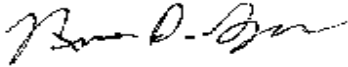


# City of Calistoga

## Staff Report

**TO:** Honorable Mayor and City Council  
**FROM:** Lynn Goldberg, Planning & Building Director  
**DATE:** September 1, 2015  
**SUBJECT:** Tracking System Professional Services Agreement, Fee Assessment and Budget Adjustment

APPROVAL FOR FORWARDING:




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Richard D. Spitler, City Manager

**ISSUE:** Consideration of a resolution that:

1. Authorizes the City Manager to enter into a professional services agreement with Online Solutions, LLC to provide an electronic tracking system
2. Assesses a fee on building, encroachment, tree removal, banner, burn and tent permits; certain land use entitlement applications; abandoned vehicle abatements; and occupancy inspections to partially defray the cost of the system
3. Approves a budget adjustment increasing appropriations in the FY 2015/16 Computer System budget, Account #15-4975-4823 by \$23,950 derived from the unobligated General Fund reserves.

**RECOMMENDATION:** Adopt the attached resolution

**BACKGROUND:** City departments are using conventional office software and other means to track permit applications, code enforcement cases, land use entitlement applications and citizen requests. Most of these permits and applications require input from other departments in the form of comments and/or conditions of approval.

The current review and tracking process is cumbersome. For example, building permits are currently logged and tracked by a 17-column Excel spreadsheet that can be revised only by a single staff member at a time. Determining the status of a particular application requires considerable effort. Monthly building permit reports are generated by cutting and pasting the edited record for each issued permit into a new spreadsheet. The number of building permits tracked in this manner since 2000 has reached nearly 4,000, necessitating the spreadsheet to be broken into three separate files.

22 Building and Public Works inspectors do not have access to information on previous  
23 permits while in the field, which at time results in time-intensive discussions on the  
24 status of existing property improvements and delays in finaling permits.

25 Deadlines for the receipt of department comments and the submittal of public hearing  
26 notices are tracked according to various methods. Letters and hearing notices are  
27 generated by revising template documents.

28 **DISCUSSION:** A majority of jurisdictions - including St. Helena, Napa and American  
29 Canyon - uses software that is specifically designed for tracking permit and entitlement  
30 applications, code enforcement cases and business licenses. Additionally, many  
31 jurisdictions accept on-line applications and citizen requests.

32 Staff has been discussing the need for a modern, more-efficient tracking process for a  
33 number of years and recently solicited proposals from three companies experienced in  
34 this area. Two companies made presentations to staff, demonstrating the features of  
35 their particular system.

36 Two proposals were received:

- 37 • CRW would charge \$89,500 for its Trak-It system for the first year and a  
38 minimum of \$25,000 annually thereafter for 5 users
- 39 • Online Solutions would charge \$23,950 for its Citizenserve system for the first  
40 year, and \$16,500 annually thereafter for 11 users.

41 Due to the substantial difference in cost, staff chose to further investigate Citizenserve's  
42 capabilities and the experience of other jurisdictions using the system, which was  
43 favorable.

44 Citizenserve's features are described in the attached proposal. It is staff's intent to limit  
45 the system to in-house use initially until all users are familiar with its functions and  
46 operations. This may be followed by public access to allow the on-line submittal of  
47 permit and entitlement applications, as well as service requests. Staff will consider  
48 expanding public access to project status information and on-line inspection scheduling  
49 at a later date.

50 Four departments would initially use the system for the following purposes. Although the  
51 business license function is included in the Citizenserve proposal, the Finance  
52 Department has decided to continue using its current software and consider  
53 transitioning to Citizenserve in the future (which would allow other departments ready  
54 access to the business license database).

Tracked Items	Department
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Building permits, including monthly reports, occupancy certificates, inspection records	Planning & Building
Land use entitlements, including collection of comments and conditions, project correspondence, public hearing notices	Planning & Building
Encroachment permits	Public Works
Tree removal permits	Public Works
Banner permits	Public Works
Burn permits	Fire
Tent permits	Fire
Occupancy inspections	Fire
Code enforcement cases, including notices of violation	Police
Abandoned vehicle cases, including monthly reports	Police
Public requests, including service requests	All departments

55 **FISCAL IMPACT:** A budget adjustment is requested to increase the appropriation in  
56 the FY 2015/16 Computer System budget, Account #15-4975-4823, by \$23,950 derived  
57 from the unobligated General Fund reserves to cover the tracking system's initial setup,  
58 training, implementation and first year user fees. The \$16,500 annual cost for  
59 subsequent years could be partially recovered by assessing a modest fee on certain  
60 permits and services. Approximately one-third of its annual cost could be defrayed  
61 through the following fees:

62 **Proposed Partial Recovery of System Costs**

63 Based on 2014 data

Item	Fee	Annual revenue
Building Permit	Based on valuation	\$4,943
Encroachment Permit	\$1/permit	155
Tree Removal Permit	\$1/permit	24
Burn Permit	\$1/permit	3
Tent Permit	\$1/permit	7
Banner Permit	\$1/permit	20
Occupancy inspection	\$1/permit	7
Vehicle abatement	\$5/abatement	330
Land use entitlement*	\$10/application	240
<b>Potential annual cost recovery</b>		<b>\$5,729</b>

64 \*Entitlements that require multi-department review

65 The potential fees from building permits would be based on valuation, as shown in the  
 66 following table, and range from \$2.50 for a small project (e.g., water heater) to \$500 for  
 67 a large project (e.g., an apartment complex). This approach would reflect the extent to  
 68 which the system would be used for tracking department comments, inspections, etc.

69 **Proposed Building Permit Fee**

Valuation	Typical Permit	Fee
\$0 – 2,499	Water heater	\$2.50
\$2,500 – 4,999	Window replacement	\$5.00
\$5,000 – 7,499	Patio cover	\$7.50
\$7,500 – 9,999	Furnace & A/C	\$10.00
\$10,000 – 14,999	Major re-roof	\$15.00
\$15,000 – 19,999	Solar PV system	\$20.00
\$20,000 – 24,999	Kitchen remodel	\$25.00
\$25,000 – 49,999	Pool & spa	\$35.00
\$50,000 – 99,999	Detached garage	\$50.00
\$100,000 – 199,999	SFD remodel	\$60.00
\$200,000 – 499,999	Tenant improvement	\$75.00
\$500,000 – 999,999	SFD	\$100.00
\$1M - \$4.9M	Small winery	\$200.00
\$5M+	Apartment project	\$500.00

70 **IMPLEMENTATION OF COUNCIL GOALS:** Utilizing tracking system would advance the  
 71 following goal, objectives and priority project adopted by the Council for FY 15-16:

- 72 *Goal 2 Offer excellent professional service to all customers*
- 73 *Objective 1 Provide a high standard in the delivery of...general municipal*
- 74 *services.*
- 75 *Objective 2 Streamline and simplify processes.*
- 76 *Priority Project 1 Research and implement various opportunities for outside*
- 77 *service agencies or private companies to provide routine city*
- 78 *functions in order to free City staff for higher-level activities*
- 79 *and special projects.*

80 **ALTERNATIVES:** The tracking system could be funded entirely by the General Fund  
 81 instead of assessing a fee on certain permits, applications and code enforcement  
 82 cases. Another option would be to increase the suggested fees to recover a greater  
 83 share of the annual cost of the system.

84 **ENVIRONMENTAL REVIEW:** The proposed service agreement and fee adoption are  
85 not projects that are subject to review under the California Environmental Quality Act.

**ATTACHMENTS**

1. Draft resolution
2. Citizenserve Electronic Tracking System Proposal
3. Portion of Building Department Application Tracking Spreadsheet

RESOLUTION NO. 2015-XXX

1 **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA**  
2 **AUTHORIZING THE CITY MANAGER TO ENTER INTO A SERVICE AGREEMENT**  
3 **WITH ONLINE SOLUTIONS, LLC TO PROVIDE AN ELECTRONIC TRACKING**  
4 **SYSTEM, APPROVING THE ASSESSMENT OF FEES TO PARTIALLY DEFRAY THE**  
5 **COST OF THE SYSTEM, AND APPROVING A BUDGET ADJUSTMENT**

6 **WHEREAS**, the City desires to improve the efficiency of tracking certain permits  
7 and entitlements, code enforcement cases and citizen requests in order to reduce time  
8 spent by staff in several departments on tracking and provide better service to the  
9 public; and

10 **WHEREAS**, the Council's goals and objectives for Fiscal Year 15-16 include  
11 offering excellent professional service to all customers, and streamlining and simplifying  
12 processes; and

13 **WHEREAS**, Online Solutions specializes in providing tracking services to  
14 municipalities at a reasonable cost through its Citizenserve system; and

15 **WHEREAS**, the ongoing costs associated with the tracking system can be  
16 partially recovered by assessing a modest fee on certain permits and services.

17 **NOW, THEREFORE, BE IT HEREBY RESOLVED** by the City Council of the City  
18 of Calistoga as follows:

- 19 1. The City Manager is authorized to enter into a service agreement with Online  
20 Solutions, LLC to provide the Citizenserve electronic tracking system,  
21 including setup, training, implementation and annual user fees.
- 22 2. Assessment of the fees shown in Exhibit A is approved to partially defray the  
23 cost of the tracking system. Such fees shall take effect November 1, 2015.
- 24 3. A budget adjustment is approved to increase the appropriation in the FY  
25 2015/16 Computer System budget, Account #15-4975-4823, by \$23,950  
26 derived from the unobligated General Fund reserves to cover the tracking  
27 system's initial setup, training, implementation and first year user fees.

28 **PASSED, APPROVED, AND ADOPTED** by the City Council of the City of  
29 Calistoga at a regular meeting held the 1st day of September, 2015 by the following  
30 vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

\_\_\_\_\_  
**CHRIS CANNING, Mayor**

**ATTEST:**

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**KATHY FLAMSON, City Clerk**

**Exhibit A**

Table 1

Fees to be Assessed for Partial Recovery of Tracking System Costs

Item	Fee
Building Permit	Based on valuation per Table 2
Encroachment Permit	\$1/permit
Tree Removal Permit	\$1/permit
Burn Permit	\$1/permit
Tent Permit	\$1/permit
Banner Permit	\$1/permit
Occupancy inspection	\$1/permit
Vehicle abatement	\$5/abatement
Land use entitlement*	\$10/application

Table 2

Building Permit Fees

Valuation	Fee
\$0 – 2,499	\$2.50
\$2,500 – 4,999	\$5.00
\$5,000 – 7,499	\$7.50
\$7,500 – 9,999	\$10.00
\$10,000 – 14,999	\$15.00
\$15,000 – 19,999	\$20.00
\$20,000 – 24,999	\$25.00
\$25,000 – 49,999	\$35.00
\$50,000 – 99,999	\$50.00
\$100,000 – 199,999	\$60.00
\$200,000 – 499,999	\$75.00
\$500,000 – 999,999	\$100.00
\$1M - \$4.9M	\$200.00
\$5M+	\$500.00