



**Brian Head Town
Transportation Utility Fee (TUF) Study**

May 2026



BRIAN HEAD



May 11, 2026

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Mr. Howser,

On behalf of Crews Municipal Advisors and Chris Burton (the “Working Group”), we are pleased to submit the final Transportation Utility Fee (“TUF”) Study for Brian Head Town (the “Town”).

This study was prepared to assist the Town in evaluating sustainable and equitable funding options for ongoing street maintenance, rehabilitation, and reconstruction. As outlined in the report, the analysis considers existing roadway conditions, historical funding levels, projected maintenance costs, and various fee scenarios designed to align revenues with the cost of providing transportation services.

The study is intended to provide Town staff and elected officials with a clear, defensible framework for policy decision-making. Multiple scenarios are presented to illustrate the potential impacts of different TUF fee structures, allowing the Town to evaluate tradeoffs related to revenue stability and ratepayer fees.

Throughout this process, we worked closely with Town staff to ensure the analysis reflects Brian Head’s specific conditions and policy objectives, and that the recommendations are consistent with applicable Utah law and recent legal precedent.

We appreciate the opportunity to assist the Town with this important effort and are available to answer any questions or provide additional support as the Town reviews the study and considers next steps.

Sincerely,

A handwritten signature in black ink, appearing to read "Marcus Keller".

Marcus Keller
Managing Director
Crews Municipal Advisors



TABLE OF CONTENTS

Qualifications	Page
1. Executive Summary.....	4
2. Background & Purpose.....	4
3. Evaluation Process.....	6
Appendices	
Appendix A: ERU Analysis.....	9



1. Executive Summary

The Town Council received a presentation from the Working Group related to a Transportation Utility Fee (TUF) Study for Brian Head Town in October of 2025. The study evaluated options for establishing a Transportation Utility Fee to provide a sustainable, dedicated funding source for the Town's Pavement Management Program.

After comments from Town Council and ongoing discussions with the Town Staff, the Working Group revised the study to incorporate additional information, restructure fee tiers, and upgrade average daily trip rates to align with the latest edition of the Trip Generation Manual published by the Institute of Transportation Engineers.

Staff is recommending a fee of \$12 per month per ERU which will generate \$270,553 to the current annual funding available for street maintenance.

2. Background Purpose

Road infrastructure is among the most essential services provided by a municipality and must be properly maintained to preserve the Town's desired level of service. A newly constructed street is generally assumed to have an average design life of approximately 20 years; however, actual service life varies based on traffic loading, environmental conditions, construction quality, and maintenance practices.

Industry standards demonstrate that timely preventative maintenance performed early in a roadway's service life can reduce overall maintenance costs by approximately 40% to 60% and extend the life of a roadway by an additional 20 to 40 years.

Brian Head has historically made consistent efforts to fund its Pavement Management Program; however, rising construction costs have outpaced available funding. The Town currently contributes approximately \$275,000 annually (see Table 1 below for additional details) toward roadway maintenance, but updated projections indicate that this amount must increase to approximately \$395,000 annually, with ongoing growth of about 3.5% per year, in order to maintain the system and keep pace with inflation and construction cost escalation.

The Town is facing increasing financial pressure due to the drastic increase in input costs observed over the last 5 years. This has made it difficult to the Town to address deteriorating conditions while also attempting to preserve streets that remain in fair condition.

If maintenance continues to be deferred or underfunded, Brian Head will experience accelerated roadway deterioration, declining service levels, and significantly higher long-term costs. Projections already show periods where program funding may fall short of needs before recovering in later years, highlighting the importance of stable and sustainable funding sources.

To address this challenge, Brian Head is evaluating long-term funding strategies, including the potential implementation of a Transportation Utility Fee (TUF), which could help close the annual funding gap and provide a more reliable revenue source dedicated to roadway maintenance. Proactive investment and sustainable funding will be essential to maintaining safe, functional, and cost-effective road infrastructure for residents and visitors alike.

EXISTING FUNDING SOURCES



At the time of the study, the following were available funding sources:

Class B (County) & Class C (Municipal) Road Funds:

These funding programs were established by the Utah Legislature in 1937 as a means of aiding counties and cities for the improvement of roads and streets throughout the state. The funds differ from ordinary local revenues inasmuch as they are subject to administrative direction by the State in accordance with legislative provision. The total amount received is based on the miles of roadway in the city. As new roads are built with new development, the amount of funding increases proportionally. The Utah Department of Transportation (UDOT) is the administrative authority on behalf of the State.

Both B and C roads consist of all public roads that are not State or federal roads, and the funds may be spent for maintenance or construction on any of these roads.

General Fund:

This money comes from Highway Sales Tax and is allocated each year during the Town’s budgeting process. It is subject to the direction of the Mayor and Town Council and is not a pledged source of revenues towards the roads, but discretionary depending on annual budgeting needs.

As shown in Table 1, below, at the time of this study, the funding was evaluated as follows:

Table 1 – Historical and Projected Funding*

Funding Source	GL Code	3-year Avg
Class B & C Road Funds	10.3152	\$110,159
General Fund (Highway Sales Tax)	10.3356	\$164,687
Total Available Funds	–	\$274,846

*Information provided by the Town.



3. Evaluation Process

The Town evaluated all possible sources of additional funding for the amount needed to, at a minimum, maintain, and increase the Town's overall streets remaining service life (RSL). The process to determine this Transportation Utility Fee (TUF) was completed through the following steps:

- Assess the current conditions of all Town streets and obtain overall RSL
- Evaluate options for additional street maintenance funding
- Determine the cost of each type of preventive maintenance treatment that Brian Head Town prefers to use and the average increase in RSL associated with that treatment
- Analyze multiple scenarios of additional funding and its impact on RSL
- Determine and adopt final funding source

1. Current Conditions

The Town maintains continuous oversight of the existing status of the road network as it relates to the ongoing Pavement Management Plan adopted in October of 2016. The Working Group received an exhaustive list of planned maintenance projects through 2040.

2. Additional Funding Sources

The Town's current funding for road projects is not keeping up with the deterioration of the roads. Multiple additional funding sources were considered and summarized below:

Budget Cuts

This option would take the existing funding from the Town's General Fund as a way to supplement the additional funding needed for street maintenance. The Town's General Fund monies are used to pay for services or debt required by state statute, such as law enforcement, fire, bond payments, etc. A cut from the General Fund would constitute a cut in service levels from services such as recreation, parks, public safety, etc, in order to compensate for the disparity.

Bonding

This option would rely on a one-time source of supplemental funding. While bonding would allow the Town to make significant progress in improving the average RSL rating, it does not address the ongoing need for additional revenues to pay for the bonds or future street capital projects. This option may only be feasible if used in combination with a new funding source.

Property Tax:

This option would generate additional revenue through the Truth in Taxation process, resulting in an increase to the Town's property tax levy. Under this approach, the additional revenue would be borne solely by taxable property owners, while tax exempt properties and roadway users who do not pay property taxes would not contribute to the funding. As a result, many users who generate impacts on the Town's streets would not participate in supporting the associated maintenance and rehabilitation costs.



Transportation Utility Fee (TUF):

The Transportation Utility Fee is a proposed monthly, included on the user’s utility bill, using Equivalent Residential Units (ERUs) as the basis for determining each property’s proportional impact on the Town’s roads. This approach is intended to create a stable and predictable revenue stream dedicated exclusively to street maintenance needs. By structuring the fee similarly to other municipal utilities, the TUF provides a consistent funding mechanism that aligns costs with roadway usage across both residential and non-residential properties.

Calculating Equivalent Residential Units (ERU) – Using the ITE Trip Generation Manual, 12th Edition, to calculate the ERU for a single-family home, a rate of 3.64 trips per day was used. This rate represents the weekday trips per unit, with 100% of the trips occurring on local streets. The 3.64 trips-per-day rate is a reduced value from the standard ITE rate of 9.09 trips per day and was applied to reflect the lower trip generation characteristics expected in a remote mountain setting, consistent with Town Staff guidance. Therefore, 1 ERU = 3.64 daily trips.

Non-residential trips per day utilized the ITE Trip Generation Manual, 12th Edition, as its baseline, and other sources to determine an appropriate daily trip count. To calculate the total number of trips, the applicable unit of measurement for the size of the property (or other evaluation factors given) was divided by the known size of the property and then multiplied by the rate. The total ERUs were then calculated by taking the total number of trips and dividing it by 1 ERU or 3.64 (see table 2 for example).

Table 2 – ERU Calculation

Item	Calculation	Input
Property Type	Property Info from Town or Council Records	Small Office Building
Rate	ITE Trip Generation Manual, 12 th Edition	5.76
Unit of Measurement	Determined by how property is measured	1,000 s.f.
Known Measurement	Property Info from Town or Council Records	3,500 s.f.
Total Units	Known Measurement ÷ Unit of Measurement	3.5
Total Trips	Total Units * Rate	20.16
ERU	Total Trips ÷ 1 ERU (3.64)	5.54

3. Cost of Preventative Maintenance

The cost of each type of treatment was determined based on recent quotes received by the Staff for similar road projects. Table 3 below lists the expected costs and intention of treatment over the next 10 years. This excludes the building of any new roads.

Table 3 – Cost of Expected Road Projects

Forecasted Need	FY 2026 Year 1	FY 2027 Year 2	FY 2028 Year 3	FY 2029 Year 4	FY 2030 Year 5	FY 2031 Year 6	FY 2032 Year 7	FY 2033 Year 8	FY 2034 Year 9	FY 2035 Year 10
Maintain	\$40,000	\$40,000	\$40,000	\$115,000	\$115,000	\$115,000	\$38,833	\$38,833	\$38,833	\$134,667
Rebuild	\$225,333	\$225,333	\$225,333	\$66,667	\$66,667	\$66,667	\$0	\$0	\$0	\$183,333
Grand Total	\$265,333	\$265,333	\$265,333	\$181,667	\$181,667	\$181,667	\$38,833	\$38,833	\$38,833	\$318,000

Below are summary statistics from the data analyzed:

- Total number of ERUs: 1,900
- Total number of Entities: 2,727



4. Various Scenarios

Table 4 – Overview of TUF Scenarios

TUF Revenues	Total Entities	Total ERUs	Staff Recommend	Legal Maximum
Tier 1 - Residential	1,338	1,207	\$ 14,489	\$ 36,223
Tier 2 - Commercial on Hwy 143	10	308	3,699	9,248
Tier 3 - Other Commercial	6	131	1,567	3,917
Tier 4 - Hotel	2	233	2,791	6,977
Tier 5 - Raw Ground	1371	22	-	646
Total Monthly	2,727	1,900	\$ 22,546	\$ 57,012
Total Annual			\$ 270,553	\$ 684,140
<i>TUF Fee per ERU</i>			\$ 12.00	\$ 30.00

Scenario: Staff Recommendation

Each ERU will generate a fee of **\$12 per month**. Under this option, four (4) business will incur fees over \$500 per month. This will add \$270,553 to the current annual funding available for street maintenance.

Scenario: Legal Maximum

While below the legal maximum allowed under current Utah law, the Council does not recommend any scenario going above an ERU fee in excess of **\$30 per month**.

5. Adopt Final Funding Source

Preliminary findings will be posted online via the Town Clerk on May 11, 2026.

A Public Hearing will be held on May 26, 2026, followed by a Council discussion. The Working Group will be available via Zoom during the Hearing.

TUF Adoption Ordinance considered by Council on June 9, 2026.

Upon adoption of the Ordinance, the TUF will be included in the Consolidated Fee Schedule resolution scheduled for June 23, 2026.

The Transportation Utility Fee is anticipated to take effect in July 2026.



Appendix A

ERU Analysis



Appendix A

ERU Analysis

- Tier 1 (Residential) -

Name	Service Address	Special Access?	ITE Land Use Trip Generation (per day)						Total Units	Total Trips (Avg. Day)	Total ERUs	Monthly Rate (\$ / ERU)		
			Code	ITE Description	ITE Unit	ITE Devisor	QTY per ITE Unit	Rate (Avg. Day)				Staff Recommend	Legal Maximum	
1	Single-Family Home	City-wide	n/a	210	Single-Family Detached Housing	Dwelling Units	1		3.64	337	1,225	337.0	\$ 4,044	\$ 10,110
1.A.	Short-term Rental ("STR") - Single-Family Home (Cabins)	City-wide	n/a	310.1	Hotel	Rooms	1		5.84	90	526	144.6	1,735	4,337
1.B.	Short-term Rental ("STR") - Condo Units	City-wide	n/a	310.2	Hotel	Rooms	1		3.50	369	1,293	355.6	4,267	10,668
2	Multifamily Housing (Low Rise)	City-wide	n/a	220	Multifamily Housing (Low-Rise)	Dwelling Units	1		2.48	542	1,346	370.3	4,443	11,108
Total Entities										1,338	Total ERUs	1,207.4	\$ 14,489	\$ 36,223

- Tier 2 (Commercial on Hwy 143) -

Name	Service Address	Code	Description	ITE Unit	ITE Devisor	QTY per ITE Unit	Rate (Avg. Day)	Total Units	Total Trips (Avg. Day)	Total ERUs	Monthly Rate (\$ / ERU)			
											Staff Recommend	Legal Maximum		
110302	Brian Head Recreation 1, LLC Brian Head Resort	329 S HWY 143 Hwy 143	710	General Office Building	1000 sqft GFA	1000	18,292	3.13	18.29	57	15.8	\$ 189	\$ 473	
110303	Brian Head Recreation 1, LLC Brian Head Resort	365 N HWY 143 Hwy 143	710	General Office Building	1000 sqft GFA	1000	14,800	3.13	14.80	46	12.7	153	382	
110304	Brian Head Recreation 1, LLC Brian Head Resort	329 S HWY 143 # Hwy 143	710	General Office Building	1000 sqft GFA	1000	3,044	3.13	3.04	10	2.6	31	79	
110304	Brian Head Recreation 1, LLC Brian Head Resort	329 S HWY 143 # Hwy 143	466	Snow Ski Area	Lifts	1	9	98.52	9.00	887	243.9	2,926	7,316	
111704	Georg's Ski Shop	612 S HWY 143 F Hwy 143	Subtotal	Multi-Purpose Property	1000 sqft GFA	1000	5,700	8.68	5.70	49	13.6	163	408	
112103	High Country Realty - North	HIGH COUNTRY Hwy 143	712	Small Office Building	1000 sqft GFA	1000	3,135	5.76	3.14	18	5.0	60	149	
522749	Apple Annie's Country Store, Inc	508 N HWY 143 Hwy 143	814	Variety Store	1000 sqft GFA	1000	2,100	25.46	2.10	53	14.7	176	441	
524141	ELEVATION SOLUTIONS LLC	406 S HWY 143 Hwy 143	Exclude	Exclude	Exclude	1	4,392	0.00	4,392.00	-	-	-	-	
Total Entities										10	Total ERUs	308.3	\$ 3,699	\$ 9,248

- Tier 3 (Other Commercial) -

Name	Service Address	Code	Description	ITE Unit	ITE Devisor	QTY per ITE Unit	Rate (Avg. Day)	Total Units	Total Trips (Avg. Day)	Total ERUs	Monthly Rate (\$ / ERU)			
											Staff Recommend	Legal Maximum		
110441	Brian Head Sports, Inc	269 S HWY 143 None	Subtotal	Multi-Purpose Property	1000 sqft GFA	1000	7,776	4.62	7.78	36	9.9	\$ 119	\$ 296	
523463	Thunder Mtn Motorsports	539 N HWY 143 None	842	Recreational Vehicle Sales	1000 sqft GFA	1000	2,671	2.00	2.67	5	1.5	18	44	
524198	THE MALL HOA	259 S VILLAGE W. None	Subtotal	Multi-Purpose Property	1000 sqft GFA	1000	20,630	21.01	20.63	433	119.2	1,431	3,577	
Total Entities										6	Total ERUs	130.6	\$ 1,567	\$ 3,917

- Tier 4 (Lodging) -

Name	Service Address	Code	Description	ITE Unit	ITE Devisor	QTY per ITE Unit	Rate (Avg. Day)	Total Units	Total Trips (Avg. Day)	Total ERUs	Monthly Rate (\$ / ERU)			
											Staff Recommend	Legal Maximum		
110402	Brian Head North COA	223 HUNTER RID None	310	Hotel	Rooms	1	162	2.34	162.00	378	104.1	\$ 1,249	\$ 3,122	
524006	BRIAN HEAD LODGE	314 W HUNTER F None	310	Hotel	Rooms	1	200	2.34	200.00	467	128.5	1,542	3,855	
Total Entities										2	Total ERUs	232.6	\$ 2,791	\$ 6,977

- Tier 5 (Raw Ground) -

Name	Service Address	Code	Description	ITE Unit	ITE Devisor	QTY per ITE Unit	Rate (Avg. Day)	Total Units	Total Trips (Avg. Day)	Total ERUs	Monthly Rate (\$ / ERU)			
											Staff Recommend	Legal Maximum		
RG1	Raw Ground - 0 acres	City-wide	n/a	1	Land	Acres	1	108	0.06	108.00	6	1.7	\$ -	\$ 51
RG2	Raw Ground - 0 - 0.5 acres	City-wide	n/a	1	Land	Acres	1	712	0.06	712.00	41	11.2	-	336
RG3	Raw Ground - 0.5 - 1.0 acres	City-wide	n/a	1	Land	Acres	1	375	0.06	375.00	21	5.9	-	177
RG4	Raw Ground - 1 - 5 acres	City-wide	n/a	1	Land	Acres	1	150	0.06	150.00	9	2.4	-	71
RG5	Raw Ground - >5 acres	City-wide	n/a	1	Land	Acres	1	26	0.06	26.00	1	0.4	-	12
Total Entities										1,371.00	Total ERUs	21.5	\$ -	\$ 646