



City Council Report

Date: May 7, 2012
To: City Council
Through: Karolyn Kent, Deputy City Manager
From: Elizabeth Huning, City Engineer
Tracy Pytlakowski, Senior Fiscal Analyst
Subject: Proposed Changes to the Engineering Department's Schedule of Fees and Charges

Strategic Initiatives



Purpose and Recommendation

The purpose of this report is to provide specific information to the City Council regarding proposed changes to the Engineering Department's fees and charges. It is recommended that Council approve the proposed changes.

Background

Currently, Community Facility Districts (CFDs) are being established in conjunction with the developer, DMB Associates, Inc., to provide a funding source for public infrastructure improvements related to the Eastmark Development.

Discussion

As a part of establishing these CFDs, the Engineering Department will be required to provide Engineering services to ensure that the CFDs are developed in accordance with City standards.

In order to recover the cost of providing these services, it is proposed that a Community Facility District Administrative Fee in the amount of \$123.00 per hour be added to the Engineering Department's Schedule of Fees and Charges to cover the estimated cost (hourly rate plus estimated overhead rate) of providing these Engineering services.

In addition, it is requested that the Engineering Services section of Engineering's current Fees and Charges Schedule be updated to change the reference to the *Building Safety Division* to the correct name *Development Services*.

Alternatives

An alternative to the proposed Community Facility District Administrative Fee would be to not collect the fee from the developer. This would result in the City not recovering the cost of providing Engineering services from the developer, which costs have not been budgeted.

An alternative to not updating the Engineering Services section to refer to the correct City division would be to leave the reference to the old division. This would result in the section not being accurate.

Fiscal Impact

Adopting the proposed fee would have an overall revenue impact of approximately \$100,000 per year based on the estimated 15 hours per week. This cost could significantly increase if additional subdivision units are developed.

The change to the Engineering Services section has no fiscal impact.

Coordinated With

No other departments are impacted by this recommendation.

FEE RECOMMENDATION SCHEDULE

**Department: Engineering
Proposed Changes to Fees and Charges**

Description of Services:	Current Fee/Charge	Unit	Proposed Fee Charge	Date Last Revised	FY 12/13 Fiscal Impact	Notes
ENGINEERING SERVICES Refer to the Building Safety Division DEVELOPMENT SERVICES portion of the Schedule of Fees and Charges for Engineering Inspection Fees. In addition to the fees charged per sheet for inspection services, the following fees shall also apply where applicable.				01/21/06		Verbiage
COMMUNITY FACILITY DISTRICTS COMMUNITY FACILITY DISTRICT ADMINISTRATIVE FEE		PER HOUR	\$123.00		\$100,000.00	New