



**Local Agency Formation Commission**  
**LAFCO of Napa County**

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**May 3, 2010**

**Agenda Item No. 6c (Public Hearing)**

April 26, 2010

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Amendments to Adopted Fee Schedule**

The Commission will consider amendments to its adopted fee schedule to reflect an increase in the composite hourly staff rate from \$103 to \$107.

Local Agency Formation Commissions (LAFCOs) are authorized to established fee schedules for the costs associated with administering its regulatory and planning duties under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. This includes processing change of organization, outside service, and sphere of influence amendment proposals. LAFCOs' fee schedules shall not exceed the estimated "reasonable costs" in providing services. LAFCOs may also waive fees if it determines the payment would be detrimental to public interest.

**A. Background**

LAFCO of Napa County's ("Commission") fee schedule was comprehensively updated in June 2007 to improve cost-recovery for personnel and administrative overhead expenses associated with processing proposals. The update included re-categorizing common annexation and detachment proposals for purposes of assigning fixed application fees based on the (a) level of consent and (b) type of environmental review required. The update also included establishing a new method to calculate a composite hourly staff rate, which resulted in an increase from \$50 to \$90. This rate has been subsequently increased in each of the last two fiscal years and currently totals \$103. The Commission also established a surcharge on proposals in June 2009 to help contribute to the costs in preparing municipal service reviews equal to 20% of the application fee.

**B. Discussion**

In anticipation of the new fiscal year, staff has reviewed the Commission's fee schedule to consider whether amendments are warranted to help ensure an appropriate level of cost-recovery as well as to address other considerations. The review indicates amendments to the adopted fee schedule are justified to reflect an increase in the composite hourly staff rate from \$103 to \$107. This new rate has been calculated using the same method established three years ago as part of the comprehensive update and reflects the changes in the Commission's personnel and administrative overhead costs from 2009-2010 to 2010-2011 as summarized in the following tables.

Juliana Inman, Chair  
Councilmember, City of Napa

Lewis Chilton, Commissioner  
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner  
Councilmember, City of American Canyon

Bill Dodd, Vice Chair  
County of Napa Supervisor, 4th District

Brad Wagenknecht, Commissioner  
County of Napa Supervisor, 1st District

Mark Luce, Alternate Commissioner  
County of Napa Supervisor, 2nd District

Brian J. Kelly, Commissioner  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

**Current Composite Hourly Rate**

	Executive Officer	Analyst	Secretary
Salary/Benefit/Overhead Rate	\$123.30	\$88.37	\$95.63
Time Processing Proposals	40%	55%	5%
			\$102.71

**Proposed Composite Hourly Rate**

	Executive Officer	Analyst	Secretary
Salary/Benefit/Overhead Rate	\$126.66	\$92.95	\$97.39
Time Processing Proposals	40%	55%	5%
			\$106.66

**C. Analysis**

Amending the composite hourly staff rate from \$103 to \$107 would result in an across-the-board increase of 4% to the Commission's fee schedule. This increase does exceed the current year consumer price index for the San Francisco Bay Area of 1.8%.<sup>1</sup> However, as mentioned, the increase reflects the change in the Commission's projected personnel and administrative overhead costs for 2010-2011 and is consistent with its expressed desire to maintain an appropriate level of cost-recovery. The Commission's fee schedule with the increase would also remain at or below the median range for common annexation proposals among the other four Bay Area LAFCOs with similar schedules as reflected below.<sup>2</sup>

Annexations with 100% Consent (Exemption)		Annexations without 100% Consent (Exemption)	
Contra Costa	\$2,965	Contra Costa	\$2,965
Napa	\$3,852	Alameda	\$5,000
Sonoma	\$4,460	Napa	\$5,136
Alameda	\$4,500	Sonoma	\$8,100
Santa Clara	\$5,656	Santa Clara	\$11,408
Annexations with 100% Consent (Initial Study/N.D.)		Annexations without 100% Consent (Initial Study/N.D.)	
Contra Costa	\$3,515	Contra Costa	\$3,515
Napa	\$4,494	Alameda	\$5,000
Alameda	\$4,500	Napa	\$5,778
Sonoma	\$5,150	Sonoma	\$8,790
Santa Clara	\$5,869	Santa Clara	\$11,408

<sup>1</sup> The percentage reflects change in goods and services cost between February 2009 and February 2010 according to the United States Bureau of Labor Statistics.

<sup>2</sup> The other three Bay Area LAFCOs' (Marin, Solano, and San Francisco) fee schedules are based on acreage size of the affected territory.

Annexations with 100% Consent (Initial Study/E.I.R.)		Annexations without 100% Consent (Initial Study/E.I.R.)	
Contra Costa	\$3,765	Contra Costa	\$3,765
Alameda	\$4,500	Alameda	\$5,000
Napa	\$5,136	Napa	\$6,420
Sonoma	\$5,750	Sonoma	\$9,390
Santa Clara	\$6,525	Santa Clara	\$11,408

In considering the proposed amendments, the Commission should note the law requires a minimum of 60 days between the adoption and implementation of new fees.<sup>3</sup> The Commission may choose to extend the effective date if desired. The Commission may also choose to grandfather active proposals under the previous fee schedule at the time the amendments become effective.

#### D. Alternatives for Commission Action

After opening the public hearing, the Commission should consider taking one of the following actions.

**Option One:** Close the public hearing and adopt the attached draft resolution approving the amended fee schedule with or without changes. The Commission shall specify the effective date of the amended fee schedule to be no earlier than July 2, 2010 and whether to grandfather active proposals under the previous fee schedule.

**Option Two:** Close the public hearing and take no action.

**Option Three:** Continue the public hearing if more information is needed.

#### E. Recommendation

Staff recommends the Commission approve the proposed amendments to the fee schedule identified in the preceding section as Option One. It is also recommended that the effective date be July 2, 2010 with no grandfathering for active proposals.

Respectfully submitted,

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Keene Simonds  
Executive Officer

Attachments:

- 1) Proposed Amended Fee Schedule (Changes Tracked)
- 2) Draft Resolution Approving Amended Fee Schedule
- 3) Calculation for Composite Hourly Staff Rate
- 4) Calculation for Fixed Hours for Common Annexations and Detachments

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<sup>3</sup> California Government Code Section 66017(a)

*Amendments to Fee Schedule*

*May 3, 2010*

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## Local Agency Formation Commission of Napa County *Schedule of Fees and Deposits*

Effective Date: ~~December 7, 2009~~ July 2, 2010

The policy of the Commission is:

1. This fee schedule shall be administered in accordance with the provisions of California Government Code Section 56383.
2. Applications submitted to the Commission shall be accompanied by a non-refundable initial fee as detailed in this schedule.
3. Applicants are responsible for any fees or charges incurred by the Commission or required by other agencies in the course of the processing of an application.
4. Initial fees include a fixed number of staff hours as detailed in the fee schedule or are designated as “at cost.”
5. Additional Commission staff time shall be charged to the applicant at an hourly rate of ~~\$103~~107.00.
6. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
7. Additional Commission staff time and administrative costs shall not be charged for city annexation applications that are comprised solely of one, entire unincorporated island.
8. If the Executive Officer estimates a proposal will require more than 20 hours staff time to complete, he or she shall provide a written statement to that effect to the applicant and request a deposit in an amount sufficient to cover anticipated costs. If this or any subsequent deposit proves insufficient, the Executive Officer shall provide an accounting of expenditures and request deposit of additional funds.
9. If the processing of an application requires the Commission contract from another agency or from a private firm or individual for services that are beyond the normal scope of staff work (such as the drafting of an Environmental Impact Report or Comprehensive Fiscal Analysis), the applicant shall be responsible for all costs associated with that contract. The applicant will provide the Commission with a deposit sufficient to cover the cost of the contract.
10. The Executive Officer may stop work on any proposal until the applicant submits a requested deposit.

11. Written appeal of fees and/or deposits, specifying the reason for the appeal, may be submitted to the Commission prior to the submission of an application or prior to the submission of a deposit requested by the Executive Officer. The appeal will be considered at the next regular meeting of the Commission.
12. Upon completion of a project, the Executive Officer shall issue to the applicant a statement detailing all expenditures from a deposit for additional time and materials and shall have a refund for any remaining funds issued to the applicant.

## **INITIAL APPLICATION FEES**

### **Change of Organization or Reorganizations: Annexations and Detachments**

Exempt from the California Environmental Quality Act

- With 100% consent of property owners and affected agencies: ~~\$3,708~~3,852(30 hours)
- Without 100% consent of property owners and affected agencies: ~~\$4,944~~5,136 (40 hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Negative Declaration)

- With 100% consent of property owners and affected agencies: ~~\$4,326~~4,494(35 hours)
- Without 100% consent of property owners and affected agencies: ~~\$5,562~~5,778 (45 hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Environmental Impact Report)

- With 100% consent of property owners and affected agencies: ~~\$4,944~~5,136(40 hours)
- Without 100% consent of property owners and affected agencies: ~~\$6,180~~6,420 (50 hours)

- \* All initial application fees for annexation and detachment proposals include a 20% surcharge to contribute to the costs in preparing municipal service reviews.
- \* Annexation or detachment proposals that involve boundary changes for more than two agencies and qualify as reorganizations will be charged an additional fee of \$515 (5 hours).
- \* City annexations involving entire unincorporated islands and subject to California Government Code Section 56375.3 will be charged a flat fee of \$500.
- \* If the Commission is the Lead Agency and an Initial Study is needed to determine whether a Negative Declaration or Environmental Impact Report is appropriate, applicants will be charged at the hourly staff rate.

### **Change of Organizations or Reorganizations: Other**

- Special District Formations, Consolidations, Mergers, and Dissolutions: Actual Cost
- City Incorporations or Dissolutions: Actual Cost

### **Special Studies**

- Municipal Service Review: Actual Cost
- Sphere of Influence Review:  
(Establishment, Amendment, or Update) Actual Cost

| **Request to Activate Latent Power** \$~~4,944~~5,136 (40 hours)

\* The initial application fee for the activation of a latent power includes a 20% surcharge to contribute to the costs in preparing municipal service reviews.

| **Request for an Extension of Time** \$~~515~~535 (5 hours)

| **Request to Approve an Outside Service Agreement** \$~~2,417~~2,568 (20 hours)

\* The initial application fee to approve an outside service agreement includes a 20% surcharge to contribute to the costs in preparing municipal service reviews.

| **Request for Reconsideration** \$~~2,060~~(2,140) (20 hours)

**Special Meeting Fee** \$800

**Alternate Legal Counsel Fee** Actual Cost

**OTHER APPLICATION FEES**

**Assessor Mapping Service**

(Made payable to the "County of Napa") \$125

**Map and Geographic Description Review**

(Made payable to the "County of Napa") \$447 (3 hours)

**Registered Voter List for Public Hearing Notice**

(Made payable to the "County of Napa") \$55 (1 hour)

**Geographic Information Service**

(Made payable to "LAFCO of Napa County") \$125 (1 hour)

**California Department of Fish and Game Environmental Filing Fees**

(Made payable to the "County of Napa Clerk Recorder")

Commission as Lead Agency

- Environmental Impact Report: \$2,792.25
- Negative Declaration: \$2,010.25
- Mitigated Negative Declaration \$2,010.25
- Clerk-Recorder Filing Fee: \$50.00

Commission as Responsible Agency

- Notice of Determination (Represents Clerk Filing Fee): \$50.00
- Notice of Exemption (Represents Clerk Filing Fee): \$50.00

**Filing of Change to Jurisdictional Boundary**  
(Made payable to the “State Board of Equalization”)

<u>Acre Amount</u>	<u>Fee</u>	<u>Acre Amount</u>	<u>Fee</u>
Less than 1:	\$300	51 to 100:	\$1,500
1 to 5:	\$350	101 to 500:	\$2,000
6 to 10:	\$500	500 to 1,000:	\$2,500
11 to 20:	\$800	1,000 to 2,000:	\$3,000
21 to 50:	\$1,200	2,000 and above:	\$3,5000

**ADMINISTRATIVE SERVICE FEES**

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

- Copying (no color): \$0.10 per page
- Copying (color): \$0.40 per page
- Faxing: \$1.00 service charge, plus \$0.15 per page
- Mailing: Actual Cost
- Audio Tape Recording of Meeting: Actual Cost
- Research/Achieve Retrieval: \$97 per hour (minimum of one hour)

**RESOLUTION NO: \_\_\_\_\_**

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY  
AMENDMENTS TO ADOPTED SCHEDULE OF FEES AND DEPOSITS**

**WHEREAS**, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) authorizes the Local Agency Formation Commission of Napa County (hereinafter referred to as the “Commission”) to adopt a fee schedule; and

**WHEREAS**, the Commission established and adopted by resolution a “Schedule of Fees and Deposits” on December 1, 2001 in a manner provided by law; and

**WHEREAS**, the Commission has amended the adopted Schedule of Fees and Deposits as appropriate since its establishment on December 1, 2001; and

**WHEREAS**, the Commission has scheduled and noticed a public hearing on May 3, 2010 to consider new amendments to its Schedule of Fees and Deposits; and

**WHEREAS**, as part of a scheduled and noticed public hearing on May 3, 2010 verbal and written comments on the proposed amendments to the adopted Schedule of Fees and Deposits were received from the general public, and these comments were considered by the Commission; and

**WHEREAS**, the Commission has determined that the adoption of amendments to its Schedule of Fees and Deposits is exempt from the provisions of California Environmental Quality Act (CEQA) under Sections 15273(a) of the California Code of Regulations.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission that the Schedule of Fees and Deposits shall be amended and readopted in the manner set forth in Exhibit “A” effective July 2, 2010 and that this action is categorically exempt from the provisions of CEQA.

The foregoing resolution was duly and regularly adopted at a regular meeting of the Commission held on May 3, 2010, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ATTEST: Keene Simonds  
Executive Officer

RECORDED: \_\_\_\_\_  
Kathy Mabry  
Commission Secretary



## Local Agency Formation Commission of Napa County LAFCO of Napa County

### Composite Hourly Staff Rate Calculation in 2010-2011

#### Step One: Calculating Hourly Input Rates

##### Input No. 1: Staff Salaries

<u>Budgeted Position</u>	<u>Hourly Rate</u>	
Executive Officer	\$ 52.54	(Step Five 1.0 FTE)
Staff Analyst	\$ 28.52	(Step Three: 1.0 FTE)
Secretary	\$ 22.56	(Step Five: 0.5 FTE)

##### Input No. 2: Staff Benefits

<u>Benefit</u>	<u>Executive Officer</u>		<u>Staff Analyst</u>		<u>Secretary</u>	
Retirement (Pension)	\$ 9.45	\$	5.44	\$	3.88	\$
Retirement (OPEB)	\$ 1.76	\$	1.76	\$	1.69	\$
Medicare	\$ 0.76	\$	0.46	\$	0.33	\$
Health/Dental Insurance	\$ 6.31	\$	3.91	\$	16.06	\$
Workers Compensation	\$ 0.04	\$	0.04	\$	0.04	\$
Car Allowance	\$ 2.54	\$	-	\$	-	\$
Cell Phone Allowance	\$ 0.43	\$	-	\$	-	\$
Total	\$ 21.29	\$	11.60	\$	22.00	\$

##### Input No. 3: Administrative Overhead Costs

<u>Overhead</u>	<u>Total Budget</u>		<u>Hourly Cost</u>	
Office Lease	\$ 29,280	\$	14.08	\$
Insurance	\$ 444	\$	0.21	\$
Communications	\$ 3,500	\$	1.68	\$
Legal Expense	\$ 26,010	\$	12.50	\$
ITS	\$ 18,439	\$	8.86	\$
EDMS Replacement	\$ 3,931	\$	1.89	\$
Auditing Services	\$ 8,277	\$	3.98	\$
Training	\$ 4,000	\$	1.92	\$
Special Dept. Expenses	\$ 1,000	\$	0.48	\$
Office Supplies	\$ 15,000	\$	7.21	\$
Total	\$ 109,881	\$	52.83	\$

\* Total budget divided by the number of work hours for one fulltime employee in a year (2,080)

#### Step Two: Calculating Hourly Staff Rates Per Budgeted Position

<u>Input</u>	<u>Executive Officer</u>		<u>Staff Analyst</u>		<u>Secretary</u>	
Staff Pay	\$ 52.54	\$	28.52	\$	22.56	\$
Staff Benefit	\$ 21.29	\$	11.60	\$	22.00	\$
Overhead	\$ 52.83	\$	52.83	\$	52.83	\$
Total	\$ 126.66	\$	92.95	\$	97.39	\$

#### Step Three: Calculating a Weighted Hourly Staff Rate

<u>Factor</u>	<u>Executive Officer</u>		<u>Staff Analyst</u>		<u>Secretary</u>	
Staff Rate	\$ 126.66	\$	92.95	\$	97.39	\$
% Processing Proposal	40.0%		55.0%		5.0%	
<b>Weighted Staff Rate</b>	<b>\$ 106.66</b>					

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**Staff Hours**  
**(CEQA: EIR/ND)**

Without  
100% Consent

1.0  
0.5  
1.0  
5.0  
2.0  
1.5  
2.0  
2.0  
1.5  
14.0  
2.0  
1.0  
1.0  
1.5  
1.0  
5.0  
1.0  
1.5  
2.0  
2.0

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48.5

50.0

5,350.00

1,070.00

**\$ 6,420.00**

6,180.00

\$ 240.00

4%



**Local Agency Formation Commission of Napa County**  
**LAFCO of Napa County**

**Fixed Application Fees for Annexations and Detachments**  
**(LAFCO as Responsible Agency)**

Step	Process	Staff Hours (CEQA: Exemption)		Staff Hours (CEQA: Initial Study/ND)		With 100% Consent
		With 100 % Consent	Without 100% Consent	With 100% Consent	Without 100% Consent	
1	Initial Consultation	1.0	1.0	1.0	1.0	1.0
2	Receive and Set Up Proposal File	0.5	0.5	0.5	0.5	0.5
3	Preliminary Proposal Review	1.0	1.0	1.0	1.0	1.0
4	Preliminary CEQA Review	1.0	1.0	2.5	2.5	5.0
5	Prepare and Circulate Agency Review	2.0	2.0	2.0	2.0	2.0
6	Prepare and Circulate Property Tax Exchange Notice	1.5	1.5	1.5	1.5	1.5
7	Prepare and Circulate Request for Registered Voter List	-	2.0	-	2.0	-
8	Prepare and Circulate Status Letter	2.0	2.0	2.0	2.0	2.0
9	Prepare and Post Hearing Notice	-	1.5	-	1.5	-
10	Prepare Staff Report and Resolution	10.0	10.0	12.0	12.0	14.0
11	Review and Finalize Staff Report and Resolution	2.0	2.0	2.0	2.0	2.0
12	Prepare and Circulate Certificate of Filing	1.0	1.0	1.0	1.0	1.0
13	Commission Meeting	0.5	1.0	0.5	1.0	0.5
14	Prepare and Record Environmental Document	1.5	1.5	1.5	1.5	1.5
15	Prepare and Circulate Notice of Commission Action	1.0	1.0	1.0	1.0	1.0
16	Conducting Authority Proceedings	-	5.0	-	5.0	-
17	Finalize Resolution	1.0	1.0	1.0	1.0	1.0
18	Prepare and Record Certificate of Completion	1.5	1.5	1.5	1.5	1.5
19	Prepare and File Boundary Change with SBE	2.0	2.0	2.0	2.0	2.0
20	Close Proposal File and Scan Contents	2.0	2.0	2.0	2.0	2.0
Total Staff Hours:		31.5	40.5	35.0	44.0	39.5
Total Staff Hours Rounded:		30.0	40.0	35.0	45.0	40.0
Application Fee						
Staff Hours (@ \$107 Hourly Rate)		3,210.00	4,280.00	3,745.00	4,815.00	4,280.00
Municipal Service Review Surcharge (@ 20%)		642.00	856.00	749.00	963.00	856.00
		<b>\$ 3,852.00</b>	<b>\$ 5,136.00</b>	<b>\$ 4,494.00</b>	<b>\$ 5,778.00</b>	<b>\$ 5,136.00</b>
Current Fee (@ \$103 Hourly Rate)		\$ 3,708.00	4,944.00	4,326.00	5,562.00	4,944.00
Increase		\$ 144.00	\$ 192.00	\$ 168.00	\$ 216.00	\$ 192.00
		4%	4%	4%	4%	4%

**Alameda**

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	Exempt	IS/ND	EIR
No Hearing	900.00	1,930.00	3,313.00
Hearing	1,575.00	2,590.00	3,800.00

**Contra Costa**

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	Exempt	ND	EIR
Annexation/Detachment:	2,965.00	3,515.00	3,765.00
Reorganization:	3,885.00	4,635.00	4,885.00

**Santa Clara**

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	Exempt	ND	EIR
No Hearing	5,656.00	5,869.00	6,525.00
(deposits) Hearing	11,408.00	11,408.00	11,408.00