



Board Agenda Item 26

DATE: June 10, 2025

TO: Board of Supervisors

SUBMITTED BY: Daniel C. Cederborg, County Counsel

SUBJECT: Amendment to Master Schedule of Fees - Section 600 (County Counsel)

RECOMMENDED ACTION(S):

Conduct second hearing to amend the Master Schedule of Fees, Charges and Recovered Costs Ordinance by amending Section 600 - County Counsel, Subsection 601 - Attorney Services, by increasing the fee rate for such services to \$182 per hour for each attorney; and waive reading of the Ordinance in its entirety; and adopt the proposed Ordinance.

There is no additional Net County Cost associated with the recommended action. Approval of the recommended action will amend the Master Schedule of Fees, Charges and Recovered Costs Ordinance (Ordinance), Subsection 601 - Attorney Services by increasing the existing attorney service fee rate (from \$169 per hour to \$182 per hour for each attorney) based on FY 2023-24 actual County Counsel Office costs for such services. If approved by your Board, the increased attorney service fee rate would be charged by the County Counsel's Office to third-party funded departments and to all other non-County public agencies to which County Counsel provides legal services.

The first hearing was conducted by your Board on May 20, 2025. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may direct County Counsel not to change the rate, change a portion of the rate or propose alternatives rates; however, these alternatives will not recover the full cost of services.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. It is anticipated that the proposed attorney service fee rate increase of \$13 per hour, from \$169 per hour to \$182 per hour, is a 7.7% (rounded up to 8%) rate increase for each attorney. If approved by your Board, this rate adjustment would allow the County Counsel's Office to recover the full cost of providing attorney services to third-party funded departments and to all other non-County public agencies to which County Counsel provides attorney services.

DISCUSSION:

On June 18, 2024, the Board approved an amendment to Ordinance Section 601 - Attorney Services, which increased the attorney service fee rate by approximately 6%. The approved rate took effect July 18, 2024 and County Counsel's Office began billing such fee rate starting Monday, July 22, 2024, the first full pay period immediately following the effective date for ease of administration.

The recommended adjustment for the attorney service fee rate reflects the County Counsel's Office current costs for salaries, benefits, services, supplies and overhead. County Counsel's Office completed a fee study in March 2025, necessitating a fee increase to achieve 100% cost recovery for attorney services. The proposed rate in Exhibit A for attorney services capture increases in salaries and benefits, as well as the costs of services and supplies. The recommended service fee rate for attorneys was developed, using the best estimates at this time, based on the assumption of an 8% increase in salaries and benefits and a 3% increase in services and supplies expenditures, relative to the FY 2024-25 Adopted Budget. These estimated expenditures have been allocated for the proposed rate in a reasonable manner, and in accordance with established cost development guidelines.

On April 25, 2025, the recommended service fee rate and methodology applied for cost recovery was approved by the Auditor-Controller/Treasurer-Tax Collector (ACTTC). Under the rate study for FY 2025-26, the ACTTC reviewed the service fee rate for attorneys and for Child Welfare Services Legal Assistants. The ACTTC determined that the service fee rate for attorneys may be increased as recommended by County Counsel's Office, and that the service fee rate for Child Welfare Services Legal Assistants may remain unchanged, as these service fee rates recover 100% of these costs at this time.

In the rate study for FY 2025-26, the ACTTC recommends that the actual departmental expenditures reflected in the FY 2025-26 Adopted Budget be compared to the estimates provided by the County Counsel's Office and utilized by the ACTTC under the rate study for FY 2025-26. Following your Board's adoption of the FY 2025-26 County budget, the County Counsel's Office will undertake the ACTTC's recommended review, for the attorney service fee rate and for the Child Welfare Services Legal Assistant service fee rate, and confer with the ACTTC. Should there be a material variance between the actual and estimated expenditures (for either or both such rates), the County Counsel's Office will request the ACTTC to conduct a reassessment of such rates. If an adjustment in either or both such rates is warranted, the County Counsel's Office will return to your Board for further action.

If your Board adopts the recommended service fee rate, the adopted service fee rate for attorneys will take effect on July 10, 2025, and the County Counsel's Office would begin billing such fee rate starting the first day of the next pay period, which is July 21, 2025.

A summary of the Ordinance amendment was timely published in The Business Journal.

REFERENCE MATERIAL:

BAI #9, May 20, 2025
BAI #25, June 18, 2024

ATTACHMENTS INCLUDED AND/OR ON FILE:

Ordinance
Exhibit A - Proposed MSF
Attachment A - MSF Change Comparison

CAO ANALYST:

Amy Ryals