



Legislation Text

File #: 20-0495, **Version:** 1

Resolution to Approve Fiscal Year 2021 Fee Adjustments for Public Services Area - Engineering, Public Works, Systems Planning, and the Fleet and Facilities- Airport Unit of the City Administrator's Office

Mayor and Council, for your consideration and approval are fee adjustments for Public Services Areas - Engineering, Public Works, Systems Planning and Fleet and Facilities - Airport, for the 2021 Fiscal Year. The anticipated increase in revenue resulting from the fee adjustments is important to balance expenditures and revenues in the proposed budget.

Each year in conjunction with the preparation of the budget, Service Area/Service Units 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, materials, equipment, contracted services and overhead costs. The increases generally range from 1% to 10% for the purposes of full cost recovery. Decreases vary more widely due to efficiency improvements, equipment pricing fluctuations and lower wages in a newer workforce.

As listed by service unit and sub-activity, the basis for fee adjustments are as follows:

1. Engineering Service Unit
 - a. License Agreements
 - i. Fee revisions are adjusted based on current hourly wages.
 - b. Private Development and Civil Plan Review Fees
 - i. Fee revisions are adjusted for current wages and to reflect staff time spent on development. Decreases are attributable to lower wages in newer workforce. These fees seek full cost recovery.
 - c. Private Development Construction Engineering, As-Building Inspection Fees
 - i. Fee revisions are adjusted for current wages and to reflect staff time spent on development. Decreases are attributable to lower wages in newer workforce. These fees seek full cost recovery.
 - d. Right-of-Way Permit and Inspection Fees
 - i. Fee revisions are adjusted for current hourly wages and accurately reflects staff time spent. Decreases are attributable to lower wage in newer workforce.
 - ii. New Small Wireless Facilities Fees have been established (within Federal Statute) to accurately reflect time spent and capture costs associated with an increasing small cell activity.
 - e. Traffic
 - i. Fee revisions are adjusted for current hourly wages, overhead, and equipment costs
 - ii. Sign & Signals
 1. Fee revisions are adjusted for current hourly wages, overhead, and equipment costs.

2. Temporary Permissions to Reserve Parking Lane fees were adjusted to more accurately reflect staff time spent.
 - f. Annual Visitor Parking Permit, Annual Residential Parking Permit and Replacement Permits.
 - i. Fees were adjusted using the annual inflation rate. The Annual Visitor Parking Permit and the Replacement permit were adjusted based on the same criteria as the Residential Parking Permit which were last changed 11 years ago.
2. Public Works Service Unit
- a. Customer Service- Meter operations and maintenance
 - i. Fee revisions are adjusted for current hourly wages and overhead to more accurately reflect staff time. Fees also reflect changing material costs (both increases and decreases).
 - ii. Increases are associated with full cost recovery for services rendered and will gradually increase until achieved.
 - b. Forestry
 - i. Increases are associated with full cost recovery for services rendered and will gradually be increased until achieved.
 - ii. Decreases are due to equipment usage/pricing fluctuations.
 - iii. New Development Street Tree Maintenance fee added to cover the maintenance costs of newly planted trees.
 - c. Solid Waste
 - i. Increases are associated with full cost recovery for services rendered and will gradually be increased until achieved.
 - ii. Commercial franchise fee changes are associated with a reduction in transportation costs due to decreased trash tonnage collections.
 - d. Utilities
 - i. Water, Storm and Sewage
 1. Increases are associated with full cost recovery for services rendered and will gradually be increased until achieved.
3. Systems Planning Service Unit
- a. Soil Erosion & Sedimentation Control
 - i. Fee revisions are adjusted for current hourly wages, accurately reflect staff time, seek full-cost recovery, and reduces current subsidy.
 - b. Systems Planning Staff Review of Planning Petitions
 - i. Fee revisions are adjusted to reflect current wages and accurately reflect staff time spent on development.
4. Fleet and Facilities - Airport
- i. Increases are determined/set as a result of Market Analysis of other local airport hangar fees.

Budget and Fiscal Impact: The net impact of the fee revisions is estimated to be an increase of \$91,753.00. This impact was calculated using the number of instances a fee or charge was assessed in Fiscal Year 2019. The Public Services Area is recommending approval of increases for

activities in the Engineering, Public Works, Systems Planning and the Fleet and Facilities - Airport Unit of the City Administrator's Office. These fully burdened costs were based upon estimated time spent providing the service, vehicle expenses, IT costs, materials & supplies, and the municipal service charge.

..Staff

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Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

..Body

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 2021 budget submittal;

Whereas, Fees in Engineering, Public Works, Systems Planning and Fleet and Facilities - Airport, Units were found to not be recovering fully burdened costs to provide services;

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

Whereas, Some fees have been removed as services are no longer offered or the manner in which the service is being provided has changed; and

Whereas, Fees were reduced to reflect actual costs;

RESOLVED, The fees in the Public Services Area Engineering, Public Works, Systems Planning and Fleet and Facilities - Airport, Units be adjusted according to the attached schedules;

RESOLVED, That the attached fee adjustments become effective July 1, 2020; and

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