

FISCAL IMPACT NOTE

Legislation No: O-18-18

First Reader Date: 4-23-18

Note Date: 5-9-18

Legislation Title: Public Services – Title 16 Code Amendment

Description: For the purpose of transferring the charges for water service from Chapter 16.08 of the Code of the City of Annapolis to the Fees Schedule; transferring the charges for sewer service from Chapter 16.16 of the Code of the City of Annapolis to the Fees Schedule; clarifying the Council approval process for any rate increases determined to be necessary to cover the cost of water and sewer service; and matters generally relating to charges for water and sewer services.

Analysis of Fiscal Impact: This legislation updates the City Code to comply with current practices and implement precautionary measures as deemed necessary. Currently all City fees and fines are reviewed and adopted annually by City Council as part of the budget process.

Due to the restrictions placed on water and sewer funds by the Revenue Bonds issued in 2015, the Office of Finance has requested input from the City's Bond Counsel, Miles & Stockbridge. They have reviewed the proposed legislation and confirmed that it is in compliance with the Master Indenture, Supplemental Indenture No. 1 and Official Statement for the 2015 Water and Sewer Revenue Bonds. The primary legal requirement with respect to the Revenue Bonds is compliance with the Rate Covenant, which the proposed language continues to do.