



Legislation Text

File #: 2017-496, Version: 1

Report to Mayor and City Council

Tuesday, June 20, 2017
Special Orders of the Day

SUBJECT:

**PUBLIC HEARING TO CONSIDER RESOLUTION NO. 17-069 AMENDING THE
UNIFORM COMPREHENSIVE SCHEDULE OF FEES (CITY COUNCIL)**

I. SUMMARY

The purpose of the public hearing is to take public testimony before considering several modifications to the City's fees; including the Lobbyist Registration fee, various facility and equipment rental fees, recreation fees, and human services fees. If the City Council adopts the proposed resolution, the City may receive additional revenue of about \$500,000 for FY17-18.

II. RECOMMENDATION

1. OPEN the Public Hearing, TAKE public testimony, and CLOSE the Public Hearing.
2. ADOPT Resolution No. 17-069, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, ESTABLISHING A UNIFORM COMPREHENSIVE SCHEDULE OF FEES AND REPEALING RESOLUTION NO. 17-001.

III. ALTERNATIVES

TAKE another action deemed appropriate by City Council.

IV. BACKGROUND

Public Notification

On June 6, more than 14 days prior to the public hearing, a notice was emailed to all interested parties who have filed a written request with the City to be notified of new or increased fees.

Notice of the public hearing was published in *Our Weekly* on June 8, more than 10-days prior to the public hearing.

Overview

The Uniform Schedule of Fees was last updated with the adoption of Resolution No. 17-001; following a public hearing on February 7, 2017.

The City charges two types of fees: those for service provided directly to one customer, and those for use of the City's property. State law does not limit what the City can charge for use of its property (e.g. facility rentals). The only limit is what the market will bear. However, state law does limit service fees to cost recovery only. In other words, the City cannot charge more than its cost to provide a specific service.

The method for calculating such fees is: staff time multiplied by the Fully-Burdened Hourly Rate (FBR). The FBR includes wages, benefits and allocated overhead. To determine the FBR, a cost-based fee study is done to allocate overhead to each employee. Overhead includes supervision, building maintenance, computer equipment and other supplies, liability insurance, record-keeping, legal advice, and many other costs. It is a complex calculation performed by a specialized consultant, and typically takes a year or more to complete. The City needs a cost-based fee study to comprehensively update its fees. However, staff continues to recommend postponing a fee study until the Tyler Munis ERP system implementation has been completed. Many of the City's business practices are expected to change during the implementation; which will impact calculation of each FBR, in some cases significantly. In the meantime, simple fee calculations can be done to recover employee wages, benefits and other direct costs to provide the service.

The recommended fee updates presented with this report include both property use fees and service fees, many of which have a property use component. All proposed service fees are significantly less than the City's calculated cost.

During the FY17-18 budget process, the City Council Budget Subcommittee (Mayor Pro Tem Davis-Holmes and Councilmember Hicks) reviewed various fee proposals. Recommendations made to the City Council on June 6, 2017 received initial support from the City Council. The purpose of this agenda item is to conduct a public hearing, take public testimony, and consider formal adoption of the recommendations. If the City Council adopts the proposed resolution, the new fees will be in effect Monday, August 21, 2017.

Lobbyist Registration Fee

Based upon Carson Municipal Code Chapter 3.5 (Ordinance 04-1306), the City charges Lobbyist Registration Fees. To centralize the public documentation of all fees, staff recommends adding the existing fees to the Uniform Schedule of Fees. The fee rate is \$220 for the initial application, \$50 annually, and \$10 for an amendment.

Facility and Equipment Use Fees

The proposed resolution would increase the following facility use fees.

- Increase all facility and equipment rental rates by 15%.
- Eliminate the resident discount for renting the Carson Community Center Halls A/B/C and the Carson-Dominguez room on Fridays, Saturdays, and Sundays only. Residents would be permitted to rent these rooms Friday through Sunday; but would be charged the regular full rate.
- Establish a 10% surcharge on all facility rentals. The revenue would be dedicated to facility repairs and maintenance.

Recreation Fees

The proposed resolution would increase the follow Recreation fees.

- All Veterans Sports Complex fees by 20%.
- All adult sports fees by \$75.
- Non-resident youth sports fees by \$10.
- Summer Day Camp fees by:
 - \$10 for the 7am-9am group;
 - \$10 for the 9am-5pm group; and
 - \$5 for the 5pm-6pm group.
- All aquatics fees, except for Recreation Swim fees.
- The non-resident aquatics fees would be 50% more than resident aquatics fees.

Human Services Fees

The proposed resolution would establish a new non-resident fee of \$70 per month for use of the Joseph B. Jr. and Mary Anne O'Neal Stroke Center. All users would be invited to pay a voluntary annual \$30 registration fee.

V. FISCAL IMPACT

If the City Council adopts the proposed resolution, the fee changes will be in effect Monday, August 21, 2017; and the City may receive \$500,000 of additional revenue during FY17-18.

VI. EXHIBITS

1. Resolution No. 17-069, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, ESTABLISHING A UNIFORM COMPREHENSIVE SCHEDULE OF FEES AND REPEALING RESOLUTION NO. 17-001 (pages 5 - 26).
2. Proposed Fee Changes Spreadsheet (pages 27 - 39).

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