

Fee Schedule Review

Fee Schedule Review

AGENDA

- Purpose
- Proposed Fee Changes:
 - Parks
 - Planning and Development
 - Garbage
 - Fire Services
 - Library
- Next Steps

Fee Schedule Review

PURPOSE

- Annual review of the fee schedule as part of the budget process.
- Economic pressures from inflation and supply chain
- Growth of the organization and the City:
 - Increase and complexity of the type of development
 - Include more outside consulting costs to keep up with development pressures
 - Effort to align with various cost recovery studies
 - 53 new positions funded in FY2022
 - 3% merit-based salaries increase programmed into the FY2022 Budget
 - Additional 3% base pay increase approved by Council in March 2022

Fee Schedule Review

PARKS AND RECREATION

- Background: The Parks and Recreation department recently went through a cost recovery study. The study evaluated how revenues aligned with current expenses. Recommendations from the study, which include fee increases, will be implemented in January 2023. Fee increases will occur over multiple years to meet minimum cost recovery targets as well as to align with benchmarks conducted.
- Resolution to approve study on July 12th consent agenda
- Proposed fee changes equate to \$200,000 in new revenue

Fee Schedule Review

PARKS AND RECREATION

- Eliminate the “Membership” concept and fee structure in favor of an “Admissions” and “Passes” concept.
- Simplify and mimic admission structure at all facilities
- Passes or daily admissions should be facility-specific (Tennis Center, Pools, or Recreation Center).
- Increase the age of a Senior from 55 to 60.
- Implement an auto renew process for passes.
- Implement fee increases for admission and passes that are supported through benchmarking assessment.

Fee Schedule Review

PARKS AND RECREATION

(Annual) Recreation Center Pass	Current Fee	Proposed Change	New Fee
Adult 19+	\$235	\$30	\$265
Senior 60+	\$120	\$30	\$150
Youth	\$120	\$30	\$150
Family	\$395	\$60	\$455

*Non-Resident Fees increase \$5 monthly, \$60 annually

*Monthly auto-renew option available

Fee Schedule Review

PARKS AND RECREATION

(Annual) Tennis Center Pass	Current Fee	Proposed Change	New Fee
Adult 19+	\$150	\$115	\$265
Senior 60+	NA	NA	\$150
Youth	\$75	\$75	\$150
Family	\$240	\$215	\$455

*Non-Resident Fees increase \$5 monthly, \$60 annually

*Monthly auto-renew option available

Fee Schedule Review

PLANNING AND DEVELOPMENT

- Background: Permitting and Processing Fees were increased on November 1, 2021, by 3%. Since that time, the combination of inflationary pressure and cost of labor has shifted significantly. Projecting those pressures to extend through FY2023, staff recommends increase to all permitting fees effective October 1, 2022.
- Generally, the fee expenses align with staff time expense
- Proposed fee changes equate to approximately \$555,000 in new revenue for New Residential Single Family
- Proposed fee changes for New Commercial Multi-Family: See below

Fee Type	Current Fee	Proposed Change	New Fee	New Annual Revenue Generated
New Residential Single Family	Varies (see schedule)	20%	Varies (see schedule)	\$555,000 Based on 2500 SF Homes
New Commercial Multi-Family	Varies (see schedule)	\$300 Per Unit	Varies (see schedule)	\$108,000 based on 360 Unit Complex

Fee Schedule Review

PLANNING AND DEVELOPMENT

- Background: Land Development Processing Fees were increased on November 1, 2021 by 3%. Since that time, the combination of inflationary pressure and cost of labor has shifted significantly. Projecting those pressures to extend through FY2023, staff recommends a 10% increase to development fees effective October 1, 2022.
- Generally, the fee expenses align with staff/consultant time expense
- One specific fee needs further adjustment to better reflect expenses – PUD or Mixed-Use Rezoning (see below)
- Proposed fee changes equate to approximately \$315,000 in new revenue

Fee Type	Current Fee	Proposed Change	New Fee	New Annual Revenue Generated
All Land Development New Application Fees	Varies (see schedule)	10%	Varies (see schedule)	\$260,000
PUD or Mixed Use District Rezoning	\$1,030 (1 st 5 acres) + \$100 per each add'l 5 acres; maximum fee of \$4,000	Increase base fee \$2,765 to reflect average staff time cost; increase max. similarly	\$3,795 (1 st 5 acres) + \$100 per each add'l 5 acres; maximum fee of \$7,000	\$55,000

Fee Schedule Review

GARBAGE

- Background: TDS wholesale rate will increase by 4% and are calculated based on variety of items. The City will raise the TDS wholesale on all customers (residential, multifamily, and commercial) and the administrative fee by 4%.
- Staff forecasts to recover the one-time fuel surcharge of \$226 thousand as part of the current year revenues exceeding projections
- Proposed fee changes for Residential: See below

Fee Type	Current Fee	Proposed Change	New Fee	New Annual Revenue Generated
Retail Rate (Tier I)	\$20.92	\$0.90	\$21.82	4% of current revenue
Retail Rate (Tier II)	\$30.96	\$1.22	\$32.18	4% of current revenue

Fee Schedule Review

FIRE AND FIRE INSPECTION SERVICES

- Background: The fire department recently went through a cost recovery study and utilized our billing partner, Emergicon, to recommend changes to maintain regional competitiveness. Note that >60% of GFD transports are Medicare and have a max allowable cost (MAC) that limits revenue options.
- Proposed fee changes equate to \$155,000 in new revenue from non-Medicare billings.

Fee Type	Current Fee	Proposed Change	New Fee
Advanced Life Support (ALS)	\$745 (Resident) \$845 (Non-Resident)	\$655 (Resident) \$655 (Non-Resident)	\$1,400 (Resident) \$1,500 (Non-Resident)
Basic Life Support (BLS)	\$690 (Resident) \$790 (Non-Resident)	\$510 (Resident) \$510 (Non-Resident)	\$1,200 (Resident) \$1,300 (Non-Resident)
Skilled Care Transport (SCT)	\$1,036	\$564	\$1,600
ALS Medical Supplies	\$100	\$350	\$450
BLS Medical Supplies	\$50	\$300	\$350
Oxygen	\$45	\$80	\$125
Mileage	\$15/mile	\$8/mile	\$23/mile

Fee Schedule Review

FIRE AND FIRE INSPECTION SERVICES

- Background: The Fire Department recently went through a fee schedule review. The review evaluated how current fees aligned with the area. The recommendations below reflect the proposed changes from the fee schedule study.
- Proposed fee changes for fire inspection services equate to \$261,250 in new revenue.

Fee Type	Current Fee	Proposed Change	New Fee	New Annual Revenue Generated
Site Plan Review (Covers all inspections)	\$0	\$1,000	\$1,000	\$180,000
Building Plan Review (assuming our average is 10,000 Sq.Ft. building)	\$200/52,000 Sq.Ft.	\$650	\$150/building plus .07/Sq.Ft.	\$81,250

Fee Schedule Review

LIBRARY SERVICES

- Background: Library staff have reviewed area Libraries' fee structures and plan to implement these changes to current fees
- Proposed fee changes equate to \$11,500 in new revenue

Fee Type	Current Fee	Proposed Change	New Fee	New Annual Revenue Generated
NonResident Membership	\$25 \$20/Seniors	\$10 \$10	\$35 \$30	\$7,000
Room Rentals (nonprofit users)	\$5/hr Classroom \$10/hr Friends or Hewlett	\$5/hr Classroom \$10/hr Friends or Hewlett	\$10/hr Classroom \$20/hr Friends or Hewlett	\$4,500
Room Rentals (other users)	\$20/hr Classroom \$50/hr Friends or Hewlett	\$30/hr Classroom \$75/hr Friends or Hewlett	\$50/hr Classroom \$125/hr Friends or Hewlett	

Next Steps

- These fee changes are currently assumed in the FY2023 draft budget revenues
- Fee/Cost review currently under review and will come back to Council
 - Electric
 - Utility fees for meters, connections, engineering, and re-reads
 - Airport revenue review
 - Stormwater cost of service
 - Sanitation Cost of service
 - Impact fees
- Council feedback on proposed changes
 - Proposed fee schedule attached with details
- Adopt fees with the FY2023 budget
 - Departments will bring their fee ordinances Aug 23rd and Sept 13th