

APPROVED
FEB 01 2012
BOARD OF RECREATION AND PARK COMMISSIONERS

REPORT OF GENERAL MANAGER

NO. 12-028

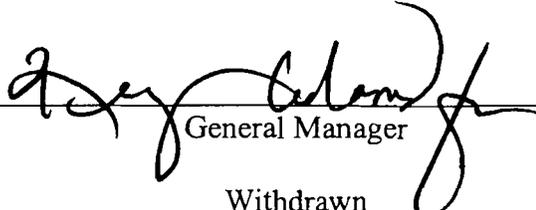
DATE February 1, 2012

C. D. ALL

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SCHEDULE OF RATES AND FEES – PARTNERSHIP DIVISION SHARED USE AGREEMENT SOLID RESOURCES REIMBURSEMENT FEES

R. Adams _____	K. Regan _____
H. Fujita _____	M. Shull _____
*V. Israel _____	N. Williams _____



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve the proposed schedule of Shared Use Solid Resources Reimbursement Fees as described in the Summary of this Report, and on Attachment 1, for inclusion as applicable in agreements with organizations and individuals providing services or programs in conjunction with Department operations, to be effective March 1, 2012;
2. Authorize staff to amend the Schedule of Rates and Fees to include the proposed fees; and,
3. Direct the Chief Accounting Employee to establish accounts for deposit of funds received from organizations and individuals to reimburse the Department for solid resources expenses.

SUMMARY:

At the meeting of July 13, 2011, the Board approved amending the Department's Schedule of Rates and Fees with a table of prorated utility fees to be included in certain Department agreements with individuals and organizations using park property to operate public programs and services (Report No. 11-202). This action was the first of several administrative steps necessary to establish fair and consistent cost recovery reimbursement schedules for inclusion as applicable in agreements with organizations and individuals providing services or programs in conjunction with Department activities.

In accordance with the Board's Policy on Partnerships, the Department's Partnership Division identifies collaborative opportunities and prepares agreements for the benefit of the community. In some cases, collaborations may involve Shared Use of Department facilities: such as an

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activity that takes place on a portion of park property and/or while other Department programs are also in operation (example: a sports program using a gymnasium a few hours a day). In other cases, the use of park property may be primary to the organization occupying certain park space or facility ("Primary Use"): the partner organization has full control of a facility or park for all or most of the time (example: community garden).

Also in accordance with the Board's existing policies, collaborating organizations or individuals must accept a share of costs for utilities and other operational services and/or expenses. In the case of Primary Use, the Department will first seek to have the organization pay for all services directly to the service provider (examples – Department of Water and Power (DWP) and/or Department of Public Works, Bureau of Sanitation (BOS)). If not feasible, the Department will seek alternative methods to charge for the full cost recovery of such service fees, such as through the use of sub-meters to accurately measure utility usage for billing partner organizations. In the case of Shared Use collaborations, cost recovery will reflect the organization's proportional use of the facility or park space.

As of the current fiscal year per Mayor and Council instructions, BOS will now charge the Department for Solid Resources services. This is a substantial change from the City's past practice of using the General Fund to offset all of Sanitation's Solid Resources Fees for services to all City Departments. Now, while other City departments continue to have the Solid Resources Fees paid by the General Fund, the fees generated for solid resources services at park facilities will be billed to the Department and paid out of the Department's General Fund. Based on an initial assessment of Sanitation's budget analysis, which used the fourth quarter of 2009-2010 as a sample, the Department will be liable for approximately \$2.8 million in annual fees for Solid Resources, of which about 68% are fees paid when solid waste is deposited at landfills.

The approved schedule for prorated utility costs was developed by estimating costs at a sample of facilities which were categorized by size and then usage levels. The result was a standard rate schedule that provides consistent and equitable cost recovery to include in the Shared Use agreements. A similar exercise has been performed using the budget materials supplied by BOS, for purposes of determining appropriate Solid Resources Cost Recovery Fees. The large amount of BOS data from the fourth quarter of Fiscal Year 2009-10 facilitated a comprehensive survey which was reviewed by Grounds Maintenance supervisors.

Based on total acreage and number of amenities at each facility, the data was sub-categorized into five (5) overall facility sizes; Very Small, Small, Medium, Large, and Very Large. A daily and monthly average for Solid Resources costs was calculated for each facility size category, consistent with that of the utilities rates and fees. Shared activity levels were also categorized based on projected usage level by day or month, resulting in a percentage of cost being applied to each of the use categories representing the shared use. When negotiating and preparing agreements with potential partners, staff will determine the appropriate facility and use

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categories, and will then use the monthly Shared Use Solid Resources fee, or daily fee if appropriate, for inclusion in the agreement, subject to Board approval. This schedule of fees would be subject to change over time through the Rates and Fees revision process.

The following are the parameters for the proposed Shared Usage levels.

- a) Minimal Level of Use (calculated at 2.5% of average monthly cost or 10% daily rate based on short-term and concentrated impact).
 - Generally under 50 participants, but less than 100 participants.
 - No kitchen use, food, or materials distribution.
 - Limited to one room or a few rooms or areas.
 - Average use under 3 hours a day.
 - Typically used 1-2 days per week.

- b) Modest Level of Use (calculated at 7.5% of average monthly cost or 30% daily rate based on short-term and concentrated impact).
 - Generally around 100-250 participants but less than 500 participants.
 - May have some kitchen use that may generate some waste.
 - Uses one or more rooms or areas or large space such as gym or sports fields.
 - Average use over 3 hours a day but not usually more than 6 hours.
 - Typically used 3-4 days per week.

- c) Major Level of Use (calculated at 12.5% of average monthly cost or 50% daily rate based on short-term and concentrated impact).
 - High impact activity of any number but generally over 500 participants.
 - Uses kitchen facilities that will generate a significant amount of waste.
 - Significant use of the facility and/or impact on multiple areas.
 - Average use over 6 hours a day.
 - Typically used 5-6 days per week.

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Shared Use Solid Resources Charges – Trash Removal by BOS Only

Facility Category	Facility Category Parameters (Solid Resources Removal Only)	Minimal Monthly Use	Modest Monthly Use	Major Monthly Use	Minimal Daily Use	Modest Daily Use	Major Daily Use
Very Large	25.0 acres and over, multiple buildings and amenities	\$53	\$160	\$267	\$7	\$21	\$35
Large	10.0 - 24.9 acres, multiple buildings and amenities	\$29	\$88	\$147	\$4	\$12	\$19
Medium	5.0 - 9.9 acres, several buildings and/or amenities	\$17	\$51	\$85	\$2	\$7	\$11
Small	2.0 - 4.9 acres, a few buildings and/or amenities	\$14	\$43	\$72	\$2	\$6	\$9
Very Small	1.9 acres or less, one building and/or few amenities	\$12	\$36	\$61	\$2	\$5	\$8

The BOS-services-only figures above are based on the organization accumulating trash and taking the bagged trash to centrally located collection points for pick-up by BOS. In some cases, however, Department maintenance staff picks up trash, changes trash can liners, and/or brings trash to the collection point. This may be because of the physical logistics of the activity within park property or the scope or timing of the activity.

The Grounds Maintenance Division provided research on average costs for providing trash pick-up and removal services for a range of activities, from small classes convening a day or two a week up to major daily sports field use by hundreds of participants. In the schedule below, the average costs (using a gardener-caretaker fully-burdened hourly rate) have been added as a surcharge on the BOS-services-only cost recovery charges. This schedule will provide an option for trash-related cost recovery in agreements where cost recovery fees for general maintenance staff support do not include provision for trash service. The table of Shared Use Solid Resources Fees (below) does not address high-level, intensive facility use (Primary-Use), such as with cases of long-term or seasonal use of sports fields, which shall be evaluated on an individual basis and appropriate fees determined as such cases arise in the future.

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Shared Use Solid Resources Fees – Removal with Staff Collection

Facility Category	Facility Category Parameters (Staff Collection Plus Solid Resources Removal)	Minimal Monthly Use	Modest Monthly Use	Major Monthly Use	<i>Minimal Daily Use</i>	<i>Modest Daily Use</i>	<i>Major Daily Use</i>
Very Large	25.0 acres and over, multiple buildings and amenities	\$109	\$355	\$776	\$16	\$35	\$58
Large	10.0 - 24.9 acres, multiple buildings and amenities	\$85	\$282	\$656	\$13	\$25	\$42
Medium	5.0 - 9.9 acres, several buildings and/or amenities	\$73	\$245	\$594	\$11	\$21	\$34
Small	2.0 - 4.9 acres, a few buildings and/or amenities	\$70	\$237	\$580	\$11	\$20	\$33
Very Small	1.9 acres or less, one building and/or few amenities	\$68	\$230	\$569	\$11	\$19	\$31

FISCAL IMPACT STATEMENT:

Approval of this Partnership Division Shared Use Agreement Solid Resources Reimbursement fee schedule has no adverse impact on the General Fund. The fees established will assist the Department in offsetting costs to the General Fund through implementing reasonable cost recovery reimbursements in agreements.

This report was prepared by Joel Alvarez, Sr. Management Analyst I, Partnership Division.

PARTNERSHIP DIVISION SHARED USE AGREEMENT SOLID RESOURCES CHARGES

(Adopted /)

Programs and projects which meet requirements under the Partnership Division shall be formalized in agreements and approved by the Board of Commissioners.

REIMBURSEMENT- SOLID RESOURCES FEES ONLY

100% of cost recovery charges to be deposited in account(s) designated by Chief Accounting Employee

Partnering organizations and individuals shall directly pay for all outside services (solid waste removal, utilities, etc.) which are used in connection with the program. In the case of Exclusive use of a facility the organization or individual will be obligated to pay directly to providers for removal of trash, waste, green waste, and recyclables, or to fully reimburse the Department for solid resources fees, which consist of the billed cost by Sanitation of picking up solid resources and fees for dumping waste at landfills. In the case of Shared use, a prorated fee shall be assessed to reimburse the Department for solid resource fees.

If the partnering organization is fully responsible for collecting all waste and placing it into dumpsters, the fee below will be used to reimburse only for Sanitation Solid Resources Fees for the waste generated.

Shared Use Solid Resources Fees – Removal Only

Facility Category	Facility Category Parameters (Solid Resources Removal Only)	Minimal Monthly Use	Modest Monthly Use	Major Monthly Use	<i>Minimal Daily Use</i>	<i>Modest Daily Use</i>	<i>Major Daily Use</i>
Very Large	25.0 acres and over, multiple buildings and amenities	\$53	\$160	\$267	\$7	\$21	\$35
Large	10.0 - 24.9 acres, multiple buildings and amenities	\$29	\$88	\$147	\$4	\$12	\$19
Medium	5.0 - 9.9 acres, several buildings and/or amenities	\$17	\$51	\$85	\$2	\$7	\$11
Small	2.0 - 4.9 acres, a few buildings and/or amenities	\$14	\$43	\$72	\$2	\$6	\$9
Very Small	1.9 acres or less, one building and/or few amenities	\$12	\$36	\$61	\$2	\$5	\$8

Monthly fee based on proportion of contribution to solid waste removed spread over one month.

Daily fee based on proportion of contribution to solid waste for more intense activity (such as an event) in a limited period.

If the partnering organization generates waste that is collected from cans and/or around the premises by Department staff for placement in dumpsters, the fees below will be used to reimburse for both Department maintenance staff time as well as Sanitation Solid Resources Fees for the waste generated.

Shared Use Solid Resources Fees – Removal with Staff Collection

Facility Category	Facility Category Parameters (Staff Collection Plus Solid Resources Removal)	Minimal Monthly Use	Modest Monthly Use	Major Monthly Use	<i>Minimal Daily Use</i>	<i>Modest Daily Use</i>	<i>Major Daily Use</i>
Very Large	25.0 acres and over, multiple buildings and amenities	\$109	\$355	\$776	\$16	\$35	\$58
Large	10.0 - 24.9 acres, multiple buildings and amenities	\$85	\$282	\$656	\$13	\$25	\$42
Medium	5.0 - 9.9 acres, several buildings and/or amenities	\$73	\$245	\$594	\$11	\$21	\$34
Small	2.0 - 4.9 acres, a few buildings and/or amenities	\$70	\$237	\$580	\$11	\$20	\$33
Very Small	1.9 acres or less, one building and/or few amenities	\$68	\$230	\$569	\$11	\$19	\$31

Note: Sports fields use at multi-field facilities (Large and Very Large) can be up to twice the staffing impact that occurs at Medium or Small facilities which only have one or a few fields. Therefore, the average time to pick-up trash was used with a multiplier to account for smaller or larger impacts than the average. Note that by definition Very Small facilities would not feature sports fields for major use.

Usage Level Category	Usage Level Parameters
Minimal	Generally under 50 participants, not more than 100. No kitchen or extra utility use such as outdoor fields or public address systems. Limited to one room or a few rooms or areas. Average under 3 hours a day. AVERAGE 1-2 DAYS A WEEK.
Modest	Generally around 100-250 participants but not more than 500. May have kitchen use or a few hours of use such as outdoor lighted fields or public address systems. Uses one or more rooms or areas or large space such as gym or sports fields. Average use over 3 hours a day but not usually more than 6. AVERAGE 3-4 DAYS A WEEK.
Major	High impact activity of any number but generally over 500 participants. Uses kitchen facilities, outdoor lights, electric hook-ups for multiple activities include public address. Significant use of the facility (over 25%) and/or impact on multiple areas. Average use over 6 hours a day. AVERAGE 5-6 DAYS A WEEK.