



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of 12/18/12

Action Item for the City Council Meeting of 1/8/13

**DATE:** January 2, 2013

**TO:** Ronald L. Olson, City Manager

**FROM:** Valerie H. Gray, P.E., Director of Storm Water and Street Operations  
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### Resolution to establish policy regarding a Street User Fee.

#### **CAPTION:**

Resolution approving design concepts for a street user fee; and establishing policy relative to a street user fee

#### **PURPOSE:**

The Resolution addresses additional policy questions necessary for the development and implementation of a Street User Fee and has been revised from the December 18, 2012 document to include a sunset provision.

#### **BACKGROUND AND FINDINGS:**

On July 7, 2012 City staff presented their recommendation regarding a Street Improvement Plan and funding. Part of this recommendation included the implementation of a Street User Fee which would fund maintenance (seals and overlays) of streets in Fair or Good condition. On August 28, 2012, staff presented a Resolution seeking a confirmation of City Council's intent to move forward with the implementation of a Street User Fee and direction regarding specific aspects of the Street User Fee policies. During the presentation, Council Members requested slight modifications to elements regarding the Street User Fee as well as the addition of other items not directly related to the Street User Fee, but associated with the Street Plan. The revised Resolution was approved on September 18, 2012. The attached Resolution further defines key components of the rate design and application of a fee in order to finalize development of the Street User Fee. During the December 18, 2012 Council meeting in which the Resolution was presented as a Future Agenda Item, a request was made to include a sunset provision in the Resolution language. That change has been made.

#### **ALTERNATIVES:**

Council may choose not to move forward with the Street User Fee at this time.

**OTHER CONSIDERATIONS:**

Having guidance on the street user fee billing basis, rate design, and other aspects of developing a new street user fee at an early date allows staff to move forward on a timely basis in order to meet the desired implementation date. Delay in resolving some of these questions or in providing the necessary guidance to develop the fee components may result in an inability to implement within the requested timeframe.

**CONFORMITY TO CITY POLICY:**

The Resolution follows all appropriate policy.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency.

**DEPARTMENTAL CLEARANCES:**

Not applicable.

**FINANCIAL IMPACT:**

Operating       Revenue       Capital      X Not applicable

<b>Fiscal Year: 2012-2013</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

**Comments:** None

“This item” – Enter amount obligated by the item in future years (if applicable).

**RECOMMENDATION:**

Staff recommends passage of the Resolution in all of its parts.

**LIST OF SUPPORTING DOCUMENTS:**

None.