



Legislation Details (With Text)

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On agenda:	6/7/2022	Final action:	6/7/2022
Title:	Consider adopting Resolution 2022-28 to adopt a Budget for the City for Fiscal Year 2022/2023, Resolution 2022-29 establishing the Gann Appropriation Limit, Resolution 2022-31 levying a Retirement Property Tax, Resolution 2022-34 amending the Classification Plan, Resolution 2022-35 updating the Master Fee and Charges Schedule (Supplemental Fee Resolution 16); and, authorize Professional Services included in budget to be representative of services projected, approve budget adjustments and authorize the purchase of one Urban Search and Rescue (USAR) Heavy Rescue Vehicle		
Attachments:	1. Att 1 - Public Hearing Notice, 2. Att 2 - Reso No. 2022-28 FY 22-23 Budget Adoption, 3. Att 3 - Professional Services FY2022-23, 4. Att 4 - Reso No. 2022-29 GANN Appropriation Limit, 5. Att 5 - Reso No. 2022-31 Retirement Property Tax Levy, 6. Att 6 - Reso No. 2022-34 Records Specialist Classification, 7. Att 7 - Reso No. 2022-35 Master Fee and Charges Schedule, 8. Att 8 - USAR Heavy Rescue Vehicle Quote, 9. 6.3.22 Sup Com - Bulosan PPT, 10. 6/7/22 Sup Com - Bulosan PPT		

Date	Ver.	Action By	Action	Result
6/7/2022	2	City Council/Public Financing Authority	approved	Pass

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Sean Joyce, Interim City Manager

VIA: Dahle Bulosan, Chief Financial Officer

PREPARED BY: Serena Bubenheim, Finance Manager - Budget

Subject:

Consider adopting Resolution 2022-28 to adopt a Budget for the City for Fiscal Year 2022/2023, Resolution 2022-29 establishing the Gann Appropriation Limit, Resolution 2022-31 levying a Retirement Property Tax, Resolution 2022-34 amending the Classification Plan, Resolution 2022-35 updating the Master Fee and Charges Schedule (Supplemental Fee Resolution 16); and, authorize Professional Services included in budget to be representative of services projected, approve budget adjustments and authorize the purchase of one Urban Search and Rescue (USAR) Heavy Rescue Vehicle

Statement of Issue:

The City Charter of the City of Huntington Beach requires a Public Hearing prior to the adoption of the City's annual budget. The City Charter further requires adoption of the annual budget by June 30, 2022, for Fiscal Year (FY) 2022/2023.

Financial Impact:

Proposed Budget: The Fiscal Year 2022/2023 Proposed Budget is a structurally balanced budget. The All Funds Proposed Budget equals \$532.0 million, including a General Fund Proposed Budget of \$269.0 million. Individual departmental and fund-level appropriations are contained in the attachments herein.

Employee Tax Override: Pursuant to Chapter 3.07 of the Municipal Code, the Proposed Budget for Fiscal Year 2022/23 assumes the continuation of the Retirement Tax Cap of \$0.01500 per \$100 of assessed value. As of the most recent audited financial statements, this tax rate resulted in \$7.7 million in revenue in Fiscal Year 2020/21. This recurring revenue source is included in the Proposed FY 2022/23 Budget.

Citywide Master Fee and Charges Schedule: Citywide user fees and charges generate approximately \$20 million in annual revenue across all funds. These funds support a wide range of City services, including public safety. If adopted as proposed by staff, the updated schedule may generate up to \$718,000 in additional annual General Fund revenue and \$22,000 in Automation Fee revenue.

Fire Urban Search and Rescue (USAR) Vehicle: Funds in the amount of \$1,337,023 are included for the purchase of the vehicle in the proposed FY 2022/23 budget in Equipment Replacement Fund 324

Recommended Action:

A) Adopt Resolution No. 2022-28, "A Resolution of the City Council of the City of Huntington Beach Adopting a Budget for the City for Fiscal Year 2022/23;" and,

B) Authorize the Professional Services included in the FY 2022/2023 budget to be representative of the services projected to be utilized by departments in FY 2022/2023; and,

C) Approve budget adjustments to the FY 2022/2023 Proposed Budget in the Funds and by the amounts contained in Attachment 2, Exhibit A-1; and,

D) Adopt Resolution No. 2022-29, "A Resolution of the City Council of the City of Huntington Beach Establishing the Gann Appropriation Limit for Fiscal Year 2022/2023" of \$1,126,155,850;" and,

E) Adopt Resolution No. 2022-31, "A Resolution of the City Council of the City of Huntington Beach Levying a Retirement Property Tax for Fiscal Year 2022/2023 to Pay for Pre-1978 Employee Retirement Benefits;" and,

F) Adopt Resolution No. 2022-34, "A Resolution of the City Council of the City of Huntington Beach Amending the City's Classification Plan by Adding the Classification of Records Specialist;" and,

G) Adopt Resolution No. 2022-35, "A Resolution of the City Council of the City of Huntington Beach Adopting An Updated Master Fee And Charges Schedule By Amending Resolution 2016-59, As Amended By Resolution Nos. 2017-28, 2017-44, 2017-46, 2018-01, 2018-29, 2018-48, 2018-55, 2019-07, 2019-19, 2019-87, 2020-37, 2021-17, 2021-18, 2021-36 And 2021-78, Which Established A Consolidated Comprehensive Citywide Master Fee And Charges Schedule (Supplemental Fee Resolution 16);" and,

H) Authorize the City Manager or designee to purchase one Urban Search and Rescue (USAR) Heavy Rescue Vehicle in the amount of \$1,337,023.

Alternative Action(s):

Continue the Public Hearing until June 21, 2022, and instruct City staff regarding changes to be incorporated into the budget.

Analysis:

As required by the City Charter, the City Manager submitted the FY 2022/2023 Proposed Budget to the City Council on May 10, 2022. The Proposed Budget and the Five-Year Capital Improvement Program (CIP) were also discussed at a City Council Study Session held on May 17, 2022.

The purpose of the budget study session was to provide the City Council an opportunity to discuss the Proposed Budget with staff before proceeding with the formal Public Hearing on June 7, 2022.

Overview

Over the past couple years, the City has come together in an extraordinary way to address the fiscal and public health challenges of the COVID-19 pandemic. Through the leadership and support of the City Council, the City implemented significant cost saving measures without reductions in essential service levels, including a Citywide Separation Incentive Program and reorganization plan, and refinancing of the City's pension debt. As a result of these measures, and numerous other measures taken over the past couple years, we project a \$3.4 million dollar surplus for FY 2021/2022.

Inclusive of these significant budget measures, the FY 2022/2023 Proposed Budget also includes mandated savings along with the debt service payment for the City's Pension Obligation Bonds; prioritizes improvements to the City's facilities, roads and parks; reflects an increase of 9 positions to enhance service delivery; and fully expends American Rescue Plan Act (ARPA) funds of \$29.6 million for eligible police and fire personnel costs.

The FY 2022/2023 Proposed Budget is structurally balanced and totals \$532.0 million across All Funds. This reflects a \$107.6 million, or 25.4 percent, increase from the FY 2021/2022 Adopted All Funds Budget of \$424.4 million. A significant portion of the increase is due to added investment in essential infrastructure and equipment and the redistribution of ARPA funds to the General Fund for the provision of core governmental services.

For FY 2022/2023, General Fund revenue is projected at \$283.2 million, a \$55.2 million, or 24.2 percent increase from the current year's Adopted Budget. Major sources of General Fund revenue include Property Tax, Sales Tax, Utility Users Tax, and Transient Occupancy Tax, among others. The largest increases in General Fund revenue are in Non-Operating Revenue, attributable to the one-time transfer of ARPA funds for general governmental services. The next largest revenue increases are in Sales Tax and Property Tax, with expected revenues totaling \$53.3 million and \$98.3 million, respectively. Most of the increases from these two revenue sources are due to gains in assessed property valuations, continued increases in car sales largely driven by supply shortages and higher sales prices, and improvements in restaurant and hotel industry revenues.

The Proposed General Fund Expenditure Budget totals \$269.0 million; a \$41.0 million, or 18.0 percent increase, compared to the FY 2021/2022 Adopted Budget of \$228.0 million. The increase is mainly due to increased investments in infrastructure and equipment and increases in personnel costs due to the approval of new Memoranda of Understanding with the City's various labor unions. The Proposed General Fund Budget has no reliance on one-time revenues to fund ongoing operations.

The FY 2022/2023 Proposed Budget includes 989.75 Full Time Equivalents (FTEs); an increase of 9 FTEs across all funds compared to FY 2021/2022. The new positions include 1 Executive Assistant in the City Manager's Office; 1 Social Worker to assist with the growing Homeless caseload within the Homeless and Behavioral Health Services Division; 1 Records Specialist to bolster City Clerk staffing for the centralization of public records management and public records request management beginning on July 1, 2022; 1 Accounting Technician II to process accounts payable invoices and provide customer service at the concierge desk at City Hall; 1 Senior Accounting Technician to provide utility billing support within the Municipal Services Division; 1 Field Service Representative, 1 Water Distribution Maintenance Leadworker, 1 Water Equipment Operator, 1 Water Systems Technician III, and 1 Water Utility Locator to enhance water system maintenance, focus on air quality mandates and Water Production and Flood Control reporting, and address the high volume of service requests; 1 Traffic Maintenance Service Worker to improve traffic signal maintenance response; and 1 Contract Administrator to administer construction contracts within the approved Capital Improvement Program (CIP). These 12 new positions are partially offset by the elimination of 2 Water Meter Readers and 1 Water Meter Repair Technician due to the implementation of Automated Water Meter Infrastructure (AMI), for a total increase of 9 positions.

The FY 2022/2023 Proposed Budget was carefully prepared to balance immediate priorities along with the need for long-term investments. The City Budget reflects the priorities of the City Council and outlines a plan committed to enriching the quality of life for our residents, businesses, and visitors by increasing funding for core services such as public safety, community & library service programs, and improving the City's infrastructure.

Revisions to the Proposed Budget

The FY 2022/2023 Proposed Budget presented to the City Council on May 17, 2022 totaled \$531.7 million. Based on feedback provided during the study session, the Proposed Budget has been adjusted to address City Council feedback, and the full spending plan is outlined in Exhibit A-1 (Attachment 2).

Professional Services

As established by Administrative Regulation Number 228, each department has submitted a list of professional services that are generally contained in their Proposed Budgets (Attachment 3). Professional services contracts are subject to compliance with Administrative Regulation Number 228 and City Ordinance Chapter 3.03.

Gann Appropriation Limit

In November 1979, the California voters approved Article 13B of the State of California Constitution, which allows the City's spending of tax proceeds to increase only by factors from the base year of 1978-1979. In June 1990, Proposition 111 was passed, which changed the way the limit is calculated

and is outlined as follows.

The City may increase its limit annually in two ways:

- By a percentage equal to the increase from the preceding year in county or city population (whichever is greater).
- By an amount equal to the change in per capita personal income in California or the change in the assessment roll the preceding year due to the addition of local non-residential new construction (whichever is greater).

The proposed appropriation limit for FY 2022/2023 was calculated as follows:

FY 2021/2022 Appropriation Limit	\$1,049,513,696
Multiplied by percentage grown in State Per Capita Personal Income	1.0755
Multiplied by change in County Population	<u>0.9977</u>
Proposed FY 2022/2023 Appropriation Limit	\$1,126,155,850

Appropriations of revenues controlled by the Gann Limit are primarily in the General Fund. The General Fund proposed appropriation for FY 2022/2023 of \$269.0 million is significantly below this appropriation limit (Attachment 4).

Examples of proceeds of taxes governed by the Gann Appropriation Limit are: property taxes, sales taxes, utility taxes, state subventions, fines, forfeitures, interest revenue on regulatory licenses, user charges, and user fees, to the extent that those proceeds exceed the costs reasonably borne by that entity in providing the regulation, product, or service.

Employee Tax Override

On July 16, 2012, the City Council adopted an ordinance to permanently cap the tax rate at \$0.01500 per \$100 of assessed valuation. Therefore, the requested tax levy for FY 2022/23 reflects the same tax rate of \$0.01500 per \$100 of assessed valuation effective in FY 2012/13 pursuant to Chapter 3.07 of the Municipal Code. Fiscal Year 2022/23 will represent the eleventh year of the application of the permanent cap.

The current capped Employee Tax Override results in an approximate \$75 annual tax levy for a property assessed at \$500,000. Revenue generated from this property tax helps the City fund public safety employee pension costs associated with pre-1978 retirement benefit levels. As such, the tax can only pay for the estimated costs associated with the public safety pension benefit formulas in place prior to the enactment of Proposition 13 on July 1, 1978. Hence, the tax can only pay for retirement benefits for all retired, current, and future public safety City employees that were contracted for prior to July 1, 1978 (such as the 2% at 50 benefit formula for Safety employees in place before enactment of Proposition 13).

Based on the most recent CalPERS actuarial valuations, the cost of pre-1978 retirement benefit levels for Safety personnel totals \$25.1 million. As such, the proposed tax rate is recouping only 27 percent of eligible Safety personnel retirement costs.

Due to the County of Orange's timeline for approving the tax rate and the city's budget cycle, the rate

must be set before the City Council takes action on its annual budget. The recommended assessment rate would maintain essential services for Fiscal Year 2022/23.

Public Hearing

The City Charter requires that a public hearing be conducted on the City budget prior to adoption. Public Hearing notices have been published per City Charter requirements (Attachment 1). At the close of this hearing, all legal requirements for budget adoption will have been met.

Citywide Master Fee and Charges Schedule

Local government operations are primarily funded from taxes, user fees and charges, fines, and grants. The City of Huntington Beach charges fees for providing various services and programs that provide a direct benefit to individual residents, businesses, and visitors. These fees include plan review, permitting, inspection, and many other services.

The City's current Master Fee and Charges Schedule was approved in 2016 based on FY 2014/15 budget and financial data. In some cases, fees are charged at full cost recovery for providing services. In other instances, fee recovery is less than 100 percent, which can be due to market conditions, government-mandated caps, or the recognized benefit of subsidizing certain programs to the community. When a fee is set at less than full cost recovery, another City revenue source (typically the General Fund) provides a subsidy. The City averages 75% cost recovery from its fees, the majority of which were established in 2016 and have remained largely unchanged. Regional cost inflation has increased by 19% from 2016 to 2021, so the actual cost recovery rate has likely decreased as costs continue to rise.

Ongoing review and adjustment of fees provides multiple benefits, including:

- Increasing the availability of discretionary General Fund revenues to be used for services and activities available to all residents and businesses, such as public safety services.
- Keeping pace with general cost inflation.
- Avoiding fee spikes that are more likely to occur when municipalities leave fees unchanged for a multi-year period.
- Providing fee payers, city staff, and city policymakers with a pattern of consistency that provides information for forecasting and decision-making purposes.
- Helps meet fee-payer service level expectations by collecting fees to fund the existing level of services provided.
- Encouraging generational equity among fee payers by avoiding long-term stagnation of fees followed by significant fee increases.

On January 26, 2022, the Finance Commission voted to request that the City Council direct the Finance Department to review the Master Fee and Charges Schedule, which was approved at the March 1, 2022 City Council meeting. On May 25, 2022, Finance Commission reviewed the proposed Master Fee and Charges Schedule presented by staff and voted to recommend the proposed fee schedule with the Commission's modifications. The proposed Fee Schedule recommends adjusting most development and operational permit fees by 5.93% and making strategic adjustments to certain fees in Fire, Public Works, Community Development, and Community and Library Services. Examples of User and Regulatory Fee Categories recommended for a CPI adjustment of 5.93%

include the following:

- Building Fees, such as permitting of new construction or modifications to existing structures
- Planning Fees, such as entitlement review and review for compliance with the zoning code
- Land Development Engineering Fees, such as public improvement review
- Encroachment Permit Fees, for work or activities conducted in the City right-of-way
- Fire Prevention Fees, for review for compliance with Fire Code for new development and existing operations

Community and Library Services fees will remain largely unchanged, with the exception of market rate adjustments to certain programs identified below. If the Master Fee and Charges Schedule is amended as proposed, General Fund expenditures subsidizing these fees would decrease annually by an estimated \$740,000, increasing available discretionary General Fund revenue to be used for capital projects, equipment, and other City Council priorities.

Fire Department Fees

Restructure Fire Life Safety Fee Schedule (F-99 to F-105) - staff is proposing to restructure the Fire Life Safety Fee Schedule to achieve citywide goals in assisting small businesses, address increasing Fire services provided to the community, and to shift the focus to community risk reduction. The program would introduce a new \$15 Self-Inspection Program to extra-low risk businesses, such as businesses in office buildings and to realign the remaining safety inspection fees. Transitioning to select low-risk self-inspections would allow Fire staff to focus additional time on other critical duties such as fire suppression response training and community risk reduction while maintaining fire inspection safety standards and providing cost savings to businesses that participate in the self-inspection program. Realignment of the Fire Life Safety Inspection program would result in an estimated annual \$1,900 reduction in cost recovery.

Inspection, Test, and Maintenance (ITM) Late Submission Fee - ITM reports are submitted by building owners that test their sprinkler and fire alarm systems to ensure they are operating as designed. Currently, 42% of the systems tracked within the City are past due for compliance. Staff is recommending an additional \$15 late fee, to be assessed on a monthly basis once reports are 90 days overdue. The late fee would be administered by Brycer, the City's ITM report tracking system, through an automated process. Brycer would issue automated notifications 30 days in advance of the due date, 30 days after the due date with a warning, and 60 days after the due date with a final warning before assessing the late fee. A similar program was implemented for annual Hazardous Material Business Plan submissions, which increased compliance to 95%. Implementation of the proposed ITM late fee is expected to increase compliance to 95% and provide annual increased fee recovery of \$24,900.

Other Fire Department Programs - minor revisions to the Central Net Training Center User fees are proposed to align fees with training programs administered at the Center and to eliminate unused fees. Reduction in fees for residents and non-residents participating in the Junior Lifeguard program are proposed as the City no longer provides uniforms to participants in the program.

Current Fee Schedule		
	Description	Fee
F-99	Up to 750 sq. ft.	\$ 72
F-100	751 - 2,500 sq. ft.	108
F-101	2,501 - 5,000 sq. ft.	200
F-102	5,001 - 25,000 sq. ft.	320
F-103	25,001 - 50,000 sq. ft.	563
F-104	Over 50,000 sq. ft.	724
F-105	Repeat inspection // violation notice	80
<i>High Rise Inspections</i>		
F-121	7 Stories (base fees)	2,900
F-122	Per floor above 7 stories	223
<i>Junior Lifeguard Program Fee</i>		
F-141	Resident Fees Charged	605
F-142	Non-Resident Fees Charged	635
F-143	Band Crab (resident and non-resident)	150

Proposed Fee Schedule		
	Description	Fee
F-99	Self-inspection Report	\$ 15
F-100	Up to 2,000 sq. ft.	108
F-101	2,001 - 10,000 sq. ft.	280
F-102	Over 10,000 sq. ft.	400
F-261	TM Late Fee (per month)	15
<i>High Rise Inspections</i>		
F-121	7 Stories (base fees)	Actual Co
F-122	Per floor above 7 stories	Actual Co
<i>Junior Lifeguard Program Fee</i>		
F-141	Resident Fees Charged	556
F-142	Non-Resident Fees Charged	583
F-143	Band Crab (resident and non-resident)	150
* F-252 Fire Prevention Hourly Rate		

Public Works Department Fees

Hydrant Flow Analysis Deposit (PW-9) - staff is proposed to eliminate the \$825 deposit and bill the fee for actual time spent to perform the analysis, which is typically lower than the required deposit. This administrative change would streamline the process and eliminate staff time spent processing refunds.

Expired Encroachment Permit Fee (PW-22) - removal of this fee is recommended as this fee is no longer in use. Permits may be continuously renewed as long as licenses and insurance remain current.

Both proposed fee changes are administrative in nature with no fiscal impact.

Community Development Department Fees

Outdoor Dining Fees (PL-106 and 107) - these fees are charged for restaurant use of public space of City sidewalks and parking spaces for outdoor dining. The License Agreement Use Charge annual rate of \$0.01/sq ft was established in the 1990s and is well below market rates, that are location-based and range from \$1-7.05/sq ft, per month for other coastal cities. Charges of this type are typically considered to be "rent" instead of a fee, as exclusive use of public space is being utilized for a fixed length of time. This fee is unrelated to the Temporary Emergency Use Permit (TEUP) established during COVID-19 to implement the City's Open Air Dining Program. Staff is proposing to eliminate this fee from the fee schedule and establish rent charges that will be brought to City Council for approval at a later date. Elimination of the License Agreement Code Enforcement fee is also proposed, to be replaced with actual time spent utilizing established department hourly rates. This fee is used for complaint-driven inspections and the current charge is \$4/sq ft. Use of hourly rates will more accurately cover staff time spent in investigating complaints.

Building Inspection Fees (B-2) - the City's Building Plan Check fee has been unchanged since 2016. Related Building Check fees (B-3) and Planning Plan Check fees (PL-95) are derived from this rate and are charged at 61% and 46% of the total Building Inspection fee, respectively. This fee is well

below rates set by neighboring cities and is not providing adequate cost recovery, as the time spent on plan review far exceeds the fee collected.

EXAMPLE: Fees for 2,500 sq ft Building valued at \$300,000				
	Building Inspection Fees (B-2)	Planning Plan C Fees (PI-95)	Building Plan C Fees (B-3)**	Total
Huntington Beach (current)	2,164	\$ 995	\$ 1,320	\$ 4,479
Anaheim	1,580	323	2,577	4,480
Huntington Beach (proposed)	2,400	1,104	1,464	4,968
Long Beach	3,039	900	1,520	5,459
Costa Mesa	3,463	N/A	2,251	5,714
Newport Beach	3,648	520	2,837	7,005
County of Orange	5,490	N/A	3,569	9,059

* 46% of total Building Inspection Fee (B-2)

** 61% of total Building Inspection Fee (B-2)

Realigning this fee would provide increased cost recovery of \$324,000.

Community and Library Services Department Fees

Camp HB Program - this program provides a Monday-Friday summer camp for children ages 6-12, from 8:30 am - 6:00 pm, which includes indoor and outdoor recreational programs, admissions, and transportation to local attractions and the beach. The charge for this program has remained unchanged since 2016. In order to maintain the current program service levels, staff is proposing to adjust the rate from \$175 per week to a range of \$180-200 per week. The range is proposed in order to cover increasing program operating costs as needed over multiple future years, with the first increase not effective until summer 2023. Fees for similar city programs offered by Costa Mesa and Irvine are \$220 and \$249 per week, respectively.

An “extended hours” fee is also proposed as a program enhancement for those parents needing a longer day by providing the option of starting at 7:00 am instead of 8:30 am. The proposed fee range is \$35-50 per week with an initial rate of \$35. The “extended hours” fee would also be phased in over multiple future years as needed to cover program operating costs.

Facilities Reservation Fees - the City charges a \$10 cancellation fee for all City facility reservations, which was established in 2007. Staff is proposing to increase the cancellation fee to \$25 to reduce the number of cancellations caused by parties booking multiple venues. The proposed fees would increase the number of City facilities available for rent by discouraging unnecessary reservations and increase annual General Fund revenue potential by increasing facility availability.

Senior Outreach Center - the current fee schedule only provides a rental rate for non-profit groups at \$25 per hour. In preparing for the opening of the facility, rates need to be established for the community at large when not in use by American Legion Post 133. The proposed rates range from \$30/hour for residents up to \$75/hour for commercial use, and the non-profit rate would remain unchanged.

If the fee changes listed above are adopted as proposed, the City would be able to maintain the level of activities and services offered for the Camp HB program and increase future facility rental

revenues by an estimated \$9,000.

SANDS Guide Advertising Rates - the advertising rates for the SANDS Guide have remained unchanged since 2016. Since then, the SANDS has transitioned to a full-color catalog, with some space available for advertising. The proposed changes would eliminate the fees for black-and-white advertisements, establish rates for half-page color ads on the inside covers, and increase the rates for the inside full-page back cover as well as other various interior ads. Rates for the outside full-page back cover and inside full-page front cover would remain unchanged. Approval of the proposed fee changes would increase annual cost recovery by an estimated \$10,000.

Sunset Vista RV Campground - reservation fees for the Sunset Vista campground were last raised in March 2015 and are set at a flat daily rate. In FY 2021/22, numerous enhancements were made to the campground, including repaving of the lot, installation of new electrical hookups, Wi-Fi access, and a new reservation system anticipated to go live in July 2022. Staff is proposing modifying the current rates to reflect increased demand on the weekends (Friday-Saturday) and holidays. An additional optional site lock fee of \$5/night is also proposed to allow campers to reserve a particular space or group of spaces to be near family and friends. Modification of the existing reservation fee is also being proposed to align with current campground reservation standards, which would increase the fee for reservations cancelled within two days prior to the arrival date.

Sunset Vista Daily Rates Winter Camping (Oct 1 - May 15)		
	Current	Proposed
Recreational Vehicle (RV) plus Auto	\$70/day	\$75/day Sun-Th
		\$85/day Fri & Sat/Ho
Senior (62+)	\$60/day	\$65/day Sun-Th
		\$75/day Fri & Sat/Ho
With Disabled Person (DP) Placard	\$60/day	\$65/day Sun-Th
		\$75/day Fri & Sat/Ho
Reservation Cancellation Fee (>2 days prior to arrival)	N/A	25 NFW
Reservation Cancellation Fee (2 or less days prior to arrival)	N/A	1 Night's Daily
Change Fee	\$ 10	\$ 10
Reservation Fee	\$ 10	
Reservation Cancellation Fee (for cancellations less than 30 days)	\$ 25	
Space Lock Fee	N/A	\$5/day NFW

***Holiday Rates**

Thanksgiving Week (Sunday preceding Thanksgiving through Saturday night following Thanksgiving)
 Christmas Week (day preceding Christmas through New Year's Eve)
 Day preceding Veterans Day (observed), Martin Luther King Jr. Day, Presidents Day, Memorial Day

Implementation of the proposed changes to the improved RV campground would increase annual cost recovery by \$73,000.

General Fund Impact

If the Master Fee and Charges Schedule is amended as proposed, General Fund expenditures subsidizing these fees would decrease annually by an estimated \$740,000, increasing available discretionary General Fund revenue to be used for capital projects, equipment, and other City

Council priorities.

Department	Decrease in Fee Subsidy
CPI Adjustment of 5.93%	\$ 301,00
Fire	23,00
Community Development	324,00
Community & Library Services - Programs	9,00
Community & Library Services - SANDS	10,00
Community & Library Services - Sunset Vista	73,00
Total Estimated General Fund Savings	\$ 740,00

If approved, the proposed fee adjustments for Community and Library Services would take effect July 1, 2022. All other proposed fee adjustments would be effective August 8, 2022.

Fire Urban Search and Rescue (USAR) Vehicle

The Fire Department provides Urban Search and Rescue (USAR) services, which are defined by the Cal OES Fire and Rescue Service states: "Urban Search and Rescue is considered a 'multi-hazard' discipline, as it may be needed for a variety of emergencies or disasters, including earthquakes, hurricanes, typhoons, storms and tornadoes, floods, dam failures, technological accidents, terrorist activities, and hazardous materials releases. The events may be slow in developing, as in the case of hurricanes, or sudden, as in the case of earthquakes."

The City currently has multiple unit segments and equipment that make up the USAR unit, which is inefficient and outdated. The purchase of a new USAR vehicle would allow for greater response efficiency, increased firefighter safety, and a larger storage capacity to meet current and future state requirements. HBFD USAR services are frequently utilized and has proven essential during times of crisis, providing vital safety services to the community and region. The current price for the purchase of a new USAR vehicle is \$1,337,023. The pricing is competitive and bids were obtained through Sourcewell, a national cooperative purchasing program that complies with Municipal Code 3.02.190.

The City of Huntington Beach's existing USAR unit consists of three segments: a Light/Air Truck, Pickup Truck, and Trailer. The USAR Light/Air Truck is a 2007 Pierce Sabre Chassis with approximately 13,287 miles. The USAR Pickup Truck is a 2006 Chevy C2500 with approximately 35,671 miles. The USAR Trailer is a 2015 Look Trailer PLRT85X20TE4 with mileage defined as not applicable. The USAR Trailer was grant-funded and would need to adhere to specific grant guidelines. The National Fire Protection Association (NFPA) provides best practice recommendations for the fire service and recommends that the following factors be considered when replacing fire apparatus. NFPA Standard 1911-100 - Annex D, page 103 states:

"In the last 10 to 15 years, much progress has been made in upgrading functional capabilities and improving the safety features of fire apparatus. Apparatus more than 15 years old might include only a few of the safety upgrades required by the recent editions of the NFPA fire department apparatus standards or the equivalent Underwriters Laboratories of Canada (ULC) standards. Because the changes and upgrades, and fine tuning to NFPA 1901 have been truly

significant, especially in the area of safety, fire departments should seriously consider the value (or risk) to fire fighters of keeping fire apparatus more than 15 years old in first-line service.”

The estimated timeline for the build and delivery of a newly purchased USAR vehicle is two years due to supply chain issues. The USAR Light/Air Truck is a 2007 Pierce Sabre Chassis that will be 17 years old in 2024. The request to purchase one new USAR unit capable of storing all USAR equipment in one vehicle (instead of three segments) would increase effective and timely response. The Fire Department would request for the new USAR vehicle to become an OES Type 1 Unit that would qualify for mutual aid and reimbursement. With various emergencies or disasters that could occur such as earthquakes or other day-to-day incidents, deployment on a single USAR unit would help with providing more efficient USAR services, capacity, and safety.

Environmental Status:

Not applicable

Strategic Plan Goal:

Community Engagement
Homelessness Response
Economic Development & Housing
Infrastructure & Parks
Fiscal Sustainability, Public Safety and Other

Attachment(s):

1. Public Hearing Notice
2. Resolution No. 2022-28, “A Resolution of the City Council of the City of Huntington Beach Adopting a Budget for the City for Fiscal Year 2022/2023”
3. Professional Services included in the Fiscal Year 2022/2023 Budget
4. Resolution No. 2022-29, “A Resolution of the City Council of the City of Huntington Beach Establishing the Gann Appropriation Limit for Fiscal Year 2022/2023”
5. Resolution No. 2022-31, “A Resolution of the City Council of the City of Huntington Beach Levying a Retirement Property Tax for Fiscal Year 2022/2023 to Pay for Pre-1978 Employee Retirement Benefits”
6. Resolution No. 2022-34, “A Resolution of the City Council of the City of Huntington Beach Amending the City’s Classification Plan by Adding the Job Classification of Records Specialist
7. Resolution No. 2022-35, “A Resolution of the City Council of the City of Huntington Beach Adopting An Updated Master Fee And Charges Schedule By Amending Resolution 2016-59, As Amended By Resolution Nos. 2017-28, 2017-44, 2017-46, 2018-01, 2018-29, 2018-48, 2018-55, 2019-07, 2019-19, 2019-87, 2020-37, 2021-17, 2021-18, 2021-36 And 2021-78, Which Established A Consolidated Comprehensive Citywide Master Fee And Charges Schedule (Supplemental Fee Resolution 16)”
8. Urban Search and Rescue (USAR) Heavy Rescue Vehicle Quote