



## Legislation Details (With Text)

<b>File #:</b>	24-194	<b>Version:</b>	1	<b>Name:</b>	FY25 Master Fee Schedule Adjustment for Waste Water Fees
<b>Type:</b>	Staff Report	<b>Status:</b>	Filed	<b>In control:</b>	City Council
<b>On agenda:</b>	5/20/2024	<b>Final action:</b>	5/20/2024	<b>Enactment #:</b>	Reso 2024-045
<b>Enactment date:</b>					
<b>Title:</b>	Adopt a Resolution to Approve an Amendment to City Master Fee Schedule Related to Waste Water Discharge Fees for Fiscal Year 2024-2025				
<b>Sponsors:</b>	T. Michael Yuen				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. A - Resolution Amending Master Fee Schedule 2024-25, 2. B - San Leandro 2024-25 Proposed Master Fee Schedule -Abbreviated, 3. C - Presentation - FY 2024-25 Master Fee Schedule Update for Waste Water Discharge Fee				

Date	Ver.	Action By	Action	Result
5/20/2024	1	City Council	Approved	Pass

Adopt a Resolution to Approve an Amendment to City Master Fee Schedule Related to Waste Water Discharge Fees for Fiscal Year 2024-2025

### CITY COUNCIL PRIORITY

- Fiscal Sustainability and Transparency

### SUMMARY

Amendment to City Master Fee Schedule related to Waste Water Discharge Fees for Fiscal Year 2024-2025

### RECOMMENDATION

Staff recommends the City Council approve resolution amending the Master Fee Schedule related to Waste Water Discharge monthly user charges for 2024-2025.

### BACKGROUND

The Master Fee Schedule is a compilation of City Council approved fees for services provided to residents and businesses in the community. Historically, the City strives to balance maximizing cost recovery, with reasonable fees encouraging growth and stability in the local residential and commercial economy.

Full cost recovery for certain services is policy-directed by the City Council. Fees maximizing cost recovery opportunities through appropriate fee revenues is a critical component of the City's on-going financial stability. Monthly user charges for Waste Water discharge were determined in the 2019-2020 Proposition 218 fee study.

All other fees are part of a larger effort by the City to achieve a long-term and sustainable budget by

enhancing revenues. The City Council authorized the City Manager to contract with NBS Government Finance Group to prepare a User Fee Study and Development Impact Fee Study. The User Fee Study is nearing completion and will be presented to the City Council this year. The Development Impact Fee Study will commence upon the completion of the User Fee Study.

## **Analysis**

The proposed adjustments to the City's Waste Water Discharge monthly user charges will be effective July 1, 2024. These certain fees are presented for consideration in advance of the completion of the User Fee Study and Development Impact Fee Study because the adjustments are accordance with an earlier fee study and the timing requirement for collection on Alameda County property tax bills.

Attached is the section of the 2024-2025 Proposed Master Fee Schedule providing details of the current fees and proposed changes. The following summarizes the one area of change to the Master Fee Schedule:

### **WATER POLLUTION CONTROL-Wastewater**

- *Wastewater* Monthly User Charges (for Classification A, B, and C Users and Loading Charges and Connection Fees for dwelling units increased by 9% to meet increased staffing and capital costs, this is below the level authorized in the 2019-2020 Proposition 218 Fee Study.

## **Fiscal Impacts**

There is no General Fund impact from the proposed increase in Waste Water Discharge fees. The proposed change to the monthly user charge affects the Wastewater Enterprise Fund and the revenue estimate relies on assumptions related to the demand for fee-based services. Staff estimates an increase in service charge revenue of \$1,500,000.

## **REVIEW BY FINANCE COMMITTEE**

The amendment to the Master Fee Schedule related to Waste Water Discharge monthly user charges for 2024-2025 was reviewed by the Finance Committee on April 24, 2024. The Finance Committee unanimously recommended the resolution be moved to the City Council for approval.

## **ATTACHMENT**

- **Attachment A:** City of San Leandro 2024-2025 Proposed Master Fee Schedule (abbreviated)
- **Attachment B:** Presentation - FY 2024-2025 Master Fee Schedule Update for Waste Water Discharge Fee

## **PREPARED BY**

T. Michael Yuen, Finance Director