

AGENDA ITEM NO.
<u>COUNCIL MEETING</u> <u>11/03/2016</u>
APPROVED BY _____
DEPARTMENT DIRECTOR _____
CITY MANAGER _____

**November 3, 2016**

**THROUGH:** R. RENENA SMITH, Assistant City Manager

**THROUGH:**  JANE SUMPTER, Budget Manager  
Budget and Management Studies Division

**FROM:**  SHARON MCDOWELL, Senior Budget Analyst  
Budget and Management Studies Division

**SUBJECT:** A RESOLUTION ADOPTING THE 528<sup>th</sup> AMENDMENT TO THE MASTER FEE SCHEDULE (MFS) RESOLUTION NO. 80-420

**RECOMMENDATIONS**

It is recommended that the Council approve the 528<sup>th</sup> Amendment to the MFS Resolution No. 80-420.

**EXECUTIVE SUMMARY**

The attached resolution to adopt the 528<sup>th</sup> Amendment to the Master Fee Schedule (MFS) Resolution No. 80-420 addresses fee changes, and annual routine revisions to the following departments: Airports; Fire; Parks, After School, Recreation and Community Services; Development and Resource Management; Police; Public Utilities; Public Works; and Transportation.

**BACKGROUND**

The annual revision of the Master Fee Schedule is being presented at this time to enable adjustments approved by Council to be incorporated into the planning of next year's budget. Staff will proceed with estimating revenues for FY 2018 based on the adoption of these updates to the schedule. The following narrative details the proposed fee adjustments by department; a summary schedule of changes is also included.

**Airports:** Airports is proposing one fee increase, changes to how certain fees are reflected, deletion of multiple fees, a text change and reorganization of the Fresno Yosemite International fees for the ease of those referring to the schedule. Further detail on the proposed changes is follows:

- The Airports Department is proposing the increase of the Non-Signatory Landing Fee rate. In June of FY 2016 the Airports Department brought forward, and Council approved, an incremental fee increase to the Signatory and Non-Signatory Landing Fee rates and Terminal Rental Rates over a five year period. This fee is directly linked to those landing fee rates and was inadvertently omitted in the June item. The fee requested is consistent with those fees previously approved.
- One of the components of the Terminal Rent Charge is the Common Area Use Charge. Currently the methodology used for this charge is reflected as a separate fee in the MFS. The Department is proposing to eliminate the separate fee and instead reference the Common Use Area charge as at footnote to the Terminal Rent charge. The methodology and resulting fees will remain the same.
- The permit fee for Non-Tenant Rental Car Business is currently 7% of the Annual Gross Receipts (AGR) after the first \$75,000. The department is proposing that this fee now be negotiated by the Director of Aviation as part of the concession agreement and therefore is proposing to delete this fee from the MFS and replace the fee with a comment to this effect.
- The following fees are no longer in use and are, therefore, being proposed for deletion:
  - Public Address System
  - Metered Parking
  - Per Turn Gate Fee for Signatory Commercial Operations
  - Terminal Use Fee and Training Flight Fees for Commercial Aviation Permit Operators (CAPO) at Fresno Yosemite International.
- Text on the Customer Facility Charge is proposed to be changed from “Per rental car transaction generated at the FYI Airport” to “Per rental car transaction day up to five days.”
- Airports would like to rearrange the way Fresno Yosemite International fees are listed to provide for ease of reference when responding to airline inquiries about operating costs associated with serving the Fresno market. Fees are currently listed in alphabetical order and the Department is proposing that fees be grouped in the following categories: Signatory Carriers Rates & Charges, Non-Signatory Rates & Charges, Capital Charges, Parking, Security Badge, General Aviation, and Other Fees. This new arrangement is reflected in Exhibit “A” to the MFS Resolution.

**Fire:** For FY 2018 several text amendments are proposed to streamline extraneous descriptions on certain fees and better describe others. The most significant adjustments are reflected below:

- The “Automatic Fire Extinguishing System -- 5-Year Test” is being adjusted to reflect “Fire Sprinkler System – 5-Year Test.”
- The occupancy type descriptions under Fire Inspection are being streamlined as follows:
  - “(Occupancy type: F, M, B) Factory/Industrial, Retail, Business/Office less than 50 people” is being revised to reflect “(Occupancy type: B, F, M) Business, Factory, Mercantile”

- “(Occupancy type: A, E, H, S) (Excludes R-1 apartments, hotels/motels), Assembly (Theater, Churches, Auditorium, Restaruant), Education (any school), Excessive Hazardous Material – Welding, Open flame, High Hazard Storage” is being revised to “(Occupancy type: A, E, H, S) Assembly, Education, Hazardous, Storage”
- “(Occupancy type: I) Hospitals, nursing homes with medical care, prisons, and mental facilities” will now be “(Occupancy type: I) Institutions”
- The Fire Pumps fee description is being modified by adding language to indicate that the fee applies to “All New, Retrofitted, or Improved Pumps.”
- Under Fireworks fees the fee that is currently reflected as “One-time event / each” is being revised to reflect “Public Display (per each event)”
- The descriptions under Special Hazard User Permit Fee for Levels 1, 2, and 3 have been expanded to be more descriptive.

All text changes for the Fire Department are included in their entirety on the Master Fee Schedule Summary accompanying this staff report as well as on Exhibit “A” to the MFS Resolution.

**Parks, After School and Recreation & Community Service (PARCS):** PARCS is proposing two new fees, three fee increases, two text amendments.

- PARCS is proposing a new fee for the addition of open adult basketball play from 8 p.m. to 10 p.m. at select community centers. A pilot program will be offered on Wednesdays and Fridays at the Ted C. Wills gymnasium. Participants will be charged \$3 per evening of play. This fee will cover the cost of two staff members monitoring and regulating behaviors, collecting fees, checking identification and reviewing house rules as well as a small portion of a Senior Account Clerk’s time. Estimated cost of the program to be recovered is \$5,800.
- Also being proposed is a new reduced \$35 Regional Park Vehicle Pass for Senior Citizens 65 and over. The current prices on the annual pass are \$50 with a discount pass of \$25 available for low- income individuals.
- Riverside Municipal Golf Course Green Fees are being adjusted per the lease agreement, with the increase based on the June 2016 CPI. The cumulative increase totals 1.2 percent. These fees will be effective January 1, 2018.
- The Woodward Park Rotary Amphitheater Improvement fee is proposed to be increased from \$2 to \$3. Per the second agreement to the Rotary Amphitheater Agreement the ticket surcharge was to be increased to \$3 on January 1, 2010, however due to the economic downturn both parties agreed to leave the fee at \$2 in 2010. This fee would go into effect January 1, 2017. Revenues from this fee are utilized for maintenance and improvements at the amphitheater.
- Swimming Instruction fees are proposed to be increased from \$40 to \$50, with low-income discounted rate increasing from \$32 to \$40. This increase is proposed to obtain full cost recovery on staffing and chemical costs associated with this program. These fees were last increased in July 2012.

- Text changes proposed include:
  - Remove the “Resident” designation from the Regional Park Vehicle Pass. Fees are no longer collected on a resident versus non-resident basis.
  - Change the Woodward Park Amphitheater Improvement fee from per “attendee” to per “ticket” to be consistent with the terms of the agreement.

**Development and Resource Management:** The Department is proposing the addition of six new fees, the increase of five fees and two text changes.

- New penalty fees proposed include: Code Citation Penalties for Health and Safety violations, and a fine for Failure to Acquire a Specific Building Permit as required by the dated Notice and Order. The Code Citation Penalties for Health and Safety violations will go into effect upon adoption.
- The current fees for Code Citation Penalties are now proposed to be designated as “General” to differentiate them from the new Code Citation Penalties for Health and Safety. In addition it is proposed that the first citation be increased to \$250.00 and that the third citation be increased to \$1,000. These fees will go into effect upon adoption.
- A new Zone Clearance Fee is being proposed at Low, Medium and High levels. Each of the fees is based on the Department’s blended hourly rate of \$164. The low level fee is for simple items requiring little staff time. A Medium level item is structured to recover the cost associated with staff analysis for compliance, letter issuance, and possible site review. A High level review would be one that requires a site plan review, significant staff analysis and may require noticing.
- New fees for a Tentative Tract Map Extension and a Tentative Parcel Map Extension are proposed to recover staff time as well as those of a Planning Commission hearing or other meetings as required. These fees are also based on the Department’s \$164 blended hourly rate.
- Other new fees include: a Temporary Use Permit, and a Tree Removal Permit. Both fees are structured to recover the cost of services under the Department’s blended rate.
- The Collection Agency Recovery Fee is proposed to increase from 25% to 27% consistent with the current amount paid by the Department for collection agency services.
- Also included are the annual adjustments to the Fish and Game Filing Fees for Environmental Assessments and Environmental Impact Reports. While the City collects these fees they are set by the State and ultimately passed through to the State.
- The title on the “Director’s Classification” fee is proposed to be changed to “Director’s Determination”.

**Police:** The Police Department is proposing increasing its Contract Law Enforcement Services fees to fully recover costs of contracted staff and the Program Administrator. This fee was last increased in FY 2009.

**Public Utilities (Solid Waste Management Division):** Solid Waste Management Division is proposing the addition of a “Skip Fee.” This fee is to recover the cost of a customer requesting Solid Waste to return and service containers that were not out when the regular driver was in the area on pick up day. The first two “skips” annually will be at no charge. The third skip and each skip thereafter in a given fiscal year would be subject to a fee of \$11.29.

**Public Utilities (Water Division):** The Water Division is proposing various adjustments to their fee schedule which are described below.

- Fee increases for the Fire Hydrant Damage Repair fee, the Service Restoration fee, and 3-inch Fire Hydrant Meter Deposit are proposed to recover the full cost of service and materials.
- Also proposed is a text change revising the “3-inch Meter Turbine Deposit” to reflect “3-inch Fire Hydrant Meter Deposit” to better describe the equipment.

**Public Works:** The Department is proposing the addition of two new fees associated with Community Facilities Districts. These fees are for the recovery of direct and overhead costs associated with a Senior Engineering Technician and City Attorney’s Office costs.

- Annexation Fees for Community Facility District 9
- Annexation Fees for Community Facility District 11

**Transportation:** No fee increases are being proposed by the Transportation Department for FY 2018. The Department is, however, making multiple text changes to make its fee structure consistent with transit industry terminology and internal policies. The Department is also proposing the addition of Ride Cards as a new form of fare media in FY 2018. Fees for this new form of media will be at existing rates. Additional changes for FY 2018 include the elimination of the use of tokens and the deletion of charging for the schedule guide.

#### **FISCAL IMPACT**

The FY 2018 budget will be built on the assumption that the fees contained in the 528<sup>th</sup> Amendment will be implemented. The effective date of this amendment is July 1, 2017, unless otherwise noted.

#### **Attachments**

Master Fee Schedule Summary  
528<sup>th</sup> Amendment to the Master Fee Schedule Resolution  
Master Fee Schedule Exhibit A