



Staff Report

File #: 21-201

Version: 1

Date: 6/14/2021

Item #: a.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Robert Barron, Chief Financial Officer

SUBJECT:

Proposed FY 2022 Master Fee Schedule

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance

ISSUE:

Shall the City Council adopt Resolution No. 2021-22, setting fees and charges for the City of Salem as set forth in Exhibit A to Resolution No. 2021-22?

RECOMMENDATION:

Adopt Resolution No. 2021-22, setting fees and charges for the City of Salem as set forth in Exhibit A to Resolution No. 2021-22.

SUMMARY:

The City of Salem offers and performs certain services where the cost is borne by those receiving the service. Fees and charges support the direct provision of services. Those services include lien searches, zoning, site and dwelling plan review, multi-generational recreation opportunities, rights-of-way access, code enforcement, ambulance contracting and fire safety, airplane fueling and landing, water and sewer usage, building permitting and inspections, parking rent and apartment licensing.

FACTS AND FINDINGS:

The FY 2022 recommended budget estimates \$160.6 million from 73 different revenue types and over 1,400 individual fees. Revenues generated from fees and charges represents 20.8 percent of

total current City revenues anticipated in the upcoming fiscal year. Below is a summary of the proposed changes by document section.

Summary of Fee Changes - by section

Section 1- Non-Departmental

- The City Operations Fee is proposed to increase by 4.22 percent. Due to the COVID-19 pandemic, the scheduled increase for 2021 did not take place. The proposed rate increase is a combination of the 2021 CPI rate of 2.78 percent and the 2022 CPI rate of 1.44 percent. The proposed fee increase will be effective in January, 2022.

Section 2 - Finance

- No proposed changes.

Section 3 - Compliance Services

- These four fees (Racetrack Event / Event Series License, Event Sound Permit Class B, Class C, and Class D) are proposed to increase by the Consumer Price Index for All Urban Consumers, West Region (All Items) using the December to December change with a rate of 1.44%.

Section 3- Salem Public Library

- The Food for Fines rate has increased from \$1 of fees waived per \$1 donated to the Marion Polk Food Share to \$5 of fees waived per \$1. Additionally, once the Salem Public Library reopens at Civic Center, the Plaza Conference Room will not have a fee charged for it's rental by 501 (c)3's or government organizations. Finally, printing and photocopying at black and white printers will be free for the first 10 pages.

Section 3 - Planning Services

- Multiple fees administered by the Community Development Department's Planning Division have increased by 1.44 percent (December to December CPI-U West) to achieve 100% cost recovery for all current planning positions. The proposed fee increases fully reflect the staff time and cost necessary to process applications. The new fees are most prominent in historic design review which align the fees to new application types, as adopted in the historic code amendments last fall.

Section 4 - Fire

- For FY 2022 the pre-hospital and non-emergency medical services rates are proposed to increase by 12.24%. Pre-hospital and non-emergency medical services annual rate increase is based on the annual change in the CPI-W for Medical Care. This version of the Consumer Price Index is used because it is directly related to medical services; is less volatile than other price indices, especially those related to transportation; and is directly related to cities of Salem's size in this region. The CPI-W rate change for this period is 7.24 percent, an additional 5 percent increase is proposed as the second year of a multi-year market rate adjustment.
- The Fire Department is proposing to increase the Additional Plans Review fee from \$35 to \$67.25 to more closely align with the cost to provide the service and is consistent with rates charged by other departments.

Section 5 - Legal

- The burdened rates for staff research have been adjusted to reflect updated employee costs for FY 2022. There are no other proposed changes.

Section 6 - Police

- No proposed changes

Section 7 - Public Works, Development, Transportation and Miscellaneous

- Fees in this section are adjusted by either the December to December CPI-U West rate of 1.44 percent or the Engineering News Record December to December with a change of 3.16 percent.
- In order to meet the need for virtual programming, there are new fees for Erosion Control & Stormwater Management Summit Registration for virtual attendance along with Youth Environment Education Program (YEEP) programming.

Section 7 - Public Works, Center 50+

- The fee for an Alcohol Permit has increased by December to December CPI-U West rate of 1.44 percent. All other fees remain flat.

Section 7 - Public Works, Parks and Recreation

- Most Recreation fees are adjusted by the Consumer Price Index for All Urban Consumers, West Region (All Items) with the December to December change with a rate of 1.44 percent.
- New fees have been added for:
 1. Additional softball and kickball leagues
 2. Rental of the Riverfront Park Gerry Frank Rotary Amphitheater
 3. Rental of Wallace Softball Field for slow pitch

Section 7 - Public Works, System Development Charges

- Water, Wastewater, Stormwater, Transportation and Parks SDCs are based on the SDC Methodology update adopted under Resolution 2019-7 and are adjusted by the Engineering News Record rate of 3.16 percent for FY 2022.

Section 7 - Public Works, Utility Accounts and Services

- Most utility fees are adjusted by the Consumer Price Index for All Urban Consumers, West Region (All Items) with the December to December change with a rate of 1.44 percent.
- Significant Industrial User Annual Pretreatment is established by the Department of Environmental Quality.
- Vector Waste Fees and Sweeper Waste Disposal reflect the current landfill supplier rates.

Section 8 - Urban Development

- No proposed changes.

BACKGROUND:

Many City departments have a schedule of fees or charges to support services provided to the community. In past years, departments would present individual staff reports and recommend adoption of a fee resolution. In preparation for FY 2022, similar to FY 2021 and FY 2020, this same action is being managed through single resolution with a combined presentation of fees and charges.

Kelli Blechschmidt
Management Analyst I

Attachments:

1. Resolution No. 2021-22
2. Resolution No. 2021-22, Exhibit A Proposed FY 2022 Master Fee Schedule