

STAFF REPORT*CITY OF OCEANSIDE*

DATE: November 19, 2008
TO: Honorable Mayor and City Councilmembers
FROM: Financial Services Department / Water Utilities Department
SUBJECT: **UTILITY SERVICES FEE INCREASES**

SYNOPSIS

Staff recommends that the City Council adopt a resolution to increase and add fees for utility services related to damaged City property, returned checks, construction meters, door tags, after hours service calls, reinstatement fees, broken locks, and spacers.

BACKGROUND

In 1989 the City Council directed staff to prepare a comprehensive revision of the City's user fee schedules and cost allocation plan. Since that time, sections of the 1989 adopted fees have been updated while others have not. The fees being considered in this report and resolution have not been changed since the 1989 action.

ANALYSIS

Over the past sixteen years the costs for providing utility-related services and replacing equipment have increased and the contemplated fees at their current rate do not provide for cost recovery. The personnel services, equipment and supplies involved with each of these items have been reviewed with close attention to the amount of time required to provide or replace items such that the proposed fees do not exceed the City's expense.

Additionally, there are costs and services provided that are specific to individual accounts which are currently being spread to all accounts via the established rate schedules. Many agencies, as indicated in attachment 2, have adopted independent fees for these services. This reduces the burden on the rate payors at large and redirects the costs to the individual accounts receiving the services.

Proposed new fees include a fee for a door tag, a broken angle stop and a lock check. The door tag fee would be applied in situations where the account is due for a notice to be placed at the property (as opposed to being sent in the mail). One example would be a notice of termination after a twenty-four hour period due to delinquency. Another example would be for notification of a returned check. This fee would not be applied for

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notices about a prescheduled change in responsible party. A broken angle stop fee would be applied when an angle stop is broken in the course of attempting to gain water when the service has been terminated and further action is required to reestablish service. The lock check fee would be applied in circumstances where an account is terminated by the City and a field worker is sent to the property to ensure that the lock is still in place. This typically occurs when accounts are off for non-payment yet there are signs of occupancy at the property. These fees are specific to individual account activity but are currently spread to all accounts. It is anticipated that some of this account activity will be curtailed when a fee is assessed.

FISCAL IMPACT

The individual fees being contemplated are listed in the table below. If all fees are adopted as proposed, the frequency of these events remain constant, and all assessed fees are collected, general fund revenue would increase by approximately \$14,400 and the water utilities fund revenue would increase by approximately \$256,000.

<u>General Fund</u>	<u>Current (adopted 1989)</u>	<u>Proposed (Nov 2008)</u>	<u>Change</u>
Returned Check	\$ 15.00	\$ 25.00	\$ 10.00

<u>Water Utilities Fund</u>	<u>Current (adopted 1989)</u>	<u>Proposed (Nov 2008)</u>	<u>Change</u>
Spacer	\$ 42.00	\$ 91.00	\$ 49.00
Construction Meter	\$ 74.00	\$ 95.00	\$ 21.00
Construction Meter Move	\$ 25.00	\$ 50.00	\$ 25.00
Reinstatement	\$ 30.00	\$ 40.00	\$ 10.00
After Hours Service Call	\$ 75.00	\$110.00	\$ 35.00
Service Transfer/Set Up	\$ 35.00	\$ 35.00	\$ 0.00
Broken Lock	\$ 2.75	\$ 20.00	\$ 17.25
Broken Angle Stop	\$ 0.00	\$190.00	\$190.00
Door Tag	\$ 0.00	\$ 10.00	\$ 10.00
Lock Check	\$ 0.00	\$ 10.00	\$ 10.00

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATIONS

Staff recommends that the City Council adopt a resolution to increase and add fees for utility services related to damaged City property, returned checks, construction meters, door tags, after hours service calls, reinstatement fees, broken locks, and spacers.

PREPARED BY:



Sheri Brown
Revenue Manager

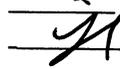
SUBMITTED BY:



Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs-Lawrence, Deputy City Manager
Teri Ferro, Financial Service Director
Lonnie Thibodeaux, Water Utilities Director

Attachment: Resolution
San Diego County Survey of Fees

1 RESOLUTION NO.

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
3 OCEANSIDE ADOPTING FEES FOR SERVICES AND
4 EQUIPMENT PROVIDED BY THE CITY

5 WHEREAS, Resolution 89-185A set fees for programs and services provided by the
6 City, and

7 WHEREAS, sections of Resolution 89-185A have been updated periodically, and

8 WHEREAS, the City Council wishes to update the fees and services established in
9 Resolution 89-185A related to the Water Department and currently administered by the
10 Financial Services Department, and

11 WHEREAS, this section of Resolution 89-185A has not been updated since 1989, and

12 WHEREAS, the costs to provide services and equipment have increased, and

13 WHEREAS, on November 19, 2008, the City Council held a duly noticed public hearing
14 and heard and considered all testimony regarding the increased fee.

15 NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

16 SECTION 1. The following fee schedule is adopted for the purpose of recovering the
17 cost of the services related to providing utility services:

18 General Fund

19 a) Returned Check Fee \$ 25.00

20 Water Utilities Fund

21 a) Spacer \$ 91.00

22 b) Construction Meter \$ 95.00

23 c) Construction Meter Move \$ 50.00

24 d) Reinstatement \$ 40.00

25 e) After Hours Service Call \$110.00

26 f) Service Transfer/Set Up \$ 35.00

27 g) Broken Lock \$ 20.00

28 h) Broken Angle Stop \$190.00

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i) Door Tag \$ 10.00

j) Lock Check \$ 10.00

SECTION 2. The section of Resolution 89-185A setting these fees is hereby superseded.

PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this _____ day of _____, 2008, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

MAYOR OF THE CITY OF OCEANSIDE

ATTEST:

APPROVED AS TO FORM:

City Clerk



City Attorney

Agency Fees - October 2008

Agency	Door Tag Fee	Lock Off Fee	Reconnect/After Hour Fee	Return Check Fee	Broken Lock Fee
City of Oceanside	None	None	\$30/\$75.00 after 4:00	\$15.00	\$2.75
City of Carlsbad	\$10.00	\$20.00 (includes Reconnect Fee)	deposit equal to 2 month bill	\$35.00	\$15.00
City of Del Mar	None	\$25.00	\$45.00/\$220.00 after 4:00 pm	\$25.00	None
City of Escondido	None	\$25.00 (includes reconnect fee)	\$112.50	\$25.00	\$50.00
Fallbrook Utility District	\$30.00	\$50.00 (includes reconnect fee)	Bill must be paid in full	\$25.00	\$100.00
Vista Irrigation District	\$39.00	\$106.00	\$128.00	\$29.00	\$128.00
City of Poway	\$30.00	\$75.00 (includes reconnect fee)	\$65.00 (after hours fee)	\$25.00	None
Valley Center Water	None	\$40.00 (includes reconnect fee)	\$30.00 (after hours fee)	\$20.00	\$35.00
Helix Water District	\$14.25	None	\$142.00	\$25.00	None
Sweetwater District	\$8.50	\$29.00	\$98.00	\$20.00	None
Vallecitos Water	\$10.00	\$75.00 (includes reconnect fee)	\$40.00 after 5:30	\$30.00	None
San Dieguito Water	\$40.00	\$40.00	\$40.00/\$120.00 after 6:00 and post a deposit equal to highest bill during year.	\$40.00	None