



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: David Sykes
City Manager

**SUBJECT: 2020-2021 PROPOSED FEES AND
CHARGES REPORT**

DATE: May 13, 2020

The 2020-2021 Proposed Fees and Charges Report documents the majority of the fees and charges accruing to the City’s General Fund and selected fees within other funds. This report does not, however, include a number of fees assessed by the City’s enterprise operations (e.g., Airport and Downtown Parking), as they are brought separately to the City Council for consideration.

and all development-related fee activity – Fire, Planning, Building and Code Enforcement, Public Works, and Transportation. Adjustments to the Development Fee Programs are also proposed to better align the ongoing revenues and costs for these programs. Other recommended fee changes to maintain or adjust cost recovery levels, as well as to add or delete a limited number of fees.

The fees proposed in this document are assumed in the revenue estimates contained in the 2020-2021 Proposed Operating Budget. Cumulative departmental fees and charges for 2020-2021 are projected to generate revenue of approximately \$103.7 million, of which \$45.6 million would accrue to the General Fund. This overall collection level is \$21.4 million below the 2019-2020 Adopted Budget estimate level of \$125.1 million.

The cost recovery rate for the proposed fees designated as Category I (should be 100% cost recovery) is 71.8%, which is a decrease from the 83.5% cost recovery level for Category I fees in 2019-2020. The overall cost recovery rate falls below 100% due primarily to lower cost recovery rates for the Parks, Recreation, and Neighborhood Services Department, and for the development-related fees in the Planning, Building and Code Enforcement and Public Works Departments. However, when the use of the development fee program reserves (primarily works-in-progress funding) is factored in as a source of revenue, development-related fees are at the 100% cost recovery level.

This net decrease from 2019-2020 reflects lower projected collections in multiple departments, primarily due to decreased activity levels as a result of the COVID-19 pandemic. Departments with declining fee revenue include, Parks, Recreation and Neighborhood Services Department

HONORABLE MAYOR AND CITY COUNCIL
SUBJECT: **2020-2021 PROPOSED FEES & CHARGES REPORT**

The body of this report contains details, by responsible department, of the proposed fees and estimated costs for the services for which the fees are assessed. In developing the 2020-2021 fee structure, staff was guided primarily by the City Council’s policy direction to strive for 100% cost recovery for most fee-related programs; however, due to the COVID-19 pandemic, some fees moved further from cost-recovery levels than in prior years. During the budget development process, all fee programs were reviewed to ensure that the amounts being assessed would remain competitive in the market, would not be too cost prohibitive, and would at least maintain current levels of cost recovery, with limited exceptions in this report.

Additional City Council direction was also followed, so that where appropriate, fees take into consideration approved exceptions to the City Council’s full cost recovery policy, as well as applicable State laws. The departments with an overall cost recovery level below 100% typically administer fee programs that the City Council has previously directed remain at less than cost recovery, generally in order to assure public access to services. Examples include fees for public records and youth recreation programs.

Highlights of the 2020-2021 Proposed Fees and Charges Report are provided on the following pages.

DEVELOPMENT FEE PROGRAMS

Development activity in 2019-2020 began strong; however, as a result of the COVID-19 pandemic in the remainder of 2019-

2020 (March-June), activity is anticipated to fall 40% and in 2020-2021 development activity is projected to drop 30%.

Planning, Building and Code Enforcement Department (Development Fees)

New for 2020-2021, the 2020-2021 Proposed Operating Budget includes new special funds for the Building, Planning, and Citywide Planning development-related fee programs. The programs are proposed to move from the General Fund to separate special funds for each program.

It is estimated that the 2020-2021 Building, Planning, and Citywide development-related fee programs will collect revenues of \$32.9 million, reflecting a combined cost recovery rate of 66.3%. To maintain a cost recovery rate of 100%, the use of Ending Fund Balance in the Building and Planning Development and Citywide Planning Fee Program Funds is recommended.

Shelter-in-place orders effectively halted all construction activity starting in mid-March through April. For the Planning, Building, and Citywide Planning fee programs, the Administration estimates that this will result in year-end revenues decreasing by 40% from previously forecasted levels, and revenue in 2020-2021 dropping 30% from previous estimates.

DEVELOPMENT FEE PROGRAMS

***Planning, Building and Code Enforcement Department
(Development Fees) (Cont'd)***

Building Development Fee Program – The Building Development Fee Program is projected to be at 63.6% cost recovery in 2020-2021 with a projected revenue estimate of \$24.6 million. The use of \$14.1 million from the Building Development Fee Program Fund Ending Fund Balance is recommended to balance this fee program (estimated remaining of \$7.4 million is primarily for works-in-progress projects). With these actions, the Building Development Fee Program is expected to remain at 100% cost recovery.

Furthermore, for 2020-2021, the Building Division is proposing to increase each of its three hourly rates by 4% to account for increasing costs, resulting in a fee increase to all Building Development Fees of approximately 4%. A proposed addition to the Building Residential Fees creates standalone fees for Accessory Dwelling units (ADU). These fees are currently assessed, and the recommended change itemizes the Accessory Dwelling Units separately. Additionally, to streamline the charges for ADUs, the standalone ADU fees include costs for address assignment and meter release inspection, which are currently charged as separate fees. Also, proposed fee caps for Alteration Inspection hours will use both the number of units in the permit and the number of different alterations to cap the initial amount of inspection hours. The recommended fee changes

are anticipated to generate additional fee revenue of \$946,000 in the Building Development Fee Program.

Planning Development Fee Program – The Planning Development Fee Program is projected to be at 84.0% cost recovery in 2020-2021 with a projected revenue estimate of \$5.9 million. The use of \$1.1 million from the Planning Development Fee Program Fund Ending Fund Balance is recommended to balance this fee program (estimated remaining of \$408,000 is primarily for works-in-progress projects). With these actions, the Planning Development Fee Program is expected to remain at 100% cost recovery.

The Planning Division is also proposing to increase fees to the Planning Hourly Rate (from \$291 per hour to \$303 per hour) to account for increasing costs, resulting in a fee increase to all Planning Development Fees of approximately 4%. Additionally, two new types of Planning Development fees are proposed for 2020-2021: new applicant pass-through fees for General Plan traffic analysis to cover the cost consultant work and Ministerial Development Fees for residential and non-residential projects meeting criteria required by Senate Bill 35 and Assembly Bill 2162 for streamlined review. The recommended fee changes are anticipated to generate additional fee revenue of \$227,000 in the Planning Development Fee Program.

DEVELOPMENT FEE PROGRAMS

***Planning, Building and Code Enforcement Department
(Development Fees) (Cont'd)***

Citywide Planning Fee Program – The Citywide Planning Fee Program is projected to be at 61.5% cost recovery in 2020-2021 with a projected revenue estimate of \$2.4 million. The use of \$1.5 million from the Citywide Planning Fee Program Fund Ending Fund Balance is recommended to balance this fee program, with an estimated remaining amount of \$542,000 set aside for future General Plan updates. With these actions, the Citywide Planning Fee Program is expected to remain at 100% cost recovery.

The Citywide Planning Fee is proposed to remain unchanged for 2020-2021. However, the Citywide Planning Fee is a percentage of certain Building and Planning Development Fees, and, therefore, additional fee revenue of \$93,000 for the Citywide Planning Fee Program is anticipated to be generated from the fee increases for the Building and Planning Development Fees.

Fire Department (Development Fees)

The Fire Development Fee Program provides fire safety plan reviews and conducts inspections for construction projects submitted to the Planning, Building and Code Enforcement Department. The Development Fee Program activities also include issuance of fire system permits (sprinklers, fixed extinguishing systems, and fire alarm systems).

The 2020-2021 Current Fee Estimated Revenue totals \$5.96 million and assumes a 30% reduction in activity due to the impacts of the COVID-19 pandemic. In addition, expenditure budget actions totaling \$247,000 are recommended in the 2020-2021 Proposed Budget, including the net addition of 1.99 positions to enhance continuity of operations for the permit counter, address the backlog of fire systems and life safety inspections of new development and tenant improvements, and improve operation organization and performance, with the positions slated to be filled in January 2021 to encourage partial year cost savings. To offset a portion of the additional cost, an overall rate increase of 4% is recommended, which would generate an additional \$238,000. In total, \$3.19 million of the Fire Development Fee Program Reserve is needed to balance this fee program and remain 100% cost recovery in 2020-2021. After accounting for these adjustments, the 2020-2021 Fire Development Fee Program Reserve is anticipated to total \$1.95 million, which will primarily be needed for works-in progress projects.

For the Fire Development Fee Program, fee increases of Plan Check hourly fee from \$239 per hour to \$249 per hour, and Inspection hourly fee increase from \$269 per hour to \$280 per hour is recommended.

DEVELOPMENT FEE PROGRAMS

Public Works Department (Development Fees) (Cont'd)

The Public Works Department has two fee programs, the Development Fee Program and Utility Fee Program. The Development Fee Program is responsible for the collection of various fees associated with private development-related activities, such as planning application review, plan review and inspection of public improvements, review of subdivision maps, grading permits, and revocable encroachment permits. The Utility Fee Program issues utility excavation permits and encroachment permits to utility companies and other agencies.

Public Works development activity has recently been declining due to COVID-19 and development activity is anticipated to continue to drop in 2020-2021. As a result, Public Works Development fees are expected to generate \$6.5 million in 2020-2021, which is \$1.1 million below the 2019-2020 estimate. The 2020-2021 projected revenues, along with the use of a portion of the Public Works Fee Program Reserve (\$2.7 million) are sufficient to support the Development Fee Program, which operates on a 100% cost recovery basis.

The Utility Fee Program, which also operates on a 100% cost recovery basis, is expected to generate \$4.4 million in 2020-2021, which is consistent with the 2019-2020 estimate. The 2020-2021 projected revenues, are sufficient to support the Utility Fee Program.

Transportation Department (Development Fees)

Development fees administered by the Transportation Department are expected to generate approximately \$699,500 in 2020-2021. As a result of the economic impact due to the COVID-19 pandemic, revenue from development fees is expected to be 30% lower than baseline levels. The Transportation Department is responsible for the collection of fees for various development-related activities such as: Development Review and Traffic Analysis, General Plan Amendment (GPA) Model Analysis, Tree Planting and Young Tree Trimming, New Subdivision Traffic Control Signs and Pavement Markings, Sale of Street Name Signs, and Signal Design/Review.

Fee adjustments for Development Plan reviews, Traffic Analysis reviews, and Improvement Plan reviews reflect increases to staff time required to deliver these services. The scope of review required has expanded to ensure conformity with the City's transportation policies including the Vehicle Miles Traveled (VMT) traffic mitigation requirements that became effective in March 2018. Revenue for Development Review fees include new fees for VMT analysis, Conceptual Design review, Affordable Housing review, and Site Utilization review. A fee is also included to allow charges at an hourly rate for time and materials. Overall the Development review charges largely align with updated compensation, indirect and other costs, including supplies, materials, and equipment.

OTHER FEE PROGRAMS

City Clerk

The Office of the City Clerk is responsible for making all official City Council records and documents accessible to the public and conducting elections for the Mayor, City Council, and ballot measures. The Office also conducts special research and provides other services to the public, including notary, duplication, sale of publications and document copying, and Lobbyist Registration.

In 2020-2021, several fee changes are proposed to align fees with projected costs. These include upward and downward revisions based on an analysis of the amount of time necessary to provide the service, and updated costs. In this report, the Clerk’s Office has an estimated \$26,000 in fees for 2020-2021, reflecting a 100% cost recovery rate.

Office of Economic Development

The Office of Economic Development (OED) is responsible for administering the City’s Foreign Trade Alternative Site Framework Zone, including processing applications, boundary modifications, and contract negotiations and extensions. OED is also responsible for the collection of fees related to Office of Cultural Affairs (OCA) activities, including wayfinding banners and various event and use permit fees to spur Downtown vibrancy and cultural development.

On June 19, 2018, the City Council approved an additional extension to the fee suspension of the Gated Event on Public Property Fee through June 30, 2020. As part of this report, it is recommended that the suspension of this fee continues through June 30, 2022. The Gated Event on Public Property Fee was originally suspended by City Council on April 6, 2010 as a strategy to reduce charges to outdoor special event producers and promote outdoor special events that generate economic impact and cultural vibrancy for the City. The 5% gate fee revenue traditionally augments the Transient Occupancy Tax based grant funds awarded through the Festival, Parade and Celebration (FPC) Grant Program administered by the OCA. The extension of this suspension will continue to reduce the amount of available funds in the FPC Grant Program. However, as a result of the suspension, signature San José events such as the San Jose Jazz Summer Fest, San Jose Juneteenth in the Park Festival, San Jose Pride, and Fountain Blues Festival were able to increase their revenue generation, which was critical to the continued success of these events.

Environmental Services Department

The Environmental Services Department administers two fee programs as part of the Integrated Waste Management Program: Source Reduction and Recycling Fees and Franchise Application Fees.

OTHER FEE PROGRAMS

Environmental Services Department (Cont'd.)

The exclusive franchise with Republic Services replaced the non-exclusive franchise system for most types of commercial garbage hauling, effective July 1, 2012. This fee is recommended to increase from \$2.7 to \$2.9 million in 2020-2021. Republic Services will retain \$350,000 for waste processing costs per the franchise agreement. The fee is included in the commercial service rates, the report for which is anticipated to be heard by the City Council on May 21, 2020.

The Waste Diversion Compliance Review Fee reflects the time and resources required to process the program's applications, and is recommended to increase from \$110 to \$121 per hour of review, to recover the costs associated with the personnel review service. The Franchise Application Fee is recommended to increase from \$611 to \$750 per application in 2020-2021, to recover the costs associated with the personnel application review and processing services.

The following fees are proposed to remain unchanged in 2020-2021: The Energy and Water Building Performance Ordinance Report Submission Fee, intended to recoup costs associated with processing report submissions associated with this ordinance, is recommended to remain at \$150.00. This Report Submission Fee will be collected by the Finance Department and will be adjusted on an annual basis dependent

upon the costs of the program. The Commercial Solid Waste Fee paid by generators and collected by non-exclusive franchisees will remain at \$0.89 per un-compacted cubic yard collected and \$2.67 per compacted cubic yard for 2020-2021. The Disposal Facility Operator Integrated Waste Management Fee and the Landfill Waste Disposal Fee charged at landfills and transfer/processing stations will remain unchanged for 2020-2021 at \$4.10 per ton of disposed solid waste.

Finance Department

The Finance Department is responsible for collecting, accounting, and monitoring the license and permit fees for Christmas tree and pumpkin patch lots, circuses, carnivals, parades, and a number of miscellaneous fees. The Department is also responsible for collecting late charges related to the Integrated Waste Management (IWM).

For 2020-2021, adjustments to various fees are recommended based on projected activity levels and estimated staffing costs to deliver the fee-supported activities. These cost-recovery fees are projected to generate approximately \$231,000 in the General Fund reflecting a cost recovery rate of 99.9% in comparison to 2019-2020 revenues of \$170,000 and a cost recovery rate of 99.9%. The increase in revenues is primarily due to fee increases to the following programs: Business Tax Special Reports; Collection Fee; Administrative Remedies Lien; Sidewalk Lien, and Tree Lien.

OTHER FEE PROGRAMS

Finance Department (Cont'd.)

Integrated Waste Management Late charges are projected to generate approximately \$310,000 in the Integrated Waste Management Fund. Estimated revenue from Solid Waste Delinquency fees, primarily associated with multi-family customers, decreased from the 2019-2020 Adopted Fees and Charges estimate of \$477,000 due to a combination of lower estimated late payment fees and lower administrative fee activity.

Fire Department (Non-Development Fees)

In 2020-2021 Fire Department's Non-Development Fee Program Current Fee Estimated Revenue of \$5.26 million assumes a 20% decrease from the 2019-2020 activity levels due to the COVID-19 pandemic. To balance this fee program, expenditure budget actions totaling \$369,000 are recommended in the 2020-2021 Proposed Budget, which include a net decrease of 1.04 positions for annual life safety inspection of occupancies and administrative support. Additional revenue from a proposed 8% rate increase for permits and inspections is also recommended to bring the program closer to full cost recovery (99.5% cost recovery rate).

Housing Department

The Housing Department administers the Rent Stabilization Program, and is responsible for the collection of Inclusionary Fees, Affordable Housing Impact Fee Program, Homebuyer Subordination Fees, and Multi-Family Fees.

The Rent Stabilization Program experienced many changes in 2016-2017 and 2017-2018 expanding the rights, protections, and services for the City's residents. The program includes the Apartment Rent Ordinance, Tenant Protection Ordinance, the Mobilehome Ordinance, and the Ellis Act. The recommended changes decrease the 2020-2021 fee level for rent controlled apartments from of \$85.04 per unit to \$55.00 per unit. The recommended fee adjustments for non-rent controlled apartment units will decrease the fee from \$8.76 to \$5.45. The mobilehome unit fees are recommended to decrease from \$24.24 to \$20.00 as a result of reallocating resources to support the other Rent Stabilization Programs.

The Affordable Housing Impact Fee, was established at \$17 per square foot for rental-market developments. This fee has historically incrementally increased in accordance with the methodology outlined in the Inclusionary Ordinance, however, it is recommended to remain the same at \$17 per square feet in 2020-2021.

The Inclusionary Housing Ordinance requires the City to establish an in lieu fee on an annual basis. The recommended changes decrease the in-lieu fee for 2020-2021 from \$192,946 to \$157,858 per each for-sale Inclusionary Housing unit. Also,

OTHER FEE PROGRAMS

Housing Department (Cont'd.)

Council approved in December 19, 2017 a transition for for-rent developments 20 units or over from the Affordable Impact Fee Program to the Inclusionary Housing Ordinance. For 2020-2021, staff recommends maintaining the assessment for the for-rent developments at \$125,000 per unit.

Recommended changes to existing fees pertaining to the management of the City’s Multi-Family Affordable Housing Loan Portfolio will align the fees with the cost of delivering the services.

Library Department

The Library Department levies fines for overdue, lost, and damaged materials, and collects fees for various services such as community room rentals and providing materials through other library systems.

The 2020-2021 Proposed Budget recommends the permanent elimination of late fines on youth materials. This fee was previously eliminated on a one-time basis in 2018-2019 and 2019-2020, as approved in the Mayor’s June Budget Message for Fiscal Year 2018-2019 and the 2019-2020 Adopted Budget. As a result of the fee elimination, the library late fines revenue is anticipated to decrease from \$350,000 to \$175,000. With ongoing programs to reduce barriers to access, fine revenues have dropped significantly since 2016-2017 when

fines were revised and Volunteer Away Your Fines and Read Away Your Fines programs were implemented. The City will continue to assess the ongoing impact of programs to reduce barriers to access.

Parks, Recreation and Neighborhood Services Department

The Parks, Recreation and Neighborhood Services Department (PRNS) collects a variety of fees and charges related to sports, sports fields and facilities, recreational lessons and facilities, and admission charges for Happy Hollow Park & Zoo (HHPZ).

The Pricing and Revenue Policy that was first approved and implemented in 2009-2010 allows the City Manager, or his or her designee, to set PRNS user fees and pricing strategies in accordance with annual City Council-approved cost recovery percentage goals; thereby increasing PRNS’ ability to achieve cost recovery goals, ensure affordable access, and preserve existing services by decreasing PRNS’ dependence on the General Fund.

As part of the 2020-2021 Proposed Operating Budget, every revenue category was thoroughly examined and adjusted based on anticipated fee increases or proposed service augmentations, as necessary. As a result, the General Fund revenue estimate for 2020-2021 (\$18.1 million) reflects a 55.4% cost recovery rate, which is significantly lower than the 2019-2020 rate of 63.9%. The final cost recovery rate will continue to evolve as the impacts of cancelled programming

OTHER FEE PROGRAMS

Parks, Recreation and Neighborhood Services Department
(Cont'd.)

due to COVID-19 are realized. For 2020-2021, PRNS continues to balance cost recovery goals, the need to ensure access for residents, ensuring competitive pricing, and the safety of our residents during the COVID-19 pandemic.

Planning, Building and Code Enforcement Department
(Non-Development Fees)

The Code Enforcement Division of the Planning, Building and Code Enforcement Department collects fees for multiple housing permits, solid waste enforcement, neglected/vacant building registration, landfill closure and post closure activities, auto body repair shop permits, auto dismantler

permits, abandoned shopping cart program, and off-sale alcohol enforcement. In 2020-2021, fee adjustments are recommended in the Code Enforcement Fee Program to maintain full cost recovery per City Council policy. Proposed increases to the Code Enforcement Category I Fees largely align with updated compensation, indirect and other costs, including supplies, materials, and equipment. The Code Enforcement Category I fees are projected to be 99.9% cost recovery in 2020-2021 with a revenue estimate of \$10.1 million.

Police Department

In the Police Department fee program, fees are collected from the public and from other police agencies for services such as fingerprinting, computer searches, copying of public records, and releasing impounded vehicles. Certain businesses and activities are subject to regulation, and fees are charged to offset the costs for processing permits and licenses that accompany the regulatory process and to partially offset costs for related investigative work.

The 2020-2021 Proposed fee revenue totals \$6.2 million, or a 99.8% cost recovery rate. This fee revenue level is higher than the 2019-2020 fee revenue estimate of \$5.9 million.

Upward and downward fee adjustments are recommended to align the fee revenues with the costs. The 2020-2021 Proposed Fees and Charges includes a fee adjustment to the Visa Clearance Letter Fee from \$50 to \$20 after a new time study was conducted. Clearance letter requests are for individuals traveling abroad for school purposes, adoption, or immigration status. A local history check is conducted using different databases, which checks for arrests by the San José Police Department. In addition, the Cardroom Regulation Fee is recommended to decrease from \$863,816 per Cardroom to \$861,113 per Cardroom based on updated cost information.

HONORABLE MAYOR AND CITY COUNCIL
SUBJECT: **2020-2021 PROPOSED FEES & CHARGES REPORT**

OTHER FEE PROGRAMS

Police Department (Cont'd.)

The Computerized Service, Public Records Act/Research Fee description is adjusted for clarification. The rate description will be from \$140 per hour to \$140 per hour or fraction thereof. This clarification allows for a fraction of an hour to be charged by the Police Department.

Permits for Temporary Street Closures for block parties was eliminated as part of the Mayor's June Budget Message for Fiscal Years 2017-2018, 2018-2019, and 2019-2020, as approved by the City Council. This one-time elimination ends in 2019-2020, therefore the 2020-2021 Proposed Permits for Temporary Street Closures totals \$238 per permit.

Public Works Department (Non-Development Fees)

The Public Works Department is responsible for the collection of City Hall Use Fees, which include the Rotunda and mezzanine, outdoor plaza, and committee meeting rooms. In 2020-2021 City Hall Use Fees are anticipated to generate \$233,000, which represents a cost recovery rate of 30.3%.

In addition, the Department collects Animal Care and Service (ACS) fees related to animal permits, licenses, adoptions, and other animal shelter services. Category I ACS Fees include Animal Event Permit Fees, Animal Permit Fees, Inspection Fees, and Permit Application Fees. In 2020-2021 the Category I fees are anticipated to generate \$79,625, which

represents an 96.4% cost recovery rate. Category II ACS Fees, which include Adoption Fees, Board and Impound Fees, Disposal/Euthanasia Fees, License Fees, Other Charges, Owner Surrender Fees, Quarantine Fees, and Spray/Neuter Clinic Fees, are estimated at \$2.3 million in 2020-2021, which reflects a cost recovery rate of 21.5%.

Transportation Department (Non-Development Fees)

The non-development fees administered by the Transportation Department are expected to generate approximately \$1.5 million in 2020-2021. Proposed increases to non-development fees align with updated compensation, indirect and other costs, including supplies, materials, and equipment. Non-development, Category I fees are largely expected to keep pace with projected costs, maintaining full cost recovery. Category II fees - Parking Citation Administration Fee, Sidewalk Repair Program fees, Tree Service Administrative Fee, and the Clean Air Vehicle Permit Fee - are expected to generate \$429,525, representing a projected recovery rate of 42.4%.

HONORABLE MAYOR AND CITY COUNCIL
SUBJECT: **2020-2021 PROPOSED FEES & CHARGES REPORT**

OTHER FEE REVISIONS

As mentioned earlier, there are a number of fees that are not included in this document as they are brought forward separately to the City Council.

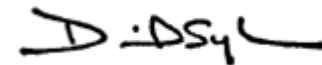
As described in the 2020-2021 Proposed Operating Budget, a 15% increase to single-family Recycle Plus rates and a 7% increase to multi-family Recycle Plus rates are programmed. The Administration is working to identify means to achieve both lower costs and lower rate increases. A Manager’s Budget Addendum will be released later in the budget process outlining a strategy to achieve lower rates for Fiscal Year 2020-2021. The Proposed Budget assumes no revenue adjustment to the Water Utility Fund.

The Sewer Service and Use Charge revenue requirement is programmed to increase by 4.0% to allow for the continued rehabilitation and replacement of critical infrastructure and equipment at the Water Pollution Control Plant (Plant) and the sanitary sewer collection system. No increases to the Storm Sewer Service Charge rates are scheduled for 2020-2021; however, rates will be reassessed annually and any necessary increases will be brought forward for City Council consideration as part of the annual budget process.

SUMMARY

Notification to the public and interested parties of the proposed fee program changes was provided through various means, including meetings with interested stakeholders, and through distribution of this document to the City Clerk’s Office.

The Proposed Fees and Charges Report was released on May 13, 2020, allowing for a minimum of 10 days for public review prior to the final public hearing. Public input on fee proposals will be heard by the City Council at public hearings held on Thursday, May 21, 2020, at 1:30 p.m. and Monday, June 15, 2020, at 1:30 p.m.



David Sykes
City Manager