

**SUGAR CITY
ORDINANCE 392_2024**

REIMBURSEMENT OF PROFESSIONAL SERVICES COSTS ORDINANCE

AN ORDINANCE OF THE CITY OF SUGAR CITY, STATE OF IDAHO, CREATING A NEW SECTION 9 IN TITLE 9, CHAPTER 1 OF THE SUGAR CITY ORDINANCE IS ENACTED TO REGULATE AND ESTABLISH A FRAMEWORK FOR THE REIMBURSEMENT OF PROFESSIONAL SERVICES, SUCH AS ENGINEERING AND LEGAL SERVICES INCURRED BY THE CITY. IT CONTAINS THE ORDINANCE TITLE, THE AUTHORITY AND PURPOSE BEHIND ITS ENACTMENT, THE PROCEDURES FOR REIMBURSING PROFESSIONAL SERVICE COSTS, A FEE SCHEDULE FOR SUCH SERVICES, AND THE REQUIREMENTS FOR RECORDING DOCUMENTS AT THE MADISON COUNTY RECORDER'S OFFICE. IT ALSO OUTLINES THE PENALTIES FOR VIOLATIONS, REPEALS CONFLICTING ORDINANCES, AND SPECIFIES ITS EFFECTIVE DATE. THE ORDINANCE AIMS TO ENSURE THAT DEVELOPERS, APPLICANTS, OR OTHER INDIVIDUALS REIMBURSE THE CITY FOR PROFESSIONAL SERVICE COSTS, THEREBY PREVENTING, THE CITY FROM SUBSIDIZING THESE EXPENSES. IT ALSO PROVIDES FOR PENALTIES FOR NON-COMPLIANCE AND SETS FORTH THE CONDITIONS UNDER WHICH THE ORDINANCE WILL TAKE EFFECT.

WHEREAS, the City Council have authority to adopt the provisions of this ordinance to regulate the conduct of persons within the boundaries of Sugar City pursuant to Idaho law, including, but not limited to Idaho Code Section 50-301, 50-313, 50-314, 50-901, 50-901A, 50-902, 50-225, and Article 12, Section 2 of the Constitution of the State of Idaho, and Title 40, Chapter 1 of Idaho Code, therefore,

WHEREAS, the City recognizes the essential role that professional services, including but not limited to engineering and legal services, play in the development and maintenance of public and private projects within its jurisdiction. These services are often required for the processing of land use permits, plan checks and reviews, building or construction permits, and other similar applications.

WHEREAS, the City is committed to ensuring that these services are performed to a high professional standard, not only for the benefit of the City but also for the benefit of developers, applicants, and other stakeholders involved in these projects. However, the City does not employ these professionals in-house and must therefore incur costs to secure their services from qualified external providers.

WHEREAS, in light of this, the purpose of this Ordinance is to establish a framework for the reimbursement of costs associated with these professional services. Developers, applicants, and other individuals who benefit from these services are required to reimburse the City for the costs incurred in securing them. This approach is designed to prevent the City from subsidizing the cost of development and to ensure that those who benefit from these services bear the appropriate share of the costs.

WHEREAS, it should be noted that any individual may choose to engage their own professional service providers, rather than utilizing the City's designated professionals. In such cases, the work product shall be subject to review and approval by the City's designated engineer and attorney to ensure compliance with all applicable standards and regulations.

NOW THEREFORE, be it ordained by the Council of the Sugar City, in the State of Idaho, as follows:

SECTION 1: **ADOPTION** “9-1-9 REIMBURSEMENT OF PROFESSIONAL SERVICES” of the Sugar City Municipal Code is hereby *added* as follows:

BEFORE ADOPTION

9-1-9 REIMBURSEMENT OF PROFESSIONAL SERVICES (Non-existent)

AFTER ADOPTION

9-1-9 REIMBURSEMENT OF PROFESSIONAL SERVICES(*Added*)

SECTION 2: **ADOPTION** “9-1-9-1 TITLE” of the Sugar City Municipal Code is hereby *added* as follows:

BEFORE ADOPTION

9-1-9-1 TITLE (Non-existent)

AFTER ADOPTION

9-1-9-1 TITLE(*Added*)

[This Ordinance shall be known as the Sugar City Reimbursement of Professional Service Cost Ordinance.](#)

SECTION 3: **ADOPTION** “9-1-9-2 AUTHORITY AND PURPOSE” of the Sugar City Municipal Code is hereby *added* as follows:

BEFORE ADOPTION

9-1-9-2 AUTHORITY AND PURPOSE (Non-existent)

AFTER ADOPTION

9-1-9-2 AUTHORITY AND PURPOSE(*Added*)

The purpose of this Ordinance pursuant to Idaho law, the City Council has the authority to regulate activities within Sugar City and acknowledges the critical role of professional services such as engineering and legal counsel in various projects; and whereas the city aims to uphold high professional standards for the benefit of all parties involved but does not employ these professionals in-house, thereby incurring external costs; this Ordinance is enacted to establish a reimbursement framework for such professional services to prevent the city from subsidizing development costs, while allowing individuals the option to engage their own professionals, subject to City review and approval.

SECTION 4: ADOPTION “9-1-9-3 REIMBURSEMENT OF PROFESSIONAL SERVICES COSTS” of the Sugar City Municipal Code is hereby *added* as follows:

BEFORE ADOPTION

9-1-9-3 REIMBURSEMENT OF PROFESSIONAL SERVICES COSTS (Non-existent)

AFTER ADOPTION

9-1-9-3 REIMBURSEMENT OF PROFESSIONAL SERVICES COSTS(*Added*)

- A. Costs of professional services, including but not limited to engineering and legal services, actually incurred by the city—whether rendered by city employees or by non- employees—arising out of the processing of any Land Use Permit application, plan check or review, Building or Construction Permit, Excavation Permit, or other permit, license, or inspection, shall be reimbursed by the developer or applicant prior to final approval, in addition to any other fees.
- B. All such costs and any accrued interest shall be paid to the city prior to the issuance of any necessary permit and/or final approval. The amount set forth in this chapter shall be collected at the time the application is submitted as a deposit towards such expenses.
- C. If expenses exceed the deposit amount prior to the conclusion of processing or final inspection and approval, the city engineer or other designated city official shall determine if additional expenses are likely to be incurred. If so, a requirement for deposit replenishment may be imposed, in an amount deemed necessary to secure payment for projected expenses.
- D. Unpaid statements for professional services expenses that remain unpaid for more than thirty days after mailing shall accrue interest at the rate of twelve percent per annum, commencing on the thirty-first day.
- E. Processing of the application or approval of construction shall not commence or

continue until the deposit or any required replenishment thereof has been made.

- F. The plan reviews, plan checks, and inspections for which these fees are charged are solely for the benefit of the city and do not create any duty or obligation on the part of the city to any person or entity.

SECTION 5: ADOPTION “9-1-9-4 PROFESSIONAL SERVICES FEE SCHEDULES” of the Sugar City Municipal Code is hereby *added* as follows:

BEFORE ADOPTION

9-1-9-4 PROFESSIONAL SERVICES FEE SCHEDULES (Non-existent)

AFTER ADOPTION

9-1-9-4 PROFESSIONAL SERVICES FEE SCHEDULES(*Added*)

- A. The applicant or developer is required to pay a minimum fee as established by resolution to initiate a review of plans by professional services.
- B. In addition to the minimum fees, services rendered by city employees or non-employees for any plan review, plan check, and inspection exceeding one hour shall be charged at a rate to be determined by the city, along with the actual costs of any additional services deemed necessary.
- C. The expense of professional services rendered by non-employees of the city shall be charged at their actual cost.

SECTION 6: ADOPTION “9-1-9-5 RECORDING OF DOCUMENT FEES” of the Sugar City Municipal Code is hereby *added* as follows:

BEFORE ADOPTION

9-1-9-5 RECORDING OF DOCUMENT FEES (Non-existent)

AFTER ADOPTION

9-1-9-5 RECORDING OF DOCUMENT FEES(*Added*)

Madison County now is charging the City for any and all recording of documents. This Ordinance shall require the City to be reimbursed or prepaid for these requirements.

- A. Any documents that require recording, including but not limited to liens, legal documents, plats, agreements, or any other documents as required by this code or as deemed necessary by the city attorney, shall be recorded by the city to ensure proper and accurate recording of such documents.
- B. All recordings shall be conducted at the Madison County Recorder's Office and shall be subject to the fees then currently set by Madison County for such services.
- C. Developers, applicants, or other individuals who are the subject of or benefit from the recorded documents shall be required to prepay or reimburse the City for all costs associated with these recordings. This includes but is not limited to, the Madison County recording fees and any additional administrative costs incurred by the City in the process of recording the document.
- D. Failure to reimburse the City for the costs of recording as outlined in this section may result in the withholding of final approvals, permits, or other authorizations until such time as the fees are fully reimbursed.
- E. The City reserves the right to take additional legal action to recover unpaid recording fees, including the imposition of liens or other legal remedies as deemed appropriate by the city attorney.

SECTION 7: ADOPTION “9-1-9-6 OPTION TO ENGAGE OWN PROFESSIONAL SERVICE PROVIDERS” of the Sugar City Municipal Code is hereby *added* as follows:

BEFORE ADOPTION

9-1-9-6 OPTION TO ENGAGE OWN PROFESSIONAL SERVICE PROVIDERS (Non-existent)

AFTER ADOPTION

9-1-9-6 OPTION TO ENGAGE OWN PROFESSIONAL SERVICE PROVIDERS(*Added*)

- A. Any individual, developer, or applicant may choose to engage their own professional service providers for services such as engineering, legal counsel, or any other professional services required by this ordinance, rather than utilizing the City's designated professionals.
- B. In such cases, all work products, including but not limited to plans, documents, reports, and legal agreements, generated by these external professional service providers shall be subject to review and approval by the City's designated engineer and attorney or other professional engaged by the City.
- C. This review is to ensure that all work products comply with the City's standards, regulations, and any other applicable laws or guidelines. Failure to meet these

standards may result in the withholding of permits, approvals, or any other authorizations until such time as the work products are brought into compliance.

- D. The City reserves the right to charge a review fee for the time and resources spent by the City's designated engineer and attorney in reviewing and approving these externally generated work products. This fee shall be in addition to any other fees or costs outlined in this ordinance.

SECTION 8: ADOPTION “9-1-9-7 VIOLATIONS - PENALTIES” of the Sugar City Municipal Code is hereby *added* as follows:

BEFORE ADOPTION

9-1-9-7 VIOLATIONS - PENALTIES (Non-existent)

AFTER ADOPTION

9-1-9-7 VIOLATIONS - PENALTIES(*Added*)

- A. Any person violating or failing to comply with any of the provisions of this chapter, or fails to adhere to the conditions of the Sections of this ordinance, or fails to comply with its permit as specified by this ordinance shall be guilty of a misdemeanor and shall be punished by a fine of not more than One Thousand Dollars (\$1,000.00) or imprisoned in the county jail for not more than six (6) months, or both fine and imprisonment. A violation of this Chapter shall be deemed a misdemeanor punishable as provided in section 1-4-1 of this Sugar City Code.
- B. Civil Penalty - Additionally, any individual violating this chapter may be required to pay any costs, including attorney fees, associated with the City having to take any corrective action that is a result of the violation, with costs of such action being charged against the violator and due and owing to Sugar City.
- C. These costs shall be calculated using the current rates utilized by Sugar City Public Works Department, or current private contractor competitive rates.

PASSED AND ADOPTED BY THE SUGAR CITY COUNCIL FEBRUARY 08, 2024.

	AYE	NAY	ABSENT	ABSTAIN
Councilmember Joy M Ball	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
Councilmember Catherine Nielsen	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
Councilmember Glenn Dayley	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
Councilmember Carter Stanford	<u> X </u>	<u> </u>	<u> </u>	<u> </u>

Attest

Presiding Officer

Steven Adams, Mayor, Sugar City

Wendy McLaughlin

Wendy McLaughlin, City Clerk, Sugar
City

