



Town of Yountville

6550 Yount Street
Yountville, CA 94599

Staff Report

Agenda Item #: {{section.number}}C

Yountville Town Council Staff Report

DATE: April 6, 2021

TO: Mayor and Town Council

FROM: Celia King, Finance Director

PREPARED BY: Kyle Batista, Financial Analyst; Celia King, Finance Director

SUBJECT:

Master Fee Schedule Annual Administrative Update and Adoption of Resolution Number 21-4042 Approving a Waiver of the July 1, 2021 Increase to Regulatory and Other Fees and Charges Contained in the Master Fee Schedule Due to COVID-19 Economic Impacts on Yountville Businesses, Residents and Customers.

DISCUSSION/BACKGROUND

The annual update of the Town's Master Fee Schedule is an administrative function completed by the Management Team. The practice in place as adopted by Town Council is for staff to increase fees annually based on the February Consumer Price Index (CPI) for San Francisco-Oakland-Hayward, CA. The February 2021 CPI increase was 1.6%.

In response to COVID-19 related fiscal impacts staff recommends that the Town Council approve a waiver of the annual increase that otherwise would have gone into effect as of July 1, 2021. The purpose of the waiver is to help minimize the economic hardship experienced by Town of Yountville businesses, residents and customers.

A result of approving a waiver of the annual increase could be that the Town would potentially forfeit revenue in the amount of approximately \$15,000 - \$20,000 in Fiscal Year 2021/2022. The waiver of the annual increase is not applicable to Town Lease Agreements or the Water and Wastewater Utility Rates that were previously established with the approval of the 2018 Utility Rate Study.

The Master Fee Schedule was created to consolidate all the Town's fees and charges in one comprehensive document. The purpose of the Master Fee Schedule is to make it easier for those doing business with the Town to understand the costs associated with the services provided as well as to allow Town staff to update and more efficiently manage the collection and administration of these revenues.

The Master Fee Schedule document is comprised of the following sections:

- Overview/Purpose Statement
- Administration
- Parks and Recreation Department
- Planning and Building Department

- Public Works and Engineering Department
- Water and Wastewater Utility Rates
- Contract Services
- Fee Adjustment History
- Appendix with an index of prior Resolutions and Ordinances related to Town fees

Each section includes a brief description of the services provided and identifies the fee, unit or measure of service, and if a deposit is required.

A few fees are set at actual cost to provide and require the applicant to pay an initial deposit towards those costs. If the cost to deliver the service is less than the deposit, the user receives a refund and if more than the deposit the user owes the outstanding balance. Actual costs include the calculation of the fully loaded staff costs (salary and benefit costs and administrative overhead) for the employee involved in providing the service and any consumable products used. The actual costs methodology is primarily used in the Planning and Building Department, Public Works and Engineering Department, and other applications where it is not possible to establish a fee, as the cost to provide the service is variable based on the project.

Where a set cost is established that fee is determined by the following criteria:

- Maximum fee as determined by applicable state law.
- Governed by Ordinance or Resolution in effect which would require Proposition 218 process (water and wastewater utility enterprise rates).
- A calculation based on the cost of the staff involved with the service delivery using fully loaded salary and benefits cost with administrative overhead, direct consumables used, and any equipment or vehicle costs involved with service delivery.

In accordance with California state law, the Town is not able to make an overall profit on the fees and charges collected, however the Town is able to fully recover the costs incurred to deliver the service.

Copies of the CPI, a comparative listing of new fees and old fees and the legislative history of all fees in the Master Fee Schedule accompany this staff report for reference.

ENVIRONMENTAL REVIEW

Exempt per California Environmental Act (CEQA) Guideline, Section 15061(b)(3)

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it Currently Budgeted? Yes

Where is it Budgeted? Various funds and departments

Is it Mandatory or Discretionary? Mandatory

Is there a Staff Resource Impact? Nominal

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? Yes

If yes, Identify Strategic Goal and Objective. **Responsible Fiscal Policy:** The Town maintains its fiscal health through policies designed to maximize economic opportunities, manage expenses, and ensure prudent reserves.

Briefly Explain Relationship to Strategic Plan Goal and Objective. It is desired and legally required to annually update all Town user fees and charges to ensure Town revenues are adjusted within legal limits as set by Town policy. The adoption of the Master Fee Schedule enables this process.

RECOMMENDATION

Adopt Resolution Number 21-4042 Approving a Waiver of the July 1, 2021 Increase to Regulatory and Other Fees and Charges Contained in the Master Fee Schedule Due to COVID-19 Economic Impacts on Yountville Businesses, Residents and Customers.