Meeting Date: **5/8/2014**

Report Type: Public Hearing

Report ID: 2014-00195

City of SACRAMENTO **07**

City Council Report
915 I Street, 1st Floor
www.CityofSacramento.org

Title: FY2014/15 Citywide Fees and Charges Update (Noticed 04/24/2014)

Location: Citywide

Recommendation: Conduct a public hearing and upon conclusion pass a Resolution 1) amending the City's Fee and Charge Policy; and 2) approving the Citywide Fee and Charge Adjustments.

Contact: Leyne Milstein, Finance Director, (916) 808-8491; Dawn Holm, Budget Manager, (916) 808-5574; Jason Bader, Principal Management Analyst, (916) 808-5817, Department of Finance

Presenter: Jason Bader, Principal Management Analyst, (916) 808-5817, Department of Finance

Department: Finance

Division: Budget Office

Dept ID: 06001411

Attachments:
1-Description/Analysis
2-Attachment 1 (Proposition 26)
3-Attachment 2 (Amended Fee Policy with Changes)
4-Attachment 3 (Resolution)
5-Exhibit A (Fee Policy)
6-Exhibit B (Fee and Charge Amendments)

City Attorney Review

Approved as to Form
Steve Itagaki
5/1/2014 10:36:35 AM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 4/30/2014 4:53:53 PM

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Description/Analysis

Issue Detail: On February 7, 2006 (Resolution 2006-106), the City Council formally adopted a citywide Fees and Charges Policy (Exhibit A). This policy ensures that City fees and charges reflect the Council's direction regarding recovery of costs related to providing programs and services.

Since the initial adoption of the Fees and Charges policy, the City has used the Employee Cost Index for State and Local Government Employees, Total Compensation as published by the Bureau of Labor Statistics for inflationary adjustments. Beginning in FY2014/15 the City will use the State of California Department of Industrial Relations Consumer Price Index (CPI) which is the same index used by the County Assessor to adjust the annual property tax roll for inflation. This change will align adjustments for inflation affecting the City's largest revenue source, property taxes, with the fees that are also indexed against inflation. The amended fees and charges policy is included as Exhibit A.

Changes to City fees and charges requiring Council approval are included in Exhibit B of the Resolution. The following chart summarizes new fees and significant changes to existing fees:

Department	Fee Name	Action	Amount	Description
Community Development	Expedited Plan Review	New	50% of the existing Plan Review fee in addition to the regular fee.	This is an optional fee for expedited plan review requests. The fee will cover the cost of providing and administering this service by Planning staff.
Convention and Culture Services	Equipment Rental Rates	Modified	Various	Most charges are increased by 10% and are all within industry standard cost ranges. Moveable Walls and Pallet Removal are increased, based on labor costs associated with performing such services and the cost of maintenance of the air walls. These are within industry standard charge rates.
General Services	Hazardous Material Disposal Rates	Modified	Various	These fees are paid by businesses that generate less than 220 lbs./month of hazardous waste, and only when they bring this waste to the City Permanent Household Hazardous Waste Collection Facility. Fees include both the direct disposal cost for these materials, as well as a $0.18/lb. labor charge.

Department	Fee Name	Action	Amount	Description
Parks and Recreation	High Demand Event Venue Fee	Modified	$400-$2,160 depending on anticipated attendance.	The fee will be assessed at high demand events in Cesar Chavez Plaza and William Land Park for park revitalization. The Parks and Recreation Commission voted to support this new fee.
Police	Academy Material Fees	Modified	Current fee or full cost recovery	Adjust the City's police/dispatch academy costs for training materials for students not associated with the City of Sacramento to assure full cost recovery.
Public Works	Various (Private Development Fund)	Various	Various	Update to reflect the new Planning and Development Code, remove obsolete fees, consolidated fees where appropriate to simplify, and increase initial deposits.
Utilities	Fire Hydrant Use Permit	Modified	Fee based on actual metered water usage.	Consistent with City Code Section 13.04.210 the current flat rate fee for use of a fire hydrant is being changed to reflect the actual cost of metered water usage.

Policy Considerations: The changes proposed are consistent with the Council's adopted Fees and Charges Policy and support the City's goals of budget sustainability and fiscal responsibility.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA) – Approval of fees and the maintenance of a website does not constitute a "project" and is therefore exempt from CEQA according to Section 15601(b) (3) of the CEQA guidelines.

Sustainability: There are no sustainability considerations applicable to the fees and charges included in this report.

Commission/Committee Action: The Parks and Recreation Commission voted to support the new high demand event venue fee on April 3, 2014.

Rationale for Recommendation: The annual review of citywide fees and charges helps to ensure that the City's recovery of costs for services provided keep pace with changes in the cost-of-living index, as well as changes in methods or levels of service delivery.

Financial Considerations: The review and adjustment of citywide cost recovery through fees and charges is an appropriate mechanism to offset City costs. In this case, it is important to note that the proposed fees and charges in this report are necessary to sustain existing revenue budgets and do not provide additional resources. The report is recommending 5 new fees, modifications to 38 existing fees and deletion of 10 fees for a total of 53 changes. These adjustments will generate approximately $25,000 of additional revenue for the General Fund and $50,000 for all other funds in FY2014/15.

Proposition 26 (Attachment 2) was passed by the voters on November 2, 2010, to amend Article XIII C of the state Constitution. According to the ballot measure, the intent of the measure is to ensure the effectiveness of Propositions 13 and 218 by providing a definition of a “tax” for state and local purposes “so that neither the Legislature nor local governments can circumvent these restrictions on increasing taxes by simply defining new or expanded taxes as ‘fees’." Thus, under Proposition 26 a tax has been defined very broadly to include any levy, charge, or exaction of any kind imposed by a local government, except for seven specified categories of charges. Moreover, the City bears the burden of proving that a fee or charge is not a tax. Toward this end, the report contains summary information, as appropriate, explaining why each proposed fee or fee increase is not a tax under Proposition 26.

Local Business Enterprise (LBE): None.

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Attachment 2

Proposition 26

Proposition 26, the "Stop Hidden Taxes Initiative," was passed by the voters on November 2, 2010, to amend Article XIII C of the State Constitution. According to the ballot measure, the intent of the measure is to ensure the effectiveness of Propositions 13 and 218 by providing a definition of a "tax" for state and local purposes "so that neither the Legislature nor local governments can circumvent these restrictions on increasing taxes by simply defining new or expanded taxes as 'fees'" Accordingly, under Proposition 26 a tax has been very broadly defined.

Tax Defined:
"Tax" now means "any levy, charge, or exaction of any kind imposed by a local government, except for the following seven categories of charges:

Exception 1 – Benefit Conferred or Privilege Granted
A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege
Examples:

- Residential parking permit fees
- Professional licenses
- Business improvement assessments

Exception 2 – Government Service or Product
A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product
Examples:

- User fees for park and recreation programs
- Weed abatement fees
- Sidewalk curb repairs

Exception 3 – Licenses and Permits
A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof
Examples:

- Building inspections
- Cardroom license
- Business licenses

Exception 4 – Use of City property
A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property

Examples:

- City-owned parking lots
- Swimming pools
- Convention Center rentals
- Golf green fees

Exception 5 – Fines and Penalties
A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law
Examples:

- City Code fines and penalties (e.g., 1.28.020)
- Parking fines

Exception 6 – Property Development Charges
A charge imposed as a condition of property development
Examples:

- Development impact fees

Exception 7 – Proposition 218 Fees
Assessments and property related fees imposed in accordance with the provisions of Proposition 218, Article XIII D
Examples:

- Utility fees for water, sewer, drainage, and solid waste
- Street lighting assessments

Burden of Proof:
The paragraph following the seven enumerated exceptions states:
"The <u>local government bears the burden of proving</u> by a preponderance of the evidence [1] that a levy, charge, or other exaction is not a tax, [2] that the amount is no more than necessary to cover the reasonable costs of the government activity, and [3] that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity." The latter two requirements only apply to the first three exceptions.

Thus, with the burden of proof now shifted to the City, that requires each department to take into consideration how it aims to prove that a proposed fee or fee increase is not a tax. The following analytical framework can assist in this regard.

Burden of Proof: A 3-step Analysis

1. The City must make a threshold determination whether one of the exceptions applies
   - If none apply, it is a tax subject to voter approval

2. If Exceptions 1, 2, or 3 apply, the City must also show that the fee revenue will not exceed the reasonable costs of providing the related governmental activity (at the aggregate level).

3. Finally, the City must show that the costs are fairly allocated to the individual payors.

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Attachment 2

CITY OF SACRAMENTO FEES AND CHARGES POLICY

The City of Sacramento has the ability to determine the extent to which fees should be used to fund City facilities, infrastructure and services.

There are five main categories of fees that the City currently implements[1]:

- ✓ **Impact/development fees** are typically one-time charges levied by the City against new development to generate revenue for the construction of infrastructure and capital facilities needed to offset the ~~impacts~~ **effects** of the new development.
- ✓ **Service fees** are charges imposed on persons or property that are designed to offset the cost of providing a government service. Sometimes these services are elective, such as fees for processing voluntary development permit applications, or providing service/recreation programs, while other service fees are not, such as mandatory service fees for trash or utility services. Such fees are typically reasonably related to the cost of providing the service for which the fee is imposed. Otherwise, the fee may constitute a special tax for which voter approval is required by Propositions 13, 62, and 218.
- ✓ **Regulatory fees** are imposed to offset the cost of a regulatory program, such as business regulatory fees, or to mitigate the past, present or future adverse impact of a fee payer's operations. While payment of a regulatory fee does not necessarily provide any direct benefit from payment of the fee, there must be a "nexus" between the activity and the adverse consequences addressed by the fee. Common examples of regulatory fees include inspection fees and business license fees designed to reimburse a local agency for the cost of monitoring the business and enforcing compliance with City code.
- ✓ **Rental fees** are charged for the rental of public property and include the rental of real property, parking spaces in a public parking lot, or the rental of community facilities such as a recreation or community room or picnic area. Rental fees are not subject to the general rule that the fee must bear a direct relationship to the reasonable cost of providing the service for which the fee is charged however, rental fees must be fair and reasonable.
- ✓ **Penalties/Fines** are payment required for non-compliance or failure to adhere to specific rules and/or requirements.

This document sets forth guidelines for:

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1 League of California Cities Website: Spring Meeting May 13-15, 1998Laurence S. Wiener, Esq.City Attorney of Beverly Hills and Westlake Village ***THE CITY ATTORNEY'S ROLE IN EVALUATING FEE STUDIES.***

- Establishing cost recovery goals;
- Determining the categories of cost recovery levels in which to categorize/organize fees;
- Methods for determining which category a fee falls under; and
- Establishment and modification of fees and charges.

A. Cost Recovery Goals

In setting user fees and cost recovery levels, the following factors will be considered[2]:

1) The amount of a fee should not exceed the overall cost of providing the facility, infrastructure or service for which the fee is imposed. In calculating that cost, direct and indirect costs may be included. That is:
   - Costs which are directly related to the provision of the service; and,
   - Support costs which are more general in nature but provide support for the provision of the service. For example, service fees can include reimbursement for the administrative costs of providing the service. Development fees can include the cost of administering the program to construct public facilities that are necessary to serve new development.
2) The method of assessing and collecting fees should be as simple as possible in order to reduce the administrative cost of collection.
3) Fees should be sensitive to the "market" for similar services.

In addition, in setting enterprise fund fees and cost recovery levels, the following factors will be considered:

4) The City will set fees and rates at levels which fully cover the total direct and indirect costs, including operations, capital outlay and debt service of the enterprise programs.
5) The City will review and adjust enterprise fees and rate structures as required to ensure that they remain appropriate and equitable.

B. Categories of Cost Recovery Levels in Which to Categorize/Organize Fees

There are five categories of cost recovery levels in which to classify fees:

1. **Enterprise**: Full direct and indirect cost recovery (100% of total costs) for enterprise services such as water, sewer and solid waste, as well as impact/development fees.
2. **High**: Full direct cost recovery (81-100% of total costs).

2 Government Finance Officers Association Website, Best Practices in Public Budgeting, City of San Luis Obispo: User Fee Cost Recovery Goals, 2005.

3. **Medium**: Recovery between 41-80% of direct costs.
4. **Low**: Recovery between 0-40% of direct costs.
5. **Other**: Fees based on market, geography, assessment, project specific, legal limits or specific Council policy.

The City may choose, for policy reasons, to set fees at less than full recovery. For example, fees based on market, geography, assessment, project specific, statutory/legal limits or specific Council policy. In some cases, the City will acknowledge that a subsidy is acceptable, or even necessary to ensure program access and viability.

C. Methods for Determining Which Category a Fee Falls Under

Implementation of higher cost recovery levels is appropriate under the following conditions (up to 100% of the cost of the service or program):

- The service is regulatory in nature (e.g. building permits, plan check fees);
- The service is similar to services provided through the private sector;
- Other private or public sector alternatives could or do exist for the delivery of the service;
- ~~The~~ **Over-**use of the service is specifically discouraged (e.g. police responses to disturbances or false alarms might fall into this category).
- Over-use of the service or facility is a specialized use that could be provided at a lower cost if not for specific nature or service (e.g. lighted fields).

Lower cost recovery levels are appropriate under the following conditions:

- There is no intended relationship between the amount paid and the benefit received. (It is likely that some recreation and human service programs fall into this category as it is expected that these programs will be subsidized by funds);
- Collecting fees is not cost-effective or will significantly ~~impacts~~ **effects** the accessibility to the service;
- The service is non-recurring, generally delivered on a peak demand or emergency basis, cannot be planned for and is not readily available from a private sector source (e.g. public safety services);
- Collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would not be readily detected by the City.

Other:

- Market pricing requires that there be a direct relationship between the amount paid and the level and cost of the service received or a direct relationship to actual prices being charged for the service in the current market.
- Legal specifications and/or limitations to the amount that is charged.

- Adopted Council Policy setting specific fee.

Factors to Consider
The extent to which the total cost of service should be recovered through fees depends upon the following factors:

✓ The nature of the facilities, infrastructure or services;
✓ The nature and extent of the benefit to the fee payer;
✓ The effect of pricing on the demand for services; and
✓ The feasibility of collection and recovery.

The chart below reflects these factors and the potential options for higher or lower cost recovery[3]:

	The Nature of the Facilities, Infrastructure or Services	**The Nature and Extent of the Benefit to The Fee Payers**	**Effect of Pricing on the Demand for Services**	**Feasibility of Collection and Recovery**
Higher Cost Recovery	In the case of fees for facilities, infrastructure and proprietary services[4], total cost recovery may be warranted.	When a particular facility or service results in substantial, immediate and direct benefit to fee payers, a higher percentage of the cost of providing the facility or service should be recovered by the fee.	Because the pricing of services can significantly affect demand, full cost recovery for services is more appropriate when the market for the services is strong and will support a high level of cost recovery.	In the case of impact fees, which can be collected at the time of issuance of a building permit, ease of collection is generally not a factor.
Lower Cost Recovery	In the case of governmental services[5], it may be appropriate for a substantial portion of the cost of such services to be borne by the City's taxpayers, rather than the individual users of such services.	When a particular facility or service benefits not only the fee payer but also a substantial segment of the community, lower cost recovery is warranted.	If high levels of cost recovery affect accessibility to or negatively ~~impact~~ **effect** the delivery of services to lower income groups, this should be considered based on the overall goals of the program being implemented.	Some fees may prove to be impractical for the City to utilize if they are too costly to administer.

3 Government Finance Officers Association Website, Best Practices in Public Budgeting, City of Fort Collins, CO: User Fee Policies, 2005.

4 Proprietary services are those which are provided for the benefit and enjoyment of the residents of the City

5 Governmental services are those which are provided by the City for the public good such as regulating land use, maintaining streets, and providing police and fire protection.

D. Establishment and Modification of Fees and Charges

Fees will be reviewed and updated on an ongoing basis as part of the annual budget process to ensure that they keep pace with changes in the cost-of-living as well as changes in methods or levels of service delivery. At the beginning of the budget process each department will submit a list of proposed adjustments to their section of the master fee schedule. Each service must be assigned a target cost recovery level as defined above.

Maintaining competitive status and comparability with other cities should be considered when determining new fee levels. Those fees that are proposed for adjustment should be benchmarked against neighboring jurisdiction fee schedules or appropriate service markets. The benchmark analysis should be taken into consideration when making final pricing decisions.

However, the City may choose, for policy reasons, to set fees at less than full recovery. (for example, fees based on market, geography, assessment, project specific, statutory/legal limits or specific Council policy). As stated above, in some cases, the City will acknowledge that a subsidy is acceptable, or even necessary to ensure program access and viability. Where appropriate, fees that have not been increased in some time should have increases phased in over several years to avoid 'sticker shock' increases.

If a particular fee is not adjusted in the budget process, to the extent feasible and/or appropriate, it should be increased ~~biannually~~ **biennially** by a CPI factor to keep pace with inflation. **Beginning in FY2014/15 the City will use the State of California Department of Industrial Relations Consumer Price Index (CPI) which is the same index used by the County Assessor to adjust the annual property tax roll for inflation.**

Biennially ~~Biannually~~, the Finance Department shall determine the percentage change in this index and apply the increase or decrease to the master fee schedule, rounding up to the nearest whole dollar. Certain fees are exempt from an index adjustment, such as fees set by the State of California, percentage-based fees or those that have been identified as inappropriate for indexed fee increases (e.g. feasibility or fees that are based on market for services). Exempt fees are noted in the master fee schedule. Council may consider fee issues outside of the annual budget process on a case-by-case basis.

The City should conduct a comprehensive cost of service analysis every five to seven years to ensure fees and charges are set appropriately. Generally, fees may be adjusted based on supplemental analysis whenever there have been significant changes in the method, level or cost of service delivery. For example, changes in processes and technology change the staff time required to provide services to the public. A cost of service study will identify and quantify these changes.

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Attachment 3

RESOLUTION NO. 2014-XXX

Adopted by the Sacramento City Council

May 8, 2014

APPROVING CITYWIDE FEE AND CHARGE ADJUSTMENTS

BACKGROUND:

A. On February 7, 2006, the City Council adopted the Citywide Fees and Charges policy (Resolution No. 2006-106).

B. The City has used the Employee Cost Index for State and Local Government Employees, Total Compensation as published by the Bureau of Labor Statistics for inflationary adjustments. Beginning in FY2014/15 the City will use the State of California Department of Industrial Relations Consumer Price Index (CPI) which is the same index used by the County Assessor to adjust the annual property tax roll for inflation. This change will align adjustments for inflation affecting the City's largest revenue source, property taxes, with the fees that are also indexed against inflation.

C. Implementation of the policy requires a necessary mechanism to ensure that the City's fees and charges reflect the City's current costs and that those fees and charges are reviewed on an annual basis by City Council. Staff has conducted the required annual review and recommends certain new fees and fee adjustments.

D. Proposed new fees, deleted fees, and fee adjustments are set forth in Exhibit A.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The fee and charge policy is approved as amended in Exhibit A.

Section 2. The fee and charge adjustments as set forth in Exhibit B are hereby approved.

Section 3. Exhibits A and B are part of this resolution.

Table of Contents:

Exhibit A – Amended Fee and Charge Policy
Exhibit B – FY2014/15 Adjustments to Fees and Charges

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Exhibit A

CITY OF SACRAMENTO FEES AND CHARGES POLICY

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C. Methods for Determining Which Category a Fee Falls Under

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- The service is regulatory in nature (e.g. building permits, plan check fees);
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Lower cost recovery levels are appropriate under the following conditions:

- There is no intended relationship between the amount paid and the benefit received. (It is likely that some recreation and human service programs fall into this category as it is expected that these programs will be subsidized by funds);
- Collecting fees is not cost-effective or will significantly effects the accessibility to the service;
- The service is non-recurring, generally delivered on a peak demand or emergency basis, cannot be planned for and is not readily available from a private sector source (e.g. public safety services);
- Collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would not be readily detected by the City.

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- Legal specifications and/or limitations to the amount that is charged.

- Adopted Council Policy setting specific fee.

Factors to Consider
The extent to which the total cost of service should be recovered through fees depends upon the following factors:

✓ The nature of the facilities, infrastructure or services;
✓ The nature and extent of the benefit to the fee payer;
✓ The effect of pricing on the demand for services; and
✓ The feasibility of collection and recovery.

The chart below reflects these factors and the potential options for higher or lower cost recovery[3]:

	The Nature of the Facilities, Infrastructure or Services	**The Nature and Extent of the Benefit to The Fee Payers**	**Effect of Pricing on the Demand for Services**	**Feasibility of Collection and Recovery**
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Lower Cost Recovery	In the case of governmental services[5], it may be appropriate for a substantial portion of the cost of such services to be borne by the City's taxpayers, rather than the individual users of such services.	When a particular facility or service benefits not only the fee payer but also a substantial segment of the community, lower cost recovery is warranted.	If high levels of cost recovery affect accessibility to or negatively effect the delivery of services to lower income groups, this should be considered based on the overall goals of the program being implemented.	Some fees may prove to be impractical for the City to utilize if they are too costly to administer.

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4 Proprietary services are those which are provided for the benefit and enjoyment of the residents of the City

5 Governmental services are those which are provided by the City for the public good such as regulating land use, maintaining streets, and providing police and fire protection.

D. Establishment and Modification of Fees and Charges

Fees will be reviewed and updated on an ongoing basis as part of the annual budget process to ensure that they keep pace with changes in the cost-of-living as well as changes in methods or levels of service delivery. At the beginning of the budget process each department will submit a list of proposed adjustments to their section of the master fee schedule. Each service must be assigned a target cost recovery level as defined above.

Maintaining competitive status and comparability with other cities should be considered when determining new fee levels. Those fees that are proposed for adjustment should be benchmarked against neighboring jurisdiction fee schedules or appropriate service markets. The benchmark analysis should be taken into consideration when making final pricing decisions.

However, the City may choose, for policy reasons, to set fees at less than full recovery. (for example, fees based on market, geography, assessment, project specific, statutory/legal limits or specific Council policy). As stated above, in some cases, the City will acknowledge that a subsidy is acceptable, or even necessary to ensure program access and viability. Where appropriate, fees that have not been increased in some time should have increases phased in over several years to avoid 'sticker shock' increases.

If a particular fee is not adjusted in the budget process, to the extent feasible and/or appropriate, it should be increased biennially by a CPI factor to keep pace with inflation. Beginning in FY2014/15 the City will use the State of California Department of Industrial Relations Consumer Price Index (CPI) which is the same index used by the County Assessor to adjust the annual property tax roll for inflation.

Biennially, the Finance Department shall determine the percentage change in this index and apply the increase or decrease to the master fee schedule, rounding up to the nearest whole dollar. Certain fees are exempt from an index adjustment, such as fees set by the State of California, percentage-based fees or those that have been identified as inappropriate for indexed fee increases (e.g. feasibility or fees that are based on market for services). Exempt fees are noted in the master fee schedule. Council may consider fee issues outside of the annual budget process on a case-by-case basis.

The City should conduct a comprehensive cost of service analysis every five to seven years to ensure fees and charges are set appropriately. Generally, fees may be adjusted based on supplemental analysis whenever there have been significant changes in the method, level or cost of service delivery. For example, changes in processes and technology change the staff time required to provide services to the public. A cost of service study will identify and quantify these changes.

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Exhibit B

FY2014/15 Citywide Fee and Charge Adjustments

Fee #	Department	Fund	Fee Name	Action	Current Fee	Proposed Fee	Justification	Proposition 26
1	Community Development	General	Expedited Plan Review Fee for Planning Entitlements	New	None	50% of the existing Planning Plan Review fee in addition to the regular Planning Plan Review fee.	This is an optional fee that is added when an applicant requests expedited review of planning entitlements. The fee covers overtime costs associated with expedited plan review. This fee is consistent with the Building Division's charges for this accelerated service. Customers using regular plan review will not pay this fee.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services.
2	Convention and Cultural Services	Community Center	Equipment Rental Rates	Fee Change	See Table	See Table	Most charges are increased by 10% and are within industry standard cost ranges. Moveable walls and pallet removal are increased at higher rates based on the labor costs associated with performing such services and the cost of maintenance of the air walls. These are also within industry standard charge rates.	This charge is not a tax under Proposition 26, as it falls under Exception 4, use of City property.

Equipment Rental Rates

Equipment	Current Fees	Proposed Fee
Cyber/Security Key Recore	$55.00 per room (1st room complimentary)	$60.00 per room (1st room complimentary)
Cyber/Security Keys	$11.00 per event (1st five keys complimentary; each additional incurs charge)	$15.00 per event (1st two keys complimentary; each additional incurs charge)
Flatbed Cart	$27.50 per hour	$30.00 per hour
Forklift	$88.00 per hour, with operator	$100 per hour, with operator
Man Lift	$93.50 per hour, with operator	$105 per hour, with operator
Moveable Air Walls Mtg. Rooms	$5.50 per panel	$11.00 per panel
Moveable Air Walls Exhibit/Ballroom	$10.00 per panel	$22.00 per panel
Pallet Removal	$11.00 per pallet	$25.00 per pallet
Pipe and Drape	$4.50 per foot, per day	$5.00 per foot, per day
Riser - Camera (4' x 4') heights 36", 48", or 54"	$27.50 per section, per day	$30.00 per section, per day
Staging Sections (4' x 8') heights 36", 48", or 54"	$27.50 per section, per day	$30.00 per section, per day
Staging Sections (6' x 8') heights 16", 24", or 32"	$27.50 per section, per day	$30.00 per section, per day
Conv. Center Attendant Labor	$40.00 per hour	$45.00 per hour

Fee #	Department	Fund	Fee Name	Action	Current Fee	Proposed Fee	Justification	Proposition 26
3	Convention and Cultural Services	Community Center	Chiavari Chair Rental	New	None	$4 per chair, per day	New specialty chair purchase requires new fee for requested use. Charge is necessary due to labor required to change out standard convention center chairs for Chiavari. Typically used for gala events and weddings.	This charge is not a tax under Proposition 26, as it falls under Exception 4, use of City property which is a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
4	Convention and Cultural Services	Community Center	Cyber/Security Key Lost or Damaged	New	None	$150	This fee is to recover the cost of replacing a lost or damaged key.	This charge is not a tax under Proposition 26, as it falls under Exception 4, use of City property which is a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
5	Convention and Cultural Services	Community Center	Memorial Auditorium (MA) Lighting Package	New	None	$500	This fee is to recover the cost of service associated with adjusting and utilizing production lights at MA, in addition to maintaining the equipment providing power for operation.	This charge is not a tax under Proposition 26, as it falls under Exception 4, use of City property which is a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
6	General Services	Solid Waste	Hazardous Material Disposal Rates	Fee Change	See Table	See Table	Each type must be disposed of or diverted using a specific process mandated by the State of California to prevent damage to the environment and minimize the amount of waste going to landfills. The fees listed cover the labor and disposal cost associated with each specific type of hazardous waste, including transportation to the final disposal or recycling facility.	This charge is not a tax under Proposition 26, as it falls under exception 2, a fee for government services. Each fee recovers the actual cost of and labor related to providing the service. No fee waivers are provided, and costs are allocated equally to anyone receiving this service.

Hazardous Material Disposal Rates

Material	Unit	Current Fee	Proposed Fee
Broken Fluorescent Lights	Pound	$1.75	$1.81
Compact/U-tube/Circular Fluorescent	Each	$0.59	$0.65
HID/Mercury/Metal Halide	Each	$1.56	$1.69
Straight Fluorescent Lights	Foot	$0.13	$0.14

Fee #	Department	Fund	Fee Name	Action	Current Fee	Proposed Fee	Justification	Proposition 26
7	Parks and Recreation	Recreation and Land Park	High Demand Event Venue Fee	Fee Change	$250 - $1,350	$400 - $2,160 depending on anticipated attendance	William Land Park and Chavez Plaza Park have been identified as high demand event venues with over 50 permitted events annually. A high demand event is an event with 200 or more people, or events of 50 or more people if event is open to the public, alcohol sales/consumption, and/or amplified sound is planned. The fee will be used for park revitalization to address the increased wear and tear from patrons, activities, and equipment in the park where the event was held.	This charge is not a tax under Proposition 26, as it falls under Exception 4 – Use of City property which is a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
8	Police	Externally Funded Programs	Police Academy Materials Fee	Fee Change	$1,984	$1,984 or full cost of materials	This fee is charged to cadets, not associated with the City of Sacramento, attending the Police Academy.	This fee is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services It is a fee imposed for a specific government service or product that is provided directly to the payer, and it does not exceed the reasonable cost to the City of providing the service or product to the payer.
9	Police	Externally Funded Programs	Dispatch Academy Materials Fee	Fee Change	$344	$344 or full cost of materials	This fee is charged to students, not associated with the City of Sacramento, attending the Dispatcher academy.	This fee is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. It is a fee imposed for a specific government service or product that is provided directly to the payer, and it does not exceed the reasonable cost to the City of providing the service or product to the payer.
10	Public Works	Private Development	Public Works Review for Conditional Use Permit for Drive-through *(Previously: Special Permit for Drive-Through Application)*	Name Change	$1,500 deposit; full cost recovery	No Change	Change fee name to reflect new nomenclature in Planning and Development Code.	This name change does not impose a new fee or increase an existing fee.
11	Public Works	Private Development	Public Works Review for Conditional Use Permit for Major Projects *(Previously: Major Projects Special Permit)*	Name Change	$1,500 deposit; full cost recovery	No Change	Change fee name to reflect new nomenclature in Planning and Development Code.	This name change does not impose a new fee or increase an existing fee.

Fee #	Department	Fund	Fee Name	Action	Current Fee	Proposed Fee	Justification	Proposition 26
12	Public Works	Private Development	Public Works Review – All Other Planning Entitlements *(Previously: Department of Transportation Review - All Other Planning Entitlements)*	Name Change	$500 deposit; full cost recovery	No Change	Change fee name to reflect revised department name.	This name change does not impose a new fee or increase an existing fee.
13	Public Works	Private Development	Vesting Tentative Maps	Delete	$950 deposit; full cost recovery.	n/a	Obsolete; already covered with Tentative Map Fee.	
14	Public Works	Private Development	Barricade Sign Use	Delete	$20 deposit; full cost recovery	n/a	Obsolete	
15	Public Works	Private Development	Encroachment Permit *(Previously: Encroachment/Excavation Permit)*	Name & Fee Change	$300 minimum; full cost recovery. Sometimes, the formula for Development Engineering plan check is used.	$300 is typically the minimum deposit. Deposit will be based on estimated hours/duration for project inspection. Full cost recovery.	Change description to clarify how proposed deposit is calculated.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. This fee recovers the City's reasonable cost of reviewing and inspecting encroachment permits. No fee waivers are provided, and costs are allocated equally to anyone receiving the service.
16	Public Works	Private Development	Map Review – Multiple Cycle Review	Delete	$300 each cycle after three cycles of review	n/a	Obsolete; final maps are reviewed and charged on a full cost recovery basis.	
17	Public Works	Private Development	Processing Public Easements *(Previously: Processing Easements within City Right-of-Way)*	Name & Fee Change	Full cost recovery; $100 deposit	Full cost recovery; $500 deposit	Increase initial deposit to be more predictable to avoid having large amounts due at end of project.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. This fee recovers the City's reasonable cost of processing requests for easements in the city right of way. No fee waivers are provided, and costs are allocated equally to anyone receiving the service.
18	Public Works	Private Development	Certificate of Correction	Fee Change	Full cost recovery; $250 deposit	Full cost recovery; $500 deposit	Increase initial deposit to be more predictable to avoid having large amounts due at end of project.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. This fee recovers the City's reasonable cost of processing certificates of correction. No fee waivers are provided, and costs are allocated equally to anyone receiving the service.

Fee #	Department	Fund	Fee Name	Action	Current Fee	Proposed Fee	Justification	Proposition 26
19	Public Works	Private Development	Certificate of Compliance – Lot Line Adjustments *(Previously: Certificate of Compliance - Lot Line Adjustments, 4 parcels)*	Name & Fee Change	$2,200	$2,200 or full cost recovery for projects greater than two acres.	Combine fee for all lot line adjustments to streamline process. Apply full cost recovery provision to large projects that require substantially more staff time.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. This fee recovers the City's reasonable cost of processing lot line adjustments. No fee waivers are provided, and costs are allocated equally to anyone receiving the service.
20	Public Works	Private Development	Certificate of Compliance – Lot Line Adjustments, 2 to 3 parcels	Delete	$2,000	n/a	Combine into one Lot Line Adjustment fee, above, to streamline fee for all lot line adjustments.	
21	Public Works	Private Development	Certificate of Compliance – Administrative/Waivers *(Certificate of Compliance - Administrative)*	Name & Fee Change	Full cost recovery; $250 deposit	Full cost recovery; $1,000 deposit	Increase initial deposit to be more predictable and eliminating large amounts due at the end of the project. Add final/parcel map waivers to description to clarify how to address these kinds of projects.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. This fee recovers the City's reasonable cost of processing certificates of compliance. No fee waivers are provided, and costs are allocated equally to anyone receiving the service.
22	Public Works	Private Development	Miscellaneous Activities Hourly Rate, Private Development Review, Assistance, and Research *(Previously: Miscellaneous Activities Hourly Rate, Private Development Review)*	Name & Fee Change	$140 hourly rate	$120 hourly rate	Apply average fee for counter staff.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. This fee recovers the City's reasonable cost of miscellaneous research requests. No fee waivers are provided, and costs are allocated equally to anyone receiving the service.
23	Public Works	Private Development	Assistance and Research	Delete	Actual cost; $20 minimum deposit.	n/a	Combine with Miscellaneous Activities Hourly Rate, Private Development Review, Assistance, and Research fee, above.	
24	Public Works	Private Development	City Cover, Water, Plan & Profile Sheet on computer disk	Delete	$10	n/a	Combine with Publications fee, below. Cover all publication costs based on actual costs. Provide electronic versions on web page.	
25	Public Works	Private Development	Administrative & Technical Manual for Grading and Erosion Control	Delete	$20	n/a	Combine with Publications fee, below. Cover all publication costs based on actual costs. Provide electronic versions on web page.	
26	Public Works	Private Development	Standard Specifications for Public Works Construction	Delete	$20	n/a	Combine with Publications fee, below. Cover all publication costs based on actual costs. Provide electronic versions on web page.	

Fee #	Department	Fund	Fee Name	Action	Current Fee	Proposed Fee	Justification	Proposition 26
27	Public Works	Private Development	Mylar Sheets	Delete	$2.50 each	n/a	Obsolete	
28	Public Works	Private Development	Design and Procedures Manual	Delete	$20	n/a	Combine with Publications fee, below. Cover all publication costs based on actual costs. Provide electronic versions on web page.	
29	Public Works	Private Development	Publications (Previously: New Publications Not Otherwise Listed)	Name Change	Actual Cost	No Change	Individual publication fees are being deleted and all publications are covered under this one fee. Change fee title to include all publications. Cover all publication costs based on actual costs.	This name change does not impose a new fee or increase an existing fee.
30	Utilities	Water	Fire Hydrant Use Permit *(Previously: Fire Hydrant Installation and Use Fee Limited Periodic Use – Service Charge)*	Name & Fee Change	Duration/Fee: 1-10 days = $37 11-30 days = $98 31-60 days = $189	Monthly metered water usage charge billed at the monthly metered water use rate and monthly basic service charge specified in current water rate schedule adopted by City Council. **NOTE:** Change will take effect 01/01/15.	City Code Section 13.04.210 provides that temporary water service shall be provided through a meter at current City charges. Because the current fee charges a flat fee for temporary water use from a fire hydrant, it does not comply with the City Code. This fee proposal adjusts the current fee for this service to comply with City Code Section 13.04.210. This fee is to recover cost of service associated with providing temporary water service from a fire hydrant.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. The fee recovers 100% of the Department's actual cost of providing the service. No fee waivers are provided, and costs are allocated equally to anyone receiving the service. This fee is not a property-related fee under Proposition 218.
31	Utilities	Water	Water Transport Vehicle Inspection Annual Permit Fee *(Previously: Water Truck Use - Annual Fee)*	Name & Fee Change	Truck Capacity/Fee: 1,000 gallons or less = $183 2,000 gallons = $372 3,000 gallons or more = $567	$56 per year for any water transport vehicle. **NOTE:** Deletion of current fee and replacement with proposed fee will take effect 01/01/15.	Reduced fee reflects a recent cost of service analysis based on a revised service delivery methodology for this service. This fee is to recover the cost of service associated with inspecting water transport vehicles to make sure they are in compliance with the current Department of Utilities "Cross Connection Control Policy," which requires water transport vehicles be equipped with an air gap separation device.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. The fee recovers 100% of the Department's actual cost of providing the service. No fee waivers are provided, and costs are allocated equally to anyone receiving the service

Fee #	Department	Fund	Fee Name	Action	Current Fee	Proposed Fee	Justification	Proposition 26
32	Utilities	Water	Water Meter and Backflow Prevention Assemblies – Security Deposit (Previously: Backflow Prevention Assemblies - Security Deposit)	Name & Fee Change	Meter Size/Fee: 2" = $360 3" = None 4" = $3,600	Meter Size/Fee: 2" = $2,157 3" = $1,419* 4" = $3,035 *The 3" Meter Security Deposit Fee is for the water meter only and applies only to water trucks already equipped with backflow devices. The 2" and 4" Meter Security Deposit Fees are site specific and are for the water meter and backflow prevention assemblies. **NOTE:** Proposed fees will take effect 01/01/15.	City Code Section 13.04.210 provides that temporary water service shall be provided through a meter. This fee proposal adds a deposit for the cost of the water meter required to measure water use by a temporary water use customer. This fee is to recover the replacement costs associated with replacing the City-supplied water meter and backflow prevention device provided to the temporary water use customer in the case of loss or damage.	This charge is not a tax under Proposition 26, as it falls under Exception 2, a fee for government services. The fee recovers 100% of the Department's actual cost of providing the service. No fee waivers are provided, and costs are allocated equally to anyone receiving the service.
33	Utilities	Wastewater	Wastewater Vacancy Application Fee: Residential Metered *(Previously: Sewer Vacancy Application Fee: Residential Water Metered Service)*	Name Change	$24	No Change	The Sewer Fund was renamed to the Wastewater Fund. The proposed fee name change brings the fee name into compliance with the official name of the fund where its fee revenue is deposited.	This name change does not impose a new fee or increase an existing fee.