

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

May 4, 2021

FROM

BRENDON BIGGS, Director, Department of Public Works – Special Districts

SUBJECT

Introduction of Proposed Ordinance Relating to the 2021-22 Recommended Fees for Board Governed County Service Areas and Zones

RECOMMENDATION(S)

Acting as the governing body of the County Service Areas and their Zones:

1. Conduct a public hearing on proposed ordinance repealing Ordinance No. SD 20-06 and establishing various service fees for 2021-22.
2. Approve introduction of proposed ordinance.
3. Read title only of proposed ordinance, waive reading of the entire text, and SCHEDULE FOR FINAL ADOPTION ON TUESDAY, MAY 18, 2021 on the Consent Calendar.

(Presenter: Brendon Biggs, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Fees included in the proposed ordinance are projected to generate approximately \$4.8 million in revenue for 2021-22. This amount includes an increase of approximately \$100,000 from the recommended fee changes. Revenue from the fees will continue to be used by the County Service Areas (CSAs) and their Zones to offset the cost of providing services. Appropriation and revenue related to these fees will be included in the 2021-22 recommended budget for the applicable CSAs and Zones.

BACKGROUND INFORMATION

The Department of Public Works - Special Districts (Department) annually introduces a fee ordinance to the Board of Supervisors (Board) for the CSAs and their Zones (Districts). The ordinance may include fee revisions, the deletion of certain fees, and/or the addition of new fees for a variety of services including refuse, road maintenance, parks and recreation, detention basin maintenance, landscaping, and street lighting.

For 2021-22, the Department is recommending several fee changes. The most significant of these changes are as follows:

Productive Hourly Rates: The Productive Hourly Rates (PHRs), which are used in the calculation of certain fee amounts, are recommended for revision to include adjustments for negotiated employee memoranda of understanding (MOU), salary step changes,

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retirement rates, and other employee benefit costs. These revisions are needed to recover the full cost of service. Although the Department uses the average cost per classification when calculating the PHRs, the amount can fluctuate annually depending on budgeted employees within each classification. As a result, the PHRs can include significant variances in percentage changes among the various classifications. PHRs are calculated by dividing total budgeted staffing dollars by actual hours worked in a year.

In addition, the following two new PHR fees are recommended to recover costs:

- Office Assistant III at \$45.87/hour.
- Division Manager, Water and Sanitation at \$128.55/hour.

Also, the Director of Special Districts PHR of \$136.42/hour is recommended for deletion as this classification is no longer relevant.

Service Charges: Many of the Districts contain service charges that generate revenue for various costs including, but not limited to: road maintenance, snow removal, streetlights, park operations/improvements, and maintenance of detention basins. The per parcel service charge for a number of these Districts includes the option for an annual inflationary adjustment as approved by the Board upon formation of the District. The Department is recommending implementation of these minor inflationary adjustments (ranging from 1.5% to 4%) for 2021-22.

Within the past year, the Board has also approved formation of the following two new Districts and established an annual per parcel service charge for each District that have been included in the recommended Fee Ordinance:

- CSA 70, Zone R-49 (Fawnskin) for road maintenance and snow plowing services at \$1,181.02 per parcel.
- CSA 70, Zone SL-11 (Bloomington) for streetlight services at \$1,544.00 per parcel.

Other Fees: The Department is recommending the addition of the following new parking fees for CSA 120 (North Etiwanda Preserve):

- \$3.00 per vehicle for half day (less than four hours).
- \$5.00 per vehicle for all day (four or more hours).

The revenue generated from these two parking fees will be used primarily toward the cost of providing additional staffing to enhance security and reduce vandalism for visitors of the North Etiwanda Preserve. A portion of this revenue will also be used to fund parking lot maintenance and potentially future improvement projects. The recommended fee amounts are similar to parking fees charged by neighboring parks.

Additionally, the Notary fee is recommended for deletion as this fee is maintained by the Assessor-Recorder-County Clerk.

The Department ensures fee amounts comply with Proposition 26. Proposition 26 generally requires fees not to be higher than the cost of the activity and/or service provided, unless an exception applies as provided in the proposition. Some recommended fee amounts do not recover the full cost of services including those where 1) property tax revenue received partially funds the services and 2) fee increases are limited to a voter approved fixed annual percentage.

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Repeal of Ordinance No. SD 20-06 and establishment of the 2021-22 fees will be effective July 1, 2021.

In addition to the above, the sanitation and water rates in Ordinance SD 17-01 and Ordinance SD 17-05 are increasing in 2021-22 for certain Districts in accordance with year five of a five-year rate plan previously approved by the Board on April 18, 2017 - Item No. 76 (Ordinance SD 17-01) and May 23, 2017 – Item No. 160 (Ordinance SD 17-05).

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Dawn Martin, Deputy County Counsel, 387-5455) on April 16, 2021; Finance (Wen Mai, Principal Administrative Analyst, 387-4020 and Tom Forster, Administrative Analyst, 387-4635) on April 16, 2021; and County Finance and Administration (Kelly Welty, Deputy Executive Officer, 387-5423) on April 15, 2021.

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Record of Action of the Board of Supervisors
Board Governed County Service Areas

Hearing Opened
Public Comment: None
Hearing Closed

APPROVED

Moved: Joe Baca, Jr. Seconded: Janice Rutherford
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY  _____
DATED: May 4, 2021



cc: File – Board Governed County Service Areas w/ Final BAI
JLL 05/5/2021