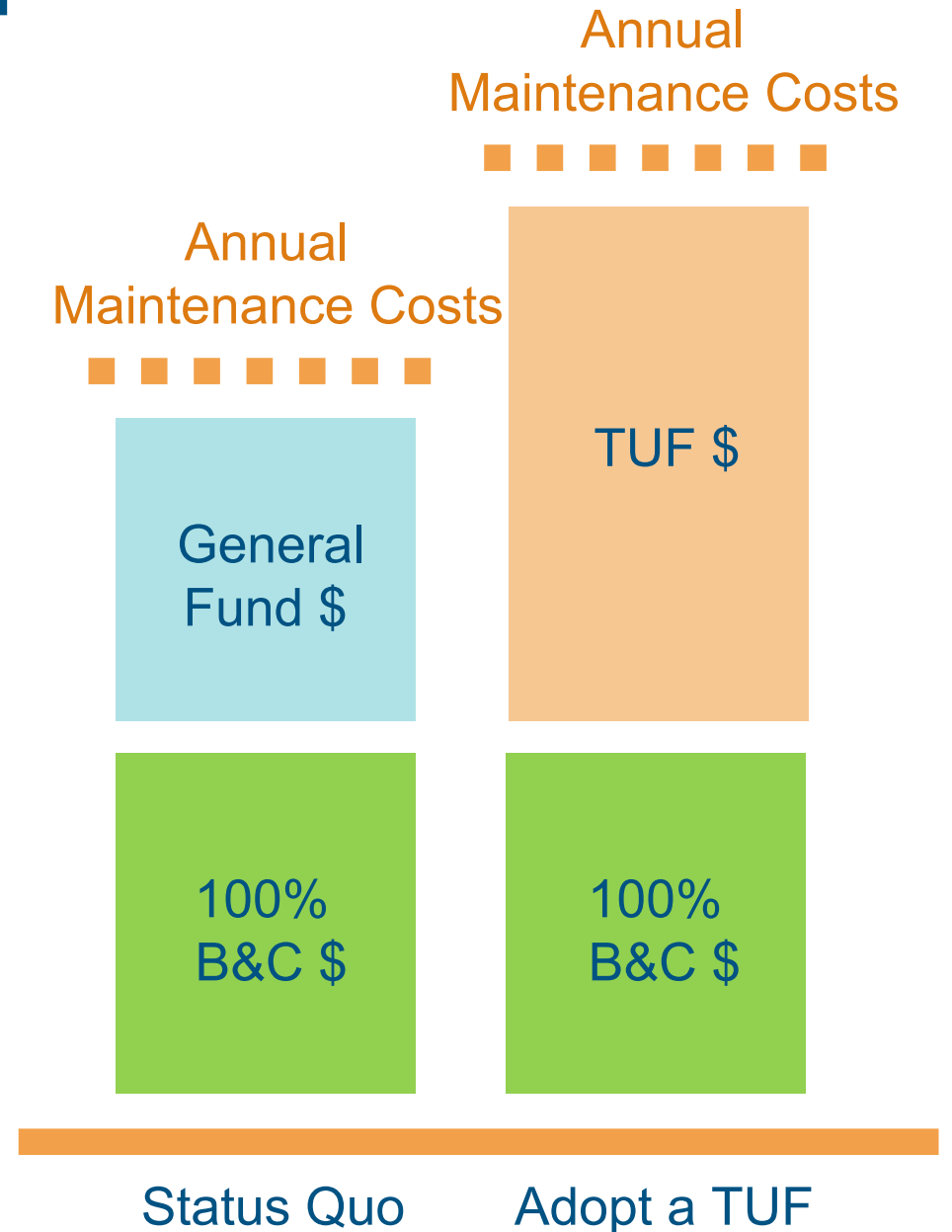
Recommended Target Condition

- Target an average PCI of 70–75, which reflects a network that is generally in “Good” condition while still being financially achievable
- This target balances cost efficiency, as pavement preservation and rehabilitation **costs rise sharply once PCI drops below 60**
- A PCI in the **low-to-mid 70s aligns with industry standards**, other cities

PCI RANGE		Typical Repair Strategy
86-100		PREVENTIVE MAINTENANCE
71-85		
56-70		REHABILITATION
41-55		
26-40		RECONSTRUCTION
11-25		
0-10		

STATUS QUO vs ADOPT a TUF

- The TUF will pay for additional pavement maintenance and associated labor costs needed to increase road maintenance to industry standard
- This will be in addition to the current contract with the County
- Preserve General Funds for other priorities
- TUF develops a dedicated fund for road maintenance



POTENTIAL FEE – THREE OPTIONS

One Category Fee

Category	Address/Units	Monthly Fee	
Residential / Commercial / Public (Per Unit)	29,408	\$ 11.80 -	\$ 13.30

Three Category Fee

Category	Address/Units	Monthly Fee	
Residential	28,481	\$ 6.20 -	\$ 7.00
Commercial	767	\$ 189.50 -	\$ 213.30
Public Use	160	\$ 148.80 -	\$ 167.40

Multiple Category Fee Using Provo Utility Fee Structure

Category	Address/Units	Monthly Fee	
Residential A - Single Family	18,568	\$ 7.40 -	\$ 8.40
Residential B - Multifamily	9,913	\$ 4.00 -	\$ 4.60
Commercial A (<100 Trip-Ends)	378	\$ 42.40 -	\$ 47.70
Commercial B (100-199 Trip-Ends)	132	\$ 127.30 -	\$ 143.20
Commercial C (200-599 Trip-Ends)	144	\$ 381.90 -	\$ 429.70
Commercial D (600+ Trip-Ends)	113	\$ 509.10 -	\$ 573.00
Public Use A (<300 Trip-Ends)	133	\$ 127.30 -	\$ 143.20
Public Use B (≥300 Trip Ends)	27	\$ 254.60 -	\$ 286.50

RATE EXAMPLES FROM OTHER CITIES

City	Type	Residential Fee	Commercial Fee	Notes
Provo	Variable	\$2.52 to \$4.20	\$11.38 to \$269.93	Fee varies by trip generation rates, these are new rates for Sept 1st 2025
Fruit Heights	Fixed	\$7.50	\$7.50	Flat fee for all utility accounts
Vineyard	Variable	\$3.50	\$3.50 per ERU	ERUs based on land use and ITE trip generation manual
Pleasant View	Fixed	\$4.00	\$6 per commercial, \$8 per industrial	Flat fee for all utility accounts
Mapleton	Fixed	\$8.00	\$8.00	Flat fee for all utility accounts
Highland	Fixed	\$18.50	\$18.50	Flat fee for all utility accounts, through 2028 bond payoff
South Weber	Variable	\$15.00	\$15.00 per ERU	ERUs based on land use and ITE trip generation manual
South Ogden	Fixed for residential, tiered for commercial	\$5.52	\$6.31 to \$106.35	6 tiers for commercial, public category, mixed-use category
Pleasant Grove	Fixed for residential, tiered for commercial	\$6.76, \$5.41 abatement rate	\$33.02 Tier 1, \$188.84 Tier 2	Abatement or discount rate for residential
Farmington	Variable	\$3.60 per ERU	\$1.84 per ERU	ERUs based on land use and ITE trip generation manual

An aerial photograph of a city street scene. In the foreground, a multi-lane road runs diagonally from the bottom left towards the center. A light rail train, consisting of several white and blue cars, is crossing the road on a bridge or overpass. To the left of the road, there's a large parking lot with several cars and a sign for 'APOLLO SURFERS'. To the right, there's a large industrial building with a sign that says 'WASATCH METAL Recycling'. In the background, a dense urban area is visible, followed by a range of mountains under a clear blue sky. The text 'Next Steps' is overlaid in the center of the image.

Next Steps

Next Steps

- Complete rate calculations
- Public involvement following work session (with Council input)
 - Stakeholder Focus Group Meetings
 - Risk Identification Workshop
 - Outreach campaign to inform and engage the public
- Target adoption meeting in March 2026



An aerial photograph of a city street, likely in Salt Lake City, Utah, showing a light rail train crossing a street. The street is filled with cars and commercial buildings. In the background, there are large, rugged mountains under a clear blue sky. The text "THANK YOU!" is overlaid in the center of the image.

THANK YOU!

COUNTY MAINTENANCE DETAILS

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