



## Legislation Text

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Resolution to Approve Fiscal Year 2020 Fee Adjustments for Public Services Area - Engineering, Public Works, Systems Planning, and Water Treatment Services Unit

Mayor and Council, for your consideration and approval are fee adjustments for Public Services Areas -Engineering, Public Works, Systems Planning and Water Treatment Units for the 2020 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, and equipment pricing fluctuations.

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

1. Engineering Service Unit

Most fees last updated 7/1/2017 resulting in higher than inflationary increases.

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. 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. 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.

e. Traffic

i. Sign & Signals

1. Fee revisions are adjusted for current hourly wages, overhead, and equipment costs.

ii. Control Permits

1. The fees are being changed to an hourly fee that are equitable and adjust for current hourly wages.

iii. Review of Planning Petitions

1. The fees are being changed to an hourly fee that are equitable and adjust for current hourly wages.

iv. Impact Study Review

1. The fees are being changed to an hourly fee that are equitable and adjust for current hourly wages.
- f. Annual Residential Parking Permit
  - i. Last change was 10 years ago, fee was adjusted using annual inflation rate.
2. Public Works Service Unit
  - a. Barricades
    - i. Fee revisions are adjusted for current hourly wages, overhead, and equipment costs.
  - b. 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. Per the AFSCME contract, employees receive a minimum of 2 hours overtime plus time worked for a call-out.
    - iii. Increases are associated with full cost recovery for services rendered and will gradually increase until achieved.
  - c. Forestry
    - i. Increases are associated with full cost recovery for services rendered and will gradually be increased until achieved.
  - d. Solid Waste
    - i. Some fees have been consolidated into the new "Cart Service Call" as the services are similar. The cost for these services was recalculated and reflects full cost recovery based on operational changes to more efficiently perform the service call.
    - ii. Fees that were presented as monthly or yearly fees are being changed to quarterly to reflect the billing cycle.
    - iii. Commercial franchise fee changes are associated with the change in the commercial franchise contract and reflect full cost recovery or a gradual increase for full cost recovery.
  - e. 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. Water Treatment Plant Service Unit
  - a. Telecommunications Management
    - i. Fee reflects current hourly wages.
  - b. Bacterial Testing:
    - i. The last fee adjustment was in 2011, adjustment is based on current labor and

material rates.

**Budget/Fiscal Impact:**

The net impact of the fees total an increase of \$229,420.00. This impact was calculated using the number of instances a fee or charge was assessed in Fiscal Year 2018.

The Public Services Area is recommending approval of increases for activities in the Engineering, Public Works, Systems Planning and Water Treatment 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.

Staff requests your approval of the proposed fee adjustments.

Prepared by: Marti Praschan, Chief of Staff, Public Services

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City 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 2020 budget submittal;

Whereas, Fees in Engineering, Public Works, Systems Planning and Water Treatment 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 Service Engineering, Public Works, Systems Planning and Water Treatment Units be adjusted according to the attached schedules;

RESOLVED, That the attached fee adjustments become effective July 1, 2019; and

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