

TO: MAYOR AND CITY COUNCIL
Robert G. Wells
THROUGH: ROBERT G. WELLS, CITY MANAGER
FROM: TONY MOUNTS, ADMINISTRATIVE SERVICES DIRECTOR *Tony Mounts*
SUBJECT: SETTING FEES FOR PROVIDING LIEN DOCKET
INFORMATION AND DOCUMENTATION

ISSUE:

Shall the City Council adopt Resolution No. 2007-69 increasing fees and charges associated with providing lien docket information and documentation from 12.00 to \$20.00 for per parcel per day search fees and from 48.00 to \$55.00 per hour for additional research requested.

RECOMMENDATION:

That Council adopt Resolution No. 2007-69 increasing fees and charges associated with providing lien docket information and documentation from 12.00 to \$20.00 for per parcel per day search fees and from 48.00 to \$55.00 per hour for additional research requested.

BACKGROUND:

The City maintains lien records pursuant to Salem Revised Code (SRC) 21.060 and Oregon Revised Statute (ORS) 223.230. Lien record data provided to others are public records and under ORS 192.440, a city may establish fees reasonably calculated for reimbursement of actual costs in making such records available, including costs for summarizing, compiling or tailoring such record, either in organization or media, to meet the request.

In 2002, the method of providing lien docket information/documentation changed significantly with the dissolution of the Marion/Salem Data Center. In order to effectively and efficiently provide this information, the City entered into a contract with Net Assets to provide this information electronically on an internet web site. The fees established at that time were developed based on best estimates. The costs of providing this data has recently been reassessed and resulted in this proposal to increase the fee for manual searches and additional research.

FACTS AND FINDINGS:

The City places liens on property as security for Community Development Loans, Bancroft of System Development Charges (SDC), and/or assessments associated with streets, utilities, or abatements. The City has approximately 1,423 liens on properties totaling \$22.8 million, with some properties having multiple liens.

The request for lien information and documentation primarily comes from title companies in the process of title searches for properties that are transferring ownership. The City offers customers the option of requesting information through the internet or by phone/mail/fax. The internet based option is provided through a contract with Net Assets and instantly provides users with all lien details, calculates payoff amounts based on timing of settlement, and is available on a 24/7 basis. The phone, mail, or fax request option requires staff to manually provide requested data,

which may take up to 5 working days to process, depending on staff resources and work loads (usually resulting in overtime). In addition staff occasionally conducts additional research or tasks related to lien search. This includes but is not limited to preparing correspondence related to the payoff and researching and processing reconveyances that may not have been previously processed.

The fee applicable to the internet based option is currently \$20 per parcel per search per day and is not proposed to change. The fee is sufficient to cover the cost of internet access (Net Assets – contract provider) and the direct/indirect cost applicable to supporting, compiling, and transmitting the data daily/weekly to the vendor in the required format.

The fee applicable to requests manually processed by the City is currently \$12 per parcel per search, per day and is proposed to increase to \$20. The fee calculation is illustrated below and is reflective of: a new study of the processing time for a single request; inflation since 2002 (primarily retirement and medical); and, increase in overhead rates derived from the 2007-08 Indirect Cost Allocation Plan (ICAP). The review has also prompted the need to update our hourly charge for additional research from \$48.00 per hour to \$55.00 per hour.

Staff's hourly rate (with fringes and benefits)	\$37.75
City Wide and Department Overhead Rate	<u>\$15.21</u>
Total Hourly Direct & Indirect Labor Costs	<u>\$52.96</u>
Labor cost per single request (20 Minutes)	\$17.65
Supply costs (Copies/Fax/Mail)	\$ 2.00
Total costs per single request (Rounded up)	<u>\$20.00</u>

A recent survey of fees charged for lien information and documentation by other jurisdiction is illustrated below:

Fees:	Lien Search Electronic	Lien Search Manual
City of Portland:	\$20.00	
City of Beaverton:	\$25.00	
City of Hillsboro:	\$25.00	N/A
City of Corvallis:	\$25.00	N/A
City of Tigard:	\$35.00	N/A
City of Albany:	\$25.00	N/A
City of Lake Oswego:	\$58.00	\$58.00
City of Keizer:	\$22.00	N/A
City of Dallas:	\$35.00	N/A
City of Lebanon:	\$25.00	N/A
City of Silverton:	\$35.00	N/A
City of Independence:	\$25.00	N/A
City of Monmouth:	\$25.00	N/A
City of Eugene:	RLID - Subscription Fee - All of Lane County	

Prepared By: Jon Ellis
Assistant Finance Director

RESOLUTION NO. 2007-69

A RESOLUTION OF THE CITY OF SALEM SETTING FEES FOR PROVIDING LIEN DOCKET INFORMATION AND DOCUMENTATION

Whereas, pursuant to SRC 21.060 and ORS 223.230 the City maintains lien records; and

Whereas, pursuant to ORS 192.440 (3) a public body may establish fees reasonably calculated to reimburse it for its actual costs in making such records available including costs for summarizing, compiling or tailoring such record, either in organization or media, to meet the person's request; and

Whereas, the administrative fee for providing lien docket information and documentation is set forth in Resolution No. 2002-111; and

Whereas, it is necessary to increase the administrative fee for the City to recover the actual administrative costs and expenses incurred by the City for providing lien docket information and documentation;

NOW, THEREFORE, THE CITY OF SALEM RESOLVES AS FOLLOWS:

Section 1. There are hereby established and there shall be collected, fees and charges as set forth in Exhibit A, attached hereto, and incorporated herein by reference.

Section 2. This resolution rescinds Resolution No. 2002-111 and any other previous resolution enacting fees and charges of the type set forth herein.

Section 3. This resolution is effective upon adoption.

ADOPTED by the Council this ____ day of August, 2007.

ATTEST:

City Recorder


Approved by City Attorney: 

EXHIBIT A

<u>Type of Service</u>	<u>Fee Amount</u>
Internet Access:	\$20.00 per parcel per search per day
Phone / Mail:	\$20.00 per parcel per search per day
Additional research requested:	\$55.00 per hour Charged in 15 minute increments