



AN ORDINANCE AMENDING ALBANY MUNICIPAL CODE SECTIONS 10.01.070(5) and 11.01.051 TO INCREASE THE SEWER AND WATER SYSTEM IN-LIEU-OF FRANCHISE FEES FROM FIVE TO SEVEN PERCENT.

WHEREAS, the City of Albany collects franchise fees from franchise utilities for their use of, and impact on, the public right-of-way; and

WHEREAS, on June 9, 1999, the Albany City Council adopted Ordinances 5404 and 5405 establishing sewer and water system in-lieu-of franchise fees (ILFF) of five percent; and

WHEREAS, the ILFF were established in recognition that the City's sewer and water utilities, which are separate, dedicated, enterprise funds, use and impact public right-of-way similar to franchise utilities; and

WHEREAS, the ILFF were set at five percent consistent with the franchise fees paid by franchise utilities; and

WHEREAS, following a recommendation of the Mayor's Task Force on Street Maintenance, the above referenced ordinances require that ILFF revenue be directed to the street fund; and

WHEREAS, over time the City has incrementally raised franchise fees from 5% to 7%, where allowable; and

WHEREAS, the city council has determined it is appropriate to charge the sewer and water utilities the same rate as is charged to franchise utilities and, therefore, provided direction at their February 10, 2020, council work session to bring an implementing ordinance forward for Council action that would raise the ILFF from 5% to 7%.

NOW, THEREFORE, THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

Section 1: The Albany Municipal Code text for Titles 10 and 11 is hereby amended as shown in bold type for additions and strikethrough text for deletions, in the following Sections 2 and 3 respectively.

Section 2: Amending Title 10 Section 10.01.070(5):

~~Effective July 1, 1999, as~~ **As** compensation for the use of City-owned rights-of-way, the sewer fund shall pay to the street fund an in-lieu-of franchise fee in the amount of ~~five~~ **seven** percent of the sewer user receipts. **Revenue required to meet debt service payments for projects associated with the construction of the 2008 Albany-Millersburg Water Reclamation Facility and 2010 Talking Water Gardens shall be exempt from the fee.**

Section 3: Amending Title 11 Section 11.01.051:

~~Effective July 1, 1999, as~~ **As** compensation for the use of City-owned rights-of-way, the water fund shall pay the street fund an in-lieu-of franchise fee in the amount of ~~five~~ **seven** percent. This fee shall be applied to water system rate revenues. Revenues received from the City of Millersburg, or from customers located within the City of Millersburg, shall be exempt from the fee. Revenues required to meet debt service payments for projects associated with the **original construction of the Albany-Millersburg Joint Water Treatment Plant** ~~2003 water revenue bond~~ shall also be exempted from the ~~five~~ **seven** percent fee.

Section 4: This Ordinance shall be effective April 1, 2020.

Passed by the Council: Feb 26, 2020

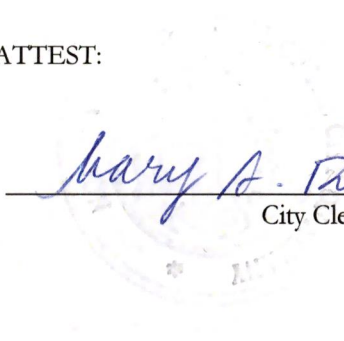
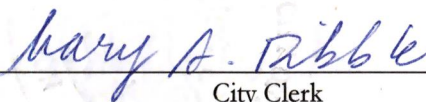
Approved by the Mayor: Feb 26, 2020

Effective Date: March 27, 2020



Mayor

ATTEST:

City Clerk