

City of Capitola

City Council Workshop Agenda

Thursday, November 07, 2024 – 6:00 PM



City Council Chambers
420 Capitola Avenue, Capitola, CA 95010

Mayor: Kristen Brown

Vice Mayor: Yvette Brooks

Council Members: Joe Clarke, Margaux Morgan, Alexander Pedersen

Special Meeting of the Capitola City Council – 6 PM

All correspondence received prior to 5:00 p.m. on the Wednesday preceding a Council Meeting will be distributed to Councilmembers to review prior to the meeting. Information submitted after 5 p.m. on that Wednesday may not have time to reach Councilmembers, nor be read by them prior to consideration of an item.

1. Roll Call and Pledge of Allegiance

Council Members Joe Clarke, Margaux Morgan, Alexander Pedersen, Yvette Brooks, and Mayor Kristen Brown.

2. Additions and Deletions to the Agenda

3. Additional Materials

Additional information submitted to the City after distribution of the agenda packet.

[A.](#) Item 6A - Correspondence Received

4. Oral Communications by Members of the Public

*Oral Communications allows time for members of the Public to address the City Council on any "Consent Item" on tonight's agenda, or on any topic within the jurisdiction of the City that is not on the "General Government/Public Hearings" section of the Agenda. Members of the public may speak for up to three minutes, unless otherwise specified by the Mayor. Individuals may not speak more than once during Oral Communications. All speakers must address the entire legislative body and will not be permitted to engage in dialogue. A **maximum of 30 minutes** is set aside for Oral Communications.*

5. Staff / City Council Comments

Comments are limited to three minutes.

6. General Government / Public Hearings

All items listed in "General Government / Public Hearings" are intended to provide an opportunity for public discussion of each item listed. The following procedure pertains to each General Government item: 1) Staff explanation; 2) Council questions; 3) Public comment; 4) Council deliberation; 5) Decision.

[A.](#) 2024 Special Event Report

Recommended Action: Receive a report highlighting special events held in the City in 2024; provide feedback, specific changes, or direction for recurring Special Event Permits; and approve recurring minor and general special events for 2025.

B. Comprehensive User Fee Study

Recommended Action: Receive a report on the Comprehensive User Fee Study conducted by Willdan Financial Services; provide direction to staff on the updates to the City of Capitola FY 2024-25 Fee Schedule, with adoption of the fee schedule scheduled for November 14, 2024.

7. Adjournment - *The next regularly scheduled City Council meeting is on November 14, 2024, at 6:00 PM.*

How to View the Meeting

Meetings are open to the public for in-person attendance at the Capitola City Council Chambers located at 420 Capitola Avenue, Capitola, California, 95010.

Other ways to Watch:

Spectrum Cable Television channel 8

City of Capitola, California YouTube Channel

To Join Zoom Application or Call in to Zoom:

Meeting

link: <https://us02web.zoom.us/j/83328173113?pwd=aVRwcWN3RU03Zzc2dkNpQzRWVXAydz09>

Or dial one of these phone numbers: **1 (669) 900 6833, 1 (408) 638 0968, 1 (346) 248 7799**

Meeting ID: **833 2817 3113**

Meeting Passcode: **678550**

How to Provide Comments to the City Council

Members of the public may provide public comments to the City Council in-person during the meeting. If you are unable to attend in-person, please email your comments to citycouncil@ci.capitola.ca.us and they will be included as a part of the record for the meeting. Please be aware that the City Council will not accept comments via Zoom.

Notice regarding City Council: The City Council meets on the 2nd and 4th Thursday of each month at 6:00 p.m. in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The City Council Agenda and the complete Agenda Packet are available for review on the City’s website and at Capitola City Hall prior to the meeting. Need more information? Contact the City Clerk’s office at 831-475-7300.

Agenda Materials Distributed after Distribution of the Agenda Packet: Pursuant to Government Code §54957.5, materials related to an agenda item submitted after distribution of the agenda packet are available for public inspection at the Reception Office at City Hall, 420 Capitola Avenue, Capitola, California, during normal business hours.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk’s office at least 24 hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

Si desea asistir a esta reunión pública y necesita ayuda - como un intérprete de lenguaje de señas americano, español u otro equipo especial - favor de llamar al Departamento de la Secretaría de la Ciudad al 831-475-7300 al menos tres días antes para que podamos coordinar dicha asistencia especial o envíe un correo electrónico a jgautho@ci.capitola.ca.us.

Televised Meetings: City Council meetings are cablecast “Live” on Charter Communications Cable TV Channel 8 and are recorded to be rebroadcasted at 8:00 a.m. on the Wednesday following the meetings and at 1:00 p.m. on Saturday following the first rebroadcast on Community Television of Santa Cruz County (Charter Channel 71 and Comcast Channel 25). Meetings are streamed “Live” on the City’s website by clicking on the Home Page link “Meeting Agendas/Videos.” Archived meetings can be viewed from the website at any time.

Gautho, Julia

From: michael routh <qwakwak@gmail.com>
Sent: Friday, November 1, 2024 1:24 PM
To: City Council
Subject: Item 6A

Follow Up Flag: Follow up
Flag Status: Flagged

Council members,

When discussing the special events, please include the Monte Fireworks. The crowds attempting to drive through the Jewel Box neighborhood to access Prospect Ave and the bluff overwhelmed the Jewel Box streets. There needs a be a plan for the event to control and limit vehicle access to the Jewel Box.

Mick Routh

Sent from my iPad



No more Fireworks please!...Replace with Drones

From Gail LoBello <gaillobello@gmail.com>
Date Wed 11/6/2024 3:06 PM
To City Council <citycouncil@ci.capitola.ca.us>

Date: Wed, 6 Nov 2024 14:55:22 -0800
Subject: No More Fireworks please! ...replace with Drones

Dear Council Members,

I respectfully request that you prevent any future use of fireworks in our lovely coastal town of Capitola.

- 1) There are many other healthy ways to raise funds and entertain people. The smoke and toxic fumes are very unhealthy to our community, residents, and other attendees.
- 2) Seems ironic we live in a marine sanctuary, yet we cause much upset to our marine life and our domestic cats and dogs.
- 3) I strongly suggest we use drones as has been done in Dubai for years and recently in our own Santa Cruz County Fair.

Please halt the pollution that is detrimental to our community for the sake of entertainment. Let's get more creative in finding a solution. I will be happy to participate in a survey regarding my request.

Thank you for your time and consideration.

Gail LoBello.
831-462-4825
GailLoBello@gmail.com

Capitola City Council

Agenda Report

Meeting: November 7, 2024
From: Police Department
Subject: 2024 Special Event Report



Recommended Action: Receive a report highlighting special events held in the City in 2024; provide feedback, specific changes, or direction for recurring Special Event Permits; and approve recurring minor and general special events for 2025.

Background: In March 2024, the City Council adopted Ordinance No. 1065, updating the City's special event ordinance. That update established clear criteria for types of special event permits, and the process for issuance.

Special events are divided into two categories: major special events and minor special events. Major special events are those with more than 200 attendees, involve the closure of a Major Street (as defined by Ordinance No. 1065), or notable impacts on City services or a neighborhood. Minor special events are activities with between 75 to 200 people, not requiring closure of a major street, and can be approved by the City Manager, or his/her designee. All applications for new major special events must be presented to the City Council for review and consideration.

If there are no significant modifications and there are no major problems with the event, recurring special events may be approved by the City Manager for the upcoming calendar year. The City Council has the discretion to request a review of a recurring special event if there is an identifiable concern related to past events.

The purpose of this report is to review the 2024 special events, identify any issues, and determine if any additional review should be required for recurring events in 2025. If no issues are identified for an event, and the event organizer proposes no significant changes, staff will issue permits for the recurring special events in 2025.

Discussion: In 2024, staff issued 13 major special event permits and 32 minor special event permits. Below are the planned recurring events for 2025. The following Major and Minor Special Events are being presented for approval for 2025.

Planned Public 2025 Major Special Events

- Surfer's Path 5K/10K
- Surfer's Path Half Marathon
- VDUBs in the Village
- Capitola Custom Classic Car Show
- Wharf to Wharf Race
- Capitola 5K/10K
- Capitola Art & Wine Festival
- Capitola Beach Festival
- Mermaid Triathlon & Duathlon
- Monte Fireworks Extravaganza
- Women on Waves Surf Contest

Planned Public 2025 Minor Special Events

- Village Sip & Stroll #1
- Operation Surf
- Good Friday Paddle Out
- Veteran Surf Alliance Learn to Surf (5)
- Village Sip & Stroll #2
- 5K Walk for Angelman's Syndrome
- Fill the Boot for MDA
- Strawberry Fields Forever Ride
- Veteran Surf Alliance Paddle Out
- AIDS/Lifecyle Bicycle Ride
- California Coast Classic
- Halloween Parade
- Village Sip & Stroll #3
- Surfing Santa

City Organized Special Events

- Skate-Tola
- Food Truck Fridays (4)
- Sunday Art at the Beach (4)
- Twilight Concerts (12)
- Movies at the Beach (2)
- Plein Air
- First Responder's Surf Contest

Fiscal Impact: Staff invoices costs to event organizers for each event. Below is a summary of Police Department staff time per 2024 event.

Event Name	Staff Costs	Amount
Surfer's Path 5K/10K	Police Department	\$1,229
Surfer's Path Half Marathon	Police Department	\$1,144
Capitola Custom Classic Car Show	Police Department	\$2,423
Wharf to Wharf Race	Police Department	\$9,641
	Public Works Department	\$4,187
Capitola 5K/10K	Police Department	\$350
Capitola Art & Wine Festival	Police Department	\$28,405
Capitola Beach Festival	Police Department	\$3,179
	Public Works Department	\$276
	Rec. Department	\$210
Mermaid Triathlon & Duathlon	Police Department	\$2,795
	Rec. Department	\$921
Monte Fireworks Extravaganza	Police Department	\$5,473
Total		\$60,233

Attachments: None

Report Prepared By: Sarah Ryan, Administrative Captain

Reviewed By: Esmeralda Gonzalez, Administrative Records Analyst; Julia Gautho, City Clerk

Approved By: Jamie Goldstein, City Manager

Capitola City Council

Agenda Report

Meeting: November 7, 2024
From: Finance Department
Subject: Comprehensive User Fee Study



Recommended Action: Receive a report on the Comprehensive User Fee Study conducted by Willdan Financial Services; provide direction to staff on the updates to the City of Capitola FY 2024-25 Fee Schedule, with adoption of the fee schedule scheduled for November 14, 2024.

Background: The City of Capitola contracted Willdan Financial Services to conduct a comprehensive User Fee Study. The study aimed to analyze and recommend fee adjustments for City services to ensure full cost recovery while maintaining compliance with state laws. The report recommends updated fees across various departments based on the actual costs of delivering services. These adjustments are necessary to align with the City's cost-recovery goals, reduce reliance on the General Fund, and ensure that user-specific services are appropriately funded by the beneficiaries.

Discussion: User fees fund City services that benefit specific users. California law mandates that fees must not exceed the cost-of-service provision, governed by regulations such as Proposition 218 and Proposition 26. Capitola's fees were assessed in furtherance of the cost-recovery goals established by the City Council to maintain financial sustainability.

Since the last study in November 2015, costs to provide certain City services have increased due to inflation, salary increases, and changes in service delivery. The current fee structure is outdated, with many fees set below full cost recovery, leading to a higher dependence on the General Fund.

The purpose of the fee study is to determine the City's actual cost to provide the services and recommend a cost recovery rate. It is worth noting that different cities take different approaches to cost recovery based on local priorities. For example, some cities will only recover 25-30% of costs for recreation programs, while other cities will strive for 100% cost recovery for those same programs. While this study includes a recommended rate for all fees, the Council may establish a lower cost recovery rate for any fee, in effect using tax revenue to help fund the cost for that service. Due to Proposition 218, fees cannot be greater than the amounts identified in the report.

Study Methodology: The study used three key methods:

1. Case Study Method: This estimates the actual labor and material costs associated with specific services.
2. Program Cost Approach: Used for services where individual cost data isn't available, such as recreational programs.
3. Valuation-Based Fees: Applied for building permits, where project valuation reflects the effort required to provide the service.

These methods were completed by meeting with City staff to gather accurate data on time and resource allocation for each service.

Key Study Findings:

1. **Cost Recovery:** The study determined the fee amount to achieve full cost recovery for services across various departments, with recommendations to either increase, decrease, or maintain fees. Many current fees in the Public Works, Police, Planning, and Building departments are below full recovery levels.
2. **Elasticity of Demand:** Increased fees could reduce demand for some services, while lowering fees could encourage usage and demand on City services. However, these economic impacts were not the primary focus of the study.
3. **Subsidization:** Some services that provide broad public benefits are proposed to continue to be subsidized by the General Fund, such as community services and certain public safety measures.

Recommendations by Department:

1. **Public Works:**
 - Significant fee increases are recommended to cover the costs of traffic control plan reviews, construction parking permits, and stormwater development reviews required for development in the City.
 - Several new fees for inspection and permit services have been introduced.
2. **Police Department:**
 - A 38% average fee increase is proposed, with adjustments to fees imposed to review and issue special event permits and amplified sound permits, and various other administrative fees.
 - New fees for services like vehicle boot removal and tow hearings are introduced to align with full cost recovery.
3. **Planning Division:**
 - Adjustments reflect a 3% average decrease due to revised cost estimates for services like tree removal permits and accessory dwelling unit reviews.
 - The Planning Division recommends new fees for complex planning applications and environmental reviews to capture full-service costs.
4. **Building Division:**
 - Proposed increases for building plan checks and inspection fees to reflect the additional staff time required for larger and more complex projects.
 - New fees for permit extensions and reinstatements are also introduced.
5. **Community Services and Recreation Department:**
 - Adjustments aim to keep programs affordable while improving cost recovery. The average recommended increase in fees for facility rentals and recreation programs is approximately 2%.
6. **Historical Museum:**
 - No changes recommended; fees will remain at current levels.
7. **Miscellaneous:**

- Increase Outdoor dining space rent by 2023 CPI amount of 3.67% increasing from \$1.50 per square foot to \$1.56 per square foot and from \$3,400 annually per parking space to \$3,524.78 annually per parking space.
 1. This increase was not included in the attached User Fee Study Report and was added by staff.

Policy Considerations: The City Council should consider the following when deciding on fee adjustments:

- **Public vs. Private Benefit:** Services that solely benefit individuals should aim for full cost recovery, while services benefiting the broader public may justify some level of subsidization.
- **Affordability and Access:** Certain services, particularly recreational and community programs, may require subsidization to ensure equitable access for all residents.
- **Inflationary Adjustments:** It is recommended to include an inflationary factor in future fee schedules to account for rising service costs without requiring comprehensive fee reviews each year.

Conclusion: This comprehensive User Fee Study ensures that Capitola has the necessary tools to manage its resources effectively. By adopting the proposed fee schedule, the City can improve cost recovery, reduce General Fund subsidies, and maintain compliance with state regulations.

Fiscal Impact: None at this time, staff anticipates returning to City Council on November 14, 2024, with a resolution to adopt the FY 2024-25 Fee Schedule.

Attachments:

1. User Fee Study
2. Cost Allocation Plan

Report Prepared By: Jim Malberg, Finance Director

Reviewed By: Julia Gautho, City Clerk; Sam Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager

City of Capitola



User Fee Study

October 1, 2024





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Executive Summary

The City of Capitola engaged Willdan Financial Services (Willdan) to determine the full costs incurred by the City to support the various activities for which the City charges user fees. Due to the complexity and the breadth of performing a comprehensive review of fees, Willdan employed a variety of fee methodologies to identify the full costs of individual fee and program activities. This report and the appendices herein identify 100% full cost recovery for City services. **Appendix C** details the full cost and suggested fees as determined through discussion with departmental staff. The recommended fees identified herein are either at or less than full cost recovery.



User Fee Background

Background

As part of a general cost recovery strategy, local governments adopt user fees to fund programs and services that provide limited or no direct benefit to the community as a whole (“User Fees”). As cities struggle to maintain levels of service and variability of demand, they have become increasingly aware of subsidies provided by the General Fund and have implemented cost-recovery targets. To the extent that governments use general tax monies to provide individuals with private benefits, and not require them to pay the full cost of the service (and, therefore, receive a subsidy), the government is limiting funds that may be available to provide other community-wide benefits. In effect, the government is using community funds to pay for private benefits. Unlike most revenue sources, cities have more control over the level of user fees they charge to recover costs, or the subsidies they can institute.

Fees in California are required to conform to the statutory requirements of the California Constitution, Proposition 218, Proposition 26, and the California Code of Regulations. The Code also requires that the City Council adopt fees by either ordinance or resolution, and that any fees in excess of the estimated total cost of rendering the related services must be approved by a popular vote of two-thirds of those electors voting because the charge would be considered a tax and not a fee. There are no fees suggested to be set above the cost of service and as such a public vote is not required.

California User Fee History

Before Proposition 13, in times of fiscal shortages, California cities were able to raise property taxes, which funded everything from police and recreation to development-related services. However, this situation changed with the passage of Proposition 13 in 1978.

Proposition 13 established the era of revenue limitation in California local government. In subsequent years, the state saw a series of additional limitations to local government revenues. Proposition 4 (1979) defined the difference between a tax and a fee: a fee can be no greater than the cost of providing the service; and Proposition 218 (1996) further limited the imposition of taxes for certain classes of fees. As a result, cities were required to secure a supermajority vote to enact or increase taxes. Due to the thresholds needed to increase local taxes, cities have less control and very few successful options for new revenues. The State of California took a series of actions in the 1990’s and 2000’s to improve the State’s fiscal situation, at the expense of local governments. In 2004-05, the Educational Revenue Augmentation Funds (“ERAF”) take-away of property taxes and the reduction of Vehicle License Fees further reduced local tax revenues.

In addition, on November 2, 2010, California voters approved Proposition 26, the “Stop Hidden Taxes Initiative”, which is aimed at defining “regulatory fees” as a special tax rather than a fee, thus requiring approval by two-thirds vote of local voters. These regulatory fees are typically intended to mitigate the societal and environmental impacts of a business or person’s activities. Proposition 26 contains seven categories of exceptions. The fees analyzed as part of a User Fee study typically fall under categories one through five consisting of charges for specific benefits, government service, regulatory need, for use of government property, or a fine/penalty.



Additional Policy Considerations

State regulations require that municipalities update their fee schedules to reflect the actual costs of certain public services primarily benefiting users. User Fees recover costs associated with the provision of specific services benefiting the user, thereby typically reducing the use of General Fund monies for such purposes.

In addition to collecting the direct cost of labor and materials associated with processing and administering user services, it is common for local governments to recover reasonable support costs. Support costs are those costs relating to a local government’s central service departments that are allocable to the local government’s operating departments. Central services support cost allocations were incorporated using the resulting indirect overhead percentages determined through the City’s Cost Allocation Plan. A Cost Allocation Plan identifies the central service functions of the City such as Finance, City Manager, and Human Resources and allocates their cost to the departments and funds of the City that they support. This plan was used in the User Fee study to account for the burden placed upon central services by the operating departments to allocate a proportionate share of central service cost through the study.

As labor effort and costs associated with the provision of services fluctuate over time, a significant element in the development of any fee schedule is that it has the flexibility to remain current. Therefore, it is recommended that the City include an inflationary factor in the resolution adopting the fee schedule to allow the City to annually increase or decrease the fees by changes in a pre-approved inflationary index, as described below. However, such inflationary increases shall not exceed the reasonable estimated cost of providing the services each year.

The City may employ many different inflationary factors. The most commonly used inflator is some form of the Consumer Price Index (CPI) as it is widely well known and accepted. A similar inflator is the implicit price deflator for GDP, which is much like the CPI except that while the CPI is based on the same “basket” of goods and services every year, the price deflators’ “basket” can change year to year. Since the primary factor for the cost of a City’s services is usually the costs of the personnel involved, tying an inflationary factor that connects more directly to the personnel costs can also be suitable if there is a clear method, or current practice of obtaining said factor.

Each City should use an inflator that they believe works the best for their specific situation and needs but cannot rely solely on the CPI increase as it is incumbent upon each agency to ensure the amount of the fees charged does not exceeds the reasonable estimated costs of providing the services. It is also recommended that the City perform this internal review annually with a comprehensive review of services and fees performed every five years, which would include adding, amending, or removing fees for programs/services.



Study Objective

As the City of Capitola seeks to efficiently manage limited resources and adequately respond to increased service demands, it needs a variety of tools. A User Fee Study provides assurance that the City has the best information and the best resources available to make sound decisions, fairly and legitimately set fees, maintain compliance with state law and local policies, and meet the needs of the City administration and its constituency. Given the limitations on raising revenue in local government, the City recognizes that a User Fee Study is a very cost-effective way to understand the total cost of services and identify potential fee deficiencies. Essentially, a User Fee is a payment for a requested service provided by a local government that primarily benefits an individual or group.

The total cost of each service included in this analysis is based on the full cost of providing City services, including direct salaries and benefits of City staff, direct departmental costs, and indirect costs from central service support. This study determines the full cost recovery fee for the City to provide each service; however, each fee is set at the City’s discretion, up to 100% of the total cost, as specified in this report.

The principal goal of the study was to help the City determine the full cost of the services that the City provides. In addition, Willdan established a series of additional objectives including:

- Developing a rational basis for setting fees
- Identifying subsidy amount, if applicable, of each fee in the model
- Ensuring compliance with State law
- Developing an updatable and comprehensive list of fees
- Maintaining accordance with City policies and goals

The study results will help the City better understand its true costs of providing services and may serve as a basis for making informed policy decisions regarding the most appropriate fees, if any, to collect from individuals and organizations that require individualized services from the City.

Scope of the Study

The scope of this study encompasses a review and calculation of the user fees charged by the following Capitola departments and fee groups:

- Miscellaneous Fees
- Public Works
- Police
- Planning
- Building
- Community Services and Recreation
- Historical Museum



The study involved the identification of existing and potential new fees, fee schedule restructuring, data collection and analysis, orientation and consultation, quality control, communication and presentations, and calculation of individual service costs (fees) or program cost recovery levels.

Aim of the Report

The User Fee Study focused on the cost of City services, as City staff currently provide them at existing, known, or reasonably anticipated service and staff level needs. This report provides a summary of the study results, and a general description of the approach and methods Willdan and City staff used to determine the recommended fee schedule. The report is not intended to document all the numerous discussions throughout the process, nor is it intended to provide an influential dissertation on the qualities of the utilized tools, techniques, or alternative approaches.



Project Approach and Methodology

Conceptual Approach

The basic concept of a User Fee Study is to determine the “reasonable cost” of each service provided by the City for which it charges a user fee. The full cost of providing a service may not necessarily become the City’s fee, but it serves as the objective basis as to the maximum amount that may be collected.

The standard fee limitation established in California law for such fees is the “estimated, reasonable cost” principle. To maintain compliance with the letter and spirit of this standard, every component of the fee study process included a related review. The use of budget figures, time estimates, and improvement valuation clearly indicates reliance upon estimates for some data.

Fully Burdened Hourly Rates

The total cost of each service included in this analysis is primarily based on the Fully Burdened Hourly Rates (FBHRs) that were determined for City personnel directly involved in providing services. The FBHRs include not only personnel salary and benefits (see [Appendix B](#)), but also any costs that are reasonably ascribable to personnel. The cost elements that are included in the calculation of fully burdened rates are:

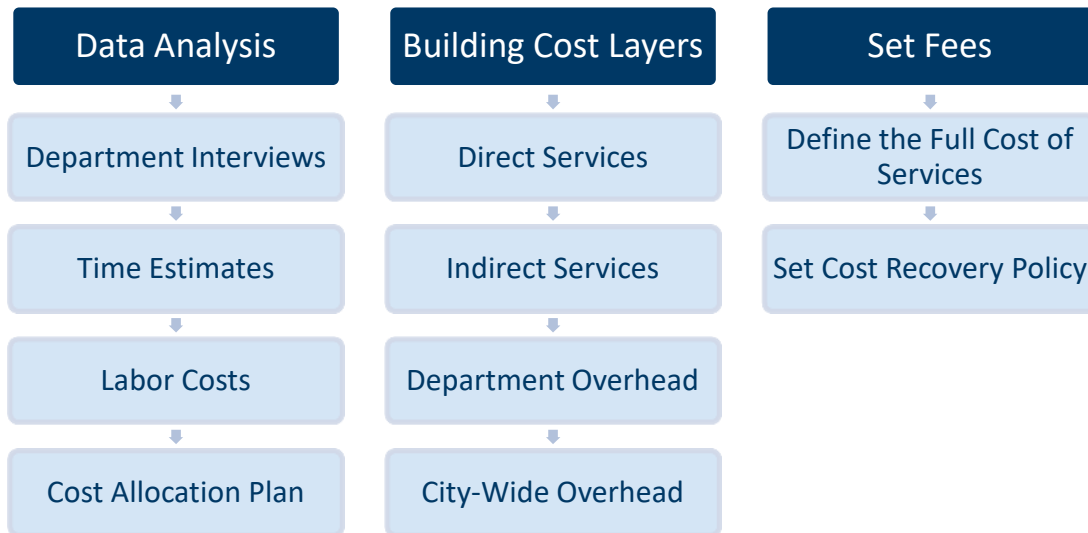
- Salaries & benefits of personnel involved
- Operating costs applicable to fee operations
- Departmental support, supervision, and administration overhead
- Central service overhead costs allocated through the Cost Allocation Plan

A key factor in determining the fully burdened rate is in the calculation of productive hours for personnel. This calculation takes the available workable hours in a year of 2,080 and adjusts this figure to 1,650 productive or billable hours to account for calculated or anticipated hours’ employees engage in non-billable activities such as paid vacation, sick leave, holidays, and other considerations, as necessary. Dividing the full cost, including overhead, of a position by the number of productive hours provides the FBHR.

The FBHRs are then used in conjunction with time estimates, when appropriate for how a service is provided, to calculate a fee’s cost based on the personnel and the amount of their time providing each service.

Summary Steps of the Study

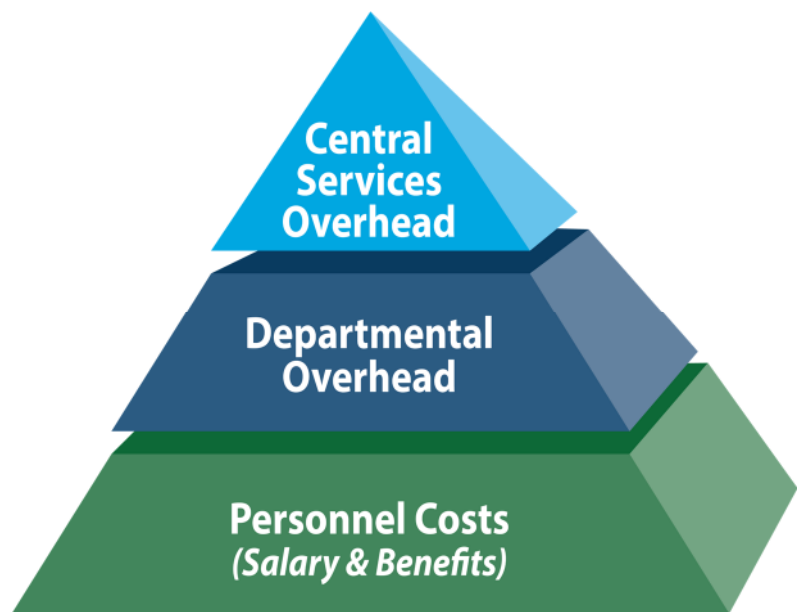
The process of the study is straightforward and simple in concept. The following list provides a summary of the study process steps:



Allowable Costs

This report identifies three types of costs that, when combined, constitute the fully burdened cost of a service (**Appendix A**). Costs are defined as direct labor, including salary and benefits, departmental overhead costs, and the City’s central services overhead, where departmental and central service overhead costs constitute support costs. These cost types are defined as follows:

- **Direct Labor (Personnel Costs):** The costs related to staff salaries for time spent directly on fee-related services.
- **Departmental Overhead:** A proportional allocation of departmental overhead costs, including operation costs such as supplies and materials that are necessary for the department to function.
- **Central Services Overhead:** These costs, as provided via the City’s Cost Allocation Plan, represent services provided by those Central Services Departments whose primary function is to support other City departments.



Methodology

The three methods of analysis for calculating fees used in this report are the:

Case Study Method (Standard Unit Cost Build-Up Approach): This approach estimates the actual labor and material costs associated with providing a unit of service to a single user. This analysis is suitable when City staff time requirements do not vary dramatically for a service, or for special projects where the time and cost requirements are easy to identify at the project's outset. Further, the method is effective in instances when a staff member from one department assists on an application, service or permit for another department on an as-needed basis. Costs are estimated based upon interviews with City staff regarding the time typically spent on tasks, a review of available records, and a time and materials analysis.

Program Cost Approach: In some instances, the underlying data is not available or varies widely, leaving a standard unit cost build-up approach impractical. In addition, market factors and policy concerns (as opposed to actual costs) tend to influence rental based fee levels more than other types of services. Willdan employed a different methodology where appropriate to fit a programs' needs and goals. Typical programmatic approach cases are valuation-based fees, Recreation programs, and instances where a program cost is divided over the user base to obtain a per applicant cost for shared cost services.

Valuation Based Fees: This manner of collection is used when the valuation of the improvement can be used as a proxy for the amount of effort it would take for City staff to complete the service provided. More specifically, this approach is commonly used for certain User Fees in the Building Division. It is generally accepted that as a project's size scales up, the cost of the project increases, and the amount of effort needed to review and inspect also increases. Using a valuation-based fees provides for a system that can adjust as project sizes scale. Land is not included in the valuation.

Quality Control/Quality Assurance

All study components are interrelated, thus flawed data at any step in the process will cause the ultimate results to be inconsistent and unsound. The elements of our Quality Control process for User Fee calculations include:

- Involvement of knowledgeable City staff
- Clear instructions and guidance to City staff
- Reasonableness tests and validation
- Internal and external reviews
- Cross-checking

Reasons for cost increases/decreases over current fees

Within the fee tables in **Appendix C**, the differences are identified between the full costs calculated through the study and the fee levels currently in effect. The reasons for differences between the two can arise from a number of possible factors including:



-
- Previous fee levels may have been set at levels less than full cost intentionally, based on policy decisions
 - Position staffing levels, seniority, and the positions that complete fee and service activity may vary from when the previous costs were calculated
 - Personnel and materials costs could have increased at levels that differed from any inflationary factors used to increase fees since the last study
 - Changes in processes and procedures within a department, or the City as a whole
 - Changes in the demand for services in a City may have also changed the staffing or cost structure of departments over time

City Staff Contributions

As part of the study process, Willdan received tremendous support and cooperation from City staff, which contributed and reviewed a variety of components to the study, including:

- Budget and other cost data
- Staffing structures
- Fee and service structures, organization, and descriptions
- Direct work hours (billable/non-billable)
- Time estimates to complete work tasks
- Review of draft results and other documentation

A User Fee Study requires significant involvement of the managers and line staff from the departments on top of their existing workloads and competing priorities. The contributions from City staff were critical to this study. We would like to express our appreciation to the City and its staff for their assistance, professionalism, positive attitudes, helpful suggestions, responsiveness, and overall cooperation.



Capitola User Fees

Cost Recovery

The cost recovery models, by department/division fee type, are presented in detail in **Appendix C**. Full cost recovery is determined by summing the estimated amount of time each position (in increments of minutes or hours) spends to render a service. Time estimates for each service rendered were obtained through interviews conducted with City staff for each department/division fee included in the study. The resulting cost recovery amount represents the total cost of providing each service. The City’s current fee being charged for each service, if applicable, is provided in this section, as well, for reference.

It is important to note that the time data used to determine the amount of time each employee spends assisting in the provision of the services listed on the fee schedule is essential in identifying the total cost of providing each service and will differ from City to City depending on staffing, positions involved, experience of staff, the use of consultants, and the policies and procedures in place for each City. Specifically, in providing services, a number of employees are often involved in various aspects of the process, spending anywhere from a few minutes to several hours on the service.

The primary goal of this study was to identify the cost of City services, to provide information to help the City make informed decisions regarding the actual fee levels and charges. The responsibility of determining the final fee levels is a complicated task. City staff must consider many issues in formulating recommendations, and the City Council must consider those same issues and more in making the final decisions.

City staff assumes the responsibility to develop specific fee level recommendations to present to the City Council. Unfortunately, there are no fixed rules to guide the City, since many of the considerations are based on the unique characteristics of the City of Capitola, and administrative and political discretion. However, in setting the level of full cost recovery for each fee, one should consider whether the service solely benefits one end user or the general community.

Subsidization

Recalling the definition of a user fee helps guide decisions regarding subsidization. The general standard is that individuals (or groups) who receive a wholly private benefit should pay 100% of the full cost of the services. In contrast, services that are simply public benefit should be funded entirely by the general fund’s tax dollars. Unfortunately, for the decision makers, some services fall into the range between these two extremes.

Further complicating the decision, opponents of fees often assert that the activities subject to the fees provide economic, cultural, “quality of life,” or other community benefits that exceed the costs to the City, but it is important to distinguish the difference between any purported possible benefits that may be conveyed through the result of activities of the service receiver and the direct benefit being conveyed through the City providing the service to the requestor.

It is recommended the City consider such factors during its deliberations regarding appropriate fee levels.



Of course, subsidization can be an effective public policy tool since it can be used to reduce fees to encourage certain activities (such as to ensure public safety) or allow some people to be able to afford to receive services they otherwise could not at the full cost. In addition, subsidies can be an appropriate and justifiable action, such as to allow citizens to rightfully access services, without overburdensome costs.

Despite the intent, it is important for the City and public to understand that subsidies must be covered by another revenue source, typically the General Fund's other unrestricted funds.

Impact on Demand (Elasticity)

Economic principles of elasticity suggest that increased costs for services (higher fees) will eventually curtail the demand for the services; whereas lower fees may spark an incentive to utilize the services and encourage certain actions. Either of these conditions may be a desirable effect to the City. However, the level of the fees that would cause demand changes is largely unknown. The cost of service study did not attempt to evaluate the economic or behavioral impacts of higher or lower fees; nevertheless, the City should consider the potential impacts of these issues when deciding on fee levels.

Summary

City staff is recommending setting user fees at suggested fee amounts as detailed in **Appendix C**. City and departmental goals, City Council priorities, policy initiatives, past performance, implementation issues, and other internal and external factors should influence staff recommendations and City Council decisions. In this case, the proper identification of additional services (new or existing services) and the update to a consistent and comprehensive fee schedule were the primary objectives of this study. City staff has reviewed the full costs and identified the recommended fee levels for consideration by City Council.

The following sections provide background for each department, division, and fee group and the results of this study's analysis of their fees. For the full list of each fee's analysis, refer to **Appendix C** of this report.



Miscellaneous Fees

Miscellaneous fees include appeals, copies, film permits, business license, outdoor dining, notary services, and other services.

Analysis

Willdan individually reviewed the services associated with Miscellaneous fees. The review also consisted of an evaluation of existing services to update the fee schedule.

The analysis Miscellaneous services relied primarily upon a standard unit cost build-up approach, whereby the reasonable cost of each fee occurrence was determined using staff time involved in providing services to recover the direct cost of staff and the pro-rata share of departmental costs, including indirect costs for City Central services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. The analysis found that most fees are currently set below the full cost of providing service. Staff is recommending the fees be adjusted as detailed in [Appendix C](#). As a result, there would be:

- An increase to 2 fees;
- 2 fees would decrease;
- 3 new fees would be added, for marriage licenses;
- 21 fees would remain as currently set, and;
- the average fee change would be an increase of 5% for current fees.



Public Works

The Public Works Department is divided functionally into Streets, Facilities, Parks, and Fleet Maintenance. The Department combines administration, engineering, and maintenance activities into a cohesive unit to develop and maintain a responsive and coordinated team.

Analysis

Willdan individually reviewed the services and programs associated with the Public Works Department. The review also consisted of an evaluation of existing services to update the fee schedule.

The analysis of Public Works services relied primarily upon a standard unit cost build-up approach, whereby the reasonable cost of each fee occurrence was determined using staff time involved in providing services to recover the direct cost of staff and the pro-rata share of departmental costs, including indirect costs for City central services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. The analysis found that most of the current fees are underfunding the cost of most of the services. Staff is recommending the fees be adjusted as detailed in [Appendix C](#). As a result, there would be:

- An increase to 10 fees;
- 2 fees would decrease;
- 18 new fees would be added;
- 2 fees would change to flat plus deposit base from a flat fee;
- 8 fees would remain as currently set, and;
- the average fee change would be an increase of 80% for current fees.



Police

The Capitola Police Department prides itself in providing the highest level of safety and service to enhance the quality of life of our community through professional, engaged, and empowered employees.

The department has 31.5 positions – 22 sworn officers, 2 Community Service Officers, 3 Parking Enforcement Officers, and an administrative support staff of 4.5 total positions. A recent city-wide survey conducted by FM3 found that greater than 92% of Capitola residents indicated that they were satisfied with the services provided by our police department.

Capitola also offers an active Police Explorers Program to educate and involve local youth in police service and community engagement, and a valuable Volunteers in Policing (VIP) which provides critical support to the department and the city.

Analysis

Willdan individually reviewed the services and programs associated with the Capitola Department. The review also consisted of an evaluation of existing services to update the fee schedule.

The analysis of Police services relied primarily upon a standard unit cost build-up approach, whereby the reasonable cost of each fee occurrence was determined using staff time involved in providing services to recover the direct cost of staff and the pro-rata share of departmental costs, including indirect costs for City central services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. The analysis found that the current fees are under funding the cost for most of the services. Staff is recommending the fees be adjusted as detailed in [Appendix C](#). As a result, there would be:

- An increase to 13 fees;
- 6 fees would decrease;
- 6 new fees would be added;
- 25 fees would remain as currently set, and;
- The average fee change would be an increase of 38%.



Planning

The Community Development Department is dedicated to providing responsive, high-quality services and programs which enhance the quality of life for the City's residents, businesses, and visitors. The Community Development Department includes the Building and Planning divisions and administers the land use policies and standards adopted by the City Council, including the General Plan, Local Coastal Program, Zoning Code, Design Guidelines, Building Codes, and affordable housing policies.

Analysis

Willdan individually reviewed the services and programs associated with the Planning Division. The review also consisted of an evaluation of existing services to update the fee schedule.

The analysis of Planning services relied primarily upon a standard unit cost build-up approach, whereby the reasonable cost of each fee occurrence was determined using staff time involved in providing services to recover the direct cost of staff and the pro-rata share of departmental costs, including indirect costs for City central services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. The analysis found that the current fees are under funding the cost for most of the services. Staff is recommending the fees be adjusted as detailed in [Appendix C](#). As a result, there would be:

- An increase to 23 fees;
- 1 fee would change from a deposit-based fee to Consultant Cost + 21%;
- 22 fees would decrease;
- 47 fees would remain as currently set, and;
- The average fee change would be a decrease of 3%.



Building

The Community Development Department is dedicated to providing responsive, high-quality services and programs which enhance the quality of life for the City's residents, businesses, and visitors. The Community Development Department includes the Building and Planning divisions and administers the land use policies and standards adopted by the City Council, including the General Plan, Local Coastal Program, Zoning Code, Design Guidelines, Building Codes, and affordable housing policies.

The City of Capitola Building Department provides plan checking and building inspection services to assure compliance with the California Building Code. The Building Department enforces the provisions of the State Housing Code and the International Existing Building Code. In addition, the Building Official serves as the City of Capitola's Americans with Disabilities Act compliance officer.

Analysis

Willdan individually reviewed the services and programs associated with the Building Division. The review also consisted of an evaluation of existing services to update the fee schedule.

The analysis of Building services relied primarily upon a standard unit cost build-up approach, whereby the reasonable cost of each fee occurrence was determined using staff time involved in providing services to recover the direct cost of staff and the pro-rata share of departmental costs, including indirect costs for City central services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. The analysis found that most current fees are under funding the cost for most of the services. Staff is recommending the fees be adjusted as detailed in [Appendix C](#). As a result, there would be:

- An increase to 18 fees;
- 1 fee would decrease;
- 2 fees would change to Cost + 21% from a no charge fee, and;
- 11 fees would remain as currently set.

In addition to the above referenced fees listed under Building, the Building Permit fees are also provided by this division. For the Building Permit fees, valuation is used as a proxy for measuring the effort needed to provide services on a case-by-case basis. This method is an industry standard widely used by other jurisdictions to evaluate the cost of providing service. It is generally understood that the larger and more complex a project is, the more time and effort that is required to provide the service. Project valuation also follows that trend. By using a combination of either project valuation or historical revenue figures along with a multiplier or cost recovery analysis for historical and anticipated future trends, current cost recovery along with variability in charges due to project type and scale is determined. The result of the cost analysis completed for the Building Permit program found that the program is currently operating at 70% cost recovery based on activity level averages over three years. Staff are not recommending any changes to the Building Permit Table as detailed in [Appendix C](#).



Community Services and Recreation

The Recreation Department provides City-staffed activities, including the Afterschool Program, Junior Lifeguards and Camp Capitola, as well as adult and youth sports leagues. In addition to providing Lifeguards on Capitola Beach, they also manage rental of Jade Street Community Center, the tennis courts, softball field, soccer field, and Monterey Park.

Analysis

Willdan individually reviewed the services and programs associated with the Community Services and Recreation Department. The review also consisted of an evaluation of existing services to update the fee schedule.

The analysis of most Community Services and Recreation programs encompassed facility rentals and other recreation services. The fee for use of government owned facilities and property can be set discretionally by the City per Proposition 26 to reduce the cost to the public for related facilities costs, and because there is market availability for facility use elsewhere. The cost of acquisition, maintenance, repair, and upgrade to the City and subsequently the community is partially offset by rental or use fee revenue. As such these fees should be set using the knowledge of activity use for the facilities, policy desires of the City, and market factors when desirable. It is generally accepted that many Community Services and Recreation programs provide a measure of public benefit to the residents and City as a whole. In addition, cities want to ensure that their programs and services remain affordable to the community at large, and that the programs remain competitive with surrounding jurisdictions and private businesses. A time based cost analysis were performed on some of the fees in the schedule that have direct staff involvement identified to determine the direct cost for each. City staff has suggested reasonable fee adjustments to the fee schedule, and they are detailed in **Appendix C**. As a result, there would be:

- An increase for 2 fees;
- 14 fees will decrease;
- 7 new fees would be added;
- 29 fees would remain as currently set, and;
- The average change in fees would be a 2% increase.

While most of the fees included in this study for the department are rent or use fees which did not include individual full cost determination, a cost recovery analysis of the department groups was performed and is shown below.



Subdept #	Subdept Desc	FY2024 Exp Budget	Admin Allocation	Indirect Allocation (26%)	Total Exp	FY 23 Revenues	Cost Recovery %
510	Admin	718,031	(718,031)	-	-	-	NA
515	Classes	105,000	104,513	53,911	263,424	224,903	85%
520	Jr. Guards	263,458	262,237	135,268	660,963	263,302	40%
530	Sports	16,022	15,948	8,226	40,196	22,465	56%
540	Camp Capitola	141,090	140,436	72,440	353,966	150,173	42%
545	Afterschool Program	56,856	56,592	29,192	142,640	48,338	34%
555	Events	7,147	7,114	3,670	17,930	1,249	7%
560	Community Center	62,158	61,870	31,914	155,942	-	0%
Total Dept		\$1,369,762		\$334,621	\$1,635,062	\$710,430	43%



Historical Museum

The Capitola Historical Museum preserves and promotes the history of Capitola through creating exhibitions, maintaining a collection of historic photographs and artifacts, conducting oral histories, and participating in special events.

Analysis

No analysis was made of the Historical Museum fees and are recommended to remain as currently set.



Appendix A – Total Allowable Cost to be Recovered

Below are the total allowable costs that may be recovered through User Fees; however, only a portion of the total allowable cost is recovered as staff not only works on services related to User Fees, but also works on an array of other City functions during the operational hours of the City. The direct overhead percentages below are derived by dividing operational costs by personnel cost. The indirect allocation percentages are provided through the Cost Allocation Plan). The amounts listed below will not reconcile to City budgets as costs that should not be included in overhead for personnel in the application of determining fully burdened hourly rates were excluded. Examples of these costs are capital, debt, monetary transfers, contract costs, and other costs that are charged directly to the service requestor.

City of Capitola- User Fee Overhead Rate Calculations

Department	Total Personnel Services	Department Operations	Direct Overhead %	Indirect Allocation %
1000: City Manager	788,744	85,550	11%	0%
1000: Community Development & Building	906,715	77,800	9%	32%
1000: Culture & Leisure	1,155,283	360,500	31%	23%
1000: Finance	617,735	262,450	42%	0%
1000: Fleet	112,513	83,500	74%	0%
1000: Parks	292,010	280,100	96%	26%
1000: Personnel	374,469	67,200	18%	0%
1000: Public Safety	5,830,173	1,409,290	24%	20%
1000: Public Works	1,600,391	596,650	37%	35%

Appendix B – Salary and Benefit Hourly Rates

Below are Salary and Benefit hourly rates of staff positions. The hourly rates were used in the study to determine the full cost of each service when combined with the associated overhead rates. They include the salary and benefit costs for each position based on the City’s salary step schedule for positions as well as the appropriate benefits depending on each position’s bargaining unit. The total salary and benefits are then divided by 1,650 productive or billable hours to reduce the total 2,080 workable hours in a year to remove hours when positions are paid but not on the job such as holidays, paid leave, and sick pay. A further reduction of under 10% is made for administrative, general, or non-specific work hours. When a position is used in the study to identify direct work hours spent on a fee or service the applicable overhead rates of the operating unit (shown in [Appendix A](#)) is applied to that positions’ salary and benefit rate to determine full cost recovery. For any user fee service request that is outside the scope of the fees detailed in [Appendix C](#), or for services for which there is no fee currently set, the City can charge up to the full cost of the service by using the salary benefit rate of the positions below along with the appropriate overhead factors from [Appendix A](#).



City of Capitola- User Fee Salary & Benefit Hourly Rate Calculation

Position	S&B Hourly Rate
ACCOUNT TECHNICIAN	\$46.68
ACCOUNTANT I	\$56.37
ACCOUNTANT II	\$62.16
ACCOUNTS CLERK	\$42.33
ADMINISTRATIVE RECORDS ANALYST	\$49.81
ASSIST TO CITY MGR	\$76.56
ASSISTANT PLANNER	\$54.43
ASSOCIATE PLANNER	\$62.55
BUILDING INSPECTOR I	\$48.77
BUILDING INSPECTOR II	\$56.89
BUILDING OFFICIAL (CAPITOLA)	\$86.02
CHIEF OF POLICE	\$125.02
CITY CLERK	\$70.69
CITY MANAGER	\$146.76
CIVIL ENGINEER/PROJECT MANAGER	\$71.92
COMMUNITY SERVICE OFFICER	\$50.89
CUSTOMER SERVICE - OFFICE COORDINATOR	\$37.05
DEPARTMENT HEADS	\$107.79
DEPUTY CITY CLERK	\$45.87
DEVELOPMENT SERVICES TECHNICIAN	\$45.87
ENVIRONMENTAL PROJECTS MANAGER	\$66.31
EQUIPMENT OPERATOR	\$44.15
HUMAN RESOURCES ANALYST	\$55.35
INFORMATION SYSTEMS SPECIALIST	\$54.60
MAINTENANCE WORKER I	\$32.18
MAINTENANCE WORKER II	\$43.13
MAINTENANCE WORKER III	\$47.55
MECHANIC	\$46.15
MUSEUM CURATOR	\$41.83
OPERATIONS MAINTENANCE SUPERVISOR	\$61.54
PARKING ENFORCEMENT OFFICER	\$39.41
POLICE CAPTAIN	\$100.28
POLICE OFFICER	\$70.35
POLICE OFFICER TRAINEE	\$52.49
POLICE RECORDS TECHNICIAN	\$41.17
RECORDS MANAGEMENT CLERK	\$41.27
RECORDS MANAGER	\$61.86



City of Capitola- User Fee Salary & Benefit Hourly Rate Calculation

Position	S&B Hourly Rate
RECREATION & COMMUNITY SERVICES ASSISTANT	\$31.98
RECREATION COORDINATOR	\$47.54
RECREATION DIVISION MANAGER	\$70.69
RECREATION FACILITY CUSTODIAN	\$30.88
SENIOR ACCOUNTANT	\$71.92
SENIOR MECHANIC	\$54.33
SENIOR PLANNER	\$71.92
SERGEANT	\$86.16

Appendix C – Cost Recovery Analysis

The following tables provide the results of the analysis, resulting full cost recovery amount, and recommended fees. For fees, services, and penalties in which the full cost, existing fee, and suggested fee is listed as “NA,” the amount or percentage was not calculable. This is most common when either the current or the suggested fee includes a variable component that is not comparable on a one-to-one basis, a full cost was not calculated (for penalties, fines, market-based fees, or items not included in the study), or when there is not a current fee amount to compare against.

MISCELLANEOUS FEES

#	Description	Current Fee/Charge	Unit	Notes
1	Appeal Fee Appeals to City Council (CMC 2.52)	\$593.47		
2	Capitola Municipal Code	\$0.15	page	
3	Capitola Municipal Code Supplement Service (Per year)	\$0.00		
4	Copies:			
5	1-5 copies	\$0.00		
6	6 or more copies (per copy)	\$0.25	page	
7	Gov't Code § 81008 (Political Reform Act) statements/reports (Per copy)	\$0.10	page	
8	Simple film permit	\$54.49		
9	Major film permit	\$272.47		
10	Returned Check Fee	\$43.60		
11	Business License Overpayment Refund Fee (resolution 3532, ord 871)	\$0.00		(Set to -0- by Council in 2011)
12	Business License Late Payment Penalty Admin. Fee	\$35.00	+ 10% each month late	
13	Business License Application Fee (Reso. 3532)	\$25.00		
14	Business License - Disability Access and Education Fee (State)	\$4.00		
15	Temporary, Publicly Attended Activities, Application Fee (Municipal Code § 9.36.040)	\$34.00		
16	Public Art (Total Building Valuation \$250,000 or more) (Municipal Code Chapter 2.58)	2% of TBV or 1% in lieu to City		
17	Notice of Intent to Circulate Initiative Petition (Elections Code § 9103(b))	\$200.00		
18	Outdoor Dining Rental Fees			
19	Parking Spaces	\$3,400.00	annually for each space or partial space	

Full Cost	Subsidy %	Suggested Fee	Fee Δ
NA	NA	\$593.00	\$0
NA	NA	\$0.15	\$0
NA	NA	\$0.00	\$0
NA	NA	\$0.00	\$0
NA	NA	\$0.25	\$0
NA	NA	\$0.10	\$0
\$58.77	1%	\$58.00	\$4
\$682.37	0%	\$682.00	\$410
NA	NA	\$25 first check, \$35 after	-\$19
NA	NA	\$0.00	\$0
NA	NA	\$35.00	\$0
NA	NA	\$25.00	\$0
NA	NA	\$4.00	\$0
NA	NA	\$34.00	\$0
NA	NA	2% of TBV or 1% in lieu to City	\$0
NA	NA	\$200.00	\$0
NA	NA	\$3,400.00	\$0

MISCELLANEOUS FEES

#	Description	Current Fee/Charge	Unit	Notes
20	Sidewalks and non-parking spaces	\$18.00	per square foot annually	
21	Outdoor Dining Maintenance Deposit			
22	Sidwalks and non-parking spaces	\$500.00		
23	1-2 parking spaces	\$1,000.00		
24	3-5 parking spaces	\$1,500.00		
25	Notary Service Fees (State Code)			
26	Acknowledgment or proof of a deed, or other instrument, to include the seal and writing of the certificate	\$15.00	signature	
27	Administering an oath or affirmation to one person and executing the jurat, including the seal	\$15.00	signature	
28	Credit Card Transaction Fee	3%		
29	Passport Acceptance Fee	\$35.00		
30	Marriage License	New		
31	Marriage Ceremony	New		City Hall - \$100;
32	Marriage Ceremony - Witness Fee	New		

Full Cost	Subsidy %	Suggested Fee	Fee Δ
NA	NA	\$18.00	\$0
NA	NA	\$500.00	\$0
NA	NA	\$1,000.00	\$0
NA	NA	\$1,500.00	\$0
NA	NA	\$15.00	\$0
NA	NA	\$15.00	\$0
NA	NA	3%	\$0
NA	NA	\$35.00	\$0
\$42.79	18%	\$35.00	NA
\$103.79	4%	\$100.00	NA
\$25.75	3%	\$25.00	NA

PUBLIC WORKS DEPARTMENT FEES

#	Description	Current Fee/Charge	Unit	Notes
1	Encroachment Permits			
2	Application Fee	New		
3	Traffic Control Plan Review - Local Street	New		
4	Traffic Control Plan Review - Collector Street	New		
5	Traffic Control Plan Review - Arterial Street	New		
6	Inspection - Local Street	New		
7	Inspection - Collector Street	New		
8	Inspection - Arterial Street	New		
9	Revocable Encroachment Permit Application- Outdoor Dining	\$230.00		
10	Temporary (includes materials storage within right-of-way road and sidewalk closures	\$74.85		
11	Village Sidewalk Sign Encroachment Permit	\$43.76		
12	Construction Parking Permit - Village	New	daily	
13	Construction Parking Permit - City Lot	New	daily	
14	Construction Parking Permit - Neighborhood	New	monthly	
15	Blanket Permits (repair and maintenance of existing facilities encompassing up to 20 utility instances per year)	\$2,512.68		
16	Revocable Encroachment for Private Improvements			
17	Applications for Minor Revocable Encroachment	\$251.04		
18	Applications for Major Revocable Encroachment	\$628.75		
19	SPECIAL TRANSPORTATION PERMIT – OVERSIZE LOAD - Single	\$16.00		Set by state
20	SPECIAL TRANSPORTATION PERMIT – OVERSIZE LOAD - Single	\$90.00		Set by state
21	New Memorial Bench	\$1,137.47		
22	Replacement Memorial Bench	\$554.32		
23	Memorial Plaque	\$853.66		
24	Replacement Plaque	\$277.16		
25	Overhead Banner (outside of special event)	New		
26	Stormwater Development Review Fee			
27	Application Fee	\$124.37		
28	Large Project Plan Review Deposit			
29	Tier 1	New		
30	Tier 2	\$3,771.32		
31	Tier 3 & 4	\$5,027.66		
32	Research Fee - 1/2 hour minimum charge	Cost		

Full Cost	Subsidy %	Suggested Fee	Notes	Fee Δ
\$127.07	0%	\$127.00		NA
\$63.53	1%	\$63.00		NA
\$302.24	0%	\$302.00		NA
\$453.36	0%	\$453.00		NA
\$63.53	1%	\$63.00		NA
\$169.43	0%	\$169.00		NA
\$254.14	0%	\$254.00		NA
\$1,203.08	0%	\$1,203.00		\$973
\$21.18	1%	\$21.00		\$0
\$206.13	0%	\$206.00		\$162
\$42.36	43%	\$24.00		NA
\$42.36	72%	\$12.00		NA
\$42.36	41%	\$25.00		NA
\$2,880.23	0%	\$2,880.00		\$367
\$422.82	0%	\$422.00		\$171
\$1,348.57	0%	\$1,348.00		\$719
NA	NA	\$16.00	Set by state	\$0
NA	NA	\$90.00	Set by state	\$0
\$2,560.48	0%	\$2,560.00		\$1,423
\$2,509.77	0%	\$2,509.00		\$0
\$598.58	0%	\$598.00		-\$256
\$429.00	0%	\$429.00		\$152
\$144.29	0%	\$144.00		NA
\$122.45	0%	\$122.00		-\$2
\$306.12	0%	\$306.00		NA
\$612.24	0%	\$612.00	plus deposit (\$2,000)	NA
\$612.24	0%	\$612.00	plus deposit (\$5,000)	NA
NA	NA	Cost		\$0

PUBLIC WORKS DEPARTMENT FEES

#	Description	Current Fee/Charge	Unit	Notes
33	Information Technology Fee (Resolution No. 3786 adopted 11/12/09)	5% of Permit Fee		
34	Final Parcel Map	Cost; \$3,000 min. deposit		
35	Final Tract Map	Cost; \$3,000 min. deposit		
36	Certificate of Compliance & Lot Merger	\$628.87		
37	Boundary Line Adjustment	\$1,003.80		
38	Separate Instrument Dedication Fee	New		
39	Abandon Excess Public Right-of-Way & Public Easement	New		
40	Improvement Plan Review			
41	Design Permits - Residential Single Family	New		
42	Design Permits - Residential Multi-Family/Commercial	New		
43	Building Permits - Residential Single Family	New		
44	Building Permits - Residential Multi-Family/Commercial	New		

Summary of Fees

Full Cost	Subsidy %	Suggested Fee	Notes	Fee Δ
NA	NA	5% of Permit Fee		\$0
\$4,143.32	0%	\$4,143.00	surveyor deposit (\$2,500) included	\$0
\$5,735.79	0%	\$5,735.00	surveyor deposit (\$2,500) included	\$0
\$2,362.42	0%	\$2,362.00	surveyor deposit (\$1,000) included	\$1,733
\$2,362.42	0%	\$2,362.00	surveyor deposit (\$1,000) included	\$1,358
\$2,710.20	0%	\$2,710.00	surveyor deposit (\$1,000) included	NA
\$2,710.20	0%	\$2,710.00	surveyor deposit (\$1,000) included	NA
\$208.01	0%	\$208.00		NA
\$873.57	0%	\$873.00		NA
\$347.72	0%	\$347.00		NA
\$894.50	0%	\$894.00		NA

POLICE DEPARTMENT FEES

#	Description	Current Fee/Charge	Unit	Notes
1	Special Event Permit	\$67.74		
2	Recurring Special Event Permit - Major	\$67.74		
3	New Major Special Event Permit	\$67.74		This requires City Council Approval
4	Neighborhood Special Event/Block Party	\$67.74		
5	Closure of Village for Special Event -full day	New		
6	Closure of Village for Special Event -half day	New		
7	Closure of Village for Special Event -full day (nonprofit)	New		
8	Closure of Village for Special Event -half day (nonprofit)	New		
9	Amplified Sound Permit (Municipal Code 9.12.040)	\$31.68		
10	Bandstand Rental Fee	\$246 / 4 hrs or \$492 all day / deposit \$1,500		
11	Single Entertainment Permit	\$43.60		
12	Minor Entertainment Permit	\$184.19		
13	Regular Entertainment Permit	\$688.82		
14	Bingo Permit	\$70.84		
15	DUI Cost Recovery Fee (Res. 3533)	Not to exceed \$12,000		
16	Copies of reports: Crime Reports, Special Reports, etc. (Regardless of number of pages)	\$0.25	page	
17	Copies of: Citations, Code sections, Ordinances, etc.	\$0.25	page	
18	Postage (for copies of reports, citations, code sections, etc, if over 15 pages)	Current Postal Rate		
19	Photographs	\$20.00	+ administration fees	
20	Video Tapes, Flash Drive, CD/DVD Production	Cost + \$57.21 1st Hour (Minimum) + \$28.60 / hour		
21	Firearm Dealer License - City Application	\$100.00		

Full Cost	Subsidy %	Suggested Fee	Fee Δ
\$371.84	0%	\$371.00	\$303
\$632.50	0%	\$632.00	\$564
\$1,911.91	0%	\$1,911.00	\$1,843
\$195.07	0%	\$195.00	\$127
\$4,584.00	0%	\$4,584.00	NA
\$2,292.00	0%	\$2,292.00	NA
\$4,584.00	40%	\$2,750.40	NA
\$2,292.00	40%	\$1,375.20	NA
\$83.49	1%	\$83.00	\$51
\$371.84	34%	\$246 / 4 hrs or \$492 all day / deposit \$1,500	\$0
\$195.07	0%	\$195.00	\$151
\$195.07	0%	\$195.00	\$11
\$688.02	0%	\$688.00	-\$1
\$83.49	1%	\$83.00	\$12
NA	NA	Not to exceed \$12,000	\$0
NA	NA	\$0.25	\$0
NA	NA	\$0.25	\$0
NA	NA	Current Postal Rate	\$0
\$30.61	18%	\$25.00	\$5
\$68.98	3%	\$67.00	\$10
\$82.57	1%	\$82.00	-\$18

POLICE DEPARTMENT FEES

#	Description	Current Fee/Charge	Unit	Notes
22	Local Firearm dealers (set by state)			
23	New application	set by state		
24	Renewal	set by state		
25	Second Dealers License (set by state)			
26	Application	set by state		
27	Renewal	set by state		
28	Taxi Fee per application	set by state		
29	Tobacco retail license	\$289.36		
30	Cannabis Annual License Fee	\$2,827.19		
31	Retail Cannabis Application Fee	\$1,843.02		
32	Civil Subpoena (per case) (set by state)	set by state		
33	Parking Permits (separate action by the Council)			
34	Neighborhoods per year	\$25.00		
35	Village Preferential Permit	\$50.00	per year	
36	Village Preferential Permit - Hotels/Motels	\$365.00	per year	
37	Village Employer/Employee Permit	\$50.00	per year	
38	Morning Village Parking Permit	\$55.00	per year	
39	Electric Vehicle Charging Fee	\$0.50	hour	
40	Carrying a Concealed Weapon (CCW) Permit - City Application	\$115.00		
41	Concealed Weapon Permits (set by state)			
42	<i>Application</i>			
43	Standard	set by state		
44	Judicial	set by state		
45	Employment	set by state		
46	<i>Renewal</i>			
47	Standard	set by state		
48	Judicial	set by state		
49	Employment	set by state		
50	<i>Firearm Surrender Fees (set by state law)</i>			
51	1-5 guns	set by state		
52	6+guns	set by state		
53	Administrative fee to release Impounded / Stored Vehicle	\$144.98		
54	Surf School Permit Fee	\$594.20		
55	Parking Permit Replacement (Lost/Stolen)	\$15.00	Each	Includes Materials

Full Cost	Subsidy %	Suggested Fee	Fee Δ
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
\$316.70	0%	\$316.00	\$27
\$2,738.94	0%	\$2,738.00	-\$89
\$1,859.25	1%	\$1,843.00	\$0
NA	NA	set by state	\$0
NA	NA	\$25.00	\$0
NA	NA	\$50.00	\$0
NA	NA	\$365.00	\$0
NA	NA	\$50.00	\$0
NA	NA	\$55.00	\$0
NA	NA	\$2.00	\$2
\$260.67	45%	\$143.00	\$28
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
NA	NA	set by state	\$0
\$135.21	0%	\$135.00	-\$10
NA	NA	\$594.00	\$0
\$15.30	2%	\$15.00	\$0

POLICE DEPARTMENT FEES

#	Description	Current Fee/Charge	Unit	Notes
56	Boot Removal	New		Can take 30min-60min, depending on the quantity of tickets
57	Tow Hearing	New		

Full Cost	Subsidy %	Suggested Fee	Fee Δ
\$109.78	1%	\$109.00	NA
\$143.41	0%	\$143.00	NA

PLANNING FEES

#	Description	Current Fee/Charge	Unit
1	Administration/Documents		
2	Continuance Request - Applicant (2+)	\$185.28	
3	Staff Billing Rate	Cost	
4	Appeals-by Applicant	Cost	
5	Appeals- by City Officials	\$0.00	
6	Appeals- by Other	\$593.99	
7	Coastal Development Permit Appeal	\$0.00	
8	Appeals -Building/Zoning Code Violations	\$593.99	
9	Records Search/Research/Special Report	Cost	
10	Administrative Permits		
11	Tree Removal I- Staff Review	\$150.41	
12	Tree Removal -- 3 or more trees on a property	\$322.61	
13	Tree Installation Deposit (Refundable)	\$500.00	deposit
14	Tree replacement in-lieu fee (if available)	\$600.00	per tree
15	Tree removal w/ PC approval	\$1,000.00	deposit
16	Commercial Sidewalk/Parking Lot Sale Permit	\$89.37	
17	Tenant Use Permit (MCUP)--Staff approval	\$90.46	
18	Transient Rental Occupancy Use Permit	\$628.87	
19	Home Occupation Use Permit	\$188.55	
20	Fence Permit- Staff approval	\$50.14	
21	Fence Permit- PC approval	\$942.76	
22	Sidewalk vendor permit	\$138.42	
23	Temporary Use Administrative Permit	\$90.46	
24	Sign Permits		
25	Temporary Signs and Banner Permits	\$44.69	
26	Signs permit - Staff Review	\$151.50	
27	Signs permit - PC Review	\$628.87	
28	Master Sign Program	Cost; \$3,000 min deposit	
29	Village Sidewalk Sign Permit	\$77.38	
30	Design Permits		
31	Residential Single Family/Minor Design Permit - Staff Review	\$918.78	
32	Residential Single Family - PC Review	\$3,143.26	
33	Residential Multi-Family - PC Review	\$4,397.74	
34	Commercial - PC Review	\$4,000.00	deposit
35	Accessory Dwelling Unit- Staff Review	\$628.87	

Full Cost	Subsidy %	Suggested Fee	Unit	Fee Δ
\$156.01	4%	\$150.00		-\$35
NA	NA	Cost		\$0
NA	NA	Cost		\$0
\$2,679.23	100%	\$0.00		\$0
\$2,679.23	63%	\$1,000.00		\$406
\$1,133.48	100%	\$0.00		\$0
\$2,679.23	63%	\$1,000.00		\$406
NA	NA	Cost		\$0
\$312.02	52%	\$150.00		\$0
\$624.05	52%	\$300.00		-\$23
NA	NA	\$500.00	deposit	\$0
NA	NA	\$600.00	per tree	\$0
\$2,282.29	50%	\$1,150.00	deposit	\$150
\$156.01	0%	\$156.00		\$67
\$156.01	0%	\$156.00		\$66
\$312.02	0%	\$312.00		-\$317
\$156.01	0%	\$156.00		-\$33
\$78.01	0%	\$78.00		\$28
\$1,313.05	1%	\$1,300.00		\$357
\$156.01	0%	\$156.00		\$18
\$156.01	0%	\$156.00		\$66
\$39.00	0%	\$39.00		-\$6
\$156.01	0%	\$156.00		\$5
\$1,001.03	37%	\$630.00		\$1
NA	NA	Cost; \$3,000 min deposit		\$0
\$78.01	4%	\$75.00		-\$2
\$865.60	0%	\$865.00		-\$54
\$2,849.03	0%	\$2,849.00		-\$294
NA	NA	\$5,000.00	deposit	\$602
NA	NA	\$4,000.00	deposit	\$0
\$432.80	3%	\$420.00		-\$209

PLANNING FEES

#	Description	Current Fee/Charge	Unit
36	Accessory Dwelling Unit- PC Review	\$1,886.61	
37	Residential Multi-Family/Minor Design Permit - Staff Review	\$2,000.00	deposit
38	Commercial Minor Design Permit	\$2,000.00	deposit
39	Historic In-Kind Replacement Design Permit	\$500.00	deposit
40	Sidewalk & Street Dining Desing Permit	\$1,000.00	deposit
41	Use Permits		
42	Master Conditional Use Permit	Cost; \$3,500 min. deposit	
43	Conditional Use Permit/Minor Use Permit - Staff Review	\$1,853.92	
44	Conditional Use Permit - PC approval	Cost; \$3,000 min. deposit	
45	Temporary Use Permit	\$93.73	
46	Subdivisions		
47	Tentative Parcel Map (Minor Subdivision)	Cost; \$2,000 min. deposit	
48	Tentative Map (Major Subdivision)	Cost; \$5,000 min. deposit	
49	Revised Map	\$2,000.00	deposit
50	Time Extension	\$2,000.00	deposit
51	Subdivision Modification	\$2,000.00	deposit
52	Plan Amendments		
53	General Plan Amendment	Cost; \$5,000 min. deposit	
54	Local Coastal Plan Amendment	Cost; \$5,000 min. deposit	
55	Rezone	Cost; \$5,000 min. deposit	
56	Planned Development Rezone	Cost; \$3,500 min. deposit	
57	Other Discretionary Permits		
58	Variance	\$1,886.61	
59	PC review of minor modifications	\$1,695.88	
60	Coastal Development Permit	\$942.76	
61	Coastal Permit Exclusion	\$105.72	
62	Mobile home Park Change of Use or Closure	\$5,000.00	deposit

Full Cost	Subsidy %	Suggested Fee	Unit	Fee Δ
\$1,457.76	4%	\$1,400.00		-\$487
NA	NA	\$2,000.00	deposit	\$0
NA	NA	\$2,000.00	deposit	\$0
\$309.20	3%	\$300.00	deposit	-\$200
\$1,045.50	4%	\$1,000.00	flat	\$0
NA	NA	Cost; \$3,500 min. deposit	deposit	\$0
\$865.60	0%	\$865.00		-\$989
NA	NA	Cost; \$3,500 min. deposit	deposit	\$500
\$103.07	0%	\$103.00		\$9
NA	NA	Cost; \$3,500 min. deposit		\$1,500
NA	NA	Cost; \$5,000 min. deposit		\$0
NA	NA	\$2,000.00	deposit	\$0
NA	NA	\$2,000.00	deposit	\$0
NA	NA	\$2,000.00	deposit	\$0
NA	NA	Cost; \$5,000 min. deposit		\$0
NA	NA	Cost; \$5,000 min. deposit		\$0
NA	NA	Cost; \$5,000 min. deposit		\$0
NA	NA	Cost; \$3,500 min. deposit		\$0
\$1,199.97	0%	\$1,199.00		-\$688
\$839.36	0%	\$839.00		-\$857
\$633.23	0%	\$633.00		-\$310
\$633.23	0%	\$633.00		\$527
NA	NA	\$5,000.00	deposit	\$0

PLANNING FEES

#	Description	Current Fee/Charge	Unit
63	Development Agreement	\$10,000.00	min deposit
64	Developer agreement annual review	\$2,500.00	deposit
65	Specific Plan	Cost; \$5,000 min. deposit	
66	Permit Time Extension -Staff Review	\$628.87	
67	Permit Time Extension - PC Review	\$1,886.61	
68	Permit Amendment (any permit)	50% of original cost	
69	Annexation	Costs+ overhead / \$3,000 min. deposit	
70	Environmental Review		
71	Negative Declaration (and Mitigated ND)	Cost; \$2,000 min deposit	
72	EIR Processing	Cost; + 21% of consultant; \$10,000 min deposit	
73	Mitigation/Condition Monitoring Program	Cost + 21%	
74	NEPA Compliance	Cost + 21%	
75	Other Permits/Fees		
76	Conceptual Review Fee- PC	\$1,886.61	
77	Conceptual Review Fee- PC and CC	\$2,828.28	
78	Technical Study Preparation and Review	Cost + 21%	
79	NOTE: Third party review costs to be required as necessary	Cost + 21%	
80	Code Compliance	Double Application Fees	
81	Code Compliance confiscated property recovery fee	\$297.54	
82	Research Fee - 1/2 hour minimum charge	Cost	
83	Pre-Application Review	\$263.76	
84	Building Plan Check & Final Inspection	20% of Building Permit Fee	

Full Cost	Subsidy %	Suggested Fee	Unit	Fee Δ
NA	NA	\$1,000.00	min deposit	-\$9,000
NA	NA	\$2,500.00	deposit	\$0
NA	NA	\$5,000.00		\$0
\$360.61	0%	\$360.00		-\$269
\$1,045.50	0%	\$1,045.00		-\$842
NA	NA	50% of original cost		\$0
NA	NA	Costs+ overhead / \$5,000 min. deposit		\$2,000
NA	NA	Cost; \$5,000 min deposit		\$3,000
NA	NA	Cost; + 21% of consultant; \$10,000 min deposit		\$0
NA	NA	Cost + 21%		\$0
NA	NA	Cost + 21%		\$0
\$2,591.24	0%	\$2,591.00		\$704
\$3,533.43	0%	\$3,533.00		\$705
NA	NA	Cost + 21%		\$0
NA	NA	Cost + 21%		\$0
NA	NA	Double Application Fees		\$0
\$206.13	0%	\$206.13		-\$91
NA	NA	Cost		\$0
\$156.01	0%	\$156.01		-\$108
NA	NA	20% of Building Permit Fee		\$0

PLANNING FEES

#	Description	Current Fee/Charge	Unit
85	Major Development Project Fee	Cost; \$5,000 min. deposit	
86	Historical significance determination	\$4,250.00	deposit
87	Inclusionary Housing		
88	Inclusionary Housing - Unit Sale	\$628.87	
89	Inclusionary Housing - Unit Refinance	\$251.77	
90	Other Fees and Assessments		
91	General Plan Maintenance Fee	0.5%	of Total Building Valuation
92	Information Technology Fee (Resolution No. 3786 adopted 11/12/09)	5% of Permit Fee	
93	Green Building Educational Resource Fund Fee (Municipal Code 17.10.080)	Fee equals .0025 times the overall building permit valuation of the project.	
94	Affordable Housing In-Lieu Fees		
95	For Sale Housing Developments of two to six units (Municipal Code Chapter 18.02) :		
96	All Units	\$25 per sq. ft.	
97	For Sale Housing Developments of Seven or more units		
98	#Units: 7 #Units Built 1	\$0.00	
99	#Units: 8-13 #Units Built 1	Total # units minus 7 @ \$25 per avg. sq. ft. per unit	
100	#Units: 14 #Units Built 2	\$0.00	
101	#Units: 15-20 #Units Built 2	Total # units minus 14 @ \$25 per avg. sq. ft. per unit	
102	#Units: 21 #Units Built 3	\$0.00	

Full Cost	Subsidy %	Suggested Fee	Unit	Fee Δ
NA	NA	Cost; \$5,000 min. deposit		\$0
NA	NA	Cost + 21%		NA
\$675.92	0%	\$675.00		\$46
\$675.92	0%	\$675.00		\$423
0.78%	3%	0.75%	of Total Building Valuation	0.25%
3.6%	2%	3.5%		-2%
NA	NA	Fee equals .0025 times the overall building permit valuation of the project.		\$0
NA	NA	\$25 per sq. ft.		\$0
NA	NA	\$0.00		\$0
NA	NA	Total # units minus 7 @ \$25 per avg. sq. ft. per unit		\$0
NA	NA	\$0.00		\$0
NA	NA	Total # units minus 14 @ \$25 per avg. sq. ft. per unit		\$0
NA	NA	\$0.00		\$0

PLANNING FEES

#	Description	Current Fee/Charge	Unit
103	#Units: 22-27 #Units Built 3	Total # units minus 21 @ \$25 per avg. sq. ft. per unit	
104	#Units: 28 #Units Built 4	\$0.00	
105	Rental Multi-Family	\$6 per sq. ft.	
106	Affordable Housing Impact Fees		
107	For Sale Housing Developments of Six or Less Units: New housing units that are constructed to replace housing units that were demolished less than two years before the project developer applied for a permit to construct the housing development project are exempt	\$25 per square foot	
108	Rental Multi-Family	\$6 per square foot	
109	Additional to Housing Units of 50% or more (charged to additional square footage only)	\$2.50 per square foot	

NOTES:

1. All Fees are non-refundable.
2. Deposit accounts are billed on a time and material basis. Additional deposits may be necessary depending on the complexity of the project. Any unused monies in a deposit account will be refunded following case closure.
3. The Community Development Director may reduce the total fee/deposit requirements for applications which are unlikely to require the full deposit amounts established herein.
4. Applications which include a fee and a deposit payment will be processed with a single deposit account.
5. Outside agency fees, including but not limited to County recordation fees, State Fish and Wildlife fees, etc. are charged at cost.
6. The Community Development Director may establish a reasonable fee or deposit amount for permit types required by the Capitola Municipal Code or State law which are not included in the fee schedule.
7. Flat fee applications are entitled up to two public hearings. Additional public hearings shall be charged to the applicant at cost.
8. The Community Development Director may designate a project as a Major Development Project if it has a valuation of \$2M+ or is considered technically

Full Cost	Subsidy %	Suggested Fee	Unit	Fee Δ
NA	NA	Total # units minus 21 @ \$25 per avg. sq. ft. per unit		\$0
NA	NA	\$0.00		\$0
NA	NA	\$6 per sq. ft.		\$0
NA	NA	\$25 per square foot		\$0
NA	NA	\$6 per square foot		\$0
NA	NA	\$2.50 per square foot		\$0

BUILDING FEES

#	Description	Current Fee/Charge	Unit
1	The cost of a "combination building permit" shall be 1.5 times the amounts shown in Table 1-A. A "combination building permit" is defined as a permit for a scope of construction work regulated by two or more of the model codes. The model codes are the building code, the plumbing code, the mechanical code and the electrical code.		
2	The cost of a "building permit" shall be the amounts shown in Table 1-A. A "building permit" is defined as a permit for a scope of construction work regulated solely by a single model code. The model codes are the building code, the plumbing code, the mechanical code and the electrical code.		
3	Building Plan Check Fee	65% of Building Permit Fee	
4	Reinspection Fee	\$0.00	
5	Resubmitted Plan Check Fee	\$122.30	hr
6	Building Permit Extension Fee	\$0.00	
7	Building Permit Reinstatement Fee	50% of the original, singular building permit fee or combo building permit fee, whichever is applicable to the permit being reinstated	
8	Stop Work Order Fee	2x the singular building permit fee	
9	Greywater System Permit	\$0.00	
10	Home battery permit (usually with solar)	\$0.00	
11	Electric Vehicle Charging Permits (* Note: These fees were added to the fee schedule for FY2011-12, but will be waived per the Green Energy Incentive Program)		
12	a. Level I (120 volts)	\$0.00	
13	b. Level II (208-240 volts)	\$0.00	
14	c. Level III (480 volts)	\$0.00	
15	Solar P.V. System	\$0.00	
16	Solar P.V. System (Commercial Sale/Distribution)	\$0.00	
17	Solar Hot Water Heater	\$0.00	
18	Research Fee - 1/2 hour minimum charge	Cost	
19	Information Technology Fee (Resolution No. 3786 adopted 11/12/09)	5% of Permit Fee	
20	Temporary Trailer/Mobile Home Occupancy Permit	\$0.00	
21	Structural Review of Engineered Plans	cost + 21%	
22	Outside Consultant Plan Review	cost + 21%	
23	Grading Plan Review Fees		
24	50 cubic yard or less	\$0.00	
25	51 to 100 cubic yard	\$0.00	
26	101 to 1,000 cubic yards	\$0.00	
27	1,001 to 10,000 cubic yards	\$0.00	
28	10,001 to 100,000 cubic yards	\$60.36	for first 10,000 plus \$30.81 for each additional 10,000 cubic yards
29	100,001 to 200,000 cubic yards	\$337.69	for first 100,000 plus \$16.65 for each additional 10,000 cubic yards
30	200,001 cubic yards or more	\$487.57	for first 200,000 plus \$9.12 for each additional 10,000 cubic yards
31	Grading Permit Fees		
32	50 cubic yard or less	\$0.00	
33	51 to 100 cubic yard	\$0.00	

Full Cost	Subsidy %	Suggested Fee	Unit	Fee Δ
NA	NA	65% of Building Permit Fee		\$0
\$189.01	0%	\$189.00		\$189
\$189.01	0%	\$189.00	hr	\$67
\$287.62	0%	\$287.00		\$287
NA	NA	50% of the original, singular building permit fee or combo building permit fee, whichever is applicable to the permit being reinstated		\$0
NA	NA	2x the singular building permit fee		\$0
NA	NA	\$0.00		\$0
NA	NA	\$0.00		\$0
\$156.14	0%	\$156.00		\$156
\$156.14	0%	\$156.00		\$156
\$279.40	0%	\$279.00		\$279
\$378.01	0%	\$378.00		\$378
\$378.01	0%	\$378.00		\$378
\$156.14	100%	\$0.00		\$0
NA	NA	Cost		\$0
3.6%	2%	3.5%		-2%
\$279.40	0%	\$279.00		\$279
NA	NA	cost + 21%		\$0
NA	NA	cost + 21%		\$0
\$312.27	0%	\$312.00		\$312
\$312.27	0%	\$312.00		\$312
NA	NA	Cost +21%		NA
NA	NA	Cost +21%		NA
\$434.72	0%	\$434.72	for first 10,000 plus \$246.53 for each additional 10,000 cubic yards	\$374
\$2,653.53	0%	\$2,653.53	for first 100,000 plus \$129.75 for each additional 10,000 cubic yards	\$2,316
\$5,118.87	0%	\$5,118.87	for first 200,000 plus \$71.07 for each additional 10,000 cubic yards	\$4,631
\$156.14	100%	\$0.00		\$0
\$156.14	100%	\$0.00		\$0

BUILDING FEES

#	Description	Current Fee/Charge	Unit
34	101 to 1,000 cubic yards	\$46.51	for first 100 plus \$22.01 for each additional 100 cubic yards
35	1,001 to 10,000 cubic yards	\$244.60	for first 1,000 plus \$18.23 for each additional 1,000 cubic yards
36	10,001 to 100,000 cubic yards	\$408.67	for first 10,000 plus \$82.97 for each additional 10,000 cubic yards
37	100,001 to 200,000 cubic yards	\$1,155.40	for first 100,000 plus \$45.88 for each additional 10,000 cubic yards

BUILDING FEES

Full Cost	Subsidy %	Suggested Fee	Unit	Fee Δ
\$189.01	0%	\$189.01	for first 100 plus \$27.30 for each additional 100 cubic yards	\$142
\$434.72	0%	\$434.72	for first 1,000 plus \$7.30 for each additional 1,000 cubic yards	\$190
\$500.46	0%	\$500.46	for first 10,000 plus \$246.53 for each additional 10,000 cubic yards	\$92
\$2,719.27	0%	\$2,719.27	for first 100,000 plus \$136.33 for each additional 10,000 cubic yards	\$1,564

TABLE 1-A
Building Permit Table

Minimum Value	Maximum Value	Current Base Rate	Suggested Base Rate	Current Plus \$\$	Suggested Plus \$\$	For every
\$0	\$500	\$29.55	\$29.55	\$0.00	\$0.00	\$0
\$501	\$2,000	\$29.55	\$29.55	\$3.83	\$3.84	\$100
\$2,001	\$25,000	\$87.00	\$87.00	\$17.59	\$17.59	\$1,000
\$25,001	\$50,000	\$491.57	\$491.57	\$12.69	\$12.69	\$1,000
\$50,001	\$100,000	\$808.82	\$808.82	\$8.81	\$8.81	\$1,000
\$100,001	\$500,000	\$1,249.32	\$1,249.32	\$7.05	\$7.05	\$1,000
\$500,001	\$1,000,000	\$4,069.32	\$4,069.32	\$5.97	\$5.97	\$1,000
\$1,000,001	and up	\$7,054.32	\$7,054.32	\$3.23	\$3.23	\$1,000

Percent Change = 0%
Cost Recovery Level = 70%

COMMUNITY SERVICES AND RECREATION FEES

#	Description	Current Fee/Charge	Unit	Notes
1	All fees are evaluated annually to determine if they are competitive with other recreation programs in Santa Cruz County			
2	Classes			
3	Activity Fee (Instructor receives 65% of this fee, Department retains 35%)			
4	Registration Fee - Resident - Department retains this fee	\$20.06		
5	Drop-in and Workshop Registration Fee - Department retains this fee	\$9.50		
6	Online Class Registration fee-Department retains this fee	5.5% of Activity Fee		
7	Non-Resident Fee: in addition to Registration Fee - Department retains this fee	\$16.90		
8	Drop-in Activity Fee	Prorated cost of Session Activity Fee		
9	Senior Discount	10% of Activity Fee		
10	Change is registration/reservation	New		changing registered sessions or reservation details
11	Negotiated Instructor of Private Tennis Lessons Activity Fee (Instructor receives 75% of this fee, Department retains 25%)			
12	Sports			
13	League Fees	Costs + 30% admin fee		
14	League fees will change depending upon number and type of leagues offered, number of games per league, number of officials, amount of equipment needed, field/site prep and maintenance, and whether or not playoffs & awards are offered. Fees are calculated based on direct costs + 30% admin fee.			
15	After School			
16	Resident/non resident	\$5.45/\$6.18	per hour	*Hourly rate used only to calculate monthly fee amount * Scholarships may be available
17	Registration/Change Fee - Resident - Department retains this fee	New		
18	Late Pick-Up Fee	\$1.00	per minute	
19	Parent's Night Out	\$25/\$31		
20	Junior Guards * Scholarships may be available			
21	Resident/non resident	\$303 / \$378		
22	U-19 resident/non resident	\$190.00		
23	Registration/Change Fee - Resident - Department retains this fee	New		
24	Late Pick-Up Fee	\$1.00	per minute	
25	Regionals	\$103.00		
26	Camp Capitola * Scholarships may be available			
27	*Daily rate used only to calculate program fee	\$34/\$42		
28	All day 2 week session, resident/non resident	\$336 / \$420		
29	1/2 day 2-week session, resident/non resident	\$170 / \$210		
30	All day 1 week session, resident/non resident	\$170 / \$210		

Full Cost	Subsidy %	Suggested Fee	Fee Δ
\$29.93	33%	\$20.00	\$0
\$14.97	33%	\$10.00	\$1
NA	NA	5.5% of Activity Fee	\$0
\$29.93	33%	\$20.00	\$3
NA	NA	Prorated cost of Session Activity Fee	\$0
NA	NA	10% of Activity Fee	\$0
\$29.93	16%	\$25.00	NA
NA	NA	\$645/team	NA
NA	NA	\$5.45/\$6.18	\$0
\$30.00	0%	\$30.00	NA
NA	NA	\$1.00	\$0
NA	NA	\$25/\$31	\$0
NA	NA	\$303 / \$378	\$0
NA	NA	\$190.00	\$0
\$30.00	0%	\$30.00	NA
NA	NA	\$1.00	\$0
NA	NA	\$103.00	\$0
NA	NA	\$34/\$42	\$0
NA	NA	\$336 / \$420	\$0
NA	NA	\$170 / \$210	\$0
NA	NA	\$170 / \$210	\$0

COMMUNITY SERVICES AND RECREATION FEES

#	Description	Current Fee/Charge	Unit	Notes
31	All day 1 week teen session, resident/non resident	\$303/ \$378		
32	Junior Leader program	\$72.86		
33	Registration/Change Fee - Resident - Department retains this fee	New		
34	Late Pick-Up Fee	\$1.00	per minute	
35	Extended Care--daily add on, resident/non resident	\$12.67		
36	AM Extended Care--per 2 week session resident/non resident or AM & PM for 1 week long session	\$58.08		
37	PM Extended Care--per 2 week session resident/non resident	\$58.08		
38	Transportation/Lunch Break fee	\$63.36		
39	Family Camp			
40	3 night family camp Adult (13+) / Child (3-12)	\$358 / \$244	per night	
41	Rapid Weddings			* Scholarships may be available
42	Event Fee per registration	New		
43	plus civil ceremony fees found in Admin Fee section	New		
44	Facility Rentals			
45	Field and Courts hourly rental; non profit youth groups/other non profit & Cap residents/all others	\$15/ \$29 / \$38		
46	Jade Street Community Center			
47	Rooms A&B hourly rent	\$48.58		
48	Room C hourly rent	\$66.53		
49	Patio hourly rent	\$9.50		
50	Kitchen hourly rent	\$24.29		
51	Entire Center hourly rent	\$173.18		
52	Non profit discount of Jade Street Facility rents	25%		
53	Community Center Deposit			
54	1 to 50 people	\$110.88		
55	51 to 150 people	\$276.67		
56	151 to 250 people	\$554.40		
57	Lost key fee	\$27.46		
58	Event vendor fee	\$110.88		
59	Staffing required to prepare for or supervise recreation activities	Cost		

Full Cost	Subsidy %	Suggested Fee	Fee Δ
NA	NA	\$303/ \$378	\$0
NA	NA	\$72.00	-\$1
\$30.00	0%	\$30.00	NA
NA	NA	\$1.00	\$0
NA	NA	\$12.00	-\$1
NA	NA	\$58.00	\$0
NA	NA	\$58.00	\$0
NA	NA	\$63.00	\$0
NA	NA	\$358 / \$244	\$0
\$709.84	44%	\$400.00	NA
NA	NA	Cost	NA
NA	NA	\$15/ \$29 / \$38	\$0
NA	NA	\$48.00	-\$1
NA	NA	\$66.00	-\$1
NA	NA	\$9.50	\$0
NA	NA	\$24.00	\$0
NA	NA	\$173.00	\$0
NA	NA	25%	\$0
NA	NA	\$110.00	-\$1
NA	NA	\$276.00	-\$1
NA	NA	\$554.00	\$0
NA	NA	\$27.00	\$0
NA	NA	\$110.00	-\$1
NA	NA	Cost	\$0

COMMUNITY SERVICES AND RECREATION FEES

#	Description	Current Fee/Charge	Unit	Notes
60	Park Rental Fees			
61	Park Space Reservation (hourly)	\$10.00		
62	Barbeque permit	\$10.00		
63	Bounce House / Powered Equipment permit	\$60.00		
64	Temporary Structures (more than 100 sq ft) permit	\$60.00		
65	Notes: Resident include Soquel Union Elementary School District			
66	Costs mean staff costs adjusted for benefits, department overhead, and City overhead as calculated by the City Manager. Costs can also mean direct cost of a consultant. When consultant costs are included 21% of such costs will be charged to cover staff time for contract management. Staff costs do not accrue during an appeal unless appeal is made by applicant.			
67	Deposits are stated as minimums. Actual deposits depend on the evaluation by staff of an individual project or application. The City Manager may lower minimum deposits if the application or project justifies a lower deposit. When an application involves multiple minimum fees the highest minimum fee applies.			
68	Art & Cultural			
69	Merchandise Fee	Cost + 50% administration fee		
70	Art at the Beach Artist Booth Fee	New		
71	Plein Air Artist Application Fee	\$50.00		
72	Plein Air Art Exhibition service fee	30% retained by City, 70% paid to Artist		

COMMUNITY SERVICES AND RECREATION FEES

Full Cost	Subsidy %	Suggested Fee	Fee Δ
NA	NA	\$10.00	\$0
NA	NA	\$10.00	\$0
NA	NA	\$60.00	\$0
NA	NA	\$60.00	\$0
NA	NA	Cost + 50% administration fee	\$0
NA	NA	\$60.00	
NA	NA	\$50.00	\$0
NA	NA	30% retained by City, 70% paid to Artist	\$0

HISTORICAL MUSEUM FEES

#	Description	Current Fee/Charge	Unit
1	Research Fee - 1/2 hour minimum charge	Cost	
2	Print of an electronically available Photograph in Collection	\$8.00	
3	Digital Copies of Collection Items	\$22.00	
4	Scan High Resolution Tiff File of any collection item for a customer	\$26.00	

Full Cost	Subsidy %	Suggested Fee	Fee Δ
NA	NA	Cost	\$0
NA	NA	\$8.00	\$0
NA	NA	\$22.00	\$0
NA	NA	\$26.00	\$0



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CITY OF CAPITOLA



Cost Allocation Plan

October 27, 2023





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Certification of Cost Allocation Plan

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal 10/27/2023 to establish cost allocations or billings for FY 2022/2023 are allowable in accordance with the requirements of this Part and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the Federal awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Governmental Unit: **City of Capitola**

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____



Executive Summary

This cost allocation plan (“CAP”) summarizes a comprehensive analysis that has been completed for the City of Capitola, California (the “City”) to determine the appropriate allocation of costs from central service departments to the operating departments. The primary objective is to allocate costs from departments that provide services internally to operating departments that conduct the day-to-day operations necessary to serve the community. The internal service costs typically represent (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. The term "indirect costs," as used herein, applies to costs of this type originating in the central service departments.

To ensure central service department costs are appropriately allocated to the operating departments, Willdan analyzed the City’s cost code structure to determine which types of costs are allowable versus unallowable in accordance with standard and accepted cost allocation principles. The term “allocable costs” as used herein, applies to costs that are allowable for allocation.

The study is comprised of two separate allocation plans. Table 1 is the summary results of the allocation in compliance with the Office of Management and Budget Super Circular (the OMB Super Circular) and CFR Part 200 (Cost Principles). Table 2 that follows is the summary results of the full plan. The report below includes descriptions of the differences between the two plans, their separate purposes, and specific details of when the plans deviate from each other.



Table 1: Allocated Costs to Recipient Departments (OMB Compliant CAP)

Allocated Cost Summary

Fiscal Year 2023-24

Operating Department / Division / Fund	Total Allocation	Direct Cost Base	
		Modified Total Direct Cost	Indirect Cost Rate
	\$3,165,251	\$15,645,641	20%
1000: Community Development & Building	\$298,916	\$1,060,010	28%
1000: Community Grants	\$9,547	\$125,000	8%
1000: Culture & Leisure	\$349,240	\$1,636,442	21%
1000: Parks	\$152,009	\$659,126	23%
1000: Public Safety	\$1,465,511	\$8,124,310	18%
1000: Public Works	\$765,305	\$2,419,794	32%
1300: SLESF - Supl Law Enfc	\$6,989	\$36,000	19%
1305: Restricted TOT	\$9,853	\$151,667	6%
1310: Gas Tax	\$21,314	\$283,000	8%
1311: Wharf	\$6,579	\$17,500	38%
1313: General Plan Update and Maint	\$11,342	\$175,500	6%
1314: Green Building Education	\$1,188	\$21,000	6%
1315: Public Art Fee Fund	\$4,624	\$75,500	6%
1317: Technology Fee Fund	\$1,103	\$13,250	8%
1321: BIA - Capitola Village-Wharf BIA	\$18,531	\$157,500	12%
1350: CDBG Grants	\$17,513	\$273,335	6%
1370: HOME Reuse,	\$303	\$4,100	7%
1373: Permanent Local Housing Alloca	\$14,526	\$256,800	6%
5552: Cap Hsg Succ- Program Income	\$10,857	\$155,807	7%



Table 2: Allocated Costs to Recipient Departments (Full CAP)

Allocated Cost Summary

Fiscal Year 2023-24

Operating Department / Division / Fund	Total Allocation	Direct Cost Base	
		Modified Total Direct Cost	Indirect Cost Rate
	\$3,439,982	\$15,645,641	22%
1000: Community Development & Building	\$336,506	\$1,060,010	32%
1000: Community Grants	\$10,467	\$125,000	8%
1000: Culture & Leisure	\$374,711	\$1,636,442	23%
1000: Parks	\$167,166	\$659,126	25%
1000: Public Safety	\$1,588,313	\$8,124,310	20%
1000: Public Works	\$826,151	\$2,419,794	34%
1300: SLESF - Supl Law Enfc	\$7,359	\$36,000	20%
1305: Restricted TOT	\$10,926	\$151,667	7%
1310: Gas Tax	\$23,389	\$283,000	8%
1311: Wharf	\$6,838	\$17,500	39%
1313: General Plan Update and Maint	\$12,582	\$175,500	7%
1314: Green Building Education	\$1,332	\$21,000	6%
1315: Public Art Fee Fund	\$5,152	\$75,500	7%
1317: Technology Fee Fund	\$1,203	\$13,250	9%
1321: BIA - Capitola Village-Wharf BIA	\$19,851	\$157,500	13%
1350: CDBG Grants	\$19,441	\$273,335	7%
1370: HOME Reuse,	\$333	\$4,100	8%
1373: Permanent Local Housing Alloca	\$16,289	\$256,800	6%
5552: Cap Hsg Succ- Program Income	\$11,974	\$155,807	8%

Introduction

In the early 1970s, the cost allocation plan concept was introduced to many government agencies. The purpose of a typical cost allocation plan is to identify costs related to rendering internal central support services and allocate those costs to operating departments or programs that utilize and benefit from them, in a fair and equitable manner.

Before indirect costs and central support service charges may be claimed for reimbursement by an operating department, there must be some formal means of identifying, accumulating and distributing these types of costs to all benefiting departments. Regardless of whether an agency has a formal comprehensive cost accounting system, the best method of accumulating, identifying, and determining a distribution of indirect costs is a cost allocation plan.

A City is made up of many departments, each with their own specific purposes or functions. Departments whose primary function is to provide support internally to other City departments are called central services. Examples of central services are Personnel, City Attorney, Finance, and City Council. Within these groups there are numerous functions performed that provide support to the direct cost centers. The direct cost centers, or departments and funds, that require support from Central Services and provide services directly to the community through their day-to-day operations, are called operating departments. Examples of operating departments are Public Safety, Public Works, Community Development & Building, and Parks. The Cost Allocation Plan allocates the costs of the central services to the operating departments based on the nature of the functions of each central service, upon which the operating departments depend. This is done to determine the total cost associated with providing direct services. The overall goal of the cost allocation plan process is to allow cities to allocate a portion of the central service costs to the operating departments, thus 1) accounting for “all” costs, direct and indirect, for each operating department, and 2) facilitating the calculation of a fully burdened cost estimate of providing services to the public.

The purpose of this study is to:

- Identify the central support and operating departments in the City;
- Identify the functions and services provided by the central departments;
- Identify allocable and non-allocable costs associated with the City’s central service departments; and
- Distribute those costs to operating entities in a fair and equitable manner.

Approach

Methodology

The way in which each Indirect Service provides support to the operating departments is determined in order to perform allocations in a manner consistent with the nature of that Indirect Service. This ensures that the costs can be allocated to each operating department in a fair and equitable way. The Cost Allocation Plan identifies the functions of each central service department, and then determines a methodology to allocate or spread the central service costs in a manner that best represents the nature of those functions. The mathematical representations of central service functions used to allocate indirect costs are commonly called distribution bases. A distribution basis is a set of data displayed as the level of measure of each department's participation in a specific activity or City function. This basis is then used to distribute costs that reasonably relate to the activity or City function that the basis represents. Some examples of distribution bases are salary and benefits costs, number of full-time equivalent employees, frequencies of city council agenda items, and number of processed transactions. The data sets associated with these distribution bases for each department are collected to facilitate the allocation of indirect costs.

The methodology used for this Cost Allocation Plan is the iterative method, which is one of the most equitable methods for allocating costs from central services to operating departments. While not used as prevalently as simpler allocation methods, it is widely considered to be the most accurate. The iterative method utilizes a recursive application of central service cost distribution to allocate indirect costs. In the first step, the allocable costs of central service departments are identified and distributed to *all* departments including the central service departments themselves, based on the appropriate allocation bases that were selected to represent the manner in which central services are utilized. This is repeated ad infinitum until all costs have been distributed to the operating departments, and none remain with the central service departments.

As an example, consider the allocation of central service costs associated with Facilities. The function of Facilities is identified, and the appropriate distribution basis is determined to be the total square footage per department and fund. The allowable costs are then distributed to all City departments and funds based on their proportional share of square footage, including other central services. The costs allocated from central service to central service in the initial allocation are then allocated out using the same distribution methodology. This function is performed as many times as necessary until all costs for Facilities have been allocated.

All central service departments are treated equally. That is to say, this method is performed concurrently for the allowable costs in each of the central service departments for each iteration until all costs associated with the central service departments have been allocated to each direct service department. The method is complete when the total amount of allocable costs remaining in the central service departments is equal to zero.

Applications

Public agencies use cost allocation plans for many purposes such as internal accounting, the justification of user fees, application for reimbursement from federal programs or the determination of administrative effort associated with special districts and/or municipal service activities. In many of these cases, the agency will be required to certify that the costs identified are “reasonable”. Per the *Code of Federal Regulations*, a cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when determining the amount that a public agency should be reimbursed for central service overhead activities associated with a federally funded program. Additionally, public agencies should consider special care to only identify the portion of central service costs that have not been reimbursed through other means (such as grants, user fee revenues, transfers from other departments or internal service funds) to avoid double-counting. These cost reductions are done before the allocation methodologies are used and are detailed within the model itself.

OMB Super Circular and 2 CFR Part 200

This report details the allocations for two separate cost allocation plans. The primary model, presented in text and tables in the below sections and in Appendix A, provides a plan that complies with the Office of Management and Budget Super Circular (the OMB Super Circular) and CFR Part 200 (Cost Principles) that are used to determine central overhead costs incurred while carrying out activities associated with Federal awards, cost reimbursement contracts and some other intergovernmental agreements (as required). The secondary model presented in Appendix B of this report is the full cost allocation plan, which the City should use for standard City operations and budgeting. Unless otherwise indicated, the details of this report and Appendix A contain the OMB compliant allocation plan. The Appendix B tables contain the full cost plan, and utilize the same distribution methodology as the OMB Compliant plan. While the overall methodology used for both plans is the same, there are specific guidelines that require additional cost exemptions for OMB Super Circular compliance outside of what was done for the full cost plan. Where such exemptions are done in the methodology has been explained below. Some commonly encountered examples that are usually exempt under OMB Super Circular guidelines are:

- General Advertising
- Bad Debt
- Contingencies
- Litigation
- Debt Service
- Entertainment
- Capital
- Lobbying
- Legislative Body (City Council)
- Promotional Items



Central Service Departments

Eleven (11) central service functions were identified for the purposes of this cost allocation plan:

- City Attorney
- City Council
- City Manager
- Facilities - Facilities
- Facilities - Museum
- Facilities – City Hall
- Facilities – PW Corporate Yard
- Facilities – Jade St. Community Center
- Finance
- Fleet
- Personnel



Distribution Bases

Distribution bases are the allocation factors that may be used to distribute the allocable costs to all departments and funds. As discussed previously, distribution bases are measurable and readily available data that are utilized to represent activities or functions, and which are then used to distribute costs matching that activity or function. Below are the bases that were analyzed in this study and used to allocate Central Services costs to operating departments.

- Number of FTE Employees – The number of full-time equivalent personnel for each department and fund.
- Modified Total Direct Cost – The total allowable expenditures budgeted for each department and fund for FY2024 which excludes capital and debt., non-operational transfers, and grant subaward costs greater than \$25,000.
- City Council Agenda Frequency – City Council agendas spanning a 12-month period were used to determine the number of times each department and fund had matters brought before the City Council.
- Total Purchase Orders – The total number of purchase orders processed for each department and fund in a year.
- Total Accounts Payable – The total number of accounts payable processed for each department and fund in a year.
- Total Salaries & Benefits – The total salary & benefit expenditures for each department and fund for FY2024.
- Total Square Footage – The total square footage for each department and fund.
- Total City Hall Square Footage – The total City Hall square footage for each department and fund.
- Total Vehicles – The total number of vehicles for each department and fund.
- Direct Allocations– Specific personnel or a percentage of a specific personnel’s labor within certain central services were identified by the City to be allocable directly to other departments.

Allocable Costs and Distribution Bases

Allocable Costs

Table 3 identifies the allocable cost of each central service department for the OMB compliant allocation plan, with the total allocable costs for this study being \$3,165,251. The total expenditures from the central service departments were \$3,439,982. However, \$274,731 of the expenditures identified as unallowable by the 200 CFR Part 200 and have been excluded from allocation for the OMB compliant plan. The primary exclusions were related to City Council, recognition and awards, legal services, City events, and advertising expenses. The remaining amount was distributed to the operating departments and the central services departments by distribution factor(s) that best represents the functions of each central service department and the demand placed on that central service by all City departments, as previously described in the Methodology section of this report. The allocation methodology for each central service is detailed in the following section of this report.

Table 3: Allocable Cost Summary

	Fiscal Year 2023-24		
		Unallocable	Allocable
	Total Cost	Cost	Cost
Summary	\$ 3,439,982	\$ 274,731	\$ 3,165,251
Central Service			
1000: City Attorney	288,000	50,000	238,000
1000: City Council	202,431	202,431	-
1000: City Manager	998,253	20,800	977,453
1000: Facilities - Facilities	78,343	-	78,343
1000: Facilities - Museum	1,800	-	1,800
1000: Facilities - City Hall	59,000	-	59,000
1000: Facilities - PW Corporate Yard	22,500	-	22,500
1000: Facilities - Jade St. Community Center	29,500	-	29,500
1000: Finance	967,309	-	967,309
1000: Fleet	334,573	-	334,573
1000: Personnel	458,273	1,500	456,773

Central Service Allocation Methodology

The first step of the iterative allocation method is to distribute the allocable costs of the central service departments to other central service departments and operating departments based on the distribution methodology and bases that best represent the activity of the central service, and the functions it serves. The sections below describe each central service and the methodology used to allocate their costs. Corresponding tables detailing each distribution are attached in the Appendices as tables A-1 through A-3 for the OMB compliant plan and B-1 for the full cost plan.

Section 1: City Attorney

The City Attorney represents the City as primary Counsel in all legal matters. The City Attorney is appointed by the City Council. The City Attorney provides legal analysis and advice on interpretation and application of municipal code, State law, and Federal law, drafting legal documents, and labor related issues. The City Attorney is currently a contract position with the firm of Burke, Williams & Sorensen

Allocation Method

Based on the assessment of the functions of the City Attorney, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One third percent (33%) of the allocable cost was allocated based on the number of full-time equivalents for each department and fund
- One third percent (33%) of the allocable cost was allocated based on the amount of modified total direct cost for each department and fund
- One third percent (33%) of the allocable cost was allocated based on the total number of Council agendas for each department and fund

1000: City Attorney

Total FTE's	33%
Modified Total Direct Cost	33%
Total Agendas	33%

Section 2: City Council

The City Council is composed of five generally elected Council Members, serving four-year staggered terms. Council members select a Mayor and Vice Mayor annually. In 2002, the voters approved a consecutive term limit of two terms for Council Members. The City's Municipal elections are held the first Tuesday of November in even-numbered years. The Council meets regularly twice monthly, on the second and fourth Thursday.

The City Council establishes local law, sets policy, approves programs, allocates funds, and provides direction to the City Manager and staff to implement its policy. Council also appoints members to local and regional committees, commissions, and boards. Capitola is a General Law City, organized under the general laws of the state. Local laws are established by ordinance, compiled in the Municipal Code, and enforceable

by the City. Other directives and policies of the City Council are implemented through Council Resolutions and recorded in Council Minutes.

Allocation Method

Based on the assessment of the functions of the City Council, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One third percent (33%) of the allocable cost was allocated based on the number of full-time equivalents for each department and fund
- One third percent (33%) of the allocable cost was allocated based on the amount of modified total direct cost for each department and fund
- One third percent (33%) of the allocable cost was allocated based on the total number of Council agendas for each department and fund
- For the OMB plan the costs of City Council are not allocated to ensure OMB compliance

1000: City Council

Total FTE's	33%
Modified Total Direct Cost	33%
Total Agendas	33%

Section 3: City Manager

The City Manager Department is responsible for the overall administration of City objectives. The City Manager is the lead position within the City administrative structure and is appointed by the Council. The City Manager provides administrative direction and leadership to all City departments, and directly oversees Human Resources, City Clerk, Information Systems, and the Assistant to the City Manager.

Allocation Method

Based on the assessment of the functions of the City Manager Department, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One third percent (33%) of the allocable cost was allocated based on the number of full-time equivalents for each department and fund
- One third percent (33%) of the allocable cost was allocated based on the amount of modified total direct cost for each department and fund
- One third percent (33%) of the allocable cost was allocated based on the total number of Council agendas for each department and fund

1000: City Manager

Total FTE's	33%
Modified Total Direct Cost	33%
Total Agendas	33%

Section 4: Facilities – Facilities

The Maintenance Division is responsible for the day-to-day operations, maintenance, and repair of the public infrastructure and facilities including streets and medians, streetlights and traffic signals, street trees, sidewalks and pathways, parks, public buildings, and maintains the City's fleet of vehicles and equipment.

Allocation Method

Based on the assessment of the functions of Facilities – Facilities, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One hundred percent (100%) of the allocable cost was allocated based on the total square footage maintained for each department and fund

1000: Facilities - Facilities

Total Sq Ft	100%
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Section 5: Facilities - Museum

The Maintenance Division is responsible for the day-to-day operations, maintenance, and repair of the public infrastructure and facilities including streets and medians, streetlights and traffic signals, street trees, sidewalks and pathways, parks, public buildings, and maintains the City's fleet of vehicles and equipment.

Allocation Method

Based on the assessment of the functions of Facilities - Museum, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One hundred percent (100%) of the allocable cost was allocated based on the support directly to the Culture and Leisure Department

1000: Facilities - Museum

Direct to Culture & Leisure	100%
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Section 6: Facilities – City Hall

The Maintenance Division is responsible for the day-to-day operations, maintenance, and repair of the public infrastructure and facilities including streets and medians, streetlights and traffic signals, street trees, sidewalks and pathways, parks, public buildings, and maintains the City's fleet of vehicles and equipment.

Allocation Method

Based on the assessment of the functions of Facilities – City Hall, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One hundred percent (100%) of the allocable cost was allocated based on the total City Hall square footage maintained for each department and fund

1000: Facilities - City Hall

Total City Hall Sq Ft	100%
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Section 7: Facilities – PW Corporate Yard

The Maintenance Division is responsible for the day-to-day operations, maintenance, and repair of the public infrastructure and facilities including streets and medians, streetlights and traffic signals, street trees, sidewalks and pathways, parks, public buildings, and maintains the City's fleet of vehicles and equipment.

Allocation Method

Based on the assessment of the functions of Facilities – PW Corporate Yard, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One hundred percent (100%) of the allocable cost was allocated based on the support directly to the Public Works Department

1000: Facilities - PW Corporate Yard

Direct to Public Works	100%
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Section 8: Facilities – Jade St. Community Center

The Maintenance Division is responsible for the day-to-day operations, maintenance, and repair of the public infrastructure and facilities including streets and medians, streetlights and traffic signals, street trees, sidewalks and pathways, parks, public buildings, and maintains the City's fleet of vehicles and equipment.

Allocation Method

Based on the assessment of the functions of Facilities – Jade St. Community Center, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One hundred percent (100%) of the allocable cost was allocated based on the support directly to the Culture and Leisure Department

1000: Facilities - Jade St. Community Center

Direct to Culture & Leisure	100%
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Section 9: Finance

The Finance Department oversees all financial transactions of the City to ensure legal and accounting policies are adhered to. The Department maintains all City funds and oversees budget development, the Comprehensive Annual Financial Report, accounts payable, payroll, accounts receivable, cash receipts,

banking, business licenses, and transient occupancy tax. The Department provides quarterly and annual financial reports to City Council and the public.

Allocation Method

Based on the assessment of the functions of the Finance Department, it is reasonable to distribute the allocable cost by using the method(s) described below.

- Fifteen percent (15%) of the allocable cost was allocated based on the number of full-time equivalents for each department and fund
- Thirty percent (30%) of the allocable cost was allocated based on the number of accounts payable processed for each department and fund
- Fifteen percent (15%) of the allocable cost was allocated based on the number of purchase orders processed for each department and fund
- Forty percent (40%) of the allocable cost was allocated based on the amount of modified total direct cost for each department and fund

1000: Finance

Total FTE's	15%
Total Accounts Payable	30%
Total Purchase Orders	15%
Modified Total Direct Cost	40%

Section 10: Fleet

The Maintenance Division is responsible for the day-to-day operations, maintenance, and repair of the public infrastructure and facilities including streets and medians, streetlights and traffic signals, street trees, sidewalks and pathways, parks, public buildings, and maintains the City's fleet of vehicles and equipment.

Allocation Method

Based on the assessment of the functions of the Fleet, it is reasonable to distribute the allocable cost by using the method(s) described below.

- One hundred percent (100%) of the allocable cost was allocated based on the total number of Vehicles for each department and fund

1000: Fleet

Total Vehicles	100%
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Section 11: Personnel

Personnel functions are the responsibility of the City Manager. Functions include employee recruitment and selection, benefits coordination, insurance and retirement programs, labor negotiations, compensation plan maintenance, regulatory training, and risk management.



Allocation Method

Based on the assessment of the functions of Personnel, it is reasonable to distribute the allocable cost by using the method(s) described below.

- Fifty percent (50%) of the allocable cost was allocated based on the number of full-time equivalents for each department and fund
- Fifty percent (50%) of the allocable cost was allocated based on the amount of salaries and benefits for each department and fund

1000: Personnel

Total FTE's	50%
Total Salaries and Benefits	50%

Iterative Allocation

The total allocable expenditures of each central service department were allocated to other departments (including both operating departments and other central service departments) based on the individual methodologies outlined above in Sections 1 through 11 of the Allocation Percentages chapter. Any cost allocated from central service to central service is then reallocated out using the same methodology. This operation is done iteratively until all allocable cost is received by the operating departments and funds, and none remain with the central services. After completion of the iterative allocation method, a total combined allocable cost of \$3,165,251 was distributed to all departments and funds until the allocable cost remained only in the operating departments and funds, and the amount of allocable costs remaining in central service departments was equal to zero.

The full cost plan follows the same methodology with the exception that all costs that were excluded solely for OMB compliance, but were reasonable for the full plan, were made allowable and included in the allocation. See Table B-1 for additional details for the full cost plan.

After implementing the iterative allocation methodology, all allocable central service costs have been distributed to the operating departments and funds. Table 1 in the Executive Summary of this report summarized the distribution of the total allocable cost of \$3,165,251 to each recipient department for the OMB compliant CAP. Table 2 summarized the distribution of the total allocable cost of \$3,439,982 to each recipient department for the full cost CAP.



Appendix A

Appendix A lists the tables detailing the allocation methodology performed in allocating central service costs for the OMB compliant cost allocation plan.

Table A-1: Initial Allocation Percentages (OMB Compliant CAP)

Central Service/Operating Departments	Central Service Departments											
	1000: City Attorney	1000: City Council	1000: City Manager	1000: Facilities - Facilities	1000: Facilities - Museum	1000: Facilities - City Hall	1000: Facilities - PW Corporate Yard	1000: Facilities - Jade St. Community Center	1000: Finance	1000: Fleet	1000: Personnel	
1000: City Attorney	0.5%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%	0.0%	0.0%	
1000: City Council	9.5%	9.5%	9.5%	2.1%	0.0%	6.8%	0.0%	0.0%	1.6%	0.0%	3.3%	
1000: City Manager	12.5%	12.5%	12.5%	2.7%	0.0%	8.7%	0.0%	0.0%	6.9%	0.0%	7.1%	
1000: Facilities - Facilities	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	2.0%	0.0%	0.0%	
1000: Facilities - Museum	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	
1000: Facilities - City Hall	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%	0.0%	0.0%	
1000: Facilities - PW Corporate Yard	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	
1000: Facilities - Jade St. Community Center	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	0.0%	
1000: Finance	7.8%	7.8%	7.8%	1.7%	0.0%	5.4%	0.0%	0.0%	4.3%	0.0%	5.2%	
1000: Fleet	1.4%	1.4%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	4.2%	6.6%	1.1%	
1000: Personnel	1.9%	1.9%	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%	2.0%	0.0%	2.0%	
1000: Community Development & Building	9.8%	9.8%	9.8%	2.3%	0.0%	7.4%	0.0%	0.0%	4.9%	0.0%	10.5%	
1000: Community Grants	0.2%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.0%	
1000: Culture & Leisure	5.9%	5.9%	5.9%	29.8%	100.0%	8.1%	0.0%	100.0%	9.1%	3.3%	8.7%	
1000: Parks	3.7%	3.7%	3.7%	0.0%	0.0%	0.0%	0.0%	0.0%	5.8%	0.0%	3.1%	
1000: Public Safety	29.3%	29.3%	29.3%	27.4%	0.0%	41.9%	0.0%	0.0%	31.3%	60.7%	44.4%	
1000: Public Works	14.3%	14.3%	14.3%	34.2%	0.0%	21.7%	100.0%	0.0%	18.0%	29.5%	14.4%	
1300: SLESF - Supl Law Enfc	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.0%	
1305: Restricted TOT	0.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	
1310: Gas Tax	0.5%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	0.0%	0.0%	
1311: Wharf	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.0%	
1313: General Plan Update and Maint	0.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.0%	
1314: Green Building Education	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
1315: Public Art Fee Fund	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	
1317: Technology Fee Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	
1321: BIA - Capitola Village-Wharf BIA	0.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%	0.0%	0.0%	
1350: CDBG Grants	0.5%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	0.0%	0.0%	
1370: HOME Reuse,	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
1373: Permanent Local Housing Alloca	0.4%	0.4%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.0%	
5552: Cap Hsg Succ- Program Income	0.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.1%	



Table A-2: Final Allocation Percentages (OMB Compliant CAP)

Central Service/Operating Departments	Central Service Departments										
	1000: City Attorney	1000: City Council	1000: City Manager	1000: Facilities - Facilities	1000: Facilities - Museum	1000: Facilities - City Hall	1000: Facilities - PW Corporate Yard	1000: Facilities - Jade St. Community Center	1000: Finance	1000: Fleet	1000: Personnel
1000: City Attorney	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: City Council	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: City Manager	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Facilities - Facilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Facilities - Museum	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Facilities - City Hall	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Facilities - PW Corporate Yard	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Facilities - Jade St. Community Center	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Finance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Fleet	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Personnel	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1000: Community Development & Building	13.7%	13.7%	13.7%	3.0%	0.0%	9.9%	0.0%	0.0%	6.9%	0.0%	12.5%
1000: Community Grants	0.3%	0.3%	0.3%	0.0%	0.0%	0.1%	0.0%	0.0%	0.5%	0.0%	0.1%
1000: Culture & Leisure	9.3%	9.3%	9.3%	30.4%	100.0%	10.2%	0.0%	100.0%	11.9%	3.5%	10.5%
1000: Parks	5.5%	5.5%	5.5%	0.4%	0.0%	1.2%	0.0%	0.0%	6.7%	0.0%	4.1%
1000: Public Safety	44.7%	44.7%	44.7%	30.2%	0.0%	51.1%	0.0%	0.0%	42.3%	64.9%	53.1%
1000: Public Works	22.2%	22.2%	22.2%	35.6%	0.0%	26.4%	100.0%	0.0%	24.7%	31.6%	18.7%
1300: SLESF - Supl Law Enfc	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.0%
1305: Restricted TOT	0.4%	0.4%	0.4%	0.0%	0.0%	0.1%	0.0%	0.0%	0.5%	0.0%	0.1%
1310: Gas Tax	0.8%	0.8%	0.8%	0.1%	0.0%	0.2%	0.0%	0.0%	1.2%	0.0%	0.1%
1311: Wharf	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.0%
1313: General Plan Update and Maint	0.5%	0.5%	0.5%	0.0%	0.0%	0.1%	0.0%	0.0%	0.6%	0.0%	0.1%
1314: Green Building Education	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
1315: Public Art Fee Fund	0.2%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%
1317: Technology Fee Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
1321: BIA - Capitola Village-Wharf BIA	0.5%	0.5%	0.5%	0.0%	0.0%	0.1%	0.0%	0.0%	1.2%	0.0%	0.1%
1350: CDBG Grants	0.7%	0.7%	0.7%	0.0%	0.0%	0.2%	0.0%	0.0%	0.9%	0.0%	0.1%
1370: HOME Reuse,	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1373: Permanent Local Housing Alloca	0.6%	0.6%	0.6%	0.0%	0.0%	0.1%	0.0%	0.0%	0.6%	0.0%	0.1%
5552: Cap Hsg Succ- Program Income	0.4%	0.4%	0.4%	0.0%	0.0%	0.1%	0.0%	0.0%	0.5%	0.0%	0.2%

Table A-3: Final Allocation Amounts (OMB Compliant CAP)

Department Classification	Department	Central Service Departments										Total Allocation	
		1000: City Attorney	1000: City Council	1000: City Manager	1000: Facilities - Facilities	1000: Facilities - Museum	1000: Facilities - City Hall	1000: Facilities - PW Corporate Yard	1000: Facilities - Jade St. Community Center	1000: Finance	1000: Fleet		1000: Personnel
		238,000	0	977,453	78,343	1,800	59,000	22,500	29,500	967,309	334,573	456,773	3,165,251
Central Service	1000: City Attorney	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: City Council	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: City Manager	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - Museum	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - City Hall	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - PW Corporate Yard	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - Jade St. Community Center	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Finance	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Fleet	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Personnel	-	-	-	-	-	-	-	-	-	-	-	-
Operating Department	1000: Community Development & Building	32,580	-	133,802	2,388	-	5,858	-	-	67,008	-	57,280	298,916
Operating Department	1000: Community Grants	800	-	3,287	19	-	47	-	-	5,103	-	290	9,547
Operating Department	1000: Culture & Leisure	22,049	-	90,554	23,829	1,800	6,015	-	29,500	115,574	11,739	48,180	349,240
Operating Department	1000: Parks	13,148	-	53,998	292	-	717	-	-	64,912	-	18,942	152,009
Operating Department	1000: Public Safety	106,275	-	436,464	23,652	-	30,165	-	-	409,404	217,179	242,373	1,465,511
Operating Department	1000: Public Works	52,755	-	216,663	27,911	-	15,580	22,500	-	238,744	105,655	85,497	765,305
Operating Department	1300: SLESF - Supl Law Enfc	322	-	1,321	12	-	29	-	-	5,112	-	193	6,989
Operating Department	1305: Restricted TOT	934	-	3,835	21	-	51	-	-	4,704	-	308	9,853
Operating Department	1310: Gas Tax	1,805	-	7,415	43	-	106	-	-	11,295	-	650	21,314
Operating Department	1311: Wharf	225	-	923	11	-	26	-	-	5,219	-	176	6,579
Operating Department	1313: General Plan Update and Maint	1,079	-	4,432	24	-	59	-	-	5,393	-	355	11,342
Operating Department	1314: Green Building Education	126	-	515	3	-	6	-	-	500	-	38	1,188
Operating Department	1315: Public Art Fee Fund	459	-	1,884	10	-	24	-	-	2,101	-	146	4,624
Operating Department	1317: Technology Fee Fund	87	-	356	2	-	5	-	-	619	-	33	1,103
Operating Department	1321: BIA - Capitola Village-Wharf BIA	1,148	-	4,716	34	-	84	-	-	12,016	-	533	18,531
Operating Department	1350: CDBG Grants	1,678	-	6,890	37	-	91	-	-	8,268	-	548	17,513
Operating Department	1370: HOME Reuse,	26	-	107	1	-	2	-	-	158	-	9	303
Operating Department	1373: Permanent Local Housing Alloca	1,535	-	6,303	32	-	79	-	-	6,112	-	465	14,526
Operating Department	5552: Cap Hsg Succ- Program Income	971	-	3,987	22	-	54	-	-	5,067	-	757	10,857



Appendix B

Appendix B provides the table detailing the allocation performed in allocating central service costs for the full cost allocation plan. The methodology for the full plan is the same as for the OMB compliant plan, as it is the most reasonable and represents how indirect support is provided in the City. The difference between the two plans, as has been described in this report, is in the costs that can be allocated.



Table B-1: Final Allocation Amounts (Full CAP)

Department Classification	Department	Central Service Departments											Total Allocation
		1000: City Attorney	1000: City Council	1000: City Manager	1000: Facilities - Facilities	1000: Facilities - Museum	1000: Facilities - City Hall	1000: Facilities - PW Corporate Yard	1000: Facilities - Jade St. Community Center	1000: Finance	1000: Fleet	1000: Personnel	
		288,000	202,431	998,253	78,343	1,800	59,000	22,500	29,500	967,309	334,573	458,273	3,439,982
Central Service	1000: City Attorney	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: City Council	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: City Manager	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - Museum	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - City Hall	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - PW Corporate Yard	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Facilities - Jade St. Community Center	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Finance	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Fleet	-	-	-	-	-	-	-	-	-	-	-	-
Central Service	1000: Personnel	-	-	-	-	-	-	-	-	-	-	-	-
Operating Department	1000: Community Development & Building	39,424	27,711	136,650	2,388	-	5,858	-	-	67,008	-	57,468	336,506
Operating Department	1000: Community Grants	968	681	3,357	19	-	47	-	-	5,103	-	291	10,467
Operating Department	1000: Culture & Leisure	26,681	18,754	92,481	23,829	1,800	6,015	-	29,500	115,574	11,739	48,339	374,711
Operating Department	1000: Parks	15,910	11,183	55,147	292	-	717	-	-	64,912	-	19,004	167,166
Operating Department	1000: Public Safety	128,601	90,392	445,752	23,652	-	30,165	-	-	409,404	217,179	243,168	1,588,313
Operating Department	1000: Public Works	63,838	44,871	221,274	27,911	-	15,580	22,500	-	238,744	105,655	85,778	826,151
Operating Department	1300: SLESF - Supl Law Enfc	389	274	1,349	12	-	29	-	-	5,112	-	193	7,359
Operating Department	1305: Restricted TOT	1,130	794	3,917	21	-	51	-	-	4,704	-	309	10,926
Operating Department	1310: Gas Tax	2,185	1,536	7,573	43	-	106	-	-	11,295	-	652	23,389
Operating Department	1311: Wharf	272	191	943	11	-	26	-	-	5,219	-	176	6,838
Operating Department	1313: General Plan Update and Maint	1,306	918	4,527	24	-	59	-	-	5,393	-	356	12,582
Operating Department	1314: Green Building Education	152	107	526	3	-	6	-	-	500	-	38	1,332
Operating Department	1315: Public Art Fee Fund	555	390	1,924	10	-	24	-	-	2,101	-	146	5,152
Operating Department	1317: Technology Fee Fund	105	74	364	2	-	5	-	-	619	-	33	1,203
Operating Department	1321: BIA - Capitola Village-Wharf BIA	1,389	977	4,816	34	-	84	-	-	12,016	-	535	19,851
Operating Department	1350: CDBG Grants	2,030	1,427	7,037	37	-	91	-	-	8,268	-	550	19,441
Operating Department	1370: HOME Reuse,	31	22	109	1	-	2	-	-	158	-	9	333
Operating Department	1373: Permanent Local Housing Alloca	1,857	1,305	6,437	32	-	79	-	-	6,112	-	467	16,289
Operating Department	5552: Cap Hsg Succ- Program Income	1,175	826	4,071	22	-	54	-	-	5,067	-	759	11,974



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