



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 9

Section Name: {{section.name}}

Account Number: 10-2021

File ID: {{item.tracking_number}}

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: Finance Department
MEETING DATE: May 01, 2023

SUBJECT:
Fiscal Year 2023-24 Comprehensive Fee Schedule – Approval

RECOMMENDATION:
Adopt a Resolution to approve the revisions to the proposed fiscal year 2023-24 Comprehensive Fee Schedule.

BACKGROUND:
Section 3.64.010 of the San Mateo Municipal Code requires the City Manager to submit the City's fee schedule to the City Council for approval prior to submittal of the annual budget. It is the City's policy and practice to increase fees annually by Consumer Price Index, or CPI, for the San Francisco Bay Area. The proposed increases reflect the City's increase in materials and maintenance costs incurred in providing services. The City uses the CPI from the previous October, which is the most recent data available at the beginning of the review process (CPI for 2023-24 is 6% from November 2021 to October 2022). Certain fees are adjusted using other formulas including the San Francisco, CA Construction Cost Index (CCI) which was 7.1% this year. Other adjustments to fees are made periodically as deemed necessary to reflect actual staff costs, market alignments, or to comply with policy. The proposed fee adjustments are based on the annual CPI increase, a periodic adjustment, or are the result of detailed analyses of the cost for providing specific programs/activities.

Beginning on July 1, 2023, the City's credit card merchant service provider for parking operations will begin charging a credit card transaction fee of approximately \$0.13 per transaction when a credit card is used for on-street and off-street parking. Shifting the cost of credit card transaction fees is consistent with the City's business practice with all other operations, which began in July 2020. Credit card transactions from parking operations are the highest volume transactions of all credit card payments in the City. The credit card transaction fee is paid directly to the merchant service provider and is not collected by the City.

Recreation fees and park in-lieu fees were reviewed by the Parks and Recreation Commission at its March 1, 2023 meeting. Library fees were reviewed by the Library Board at its April 24, 2023 meeting. All fees will become effective July 1, 2023, except where otherwise noted. Sewer service charges are set separately by ordinance and are not part of this fee revision process. Tables summarizing the new fees and various fee changes including those in excess of CPI are provided in Attachment 3.

BUDGET IMPACT:
The changes to fees, including new fees, for fiscal year 2023-24 are estimated to increase revenues by \$200,000. These revenues will be reflected in the 2023-24 budget.

ENVIRONMENTAL DETERMINATION:
This Comprehensive Fee Schedule update for fiscal year 2022-23 is not a project subject to CEQA, because it is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially

significant physical impact on the environment. (CEQA Guidelines Section 15378(b)(4).)

NOTICE PROVIDED

All meeting noticing requirements were met. In accordance with Government Code sections 66018 and 6062a, notice of the fee increases was published twice, beginning 10 days in advance of the public hearing. Prior to the meeting, City staff made the data available for the public, indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied, and the receiving fund of the fee revenue.

ATTACHMENTS

Att 1 - Proposed Resolution

Att 2 - Proposed Comprehensive Fee Schedule FY 2023-24

Att 3 - Table Summarizing Changes

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