

Municipal Code Clean Up Fees, Rates & Defintions

City Council Meeting – September 3, 2024

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Departments: Finance and Utilities

Purpose and Agenda

To propose updates to the Municipal Code related to impact fees, utility rates, and related language as well as various utility provisions.

This was presented to City Council at a Study Session on July 23, 2024. This proposal addresses the Municipal Code Update portion of that discussion.

Goals and Objectives of Proposed Updates

- Update definitions and language that was outdated, inconsistent, or no longer relevant
- Update definitions for categories of Impact Fees (e.g. combining Streets and Bridge Fees into one Transportation Fee)
- Provide clarity and updates to various utility related provisions
- Consolidate all fee amounts to the Annual Fee Resolution
 - Proposed changes would be effective on January 1, 2025 to coincide with the Annual Fee Resolution
 effective date.

Proposed Updates – Impact Fees

Key changes and updates

- Definition and language updates and cleanup related to fees
 - Olarify the definitions of *Single Unit* and *Multi Unit Dwellings* to be consistent throughout the Code.
 - O Change from *Plant Investment Fee* to *Impact Fee*.
 - Redefine or establish fee categories, including Transportation and General Services.
- City-developed facilities will pay impact fees owed to utility funds unless it is the utility developing the facility

Examples:

- O The Water Fund will not pay impact fees for the Water Treatment Plant because the fund would be paying itself.
- O If the City constructed a new building for Police and/or Courts, impact fees would be due to the utility funds.

Proposed Updates – Utility Provisions

Key changes and updates

- Addition of definitions for curb stop, fee-in-lieu of water dedication, water dedication and water tap
- Addition of a requirement for the property owner to be responsible for all costs associated with utility service abandonment
- Update to Section 13-4-60 related to the curb stop valve to remove outdated language and match current utility practices
- Removal of several portions of City Code which are addressed in the City's Standards and Specifications

Proposed Updates – Utility Provisions

Key changes and updates (continued)

- Addition of clarifying language related to ownership of service lines. The language does not substantially change ownership responsibilities as previously outlined in Code.
- Add of language to clarify that existing sewer services outside City limits are approved, that monthly rates for existing service shall be double those for service within the City and that no new wastewater service outside of City limits shall be approved.

Proposed Updates – Utility Provisions

Key changes and updates (continued)

- Removal of an exemption for private streets from the storm drainage impact fee and monthly maintenance fees.
- Addition of language related to storm drainage monthly charge credit. The additional language allows staff to administratively continue the credit a property is receiving at the discretion of the Director.

Proposed Updates – Location of Rates & Fees

Key changes and updates

- Relocation of impact fee amounts from Municipal Code to the annual fee resolution adopted by City Council.
 - This approach presents all fees in one central location, so they are easier for developers and users to locate and identify. This also brings consistency to how and when the fees are adopted each year.
- Relocation of utility rates and charges from Municipal Code to the annual fee resolution adopted by City Council.
 - Similar to impact fees, this puts all fees and charges into one location and brings about consistency in how and when they are adopted.
- All fees would continue to be approved annually by City Council through Resolution.

Timeline/Next Steps

- September 3, 2024
 - Ordinance 1st Reading
- September 17, 2024
 - Ordinance Final Reading
- October 15, 2024
 - Adoption of 2025 impact fees as part of the 2025 Annual Fee Resolution
- November or December 2024
 - Adoption of 2025 utility rates and fees as an addendum to the 2025 Annual Fee Resolution
 - Must occur after wastewater processors have adopted their increases