



# Board Agenda Item 61

DATE: June 21, 2022

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director, Internal Services/Chief Information Officer

SUBJECT: Amendment to the Master Schedule of Fees, Charges, and Recovered Costs  
Section 3800 - General Services

RECOMMENDED ACTION(S):

**Conduct second hearing and adopt the Master Schedule of Fees, Charges, and Recovered Costs Section 3800 - General Services, where subsections 3804 - Badge Identification, Hirsch Security System, 3809 - Fleet Labor Rate, 3810 - Motor Pool Car Rental, 3811 - Fuel Tank Inspection Rate, 3812 - Building Maintenance Labor and 3813 - Janitorial Labor are to be amended; waive the reading of the Ordinance in its entirety.**

Approval of the recommended actions will revise Section 3800 - General Services of the Master Schedule of Fees, Charges, and Recovered Costs (MSF) Ordinance, based on the anticipated Internal Services Department (ISD) - Security, Fleet, and Facility Services costs for FY 2022-23. The proposed rate increases, which range from 3% to 12%, will be used for recovery of full costs of specified services provided by ISD - Security, Fleet, and Facility Services to user departments and other public agencies. The exception is 3810 - Motor Pool Car Rental which is increasing 67% due to increased need for vehicle replacements. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may direct ISD to not change the rates, or change a portion of the rates, or propose alternative rates, however, these alternatives may not recover full costs of services.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. Amending the rates for services charged to user departments and other public agencies will result in the collection of a portion of the revenues needed to operate three separate Internal Services Funds (ISF) for FY 2022-23. Those funds are:

Fund 1000, Fleet Services, Org 8910 - 8911  
Fund 1035, Security Services, Org 8970  
Fund 1045, Facility Services, Org 8935

Most rate increases, which range from 3% to 12%, are due to a variety of factors, including salary and benefit increases, and necessary replacement of outdated equipment. The exception is 3810 - Motor Pool Car Rental which is increasing 67% due to increased need for vehicle replacements.

DISCUSSION:

On June 7, 2022, your Board conducted the first hearing to amend Section 3800 - General Services. As an ISF, ISD must recover all operating expenses by charging user departments and public agencies for services ordered and rendered.

The recommended amendments to the MSF, if adopted by your Board, would update ISD - Security, Fleet, and Facility Services rates. These rates were established by estimating the annual operating costs of the components of each of the respective services, and then dividing those costs by the projected usage of all user departments and public agencies. The rates indicated are for services utilized by both internal and external customers and make up a portion of the total revenues collected by the ISFs.

The proposed amendments to the MSF would update rates for subsections:

- 3804 - Badge Identification, Hirsch Security System Rate,
- 3809 - Fleet Labor Rate,
- 3810 - Motor Pool Car Rental Rate,
- 3811 - Fuel Tank Inspection Rate,
- 3812 - Building Maintenance Labor, and
- 3813 - Janitorial Labor.

Attachment A is a Summary of Proposed Revisions of Fees and illustrates a comparison between the proposed rates and the prior rates for the two preceding budget years (FYs 2020-21 and 2021-22) for the subsections recommended for amendment.

Increases in labor rates for staff for Fleet Repair, Building Maintenance, Security, and Janitorial Services lead to changes from the current rates to the recommended increased rates.

The recommended rates, including the calculation and methodology applied for cost recovery, are currently under review by the Auditor-Controller/Treasurer-Tax Collector (ACTTC). Should the ACTTC find material errors in the rate development, ISD will return to your Board for an adjustment at that time.

The summary of the ordinance amendment was published in The Business Journal on June 10th, 2022.

If adopted by your Board, the recommended rates will take effect July 21, 2022.

REFERENCE MATERIAL:

BAI # 10, June 7, 2022

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A  
Ordinance

CAO ANALYST:

Sonia M. De La Rosa