

BILL NO. 18-34

ORDINANCE NO. 4.441

AN ORDINANCE ESTABLISHING CERTAIN FEES AND CHARGES FOR SERVICES AND ACTIVITIES PROVIDED BY THE CITY OF GLADSTONE, CLAY COUNTY, MISSOURI, AND AMENDING ORDINANCE 4.400.

WHEREAS, the City has the authority to charge fees for management of the rights-of-way; including, but not limited to, costs associated with registering applicants; issuing, processing, and verifying rights-of-way permit applications; inspection of job sites and other costs that may be considered “management costs” or “rights-of-way management costs” under section 67.1830 RSMo and Chapter 115, Managing Excavation and Use of City Rights-of-Way of the City Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GLADSTONE, CLAY COUNTY, MISSOURI, AS FOLLOWS:

SECTION 1. ENACTMENT OF NEW FEES FOR UTILITY PERMITS.

The new fees and charges for certain services and activities as set out in the attached Exhibit “A” are hereby adopted for inclusion in the City Schedule of Fees and Charges.

SECTION 2. SEVERABILITY CLAUSE.

The provisions of this Ordinance are severable and if any provision hereof is declared invalid, unconstitutional, or unenforceable, such determination shall not affect the validity of the remainder of the Ordinance.

SECTION 3. EFFECTIVE DATE.

The Fees and Charges as set out in Exhibit “A” shall become effective upon passage.

INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 13th DAY OF AUGUST, 2018.



Mayor Bill Garnos

ATTEST:



Ruth E. Bocchino, City Clerk

1st Reading: August 13, 2018

2nd Reading: August 13, 2018



Request for Council Action

RES ☐ # City Clerk Only

BILL ☒ # 18-34

ORD # City Clerk Only

Date: 8/6/2018

Department: Public Works

Meeting Date Requested: 8/13/2018

Public Hearing: Yes ☐ Date: [Click here to enter a date.](#)

Subject: Utility Permit Fees

Background: See attached detailed memorandum

Budget Discussion: Funds are budgeted in the amount of \$ N/A from the N/A Fund. Ongoing costs are estimated to be \$ N/A annually. Previous years' funding was \$

Public/Board/Staff Input: See attached detailed memorandum

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor

Timothy A. Nebergall
Department Director/Administrator

City Attorney

City Manager



Department of Public Works Memorandum

DATE: July 30, 2018

TO: Scott Wingerson, City Manager

FROM: Timothy A. Nebergall, Director of Public Works

RE: Utility Permit Fees

Background:

The City of Gladstone has the authority to charge fees for management of the rights-of-way; including, but not limited to, costs associated with registering applicants; issuing, processing, and verifying rights-of-way permit applications; inspection of job sites and other costs that may be considered "management costs" or "rights-of-way management costs" under section 67.1830 RSMo.

Chapter 115, Managing Excavation and Use of City Rights-of-Way of the City Code states that "...applicable rights-of-way permit fee shall be recommended by the Director of Public Works, approved by the City Council, and set out in the schedule of fees and charges as maintained in the City Clerk's office." Erin Seele of Cunningham, Vogel, and Rost, P.C. provided a detailed review of the ordinance in a recent open study session and the revised ordinance was adopted on June 14, 2018.

The code states that a separate fee structure shall be established for minor projects that require excavation in the rights-of-way in which a single excavation of no greater than 150 square feet is made and for major projects that require additional staff time and resources due to size and complexity. The fee shall include an administrative component and inspection component. Furthermore, the code allows the City to issue permits for facilities maintenance projects in the rights-of-way that disrupt traffic.

Analysis:

The City of Gladstone has issued utility permits for a number of years; however, there has been no fee for this service. Currently, all companies requesting a utility permit must complete an online application that details the scope of the project and emergency contact information. The applicant must also submit proof of insurance, bonding, and obtain a City business license (if required).

The entire administrative process takes approximately 1-hour (\$37.50) to complete for minor projects. Once the project is complete, City staff will conduct an inspection of the site, which takes another 1-hour to complete (\$37.50). The total cost to provide this service is estimated to

be \$75.00. Minor lineal installations up to 100 feet require approximately the same amount of staff time.

Major projects require additional City time and resources to manage. In 2016, a regional fiber company installed approximately 2,700 linear feet of new fiber on NE Englewood Road from N. Oak Trafficway to the west City limits. The City's estimated cost to manage the public rights-of-way for this project was \$1,100.

To assist in developing a fee structure, staff contacted several local Cities. Following is a summary of each City's utility permit fees:

<u>City</u>	<u>Excavation</u>	<u>Lineal Installations</u>
Blue Springs, MO	\$0	\$0
Kansas City, MO	\$162 per excavation	\$162 per 100 lineal feet
Kearney, MO	\$5 per permit	-
Liberty, MO	\$45 per permit	-
Merriam, KS	\$120 per permit	\$160 for the first 100 lineal feet, \$40 for each 100 lineal feet thereafter
Raytown, MO	\$75 per excavation	\$75 per City block

Recommendations:

Staff recommends the adoption of the following fee structure for utility permits requiring excavation in the rights-of-way:

Minor Projects

1. Projects with a single excavation no greater than 150 square feet - \$75 per excavation (non-refundable base fee).
2. Contiguous lineal installations no greater than 100 feet including those facilities installed by boring - \$75 per location (non-refundable base fee).

Major Projects

1. Contiguous lineal installations greater than 100 feet including those facilities installed by boring - \$75 for the first 100 feet plus \$37.50 for each additional 100 feet thereafter.

City staff also recommends the creation facilities maintenance permit (no excavation) as a means to monitor lane/street closures. The permit would specifically apply to lane closures on collectors and arterials such as NE 72nd Street and N. Oak Trafficway and the full closure of all residential streets. Staff is proposing an administrative fee of \$37.50 to provide this service. Installation and maintenance of all traffic control will remain the responsibility of the applicant. No fee is recommended for other types of facilities maintenance work.

Facilities Maintenance Permit Fee (No Excavation)

1. Facilities Maintenance Permit that requires a lane closure on a collector or arterial street or complete closure of any residential street - \$37.50 per location.

2. All other facility maintenance work that does not require excavation or street/lane closure
– No fee

Missouri law requires that all fees be substantiated and attorney's fees must be excluded.

Over the past three (3) years, the City has issued a total of 126 permits. The majority of these projects would be considered minor projects. The proposed fee structure will allow the City to recover its actual and substantiated costs for both minor and major projects.

If you have any questions, please contact me at your convenience.

EXHIBIT A – Utility Permit Fees

Excavation Permit Fee*

Minor Projects

1. Projects with a single excavation no greater than 150 square feet - \$75 per excavation (non-refundable base fee).
2. Contiguous lineal installations no greater than 100 feet including those facilities installed by boring - \$75 per location (non-refundable base fee).

Major Projects

1. Contiguous lineal installations greater than 100 feet including those facilities installed by boring - \$75 for the first 100 feet plus \$37.50 for each additional 100 feet thereafter.

* The fee charged by the City is its cost incurred for rights-of-way management; including, but not limited to, costs associated with registering applicants; issuing, processing, and verifying rights-of-way permit applications; inspection of job sites and other costs that may be considered “management costs” or “rights-of-way management costs” under section 67.1830 RSMo. Excess fees collected and not used by the City shall be refundable to the applicant upon written request of the applicant after closure of the permit and start of the warranty period.

Facilities Maintenance Permit Fee (No Excavation)

1. Facilities Maintenance Permit that requires a lane closure on a collector or arterial street or complete closure of any residential street - \$37.50 per location.
2. All other facility maintenance work that does not require excavation or street/lane closure – No fee.

2016 Fiber Installation - 2700-LF							
Task	Description	Clerical	Field Personnel	Construction Coordinator	City Engineer/Superintendent	Department Director	City Manager
1	Project Initiation	\$25	\$25	\$32	\$43	\$71	\$84
2	Kickoff Meeting	0.50			1.00	1.00	1.00
3	Plan review					2.00	
4	Issue Permit				2.00	2.00	
5	Construction Services		8.00		1.00	1.00	
6	Final Inspection/Project Closeout	0.50		1.00	1.00	1.00	
Total Hours		1.00	8.00	1.00	5.00	7.00	1.00
Manpower Cost		\$25.00	\$200.00	\$32.00	\$215.00	\$497.00	\$84.00
		Estimated Expenses (5%)					\$1,053.00
		Grand Total					\$52.65
							\$1,105.65

Recommended Fee Structure = \$75 for 1st 100 LF plus \$37.50 per 100 LF thereafter

Calculated Fee (Based on 2700-LF) \$1,050.00 ok checks