

REPORT OF GENERAL MANAGER

APPROVED
JUL 19 2012

NO. 12-217

DATE July 19, 2012

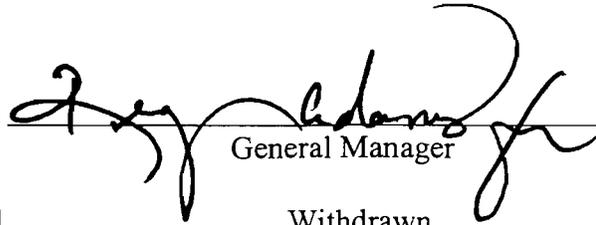
C. D. ALL

BOARD OF RECREATION AND PARK COMMISSIONERS
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SUBJECT: SCHEDULE OF RATES AND FEES – PARTNERSHIP DIVISION STAFF
IMPACT COST RECOVERY REIMBURSEMENT FEES

R. Adams 
H. Fujita _____
*V. Israel _____

K. Regan _____
M. Shull _____
N. Williams _____


General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve the proposed schedule of Staff Impact Cost Recovery Reimbursement Fees as described in the Summary of this Report, and on Attachment 1, for inclusion as applicable in agreements and temporary, revocable right of entry permits with organizations and individuals occupying park property and/or providing services or programs on park property, independently or in conjunction with Department operations, to be effective August 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 staff impact costs.

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 and/or temporary, revocable right of entry permits (collectively referred to herein as Agreements) with individuals and organizations occupying and/or using park property to operate public programs and services (Report No. 11-202). On February 1, 2012, the Board further approved schedules of prorated fees to recover costs for solid resources (trash) disposal, also to be included in the Department's Schedule of Rates and Fees and used in calculating cost recovery fees in Agreements (Report No. 12-028). These actions, combined with the Board's approval of the proposed schedule of Staff Impact Cost Recovery Reimbursement Fees will

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establish fair and consistent cost recovery reimbursement schedules for inclusion as applicable in Agreements with organizations and individuals providing services or programs on park property which fiscally impact the Department.

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 sharing use of Department facilities (Shared Use), such as a program that takes place only on a portion of park property and/or while other Department programs are also in operation (examples: a sports program using a gymnasium a few hours a day, or a child care operation that daily occupies a room near a play area). In other cases, the use of park property may be primary or exclusive to the organization occupying certain park space or facilities (Primary Use) and 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 the expenses which fiscally impact the Department due to the organization's operation of public programs, including costs for utilities, trash, and Department staff. For utilities and trash, where services are performed by providers outside the Department (by the Department of Water and Power (DWP) and/or the Department of Public Works Bureau of Sanitation (BOS)), the Department first seeks to have the organization pay for all services directly to the service provider. If the usage is Shared and direct service arrangements are not feasible, the Department utilizes the Board-approved schedules for recovering a portion of the Department's utility and trash costs in Agreements. In situations of Primary Use, where direct payment to the service provider is not feasible, the Department will seek the use of sub-meters for utility billing when possible and otherwise estimate and collect the full cost of services for utilities and trash in accordance with established policies.

The activity of organizations operating on park property creates a workload for staff in addition to the regular work generated through the Department's conduct of its own programs and by the general public use of the parks. This impact on Department staff includes, but is not limited to, preparing, processing, monitoring, evaluating, and renewing Agreements for collaborations; handling on-site issues, coordinating activities, and arranging special uses; also, it may involve cleaning, trash pick-up, repairing, and maintaining the environs of the parks and facilities where the additional activities take place.

As with prorated utility and trash fees, assessing specific staff impact fees based on detailed cost impact calculations for every individual situation, modified monthly to meet variations in impacts, is impractical. Instead, the average time spent on an array of Agreement generated activities was surveyed for staff from the Partnership Division, for field staff, and for maintenance staff. The result is a standardized rate schedule that provides consistent and equitable cost recovery to include in Agreements.

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One finding of this research is that Shared Use situations can range between minimal impacts, such as in the example of a gymnasium used for a few hours a week, to complex program activity with frequent or daily impact on a facility and more time needed for administration and coordination. Also, under most simple Shared Use Agreements the Department handles custodial care and maintenance because the activity of the Department's and the organization's clientele overlap, while in Agreements for spaces used most of the time by the organization, the organization is expected to handle custodial care and basic maintenance in that space. Therefore, two Shared Use scenarios are included in the proposed schedule: Shared Use (simple) and Hybrid Shared Use, the latter having elements of exclusivity such as on-going use of an area daily, weekly, or monthly; notable additional traffic to the facility on a regular basis; and, fairly frequent coordination and communication.

In the same manner in which the Board approved cost recovery fees for trash removal services provided by Department staff (Report No. 12-028), current salaries (at the fully burdened hourly rate) for Senior Recreation Director, Senior Gardener-Caretaker or Gardener-Caretaker, and part-time Special Program Assistant classifications, combined with the size and magnitude of the organization's operation of the facility, were used to calculate the level of impact on staff and average monthly cost(s) related to applicable staff providing various services including but not limited to administration, operational oversight, and maintenance. The chart below shows the staff costs and calculations of the fully burden rates:

CODE	CLASSIFICATION	FY 2011-12 SALARY HOURLY	CAP 32 FRINGE OF 52.35% ON BIWEEKLY	CAP 32 CENTRAL SERVICES OF 28.32% ON BIWEEKLY	CAP 32 DEPT ADMIN/ SUPPORT OF 12.21% ON BIWEEKLY	FY 2011-12 HOURLY RATE FULL BURDEN
3141	GARDENER CARETAKER	\$23.96	\$12.54	\$6.79	\$2.93	\$46.22
3143	SR GARDENER	\$27.72	\$14.51	\$7.85	\$3.38	\$53.46
2446-1	SR RECREATION DIR I	\$34.47	\$18.04	\$9.76	\$4.21	\$66.48

Note: Hourly Rates are Fiscal Year 2011-2012 average (from Wages and Counts produced by the Office of the City Administrative Officer) multiplied with Fringe Benefits, City Central Services, and Department Administration & Support (from CAP 32, the document prepared annually by the City Controller for use in assessing City overhead costs for Federal and other grants).

For consistency with the fee schedules for utilities and trash, the proposed Staff Impact Cost Recovery Reimbursement Fee Schedule uses the matrix of five overall facility sizes (Very Small, Small, Medium, Large, and Very Large) with usage levels (Minimal, Modest, and Major). Only monthly fees are calculated inasmuch as the purpose of establishing this schedule is for inclusion in Agreements. These proposed fees are not for daily or special events charges, as those fees are already provided for in the Department's Schedule of Rates and Fees.

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There are three schedule segments: Shared, Hybrid-Shared, and Primary. Each is calculated based on average estimated staff costs for that type of relationship, and therefore the cost differences between the various rates are not flat percentages. When negotiating and preparing Agreements with potential partners, staff will determine the appropriate facility and use categories, and will then use the monthly Staff Impact Cost Recovery Reimbursement Fee Schedule for inclusion in the agreement, subject to Board approval.

Shared Use is a graduated rate based on both size and use level consisting of:

- part-time custodial, ranging from 1.5 hours a week to 5.5 hours per week
- gardener-caretaker time to check grounds and assist part-time staff, ranging from no impact to 1 hour per week
- administrative coordination and oversight, ranging from 8 hours to 10 hours per year

Hybrid-Shared Use is a graduated rate based on both size and use level consisting of:

- no part-time custodial, as organization would handle that themselves under the agreement
- senior gardener-caretaker time to check grounds, occasionally handle extra work, and coordinate as necessary, ranging from .25 hours to 1.5 hours per week
- administrative coordination and oversight ranging from 9 hours to 16 hours per year

Primary Use is a graduated rate based on facility size only since “Primary” defines the usage level, and consists of:

- no part-time custodial, as organization would handle that themselves under the agreement
- senior gardener-caretaker time to check grounds, occasionally handle extra work, and coordinate as necessary, ranging from .25 hours to 1.75 hours per week
- administrative coordination and oversight of 16 hours per year

The following are the approved parameters for the Shared usage levels.

a) Minimal Level of Use

- 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

- 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.

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c) Major Level of Use

- 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.

Staff Impact Cost Recovery Reimbursement Fees

Facility Category	Facility Category Parameters	Shared Minimal Monthly Use	Shared Modest Monthly Use	Shared Major Monthly Use	Hybrid Minimal Monthly Use	Hybrid Modest Monthly Use	Hybrid Major Monthly Use	Primary Monthly Use
Very Large	25.0 acres and over, multiple buildings and amenities	\$253	\$291	\$328	\$371	\$387	\$409	\$463
Large	10.0 - 24.9 acres, multiple buildings and amenities	\$207	\$245	\$282	\$317	\$334	\$356	\$356
Medium	5.0 - 9.9 acres, several buildings and/or amenities	\$161	\$198	\$236	\$210	\$227	\$249	\$249
Small	2.0 - 4.9 acres, a few buildings and/or amenities	\$115	\$152	\$189	\$157	\$173	\$195	\$195
Very Small	1.9 acres or less, one building and/or few amenities	\$69	\$106	\$143	\$103	\$120	\$142	\$142

The detail of work included in the cost recovery fees are as follows.

Administrative Cost Recovery Tasks:

- Coordination of special uses such as events, fundraisers, meetings.
- Communication between the Department and the organization or entity.
- Communication and coordination of Department operations and special uses and activities (including maintenance and repair projects).
- Processing monthly payments.
- Handling staff, public, and the entity's or organization's complaints, questions, and concerns.
- Site visits and attendance as required at meetings or events.
- Annually, preparing evaluation, which includes reports, analysis, contact entity or organization and others, and processing evaluation for approval.
- As required, extending or amending agreement.

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Maintenance-Related Cost Recovery Tasks:

- Inspection of overall site and supervision of site staff, as relates to areas where entity or organization has incidental or occasional use.
- Coordination as needed for special uses such as events by the Department or the entity or organization.
- Inspection of property and adjoining park property as relates to shared impacts on the park (example, tree trimming or fence repairs).
- Coordination of repairs or improvements with impact on the entity or organization, or those performed by the organization.

This schedule of fees would be subject to change over time through the Rates and Fees revision process, which will generally involve updating of changes to salary, indirect costs, and costs for Department provided services (such as but not limited to, plumbing, electrical, air conditioning, etc.) as well as review, analysis, and modification of the amount of time dedicated to various tasks in relation to the size and scope of the various programs operated on park property. Changes to Staff Impact Cost Recovery Reimbursement fees will generally be tied to changes in staff salaries. However, situations may arise in an Agreement for multiple years, or when a change in the organization's scope of operations occurs (i.e., expansion of facility use), and therefore will require reassessment and approval on a case by case basis when the Board considers the Agreement.

The cost of any staff member(s) time assigned or scheduled for duties directly and specifically related to an organization's activity, outside of regular workload as addressed in the fees above, shall be reimbursed by the organization at the current rates approved in the Schedule of Rates and Fees. This includes any staff classifications assigned to make repairs that are not performed by the collaborating organization or to staff a special use situation of any kind.

FISCAL IMPACT STATEMENT:

Approval of this Partnership Division Staff Impact Cost Recovery Reimbursement Fee Schedule has no adverse impact on the Department's 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 Vicki Israel, Assistant General Manager, Partnership and Revenue Branch, and Joel Alvarez, Sr. Management Analyst I, Partnership Division.

PARTNERSHIP DIVISION STAFF IMPACT COST RECOVERY REIMBURSEMENT FEES
(Adopted /)

Programs and projects shall be formalized in agreements and approved by the Board of Recreation and Park Commissioners.

REIMBURSEMENT- COST RECOVERY FOR STAFF- MONTHLY RATES

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

Collaborating organizations and individuals shall accept a share of the expenses which fiscally impact the Department due to the organization's operation of public programs, including costs for utilities, other services, and staff. The activity of organizations operating on park property creates a workload for staff in addition to the regular work generated through the Department's conduct of our own programs and by the general public use of the parks. This impact includes preparing, processing, monitoring, evaluating, and renewing agreements for collaborations; handling problems, coordinating activities, and arranging special events; cleaning, trash pick-up, repairing, and maintaining the environs of the parks and facilities where the additional activities take place.

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PARTNER DIVISION STAFF IMPACT COST RECOVERY REIMBURSEMENT FEES --

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Use Type	Use Type Definitions
Shared	Involves sharing the use of Department facilities or using an area while other Department programs are also in operation. The Department handles custodial care and maintenance and only minor coordination is needed.
Hybrid	An area at a Department facility is used while other Department programs are also in operation, however the use is on-going daily, weekly, or monthly, there is notable additional traffic to the facility on a regular basis, and there is fairly frequent coordination and communication. The organization handles custodial care and basic maintenance.
Primary	Use of park property is primary or exclusive to the organization occupying certain park space or facilities and the organization has full control of a facility or park for all or most of the time. The organization handles custodial care and maintenance.

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.