

2019 Fee Increase Explanations

Community Planning & Development Services

- Please see attached memo

Finance

- Business licenses – no increases; updated for biennial renewal
- Central Station Service/Refuse Collector – not new licenses or fees, just including in the resolution because they hadn't been before
- Parking facility rates - Increasing monthly lease rate to cover increased maintenance costs (snow removal, etc); New rates INCLUDE sales tax where previous ones did not; added a \$5 charge for replacing the parking permit tags as we have repeated offenders – this covers our actual cost of the tag as well as staff time; also including inflationary factor for future rates

Fire & Emergency Services

- Ambulance - The Rapid City Fire Department has operated the ambulance service as an enterprise fund since 2003. The user fees are utilized to fund the operations of the ambulance and are the only source of income. The enterprise fund attempts to run a break even operation, meaning our revenues should equal our expenditures. Base rate fees have not been raised since 2012 when we last took the medical CPI. Cost to provide the service has gone up dramatically while reimbursement from insurance providers has remained relatively static. We attempt to keep our billed charges within the regions other ambulance services billed charges. Our BLS emergency rate (\$578.58) was below the minimum allowed by our lowest paying commercial insurance payer, Blue Cross Blue Shield (\$595.00). We are respectfully requesting a modest increase to \$655.00 to stay ahead of the minimum a commercial insurance provider reimburses and generate additional revenue to fund the operation. The mileage charge increase will have the same explanation. In the region, mileage charges range from \$13.00 per mile (BC/BS minimum) to \$30.00 per mile, a wide range. Our requested increase from \$13.50 to \$14.30 is a conservative increase and will keep mileage rates above the minimum allowed by BC/BS. The rate increases will provide much needed capital to assist in funding the operation and put rates better in line with what it costs to provide the service.
- Haz-mat/Dive team - Under Hazardous Materials Team rates and Dive Rescue Team rates, change the per hour for labor rates from \$23.00 to \$35.00. These haven't been changed in eons, and were not reflective of overtime rates versus straight time rates. Typically, if we get into a situation where we have to charge for these types of services, the personnel performing the work are off-duty, therefore we are paying overtime.

Parks & Recreation

- Cemetery Division Fee Increase Justification - This 5% increase requested to help offset Cemetery operation costs. Fees for infant grave spaces and services will not be increased.

- Miscellaneous Fees Justification - **\$45 per hour fee for lighting** – This is a new fee for groups reserving Omaha Street soccer fields and Noordermeer soccer fields when lights are requested. Fee will cover the City’s cost of electricity for those lights; **\$40 per hour fee for Community Center Rental** – Addition of this fee to the Fee Resolution formalizes the rental fee. A Community Center rental fee has been charged to groups reserving gym space in the past, but fee had not been included in City Fee Resolution.

Police

- Our increases are “to match state crime lab and health lab charges”

Public Works - Solid Waste Division (all on page 21 of the Fee Resolution)

- Change \$130.00 per ton for non-regulated medical waste to *\$130.00 per ton for non-manifested medical waste (charge is for the entire load of waste received)*. - Reason for change is medical waste received without a manifest is non-compliant with SDDENR regulation. Increase in cost per ton price is that load must be inspected, non-compliant medical waste must be removed for customer pick-up, increased City liability and increased cost to handle load.
- Change \$87.00 per ton for regulated medical waste to *\$87.00 per ton for medical waste with manifest*. No change in price. Clarification that this price applies only to medical waste with manifest that has been properly treated and rendered non-infectious.
- Change \$59.00 per ton for asbestos – containing material to *\$100.00 per ton for asbestos – containing material with manifest (Minimum charge for manifested asbestos –containing material is \$150.00 per load)* - Reason for change is that asbestos – containing material requires special handling that includes disposal in a designated place at the landfill, additional soil cover, and loss of material compaction as asbestos must not be compacted.
- Change \$2.75 per tire less than 16 “with no rim to *\$3.75 per tire less than 16 inches with no rim* - Reason for change is increased hauling and disposal cost from vendor who removes tires from facility for processing.
- Change \$7.95 per tire greater than or equal to 16 “or less than 16” on rim to *\$8.95 per tire greater than or equal to 16 inches or less than 16 inches on rim*. - Reason for change is increased hauling and disposal cost from vendor who removes tires from facility for processing.
- Change \$59.00 per ton for dead animals to *\$100.00 per ton for dead animals* - Reason for change is that dead animals require special handling that includes digging a hole away from the active landfill working face, placing animals in hole and covering with soil with no compaction.
- Change \$50.00 per ton for 50:50 MSW/yard waste compost to *\$15.00/ton for 50:50 MSW/yard waste compost* - Reason for change is to expand use of material.
- \$25.00 per ton for recycled asphalt to *\$15.00 per ton for recycled asphalt* - Reason for change is to encourage disposal of recycled asphalt at the Solid Waste Facility.
- Change \$37.00 per account for set up to *\$37.00 for set up of garbage only account* - Reason for change is to clarify this fee is for garbage only accounts.
- Change 1.5% or \$5.00 per month for late fee to *Late fee 6.5% per month* - Reason for change is to match late fee charged by Utility Billing group for water and sewer service and meet requirements of Utility Billing software.
- Change \$15.00 per service call to *\$15.00 per service call on residential cart* - Reason for change is to clarify type of service call for which fee is charged.

Public Works - Water Division (on page 22-23 of the Fee Resolution)

- These fees are contained in the Engineering Division Fees on page 20 of the Fee Resolution. Therefore, the fees were removed from the Water Division section to eliminate duplication and potential conflicts.
- The fees shown in this section are not new fees except the “Winter out Fee”. The remainder of these fees were inadvertently deleted from the Fee Resolution when the resolution was changed in June 2018 to remove the water usage and meter rates from resolution. Fees that are proposed to be changed in this section include:

| Fee | Current | Proposed |
|---|-----------------|-----------------|
| | 2018 Fee | 2019 Fee |
| Move-In Charge - City Limits | 40.00 | 45.00 |
| Move-In Charge - Outside City limits | 44.00 | 52.00 |
| Surcharge - After Hours | 88.00 | 96.00 |
| No Access Surcharge - Business Hours | 25.00 | 32.00 |
| No Access Surcharge - After Hours | 73.00 | 79.00 |
| Remote Water Meter Reading Device Install | 26.00 | 30.00 |
| Water Meter Testing | 90.00 | 100.00 |
| Temporary Account | 37.00 | 42.00 |
| Water Service Call Fee | 44.00 | 49.00 |
| Water Service Call Fee - After Hours | 73.00 | 81.00 |
| Hydrant Meter Move Charge | 25.00 | 60.00 |

If a fee is not listed above there is no proposed change to the fee. The Water Division has evaluated its cost to provide these services and the above proposed fees reflect the increase in labor and equipment costs to provide these services.

- Change Winter Out Fee to *Inactive Account Fee* - The Inactive Account Fee is a new fee proposed to provide more convenience for our customers. This is a monthly fee for customers who inactivate their account for more than two months. This mainly applies to “snowbird” and sprinkler accounts but may be used for any account deactivated for more than two months. The fee is \$5.00 per month, which allows recovery of labor and equipment costs associated with these types of accounts. The new Tyler Billing system does not allow any easy way to accommodate these types of accounts, so it is recommended this fee be implemented to recover costs and provide better customer service.