

RESOLUTION

Declaring intent to establish a street user fee for implementation in FY 2013-2014; approving the design concepts for street user fee rates; and establishing policy relative to establishment of a street user fee.

WHEREAS, City Council has created a Strategic Goal for a Street Improvement Plan which includes creating a dedicated funding source; and

WHEREAS, on November 16, 2010 City Council passed Resolution No. 028862 creating a Street Maintenance Finance Ad Hoc Advisory Committee (Committee) to evaluate funding options for street repair and maintenance and to develop a street maintenance funding plan; and

WHEREAS, the Committee proposed certain funding options and staff developed a street maintenance funding plan; and

WHEREAS, City Council must approve a schedule of street user fees; and

WHEREAS, various street user fee policies will affect the calculation of street user fee revenues and use rates; and

WHEREAS, City staff seeks preliminary guidance on policies to develop a budget framework; design changes to the City's billing software ("HTE") system; and calculate the estimates of street user fee revenues and rates,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:

SECTION 1. Actions will be taken during Fiscal Year 2013 to establish a street user fee and associated policies, with an effective date of August 1, 2013.

SECTION 2. The street user fee revenues will be directed to the Special Revenue Streets Fund.

SECTION 3. The street user fee will be a supplemental source of revenue to be dedicated solely to street maintenance.

SECTION 4. Steps will be implemented to preserve the level of funding of the Street Department. Excluding a decrease in General Fund revenues, the Street Fund budget's percentage relative to the General Fund will neither go below that of Fiscal Year 2013, nor below its equivalent if General Fund revenues increase.

SECTION 5. Prior to street user fee implementation, staff will develop a street maintenance budget work plan.

SECTION 6. The City will investigate possibilities and benefits of other funding mechanisms as additional future sources of funding to reduce the revenue requirements and rate of the street user fee.

SECTION 7. The basis of service measurement will be to use living area square footage as recorded by the Nueces County Appraisal District tax records and Trip Factors derived from trip generation rates published by the Institute of Traffic Engineers.

SECTION 8. Land use designations used to determine the appropriate Trip Factor to be applied will be based on the Texas Land Use Code classification as recorded by the Nueces County Appraisal District tax records.

SECTION 9. The City Council finds it reasonable and equitable for the City to assume that each non-irrigation water meter in the service area serves a user of a benefitted property. Therefore, a street user fee will be charged to active non-irrigation water meters.

SECTION 10. The rate design for street user fee charges will be based on the Equivalent Residential Unit (ERU) approach.

SECTION 11. Land use designations will be consolidated into Trip Factor classifications which then will be applied against the ERU. Staff will explore options with regard to the number of classifications as well as their associated Trip Factors.

SECTION 12. Residential accounts will be tiered based on living area square footage.

SECTION 13. Staff primarily recommends Non-Residential accounts be capped at 5,000 square feet living area per active water meter. Staff will research alternate approaches, including exploration of a tiered system and/or alternate and escalating cap amounts and provide Council with additional recommendations.

SECTION 14. For attached commercial, attached housing, and mobile homes, the street user fee charge will be billed: (i) to the customer where individually metered; and (ii) to the property owner where master metered.

SECTION 15. The following properties shall be exempt from the street user fee:

- A. City, county, state or federal property
- B. Independent school district property
- C. Non-metered property

SECTION 16. A person may appeal a street user fee charge as it applies to active water meter status.

SECTION 17. For any change to a street user fee charge related to a correction to living area square footage or to a Texas Land Use classification, no adjustment may be made effective until after the Nueces County Tax Appraisal District has updated its records

and the updated records have been downloaded into the City's billing system. No adjustments will apply retroactively.

SECTION 18. No credits will apply to street user fees or charges.

SECTION 19. If a person fails to pay a street user fee charge when due, the City will take all necessary action and employ all remedies available at law to enforce payment and collect amounts due, which may include discontinuing utility service and/or placing a lien on the property.

SECTION 20. Staff will recommend a rate model for Council's approval for implementation no later than the 4th quarter of this Fiscal Year.

SECTION 21. Staff will revise its street cut policy and create a street cut ordinance for Council's consideration.

SECTION 22. Staff will investigate options for residential street assessments and prepare an amendment to the existing street assessment ordinance for Council's consideration.

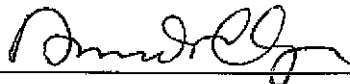
SECTION 23. The City Engineer, subsequent to stakeholder input, will develop new street design standards to meet a 30 year street design life.

SECTION 24. Staff will explore and present Council with options for pursuing a more aggressive capital improvement program.

SECTION 25. This resolution takes effect immediately upon its passage.

ATTEST:

THE CITY OF CORPUS CHRISTI



Armando Chapa
City Secretary



Joe Adame
Mayor

Corpus Christi, Texas

18th of September, 2012

The above resolution was passed by the following vote:

Joe Adame

Aye

Chris N. Adler

Aye

Kelley Allen

Aye

Larry Elizondo, Sr.

Aye

Priscilla G. Leal

No

David Loeb

Aye

John E. Marez

Aye

Nelda Martinez

Aye

Mark Scott

Aye