

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF JULY 22, 2020

REGULAR MEETING

TO: Shiva Frentzen, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

AGENDA ITEM #8: CONSIDERATION AND ADOPTION OF THE AMENDED EL
DORADO LAFCO FEE SCHEDULE

RECOMMENDATION

Staff recommends that the Commission:

1. Receive and adopt the attached fee schedule so that the agency can recover the actual costs of processing applications;
2. Set an effective date of October 1, 2020 for the new fee schedule and
3. Determine that any project currently being processed by LAFCO is subject to the current Schedule of Fees prior to the effective date of the new fee schedule and subject to the new rates after that date.

REASON FOR RECOMMENDED ACTION

Government Code §56383 allows for the Commission to adopt a Schedule of Fees to recover the “estimated reasonable costs” of processing various LAFCO actions. Section 2.2.1(a) of the Commission’s Policies and Guidelines require the periodic review of the fee schedule. In addition to that requirement, the staff hourly rates in the fee schedule have to be updated with the Commission’s adoption of salary resolution L-2020-02 in January.

2.2.1 *Application of Fees*

- (a) *Effective May 2015, the Commission shall periodically review its fees and adopt a fee schedule for the purpose of recovering the costs pursuant to the Cortese-Knox-Hertzberg Act (§56383(a), §56384, §66016). See Section 8.3, Fee Schedule. The period between these reviews shall be no greater than once every five years.*

BACKGROUND

While the fee schedule is subject to periodic review, the main impetus for this action is to correct a couple of quirks in the operating costs that prevent the collection of actual staff time costs. A new fee schedule is necessary given the changes in staff compensation earlier this year in which the Commission completed the third year of a 3-year salary increase phase in to bring staff compensation up to market. Since the Commission is not scheduled to revisit staff compensation next year, the 2020 fee schedule reintroduces the percentage multiplier that adapts the staff hourly rates to changes in the cost of doing business every fiscal year. Theoretically speaking, because changes in costs are accounted for in the multiplier, it relieves the Commission of having to adopt new hourly rates annually.

Staff does not recommend any other changes to the fee schedule, either in the process for collecting fees or to the required initial deposit amounts.

Hourly Rates

The recommended new rates reflect the salary compensation levels that will be in effect starting on July 1, 2020. Unfortunately, the timing will be a little off. The fee schedule will not take effect until 60 days after adoption. As a result, the 2019 rates will be in effect until September 30, 2020 and these rates in effect through the end of the 2020-21 fiscal year:

Employee	Current rates (FY2019-20)	Recommended adjusted rates	Change (+/-)
Executive Officer	\$150.32	\$151.21	+\$0.89
Asst. Exec. Officer	\$73.36	\$82.51	+\$9.14
Asst. Policy Analyst	\$43.54	\$44.99	+1.44

The hourly rate calculations are included in Attachment B and an explanation of the factors and methodology used to derive at these numbers are included in Attachments C, D and E.

Please note that the future Administrative Assistant is not included because their normal work functions do not include work on LAFCO petitions. Instead, the costs for this position are considered part of the agency's overhead.

Attachments:

- Attachment A: Recommended Fee Schedule
- Attachment B: Hourly Rate Calculations
- Attachment C: Net Productive Hours/Administrative Rates
- Attachment D: Explanation of the Net Productive Hours Calculations
- Attachment E: Explanation of Hourly Rate Calculations