



CITY OF DULUTH
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INTERDEPARTMENT CORRESPONDENCE

To: Finance Chair Zack Filipovich, President Noah Hobbs, and Duluth City Council

From: Chelsea J. Helmer, City Clerk
Jen Carlson, Budget Manager

Re: Resolution 18-0788R Adopting Fees for 2019

Date: December 10, 2018

Pursuant to Section 2-5, 31-6, and 31-8, of the Duluth City Code, 1959, as amended, the Duluth City Council annually reviews and approves a resolution setting out recommended amounts to be charged for various city fees for the subsequent calendar year. Pursuant to the City Code, fee increases are tied to the Implicit Price Deflator (IPD) for government purchases. The IPD is a ratio of current dollar gross domestic product (GDP) to constant dollar GDP, and is used to account for the effects of inflation. All fees are recommended to increase by the IPD of 3.43% in 2019, unless the resulting increase is less than \$1.00 or would administratively cost more to implement than the change in the fee. Any rate increase foregone in 2019 shall be included in subsequent years' fee calculations as required by the City Code.

Resolution 18-0788R presents the administration's proposal for fees and charges for city activities for 2019. There are 701 separate fees listed in the Resolution: 458 are proposed to remain unchanged for 2019. 173 are to increase for inflation by the IPD of 3.43%. 70 are proposed to increase based on cumulative inflationary increases foregone in prior years or based on other market considerations. A total of 20 fees have been eliminated or restructured.

Recommended changes include the following: Seven fees in Planning are being restructured to provide conformity with staff time spent on application review and monitoring or to conform with regional standards. Two changes to parking fees are the result of the second step of a planned incremental increase and an increase to address enforcement effectiveness. Six Parks & Recreation commercial use fees have been restructured resulting from an internal/external review process.

Eliminated fees in 2019 include: Two fees in the City Clerk's office now set pursuant to the Minnesota Government Data Practices Act; one Library collection agency fee proposed for elimination as that service is no longer utilized; and, two Parks & Recreation Memorial Program fees proposed for elimination as the program has been discontinued.

New proposed fees include the following: Public Works & Utilities has added 5 new small cell wireless fees established by or pursuant to changes in Minn. Stat. Ch. 235. Parks & Recreation has added 4 new fees as

part of the new Canoe/Kayak Rack Rental program. Construction Services has added 2 new fees to offset overtime costs for inspections requested outside of normal business hours. Proposed new fees are as follows:

Department/Division	New Fee Description	Proposed Fee	Other Authority
Construction Services	Requested Code Inspections Outside of Business Hours - Initial fee per inspection staff resource	\$138.00	
Construction Services	Requested Code Inspections Outside of Business Hours - Additional hourly rate per inspection staff resource	\$35.00	
Parks & Recreation	Canoe/Kayak Rack Rental (Resident)	\$100.00	
Parks & Recreation	Canoe/Kayak Rack Rental (Non-Resident)	\$175.00	
Parks & Recreation	Canoe/Kayak Rack Impoundment	\$100.00	
Parks & Recreation	Canoe/Kayak Rack Impoundment Storage Fee (per week)	\$25.00	
Public Works & Utilities	Small Cell Electrical Fee (per month), less than 100 watts	\$73.00	Minn. Stat. § 237.163
Public Works & Utilities	Small Cell Electrical Fee (per month), greater than 100 watts	\$182.00	Minn. Stat. § 237.164
Public Works & Utilities	Small Cell Facility Maintenance (per year)	\$25.00	Minn. Stat. § 237.165
Public Works & Utilities	Small Cell Facility Rent (per year)	\$150.00	Minn. Stat. § 237.166
Public Works & Utilities	Small Cell Permit for ROW Management	\$800.00	Minn. Stat. § 237.163