

### NOTICE OF PUBLIC REVIEW AND COMMENT

**TO:** Members of the Public  
Local Funding Agencies

**FROM:** Rachel Jones, Executive Officer

**SUBJECT:** **Proposed Comprehensive Update to Fee Schedule**

The Alameda Local Agency Formation Commission (LAFCO) announces a 45-day review and comment period on its updated fee schedule in accordance with Government Code Section 66016. The deadline to submit written comments for consideration in a final fee schedule is **Friday, August 31, 2018** unless extended by the Commission.

#### Information

The general public and funding agencies are invited to review and comment on the proposed fee schedule update. Written comments are welcomed through Friday, August 31, 2018, by 5:00 p.m. (PST) and should be sent by email to Rachel Jones [rachel.jones@acgov.org](mailto:rachel.jones@acgov.org). Written comments received by this date will be formally addressed in the preparation of a final fee schedule to be presented for adoption as part of a public hearing set at the Commission's September 20, 2018 regular meeting.

#### Attachments:

1. July 12, 2018 Agenda Item No. 7 - Fee Schedule Update

### AGENDA REPORT

JULY 6, 2018

ITEM NO. 7

**TO:** Alameda Commissioners

**FROM:** Policy and Budget Committee (Johnson, Marchand, Pico)  
Rachel Jones, Executive Officer

**SUBJECT: Proposed Comprehensive Update to Fee Schedule**

The Commission will review the recommendation to adopt a comprehensive update to the agency's fee schedule to improve cost recovery and implementation. The recommended update includes restructuring the fee schedule to emphasize fixed charges and increase its costs in step with the rate of inflation. The report is being presented for feedback with a recommendation to proceed with the initiation of a formal public review and comment period before the Commission considers taking final action at its September 20, 2018 meeting.

### Discussion

Alameda LAFCO's current fee schedule was last comprehensively reviewed and updated in September 2009 and has remained substantively unchanged since then. The fee schedule, notably, achieves reasonable cost-recovery in processing proposals relative to the Commission's current budgeted expenses in meeting its prescribed and expanding duties under CKH.

The proposed update applies the total inflation rate from September 2009 to May 2017 at a 16.5% increase across all application fees. It also includes establishing a GIS recovery fee applicable to all boundary changes as well as amending administrative policies to improve implementation. The Commission is tasked with establishing and cooperatively maintaining a geographic information system (GIS) through the County Community Development Agency. The current hourly rate charged by the County for performing GIS updates is \$93.75. It is proposed, accordingly and as an alternative to assuming this cost, the Commission amend the fee schedule to pass this charge directly to the applicant.

The total calculation is subsequently rounded to the nearest \$25.00 to make payments simpler and easier to calculate. A copy of the proposed changes can be found in Attachment One.

### Proposed Policy Amendment

Staff believes it would also be advantageous to provide and clarify LAFCO's policies on its fee schedules to include that it will be reviewed by the Commission on a biennial basis. This would meet the Commission's baseline interests in setting and collecting fees in a fair and responsive manner. The proposed policy amendment can be found in Attachment Two.

The Commission should consider any actions it wishes to promote in the fee schedule and provide direction to the Policy and Budget Committee to draft alternatives for review prior to taking formal and final action.

### **Alternatives for Action**

The following alternatives are available to the Commission:

#### Alternative One (Recommended):

Review and discuss the proposed update to the fee schedule with direction to the Policy Committee to make any changes or present alternatives for future consideration and;

Direct the Executive Officer to initiate a 45-day public review of the proposed update with any desired changes or alternatives incorporated therein and schedule a public hearing to take formal action on September 20, 2018.

#### Alternative Two:

Continue consideration of the report to a future meeting and provide direction for more information as needed.

### **Recommendation**

It is recommended the Commission proceed with Alternative Action One.

Respectfully,



Rachel Jones  
Executive Officer

#### Attachments:

1. Proposed Update to Fee Schedule
2. Proposed Policy Amendment to Fee Schedule

## Appendix A - SCHEDULE OF FEES AND CHARGES (Effective September 2009)

*It is the policy of Alameda LAFCo that a proponent shall be responsible for actual application processing cost above and beyond the initial fees paid, except as waived by the Commission on a case-by-case basis.*

*Processing costs include, but are not limited to, LAFCo staff time at Commission-approved rates, direct proposal processing costs(noticing, copying, document verification), all other agency fees and pass-through costs, all consultant costs, all filing fees, costs of elections, and all other associated costs and expenses.*

	Initial Fee Type	Amount
1.	<b>Annexations/Detachments (city and/or district):</b>	
	• 100% consent of property owners and affected agencies	<del>\$4,500</del> <b>\$5,350</b>
	• Less than 100% consent of property owners & affected agencies	<del>\$5,000</del> <b>\$5,925</b>
	• Unincorporated island annexation to city (entire island only)	<del>\$500</del> <b>\$675</b>
2.	<b>Changes of Organization Other Than Annexations &amp; Detachments</b> - Consolidation, exercise/divestiture of service class or latent power, merger, or establishment of subsidiary district	<del>\$5,000</del> <b>\$5,925</b>
3.	<b>City Incorporation/Disincorporation</b>	<del>\$25,000</del> <b>\$29,000</b>
4.	<b>District Formation/Dissolution</b>	<del>\$5,000</del> <b>\$5,925</b>
5.	<b>Sphere of Influence (SOI)</b> - Revision, amendment, or review	<del>\$2,500</del> <b>\$3,000</b>
6.	<b>Request for Reconsideration</b>	<del>\$1,250</del> <b>\$1,550</b>
7.	<b>Out-of-Area Service Agreements or Service Contracts</b>	<del>\$3,500</del> <b>\$4,175</b>
8.	<b>Extension of Time Requests</b>	<del>\$300</del> <b>\$450</b>
9.	<b>Transfer of Jurisdiction</b>	<del>\$300</del> <b>\$450</b>
10.	<b>Special Meeting Fee</b>	<del>\$1,100</del> <b>\$1,300</b>
11.	<b>Geographic Information System (GIS)</b>	<del>\$100/hr</del> <b>\$125/hr</b>

### **SUPPLEMENTAL FEES** (in addition to Initial Fees)

Services performed by other public or private entities & fees required by other agencies (e.g., Registrar of Voters, Alameda County Assessor, Alameda County Surveyor, Alameda County Clerk-Recorder, State Department of Fish & Game environmental filing fees, & State Board of Equalization) **will be charged at cost.**  
**PLEASE NOTE: Non-LAFCo fees and charges are subject to change.** In order to ensure correct payment, please contact the LAFCo office prior to executing a warrant.

Fee Type	Amount
CEQA Compliance: LAFCo as Lead Agency (e.g., preparation of Initial Study, Environmental Impact Report, Negative Declaration, etc.)	Actual Cost with advance deposit of \$5,000 for negative declaration or \$10,000 for environmental impact report (EIR)
Comprehensive Fiscal Analysis	Actual Cost with advance deposit of \$5,000
Alternate Legal Counsel/Executive Officer	Actual Cost
Outside Consultant	Actual Cost
County Surveyor fees	Actual Cost paid directly to the Alameda County Surveyor
County Clerk Recorder	\$50 – payable to Alameda County Clerk Recorder
Environmental Filing Fee (Fish & Game Code §711.4(d))	Actual Cost payable to Alameda County Clerk Recorder <a href="http://www.acgov.org/auditor/clerk/feeincrease.htm">http://www.acgov.org/auditor/clerk/feeincrease.htm</a>
State Board of Equalization Recordation	Actual Cost Payable to State Board of Equalization. Current list of fees can be found online at: <a href="http://www.boe.ca.gov/proptaxes/pdf/jurboundaryreq.pdf">http://www.boe.ca.gov/proptaxes/pdf/jurboundaryreq.pdf</a>

### **STAFF BILLING RATES**

These rates will be used to calculate final application processing costs above and beyond the initial deposit.

<b>Staff/Function</b>	<b>Rate</b>
Executive Officer	\$125/hr
Clerk	\$75/hr
Planning Services	Actual Cost
Legal Counsel	Actual Cost

### **ADMINISTRATIVE SERVICES**

The following charges are to be assessed to persons or entities other than applicants.

<b>Charge Type</b>	<b>Amount</b>
Copying	\$0.10 per page
Faxing	\$0.10 per page
Mailing or Shipping	Actual Cost
Research/Archive Retrieval	\$125/hr (after initial two hrs)
Duplication of Meeting Recording	Actual Cost

**Alameda LAFCo Fee Policies**

1. LAFCo shall establish a fee schedule pursuant to Government Code §56383. **LAFCo shall biannually review this schedule to help maintain appropriate level of cost-recovery as determined by the Commission.**
2. Applications submitted to LAFCo shall be accompanied by an initial fee as detailed in this schedule. The initial fee is non-refundable and covers routine application procedures including pre-application meeting, file setup, preliminary project review, issuance of a status letter, and creation of a staff report. Additional costs in excess of initial fee (including LAFCo staff time, consultant fees and miscellaneous costs such as noticing, copying, etc) shall be charged at actual cost. Applicants are responsible for any fees or charges incurred by LAFCo or required by other agencies in the course of processing an application. Payment of all fees pursuant to the most recent fee schedule is required before an application is deemed complete and issued a certificate of filing. Subsequent billings will be due prior to LAFCo filing with the State Board of Equalization and issuing a Certificate of Completion. No proceeding shall be completed until all fees due have been paid in full.
3. Additional LAFCo staff time and administrative costs shall not be charged for city annexation applications that are comprised solely of one, entire unincorporated island. However, should such applications be continued at the request of the applicant more than once from the initial date of hearing, applicants will be charged the administrative costs associated with rescheduling the public hearing (e.g., noticing, etc.).
4. If the processing of an application requires that LAFCo contract with another agency or with a private firm or individual for services that are beyond the normal scope of LAFCo staff work (e.g., drafting an Environmental Impact Report or Comprehensive Fiscal Analysis), the applicant shall be responsible for all costs associated with that contract. The applicant will provide LAFCo with a deposit sufficient to cover the cost of the contract.
5. The Executive Officer may stop work on any proposal until the applicant submits a requested deposit.
6. Written appeal of fees and/or deposits, specifying the reason for the appeal, may be submitted to LAFCo prior to the submission of an application or prior to the submission of additional funds. The appeal will be considered at the next regular meeting of the Commission.
7. The Commission may waive fees as provided pursuant to Government Code Section 56383(d).
8. Upon completion of a project, the Executive Officer shall issue to the applicant a statement detailing all expenditures in excess of the deposit. Excess funds shall be refunded to the applicant as appropriate.
9. Research and record retrieval assistance after the first 2 hours of staff time will be charged at actual cost and billed to individual/agency requesting assistance or applied towards an applicant's initial fee. After two hours of staff time, the requestor shall provide billing information including a contact name, mailing address, telephone number and email address.
10. A fully executed indemnification agreement, as approved by LAFCo legal counsel, shall be required for any application approved by the Commission and before a certificate of completion is issued.
11. Where the Commission approves an out-of-area service agreement and an application for the jurisdictional change is filed within one year of the out-of-area service agreement being approved by the Commission, the LAFCo fee for that jurisdictional change shall be reduced by 50%. After one year from LAFCo approval of the out-of-agency service agreement, the applicant will be required to pay the full application processing fee.
12. Pursuant to Government Code §56384, LAFCo is authorized to appoint an alternate executive officer or legal counsel in the event that the Commission determines that a conflict of interest exists. The applicant will be responsible for all alternate executive officer or legal counsel costs unless the conflict exists due to circumstances outside the control of the applicant. In that case, the applicant will be responsible for paying the regular LAFCo Executive Officer or Legal Counsel hourly rate for time spent processing the application and the balance of alternate appointment costs will be borne by the Commission.