



Legislation Text

File #: 22-0674, **Version:** 1

Surveyor's Office recommending the Board receive a fee study report performed for the Surveyor's Office and provide direction on future fee increases, including recommendations for a Planning and Building surcharge and automatic annual cost index increase.

FUNDING: General Fund.

DISCUSSION / BACKGROUND

The County's adopted Fiscal Year 2017-18 and 2018-19 budgets both indicate the intention for the County to conduct a review of Surveyor's Office fees. An initial review was performed, resulting in fee increases being adopted February 6, 2018 (Legistar #17-1320, Resolution 013-2018). Prior to the increases in 2018, the Surveyor's Fee schedule had not be updated since 2001. The 2018 increase were intended to close the gap between revenues and the actual cost of service, while a full fee study was conducted. On May 20, 2021, the County awarded a Request for proposals (RFP) 21-918 -028 for a Multi-Department Fee and Nexus Study and report to NBS Government Finance Group Inc ("NBS"). The purpose of the study is to determine the County's cost for providing services including, personnel indirect and overhead costs, supervision, equipment and reasonable fees to recover the cost of providing said services.

The current fee schedule represents a 37% cost recovery. The current fee schedule is a hybrid of flat fees and fees based on deposits and an hourly charge for projects that significantly exceed the estimated hours, with an hourly rate of \$100 applied for activities that exceed standard processing times.

The report presents fees that are calculated based on an hourly rate, applied to the average time required for each activity. Most fees are shown as a deposit based on the estimated hours for various activities, plus an additional hourly charge, for 100% cost recovery. The deposits amounts listed are the estimated cost of a standard project of each type. As a result, the increase of any given fee may misrepresent the increase for any given applicant. This methodology identifies an estimated \$271,000 in eligible costs for Surveyor Services compared to the \$101,000 that the County is currently recovering. Additionally, the report identified \$229,000 in potential revenues for GIS Services compared to the \$5,000 recovered with the current fee schedule.

The report also includes a Comparative Fee Survey to compare County fees with those of five surrounding similar communities. The five counties are Napa, Nevada, Placer, Sacramento, and Yolo. Due to the variances in fees applied and fee methodologies, there are limitations to the Comparative Fee Survey. Not all comparison agencies collect the same fees, or collect fees using the same structure. Therefore, there is no comparison data for many fees. In addition, several fee structures are in use by various agencies. Some agencies' fees are based on a flat rate, while others' use time and materials deposits and hourly billing. Finally, some fees incorporate per parcel, or amendment rates, while other agencies do not. For those fees which are readily comparable, the Report shows that the County's current fee schedule is lower than other agencies surveyed in all areas except Final and Parcel Map Fees.

Government Code 54985 authorizes the Board of Supervisors to adopt new fees "... in the amount reasonably necessary to recover the cost of providing any product or service..."

Staff is requesting the Board to provide direction on the implementation of the fee study.

Surveyor Services

According to the report, at 100% cost recovery the hourly rate would be \$147 for Surveyor services. This would result in approximately \$271,000 in revenue based on estimated activity volumes, or an increase of revenue of approximately \$170,000 compared with current fee revenue. As identified in the Comparative Fee Survey, the County's fees for Boundary Line Adjustments and Final and Parcel Maps would be higher than the other agencies surveyed. The Abandonment of Easements and Record of Surveys would be in line with surrounding counties, while the rest of the fees with comparable data would be lower.

GIS Fees

The Fee Study identified \$1.38M in costs associated with the GIS programs services. Of these costs, \$1.13M is for GIS support services Countywide, \$221,000 is for support to the Planning and Building department, \$17,000 in services for external agencies costs, and \$8,800 in direct fee service activities. To recoup the \$221,000 from Planning and Building, the report recommends either an annual charge to Planning and Building, or a GIS surcharge fee be put into place on top of relevant permits.

Planning and Building Surcharge

Historically, costs of providing these services have not been recovered. In the interest of beginning to recoup the costs of these services, staff is recommending the Board adopt a \$10 surcharge per building permit to recover a portion of the \$221,000 in costs associated with supporting the Planning and Building department.

Automatic Annual Cost Index Increase

The Board has previously directed that fee resolutions shall include an automatic annual increase based on the consumer price index. Based on this direction, staff intends to include such language in the final fee resolution.

Deposit Amount

The Report has determined the initial deposit amount for each project type based on the average number of hours worked. This average figure consists of projects that required a smaller number of hours, as well as a greater number of hours to complete. Due to this variance, and in order to avoid over-charging and the subsequent refund process that may be necessary, it is recommended that the deposit amount be set at 50% of the average hours for each project or fee type.

Fee Options

After receiving direction from the Board regarding the cost recovery target, fee methodology, and GIS surcharge, staff will prepare an updated fee resolution for public hearing and Board adoption.

Options for implementation include adjustments to fees at any amount. The Board could choose to leave fees as they are for approximately 37% cost recovery. The Board could increase fees to achieve full cost recovery as determined in the Report, or select an amount in between the current

fees and the 100% cost recovery fee amounts.

As another option, should the Board wish to implement fee increases but avoid a drastic increase to the fees, fees could be increased over time.

Several scenarios for these options are provided below.

	Current	Portion of 100% Cost Recovery Rate Increase			
		25%	50%	75%	100%
Cost Recovery Rate	37%	76%	84%	92%	100%
Increase from Current	0%	12%	24%	35%	47%
Surveyor Hourly Rate	\$ 100	\$ 112	\$ 124	\$ 135	\$ 147
Total Annual Revenue	\$ 102,780	\$ 208,152	\$ 230,454	\$ 250,913	\$ 273,215
Revenue Increase	None	103%	124%	144%	166%

Note: these figures do not include potential GIS Fees.

With the Board’s recommendation staff will draft a fee schedule to be presented at a later Public Hearing.

ALTERNATIVES

The Board could provide alternate direction to staff regarding an updated fee schedule, or decline to increase or update the Surveyor’s Office fee schedule. Fees could be implemented as the first step in a multi-step approach to bringing the Surveyor’s Office toward full cost recovery. Finally, the Board could direct staff to proceed with an alternative cost recovery target.

PRIOR BOARD ACTION

17-1320, 2/6/2018 adopted Resolution 013-2018, approving the first increase in fees since 2001, effective 60 days after adoption.

Include Board direction to move forward with fee study

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Chief Administrative Office

CAO RECOMMENDATION / COMMENTS

Provide direction as recommended.

FINANCIAL IMPACT

The financial impact is unknown at this time, and will be determined based on Board direction. If the Board elects to implement fees for 100% cost recovery, the estimated \$271,000 of revenue would represent an increase of \$170,000, and provide funding for 13.35% of the Surveyor’s Office total budget.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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