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City Council Regular Meeting**Meeting Date:** 06/20/2016**Recommended by:** Doug Sandstrom**Prepared by:** Doug Sandstrom, Finance Director**Finance Director Review:** Doug Sandstrom**City Attorney Review:** Brett Wallace**Approved by:** Jim Thompson**Date Submitted:** 05/17/2016**Type of Action Requested:** Resolution, Public Hearing

SUBJECT:

Public Hearing on Water, Wastewater, and Sanitation Rates and the proposed City Consolidated Fee and Rate Schedule.

RECOMMENDATION:

Hold a public hearing on the proposed fee schedule to include additional public hearing on the proposed City water, wastewater, and sanitation rates.

DISCUSSION:

Since FY2005 Council has adopted a Comprehensive Fee and Rate Schedule that incorporates all departments and government functions. The schedule is reviewed and generally adopted during the budget process. The fee and rate schedule functions outside the Casa Grande Municipal Code but is incorporated into it by reference. Prior to the hearing and subsequent consideration by Council, the fees were posted for more than 60 days on the City website. The Council also reviews the fees and rates as part of the budget process. Fees for water and wastewater are also adopted as part of the consolidated fee schedule after compliance with the public notice provisions of A.R.S. 9-511.01. Although no additional public hearing is required for adoption of the water and wastewater fees, the public is always permitted to comment on them as part of the hearing on the rate schedule. Additionally, although all statutory notice requirements were met with respect to the water and wastewater fees, because some of the outreach did not reach the customers as expected in their billings, staff intends to continue outreach to make sure our citizens know they have the opportunity to specifically comment on those rates as part of this hearing.

The intent for fee and rate changes is to more closely recover the cost of a service from the person or group that benefits from the service while matching each programs cost recovery philosophy. As a result, fee and rate recommendations are based on cost recovery targets, cost of providing the service and market comparisons. Some fees are set low to remove the barrier for compliance such as dog licenses and some fees attempt to recover 100% of the cost such as adult recreation. Most fee changes relate to Development Center fees - Planning, Engineering, Land Use and Zoning. The fees have been adjusted to cover the actual cost of providing that service. Several fees have actually been reduced to reflect current costs of service. In addition some of the fees have been increased to cover an expanded scope of service covered by the fee. Limited changes are included in our Community Services department and airport. Water, Wastewater and Sanitation Rates are also included as part of the consolidated fee schedule.

Although not specifically called out in our fee table it is the City's intent to not include sales taxes and other government pass through fees as part of the adopted fee in most cases. Currently there is a mixture of rates which include tax and some that do not. Unless specifically called out in the attached schedule the adopted fees do not include taxes or other government fees.

The Fee schedule attached reflects the final proposed rate schedule by staff and all modifications to the schedule are highlighted throughout document. Wastewater and Sanitation increases have been adjusted down per the discussion at the council work sessions held on May 16 and the work session and public hearing held June 6, 2016. All other items remain unchanged from the original proposal which was posted to our website in accordance with state law.

FISCAL IMPACT:

The FY2017 budget has been prepared utilizing the fee amounts included in this consolidated rate table. Modifications to any specific fee or rate may have a direct impact on revenue collections and the provision of a particular service

ALTERNATIVES:

Council may consider any combination of rate adjustments that are at or below the amount proposed in the attached fee schedule. Revenue requirements will not change and any change to the rates charged have a direct impact on the amount of funds available to perform each service.

Attachments

[FY2017 Fee Schedule](#)

AgendaQuick©2005 - 2016 Destiny Software Inc., All Rights Reserved