

**COUNTY OF SONOMA  
AGENDA ITEM  
SUMMARY REPORT**

**Clerk of the Board Use Only**  
**Meeting Date**                      **Held Until**  
 /   /                                      /   /  
**Agenda Item No:**                      **Agenda Item No:**  
 \_\_\_\_\_                                      \_\_\_\_\_

**Department:** Permit & Resource Management

**4/5 Vote Required**

**Contact:**  
Kiergan Pegg

**Phone:**  
(707) 565-2296

**Board Date:**  
June 23, 2009

**Deadline for Board Action:**  
June 30, 2009

**AGENDA SHORT TITLE:** Reduction of PRMD Development Review and Processing Fees

**REQUESTED BOARD ACTION:**

Adopt a resolution reducing fees previously established for development review and processing services for fiscal year 2009-2010

Adopt resolutions reducing fees previously established for sewer plan check, permit and inspection fees for Occidental CSD, Russian River CSD, Sonoma Valley CSD, South Park CSD and Sonoma County Water Agency sanitation zones for fiscal year 2009-2010

**CURRENT FISCAL YEAR FINANCIAL IMPACT**

**EXPENDITURES**

**ADD'L FUNDS REQUIRING BOARD**

<b>Estimated Cost</b>	\$	0	<b>Contingencies</b>	\$
			(Fund Name:)	
<b>Amount Budgeted</b>	\$	0	<b>Unanticipated Revenue</b>	\$
			(Source:)	
<b>Other Avail Approp.</b>	\$		<b>Other Transfer(s)</b>	\$
(Explain below)			(Source:)	
<b>Additional Requested:</b>	\$	0	<b>Add'l Funds Requested:</b>	\$

**Explanation (if required):** Reduced fee revenue associated with this recommended Board action has been reflected in PRMD's proposed budget for FY 09-10.

**Prior Board Action(s):**

April 21, 2009 – Ordinance No. 5832 setting fees for development review applications processed by the Permit and Resource Management Department

April 21, 2009 – Ordinance setting fees for sewer plan check, permit and inspection fees for Occidental CSD, Russian River CSD, Sonoma Valley CSD, South Park CSD and Sonoma County Water Agency sanitation zones.

**Alternatives - Results of Non-Approval:**

If not approved, some development review and processing fees would be set higher than is necessary to recover the cost of providing the related service

**Background:**

The Sonoma County Permit & Resource Management Department (PRMD) provides development review and processing services for the unincorporated areas of Sonoma County. PRMD also provides development review and processing services under agreement with the Sonoma County Water Agency for the county sanitation districts (CSDs) and sanitation zones managed by the Agency. Fees for PRMD services are set each April by ordinance and are based on the cost of providing the services. The large majority of PRMD's cost of doing business consists of staff salary and benefit costs. Normally, these costs increase each year as a result of increasing health benefit costs, merit increases earned by employees and cost of living increases (COLAs).

On April 21, 2009, the Board adopted Ordinance No. 5832 setting fees for development review and processing services. On that same date, the Board also adopted individual ordinances for the Occidental County Sanitation District (CSD), Russian River CSD, Sonoma Valley CSD and South Park CSD, as well as for the Sonoma County Water Agency on behalf of the Airport-Larkfield-Wikiup, Geyserville, Penngrove and Sea Ranch sanitation zones. These fees were based on the estimate that staff would receive a COLA averaging 3%. At the time fees were adopted, however it was anticipated that the COLA might be eliminated in order to reduce costs in response to the current economic crisis. In anticipation of the potential reduction, the above ordinances were drafted to include a provision that fee reductions based on updated cost data for fiscal year 2009-10 could be implemented by the Board of Supervisors by resolution, in order to avoid the necessity of another fee hearing.

On June 16, the Board adopted a final budget that does not include a salary COLA for employees performing PRMD services in FY 09-10. After reviewing the effect of this change on operating costs, PRMD staff recommends that fees be reduced from levels adopted on April 21 in order to match the fees to the reduced cost of providing PRMD services. The new fees would represent a 3.7% increase over FY 08-09 fees, instead of the 6.1% fee increase adopted on April 21. The resulting reduction in fee revenue (\$240,000) has been reflected in the adopted budget. The new reduced fees are described in Exhibit A to the attached resolution. The proposed reduction in fees from those previously adopted can be implemented by resolution, since only fee increases require a public hearing.

**Attachments:** Resolutions (6)

**On File With Clerk:**

**CLERK OF THE BOARD USE ONLY**

**Board Action** (If other than "Requested")

**Vote:**