



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78620

Submitted By: Laura Mueller, City Attorney

Council Meeting Date: September 16, 2025

Agenda Item Wording: **Discuss and consider approval of an Ordinance Repealing and Replacing Appendix A: Article A100 (General Provisions) of the Dripping Springs Code of Ordinances; Including Parks, DSRP, Planning, and Miscellaneous; Amending Fees and Updating Fee Schedule Formats. Sponsor: Mayor Bill Foulds, Jr.**

Agenda Item Requestor:

Summary/Background: The City has been reviewing its fee schedule to determine whether the fees adequately reflect the cost and time involved in regulating building and providing other services. In addition, Staff has determined that a chart format will be easier for staff and the community to use.

Parks

The Parks & Community Services department is proposing the following fee changes to Section 9: Parks & Community Services.

- Creating one category for Business or Organization and eliminating the “within City Limits” and “outside City Limits” options. This fee category is rarely used at all, so we recommend simplifying the options.
- Changing the Additional Lifeguards for rentals with over 50 people from 1 lifeguard per 25 people to 1 lifeguard per 50 people. Currently for a party of 50 or under we have three lifeguards on duty. Whether there are 25 more people or 50 more people, the need for lifeguards remains at 4. Anything over 100 people would require an additional lifeguard bringing the total to 5.
- Adding the following fee options to Pavilion Rentals:
 - o Electricity at \$10 extra
 - o Pavilion Lawn Area:
 - ☐ Resident at \$15/hour
 - ☐ Non-Resident at \$25/hour

- Changed the Commercial Activity in a Park Permit Fee from \$30/day to \$50/90 days for Residents and \$75/90 days for Non-Residents. This improves the efficiency and enforcement of administering this permit. Applicant would still potentially need to reserve a facility within the park for their activity.
- Changed the Itinerant Vendor License Application Fee from \$30/day to \$50/90 days for Residents and \$75/90 days for Non-Residents. This improves the efficiency and enforcement of administering this permit and it aligns with what surrounding cities are doing.

Revenue/Cost Expectations:

There would be less than \$1,000 anticipated revenue change. Our changes involved some clean-up and making fees more efficient. The Electricity and Pavilion Lawn Area are fees for new services and the revenue will be minimal. The Parks Department has only done two Commercial Activity in a Park Permits within the last three years. We average about 10 Itinerant Vendor Permits a year.

DSRP

There are a few amendments to the current fee schedule that need to be corrected and added. The inclusion of the recently donated dressage arena with letters and the change of the outdoor arena fees to cover the new outdoor arena.

Revenue/Cost Expectations:

For DSRP, revenue changes it will be minimal. The Dressage Arena was donated, and we have had 2 potential inquiries for rentals. This is an added piece of equipment, and we need an associated fee if an equestrian event wants to rent it. We may also see staff hours associated with set-up when rented.

The outdoor arena is under construction, and we know we will have 4 bookings there with the Kathy Slack shows and our goal is to start planning our own clinics utilizing this space and advertising to external clients upon its completion.

Both of our fees are related to new assets that require a fee associated. The fee will pay for staff hours and maintenance of the arenas.

Farmers Market

1. Elimination of yearly membership fee
2. Offset by \$2 booth fee increase across the board (all four categories)
3. Application fee increase from \$30 to \$40.

The purpose of these changes is to streamline the process for vendors and staff so that they are only paying for the: (1) application fee; and (2) booth fee and not a yearly membership fee.

Revenue/Cost Expectations:

At \$40 per vendor and a goal of \$2000 total yearly, removing the yearly membership fee is offset by a booth fee increase of \$2 across all categories. I arrived at that number by dividing \$2000 by 50 weeks (\$40, or \$1 per vendor per week). Averaging 40 vendors a week has been the norm for the last three years, but providing a cushion for weather events that impact attendance is helpful. The extra dollar provides that insurance while also helping cover musician costs, which increased last year without a corresponding booth fee increase.

From a management perspective, about 50% of vendors are compliant with the batch email letting them know membership was due. The remaining vendors don't read that email or ignore it, causing a point of friction where they need to be reminded, and in some cases threatened. Pushback from vendors comes with demands that the market do more advertising and events, which also hits the budget. The FMC said non-compliant vendors should be removed from market, but that loses week-over-week revenue from booth fees and is a massive net loss.

Regarding impact to vendors: The market's vendors set to pass \$1million in total sales for the first time. Average vendor sales over the last four years: 2025: \$511 / 2024: \$449 / 2023: \$406 / 2022: \$458. A \$50-\$100 revenue increase makes a \$2 booth increase almost negligible, even when factoring in inflation and tariffs, which haven't hit farmers market vendors as much as larger retailers and is probably the biggest factor in this year's higher sales. Relative to other markets, DSFM's booth fees remain lower by \$20-50 / week, though much of that is related to foot traffic. **Based on surveys, a \$13 booth fee increase is where we would start to see vendor attendance drop.**

Planning

The proposed changes to the Fee Schedule are minor:

1. Add License to Encroach Fee - \$250;
2. Add Tree Removal Waiver fee -\$100.

These two new fees are reflective of new processes that have been added to our code. The License to Encroach Fee is designed to cover the cost of reviewing License to Encroach Applications. The Tree Removal Waiver originated from the new Landscaping Ordinance and is for the cost of staff and DRC review of tree removal waivers. Our standard Waiver/Variance Fee is \$500 per variance, but the tree removal waiver fee is reflective of the

amount of review time needed for the tree waiver. Staff will continue to monitor both fees to ensure that they match the staff time involved.

Revenue/Cost Expectations:

These fees are for new services and the Planning Department does not expect a noticeable revenue increase for these fees. These fees are designed to cover staff time in reviewing these applications.

Commission Recommendations:	PRC recommended approval of Parks Fee Changes. Farmers Market Committee recommended changes to those fees. DSRP recommended approval of the DSRP fee changes.
Recommended Council Actions:	Approval of updated fee schedule.
Attachments:	Fee Schedule Ordinance. Fee Schedule. Appendix to Fee Schedule.
Next Steps/Schedule:	If approved, these fees will go into effect on October 1, 2025.