

City Council Agenda Memo

From: Ashley Rentsch, Deputy Finance Manager

Council Meeting: November 9, 2021

Subject: Resolution 21-091, A Resolution Adopting the Consolidated Fee Schedule

Person(s) Responsible: Erick Rangel, Chief Financial Officer; Dusty Rodiek, Director of Parks, Recreation & Forestry; Mike Struck, Community Development Director

Summary:

City staff periodically reviews and updates the Consolidated Fee Schedule to ensure that fees are comparable to peer municipalities and appropriate in terms of cost recovery and other strategic objectives. This resolution includes an increase to residential building permit fees, removes the half-day option for picnic shelter reservations, updates and clarifies certain landfill fees. These changes will be effective January 1, 2022.

Background:

Part 1: Increases residential building permit fees for finished habitable space per square foot to \$90.00 and finished basements per square foot to \$45.00. This is an increase of \$5.00 per square foot for each of these fees.

Part 2: Removes the half-day option for picnic shelter reservations at Hillcrest and Pioneer parks.

Part 3: Increases landfill materials fees from \$43.00 to \$44.00 per ton and adds language to the fee schedule to allow for free dumping by residents for non-commercial clean wood/lumber, trees/branches, compost, and recycled compost generated within the service area.

This resolution also removes commercial cart fees and dumpster charges, as the Solid Waste Collections Department no longer provides commercial collection services.

Clarification will also be added to the fee schedule to indicate that sales tax is applicable to charges for refrigerators, air conditioners, mobile homes, and tires.

Item Details:

Part 1: Residential building permit fees are reviewed annually and compared with peer municipalities. Upon this annual review, a \$5.00 per square foot increase in residential building permit fees is recommended.

Part 2: Upon annual analysis of Park fees, it was concluded that the half-day picnic shelter rentals in Hillcrest Park and Pioneer Park are not being utilized and should be removed from the fee schedule. Renters typically desire to reserve the shelters for the full day.

Part 3: After a comparison with 10 peer municipalities with landfills, the City's current tipping fees of \$43.00 per ton were well below the average of \$54.63. The \$1.00 per ton increase to \$44.00 will bring approximately \$50,000 in additional revenue per year and help fund strategic priorities within the Landfill.

In an effort to increase efficiency and cost-effectiveness in the Solid Waste Collections department, the City elected to end commercial cart and dumpster service. Fees associated with these services are no longer applicable and can be removed from the fee schedule.

The annual analysis of fees also prompted the addition of language into the fee schedule to clarify the application of sales tax to charges for items such as refrigerators, air conditioners, mobile homes, and tires, that require separate disposal fees from other general items.

The addition of the citizen's campus at the Landfill requires clarification to the fee schedule allowing the fee to be waived for residents for non-commercial clean wood/lumber, trees/branches, compost, and recycled compost generated within the service area.

Legal Consideration:

None.

Strategic Plan Consideration:

These fee schedule changes support Fiscal Responsibility by offsetting the cost of providing services and generating revenue to meet the needs of our General Fund and Enterprise funds. Those who benefit from the services will incur the costs, rather than subsidizing the costs with other revenues.

Financial Consideration:

These fees will offset administrative and labor costs associated building inspections and solid waste disposal. The removal of obsolete fees keeps the Consolidated Fee Schedule current and eliminates confusion regarding available City services and the costs associated with them.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a work session
5. Do nothing

Staff recommends approval of the resolution as presented.

Supporting Documentation:

Memo

Resolution

Fee Schedule – Marked

Fee Schedule – Clean

Presentation