

Frequently Asked Questions

Transportation User Fee



1. What is the Transportation User Fee?

The Transportation User Fee (TUF) is a temporary \$ 1-per-month charge on each City utility account. The money will be used only for street maintenance and street studies.

2. Why is the City proposing this fee?

Our streets are aging and repairs cost more each year. The City has 182 streets totaling over 74 miles, and many need work. With virtually all of the City's property tax going to the Fire and Police Departments, current funding is not enough to keep up with street maintenance.

This fee will help us:

- Study street conditions; and
- Plan future repairs.

Any money remaining after the two studies will be dedicated to street maintenance.

3. Why do we need a TUF if the City already has money in the budget for streets?

The City's regular street budget only pays for basic repairs and upkeep. This money mostly comes from sales tax, which can go up or down. It also has to compete each year with other City needs, like police, fire, and parks. TUF money is larger, more steady, and can only be used for streets. This gives the City a reliable way to fix more streets and complete more projects each year.

4. Is this a tax?

No. It is not a tax. It is a user fee that can only be spent on streets. By law, the money must go into a separate Street Maintenance Fund and cannot be used for anything else.

5. How much will I pay?

The fee is \$1.00 per month. This equals \$12 per year or about 3 cents a day.

6. How will the money be used?

Funds will only be able to be used for:

- A study of the feasibility of a longer-term TUF program
- Street condition studies
- Street maintenance, including:
 - a. Pothole repairs
 - b. Crack sealing
 - c. Seal coating
- Overlays
- Street reconstruction

- Signs and striping
- Drainage tied to street repairs

7. How will I see the charge?

The fee will appear as a separate line item on your utility bill beginning with the March 2026 billing cycle.

8. How long will the fee last?

The fee is temporary. It will end automatically after 12 months, unless the City Council extends it or replaces it.

9. Why not just raise property taxes?

Property taxes go into the General Fund and almost all of it is used by the Fire and Police Departments. The TUF:

- Is dedicated only to streets
- Is more stable year to year
- Spreads the cost across all street users

The City is using this fee first to study needs and plan a long-term solution.

10. Will this fix all streets?

No. This is a first step that will:

- Pay for updated studies
- Help the City plan future funding
- Help determine if a TUF is a workable long-term funding source for a street maintenance program
- Start small repairs with any leftover money

11. Who is exempt?

Properties owned by the City, State of Texas, and U.S. Government are exempt.

12. Where can I learn more?

Email your questions to TUFQuestions@cigrovestx.com.