

RESOLUTION 2025-###

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO (1) ADOPTING AN UPDATED CITY OF SAN PABLO MASTER FEE SCHEDULE FOR PLANNING, BUILDING, PUBLIC WORKS, COMMUNITY SERVICES, POLICE, AND OTHER CITY-WIDE MUNICIPAL SERVICES; AND (2) ADOPTING AN ANNUAL BUREAU OF LABOR STATISTICS EMPLOYMENT COST INDEX ADJUSTMENT TO MAINTAIN FEES RELATIVE TO INFLATION AS RECOMMENDED IN THE WILLDAN FINANCIAL CONSULTING GROUP FEE STUDY TO BE APPLIED EFFECTIVE JULY 1ST OF EACH FISCAL YEAR BEGINNING JULY 1, 2026

WHEREAS, the City of San Pablo historically conducts a cost-of-service fee study every four years, with the last comprehensive study of Building, Planning and Public Works fees occurring in 2016, with such fees subsequently adjusted by the City Council pursuant to Resolution 2016-166;

WHEREAS, by definition, permit fees or user fees are a charge for services provided by a governmental agency to a public citizen or group;

WHEREAS, in California, several constitutional laws such as Propositions 13, 4, and 218, State Government Codes 66014 and 66016, Attorney General's Opinion 92-506, and more recently Proposition 26 stipulate that user fees charged by local agencies may not exceed the estimated reasonable cost of providing the service for which the fee is charged;

WHEREAS, in early 2025, the City of San Pablo contracted with Willdan Financial Services (Willdan) to perform a City-wide User Fee Study that included all City Departments and services;

WHEREAS, Willdan performed a fee study using a "cost analysis" methodology for establishing the proposed new fees. This method includes identifying direct costs, such as staff time spent on the fee-related activity or service, and incorporating indirect costs, such as administrative staff time, materials and supplies to determine fee recommendations;

WHEREAS, Willdan also conducted a market survey of fees charged by the neighboring cities of El Cerrito, Hercules, Pinole, Pleasant Hill, and Martinez to compare the proposed fees against comparable agencies in the region;

WHEREAS, Willdan recommends that the City attempt to achieve 100% cost recovery for the delivery of Planning, Building, Public Works, Community Services, Police, and other City-wide municipal services;

WHEREAS, Willdan recommends that the City adopt an annual inflationary factor with its Master Fee Schedule to account for annual cost increases and to minimize the

decreases in cost recovery due to inflation until the City conducts its next City-wide fee study;

WHEREAS, use of an annual inflationary factor to more appropriately reflect changes in the cost of fee-related activities or services, without having to do a more frequent formal fee study, and is an industry standard;

WHEREAS, staff proposed using the “Bureau of Labor Statistics, Employment Cost Index – total compensation for State and local government workers – all workers”, to keep pace with inflation due to the cost of government employees, which is largely what affects the cost of City services related to user and permit fees;

WHEREAS, on October 29, 2025, the Budget, Fiscal and Legislative Standing Committee, consisting of Vice Mayor Pabon-Alvarado and Councilmember Ponce, received a preliminary review of the City-wide User Fee Study and new cost methodology from City staff and Willdan. Based on their initial preliminary review, the Standing Committee recommended that the Study proceed with a scheduled public hearing and formal consideration of adjustments to the Master Fee Schedule by the City Council; and

WHEREAS, based on the fee study conducted by Willdan, the proposed fees do not exceed the reasonable costs of providing the services;

WHEREAS, the City noticed a public hearing pursuant to California Government Code Section 66016, which was published ten (10) days in advance, with the proposed City-wide User Fee Study also available for public review in connection with the public hearing notice; and

WHEREAS, the City Council conducted the public hearing on November 17, 2025, and considered all written and oral testimony.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Pablo hereby adopts the updated City of San Pablo Master Fee Schedule for Planning, Building, Public Works, Community Services, Police, and other City-wide municipal services, as attached hereto and incorporated herein as Exhibit A;

BE IT FURTHER RESOLVED that the City Council of the City of San Pablo hereby adopts an annual inflation factor adjustment based on the “Bureau of Labor Statistics, Employment Cost Index – total compensation for State and local government workers – all workers”;

BE IT FURTHER RESOLVED that the “Bureau of Labor Statistics, Employment Cost Index – total compensation for State and local government workers – all workers” inflation factor adjustment shall be applied effective July 1st of each fiscal year beginning July 1, 2026;

BE IT FURTHER RESOLVED that this Resolution shall take effect on January 16, 2026; and

BE IT FURTHER RESOLVED that the foregoing recitations are true and correct and are included herein by reference as findings.

* * * * *

ADOPTED this 17th day of November, 2025, by the following votes:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

ATTEST:

APPROVED:

Dorothy Gantt, City Clerk

Arturo M. Cruz, Mayor