

# Cost Allocation Plan and Fee Study Update

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Board Operations Committee  
July 17, 2024

# Background

- In 2023, staff worked with Matrix Consulting Group to conduct a Fee Study and a Cost Allocation Plan to evaluate all Park District fees and level of cost recovery
- The findings of the report were brought to the BOC in Dec. 2023 and the PAC in Feb. 2024
- Staff are bringing forward recommendations to get input from the BOC but will not bring any proposed changes until the Fall during the annual process
- The evaluation and presentation of findings was Phase 1
- Currently in Phase 2, incorporating changes to current fees
- Phase 3 is where we can expand or remove collection of fees



# Methodology

## Staff Costs

- Staff processing, reviewing, and directly involved in the permitting and application process.
- Salaries, Benefits, Productive Hours, Departmental/Divisional Overhead, and Districtwide Overhead

## Park Use Overhead

- Captures costs associated with MAST, ASD, and Public Safety for general park use and support.
- Also includes indirect costs associated with those services from Cost Plan (i.e., HR, IT, GM, AGM, etc.)

## Material and Land Costs

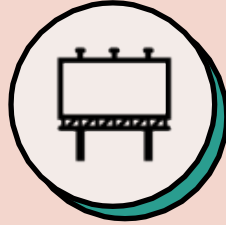
- Paper costs, cost of fish, and direct material costs and expenditures.
- Cost associated with facility space as well as overtime rates.

# Findings & Recommendations



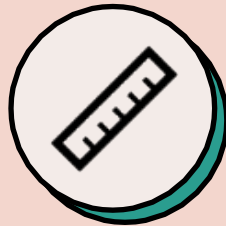
## Under-Recovering

36%. Comparable Agencies are between 20-50% .



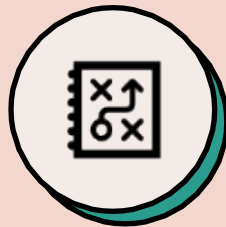
## Update Fees

Develop a process to update fees with regularity



## Cost Recovery

Develop a set of Guiding Principles based upon benefit and recovery



## Comprehensive Fee Update

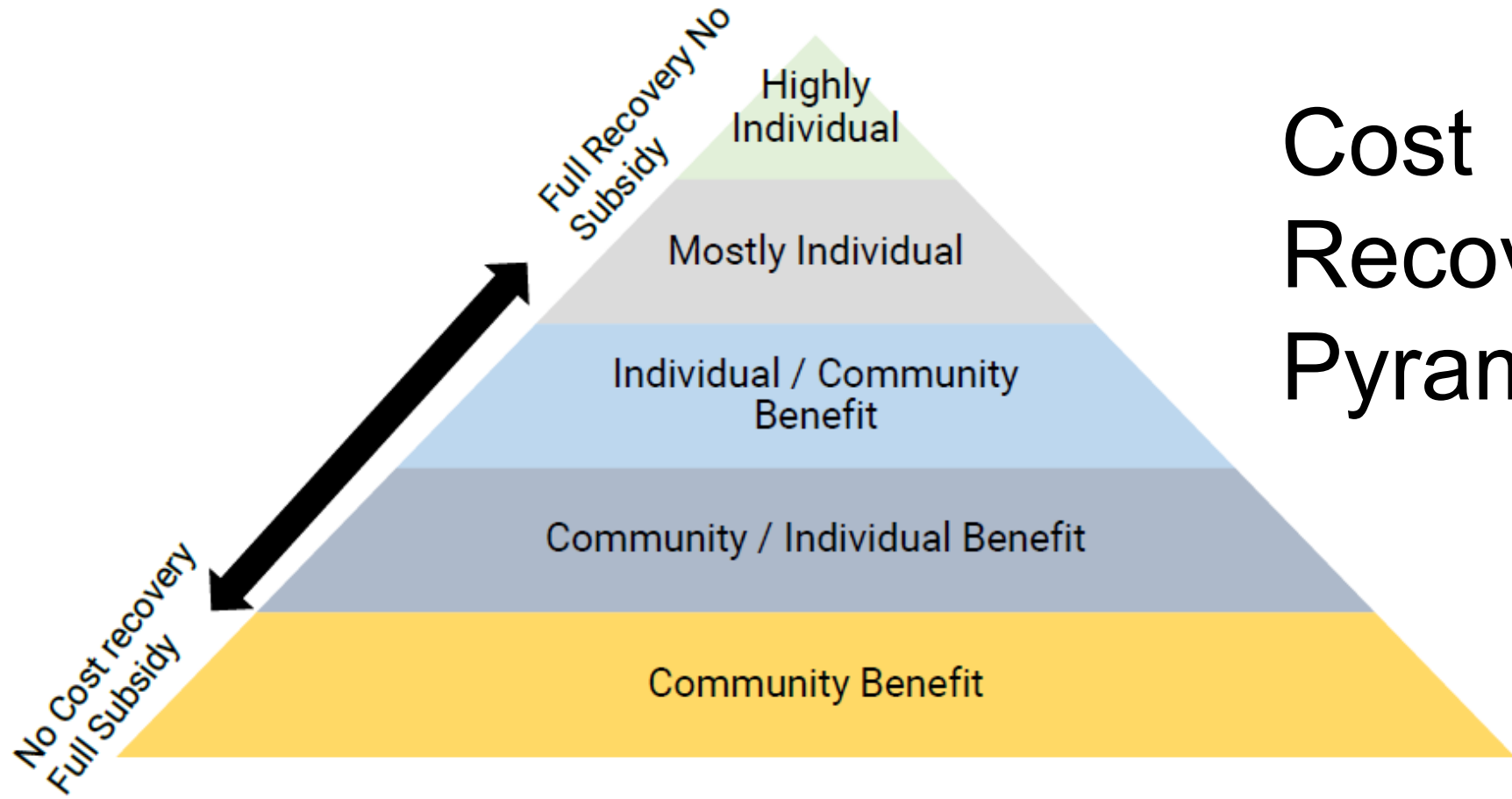
Conduct a comprehensive fee update every 5-7 years



## Comparisons

Many – not all – fees fall within market comps  
(parking & swim largest area of under-recovery)

| <b>Fee Category</b>                          | <b>Current Revenue</b> | <b>Annual Cost</b>  | <b>Difference \$</b>  | <b>Cost Recovery %</b> |
|--|------------------------|---------------------|-----------------------|------------------------|
| <b><u>Public Safety Fees &amp; Fines</u></b> |                        |                     |                       |                        |
| Impounded / Stored Vehicle Release Fee       | \$3,500                | \$5,073             | (\$1,573)             | 69%                    |
| Annual Dog Permits                           | \$40,600               | \$54,843            | (\$14,243)            | 74%                    |
| Land Use, Encroachment & Development         | \$143,000              | \$329,260           | (\$186,260)           | 43%                    |
| <b><u>Park Use Fees</u></b>                  |                        |                     |                       |                        |
| Dog Fees                                     | \$61,280               | \$111,452           | (\$50,172)            | 55%                    |
| Camping Fees (Parking Included)              | \$1,644,632            | \$3,259,977         | (\$1,615,345)         | 50%                    |
| Parking Fees (Day Use Only)                  | \$1,799,225            | \$7,050,430         | (\$5,251,205)         | 26%                    |
| Boat Fees                                    | \$76,926               | \$202,954           | (\$126,028)           | 38%                    |
| Commercial Photograph Permit                 | \$12,070               | \$13,961            | (\$1,891)             | 86%                    |
| Fishing Permits                              | \$291,550              | \$410,927           | (\$119,377)           | 71%                    |
| Pool / Beach / Lagoon Access Fee             | \$263,692              | \$2,874,878         | (\$2,611,186)         | 9%                     |
| Ohlone Wilderness Regional Trail Permit      | \$3,742                | \$33,661            | (\$29,919)            | 11%                    |
| <b><u>Reservation Fees</u></b>               |                        |                     |                       |                        |
| Day Camps                                    | \$3,316                | \$111,605           | (\$108,289)           | 3%                     |
| Picnic Reservations                          | \$616,120              | \$317,054           | \$299,066             | 194%                   |
| Special Event Permit Fee                     | \$129,000              | \$717,123           | (\$588,123)           | 18%                    |
| Outdoor Permits                              | \$3,700                | \$28,875            | (\$25,175)            | 13%                    |
| Sanitation Trailer Rentals                   | \$5,250                | \$2,726             | \$2,524               | 193%                   |
| Interactive Play Equipment Permit            | \$6,000                | \$13,915            | (\$7,915)             | 43%                    |
| Misc. Fee & Permits                          | \$21,810               | \$18,736            | \$3,074               | 116%                   |
| Facility Rentals                             | \$748,435              | \$709,909           | \$38,526              | 105%                   |
| Richard Trudeau Training Center              | \$0                    | \$0                 | \$0                   | 0%                     |
| <b>Total</b>                                 | <b>\$5,873,848</b>     | <b>\$16,267,360</b> | <b>(\$10,393,513)</b> | <b>36%</b>             |



# Cost Recovery Pyramid

# Guiding Principles: I

1. **Public Benefit:** Consider the broader public interest and benefits derived from the services or activities funded by fees. Ensure that fees with the widest community benefit are the most subsidized, while those with the mostly individual benefit are the least subsidized.
  2. **Cost Recovery:** Fees should aim to recover some cost of providing the service or regulating the activity. Conduct thorough cost assessments to determine appropriate fee levels.
  3. **Equity and Fairness:** Fees should be fair and equitable, considering the ability to pay and the economic impact on various stakeholders. Consider offering fee waivers or reduced rates for underserved communities.
  4. **Legal Compliance:** Ensure that the fee policy aligns with relevant laws, regulations, and statutes. Comply with any legal requirements regarding fee setting, use, and reporting, including GFOA and State Government Codes.
  5. **Transparency:** Make fee structures and calculations transparent and easily accessible to the public. Clearly communicate the purpose of the fee, how it is calculated, and where the funds will be allocated.
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# Guiding Principles: II

6. **Stakeholder Engagement:** Involve relevant stakeholders, including concessionaires, community organizations, and the public, in the fee-setting process.
  7. **Review and Adjustment:** Regularly review and update fee structures to reflect changing costs, economic conditions, and government priorities.
  8. **Efficiency:** Streamline fee collection processes to reduce administrative costs and ensure that fees are collected efficiently.
  9. **Periodic Reporting:** Provide regular reports to the public and relevant oversight bodies on fee collection, utilization, and the impact on Park District services and programs
  10. **Sensitivity to Economic Conditions:** Be mindful of economic downturns or other unforeseen circumstances that may affect fee payers' ability to meet their obligations.
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# PAC

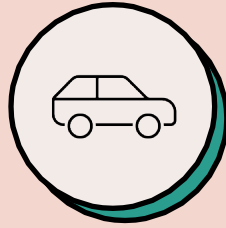
## February 26, 2024

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- Garnered public input from the PAC
- Key takeaways:
  - Neutral to positive of current fees
  - Generally supportive of government subsidization of recreational fees
  - Largely supportive of a Cost Recovery Pyramid
  - Supportive of fees being set through a largely equity and accessibility-based lens



# Fees to Review



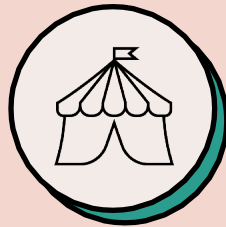
**Parking Fees**



**Dog Fees**



**Swimming Fees**



**Special Events**



**Day Camps and Outdoor Permits**



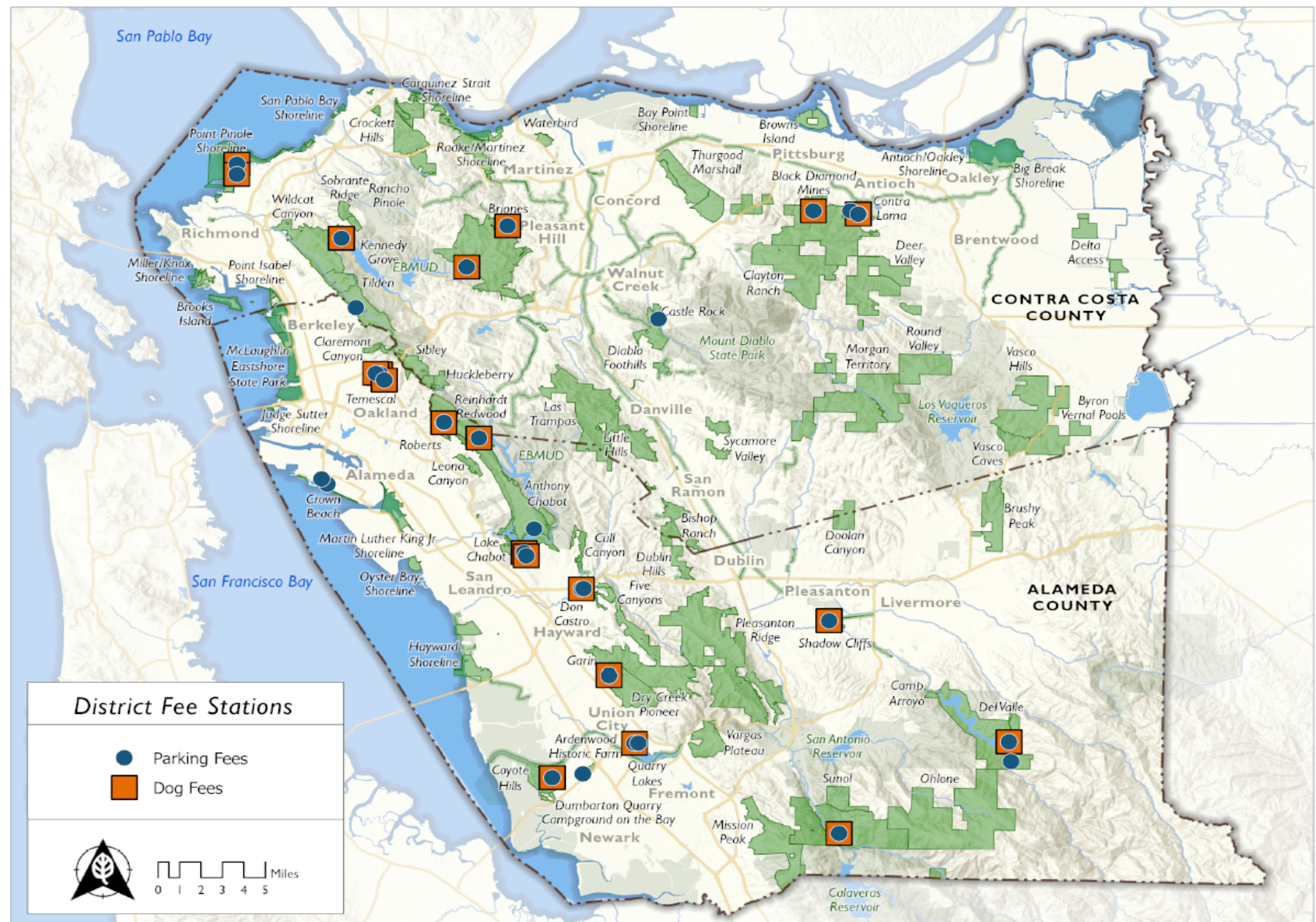
# Parking

- Fees currently range from \$3-6
  - Cost of parking should be the same in every park
  - Full cost recovery would charge \$20
  - Heavily contingent on staffing levels
  - Consider cost increase (\$6-7)
  - Last fee change was in 2008 (Briones, Pt. Pinole and Round Valley)
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# Dog Fees

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- Dog entry presents logistical challenges
  - Consolidate with parking fees or remove
  - Last fee change: 2005

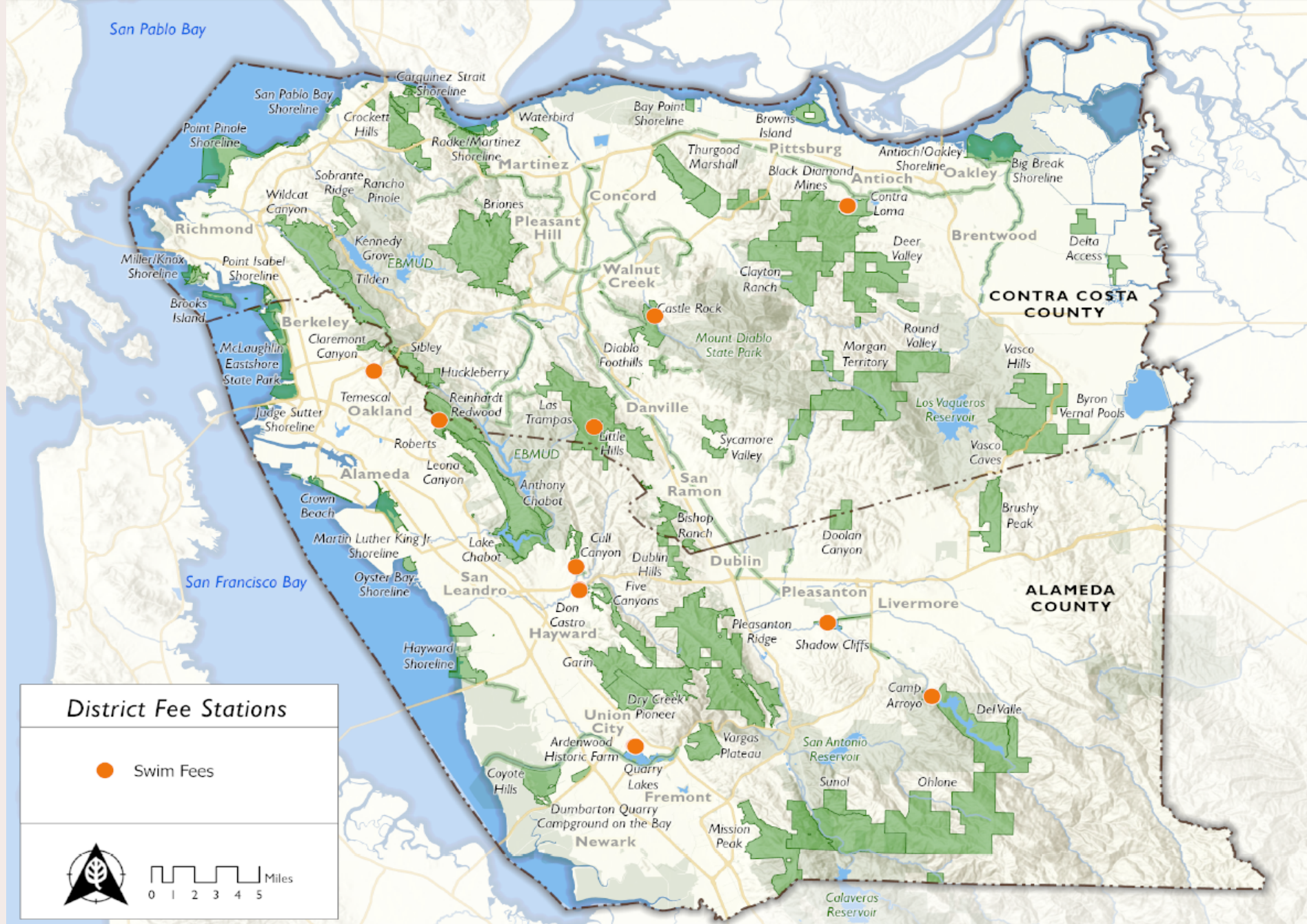






# Swimming Fees

- Current Pricing:
    - Ages 16-61: \$3-4
    - Seniors (62+)/ Disabilities: \$2
    - Children 1-15: \$2
    - <1: Free
  - Below market comparables
  - Last change 2021(rounded to whole dollar), before that 2003.
  - Full cost: \$28
  - Impact to pool is comparable regardless of age
  - Streamline pricing into two pricing structures: adult and children
  - Consider increasing prices:
    - Adults (18+): \$5
    - Children (Under 18): \$3
    - Senior / Disabled: \$2
    - Under 1: Free
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# Special Events Permits

- Current permit pricing \$50-500 based on size of event
- Last modification in 2018
- Additional event and deposits based on size
- Permit Full Cost: \$1,233 to \$4,044
- Increase refundable deposit amount
- Current pricing structure is one fee, regardless of parks – additional fee for additional parks
- Consider price differential for Alameda / Contra Costa County Residents and non-residents like reservable facilities or picnic sites



# Day Camps and Outdoor Programs

## Day Camps

- \$100 permit, additional fees based on capacity and **non-profit, for-profit, and public agency**
- \$3,455 is the Full Cost
- Increase permit cost
- Higher fees for **for-profit** groups
- Increase refundable security deposit amount
- Consider price differential for Alameda / Contra Costa County Residents and non-residents
- Last modification in 2018

## Outdoor Programs

- \$400 per park for Operators
- \$3,250 is the Full Cost
- Higher fees for **for-profit** groups
- Increase refundable security deposit amount
- Consider price differential for Alameda / Contra Costa County Residents and non-residents
- Established in 2020

# Next Steps



Thank you!  
Questions?

