



COBURG CITY COUNCIL ACTION/ISSUE ITEM

Topic: Resolution 2021-16, A Resolution Establishing a Transportation Utility Fee Rate Schedule for Users and Use of the Coburg Municipal Street System

Meeting Date: July 27, 2021

Staff Contact: Anne Heath, City Administrator

Contact: 541-682-7870. Anne.heath@Ci.Coburg.Or.Us

REQUESTED COUNCIL ACTION

Recommended Motion: "I move to adopt Resolution 2021-16 a resolution establishing a Transportation Utility Fee Rate Schedule for the users and use of the Coburg Municipal Street System".

POLICIES OR CITY COUNCIL GOAL(S)

- Address Street Funding
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BACKGROUND

This fee schedule is partnered with the adoption of Ordinance A-252 which establishes a Transportation Utility Fee.

Council has discussed and reviewed the draft ordinance and it is presented in 2nd reading also on July 27, 2021. The ordinance creates the fee and sets the policy for how it will be charged. The fee schedule dictates the actual fees charged. Changes to the fees should be analyzed annually and may be changed by resolution.

COSTS ASSOCIATED WITH STREET REPAIRS

The amount that the City needs to raise per month is between \$11,000 and \$12,000, or \$132,000 to \$140,000 per year. Growth and additional residents and businesses will increase this amount in future years to cover the cost of new streets and continued maintenance on existing streets. In addition, the City staff will continue to seek and apply for grant funding to cover some of the costs associated with the street repairs and maintenance.

Based upon the current transportation project list the cost of addressing the current street conditions is \$3,500,000. Approximately \$2,650,000 of this cost should be absorbed by the

non-resident customers. This includes all industrial streets and one-half of the collector streets. Residents should cover all residential streets and approximately one-half of the collectors. This comes out to one-third or approximately \$4,000 covered by the residents, and two-thirds by the businesses. Setting a rate for residents and non-residential properties, and an additional rate for non-residential properties raises the required and projected needed funds.

In a meeting with a consultant on the billing method under this ordinance, it was highly recommended that we utilize the already approved SDC ITE Trip Schedule be utilized in determining business code and associated trips per 1000 feet. This adopted schedule is what the staff uses to determine the charge for SDC's associated with trips for a business. Therefore, it is the recommended method for determining business trips for the TUF. The SDC ITE Schedule is attached. Failure to utilize this schedule would result in inconsistent analysis of projected use of the roadway by a business.

OUTREACH TO THE PUBLIC

Staff took a multi-tiered approach to reaching out to the public regarding this subject including:

- Multiple newsletter articles
- Mini-Newsletter in Utility Bills
- Social Media Posts
- Brochures distributed twice to the community
- Volunteer Committee of Citizens which help public meetings and invited comment

MEETING WITH BUSINESSES

Staff has also reached out to the majority of businesses in Coburg to invite them into a conversation regarding the TUF and answer their questions. When possible, the staff gave them a projected cost of the TUF to their business. In addition, businesses were given the date of the 2nd reading of the ordinance and were invited to provide public comment.

STEPS FOR COMPLETION

1. Approve Resolution to set fee schedule
2. Staff to assign fee to each non-resident property
3. Resident properties will be charged base rate
4. Staff will begin implementation. Rates will be on the October Utility Bills that cover September 1st – 30th billing period. .

RECOMMENDATION AND ALTERNATIVES

Staff recommends that Council discuss and consider approving the fee schedule as written.

BUDGET / FINANCIAL IMPACT

The fee will raise approximately \$130,000 in the first year.

ATTACHMENTS

- A. DRAFT Resolution 2016-16

REVIEWED THROUGH

Gary Darnielle, City Attorney
Sammy Egbert, City Recorder

RESOLUTION 2021-16

A RESOLUTION ESTABLISHING A TRANSPORTATION UTILITY FEE RATE SCHEDULE FOR THE USERS AND USE OF THE COBURG MUNICIPAL STREET SYSTEM

WHEREAS, the City Council of the City of Coburg recognizes the need for pavement preservation and improvement of City’s street system and a funding mechanism; and

WHEREAS, the Council adopted Ordinance No. A-252 on July 27, 2021, which created policy guidance for the collection of a Transportation Utility Fee; and

WHEREAS, Ordinance No. A-252 authorizes the establishment of Transportation Utility Fees; and

WHEREAS, the intent of the City Council was to charge all developed, improved property located within the City limits regardless of whether or not the property receives other utility services from the City; and

WHEREAS, the City Council provided notice, public information of various forms and allowed for public comment as required by ORS 294.160;

NOW, THEREFORE, BE IT RESOLVED BY THE COBURG CITY COUNCIL THAT:

SECTION 1 - BILLING TERM. The Transportation Utility Fee shall appear on the monthly water, sewer or other utility bill and is referred to herein as the “**Transportation Utility Fee**”.

SECTION 2 – TRANSPORTATION UTILITY FEE. Rates shall apply to all occupied premises within the city’s limits per the terms of Ordinance No. A-252.

Transportation Utility Fee Rate Schedule	
	Montly Fee
Single Family Detached Housing ADU	\$7.00
Apartment	\$4.83 per unit
Condominium	\$4.20 per unit
Mobile Home Park Trailor Parks	\$3.64 per site
Assisted Living	\$2.00 per bed
Business	\$7.00 + Associated Trip Charge
Fraternal Organizations - annual revenue below \$25K	\$10.00
Fraternal Organizations - annual revenue above \$25K	\$10.00 + Associated Trip Charge
* Associated Trip Charge is billed at \$0.27 per trip	

1. All transportation utility charges outlined shall be for the preceding month (i.e. October 1 billing covers the period of September 1- September 30).
2. All transportation utility charges outlined in the fee schedule shall be charged whether or not water or sewer usage has occurred during the month

3. All transportation utility charges outlined in the fee schedule will be pro-rated for partial services months, based on affixed 30-day month. Such proration shall only apply when the City has been notified in writing of a change in responsible party, a change in the account status or other circumstance in which proration is deemed to be appropriate by the City
4. All late fees, non-sufficient fees or other fees charged on the regular utility billing as approved by utility ordinances or resolutions shall apply to the transportation utility fee.
5. Ordinance No. A-252 requires a review of rates annually, and all fee adjustments shall be made by resolution. Annual reviews of the fee and adjustments shall consider the November Engineering News 20 City Construction Index, or other means determined by the City Engineer to be acceptable in determining the increase or decrease of the cost of construction.

SECTION 3 – OTHER DEFINITIONS, TERMS POLICIES AND PROCEDURES. Unless otherwise set forth herein, the definitions, terms and policies and procedures relating to the City’s provision of utility and other services under this Resolution are those established by Ordinance No. A-252.

SECTION 4 – EFFECTIVE DATE. This resolution shall take effect immediately upon passage. Rates will be implemented and included in the October 10, 2021 utility bills

Adopted by the **City Council** of the **City of Coburg**, Oregon by vote of ___ for and __ against this 27th day of July, 2021.

Ray Smith, Mayor

ATTEST:

Sammy L. Egbert, City Recorder