



User and Regulatory Fee Study

- April 2018 -

[Updated to reflect City Council direction received during the May 1, 2018 Public Hearing to consider fee updates]



Table of Contents

Executive Summary.....	1
Legislative Guidance	6
Study Methodology and Data Sources.....	8
Overview of Findings and Recommendations	10
Planning Fees	10
Public Works/Engineering Fees	11
Building Fees	12
Community Planning Fee	13
Adoption of Fees and Ongoing Fee Management	14
Appendices.....	15
Appendix A – Proposed Fee Schedule	
Appendix B – Illustration of Current Fees, Maximum Fees, and Proposed Fees	
Appendix C – New Fees Proposed	
Appendix D – Fees Proposed to Be Removed from Schedule	
Appendix E – Cost of Service Analysis and Audit for Reasonableness of Outcomes	

Executive Summary

[On May 1, 2018 the City Council held a Public Hearing to consider adoption of an updated schedule of user and regulatory fees. The City Council adopted all proposed fees, with the exception of “Appeal Fee”. The proposed fee for appeals was \$1,000, the City Council elected to leave the fee unchanged from the current amount of \$360. This report and the adopted fee schedule have been updated to reflect a proposed fee of \$360. No other changes have been made].

User and Regulatory Fees

The City derives its annual revenue from a number of sources. These include, but are not limited to, property taxes, and user and regulatory fees. User and regulatory fees are intended to cover all, or a portion of, the costs incurred by the City for providing fee-related services and activities that are not otherwise provided to those not paying the fee. California law provides guidance regarding the amounts the City may charge for fee-related services and activities. Specifically, in order to avoid being considered taxes, the fees charged shall not exceed the estimated reasonable cost of providing the services, activities, or materials for which fees are charged.

Recovering the Costs of Providing Fee-Related Services Directly Influences the City’s Fiscal Soundness and Increases the City’s Ability to Meet the Service Level Expectations of Fee Payers

The services for which the City imposes a user or regulatory fee typically derive from an individual person or entity’s action, request, or behavior. Therefore, except in cases where there is an overwhelming public benefit generated by the City’s involvement in the individual action, a fee for service ensures that the individual bears most, if not all, of the cost incurred by the City to provide that service. When a fee targets “100% or full cost recovery,” the individual is bearing the entirety of the cost. When a fee targets less than full cost recovery, another City revenue source – in most cases, the General Fund – subsidizes the individualized activity.

Fairly allocating costs to the services provided and recovering some, or all, of these costs from service recipients creates value and predictability for City customers and reimburses the City for services provided to a single party, as compared to the public at large.

Scope of Work and Purpose for Conducting the Fee Study

The scope of work for the study can be summarized as follows:

- Calculate the costs of providing fee-related services
- Remodel current fee schedules to correlate to prevailing services and practices
- Assist with cost recovery policy development and planning for ongoing maintenance of fees
- Estimate revenue impacts of fee modifications where possible with available data
- Prepare an updated schedule of fees for City review

The City initiated the fee study in 2017. This effort is intended to provide multiple benefits, including:

- Increase the availability of General Fund revenues to be used for services and activities available to all residents and businesses, such as public works and public safety services.
- Help meet the service level expectations of the community by collecting revenues to fund the services provided by each department.

Fee Categories that Were Examined in this Study

This study examined all of the City’s user and regulatory fees, including, but not limited to:

- **Planning Fees**, such as entitlement review and review for compliance with the zoning code
- **Public Works Fees**, such as engineering, encroachment, and excavation review and inspection
- **Building Fees**, such as construction permit processing, plan check, and inspection

Summary of Findings and Recommendations

Table 1 – Current Estimated Cost Recovery for Fee Services

General Fee Category	Revenue	Fee-Related Expenses	Cost Recovery for Fee Services	General Fund Subsidy
Planning	\$65,000	\$167,000	39%	\$102,000
Public Works	\$55,000	\$169,000	33%	\$114,000
Building	\$313,000	\$378,000	83%	\$65,000
Community Planning	\$0	\$66,000	0%	\$66,000
Total	\$433,000	\$780,000	56%	\$347,000

Options for Ongoing Fee Management

As illustrated in the table above, existing fee collections do not recover the City’s costs of providing fee-related services. Moving forward, the City has several options:

- **Limited changes to current practices**
 - For services where the City recovers up to, or less than full cost recovery, fees may remain unchanged and the City can continue its current practice. Any fees that currently recover more than the cost of service should be adjusted downward.
 - This would result in the continued aggregate under-recovery of fees.
- **Move to full cost recovery, where practical and implement annual adjustments tied to cost inflation index**
 - The City could immediately recalibrate fees to target full cost recovery, except in those instances where fees are limited by another agency, or full cost recovery is impractical.
- **Use a phase-in approach to increase cost recovery levels and implement a pattern of ongoing annual adjustments. The pattern may be pre-determined or tied to a cost inflation index**
 - This approach would avoid attempting to recover the entire amount of under-collection in a single year. Instead it would recognize the subsidy being provided for services and

consider increases over a multi-year period to reach targeted cost recovery levels which, in some cases, may be less than 100%.

- This approach also allows the City to easily identify service areas targeted for long-term subsidy and set specific cost recovery levels for individual services rather than an across-the-board targeting of full cost recovery.

Any Additional Revenue from Fees is Intended to Offset the Cost of Existing Services

It is important to note that while adjusting fees will provide a fiscal impact in the form of additional revenue, the revenue is not intended to be used to fund new services, rather the revenue is intended to offset the costs of providing existing services that are recoverable from fees. Consequently, while fees may rise annually, typically labor costs (the primary driver of fee-related costs) also rise annually. Recalibration of these fees simply provides an offset of existing expenditures/needs rather than a source of funding for expanded service levels.

Implementing a Policy of Pro-Active Fee Management

Continued evaluation of these fees would provide benefits, including:

- Avoid fee spikes that are more likely to occur when fees are left unchanged for several years.
- Provide fee payers, City staff, and City policymakers with a pattern of consistency that provides information for forecasting and decision-making purposes.
- Encourage generational equity among fee payers by avoiding long-term stagnation of fees followed by significant fee increases.

Fiscal Impact of Proposed Fee Changes

The fiscal impact of proposed fee changes will be determined based on the level of cost recovery targeted from fees. This will be determined by the City Council at the conclusion of a public hearing to consider any modifications to fees. For illustrative purposes only, the revenue impact of a potential cost recovery scenario is presented in the following table. A summary of the proposed cost recovery scenario is also provided.

Table 2 – Fiscal Impact of Recalibrating Fees to the Proposed Cost Recovery Scenario

General Fee Category	Current Revenue	Revenue After Fee Changes	Total Fiscal Impact
Planning	\$65,000	\$93,000	\$28,000
Public Works	\$55,000	\$113,000	\$58,000
Building	\$313,000	\$358,000	\$45,000
Community Planning	\$0	\$33,000	\$33,000
Total	\$433,000	\$597,000	\$164,000

Table 3 – Cost Recovery Impact of Proposed Fee Changes

General Fee Category	Revenue Before Fee Adjustments	Revenue After Adjustments	Fee-Related Expenses	Cost Recovery before Adjustment	Cost Recovery after Adjustment
Planning	\$65,000	\$93,000	\$167,000	39%	56%
Public Works	\$55,000	\$113,000	\$169,000	33%	67%
Building	\$313,000	\$358,000	\$378,000	83%	95%
Community Planning	\$0	\$33,000	\$66,000	0%	50%
Total	\$433,000	\$597,000	\$780,000	56%	77%

Summary of Cost Recovery Strategy and/or Significant Changes Included in the Proposed Fee Schedule

Planning Fees

- The Division’s high volume activities are building permit review and issuance of tree removal permits. Less than full cost recovery is targeted for both of these services.
 - Planning review of building permits – target cost recovery = 50%
 - Tree removal permit – target cost recovery = 10%
- The Division’s lower volume, more complex activities are typically associated with site development review. These fees are proposed to recover between 80% and 100% of the City’s cost of service.
- Establish a community planning fee to allow for recovery of a portion of the City’s costs of maintaining and updating the plans, documents, and guidelines required to approve development/construction within the City.
 - Target cost recovery = 50%

Public Works Engineering / Private Land Development Fees

- Formally establish a final map review fee. The City’s existing fee schedule does not have an established final map review fee.
- Recalibrate fees to increase cost recovery for encroachment permits, and grading permits’
- Restructure NPDES fees for ease of fee calculation and administration.
- Proposed cost recovery ranges between 50% and 100% depending on fee category.

Building Fees

- Increase the City’s minimum permit fee from \$62 to \$159.
 - The proposed minimum permit fee represents roughly 45 minutes of total staff time associated with permit processing, plan review, and inspection.
- Increase electrical, plumbing, and mechanical permit fees from \$62 to \$159 per permit.
- Leave building permit and plan review fees unchanged.
 - The City currently recovers the full cost of building permit and plan review, no downward or upward adjustment is required

- Begin collecting fees for solar permits
 - The City currently waives fees for solar permits. The proposed fee is \$159. The proposed fee is less than solar contractors will expect to pay in most jurisdictions. Additionally the proposed fee is set to match the City's minimum permit fee and is well under maximum amounts established by the State.

Legislative Guidance

The objectives of the study, the methodologies used to complete the study, and the proposed schedule of fees were significantly influenced by Article 13C of the California Constitution and Section 66014 of the California Government Code.

Article 13C states that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. Additionally, Article 13C identifies the following as items that are *not* defined as taxes:

- 1) A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
- 2) A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
- 3) A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.
- 4) A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
- 5) A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law.
- 6) A charge imposed as a condition of property development.
- 7) Assessments and property-related fees imposed in accordance with the provisions of Article XIII D.

Section 66014(a) of the California Government Code includes the following, "Notwithstanding any other provision of law, when a local agency charges fees for zoning variances; zoning changes; use permits; building inspections; building permits; ...the processing of maps under the provisions of the Subdivision Map Act...; or planning services...; those fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

The outcomes and recommendations of the study are intended to comply with applicable federal, state, and local laws including providing confirmation that the proposed fees (“charges”) recommended as a result of this study are not taxes as defined in Article 13C of the California Constitution and that the proposed fees are no more than necessary to cover the reasonable costs of the City’s activities and services addressed in the fees. Additionally, this report is intended to show that the manner in which the costs are allocated to a payor bear a fair and reasonable relationship to the payor’s burdens on, or benefits received from the activities and services provided by the City.

Study Methodology and Data Sources

This study calculated the estimated reasonable cost of providing various fee-related services across the City organization. Generally, the estimated reasonable cost of providing the fee-related services and activities examined in this study can be calculated as the product of the composite fully-burdened hourly labor rate of the division responsible for providing services and the estimated labor time required to process a typical request for service (see illustration below).

$$\text{Hourly rate} * \text{Labor hours} = \text{Cost of service}$$

The composite fully-burdened hourly rates calculated in this study are based on the estimated annual hours spent providing fee related services, and estimated labor, services and supplies, and citywide overhead expenditures:

- Estimated annual hours spent providing fee related services were developed based on responses received from multiple interviews and targeted questionnaires.
- Labor expenditures for in-house personnel were based on forecasts of Fiscal Year 2017/18 salary and benefits expenditures.
- All other services and supplies expenditures were based on Fiscal Year 2017/18 budgeted expenditures.
- Estimated citywide overhead expenditures were based on the City's central service cost allocation plan.
- Estimated labor times were developed based on responses received from multiple interviews and targeted questionnaires of the staff primarily responsible for the provision of services examined in the study. Commonly used industry data also aided in the development of time estimates and proposed fee structures.

Once cost of service levels are identified, the City may use this information to inform targeted cost recovery from fees. Fees set at the cost of service target full cost recovery. Fees set at any amount less than the cost of service targets less than full cost recovery.

$$\text{Proposed fee} \div \text{Cost of service} = \text{Targeted Cost Recovery}$$

Summary of methodology used to calculate estimated costs of service and cost recovery levels

Step One

Identify annual hours spent providing fee services for each division → This information is developed and tested using a combination of interviews, questionnaires, historical project information, and historical revenue information.

Step Two

Identify annual cost of providing fee services for each division → This information is developed and tested using a combination of information found in the City's adopted budget, expenditure history, and the overhead cost plan.

Step Three

Calculate the estimated hourly rate using information from Steps 1 and 2 → ***Annual cost ÷ Annual hours = Hourly rate***

Step Four

Estimate labor time required to process individual request for service → This information is developed and tested using a combination of interviews, questionnaires, commonly-used measures, and information developed in Step 1.

Step Five

Calculate estimated cost of service using information from Steps 3 and 4 → ***Hourly rate * Labor hours = Cost of service***

Step Six

Calculate current cost recovery level for a specific service → ***Current fee ÷ Cost of service = Current Cost recovery***

Step Seven

Use laws, industry standards, goals and policies, and historical trends to determine targeted cost recovery → ***Proposed fee ÷ Cost of service = Targeted Cost Recovery***

Step Eight

Test to confirm forecast revenue from fees will not exceed program costs → Use historical permit volume and proposed fees to forecast anticipated revenue from fees. Forecast revenues should not exceed program costs.

Overview of Findings and Recommendations

Planning Fees

The Planning Division maintains and implements the City’s Zoning Code and prepares other specialized planning documents. The department reviews development requests for conformance with the City’s planning policies and standards. Department staff also oversee the City’s advance planning efforts. The costs of providing fee-related services are proposed to be recovered in part, or in full, from fees. Costs associated with non-fee related services are proposed to be paid from other sources, typically the City’s General Fund revenues.

Planning Fees: Study Outcomes and Recommendations

#	Finding / Recommendation	Description
1	Current fees recover less than the full cost of providing services	<ul style="list-style-type: none"> The Division collects only a fraction (≈39%) of fee-related costs of service.
2	Begin collecting fee for planning review of building permits	<ul style="list-style-type: none"> The planning division reviews more than 100 building permits per year to ensure compliance with City zoning requirements (e.g. setbacks). The City does not currently recover a fee for this service. The proposed fee would recover 50% of the City’s review cost.
3	Consider enhanced cost recovery for more complex review projects	<ul style="list-style-type: none"> The proposed fees for complex reviews such as review of site development plans involving new structures or significant additions have been recalibrated to target between 80% and 100% cost recovery.
4	Target less than full cost recovery for minor permits or permits with high community benefits	<ul style="list-style-type: none"> Less than full cost recovery is proposed for planning review of building permits; issuance of tree removal permits; site development permits for minor items such as fences, reasonable accommodation reviews, animal-related use permits, and appeals.
5	Adopt community planning fee	<ul style="list-style-type: none"> Over time the City incurs significant costs associated with maintaining and updating the plans, guidelines, and Codes that are used to inform and approve development and construction within the City. The proposed fee will allow the City to recover a portion of these costs.

Public Works/Engineering Fees

The Public Works Department regulates activities impacting public facilities, infrastructure, and the right of way. The department reviews development, construction, and other requests for conformance with the City's policies and standards. It also works closely with other departments to review applications and activities. The costs of providing services generated by individualized action, such as encroachments and grading, are proposed to be recovered in full, or in part, from fees. Costs associated with non-fee related services will be paid from other sources, typically General Fund revenues.

Public Works Fees: Study Outcomes and Recommendations

#	Finding / Recommendation	Description
1	Adjust fees to improve cost recovery	<ul style="list-style-type: none">• Many of the City's current fees recover less than 50% of the City's cost of review. The proposed fees generally target at least 50% cost recovery and in some cases 100% cost recovery.
2	Formally establish a final map review fee	<ul style="list-style-type: none">• The department is required to review and approve final maps. A fee for this service has been added to the proposed fee schedule.
3	Restructure NPDES fees for ease of fee estimation and administration	<ul style="list-style-type: none">• The number of fee categories has been significantly reduced.

Building Fees

The Building Department provides permitting, plan check, and inspection services for all new construction, alterations, and additions throughout the City, enforcing the provisions of the California Building Standards Code. Additionally the department serves as a primary building code resource to contractors, architects, engineers, developers, and property owners. Only the costs of providing fee-related services are proposed to be recovered from fees. Costs associated with non-fee related services are proposed to be paid from other sources, typically the City's General Fund revenues.

Building Fees: Study Outcomes and Recommendations

#	Finding / Recommendation	Description
1	Current fees recover roughly 83% of the cost of service	<ul style="list-style-type: none"> Communities throughout the State typically target full cost recovery (100%) for building fee-related services.
2	Recalibrate minimum permit fee and mechanical, electrical, and plumbing permit fees to correct under-recovery	<ul style="list-style-type: none"> The City's minimum permit fee is \$62. The proposed fee is \$159. Modifying this fee will correct the City's under-recovery.
3	Leave building permit and plan review fees unchanged	<ul style="list-style-type: none"> The City's existing building permit and plan review fees recover the costs of service. No downward or upward adjustment is required.
4	Begin collecting minimum permit fee for solar permits	<ul style="list-style-type: none"> The City currently waives permit fees for solar installations. The proposed fee is \$159. The proposed fee is less than solar contractors will expect to pay in most jurisdictions. Additionally the proposed fee is set to match the City's minimum permit fee and is well under maximum amounts established by the State.

Community Planning Fee

California Government Code Section 66014 states that fees collected by an agency “...may include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations.” Cities and counties throughout California often attempt to recover portions of the costs of updating and maintaining these plans and policies through fees collected on various development projects.

Community Planning Fee: Study Outcomes and Recommendations

#	Finding / Recommendation	Description
1	Adopting a community planning fee will allow for segregation of revenues and reduce reliance on General Fund reserves for funding of periodic projects	<ul style="list-style-type: none"> Clearly identifying this fee will provide enhanced revenue tracking information to allow for efficient identification of amounts collected for specific purposes. The City may use these revenues to offset all or portions of the cost of in-house planning or contract planning services for preparation and revision of the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations. These include, but are not limited to, General Plan, Zoning Ordinance, and Housing Element updates. The proposed fee revenues would recover \$30,000 per year. For administrative efficiency the fee will be collected as part of the building permit fee. The vast majority of planning fee-related services, and engineering fee-related services are associated with active building permit applications or will ultimately lead to building permit applications. Permit valuation is a readily available metric that provides a reasonable correlation to cost on a repeatable basis (i.e. more complex projects have higher valuations, and typically rely more heavily on community planning documents for approval.

The Appendix contains a detailed listing of current fees, maximum fees, and proposed fees.

Adoption of Fees and Ongoing Fee Management

The fees included as part of this study are set at the direction of the City Council. Consequently, the City Council may adopt fees and modify them at a future date as costs of service change, city policies or goals change, project volumes change, service recipient feedback is received, and annual revenue impact of fees is confirmed.

If the City decides to adopt modified fees it should:

- **Include the fee revisions as part of all official fee schedules.**
- **Ensure that City staff begin fee collections using updated fee schedules** once the adopted fees are effective.
- **Periodically Review and Adjust Fees and Calculation Methodologies** –If fees for services are unintentionally omitted from the adopted fee schedule, they should be added to the fee schedule as part of a future update. In between updates, the City may bill hourly for fee-related services inadvertently excluded from the schedule.
- **Monitor feedback and permit statistics** - Monitor permit and application volume and applicant feedback to determine if fee modifications are resulting in any unanticipated changes in project frequency and to increase the level of detail available for revenue forecasting.
- **Adjust fees on an annual basis using a predetermined pattern or inflationary index** - In order to generally maintain pace with regional cost inflation and the City's salary cost inflation, the City should adjust its fees on an annual basis.
- **Conduct future fee studies on regular basis** – The City should conduct future fee studies periodically to confirm that fee levels remain at, or below, legal limits.

Appendices

The appendices provides detailed analytical findings from the study, including the amount of cost, or estimated cost, required to provide the services for which the fee or service charge is levied and the revenue sources anticipated to provide the service, including General Fund revenues. For any fees targeted to recover less than 100% of the estimated reasonable cost of service, it is anticipated that General Fund revenues of the City will fund the difference between the targeted recovery level and 100% recovery of the estimated cost of service. These amounts are identified in the schedule of fee-based activities included in the appendices.

Appendix A – Proposed Fee Schedule

Appendix B – Illustration of Current Fees, Maximum Fees, and Proposed Fees

Appendix C – New Fees Proposed

Appendix D – Fees Proposed to Be Removed from Schedule

Appendix E – Cost of Service Analysis and Audit for Reasonableness of Outcomes

Appendix A – Proposed Fee Schedule

City of Monte Sereno

MASTER FEE SCHEDULE

Services / Activities / Subject Matter	Effective Date	Page
Planning Fees	July 1, 2018	1 - 2
Public Works Fees	July 1, 2018	3 - 4
Building Fees	July 1, 2018	5 - 6
Administrative Services	July 1, 2018	7

City of Monte Sereno

MASTER FEE SCHEDULE - PLANNING FEES

Activity Description	Note	Fee
1 Planning Review of Building Permit		\$150
2 Community Planning Fee (per \$1 of valuation)	[a]	\$0.0018
3 Significant Tree Removal (referred to Site and Architecture Commission)		\$100
4 Site Development/Planned Development Permit:		
a) New Houses/Demo Rebuild/Remodel/Addition 50% or more of existing SF		\$2,800
b) Remodel/Addition less than 50% of existing SF		\$1,900
c) Accessory Building/Fence Height		\$500
e) Hillside Development (avg. slope of 10% of greater)		\$3,100
f) Site Development Permit Amendment		\$1,300
5 Administrative Building Site Approval		\$2,800
6 Address/Street Name Change		\$350
7 Environmental Review		
a) Exemption		\$350
b) Environmental Clearance		
i) Reuse of Previous Environmental Clearance		\$350
ii) Initial Study and Negative Declaration / Mitigated Negative Declaration		\$3,400
iii) Initial Study and Negative Declaration / Mitigated Negative Declaration (prepared by consultant)		pass-through of actual cost plus 10% administrative fee
iv) EIR (prepared by consultant)		pass-through of actual cost plus 10% administrative fee
8 General Plan Amendment		\$2,800
9 Zoning Map Amendment		\$2,800
10 Planned Development Zoning Map Amendment		\$5,000
11 Annexation (excluding LAFCO Fees)		\$3,800
12 Reasonable Accommodation Application		\$360
13 Subdivision:		
a) Lot Line Adjustment		\$1,500
b) Tentative Map Application:		
i) 4 Lots or Fewer: (Tentative Parcel Map)		\$3,000
ii) 5 Lots or More: (Tentative Subdivision Map)		\$10,000
14 Use Permits:		
a) General		\$2,800
b) Animals		\$500
c) Special Land Use Permit (Historic Resource)		\$2,800
15 Satellite Dish		
a) Administrative Review		\$250
b) Public Hearing		\$500
16 Variance		\$2,800
17 Appeal		\$360
18 Hourly Rate for Services Not Listed in this Fee Schedule (per hour - 1 hour minimum)		\$194
19 Excess Plan Review Fee (per hour - 1 hour minimum)	[b]	\$194

City of Monte Sereno

MASTER FEE SCHEDULE - PLANNING FEES

Activity Description	Note	Fee
20 Excess Inspection/Re-inspection/Missed Inspection Fee (per hour - 1 hour minimum)	[b]	\$194
21 Work Commenced without a Permit	[c]	1x Base Permit Fee

Notes:

* The fees listed in this schedule do not include the costs of external reports required to be prepared and submitted by the applicant (e.g. arborist report, geotech report). Applicant is responsible for the preparation costs of any external reports required. Additionally, the fees in this schedule do not include any outside agency fees or costs that may apply to applicant project (e.g. County recording fees, Department of Fish and Wildlife fees, newspaper noticing fees, consulting services, attorney services). Applicant is responsible for payment of any outside agency/service provider fees that may apply to applicant project.

[a] Fee paid at time of building permit issuance.

[b] Base fees include up to three plan reviews and any typically required inspections and first re-inspections. Excess plan review fees apply beginning with the fourth plan review. Excess inspection fees apply beginning with second re-inspection.

[c] Amount in addition to base fee (i.e. double fees).

City of Monte Sereno

MASTER FEE SCHEDULE - PUBLIC WORKS FEES

Activity Description	Note	Fee
1 Certificate of Compliance		\$1,050
2 Encroachment Permit (Administrative)		\$350
3 Construction Encroachment Permit Fee		
a) First \$50,000 of value, or any fraction thereof		5% of value
b) Value Exceeding \$50,000		3% of value
4 Storm Drain Fees		
a) Per Lot Zoned: R-1-44		\$2,450
b) Per Lot Zoned: R-1-20		\$1,640
c) Per Lot Zoned: R-1-8		\$810
5 Final Map		
a) Parcel Map		\$3,000
b) Tract Map		\$9,000
6 Grading Plan Check Fees		Bill hourly/T&M
7 Grading Permit Fees		
a) Less than 50 cubic yards		\$265
b) 51 to 100 cubic yards		\$530
c) 101 to 1,000 cubic yards		
i) For first 100 cubic yards or fraction thereof		\$530
ii) For each add'l 100 cubic yards or fraction thereof up to 1,000 cubic yards		\$29
d) 1,001 to 10,000 cubic yards		
i) For first 1,000 cubic yards or fraction thereof		\$795
ii) For each add'l 1,000 cubic yards or fraction thereof up to 10,000 cubic yards		\$59
e) 10,001 to 100,000 cubic yards		
i) For first 10,000 cubic yards or fraction thereof		\$1,988
ii) For each add'l 1,000 cubic yards or fraction thereof up to 100,000 cubic yards		\$31
f) 100,001 cubic yards or more		
i) For first 100,000 cubic yards or fraction thereof		\$6,360
ii) For each add'l 1,000 cubic yards or fraction thereof		\$31
8 NPDES Compliance		
a) Plan Check		
i) Less than 1 Acre		\$350
ii) Greater than or Equal to 1 Acre		\$1,050
b) Site Inspection		
i) Less than 1 Acre		\$530
ii) Greater than or Equal to 1 Acre		Bill hourly/T&M with \$1,000 initial deposit
9 Oversize Load Permit		
a) One Day		\$16
b) Annual		\$90
10 Hourly Rate for Services Not Listed in this Fee Schedule (per hour - 1 hour minimum)		\$265
11 Excess Plan Review Fee (per hour - 1 hour minimum)	[a]	\$265

City of Monte Sereno

MASTER FEE SCHEDULE - PUBLIC WORKS FEES

Activity Description	Note	Fee
12 Excess Inspection/Re-inspection/Missed Inspection Fee (per hour - 1 hour minimum)	[a]	\$265
13 Work Commenced without a Permit	[b]	1x Base Permit Fee

Notes:

[a] Base fees include up to three plan reviews and any typically required inspections and first re-inspections. Excess plan review fees apply beginning with the fourth plan review. Excess inspection fees apply beginning with second re-inspection.

[b] Amount in addition to base fee (i.e. double fees).

City of Monte Sereno

MASTER FEE SCHEDULE - BUILDING FEES

Activity Description	Note	Fee
1 Construction Tax		\$0.51
2 Electrical, Plumbing or Mechanical Permits:		
a) Fee per Square Foot		\$0.11
b) Minimum fee		\$159
3 Solar		\$159
4 Demolition Permit		\$159
5 Building Permit:	[a]	
a) Valuation: \$1 to \$500		\$23.50
b) Valuation: \$501 to \$2,000		
i) Fee for first \$500		\$23.50
ii) Fee for each additional \$100, or fraction thereof, to and including \$2,000		\$3.05
c) Valuation: \$2,001 to \$25,000		
i) Fee for first \$2,000		\$69.25
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$25,000		\$14.00
d) Valuation: \$25,001 to \$50,000		
i) Fee for first \$25,000		\$391.25
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$50,000		\$10.10
e) Valuation \$50,001 to \$100,000		
i) Fee for first \$50,000		\$643.75
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$100,000		\$7.00
f) Valuation \$100,001 to \$500,000		
i) Fee for first \$100,000		\$993.75
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$500,000		\$5.60
g) Valuation: \$501,000 to \$1,000,000		
i) Fee for first \$500,000		\$3,233.75
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$1,000,000		\$4.75
h) Valuation: \$1,000,001 and up		
i) Fee for first \$1,000,000		\$5,608.75
ii) Fee for each additional \$1,000, or fraction thereof		\$3.15
6 Plan Review Fees (In addition to building permit fees)		
a) Plan Review Fee (% of Building Permit Fee)		65%
b) Structural Plan Review Fee (% of Plan Review Fee)		65%
c) Energy Conservation Plan Review Fee (% of Plan Review Fee)		5%
d) Green Building Code Plan Review Fee (% of Plan Review Fee)		5%
7 Micro-filming / Imaging Fee (per page, in addition to building permit fees)		\$5
8 Strong Motion Fees:		
a) Residential (per \$1 of valuation)		\$0.00013
b) Commercial (per \$1 of valuation)		\$0.00028
9 SB 1473 (per \$25,000 of valuation)		\$1
10 Road Impact Fee (per \$100 of valuation of permitted work)		\$0.49

City of Monte Sereno

MASTER FEE SCHEDULE - BUILDING FEES

Activity Description	Note	Fee
11 Other Fees		
a) Excess Inspection/Excess Re-inspection/Missed Inspection Fee (per inspection)		\$106
b) Work Commenced without a Permit	[b]	1x Base Fees
c) Hourly Rate for Services Not Listed in this Fee Schedule (per hour - 1/2 hour min.)		\$213
d) Fee for Additional Services Required Due to Changes, Modifications, Additions, etc.	[c]	Actual Costs / T&M

Notes:

[a] The Building Official shall establish the valuation of said improvements, and fees will be assessed according to the following fee schedule.

[b] Amount in addition to base fee (i.e. double fees).

[c] In the event additional map checking, plan checking, or inspection services by the City are required by reason of changes, modifications, additions, errors, omissions, or discrepancies occasioned by the applicant or his agents or representatives, the applicant shall pay an additional fee equal to the actual cost to the City of performing the additional services.

City of Monte Sereno

MASTER FEE SCHEDULE - ADMINISTRATIVE FEES

Activity Description	Note	Fee
1 Business License Fees		
a) General Contractor		\$105
b) Solicitors (for profits)		\$105
c) Others (including subcontractors/specialty contractors)		\$55
2 Printed Materials and Maps		
a) Photo copies/Scanned/Digital Images (per page)		\$0.25
b) Zoning Map		\$5
c) City History "Peaceful Mountain"		\$31
d) Design Guidelines		\$8
3 Alarm Soundings, within a 12-month period		
a) First, Second, and Third Soundings		No Charge
b) Fourth		\$200
c) Fifth		\$300
d) Subsequent Alarms		\$300
4 Returned Check Processing Fee		
a) First Check	[a]	\$25
b) Each Additional Check	[a]	\$35
5 Preparation of Materials Requiring Formatting, Programming, Development, etc.		100% of Actual Cost
		(billed per hour; 15 minute increments)
6 City Administration Fee Added to Vendor Service Costs, if applicable (e.g. outside printing of materials)		15%

Notes:

[a] Fee set by State.

Appendix B – Illustration of Current Fees, Maximum Fees, and Proposed Fees

City of Monte Sereno
ILLUSTRATION OF CURRENT FEES, MAXIMUM FEES, AND PROPOSED FEES

Services / Activities / Subject Matter	Effective Date
Planning Fees	July 1, 2018
Public Works Fees	July 1, 2018
Building Fees	July 1, 2018

City of Monte Sereno

WORKING DRAFT MASTER FEE SCHEDULE - PLANNING FEES

Activity Description	Note	Current Fee	Maximum Fee (2018 Fee Study)	Proposed Fee
1 Planning Review of Building Permit		\$0	\$291	\$150
2 Community Planning Fee (per \$1 of valuation)		\$0.0000	\$0.00036	\$0.0018
3 Significant Tree Removal (referred to Site and Architecture Commission)	[a]	\$100	\$970	\$100
4 Site Development/Planned Development Permit:				
a) New Houses/Demo Rebuild/Remodel/Addition 50% or more of existing SF		\$2,450	\$3,104	\$2,800
b) Remodel/Addition less than 50% of existing SF		\$1,500	\$2,328	\$1,900
c) Accessory Building/Fence Height		\$360	\$1,552	\$500
e) Hillside Development (avg. slope of 10% of greater)		\$2,750	\$3,492	\$3,100
f) Site Development Permit Amendment		\$1,250	\$1,552	\$1,300
5 Administrative Building Site Approval		\$2,450	\$3,104	\$2,800
6 Address/Street Name Change		\$250	\$388	\$350
7 Environmental Review				
a) Exemption		varies	\$388	\$350
b) Environmental Clearance				
i) Reuse of Previous Environmental Clearance		varies	\$388	\$350
ii) Initial Study and Negative Declaration / Mitigated Negative Declaration		varies	\$3,492	\$3,400
iii) Initial Study and Negative Declaration / Mitigated Negative Declaration (prepared by consultant)		varies	varies	pass-through of actual cost plus 10% administrative fee
iv) EIR (prepared by consultant)		varies	varies	pass-through of actual cost plus 10% administrative fee
8 General Plan Amendment		\$2,530	\$3,104	\$2,800
9 Zoning Map Amendment		\$2,530	\$3,104	\$2,800
10 Planned Development Zoning Map Amendment		\$2,530	\$5,432	\$5,000
11 Annexation (excluding LAFCO Fees)		\$2,530	\$3,880	\$3,800
12 Reasonable Accommodation Application		\$360	\$1,164	\$360
13 Subdivision:				
a) Lot Line Adjustment		\$1,500	\$1,552	\$1,500
b) Tentative Map Application:				
i) 4 Lots or Fewer: (Tentative Parcel Map)		\$2,550 + \$1,360/lot	\$3,104	\$3,000
ii) 5 Lots or More: (Tentative Subdivision Map)		\$3,060 + \$1,360/lot	\$10,088	\$10,000
14 Use Permits:				
a) General		\$2,450	\$3,104	\$2,800
b) Animals		\$360	\$1,552	\$500

City of Monte Sereno

WORKING DRAFT MASTER FEE SCHEDULE - PLANNING FEES

Activity Description	Note	Current Fee	Maximum Fee (2018 Fee Study)	Proposed Fee
15 Special Land Use Permit (Historic Resource)		\$2,450	\$3,104	\$2,800
c) Satellite Dish				
16 Administrative Review		\$55	\$485	\$250
a) Public Hearing		\$55	\$970	\$500
17 Variance		\$2,450	\$3,104	\$2,800
18 Appeal		\$360	\$1,940	\$360
19 Hourly Rate for Services Not Listed in this Fee Schedule (per hour - 1 hour minimum)			\$194	\$194
20 Excess Plan Review Fee (per hour - 1 hour minimum)	[b]		\$194	\$194
21 Excess Inspection/Re-inspection/Missed Inspection Fee (per hour - 1 hour minimum)	[b]		\$194	\$194
22 Work Commenced without a Permit	[c]			1x Base Permit Fee

Notes:

* The fees listed in this schedule do not include the costs of external reports required to be prepared and submitted by the applicant (e.g. arborist report, geotech report). Applicant is responsible for the preparation costs of any external reports required. Additionally, the fees in this schedule do not include any outside agency fees or costs that may apply to applicant project (e.g. County recording fees, Department of Fish and Wildlife fees, newspaper noticing fees, consulting services, attorney services). Applicant is responsible for payment of any outside agency/service provider fees that may apply to applicant project.

[a] Fee paid at time of building permit issuance.

[a] Base fees include up to three plan reviews and any typically required inspections and first re-inspections. Excess plan review fees apply beginning with the fourth plan review. Excess inspection fees apply beginning with second re-inspection.

[b] Amount in addition to base fee (i.e. double fees).

City of Monte Sereno

WORKING DRAFT MASTER FEE SCHEDULE - PUBLIC WORKS FEES

Activity Description	Note	Current Fee	Maximum Fee (2018 Fee Study)	Proposed Fee
1 Certificate of Compliance		\$360	\$2,120	\$1,050
2 Encroachment Permit (Administrative)		\$175	\$398	\$350
3 Construction Encroachment Permit Fee				
a) First \$50,000 of value, or any fraction thereof		5% of value	varies: ≈ \$795	5% of value
b) Value Exceeding \$50,000		2% - 3% of value	varies: ≈ \$2,120	3% of value
4 Storm Drain Fees	*			
a) Per Lot Zoned: R-1-44	*	\$2,450		\$2,450
b) Per Lot Zoned: R-1-20	*	\$1,640		\$1,640
c) Per Lot Zoned: R-1-8	*	\$810		\$810
5 Final Map				
a) Parcel Map		n/a	\$3,180	\$3,000
b) Tract Map		n/a	\$9,540	\$9,000
6 Grading Plan Check Fees		Actual + admin	varies	Bill hourly/TT&M
7 Grading Permit Fees				
a) Less than 50 cubic yards		\$105	\$530	\$265
b) 51 to 100 cubic yards		\$160	\$1,060	\$530
c) 101 to 1,000 cubic yards				
i) For first 100 cubic yards or fraction thereof		\$160	\$1,060	\$530
ii) For each add'l 100 cubic yards or fraction thereof up to 1,000 cubic yards		\$30	\$59	\$29
d) 1,001 to 10,000 cubic yards				
i) For first 1,000 cubic yards or fraction thereof		\$460	\$1,590	\$795
ii) For each add'l 1,000 cubic yards or fraction thereof up to 10,000 cubic yards		\$30	\$118	\$59
e) 10,001 to 100,000 cubic yards		\$0		
i) For first 10,000 cubic yards or fraction thereof		\$760	\$2,650	\$1,988
ii) For each add'l 1,000 cubic yards or fraction thereof up to 100,000 cubic yards		\$30	\$41	\$31
f) 100,001 cubic yards or more				
i) For first 100,000 cubic yards or fraction thereof		\$3,460	\$6,360	\$6,360
ii) For each add'l 1,000 cubic yards or fraction thereof		\$30	\$31	\$31
8 NPDES Compliance				
a) Plan Check				
i) Less than 1 Acre		varies ≈ \$232	\$398	\$350
ii) Greater than or Equal to 1 Acre		varies ≈ \$232	\$2,120	\$1,050

City of Monte Sereno

WORKING DRAFT MASTER FEE SCHEDULE - PUBLIC WORKS FEES

Activity Description	Note	Current Fee	Maximum Fee (2018 Fee Study)	Proposed Fee
b) Site Inspection				
i) Less than 1 Acre		varies ≈ \$391	\$1,060	\$530
ii) Greater than or Equal to 1 Acre		varies ≈ \$391	varies	Bill hourly/T&M with \$1,000 initial deposit
9 Oversize Load Permit				
a) One Day				\$16
b) Annual				\$90
10 Hourly Rate for Services Not Listed in this Fee Schedule (per hour - 1 hour minimum)		varies	\$265	\$265
11 Excess Plan Review Fee (per hour - 1 hour minimum)		n/a	\$265	\$265
12 Excess Inspection/Re-inspection/Missed Inspection Fee (per hour - 1 hour minimum)		n/a	\$265	\$265
13 Work Commenced without a Permit	[a]	n/a		1x Base Permit Fee

Notes:

[a] Amount in addition to base fee (i.e. double fees).

* Not included in this study. No changes proposed. Not intended to be part of the public hearing process. Only included to avoid inadvertently excluding from schedule.

City of Monte Sereno

WORKING DRAFT MASTER FEE SCHEDULE - BUILDING FEES

Activity Description	Note	Current Fee	Maximum Fee (2018 Fee Study)	Proposed Fee
1 Construction Tax	*	\$0.51	n/a	\$0.51
2 Electrical, Plumbing or Mechanical Permits:				
a) Fee per Square Foot		\$0.06	\$0.11	\$0.11
b) Minimum fee		\$62	\$160	\$159
3 Solar		\$0	\$320	\$159
4 Demolition Permit		\$62	\$160	\$159
5 Building Permit:	[a]			
a) Valuation: \$1 to \$500		\$23.50	\$23.50	\$23.50
b) Valuation: \$501 to \$2,000				
i) Fee for first \$500		\$23.50	\$23.50	\$23.50
ii) Fee for each additional \$100, or fraction thereof, to and including \$2,000		\$3.05	\$3.05	\$3.05
c) Valuation: \$2,001 to \$25,000				
i) Fee for first \$2,000		\$69.25	\$69.25	\$69.25
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$25,000		\$14.00	\$14.00	\$14.00
d) Valuation: \$25,001 to \$50,000				
i) Fee for first \$25,000		\$391.25	\$391.25	\$391.25
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$50,000		\$10.10	\$10.10	\$10.10
e) Valuation \$50,001 to \$100,000				
i) Fee for first \$50,000		\$643.75	\$643.75	\$643.75
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$100,000		\$7.00	\$7.00	\$7.00
f) Valuation \$100,001 to \$500,000				
i) Fee for first \$100,000		\$993.75	\$993.75	\$993.75
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$500,000		\$5.60	\$5.60	\$5.60
g) Valuation: \$501,000 to \$1,000,000				
i) Fee for first \$500,000		\$3,233.75	\$3,233.75	\$3,233.75
ii) Fee for each additional \$1,000, or fraction thereof, to and including \$1,000,000		\$4.75	\$4.75	\$4.75
h) Valuation: \$1,000,001 and up				
i) Fee for first \$1,000,000		\$5,608.75	\$5,608.75	\$5,608.75
ii) Fee for each additional \$1,000, or fraction thereof		\$3.15	\$3.15	\$3.15
6 Plan Review Fees (In addition to building permit fees)				
a) Plan Review Fee (% of <u>Building Permit Fee</u>)		65%	65%	65%
b) Structural Plan Review Fee (% of <u>Plan Review Fee</u>)		65%	65%	65%

City of Monte Sereno

WORKING DRAFT MASTER FEE SCHEDULE - BUILDING FEES

Activity Description	Note	Current Fee	Maximum Fee (2018 Fee Study)	Proposed Fee
c) Energy Conservation Plan Review Fee (% of Plan Review Fee)		5%	5%	5%
d) Green Building Code Plan Review Fee (% of Plan Review Fee)		5%	5%	5%
7 Micro-filming / Imaging Fee (per page, in addition to building permit fees)		\$5	\$5	\$5
8 Strong Motion Fees:				
a) Residential (per \$1 of valuation)		\$0.00013	n/a	\$0.00013
b) Commercial (per \$1 of valuation)		\$0.00028	n/a	\$0.00028
9 SB 1473 (per \$25,000 of valuation)		\$1	n/a	\$1
10 Road Impact Fee (per \$100 of valuation of permitted work)	*	\$0.49	n/a	\$0.49
11 Other Fees				
a) Excess Inspection/Excess Re-inspection/Missed Inspection Fee (per inspection)		n/a	\$107	\$106
b) Work Commenced without a Permit	[b]	n/a		1x Base Fees
c) Hourly Rate for Services Not Listed in this Fee Schedule (per hour - 1/2 hour min.)		n/a	\$213	\$213
d) Fee for Additional Services Required Due to Changes, Modifications, Additions, etc.	[c]	Actual Costs	Actual Costs / T&M	Actual Costs / T&M

Notes:

[a] The Building Official shall establish the valuation of said improvements, and fees will be assessed according to the following fee schedule.

[b] Amount in addition to base fee (i.e. double fees).

[c] In the event additional map checking, plan checking, or inspection services by the City are required by reason of changes, modifications, additions, errors, omissions, or discrepancies occasioned by the applicant or his agents or representatives, the applicant shall pay an additional fee equal to the actual cost to the City of performing the additional services.

* Not included in this study. No changes proposed. Not intended to be part of the public hearing process. Only included to avoid inadvertently excluding from schedule.

Appendix C – New Fees Proposed

City of Monte Sereno

FEES PROPOSED TO BE ADDED TO FEE SCHEDULE

Activity Description	Proposed Fee	Reason for Addition
1 Planning Review of Building Permit	\$150	Planning staff review certain building permits for compliance with setback requirements, previously approved plans, etc. This fee would allow staff to recover a portion of the City's review cost. Proposed fee targets 50% cost recovery.
2 Solar Permits	\$159	The City does not currently charge for solar permits. As solar has become more common, most communities collect solar permit fees. The proposed fees are less than solar contractors will expect to pay in most jurisdictions. Additionally the proposed fees are set to match the City's minimum permit fee and are well under maximum amounts established by the State.
3 Final Map Review		
a) Parcel Map	\$3,000	Existing fee schedule does not include a final map review fee
b) Tract Map	\$9,000	Existing fee schedule does not include a final map review fee
4 Community Planning Fee (per \$1 of valuation)	\$0.0018	Fee will allow the City to recover a portion of the cost of updating the plans, guidelines, and zoning documents that are used to authorize and approve development and construction within the City.

Appendix D – Fees Proposed to Be Removed from Schedule

City of Monte Sereno

FEES CATEGORIES PROPOSED TO BE REMOVED FROM SCHEDULE

Activity Description	Reason for Removal
1 Planning Review of Secondary Dwelling Units	Review no longer required. Planning will continue to review building permits for compliance with setback requirements, etc.
2 Road Impact Deposit	Deposit structure is no longer used.
3 Preliminary Map Fees	Service not provided by the City. Fees are collected for tentative and final map review only.
4 Real Estate Consultation Fee	Fee has not been collected in the past. Staff will continue to provide general information without charge. For services requiring significant research or pre-application assistance, the fee schedule includes an hourly rate for staff services, upon request.
5 Parking Fines	See Los Gatos PD. Fines are not considered user and regulatory fees. They are typically identified via a schedule of fines/penalties/bail amounts. Any parking fine amounts will be recovered via Los Gatos PD and remitted to the City.
6 Animal Control Fees	See Silicon Valley Animal Control Authority.
7 Fire Protection Fees	See Santa Clara County Fire.

Appendix E – Cost of Service Analysis and Audit for Reasonableness of Outcomes



User and Regulatory Fees

Fee-Related Cost of Service Analysis

City of Monte Sereno

COST OF SERVICE ANALYSIS

Services / Activities / Subject Matter	Page
Planning Fees	App E: 3 - 7
Public Works Fees	App E: 8 - 12
Building Fees	App E: 13 - 17
Community Planning Fee	App E: 18

City of Monte Sereno
 User and Regulatory Fee Study
 Allocation of Annual Labor Effort - Planning

Position	City Planner	Note
Assumptions Regarding Labor Hours		
Annual Paid Hours Per FTE	1,820	[a]
Est. Annual Leave Hours Per FTE	224	[b]
Est. Productive Hours Per FTE	1,596	[c]
Specific Employee Information		
Total FTE (or FTE Equivalent/Contractor)	1.00	
Annual Salary	\$ 100,449	
Annual Benefits	\$ 31,103	
Contract Svcs	\$ -	
Total Annual Labor Costs	\$ 131,552	
Salary and Wage Rate Per Paid Hour	\$ 55	
Benefit Rate Per Paid Hour	\$ 17	
Contract Svcs Rate Per Paid Hour	\$ -	
Total Labor Hourly Rate Per Paid Hour	\$ 72	
Divisional Assignment		[d]
Share Assigned to this Division	100%	
Est. FTE Assigned to this Division	1.00	
Annual Salary Assigned to this Division	\$ 100,449	
Annual Benefits Assigned to this Division	\$ 31,103	
Annual Contract Svcs Assigned to this Division	\$ -	
Total Annual Labor Costs	\$ 131,552	
Est. Annual Hours Assigned to this Division	1,820	
Est. Annual Leave Assigned to this Division	224	
Est. Productive Hours Assigned to this Division	1,596	
Labor Rate Per Productive Hour	\$ 82	

City of Monte Sereno
 User and Regulatory Fee Study
 Allocation of Annual Labor Effort - Planning

Position	City Planner	Note
Allocation of Productive Hrs to this Division (%)		
Indirect Activities and Services		
General Admin; Mgmt; Policies; Procedures	12%	
Certification and Training	2%	
Public Information and Assistance	21%	[e]
Total Indirect Activities and Svcs	35%	
Direct Activities and Services		
Code Enforcement/Compliance (Punitive)	1%	
Long Range Planning	5%	
Current Planning	39%	[e]
Blg Permit Plan Review	15%	
Support to Other City Departments	5%	
Total Direct Activities and Services	65%	
Total	100%	
Allocation of Productive Hours (Hours)		
Indirect Activities and Services		
General Admin; Mgmt; Policies; Procedures	192	
Certification and Training	32	
Public Information and Assistance	335	[e]
Total Indirect Activities and Svcs	559	
Direct Activities and Services		
Code Enforcement/Compliance (Punitive)	16	
Long Range Planning	80	
Current Planning	622	[e]
Blg Permit Plan Review	239	
Support to Other Departments	80	
Total Direct Activities and Services	1,037	
Total	1,596	

[a] Assumes 35 hours per week, 52 weeks per year (35*52 = 2,080).

[b] Conservative estimate for purposes of this analysis. Actual amounts will vary by employee. Assumes 12 holidays/personal holidays, 15 vacation days, 5 sick days.

[c] Productive hours represent hours available for work after accounting for annual leave.

[d] Based on interviews with City staff.

[e] Based on feedback from City Planner, City policies result in significant time spent providing public information and assistance prior to application submittal in order to improve submittal completeness and allow for 3-week or less turnaround time from the date of formal submittal. This effort has been assigned to current planning and estimated service times include this level of support. This results in a more conservative hourly rate outcome (i.e. lower hourly rate) and a more accurate estimate of total direct service hours associated with application processing (i.e. pre and post submittal hours).

City of Monte Sereno
 User and Regulatory Fee Study
 Fully-Burdened Hourly Rate Calculation and Cost Recovery Analysis - Planning

Labor Expenditures

Description	Total	Notes
Salaries	\$ 100,449	[a]
Benefits	\$ 31,103	[a]
Contract Services	\$ -	[a]
Total - Labor Expenditures	\$ 131,552	

Share of Recurring Services/Supplies and Citywide Overhead Expenditures

Description	% of Direct Costs	Allocation	Notes
Share of Svcs & Supplies and Citywide Overhead	53%	\$ 69,723	[b]

Total Allocable Expenditures

Description	Amount	% of Total	Notes
Labor	\$ 131,552	65%	
Share of Recurring Services/Supplies and C'wide Overhead Exp.	\$ 69,723	35%	
Total	\$ 201,275	100%	

Calculation of Fully-Burdened Hourly Rate

Description	Annual Allocation [a]	Labor	Svcs/Supplies & Citywide OH	Total	Targeted Recovery from Fees	Amount Recoverable from Fees	Targeted Hourly Rate	Notes	
									Indirect Activities and Services
General Admin; Mgmt; Policies; Procedures	12%	\$ 15,786	\$ 8,367	\$ 24,153	83%	\$ 20,066	\$ 23		
Certification and Training	2%	\$ 2,631	\$ 1,394	\$ 4,025	83%	\$ 3,344	\$ 4		
Public Information and Assistance	21%	\$ 27,626	\$ 14,642	\$ 42,268	83%	\$ 35,115	\$ 41		
Total Indirect Activities and Svcs	35%	\$ 46,043	\$ 24,403	\$ 70,446		\$ 58,524	\$ 68		
Direct Activities and Services									
Code Enforcement/Compliance (Punitive)	1%	\$ 1,316	\$ 697	\$ 2,013	0%	\$ -	\$ -		
Long Range Planning	5%	\$ 6,578	\$ 3,486	\$ 10,064	0%	\$ -	\$ -		
Current Planning	39%	\$ 51,305	\$ 27,192	\$ 78,497	100%	\$ 78,497	\$ 91		
Bldg Permit Plan Review	15%	\$ 19,733	\$ 10,458	\$ 30,191	100%	\$ 30,191	\$ 35		
Support to Other City Departments	5%	\$ 6,578	\$ 3,486	\$ 10,064	0%	\$ -	\$ -		
Total Direct Activities and Services	65%	\$ 85,509	\$ 45,320	\$ 130,828	83%	\$ 108,688	\$ 126		
Total	100%	\$ 131,552	\$ 69,723	\$ 201,275	83%	\$ 167,213	\$ 194	< Hourly Rate	
							Direct Hours	862	[a]

Fee-Related Cost Recovery Analysis

Direct Fee-Related Activity	Hourly Rate	Est. Annual Direct Hours	Total Annual Costs	Fee Revenue	Aggregate Cost Recovery	General Fund Support Req'd	Notes
Current Planning	\$ 194	622	\$ 120,753	\$ 65,282	54%	\$ 55,471	[c]
Planning Review of Building Permits	\$ 194	239	\$ 46,448	\$ -	0%	\$ 46,448	[c]
Total		862	\$ 167,201	\$ 65,282	39%	\$ 101,919	

[a] See worksheet labeled "Allocation of Annual Labor Effort - Planning".

[b] Source: Indirect cost rate analysis developed as part of this study.

[c] Source: Zoning Fees.

Cost of Service Analysis and Reasonableness Audit

Fee Description	Est. Labor Time	Hourly Rate	Cost of Svc.	Current Fee	Current Est. Cost Recovery	Targeted Cost Recovery	Proposed Fee	Note
1 Planning Review of Building Permit	1.5	\$194	\$ 291	\$0	0%	52%	\$150	
2 Community Planning Fee (per \$1 of valuation)	Separate wrksh		\$0.0036	\$0.0000	0%	50%	\$0.0018	
3 Significant Tree Removal (referred to Site and Architecture Commission)	5.0	\$194	\$ 970	\$100	10%	10%	\$100	
4 Site Development/Planned Development Permit:								
a) New Houses/Demo Rebuild/Remodel/Addition 50% or more of existing SF	16.0	\$194	\$ 3,104	\$2,450	79%	90%	\$2,800	
b) Remodel/Addition less than 50% of existing SF	12.0	\$194	\$ 2,328	\$1,500	64%	82%	\$1,900	
c) Accessory Building/Fence Height	8.0	\$194	\$ 1,552	\$360	23%	32%	\$500	
e) Hillside Development (avg. slope of 10% of greater)	18.0	\$194	\$ 3,492	\$2,750	79%	89%	\$3,100	
f) Site Development Permit Amendment	8.0	\$194	\$ 1,552	\$1,250	81%	84%	\$1,300	
5 Administrative Building Site Approval	16.0	\$194	\$ 3,104	\$2,450	79%	90%	\$2,800	
6 Address/Street Name Change	2.0	\$194	\$ 388	\$250	64%	90%	\$350	
7 Environmental Review								
a) Exemption	2.0	\$194	\$ 388	varies	varies	90%	\$350	
b) Environmental Clearance								
i) Reuse of Previous Environmental Clearance	2.0	\$194	\$ 388	varies	varies	90%	\$350	
ii) Initial Study and Negative Declaration / Mitigated Negative Declaration	18.0	\$194	\$ 3,492	varies	varies	97%	\$3,400	
iii) Initial Study and Negative Declaration / Mitigated Negative Declaration (prepared by consultant)			varies	varies	varies	100%	pass-through of actual cost plus 10% administrative fee	
iv) EIR (prepared by consultant)			varies	varies	varies	100%	pass-through of actual cost plus 10% administrative fee	
8 General Plan Amendment	16.0	\$194	\$ 3,104	\$2,530	82%	90%	\$2,800	
9 Zoning Map Amendment	16.0	\$194	\$ 3,104	\$2,530	82%	90%	\$2,800	
10 Planned Development Zoning Map Amendment	28.0	\$194	\$ 5,432	\$2,530	47%	92%	\$5,000	
11 Annexation (excluding LAFCO Fees)	20.0	\$194	\$ 3,880	\$2,530	65%	98%	\$3,800	
12 Reasonable Accommodation Application	6.0	\$194	\$ 1,164	\$360	31%	31%	\$360	
13 Subdivision:								
a) Lot Line Adjustment	8.0	\$194	\$ 1,552	\$1,500	97%	97%	\$1,500	
b) Tentative Map Application:								
i) 4 Lots or Fewer: (Tentative Parcel Map)	16.0	\$194	\$ 3,104	\$2,550 + \$1,360/lot	varies	97%	\$3,000	
ii) 5 Lots or More: (Tentative Subdivision Map)	52.0	\$194	\$ 10,088	\$3,060 + \$1,360/lot	varies	99%	\$10,000	
14 Use Permits:								
a) General	16.0	\$194	\$ 3,104	\$2,450	79%	90%	\$2,800	
b) Animals	8.0	\$194	\$ 1,552	\$360	23%	32%	\$500	
c) Special Land Use Permit (Historic Resource)	16.0	\$194	\$ 3,104	\$2,450	79%	90%	\$2,800	
15 Satellite Dish								
a) Administrative Review	2.5	\$194	\$ 485	\$55	11%	52%	\$250	
b) Public Hearing	5.0	\$194	\$ 970	\$55	6%	52%	\$500	
16 Variance	16.0	\$194	\$ 3,104	\$2,450	79%	90%	\$2,800	
17 Appeal	10.0	\$194	\$ 1,940	\$360	19%	19%	\$360	
18 Hourly Rate for Services Not Listed in this Fee Schedule (per hour - 1 hour minimum)	1.0	\$194	\$ 194	\$ 194	100%	100%	\$194	
19 Excess Plan Review Fee (per hour - 1 hour minimum)	1.0	\$194	\$ 194	\$ 194	100%	100%	\$194	
20 Excess Inspection/Re-inspection/Missed Inspection Fee (per hour - 1 hour minimum)	1.0	\$194	\$ 194	\$ 194	100%	100%	\$194	
21 Work Commenced without a Permit	1.0	\$194	\$ 194	\$ 194	100%	100%	\$194	1x Base Permit Fee

City of Monte Sereno
User and Regulatory Fee Study
Planning

Cost of Service Analysis and Reasonableness Audit

Fee Description	Target Annual Volume	Est Annual Hours	Revenue Analysis at Current Fees	Revenue Analysis at Full Cost Recovery	Revenue Analysis at Proposed Fees
1 Planning Review of Building Permit	125	188	\$ -	\$ -	\$ 18,750
2 Community Planning Fee (per \$1 of valuation)					
3 Significant Tree Removal (referred to Site and Architecture Commission)	33	165	\$ 3,300	\$ 32,010	\$ 3,300
4 Site Development/Planned Development Permit:					
a) New Houses/Demo Rebuild/Remodel/Addition 50% or more of existing SF	10	160	\$ 24,500	\$ 31,040	\$ 28,000
b) Remodel/Addition less than 50% of existing SF	6	72	\$ 9,000	\$ 13,968	\$ 11,400
c) Accessory Building/Fence Height	6	48	\$ 2,160	\$ 9,312	\$ 3,000
e) Hillside Development (avg. slope of 10% of greater)	3	54	\$ 8,250	\$ 10,476	\$ 9,300
f) Site Development Permit Amendment	1	8	\$ 1,250	\$ 1,552	\$ 1,300
5 Administrative Building Site Approval	0	0	\$ -	\$ -	\$ -
6 Address/Street Name Change	0	0	\$ -	\$ -	\$ -
7 Environmental Review					
a) Exemption	0	0	\$ -	\$ -	\$ -
b) Environmental Clearance					
i) Reuse of Previous Environmental Clearance	0	0	\$ -	\$ -	\$ -
ii) Initial Study and Negative Declaration / Mitigated Negative Declaration	1	18	\$ 2,530	\$ 3,492	\$ 3,400
iii) Initial Study and Negative Declaration / Mitigated Negative Declaration (prepared by consultant)	0	0	\$ -	\$ -	\$ -
iv) EIR (prepared by consultant)	0	0	\$ -	\$ -	\$ -
8 General Plan Amendment	1	16	\$ 2,530	\$ 3,104	\$ 2,800
9 Zoning Map Amendment	1	16	\$ 2,530	\$ 3,104	\$ 2,800
10 Planned Development Zoning Map Amendment	0	0	\$ -	\$ -	\$ -
11 Annexation (excluding LAFCO Fees)	0	0	\$ -	\$ -	\$ -
12 Reasonable Accommodation Application	0	0	\$ -	\$ -	\$ -
13 Subdivision:					
a) Lot Line Adjustment	2	16	\$ 3,000	\$ 3,104	\$ 3,000
b) Tentative Map Application:					
i) 4 Lots or Fewer: (Tentative Parcel Map)	1	16	\$ 2,550	\$ 3,104	\$ 3,000
ii) 5 Lots or More: (Tentative Subdivision Map)	0	0	\$ -	\$ -	\$ -
14 Use Permits:					
a) General	0	0	\$ -	\$ -	\$ -
b) Animals	0	0	\$ -	\$ -	\$ -
c) Special Land Use Permit (Historic Resource)	0	0	\$ -	\$ -	\$ -
15 Satellite Dish					
a) Administrative Review	0	0	\$ -	\$ -	\$ -
b) Public Hearing	0	0	\$ -	\$ -	\$ -
16 Variance	1	16	\$ 2,450	\$ 3,104	\$ 2,800
17 Appeal	0	0	\$ -	\$ -	\$ -
18 Hourly Rate for Services Not Listed in this Fee Schedule (per hour - 1 hour minimum)	0	0	\$ -	\$ -	\$ -
19 Excess Plan Review Fee (per hour - 1 hour minimum)	0	0	\$ -	\$ -	\$ -
20 Excess Inspection/Re-inspection/Missed Inspection Fee (per hour - 1 hour minimum)	0	0	\$ -	\$ -	\$ -
21 Work Commenced without a Permit	0	0	\$ -	\$ -	\$ -
TOTAL	793	793	\$ 64,050	\$ 153,745	\$ 92,850

Reasonable >>>> Yes Yes
 Support Note >>>> see hourly rate see actual rev see hourly rate <100% target

Position	Principal Engineer	Note
Assumptions Regarding Labor Hours Annual Paid Hours Per FTE Est. Annual Leave Hours Per FTE Est. Productive Hours Per FTE	1,820 224 1,596	[a],[d] [b],[d] [c],[d]
Specific Employee Information Total FTE (or FTE Equivalent/Contractor)	1.00	
Annual Salary	\$ 151,426	[e]
Annual Benefits	\$ 69,834	[e]
Contract Svcs	\$ -	
Total Annual Labor Costs	\$ 221,260	
Salary and Wage Rate Per Paid Hour	\$ 83	
Benefit Rate Per Paid Hour	\$ 38	
Contract Svcs Rate Per Paid Hour	\$ -	
Total Labor Hourly Rate Per Paid Hour	\$ 122	
Divisional Assignment Share Assigned to this Division Est. FTE Assigned to this Division	100% 1.00	
Annual Salary Assigned to this Division	\$ 151,426	
Annual Benefits Assigned to this Division	\$ 69,834	
Annual Contract Svcs Assigned to this Division	\$ -	
Total Annual Labor Costs	\$ 221,260	
Est. Annual Hours Assigned to this Division	1,820	
Est. Annual Leave Assigned to this Division	224	
Est. Productive Hours Assigned to this Division	1,596	
Labor Rate Per Productive Hour	\$ 139	

City of Monte Sereno
 User and Regulatory Fee Study
 Allocation of Annual Labor Effort - Public Works Engineering/Private Land Development/Encroachments

Position	Principal Engineer	Note
Allocation of Productive Hrs to this Division (%)		
Indirect Activities and Services		
General Admin; Mgmt; Policies; Procedures	12%	
Certification and Training	2%	
Public Information and Assistance	6%	[f]
Total Indirect Activities and Svcs	20%	
Direct Activities and Services		
Public Projects	40%	[f]
Private Land Development / Encroachments	40%	[f]
Total Direct Activities and Services	80%	
Total	100%	
Allocation of Productive Hours (Hours)		
Indirect Activities and Services		
General Admin; Mgmt; Policies; Procedures	192	
Certification and Training	32	
Public Information and Assistance	96	[e]
Total Indirect Activities and Svcs	319	
Direct Activities and Services		
Public Projects	638	
Private Land Development / Encroachments	638	
Total Direct Activities and Services	1,277	
Total	1,596	

[a] Assumes 35 hours per week, 52 weeks per year (35*52 = 2,080).

[b] Conservative estimate for purposes of this analysis. Actual amounts will vary by employee. Assumes 12 holidays/personal holidays, 15 vacation days, 5 sick days.

[c] Productive hours represent hours available for work after accounting for annual leave.

[d] The City currently uses a contract service provider for Engineering services. Beginning FY 18/19 the City anticipates transitioning to in-house staff. This analysis assumes in-house staff.

[e] Estimated labor costs are set to match the City's Building Official.

[f] Based on feedback from City existing contract engineering service providers.

City of Monte Sereno
 User and Regulatory Fee Study
 Fully-Burdened Hourly Rate Calculation and Cost Recovery Analysis - Public Works Engineering/Private Land Development/Encroachments

Labor Expenditures

Description	Total	Notes
Salaries	\$ 151,426	[a]
Benefits	\$ 69,834	[a]
Contract Services	\$ -	[a]
Total - Labor Expenditures	\$ 221,260	

Share of Recurring Services/Supplies and Citywide Overhead Expenditures

Description	% of Direct Costs	Allocation	Notes
Share of Svcs & Supplies and Citywide Overhead	53%	\$ 117,268	[b]

Total Allocable Expenditures

Description	Amount	% of Total	Notes
Labor	\$ 221,260	65%	
Share of Recurring Services/Supplies and C'wide Overhead Exp.	\$ 117,268	35%	
Total	\$ 338,528	100%	

Calculation of Fully-Burdened Hourly Rate

Description	Annual Allocation [a]	Labor	Svcs/Supplies & Citywide OH	Total	Targeted Recovery from Fees	Amount Recoverable from Fees	Targeted Hourly Rate	Notes	
									Indirect Activities and Services
General Admin; Mgmt; Policies; Procedures	12%	\$ 26,551	\$ 14,072	\$ 40,623	50%	\$ 20,312	\$ 32		
Certification and Training	2%	\$ 4,425	\$ 2,345	\$ 6,771	50%	\$ 3,385	\$ 5		
Public Information and Assistance	6%	\$ 13,276	\$ 7,036	\$ 20,312	50%	\$ 10,156	\$ 16		
Total Indirect Activities and Svcs	20%	\$ 44,252	\$ 23,454	\$ 67,706		\$ 33,853	\$ 53		
Direct Activities and Services									
Public Projects	40%	\$ 88,504	\$ 46,907	\$ 135,411	0%	\$ -	\$ -		
Private Land Development / Encroachments	40%	\$ 88,504	\$ 46,907	\$ 135,411	100%	\$ 135,411	\$ 212		
Total Direct Activities and Services	80%	\$ 177,008	\$ 93,814	\$ 270,822	50%	\$ 135,411	\$ 212		
Total	100%	\$ 221,260	\$ 117,268	\$ 338,528	50%	\$ 169,264	\$ 265	< Hourly Rate	
							Direct Hours	638	[a]

Fee-Related Cost Recovery Analysis

Private Land Development/Encroachments	Hourly Rate	Est. Annual Direct Hours	Total Annual Costs	Fee Revenue	Aggregate Cost Recovery	General Fund Support Req'd	Notes
	\$ 265	638	\$ 169,176	\$ 55,297	33%	\$ 113,879	[c]

[a] See worksheet labeled "Allocation of Annual Labor Effort - Planning".

[b] Source: Indirect cost rate analysis developed as part of this study.

[c] Source: Grading permits; encroachments.

City of Monte Sereno
 User and Regulatory Fee Study
 Private Land Development/Encroachments
Cost of Service Analysis and Reasonableness Audit

Fee Description	EST. Labor Time	Hourly Rate	Cost of Svc	Current Fee	Current Est. Cost Recovery	Targeted Cost Recovery	Proposed Fee	Note
1 Certificate of Compliance	8.0	\$265	= \$ 2,120	\$360	17%	50%	\$1,050	
2 Encroachment Permit (Administrative)	1.5	\$265	= \$ 398	\$175	44%	88%	\$350	
3 Construction Encroachment Permit Fee	varies: ≈ 3 hr	\$265	= varies: ≈ \$795	5% of value	varies: ≈ 65%	varies: ≈ 65%	5% of value	
a) First \$50,000 of value, or any fraction thereof	varies: ≈ 8 hr	\$265	= varies: ≈ \$2,120	2% - 3% of value	varies: ≈ 70%	varies: ≈ 70%	3% of value	
4 Storm Drain Fees								
a) Per Lot Zoned: R-1-44				\$2,450			\$2,450	[a]
b) Per Lot Zoned: R-1-20				\$1,640			\$1,640	[a]
c) Per Lot Zoned: R-1-8				\$810			\$810	[a]
5 Final Map								
a) Parcel Map	12.0	\$265	= \$ 3,180	n/a		94%	\$3,000	
b) Tract Map	36.0	\$265	= \$ 9,540	n/a		94%	\$9,000	
6 Grading Plan Check Fees	varies	\$265	= varies	Actual + admin	varies	100%	Bill hourly/T&M	
7 Grading Permit Fees								
a) Less than 50 cubic yards	2.0	\$265	= \$ 530	\$105	20%	50%	\$265	
b) 51 to 100 cubic yards	4.0	\$265	= \$ 1,060	\$160	15%	50%	\$530	
c) 101 to 1,000 cubic yards								
i) For first 100 cubic yards or fraction thereof	4.0	\$265	= \$ 1,060	\$160	15%	50%	\$530	
ii) For each add'l 100 cubic yards or fraction	0.22	\$265	= \$ 59	\$30	51%	50%	\$29	
d) 1,001 to 10,000 cubic yards								
i) For first 1,000 cubic yards or fraction thereof	6.0	\$265	= \$ 1,590	\$460	29%	50%	\$795	
ii) For each add'l 1,000 cubic yards or fraction	0.4	\$265	= \$ 118	\$30	25%	50%	\$59	
e) 10,001 to 100,000 cubic yards								
i) For first 10,000 cubic yards or fraction thereof	10.0	\$265	= \$ 2,650	\$760	29%	75%	\$1,988	
ii) For each add'l 1,000 cubic yards or fraction	0.16	\$265	= \$ 41	\$30	73%	75%	\$31	
f) 100,001 cubic yards or more								
i) For first 100,000 cubic yards or fraction thereof	24.0	\$265	= \$ 6,360	\$3,460	54%	100%	\$6,360	
ii) For each add'l 1,000 cubic yards or fraction	0.12	\$265	= \$ 31	\$30	97%	100%	\$31	
8 NPDES Compliance								
a) Plan Check								
i) Less than 1 Acre	1.5	\$265	= \$ 398	varies = \$232	58%	88%	\$350	
ii) Greater than or Equal to 1 Acre	8.0	\$265	= \$ 2,120	varies = \$232	11%	50%	\$1,050	
b) Site Inspection								
i) Less than 1 Acre	4.0	\$265	= \$ 1,060	varies = \$391	37%	50%	\$530	
ii) Greater than or Equal to 1 Acre	varies	\$265	= varies	varies = \$391	varies	100%	Bill hourly/T&M with \$1,000 initial deposit	
9 Oversize Load Permit								
a) One Day							\$16	[b]
b) Annual							\$90	[b]
10 Hourly Rate for Services Not Listed in this Fee Schedule (per Excess Plan Review Fee (per hour - 1 hour minimum))	1.0	\$265	= \$ 265	varies		100%	\$265	
11 Excess Inspection/Re-inspection/Missed Inspection Fee (per Work Commenced without a Permit)	1.0	\$265	= \$ 265	n/a		100%	\$265	
12	1.0	\$265	= \$ 265	n/a		100%	\$265	
13	1.0	\$265	= \$ 265	n/a		100%	\$265	

Notes:
 [a] Not included in this study. No changes proposed.
 [b] Fees set to match CalTrans.

City of Monte Sereno
 User and Regulatory Fee Study
 Private Land Development/Encroachments
Cost of Service Analysis and Reasonableness Audit

Fee Description	Target Annual Volume	Est Annual Hours	Revenue Analysis at Current Fees	Revenue Analysis at Full Cost Recovery	Revenue Analysis at Proposed Fees
1 Certificate of Compliance	2	16	\$ 720	\$ 4,240	\$ 2,100
2 Encroachment Permit (Administrative)	26	39	\$ 4,550	\$ 10,335	\$ 9,100
3 Construction Encroachment Permit Fee	24	72	\$ 6,000	\$ 19,080	\$ 6,000
a) First \$50,000 of value, or any fraction thereof					
b) Value Exceeding \$50,000	2	16	\$ 3,000	\$ 4,240	\$ 3,000
4 Storm Drain Fees					
a) Per Lot Zoned: R-1-44					
b) Per Lot Zoned: R-1-20					
c) Per Lot Zoned: R-1-8					
5 Final Map	2	16	\$ -	\$ 6,360	\$ 4,240
a) Parcel Map					
b) Tract Map					
6 Grading Plan Check Fees	36	108	\$ 9,000	\$ 28,620	\$ 28,620
7 Grading Permit Fees	0	0	\$ -	\$ -	\$ -
a) Less than 50 cubic yards					
b) 51 to 100 cubic yards	11	43	\$ 1,728	\$ 11,448	\$ 5,724
c) 101 to 1,000 cubic yards					
i) For first 100 cubic yards or fraction thereof	11	43	\$ 1,728	\$ 11,448	\$ 5,724
ii) For each add'l 100 cubic yards or fraction thereof	11	2	\$ 324	\$ 636	\$ 318
d) 1,001 to 10,000 cubic yards					
i) For first 1,000 cubic yards or fraction thereof	7	43	\$ 3,312	\$ 11,448	\$ 5,724
ii) For each add'l 1,000 cubic yards or fraction thereof	7	3	\$ 216	\$ 848	\$ 424
e) 10,001 to 100,000 cubic yards					
i) For first 10,000 cubic yards or fraction thereof	7	72	\$ 5,472	\$ 19,080	\$ 14,310
ii) For each add'l 1,000 cubic yards or fraction thereof	7	1	\$ 216	\$ 297	\$ 223
f) 100,001 cubic yards or more					
i) For first 100,000 cubic yards or fraction thereof	0	0	\$ -	\$ -	\$ -
ii) For each add'l 1,000 cubic yards or fraction thereof	0	0	\$ -	\$ -	\$ -
8 NPDES Compliance					
a) Plan Check					
i) Less than 1 Acre	24	36	\$ 5,568	\$ 9,540	\$ 8,400
ii) Greater than or Equal to 1 Acre	2	16	\$ 464	\$ 4,240	\$ 2,100
b) Site Inspection					
i) Less than 1 Acre	24	96	\$ 9,384	\$ 25,440	\$ 12,720
ii) Greater than or Equal to 1 Acre	2	16	\$ 782	\$ 4,240	\$ 4,240
9 Oversize Load Permit					
a) One Day					
b) Annual					
10 Hourly Rate for Services Not Listed in this Fee Schedule (per Excess Plan Review Fee (per hour - 1 hour minimum))					
11 Excess Inspection/Re-inspection/Missed Inspection Fee (per					
12 Work Commenced without a Permit					
13					
		639	\$ 52,464	\$ 171,540	\$ 112,967

Reasonable >>> Yes Yes Yes
 Support Note >>> see hourly rate see actual rev see hourly rate < 100% target

Notes:
 (a) Not included in this study. No changes proposed.
 (b) Fees set to match CalTrans.

City of Monte Sereno
 User and Regulatory Fee Study
 Allocation of Annual Labor Effort - Building

Position	Building Official	Admin Clerk	Contract PC Svcs	Total	Note
Assumptions Regarding Labor Hours					
Annual Paid Hours Per FTE	1,820	1,820	311	3,951	(a)
Est. Annual Leave Hours Per FTE	224	224	-	448	(b)
Est. Productive Hours Per FTE	1,596	1,596	311	3,503	(c)
Specific Employee Information					
Total FTE (or FTE Equivalent/Contractor)	1.00	1.00	1.00		
Annual Salary	\$ 151,426	\$ 69,834	\$ -	\$ 221,260	
Annual Benefits	\$ 69,834	\$ 25,247	\$ -	\$ 95,081	
Contract Svcs	\$ -	\$ -	\$ 42,000	\$ 42,000	
Total Annual Labor Costs	\$ 221,260	\$ 95,081	\$ 42,000	\$ 358,341	
Salary and Wage Rate Per Paid Hour					
Salary	\$ 83	\$ 38	\$ -		
Benefit Rate Per Paid Hour	\$ 38	\$ 14	\$ -		
Contract Svcs Rate Per Paid Hour	\$ -	\$ -	\$ 135		
Total Labor Hourly Rate Per Paid Hour	\$ 122	\$ 52	\$ 135		
Divisional Assignment					(d)
Share Assigned to this Division	100%	33%	100%		
Est. FTE Assigned to this Division	1.00	0.33	1.00		
Annual Salary Assigned to this Division	\$ 151,426	\$ 23,045	\$ -	\$ 174,471	
Annual Benefits Assigned to this Division	\$ 69,834	\$ 8,332	\$ -	\$ 78,166	
Annual Contract Svcs Assigned to this Division	\$ -	\$ -	\$ 42,000	\$ 42,000	
Total Annual Labor Costs	\$ 221,260	\$ 31,377	\$ 42,000	\$ 294,637	
Est. Annual Hours Assigned to this Division	1,820	601	311	2,732	
Est. Annual Leave Assigned to this Division	224	74	-	298	
Est. Productive Hours Assigned to this Division	1,596	527	311	2,434	
Labor Rate Per Productive Hour	\$ 139	\$ 60	\$ 135	\$ 121	

City of Monte Sereno
 User and Regulatory Fee Study
 Allocation of Annual Labor Effort - Building

Position	Building Official	Admin Clerk	Contract PC Svcs	Total	Note
Allocation of Productive Hrs to this Division (%)					
Indirect Activities and Services					
General Admin; Mgmt; Policies; Procedures	8%	0%	0%	6%	
Certification and Training	1%	0%	0%	1%	
Public Information and Assistance	22%	25%	0%	19%	
Total Indirect Activities and Svcs	31%	25%	0%	26%	
Direct Activities and Services					
Code Enforcement/Compliance (Punitive)	2%	0%	0%	2%	
Blg Permit Processing/Plan Check/Review	67%	75%	100%	73%	
Total Direct Activities and Services	69%	75%	100%	74%	
Total	100%	100%	100%	100%	
Allocation of Productive Hours (Hours)					
Indirect Activities and Services					
General Admin; Mgmt; Policies; Procedures	128	-	-	128	
Certification and Training	16	-	-	16	
Public Information and Assistance	351	132	-	483	
Total Indirect Activities and Svcs	495	132	-	626	
Direct Activities and Services					
Code Enforcement/Compliance (Punitive)	32	-	-	32	
Blg Permit Processing/Plan Check/Review	1,069	395	311	1,775	
Total Direct Activities and Services	1,101	395	311	1,807	
Total	1,596	527	311	2,434	

[a] Assumes 35 hours per week, 52 weeks per year (35*52 = 2,080).

[b] Conservative estimate for purposes of this analysis. Actual amounts will vary by employee. Assumes 12 holidays/personal holidays, 15 vacation days, 5 sick days.

[c] Productive hours represent hours available for work after accounting for annual leave.

[d] Source: FY 17/18 budgeted payroll.

City of Monte Sereno
 User and Regulatory Fee Study
 Fully-Burdened Hourly Rate Calculation and Cost Recovery Analysis - Building

Labor Expenditures

Description	Total	Notes
Salaries	\$ 174,471	[a]
Benefits	\$ 78,166	[a]
Contract Services	\$ 42,000	[a]
Total - Labor Expenditures	\$ 252,637	

Share of Recurring Services/Supplies and Citywide Overhead Expenditures

Description	% of Direct Costs	Allocation	Notes
Share of Svcs & Supplies and Citywide Overhead	53%	\$ 133,897	[b]

Total Allocable Expenditures

Description	Amount	% of Total	Notes
Labor	\$ 252,637	65%	
Share of Recurring Services/Supplies and C'wvide Overhead Exp.	\$ 133,897	35%	
Total	\$ 386,534	100%	

Calculation of Fully-Burdened Hourly Rate

Description	Annual Allocation [a]	Labor		Svcs/Supplies & Citywide OH	Total	Targeted Recovery from Fees	Amount Recoverable from Fees	Targeted Hourly Rate	Notes
		Amount	% of Total						
Indirect Activities and Services									
General Admin; Mgmt; Policies; Procedures	6%	\$ 15,178	65%	\$ 8,044	\$ 23,222	98%	\$ 22,751	\$ 13	
Certification and Training	1%	\$ 1,897	35%	\$ 1,006	\$ 2,903	98%	\$ 2,844	\$ 2	
Public Information and Assistance	19%	\$ 48,464		\$ 25,686	\$ 74,150	98%	\$ 72,647	\$ 41	
Total Indirect Activities and Svcs	26%	\$ 65,539		\$ 34,736	\$ 100,275		\$ 98,241	\$ 55	
Direct Activities and Services									
Code Enforcement/Compliance (Punitive)	2%	\$ 3,794		\$ 2,011	\$ 5,805	0%	\$ -	\$ -	
Bldg Permit Processing/Plan Check/Review	73%	\$ 183,303		\$ 97,151	\$ 280,454	100%	\$ 280,454	\$ 158	
Total Direct Activities and Services	74%	\$ 187,098		\$ 99,162	\$ 286,259	98%	\$ 280,454	\$ 158	
Total	100%	\$ 252,637		\$ 133,897	\$ 386,534	98%	\$ 378,695	\$ 213	< Hourly Rate
							Direct Hours	1,775	[a]

Fee-Related Cost Recovery Analysis

Direct Fee-Related Activity	Hourly Rate	Est. Annual Direct Hours	Total Annual Costs	Fee Revenue	Aggregate Cost Recovery	General Fund Support Req'd	Notes
Building Division Permitting, Plan Check, Inspection	\$ 213	1,775	\$ 378,145	\$ 312,555	83%	\$ 65,590	[c]

[a] See worksheet labeled "Allocation of Annual Labor Effort - Building".

[b] Source: indirect cost rate analysis developed as part of this study.

[c] Source: Construction permits.

City of Monte Sereno
 User and Regulatory Fee Study
 Building

Cost of Service Analysis and Reasonableness Audit

Fee Description		Est. Labor Time	Hourly Rate	Cost of Svc	Current Fee	Current Est. Cost Recovery	Targeted Cost Recovery	Proposed Fee	Note
1	Electrical Plumbing or Mechanical Permits								
	a) Per Permit	0.75	\$213	= \$ 160	\$62	39%	100%	\$159	
	b) Per Square Foot	0.001	\$213	= \$ 0.11	\$0.06	56%	100%	\$0.11	
2	Solar	1.50	\$213	= \$ 320	\$0	0%	100%	\$159	
3	Demolition Permit	0.75	\$213	= \$ 160	\$62	39%	100%	\$159	
4	Building Permits and Plan Check Fees [see table below for add'l details]	1,140	\$213	= \$ 242,820	\$243,366	100%	100%	\$242,820	
5	Microfilm			= \$ 5	\$5	100%	100%	\$5	

Fee Description		Est. Labor Time (Blg Permit and PC Only)	Hourly Rate	Cost of Svc
6	Sample Building Permit and Plan Review Categories			
	a) Valuation Less than \$5,000	0.50	\$213	= \$ 107
	b) Valuation \$5,000 to \$15,000 (e.g. repair and bathroom remodels)	1.5 - 2.5 hours	\$213	= \$ 426
	c) Valuation \$15,000 to \$50,000 (e.g. remodel bathroom ; pool; kitchen)	2.5 - 5 hours	\$213	= \$ 852
	d) Valuation \$75,000 or greater (e.g. additions ; add/remod; new structures)	8+ hours	\$213	= \$ 3,408

Reasonable >>> Yes

Support Note >> Current fees capture these costs; hours increase as complexity increases; consistent fees for similar projects; total hours do not exceed available annual hours. See building permit history sheet.

Notes:

[a] Source: FY 16/17 actual permits issued.

Cost of Service Analysis and Reasonableness Audit

Fee Description	
1	Electrical Plumbing or Mechanical Permits a) Per Permit b) Per Square Foot
2	Solar
3	Demolition Permit
4	Building Permits and Plan Check Fees [see table below for add'l details]
5	Microfilm

Target Annual Volume	Est. Annual Hours	Revenue Analysis at Current Fees	Revenue Analysis at Full Cost Recovery	Revenue Analysis at Proposed Fees	Note
437	328	\$ 27,094	\$ 69,811	\$ 69,483	[a]
0	0	\$ -	\$ -	\$ -	[a]
20	30	\$ -	\$ 6,390	\$ 3,180	[a]
4	3	\$ 248	\$ 639	\$ 636	[a]
132	1,140	\$ 243,366	\$ 242,820	\$ 242,820	[a]
1,133	0	\$ 5,665	\$ 5,665	\$ 5,665	
	1,501	\$ 276,373	\$ 325,325	\$ 321,784	

Reasonable >>>
Support Note >>>

Yes see actual rev
Yes see hourly rate
Yes see hourly rate
Yes 100% recovery target

Support Clarification >>> Actual revenue = \$312K, actual hours = 1,775. Pro-rating both amounts results in full cost recovery (i.e. adjust minimum permit fee and trade permit fees but leave building permit fees unchanged).

Fee Description	
6	Sample Building Permit and Plan Review Categories a) Valuation Less than \$5,000 b) Valuation \$5,000 to \$15,000 (e.g. repair and bathroom remodels) c) Valuation \$15,000 to \$50,000 (e.g. remodel bathroom ; pool; kitchen) d) Valuation \$75,000 or greater (e.g. additions ; add/remod; new structures)

Notes:
[a] Source: FY 16/17 actual permits issued.

City of Monte Sereno
 User and Regulatory Fee Study
 Community Planning Fee
Cost of Service Analysis

Description	Total	Amortization / Update Frequency	Annual Cost	Notes
Estimated In-House Annual Labor Costs	\$ 10,064	1	\$ 10,064	[a]
Housing Update	\$ 50,000	8	\$ 6,250	[b]
General Plan Update	\$ 750,000	15	\$ 50,000	[b]
Total			\$ 66,314	

Calculation of Fee at Full Cost Recovery

Description	Total	Notes
Annual Revenue Requirement	\$ 66,314	
Est. Annual Construction Valuation	\$ 18,593,667	[c][d]
Community Planning Fee as a % of Construction Valuation	0.36%	

Cost Recovery Analysis

Description	Current Fee	Fee at Full Cost Recovery	Current Cost Recovery	Proposed Cost Recovery	Proposed Fee
Community Planning Fee	0.00%	0.36%	0%	50%	0.18%

[a] See Planning Hourly Rate Calculation and Annual Allocation of Labor Time worksheets.

[b] Conservative estimates of Housing Update and General Plan Update Costs. Actual amounts will likely be higher than amounts shown.

[c] Source: FY 16/17 construction permit valuation. Amounts will vary annually.

[d] For administrative efficiency the fee will be collected as part of the building permit fee. The vast majority of planning fee-related services, and engineering fee-related services are associated with active building permit applications or will ultimately lead to building permit applications. Permit valuation is a readily available metric that provides a reasonable correlation to cost on a repeatable basis (i.e. more complex projects have higher valuations, and typically rely more heavily on community planning documents for approval (e.g. drainage standards, zoning code, General Plan elements)).