



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Barbara Mason, Purchasing Manager  
Lincoln Bogard, ASD

**MEETING DATE:** June 11, 2024

**SUBJECT:** Consideration of Resolution 2024-92, Approving a Professional Services Agreement with Matrix Consulting Group LTD ("Matrix") for the Comprehensive User Fee and Impact Fee Study in an Amount Not-To-Exceed \$96,954.00

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### **RECOMMENDATION:**

Adopt Resolution 2024-92.

### **BACKGROUND:**

The City desires to undertake a comprehensive citywide review and evaluation of user fee and rate charges resulting in a cost-based user fee study. The Comprehensive User Fee Study will calculate the full 100% cost of providing certain City services and provide a recommended fee to be charged for each applicable service. The services would include recommended cost recovery strategies and identify best practices in establishing user fees. These strategies will take into consideration the complexities and demands of each department and program. The selected firm, Matrix, will provide thorough analysis, development of fee models and recommendations including, identifying and recommending new fees and revenues sources. It is the City's goal to have a well-documented and defensible cost of service plan that will identify rates that be used to recover billable costs for services and develop user fees that comply with Proposition 26, Proposition 218 and other applicable statutory requirements including the 2024 CBRT Ballot Initiative.

### **JUSTIFICATION:**

The City is seeking to evaluate all cost of services provided and examine whether a reasonable relationship exists between the costs of providing services and current service fees, while ensuring compliance with Proposition 26, Proposition 218, and other applicable statutory requirements (including the 2024 California Business Roundtable Ballot initiative ("2024 CBRT Ballot Initiative")) that seeks to change, narrow, limit or otherwise put additional restrictions and requirements upon new and existing taxes and fees that local governments levy or exact to pay for municipal services. Matrix has submitted a proposal as a result of the City's RFP. The proposal was evaluated and found to be acceptable and the fee found to be in line with projects of a similar scope. Matrix is a reputable company that is capable of completing the scope of work.

### **FISCAL IMPACT:**

The total cost of the Professional Services Agreement (PSA) with Matrix is for a "not-to-exceed" amount of \$96,954.00, which includes a 10% contingency.

### **ALTERNATIVES:**

Do not approve Resolution 2024-92. User Fee and Impact Fees will continue as is with no assurance of compliance with Proposition 26, Proposition 218, and other applicable statutory requirements including the 2024 CBRT Ballot Initiative.

**ATTACHMENTS:**

1. [Resolution 2024-92, Matrix Consulting.docx](#)
2. [C01032 PSA - Matrix Consulting Group LTD - Comp User Fee and Impact Fee Study.pdf](#)