



## Legislation Text

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### Resolution to Approve Fiscal Year 2010 Fee Adjustments for Public Services Project Management, Customer Service, Systems Planning and Field Operations Units

Mayor and Council, attached for your consideration and approval is the resolution approving fee adjustments for Public Services Area-Service Units for the 2010 fiscal year. The anticipated increase in revenue resulting from the fee adjustments is crucial to balancing expenditures and revenues in the proposed fiscal year 2010 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 increase in expenses such as: labor, material and supplies, equipment, and overhead cost. The increases are in the range of 3% and are intended as adjustments for inflation. In some cases where fees are proposed to be higher than the nominal 3%, explanations are provided to give a rationale for the increase. In other cases, efficiencies in operations are resulting in fee decreases. Based on the fee analysis, revenues are then budgeted.

The Public Services Area is recommending approval of fees 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 & supplies, and the municipal service charge.

In the 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. However to date, the annual revenue from the collected fees continues to remain below all fully burdened costs for the private development activities.

The number and type of Private Development projects can vary each year, making it difficult to accurately estimate future demands for these services. Each year we continue to close the gap between the anticipated private development burdens and revenues for the services provided. In keeping with this effort, we have submitted a new fee schedule for the inspection and testing activities which simplifies our fee approach for our customers, as well as ensures our costs are recovered.

In the Customer Services Service Unit, we still are achieving greater efficiencies by the implementation of the Automated Meter Reading System. The efficiencies and advantageous contract pricing for materials have been reflected in some decreased fees to our customers.

In the Field Operations Unit, we are recommending a new commercial rate structure that is necessary in the first steps of the commercial recycling program implementation.

The following Service Units have requested fee adjustments:

- Project Management
  - Private Development
  - Traffic
- Customer Service Center Unit
  - Meter operations and maintenance
- Field Operations
  - Solid Waste
  - Traffic sign & signals
  - Forestry - Canopy
- Systems Planning
  - Solid Waste
  - Site Plan Review
  - Sanitary Sewer 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: Marti Praschan, Public Services Financial Manager

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 FY 2010 budget submittal;

Whereas, The Private Development fees schedule has been simplified for our customers, as well as ensures our actual costs are recovered;

Whereas, Field Operations is establishing a commercial trash collection fee schedule to initiate the first step of the new commercial recycling program;

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

Whereas, Various fees have been reduced due to achieved efficiencies and vendor pricing of new equipment;

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, 2009; and

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