

Legislation Text

File #: BILL NO. 23-059, **Version:** 1

An Ordinance repealing previous ordinances related to the Schedule of Fees and Charges for the City of Lee's Summit and Establishing a New Schedule of Fees and Charges to take effect July 1, 2023 for the City of Lee's Summit, Missouri. (F&BC 3/6/23)

Issue/Request:

An Ordinance repealing previous ordinances related to the Schedule of Fees and Charges for the City of Lee's Summit and Establishing a New Schedule of Fees and Charges to take effect July 1, 2023 for the City of Lee's Summit, Missouri.

Key Issues:

Part of the annual budget process includes updating the Schedule of Fees and Charges for the upcoming fiscal year. By setting the fees and charges in advance of the upcoming fiscal year, it allows City staff to forecast revenue projections for those fees and charges.

NOTE: The Finance and Budget Committee asked that staff further explore our Business License fee structure. Any recommended changes will be brought forward as a future amendment.

Proposed City Council Motion:

FIRST MOTION: I move for a second reading of An Ordinance repealing previous ordinances related to the Schedule of Fees and Charges for the City of Lee's Summit and Establishing a New Schedule of Fees and Charges to take effect July 1, 2023 for the City of Lee's Summit, Missouri.

SECOND MOTION: I move for adoption of An Ordinance repealing previous ordinances related to the Schedule of Fees and Charges for the City of Lee's Summit and Establishing a New Schedule of Fees and Charges to take effect July 1, 2023 for the City of Lee's Summit, Missouri.

Background:

Airport: The Airport operates as an enterprise fund and is expected to cover operational expenses through hangar rental, fuel sales, and ground leases. Annually, the Airport reviews the fuel mark-up rates, fees, and discounts to ensure that the Airport generates enough revenue to cover operational expenses, remain competitive in the marketplace, and is able to plan for future equipment and facilities. The entire Aviation Industry has realized a substantial increase in business costs. Accordingly, airports and aviation related businesses around the region have raised their prices. This has driven the emphasis for the Lee's Summit Airport FY24 budget to be on equitable competitive pricing in an environment of rising operational expenses. Airport is requesting to increase Hanger and Office rental rates by 6.4% in accordance with the CPI-U index; reclassify and increase Hanger 1, Guest Hanger, and Ramp fees to reflect cost to provide the level of service expected, some adjustments are based on the size of the aircraft; propose a new method for calculating the minimum fuel purchase requirement/fee for Hanger 1; add a Special Event Fee, and remove some fees with the restructure of the Guest fees.

Animal Control: Is requesting the following changes: increase the Deceased Animal Disposal Fee to \$25 because of the increased cost of propane; add Personal Pet Cremation Services for Lee's Summit Residential Pets Only at \$150, increase the Daily Boarding fee to \$20 / day because of increased cost, the rate has been the same for 15 years; increase the Adoption Fees for Cats to \$115 and Dogs \$135 because of the increased cost for spay/nueter surgeries. The requested new rates are in alignment with the rates in other area cities.

Development Services: Requesting to increase Sidewalk Escrow/Payment in Lieu of from \$7.25 /sq. ft to \$25.00/sq. ft., basis for change is the current cost to install new sidewalks by the square foot.

Miscellaneous: Paymentus has notified the City that the credit card use fee for their services is increasing to 3.18%, the value on the Schedule of Fees is being increased to 3.5%.

Public Works: Requesting to remove the fees for a CD or Hardcopy of the Design & Construction Manual because it is now available through the City's website. Staff can provide a link to the page for individuals that can not find it.

Water Utilities Department operates as an enterprise fund and is fully funded through the fees & charges set forth by the City Council to adhere to the Code of Ordinance requirements and the adopted Strategic Plan.

Water Utilities: Requesting to increase Sewer and Water Tap fees, and after the Public Hearing at the Council Meeting, as required by state law, seeking approval of the Sewer and Water rates with an effective date of January 1, 2027

Impact/Analysis:

Some of the changes to the Schedule of Fees and Charges for the City of Lee's Summit have a financial impact/estimated revenue increase. Recommendations for Enterprise funds are to ensure sufficient revenues for the operation of those activities.

Other Information/Unique Characteristics:

The attachment titled "Proposed FY24 Schedule of Fees-Proposed changes" shows the proposed changes to the Schedule of Fees and Charges.

Rick Gentry, Budget Manager

Recommendation: Staff recommends approval of the Ordinance

Committee Recommendation: A motion was made by Councilmember Shields, seconded by Councilmember Hodges, that TMP-2569 be recommended for approval to the City Council. The motion carried by a unanimous 4-0 vote.