



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 11/8/2016

Agenda Placement: 6DD

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Alice Hughey for Leanne Link - County Executive Officer
County Executive Office

REPORT BY: Molly Rattigan, Deputy County Executive Officer - 253-4112

SUBJECT: User Fee Study Agreement

RECOMMENDATION

County Executive Officer requests approval of and authorization for the Chairman to sign an agreement with MGT for America for a maximum amount of \$45,000 for the term November 8, 2016 through June 30, 2017, with a provision for automatic renewal, to provide a User Fee Study for various County departments.

EXECUTIVE SUMMARY

In late 2014, the County solicited the services of a qualified consultant or consultant team to conduct a fee study consistent with the California Government Code and other statutes, focusing on user fees. Updates were completed for various County departments before the agreement expired. Today's action approves a new agreement with MGT America to complete fee studies for Planning, Building and Environmental Services, Sealer of Weights and Measures and other County needs that may arise.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Funding is appropriated in the Central Services budget unit and in the Building Department/Division of the Planning, Building and Environmental Services Department.
Is it Mandatory or Discretionary?	Discretionary

Discretionary Justification:	Current user fees need to be adjusted to reflect the actual cost of providing services and to simplify fees to enhance fairness, equity and transparency. The consultant also will provide an examination of the cost nexus for valuation-based fees and the financial implications of the County's fee waiver policy.
Is the general fund affected?	Yes
Future fiscal impact:	Proposed changes to fees will be presented to the Board in Fiscal Year 2016-2017.
Consequences if not approved:	The County will continue to charge fees based on the 2008 study, which may or may not represent today's cost of providing service.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The County recently completed fee studies for Assessor-County Recorder, County Counsel, County Executive Office, Public Works, Fire, Agricultural Commissioner and Treasurer-Tax-Collector. MGT of America was selected as the consultant through a competitive RFP process. MGT also began work on fee studies for Planning, Building and Environmental Services, but the work halted due to the contract expiring. Additionally, the Sealer of Weights and Measures fees need to be reviewed, and the contract includes the ability to add fee reviews on an as-needed basis.

Under the terms of the proposed contract, MGT of America will review the current fee schedule and analyze the full cost (direct and indirect) of providing services in the listed County departments on either a time and materials basis or valuation basis. MGT of America will recommend, if necessary, changes to the County's methodology and policies consistent with State law and will compare fees the County of Napa assesses to fees assessed by other counties and cities.

The study objectives include:

- | Define what it costs to provide various fee-related services
- | Determine whether there are any opportunities to implement new fees
- | Identify service areas in which fees may be adjusted based on the full cost of services or other economic or policy considerations
- | Develop revenue projections based on increases or decreases in fees
- | Refine cost recovery and subsidy policies
- | Provide the County with a report that identifies current fees, recommended fees, percentage changes, revenue impacts and comparisons with other agencies.

The project team has an average of more than two decades of experience performing comprehensive fee studies and is familiar with the County of Napa.

MGT of America is not a local vendor.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi