



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: February 20, 2018

TO: Carolyn Lehr, City Manager

FROM: Susan Hsieh, Finance Director
Charles S. Bryant, Community Development Director
Andrew Clough, Acting Public Works Director

SUBJECT: **Resolution Of The City Council Of The City Of Emeryville
Amending the City of Emeryville Master Fee Schedule For Fiscal
Year 2017-2018 Effective On February 21, 2018**

RECOMMENDATION:

Staff recommends that the City Council conduct a public hearing to consider the above stated resolution and thereafter adopt said resolution.

BACKGROUND:

The City of Emeryville charges fees for a variety of specific services offered by City departments. These fees are intended to recover the costs of services provided to the extent possible. User fee services are those performed by a governmental agency on behalf of a private citizen or group. The underlying assumption for the user fee is that costs of services benefiting individuals and not the entire community should be borne by the individuals receiving the service; therefore, setting user fees offsets the cost of providing those services. Unlike private organizations, making a profit in providing services to the public is not a legally allowable objective for local governments. The City may only set fees at a level to recover the full cost of providing the service. However, in certain circumstances it is reasonable to set policies in establishing fees for certain services at a level that does not recover the full cost, resulting in General Fund subsidy.

On June 20, 2017, the City Council adopted the FY 17-18 Master Fee Schedule that was effective July 3, 2017. Since that time, Staff has identified several fees that should be added/adjusted because they do not reflect the cost incurred by the City. Therefore, City staff recommends the following changes to ensure that the fee covers the actual cost incurred by the City. They are as follows:

New Fees

Small Cell Antenna Fees:

Staff's survey of 23 cities in California shows that the annual fees for small cell antennas per pole ranged from \$250 to \$4,000, with the most common being in the \$1,000 to \$1,500 range. Staff recommends a fee of \$2,500 per pole per annum which is similar to fees charged by the neighboring cities. This fee will be subject to change in accordance with the San Francisco Bay Area annual CPI adjustment. This fee will be called Small Cell Antenna Street Pole fee and will be added to the Master Fee Schedule under Public Works Section.

In the Public Works Section on Page 18

Encroachment Permits:

The previous Master Fee Schedule incorrectly increased the fee for "No Parking" signs to \$32. This revision restores the fee back to \$4 per sign and removes "plus cost of signs".

To be consistent with the updated security deposit collected with the Private Sewer Lateral (PSL) permit, the Encroachment Permit Performance Security is increased from \$1,000 to \$1,034.

For projects that have an encroachment permit to discharge groundwater into the City's sanitary sewer system, the adopted fee is listed as \$254 plus \$1.36 per one hundred cubic feet (100 cf) of discharge based on City Ordinance. The City Council approved a series of sewer rate increases on November 15, 2016, which increased the \$1.36 per 100 cf fee to \$1.49 per 100 cf, effective January 1, 2018. Therefore, the fee should be listed as \$254 plus \$1.49 per 100 cf of discharge based on City Ordinance.

FISCAL IMPACT:

"No Parking" signs are primarily sold to residents moving to or from Emeryville. Keeping the cost low encourages residents to continue to pull encroachment permits with the City. The amount of security deposit collected for working within the public right-of-way should be consistent, regardless of the type of permit being pulled. If the fee for discharging groundwater to the sanitary sewer system is not increased, the City may not be able to fund sewer improvement projects or accumulate sufficient reserves to address emergency repairs.

PREPARED BY: Keely Nelson, Associate Civil Engineer
Miroo Desai, Senior Planner

**APPROVED AND FORWARDED TO THE
CITY COUNCIL OF THE CITY OF EMERYVILLE:**



Carolyn Lehr, City Manager

Attachments:

1. Resolution
2. Exhibit "A"