



Cost Recovery Fee Study 2018

A Tradition of Stewardship
A Commitment to Service

Goals of the Fee Study

- To define what is cost to provide various fee-related services
- To determine whether there are any services where a fee *should* be collected
- To identify service areas where the County should adjust fees based on the full cost of service
- To develop revenue projections based on the recommended fee increases and decreases



A Tradition of Stewardship
A Commitment to Service

Methodology



A Tradition of Stewardship
A Commitment to Service

- Two basic elements:
 - Hourly rates of staff providing the service
 - Time spent to provide the service
- The product of the hourly rate multiplied by the time spent yields the cost of providing the service.

Sample Hourly Rates



A Tradition of Stewardship
A Commitment to Service

Fully Burdened Hourly Rates		GIS Dept Coordinator	Planner II	Planning Manager
Annual Salary & Benefits:		\$ 139,854	\$ 128,649	\$ 208,724
1. Calculate hourly salary & benefits				
1.1 Divide annual cost by 2,080 hrs		\$70.17	\$64.55	\$104.73
2. Layer on burden factors				
2.1 Compensated Absenses	13.46%	\$9.45	\$8.69	\$14.10
<i>(vacation/holiday/sick leave)</i>				
2.2 General Administration	60.55%	\$42.49	\$39.08	\$63.41
<i>(supervision, support services)</i>				
2.3 Operating Expense	41.63%	\$29.22	\$26.88	\$43.60
<i>(training, vehicle maint, insurance)</i>				
2.4 Countywide Overhead	26.28%	\$18.44	\$16.96	\$27.52
<i>(County Exec, HR, Auditor-Controller, etc)</i>				
Total Burden Rate:	141.92%	\$169.77	\$156.16	\$253.36

Sample User Fee Analysis



A Tradition of Stewardship
A Commitment to Service

User Fee Cost Analysis

Department/Division

170 PBES - 170000 Planning

Fee Name

Lot Line Adjustment (CEQA Exempt)

Annual Volume

29

Current Fee \$

1,044.00

Cost Elements

Labor	Time	FBHR	Total
GIS Dept Coordinator	1.00	\$ 169.77	\$ 169.77
Planner II	3.00	\$ 156.16	\$ 468.49
Planning Manager	0.50	\$ 253.36	\$ 126.68

Indirect Support	Total	\$ per Unit
Re-Alloc Public Ctr & Tele	7,408.93	\$ 255.48

Specific & Unique Materials & Supplies	Total	\$ per Unit
--	-------	-------------

No Specific Materials & Supplies

Full Cost \$ 1,020.42

Recommended Fee \$ 816.34

Study Findings

Napa County User Fee Cost & Revenue Analysis FY 2017/2018

	CURRENT						RECOMMENDED		
User Fee Department	(A) Total Costs	(B) Costs, User Fee Services	(C) Current Revenue		(D) Current Subsidy		(E) Cost Recovery Policy		(F) Increased Revenue
PBES									
Planning	\$ 5,579,656	\$ 3,377,349	\$ 1,551,326	46%	\$ 1,826,023	54%	\$ 2,701,879	80%	\$ 1,150,553
Engineering	\$ 1,107,020	\$ 686,836	\$ 234,186	34%	\$ 452,650	66%	\$ 548,984	80%	\$ 314,798
Environmental Health	\$ 3,680,495	\$ 3,655,228	\$ 2,335,035	64%	\$ 1,320,193	36%	\$ 2,923,875	80%	\$ 588,840
Local Enforcement Agency	\$ 396,040	\$ 213,285	\$ 182,962	86%	\$ 30,323	14%	\$ 186,667	88%	\$ 3,705
Building Inspection	\$ 4,572,633	\$ 4,225,399	\$ 3,870,624	92%	\$ 354,775	8%	\$ 4,225,768	100%	\$ 355,144
Public Works	\$ 15,708,896	\$ 120,037	\$ 93,055	78%	\$ 26,982	22%	\$ 98,320	82%	\$ 5,265
Ag Comm - Weights & Meas	\$ 4,127,228	\$ 477,491	\$ 189,596	40%	\$ 287,895	60%	\$ 203,044	43%	\$ 13,448
Recorder-County Clerk	\$ 1,114,608	\$ 3,281	\$ 40	1%	\$ 3,241	99%	\$ 3,280	100%	\$ 3,240
Totals:	\$ 36,286,576	\$ 12,758,906	\$ 8,456,824	66%	\$ 4,302,082	34%	\$ 10,891,817	85%	\$ 2,434,993

Findings of Note

APPEAL FEES IN PBES

- Average cost per appeal far in excess of current \$416 fee
- Recommend adjusting this base fee to \$1,000
- Recommend adding language stating that, *“For services rendered as a result of an appeal, the Standard Hourly Rate as identified in each division’s fee policy will be charged to the project applicant.”*



A Tradition of Stewardship
A Commitment to Service

Findings of Note

BUILDING INSPECTION

- Recommend revising the penalty for the Investigation fee for “red tagged” projects from 200% to 400% of the original permit fee.

WELL DESTRUCTION FEES

- Current fee is \$61 (subsidized); proposed fee (at 80% cost recovery) is \$323.
- The Board may determine it is appropriate to continue to subsidize a portion of this fee as this service benefits the community as a whole. Permitting and proper well destruction protects Napa County’s valuable groundwater resources.
- Should this fee be adjusted with a more moderate increase to \$75 or \$100?



A Tradition of Stewardship
A Commitment to Service

Findings: PBES Planning Division



A Tradition of Stewardship
A Commitment to Service

- Five existing fees to be deleted
- Three new fees are proposed
 - Pre-Application site visit (hourly)
 - Engineering Referral for Site Development Review (hourly)
 - Planning review of Public Works referral of Certificate of Compliance (flat fee)
- Standardization of building referral categories among all divisions
- Department management in conjunction with CEO are recommending fees be set to remain consistent with previous Board direction of 80% cost recovery
- Projected new revenue: \$1,150,553

Findings: PBES Engineering



A Tradition of Stewardship
A Commitment to Service

- One existing fee to be deleted
- One existing fee (road modification) will be replaced with two new fees
 - Road exception application (hourly)
 - Road exception associated with planning or ZA referral (flat fee)
- Two new fees proposed
 - Stormwater quality inspection (fixed fee per insp)
 - Pre-application site visit (hourly)
- Building & Planning Permit referral fees to be replaced with standardize categories used by all divisions
- Department management in conjunction with CEO are recommending fees be set to remain consistent with previous Board direction of 80% costs recovery
- Projected new revenue: \$314,798

Findings: PBES Environmental Health

CONSUMER PROTECTION PROGRAM

- Food Program
 - Three new fees are proposed
 - Temp Event Organizer 2-20 vendors
 - Temp Event Organizer >20 vendors
 - Impound release fee
 - Two fees are proposed to be deleted
- Public Pool Program
 - Two new fees are proposed
 - Plan Check Resubmittal fee
 - Re-Inspection fee (if needed after first follow up insp.)
- Water Program
 - Three fees are proposed to be deleted
- Most significant changes:
 - Increased fees for water systems that reflect the increased workload mandated by the State Waterboard
 - Temporary event organizer fees provide flexibility to address large scale events



A Tradition of Stewardship
A Commitment to Service

Findings: PBES Environmental Health

CUPA/POLLUTION PREVENTION

- AST Program
 - One new fee is proposed
 - Permit Exempt >1320 gal
- Hazardous Materials Business Plans
 - One fee is proposed to be deleted
- Hazardous Waste Program
 - Four fees are proposed to be added
 - Two fees for extremely hazardous waste generators
 - Two fees for hazardous waste (satellite accumulation and remote consolidation)



A Tradition of Stewardship
A Commitment to Service

Findings: PBES Environmental Health

WELL AND SEPTIC

- Well Program
 - One new fee is proposed
 - Well Permit Extension
 - Three fees are proposed to be deleted
- Septic Program
 - Three new fees are proposed
 - Repair Consultation and Installation Permit
 - Commercial Installation Permit for ASTS
 - Groundwater Elevation Determination
- Referrals from Planning and Building
 - Building referral fees to be replaced with fees for standardized categories used by all divisions
 - Planning referral fees to be replaced with fees for standardized categories used by all divisions



A Tradition of Stewardship
A Commitment to Service

Findings: PBES Environmental Health

RECOMMENDATIONS FOR ALL EH PROGRAMS

- Department management in conjunction with CEO are recommending fees be set to remain consistent with previous Board direction of 80% cost recovery
- Some fees will increase; some fees will decrease.
- Projected new revenue: \$582,501



A Tradition of Stewardship
A Commitment to Service

Findings: Local Enforcement Agency (LEA)



A Tradition of Stewardship
A Commitment to Service

- No new fees are proposed
- No existing fees are to be deleted
- Medical Waste and Tattoo/Body art fees were moved from Environmental Health to LEA
- Department management in conjunction with CEO are recommending fees be set to remain consistent with previous Board direction of 80% costs recovery (excluding 8 fees with recommendations to keep fees unchanged)
- Some fees will increase; some fees will decrease.
- Projected new revenue: \$3,705

Findings: PBES Building Division

- Special revenue fund, separate from the County's General Fund
 - As such, the division is expected to recover 100% of its costs
- Building permit and plan review fees are charged using a variety of industry standard methodologies including valuation calculations, flat fees and hourly fees
- Basic charging structure is remaining unchanged with some minor adjustments intended to simplify and streamline the collection process
- Permits and Inspections
 - Delete minimum building inspection fee
 - Implement a new Site Development and Accessibility Review fee



A Tradition of Stewardship
A Commitment to Service

Findings: PBES Building Division



A Tradition of Stewardship
A Commitment to Service

- Plan Review
 - Update plan review fees to a single Commercial and Residential fee set at 70% of the building permit fee
- MEPs and Inspections
 - Delete existing flat fee for issuing each MEP permit
 - Update percentages used to calculate fees for Commercial/Industrial and Residential/Accessory
 - Implement new flat fee for MEP for pools, spas other stand alone construction <\$4000
 - Convert current fee for master plan review from hourly to flat fee
- Demo Permits
 - Remove two fees related to historical structures
- Referrals
 - New code enforcement review fee for planning referrals
 - New Grading Permit referral fee
 - New Planning referral fees with standardized categories used by all divisions

Findings: PBES Building Division



A Tradition of Stewardship
A Commitment to Service

- Department management in conjunction with CEO are recommending all fees continue to be set to recover 100% of costs
- Some fees will increase; some fees will decrease.
- Projected new revenue: \$355,144

Findings: Public Works



A Tradition of Stewardship
A Commitment to Service

- Minor adjustments made to 2016 study
- Review of 3 existing R-O-W Encroachment Permits
- Proposed new deposit amount for Larger Road Improvements & Trenching
- Proposed new language for multiple utility encroachments in a single year
- Proposed new fees to recover review and comment on PBES permits.
- Projected new revenue: \$5,265

Findings: Weights & Measures



A Tradition of Stewardship
A Commitment to Service

- Hourly rate adjustment
 - Current rate: \$92
 - Proposed rate: \$107
- CA W&M Administration fees
 - set by the State and may not be adjusted
- Device Registration Fees
 - Recommendation to adjust some fees up to State cap
- Projected new revenue: \$13,448

Findings: Recorder-County Clerk



A Tradition of Stewardship
A Commitment to Service

- Proposed new Marriage Witness Fee (\$35)
- Proposed adjustment to the Confidential Marriage License Fee
 - Current fee is \$1, added onto \$83 Marriage License
 - Proposed fee is \$12, added onto \$83 Marriage License
- Projected new revenue: \$3,240