



Agenda Submittal

Agenda #: 20 **Status:** Regular Calendar
Type: Resolution **Department:** County Administrator
File #: 18-276 **Contact:** Magen Yambao, 784-1969
Agenda date: 4/24/2018 **Final action:** 4/24/2018
Title: Conduct a Public Hearing on the proposed new and revised user fee schedules; Authorize Resource Management's Parks and Recreation to add fee exemption periods to reflect fee waivers; and Adopt fee schedules by separate resolutions amending the exhibits to Chapters 2.4 and 11 of the Solano County Code, modifying and establishing various fees, effective July 1, 2018 for various departments
Governing body: Board of Supervisors
District: All
Attachments: 1. A - Summary of Proposed FY201819 Fee Changes by Department, 2. B - FY1819 Resolutions and Exhibits, 3. C - Notice of Public Hearing, 4. Adopted Resolutions and Exhibits, 5. Minute Order

Date	Ver.	Action By	Action	Result
4/24/2018	1	Board of Supervisors	Adopted	

Published Notice Required? Yes X No
Public Hearing Required? Yes X No

DEPARTMENTAL RECOMMENDATION:

The County Administrator recommends that the Board of Supervisors:

1) Conduct a Public Hearing on the proposed new and revised user fee schedules and consider adoption of fee schedules by separate resolutions amending Chapters 2.4 and 11 of the Solano County Code, modifying and establishing various fees:

- Exhibit I - Agricultural Commissioner / Sealer of Weights and Measures
- Exhibit II - Assessor/Recorder
- Exhibit III-A - Resource Management - Environmental Health Division
- Exhibit III-B - Resource Management - Planning Division
- Exhibit III-C - Resource Management - Building and Safety Division
- Exhibit III-D - Resource Management - Administration Services
- Exhibit III-E - Resource Management - Public Works, Engineering, Surveyor
- Exhibit IV - Public Guardian (H&SS - Adult Protective Services section)
- Exhibit V - Tax Collector/County Clerk
- Exhibit VI - Auditor/Controller
- Exhibit VII - Registrar of Voters
- Exhibit VIII - Clerk of the Board
- Exhibit IX - County Counsel
- Exhibit XI - Health and Social Services
- Exhibit XIII - Sheriff/Coroner
- Exhibit XIV - Probation Department

- Exhibit XVI - Parks and Recreation
- Exhibit XVII - Sheriff - Animal Care and Control
- Exhibit XX - Nut Tree Airport

2.) Authorize Resource Management's Parks and Recreation to add fee exemption periods to reflect fee waivers.

3.) After closing the noticed/published hearing, adopt the 15 attached fee resolutions amending the Solano County Code, modifying and establishing various fees for the departments listed above and authorizing the enactment of fees by resolution, effective July 1, 2018 for all the listed departments.

SUMMARY:

This is the annual submission of updates and revisions to the countywide user fee schedules. The County Administrator's Office facilitates and supports County departments in the update of their fees on an annual basis. Fourteen established fee exhibits included in Chapter 11 of the Solano County Code are being revised to reflect updated salary/benefit costs and programmatic changes. In addition, the Nut Tree Airport fee exhibit (Exhibit XX) included in Chapter 2.4 of the Solano County Code is also proposed to be revised to reflect fees that are tied to the Consumer Price Index, comparable market rates and new development application fees.

Since 1992, the Board has supported the need to recover 100% of the costs associated with a service provided by the County to members of the public when allowed by law. For FY2018/19, the majority of the fees are recommended to remain unchanged; however, there are a number of fees for which the recommendation is to adjust the fee. Most of the adjustments are due to changes in the respective department's productive hourly rate to provide a service, and depending on the specific department, may have increased or decreased due to staffing levels and operational costs. And in many cases, the public may obtain the service online at no cost.

The fee schedules also contain fee adjustments based on federal and state mandates that are set by statute, which is noted on the fee schedules.

Each department has provided a summary of proposed fee revisions, including new fees, and an explanation for the fee revisions which are included in Attachment A. If all proposed fee charges are approved by the Board, there would be a net increase of approximately \$407,629 in fee revenues collected in FY2018/19. Resolutions for adopting the revised Fee Schedules include the corresponding listing of all provided fee exhibits (Attachment B). Subject to Board adoption of the department fee resolutions, the new and revised fees will be effective July 1, 2018.

FINANCIAL IMPACT:

The cost of preparing this report is borne in part by the departments who prepare and charge fees for services, and is covered within their existing budgets. This year's annual fee review and update reflects that several departments project fee adjustments, and therefore, adjustments in revenue should the Board adopt the resolutions.

The following departments anticipate additional FY2018/19 revenue should the Board adopt the fee resolutions: \$8,257 for Department of Agriculture/Weights and Measure, \$60,000 for Assessor/Recorder's Office, \$136,792 for Resource Management Environmental Health, \$22,455 for Resource Management's Planning Services, \$30,341 for Resource Management Building and Safety, \$42,354 for Public Work's Engineering Surveyor, \$40,000 for Treasurer-Tax Collector, \$21,000 for the Sheriff's Office, \$11,745 for Resource Management-Parks and Recreation, \$24,000 for Animal Care Services and \$10,685 for the Nut Tree Airport. Department not listed anticipates nominal increase in revenue, which is less than \$5,000. These fee adjustments will be reflected in the FY18/19 recommended budget.

DISCUSSION:

In 1992, the Board directed staff to hire a consultant to develop a user fee model and a countywide standardized cost methodology, and the establishment of user fees for chargeable services. Using the cost documentation compiled by the consultant, staff began the implementation of fees for provided County services based on 100% cost recovery.

Since 1992, Solano County departments have used this standardized cost methodology for calculating countywide user fees. Annually, fees are reviewed and charges recommended which adhere to the Board of Supervisors' policy to recover 100% of the costs associated with the services provided by the County to members of the public when allowed by law. The basic fee methodology is as follows:

Direct Costs + Indirect Costs = Total Cost of Services

While there are exceptions to the above policy each department's goal is to have 100% cost recovery whenever possible. Between 2009 and 2014, during the economic downturn, departmental review of the fees focused on minimizing the impact to the community in an effort to encourage economic recovery and to minimize cost burdens to the public. Departments remain aware of the need to balance between recovering costs through fees versus minimizing cost burdens to the public from fees and the associated suppression of economic activity. Recognizing that need for balance, some of the fees do not reflect an increase or decrease, but reflect a narrower gap between actual cost to provide service and the recommended fee amount.

Departments also review market factors which would show a decline in demand if the costs of the fees were increased beyond what the market would allow, i.e. park reservations, agriculture, animal care and health and social services.

The Auditor-Controller's Office has reviewed the application of the standard fee methodology used by each department in the calculation of their productive hourly rates and indirect overhead rates, and concurred that the methodology used was sound for calculating their fees. The Auditor-Controller's staff did not review any of the statutory fees as they are federal or state mandated and set by the statute or law. However, the County Counsel reviewed the fee authority as noted on the fee schedules under the Fee Authority column.

Other departments refined their calculations to more accurately reflect the cost of providing the service. Several fees have been recommended to be eliminated and new fees are proposed to be established. Most of the adjustments are due to changes in the respective department's productive hourly rate and largely attributed to wage and benefit increases and retirement cost increases. Depending on the specific department, fees may have increased or decreased due to staffing levels and operational costs. Check marks in the New Fee or Revised Fee columns of each department's Fee Exhibit (Attachment B), reflects changes to current approved fees (addition of new fees, increases/decreases, deletions, consolidations, etc.).

The majority of the departmental fees remain unchanged with the exception of the Department of Health and Social Services (H&SS). The majority of H&SS fees are based on similar provider fees in the market and are dependent on federal and state reimbursement. Payments received from these programs are subject to audits that could result in cost settlement. Patients are charged on a sliding fee discount scale to ensure income or lack of insurance is not a barrier in acquiring the services needed.

A summary of the proposed FY2018/19 fee changes, including new fees, are listed by department in Attachment A.

The Resource Management Parks and Recreation is requesting the Board to authorize the department to add fee exemption for Auto Parking fees for the Kite Festival and Kids Fest occurring one day annually in May at Lynch Canyon Park.

There are minor adjustments that explain discrepancies between what are being recommended for approval versus what was noticed (Attachment C) resulting from changes made after the notices on April 12 and 18, 2018.

- The Department of Child Support Services previously recommended an increase of \$10 for the annual fee for custodial party based on 2018 federal spending bill raising the annual child support fee from \$25 to \$35. The provision which goes into effect October 1, 2018 requires the State of California to make modifications to the legislation prior to implementation. The State has not implemented the necessary change, the fee increase will be delayed pending action by the State legislation. The fee Exhibit XIX is not included in the attachment because there is no change from prior year.
- The Department of Agriculture/Weights and Measures, Registrar of Voters and Clerk of the Board recommend deleting the Research Fees, with concurrence from County Counsel, as the service request may be considered a public records act request pursuant to GC §6253. The fee Exhibits for each department that pertain to the fees are marked for deletion.
- The Sheriff's Office is also deleting the previously noticed fees for the Background Investigation - Failed and the reported new fee for Level 1.1 Background Investigation because these services are not available to public. The fee Exhibit XIII pertaining to the fees are marked for deletion.

ALTERNATIVES:

- a) The Board may choose to not approve any of the new fees or proposed fee increases. This alternative is not recommended. While it may result in the nominal loss of revenues for most departments; if the Department of Agriculture, Assessor/Recorder, Resource Management, Tax Collector/County Clerk, Auditor-Controller, Registrar of Voters, Clerk of the Board, County Counsel, Sheriff's Office and Animal Care proposed fees are not adopted, there may be an increased cost to the General Fund.
- b) The Board may choose to not approve any proposed fee decreases. This alternative is not recommended as it would result in the collection of fees in excess of cost.
- c) The Board may choose to approve fee schedules and resolutions by individual departments and directing or specifying modifications to the proposed adjustments to fees. If the Board chooses not to approve proposed fee revisions and additions, there may be an impact to revenue for any affected department and staff has provided initial estimates for projected revenues.