



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

August 10, 2023

Item No. 3 (Public Hearing)

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer
(On behalf of Committee Chair Rodoni, Members Burke and Moody)

SUBJECT: Approval of Resolution 23-14, Update to Marin LAFCo Fee Schedule

Background

Based on Marin LAFCo policy 3.11 “Marin LAFCo will maintain a schedule of fees to reasonably recover the agency’s costs in fulfilling its regulatory and planning responsibilities. Marin LAFCo shall periodically review the fee schedule and consider amendments therein no less than every two years.” LAFCo approved its current fee schedule at its June 10, 2021 meeting.

In addition, Government Code section 56383 provides that the Commission may establish a schedule of fees for filing and processing applications. Furthermore, Government Code section 66014 also states in part “...filing and processing applications and petitions filed with the local agency formation commission ... 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 issues.”

At the March 2023 Budget and Workplan Committee meeting the current fee schedule was reviewed. Based on staff presentation the Committee affirmed that the basic formula for time spent on items was correct with one small exception. The amount of time spent by staff on basic applications should be adjusted to acknowledge that the Deputy Executive Officer is now handling a little more of the process. Based on Staff recommendation, percent of staff time should be adjusted by lowering the Executive Officer time from 60% to 55% and increasing the Deputy Executive Officer from 10% to 15%.

The Committee also authorized staff to update the hourly rate for staff and consultants. The Committee agreed to hold off on setting the staff hourly rate until all staff reviews were completed and staff salaries and benefits were better known for FY 2023-2024. With approval of the new contract with the Executive Officer later in the agenda it is now known what those costs will be. Staff has amended the current fee schedule (Attachment 2) per the approvals given by the Budget and Workplan Committee to reflect staff salaries for FY 23-24 along with the change in percent of staff time mentioned above. Staff has also included the Excel spreadsheet charts (Attachment 3) that are used to create each fee for reference. On both attachment 2 and 3 the rows that have yellow highlighting are the ones that show the proposed fee that the applicant would pay. One row on the fee schedule is split between yellow and blue. This is done to signify that when staff talks with the general public the 2 items in blue cover what

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are the vast majority of all applications we get. The blue makes it easier for staff to point those out to the applicant.

Since the changes being recommended by the Committee mainly deal with the hourly rate for staff, legal counsel, and our bookkeeper, changes to any given fee are not that large. For example, the most common type of application that we get is the 100% consent where LAFCo is not the lead agency on CEQA. This fee went up by \$135.63 from the 2021 to 2023 fee schedule which is a 4.35% increase.

In addition, with the change from Marin Map to our own mapping system, we have updated the third-party fee table to reflect how updates to the official maps will work moving forward. As with all third-party fees staff automatically updates this section as we become aware of changes to fees.

Staff Recommendation for Action

1. Staff Recommendation – Approve the amended Fee Schedule with any amendments desired by the Commission.
2. Alternate Option – Take no action today and give staff further instructions.

Attachment

1. Resolution 23-14, Approving Amended Fee Schedule
2. Amended Fee Schedule
3. Cost breakdown charts

MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION 23-14

RESOLUTION APPROVING THE COMPREHENSIVE UPDATE TO THE ADOPTED FEE SCHEDULE

WHEREAS the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.) authorizes the Marin Local Agency Formation Commission (“Commission”) to adopt a schedule of fees and deposits; and

WHEREAS the Commission established and adopted by resolution a fee schedule on June 10, 2021, in a manner by provided by law; and

WHEREAS the Commission’s Policy Committee has prepared and presented a proposed comprehensive update to the fee schedule to improve cost-recovery and implementation; and

WHEREAS the Commission has scheduled and noticed a public hearing on August 10, 2023, to consider taking formal action on the proposed comprehensive fee schedule update; and

WHEREAS the Commission has heard and fully considered all written and verbal comments provided on the proposed comprehensive update to the fee schedule; and

WHEREAS the adoption and setting of fees are not projects under the California Environmental Quality Act under Regulations Code Section 15273(a).

NOW THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. The proposed comprehensive update to the fee schedule shown as Exhibit A is APPROVED.

Section 2. The effective date of the approved update shall be 60 days out and commence on October 9, 2023.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission on this 10th day of August, 2023, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Lew Kious, Chair
Marin LAFCo

ATTEST:

APPROVED AS TO FORM:

Jason Fried, LAFCo Executive Officer

Malathy Subramanian, LAFCo Counsel

Attachments to Resolution No. 23-14

1. Exhibit "A" – Fee Schedule

Marin Local Agency Formation Commission
Subdivision of the State of California

Schedule of Fees and Deposits

As Adopted on *****

These are the policies of the Marin Local Agency Formation Commission (“Commission”) in setting and collecting fees along with associated deposits in administering the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 in Marin County. Amendments to this schedule shall require a majority vote of the Commission.

I. Authority

This schedule shall be administered in accordance with the allowances provided by the State of California under California Government Code Sections 56383 and 66014.

II. Policy Statements

The following policies direct the setting and collecting of Commission fees and deposits.

- 1) The fee schedule emphasizes “fixed” charges and represents reasonable cost estimates for processing generally routine proposals and requests based on a number of predetermined staff hours to complete.
- 2) Fixed fees are non-refundable and – while not typical – may be augmented by one or more deposits when additional time is needed beyond the predetermined staff hour allocation as determined by the Executive Officer.
- 3) The fee schedule includes a number of “at-cost” charges for processing non-routine proposals and requests when there is an inherent need to incorporate and address unique and pervasive local conditions.
- 4) At-cost charges require a refundable deposit set by the Executive Officer to cover an estimated number of staff hours specific to the proposal or request. Additional deposits may be required if the initial staff hour estimate proves insufficient.
- 5) The Commission shall provide periodic invoices to applicants with outstanding deposit balances showing the work performed and charges applied therein during the covered period.
- 6) Remaining deposit balances for completed or withdrawn proposals or requests shall be returned to the applicant within 30 days with closing invoices.
- 7) All fees required under this schedule shall be submitted in check and made payable to “Marin Local Agency Formation Commission.”
- 8) Proposals and requests subject to this fee schedule will be deemed incomplete until the appropriate fee has been received by the Commission.
- 9) All additional staff time required to process proposals or requests subject to this fee schedule beyond the coverage of the initial fixed fee or collected at-cost deposit will be billed based on the staff hourly rate plus a base administrative fee process where applicable.

- 10) All fees collected under this schedule cover a one-year processing period. Proposals or requests that remain incomplete beyond one year or have been denied “without prejudice” by the Commission may be resubmitted within one year of the date of adoption of the resolution terminating proceedings for an additional fee as provided in this schedule.
- 11) Applicants with proposals or requests subject to this fee schedule requiring outside consultants will be responsible for all direct costs therein and will be required to provide a dedicated deposit as determined by the Executive Officer.
- 12) The Executive Officer may stop work on any proposal or request subject to this fee schedule until receipt of a requested fee or deposit.
- 13) The Commission, upon majority vote, may reduce or waive fees, a service charge, or deposit for the following reasons:
 - Proposals or requests covered under this schedule involving overriding public benefit as determined by the Commission and payment would be detrimental to the public interest.
 - Renewed applications with current information that were not previously denied and for which prior processing remains relevant to the renewed application as determined by the Commission.

The Commission will leave to the discretion of the Executive Officer the ability to reduce an application for annexation into a district in cases where an Emergency Out of Service Agreement had been recently completed. The reduction in cost shall only be when time spent by staff is due to the duplicative nature of the two applications. Staff shall report to the Commission any fee reduction with justification at the next available meeting.

Fee reductions shall not be granted for the following reasons:

- Applications amended or denied.
- Misinformation provided in the application or by other public agencies, groups, or individuals.

Prior to consideration by the Commission, a request for a fee reduction shall be submitted in writing to the Marin LAFCo office. The request will be considered at the next regular meeting of the Commission or – and at the discretion of the Executive Officer – in step with consideration of the actual proposal or request so long as the appropriate fee amount is on file with the Marin LAFCo office.

- 14) When agencies bring applications to the Commission for its approval the LAFCo fees that pertain to staff time will be waived when that application is a result of a recommendation coming from a Municipal Service Review. The applicant will still be responsible for all third-party fees as part of the application process.
- 15) Each government agency that LAFCo oversees boundaries of will be given a one-time waiver of fees that pertain to staff time for an application, or group of applications, presented at the same time that brings into the jurisdiction parcels that have been served by the district. The applicant will still be responsible for all third-party fees as part of the application process.

- 16) The Commission shall biennially review this schedule to help maintain an appropriate level of cost-recovery as determined by the membership.
- 17) Research requests on any particular subject – including for purposes to inform a potential future application – will be provided at no cost for the first two hours. Any additional research time will be billed at the hourly rate plus administrative costs.
- 18) The Commission’s schedule of fees and related charges are detailed in Table One.

III. Direction to Applicants

Applicants are strongly encouraged to contact LAFCo staff to discuss a proposal or request and all related fees prior to submittal. Staff will provide any prospective applicant a written summary of all expected costs for a proposal or request at no charge.

IV. Fee Schedule

TABLE ONE

Boundary Change or Outside Service Agreements (non-emergency)

Change of Organization Proposal / Fixed Fee Made Payable to Marin LAFCo:

(Excludes Special District Formations, Mergers or Dissolutions and City Incorporations or Disincorporations)

Single Boundary or Outside Service Extension (non-emergency)						
	Non-Lead Agency/Notice of Exemption		Addendum / Initial Study		Environmental Impact Rpt.	
	With	Without	With	Without	With	Without
	100% Consent	100% Consent	100% Consent	100% Consent	100% Consent	100% Consent
Fee	\$3,250.54	\$4,463.22	\$4,220.10	\$5,200.16	\$4,878.56	\$5,909.77
	Plus material costs		Plus any costs for consultant, legal services and material costs			
Additional Boundary Change to be added to above charge (per boundary change)						
Total Additional Costs	\$247.37	\$298.83	\$436.00	\$484.60	\$616.76	\$671.78

Other Proposals and Fees Made Payable to Marin LAFCo

Emergency Outside Service Agreement	\$1,355.34
Request for Time Extension	\$1,056.94
General Staff Research (Base fee plus hourly rate for staff time used)	Base Fee - \$262.32
.....Executive Officer -	\$105.46/hr
.....Clerk -	\$46.97/hr
.....Deputy Executive Officer	\$69.08/hr
.....Legal Counsel –	\$300.00/hr
.....Bookkeeping –	\$148.00/hr
Photocopies or Printed pages	Black and White \$0.10 per page
.....	Color \$0.87 per page

Following Services shall be done on an at-cost deposit charge system. Deposit size shall be determined by Executive Officer on a case-by-case basis:

- Request for Reconsideration
- Request to Hold a Special Meeting
- Sphere of Influence Amendment
- Municipal Service Review
- Special District Formation, Dissolution, Consolidation
- City Incorporation, Merger, Disincorporation

IV. Third Party Fee Schedule:

Collected by Marin LAFCo and Made Payable to the Affected Agencies

Some or all of the following types of services shall be required by outside agencies in the course of processing proposals or requests submitted to Marin LAFCo. Applicable fee will be identified by Marin LAFCo staff during the consultation process with the applicant and shall be collected by Marin LAFCo on behalf of the affected agencies. Should certain fees be collected but ultimately not needed Marin LAFCo shall immediately remit to the applicant. The current costs per agency are listed below and may be increased by the respective agency. LAFCo shall charge the applicant the actual cost as determined by the respective agency.

Third-Party Services	Amount
County Environmental Health Department Review	\$241 (hour)
County Public Works Department/Surveyor Review	\$241 (hour)
GIS Update (Billed by Cinquini & Passarino with check made out to LAFCo)*	\$151 (hour)
County Election's Office/Registered Voter List	At-cost
County Assessor's Office/Landowner List	At-cost
County Clerk Recorder/Recording CEQA Determination*	\$50
CA Fish and Game/Recording CEQA Determination*	
- Negative Declaration	\$2,406.75
- Mitigated Negative Declaration	\$2,406.75
- Environmental Impact Report	\$3,343.25
State Board of Equalization*	
- 0.0 to less than 1.0 acre	\$300
- 1.0 to 5.99 acres	\$350
- 6.0 to 10.99 acres	\$500
- 11.0 to 20.99 acres	\$800
- 21.0 to 50.99 acres	\$1,200
- 51.0 to 100.99 acres	\$1,500
- 101.0 to 500.99 acres	\$2,000
- 501.0 to 1,000.99 acres	\$2,500
- 1001.0 to 2,000.99 acres	\$3,000
- 2001.0 acres or more	\$3,500

*Payment of these fees is not required until such time Marin LAFCo has approved a proposal

Single Boundary or OSA Extension (non-emergency)	Not Lead Agency/Notice of Exemption		Addendum / Initial Study		Environmental Impact Rpt.	
	With	Without	With	Without	With	Without
Staff Process (In hours)	100% Consent	100% Consent	100% Consent	100% Consent	100% Consent	100% Consent
Initial Consultation with Applicants	3.00	3.00	3.00	3.00	4.00	4.00
Receive and Set Up Applicant Proposal	0.50	0.50	0.50	0.50	0.50	0.50
Preliminary Proposal Review / Initial GIS Work	1.50	2.00	1.50	2.00	1.50	2.00
CEQA Review and Document Preparation	1.00	1.00	15.00	15.00	20.00	20.00
Prepare and Circulate Agency Review	1.50	1.50	1.50	1.50	1.50	1.50
Prepare and Circulate Property Tax Exchange Notice	0.50	0.50	0.50	0.50	0.50	0.50
Prepare and Circulate Petition Verification	0.15	0.15	0.15	0.15	0.15	0.15
Prepare Certificate of Petition Sufficiency	0.00	0.15	0.00	0.15	0.00	0.15
Prepare and Circulate Status Letter	2.00	2.00	2.00	2.00	2.00	2.00
Prepare and Post Hearing Notice / 300 ft	0.00	1.50	0.00	1.50	0.00	1.50
Prepare Staff Report and Resolution	13.00	14.00	14.00	16.00	15.00	17.00
Prepare and Circulate Certificate of Filing	0.50	0.50	0.50	0.50	0.50	0.50
Commission Meeting	0.50	1.00	0.50	1.00	0.50	1.00
Prepare and Issue Notice to Applicants	1.00	1.00	1.00	1.00	1.00	1.00
Prepare and Record Environmental Determination	1.00	1.00	1.00	1.00	1.00	1.00
Conducting Authority Proceedings	0.00	5.00	0.00	5.00	0.00	5.00
Work with Applicant on Completing Terms	1.20	2.20	1.20	2.20	1.20	2.20
Prepare and Record Certificate of Completion	1.00	1.00	1.00	1.00	1.00	1.00
Prepare and File Boundary Change with SBE	0.50	0.50	0.50	0.50	0.50	0.50
Close Proposal File and File Contents	0.50	0.50	0.50	0.50	0.50	0.50
Administrative Processing	1.00	1.00	1.50	1.50	1.50	1.50
Total Hours	30.35	40.00	45.85	56.50	52.85	63.50
Percent of Staff Time Needed						
Executive Officer	55.00%	60.00%	65.00%	67.50%	67.50%	70.00%
Clerk/Jr. Analyst	30.00%	25.00%	25.00%	25.00%	25.00%	22.50%
Deputy Executive Officer/Analyst	15.00%	15.00%	10.00%	7.50%	7.50%	7.50%
Cost for staff time						
Executive Officer	\$1,760.39	\$2,531.04	\$3,142.97	\$4,021.98	\$3,762.15	\$4,687.70
Clerk/Jr. Analyst	\$427.66	\$469.70	\$538.39	\$663.45	\$620.59	\$671.08
Deputy Executive Officer/Analyst	\$314.49	\$414.48	\$316.73	\$292.73	\$273.82	\$328.99
Total Staff Costs	\$2,502.54	\$3,415.22	\$3,998.10	\$4,978.16	\$4,656.56	\$5,687.77
Non-Staff Costs						
Legal Services	2.00	3.00	at hours used	at hours used	at hours used	at hours used
Bookkeeping	1.00	1.00	1.50	1.50	1.50	1.50
Cost for non-staff						
Legal	\$600.00	\$900.00	Billed for needed hours			
Bookkeeping	\$148.00	\$148.00	\$222.00	\$222.00	\$222.00	\$222.00
Total	\$748.00	\$1,048.00	\$207 plus cost of legal services billab hours			
Total Fee	\$3,250.54	\$4,463.22	\$4,220.10	\$5,200.16	\$4,878.56	\$5,909.77
	Plus material costs		Plus any costs for consultant, legal, and material costs			
Additional Boundary Change to be added to above charge (per boundary change)						
Staff time to review and coordinate with extra jurisdiction	3	3.5	5	5.5	7	7.5

Executive Officer	\$174.01	\$221.47	\$342.75	\$391.52	\$498.30	\$553.67
Clerk/Jr. Analyst	\$42.27	\$41.10	\$58.71	\$64.58	\$82.20	\$79.26
Deputy Executive Officer/Analyst	\$31.09	\$36.27	\$34.54	\$28.50	\$36.27	\$38.86
Total Additional Costs	\$247.37	\$298.83	\$436.00	\$484.60	\$616.76	\$671.78

Emergency Outside Service Extension	
Staff Process	in hours
Initial Consultation with Applicant	1.00
Receive and Set Up Applicant Proposal	0.50
Preliminary Proposal Review	1.00
Confirm with EHS and District	1.00
Prepare and Circulate Status Letter	1.00
Work with Chair to authorize agreement	1.00
Work with District and Applicant on getting everything needed com	3.00
Send Approval Notice	1.00
Close Proposal File and File Contents	1.00
Administrative Processing	1.00
Total Hours	11.50
Non-Staff Process	
Legal Services	0.50
Bookkeeping	1.00
Percent of Staff Time Needed	

Executive Officer	75.00%
Clerk/Jr. Analyst	20.00%
Deputy Executive Officer/Analyst	5.00%
Staff Costs	
Executive Officer	\$909.59
Clerk/Jr. Analyst	\$108.03
Deputy Executive Officer/Analyst	\$39.72
Total Staff Costs	\$1,057.34
Non-Staff Costs	
Legal	\$150.00
Bookkeeping	\$148.00
Total Non-Staff Costs	\$298.00
Total Fee	\$1,355.34
Request for Time Extension to Complete Approved Terms	
Staff Process	In hours
Staff Review	0.5
Coordination with Impacted Agency and Applicant	1.5
Prepare Staff Report	4
Post Hearing Communication	1
Administrative Processing	1
Total Hours	8
Percent of Staff Time Needed	
Executive Officer	80.00%
Clerk/Jr. Analyst	15.00%
Deputy Executive Officer/Analyst	5.00%
Non-Staff Process	
Legal Services	0.50
Bookkeeping	1.00
Staff Costs	
Executive Officer	\$674.94
Clerk/Jr. Analyst	\$56.36
Deputy Executive Officer/Analyst	\$27.63
Total Staff Costs	\$758.94
Non-Staff Costs	
Legal	\$150.00
Bookkeeping	\$148.00
Total Non-Staff Costs	\$298.00
Total Fee	\$1,056.94
General Staff Research Base Fee	
Staff and non-staff process	In hours
Administrative Processing	1.5
Bookkeeping	1
Percent of Staff Time Needed	
Executive Officer	50.00%
Clerk	50.00%
Staff and non-staff costs	
Staff Costs	
Executive Officer	\$79.10
Clerk/Jr. Analyst	\$35.23
Total	\$114.32
Bookkeeping	\$148.00
Base Fee (does not include staff time researching item)	\$262.32