

WORK ZONE BULLETIN #10/2017

Lane Rental and Speed Reduction Charges

Summary

Lane rental and speed reduction charges may be included in the Special Provisions of a construction or maintenance contract. Lane rental is the practice of charging the contractor for closing a lane to traffic. Speed reduction charges follow the same principle by placing a price on lowering the speed limits in a work zone.

The purpose of these charges is to encourage the contractor to complete a project in a way that limits highway user costs. By introducing a price on lane closures and speed reductions, contractors will place a greater consideration on the delay and inconvenience to highway users when designing their work plan.

Key Changes

Type of Project

Lane rental or speed reduction charges should be considered for projects on high volume highways or other projects that are likely to result in substantial highway user costs. The Project Administrator and Regional Safety Officer should be consulted when determining whether a project falls within these categories.

Lane Rental Charges

Contractors are typically charged for using a lane by duration and/or distance. The lane rental scheme should be developed based on a project's individual characteristics and its effect on highway users. Time-of-day is a significant consideration as lane closures will have the most negative impact when the highest traffic volume is on the road, such as during peak commuting hours. When statutory holidays are expected to fall during a project, the holiday and its associated weekend may also receive special consideration.

The units of time and distance can vary between projects. When lane rental is included in a project, the contract should identify how rounding will take place when the time/distance falls between increments.

Table 1 below provides an example of how lane rental charges may be applied. **It is provided as a sample only** as lane rental charges should be tailored to specific projects.

TABLE 1-EXAMPLE OF LANE RENTAL CHARGES BASED ON TIME-OF-DAY

Time Period	Shoulder Only	1 Lane	2+ Lanes
Monday – Friday 6:00 AM to 9:00 AM & 3:00 PM to 6:00 PM	\$500/km/hour	No Closures Permitted	
Monday – Friday 9:00 AM to 3:00 PM	\$500/km/hour	\$3,000/km/hour	\$5,000/km/hour
Weekend 6:00 PM Friday – 6:00 AM Monday	\$500/km/hour	\$1,000/km/hour	\$1,000/km/hour
Long Weekend *applies and takes precedence over the above time periods only when Monday is a statutory holiday 3:00 PM Friday to 6:00 AM Tuesday	No Closures Permitted		

Speed Reduction Charges

A speed reduction charge introduces a fee when the speed limit is lowered past a specified threshold. Speed reduction charges can be implemented in several ways, either individually or in conjunction with each other. These methods include but are not limited to the ones below:

- Define a straight charge of \$/km/day
- Identify the maximum cumulative kilometres a speed reduction can be in place at any given time over the entire project length. Charge the contractor for every kilometre over the maximum.
- Establish a maximum length that any single reduced speed zone can be in the project. Charge the contractor by kilometre for any reduced speed zone that exceeds the maximum length.
- Identify that a project must be staged in such a way that a stage cannot be started until the prior stage has been completed to a point that the gazetted speed can be re-established.

When both lane rental and speed reduction charges are used on a project, the same pricing scheme may be applied.

Effective Date

May 9, 2017

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References

N/A

Approved

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