



## Legislation Details (With Text)

**File #:** 16-135      **Version:** 1      **Name:** Amend Master Fee Schedule FY 2016-17  
**Type:** Staff Report      **Status:** Filed  
**In control:** City Council  
**On agenda:** 5/2/2016      **Final action:** 5/2/2016  
**Enactment date:**      **Enactment #:**  
**Title:** Staff Report for Resolution Approving Adjustments to City Fees and Service Charges for 2016-17  
**Sponsors:** David Baum  
Finance Director  
**Indexes:**  
**Code sections:**  
**Attachments:** 1. PowerPoint

Date	Ver.	Action By	Action	Result
5/2/2016	1	City Council	Received and Filed	

Staff Report for Resolution Approving Adjustments to City Fees and Service Charges for 2016-17

### SUMMARY AND RECOMMENDATIONS

Staff recommends the City Council approve the proposed adjustments to City user fees and service charges in the Master Fee Schedule for 2016-17. This resolution is being presented to the City Council for approval as part of the 2016-17 budget update approval process.

### BACKGROUND

The City conducts a review of all user fees and service charges as part of its annual budget preparation process. City user fees and service charges are based on a variety of criteria including comparable fee levels in surrounding cities; changes in the local Consumer Price Index (CPI); and the cost to provide the associated service. If approved and adopted by the City Council, the following proposed adjustments to the City's user fees and service charges would be effective July 1, 2016.

The Master Fee Schedule is a compilation of City Council approved fees for special services requested by some residents and businesses in the community. Local agencies are allowed to set fees at rates that obtain fair and reasonable recovery of the costs incurred by the General Fund in providing a special service, thereby minimizing or eliminating the use of limited General Fund revenues. Historically, the City has strived to maximize cost recovery through setting fees at levels appropriate given escalating costs of doing business and market comparisons.

Full cost recovery is a policy direction by the City Council and the fee schedule that maximizes cost recovery opportunities through appropriate fee revenues is a critical component of the City's on-going financial stability. In the 2016-17 General Fund Budget, the proposed estimated department revenues total \$6,777,000, or approximately 7% of the General Fund operating revenues. Modifications to the City's fee schedule to remain up-to-date with escalating operating costs are

generally completed on an annual basis.

Attached to the resolution accompanying this report is the *City of San Leandro Fee Schedule* that provides detail of current fees and adjustments, as well as the addition of 10 new fees:

- one each in Community Development Building, Community Development Planning, Engineering and Transportation, and Fire Department,
- two in Public Works, and
- four in Recreation and Human Services

These new fees are shown in ***bold and italics***. The proposed charges are in the right hand column and are printed in ***bold and italics***.

The following summarizes departmental changes to the fee schedule for 2016-17:

#### City Wide

- Legal services for paralegal time increased

#### Community Development

- Building Regulations:
  - most fees are increased by the 2.6% CPI
  - minimal description changes
  - new fee for Non-residential re-roof
- Planning:
  - fees increased by the 2.6% CPI
  - minor description changes
  - Clarification of referral to BZA fee

#### Engineering & Transportation

- Park facilities development impact fees increased based on the Engineering News Record (ENR) construction cost index
- Overhead utility conversion increased by ENR for underground utilities factor
- Traffic division adjusted by ENR DFSI escalation factor
- New traffic calming service fee

#### Finance - no changes

Fire - increased fees by 2.6% CPI and changed Hazardous Materials Response and Other Incident Fees to coincide with Alameda County fees

#### Library - no changes

#### Police - no changes

#### Public Works

- Four Equipment Rental fees changed
- Two new fees associated with Solid Waste and Recycling Receptacles

- Marina fees - Berth rentals are increased by 2.6% as allowed by the Department of Boating and Waterways loan agreement, Article VI, section 5 (C)
- Environmental Services - most fees increased by the 2.6% CPI
- Wastewater Discharge Service fees - increased by 2.6% CPI and reclassified the Grease Disposal and Treatment fee to this category

Recreation and Human Services

- New Overtime fee for facility rentals
- New fees for Siempre Verde Park
- New fees for Overcapacity, Inflatable and Cancellation for Park rentals
- Modified text for Field Rentals

Fiscal Impacts

Staff estimates that the proposed fees will generate \$105,000 in additional General Fund revenue and \$215,000 in additional Enterprise Fund revenue.

General Fund Fees:	<u>Revenues</u>
Community Development/Building	\$ 100,000
Engineering & Transportation	<u>5,000</u>
Total General Fund	<u>\$ 105,000</u>

Enterprise Fund Fees:	
Sewer Service Rates	\$ 200,000
Storm Water Fees	<u>15,000</u>
Total Enterprise Fund	<u>\$ 215,000</u>

**ATTACHMENT**

Attachment to Resolution

- 2016-17 Proposed Fee Schedule

**PREPARED BY:** David Baum, Finance Director, Finance Department