



Legislation Text

File #: 11-0425, **Version:** 1

Resolution to Approve Fiscal Year 2012 Fee Adjustments for Public Services Area Project Management, Customer Service, Systems Planning, Waste Water Treatment and Field Operations Mayor and Council, attached for your consideration and approval is the resolution approving fee adjustments for Public Services Area-Service Units for the 2012 fiscal year. The anticipated increase in revenue resulting from the fee adjustments is crucial to balancing expenditures and revenues in the proposed fiscal year 2012 budget.

Each year in conjunction with the preparation of the budget, Service Area/Service Units are requested to review license and fee revenues to determine if the cost of the services rendered are covered by the charges. When determining these costs, Service Units take into account increases or decreases in expenses such as: labor, material and supplies, equipment and overhead cost. These increases are generally in the range of 3% to 5%. In some cases where fee increases are proposed to be more than the foregoing amounts, explanations are provided to give a rationale for the increase. Decreases are in the range of 3% to 64% and vary more widely due to efficiency improvements. Based on the fee analysis, projected revenues have been budgeted.

The Public Services Area is recommending approval of increases for activities in the Service Units in order to recover fully burdened costs for ancillary services provided to the customers. These fully burdened costs were based upon estimated time spent providing the service, vehicle expenses, IT costs, materials and supplies and the municipal service charge.

In prior years, the Project Management Services Unit has raised its Private Development fees incrementally to recover its annual fully burdened costs for the services provided. In order to avoid a large fee increase from one fiscal year to the next, the fees have been adjusted annually. With last year's adjustments, we were at parity for the inspection fees; however, we are still in the process of establishing recovery for plan review.

Project Management is also proposing a change in the collection and issuance of right-of-way reviews and permits. In previous years, right-of-way permits were issued and collected by the Planning and Development Unit of the Community Services Area. In FY12, we are aligning the permit collection and issuance with the services provided within the Public Services Area. This will result in process efficiencies and a decrease in costs/fees.

In the Customer Services Service Unit, we are proposing adjustments to only a portion of the existing meter operations and maintenance fee schedule as we are in the process of obtaining current pricing for many of our meter sets. As this pricing becomes available, we will return for approval of any additionally required fee adjustments.

In the Field Operations Unit, we are separating billing expenses from the Solid Waste commercial rate structure and making adjustments based on experience from our commercial recycling program implementation.

The following Service Units have requested fee adjustments:

- Project Management
 - Private Development
 - Traffic
 - Right-of-Way
 - Licensing Agreements
- Customer Service Center Unit
 - Meter operations and maintenance
- Field Operations
 - Solid Waste
 - Traffic sign & signals
 - Taps & Disconnections
- Waste Water Treatment
 - Industrial Pre-Treatment
- Systems Planning
 - Planning Petition Review
 - Grading Inspection Fees
 - Utility Modeling

Service Units have provided supplemental information for the recommendations attached to the fee resolution. Staff requests your approval of the proposed fee adjustments.

Prepared by: Sue F. McCormick, Public Services Administrator

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, Administrator

Whereas, All Service Areas of the City government review their fees each year as part of the budget process;

Whereas, The Public Services Area Service Units have reviewed all of their fees as part of the FY12 budget submittal;

Whereas, Fees in several areas were found not recovering fully burdened costs to provide these services;

Whereas, Reduction of some fees were found to be appropriate to reflect efficiencies; and

Whereas, Various fees have been newly created to reimburse costs for services provided;

RESOLVED, The fees in the Public Services Service Units be adjusted according to the attached schedules;

RESOLVED, That the attached fee schedules become effective July 1, 2011; and

RESOLVED, That City Council authorizes the City Administrator to take necessary administrative actions to implement this resolution.