



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

Meeting Date: February 27, 2024

Title: Approve Amendment Number 4 to Joint Powers Authority Agreement with the San Bernardino Council of Governments Services including an Increase to the Member Dues by \$3,114. (CITY)

Background: The San Bernardino Council of Governments (SBCOG) is a Joint Powers Authority made up of representatives from 24 cities and towns, as well as the San Bernardino County Board of Supervisors, and is responsible for cooperative regional planning. Since 2018, SBCOG has relied on funds from the Property Assessed Clean Energy / Home Energy Renovation Opportunity program to supplement SBCOG dues and has implemented several programs through its 2018 work plan. Programs from the 2018 work plan include the development and implementation of an Emergency Communication Nurse System, the establishment of a Housing Trust, and various grant research and writing proposals.

At a July 5, 2023, SBCOG Board of Directors meeting, an Ad Hoc Committee was established to discuss expanding the capacity of the Council of Governments (COG) and increasing dues paid by its member agencies to pay for additional service offerings. Since August 2023, the Ad Hoc Committee has met monthly, analyzing programs, services, and budgets of other similar organizations such as the San Gabriel Valley Council of Governments (SGVCOG), Western Riverside Council of Governments (WRCOG), and the Coachella Valley Association of Governments (CVAG). Based on its findings, and the desire to expand COG services, the Ad Hoc Committee recommended increasing the budget from \$658,000 and 1.3 staff to \$1.5 million, 3 staff, and consultant support.

Analysis: To assess member fees, the existing JPA Agreement uses a formula of 50% population / 50% assessed valuation. In addition to the original assessment, the Board approved an additional assessment of \$5,337 per jurisdiction in Fiscal Year (FY) 2015/2016 and another assessment of \$8,000 per jurisdiction in FY 2021/2022 (collectively, "Total Current Assessments"). However, this method is outdated and inequitable to agencies across the region. To update the assessment Page 2 2 1 9 1 method, the Ad Hoc Committee established a baseline increase from \$658,000 to \$1.5 million as a starting point for consideration and evaluated the following three cost allocation scenarios to provide greater funding to the JPA entity in a more equitable manner: • 100% Population • 100% Fund Sales and Property Tax Revenues Received • 50% Population / 50% Fund Sales and Property Tax Revenues Received Ultimately, the Ad Hoc Committee recommended option 3, a 50% Population / 50% General Fund Tax Revenues. Under this assessment (Attachment 2), the total current assessment would be added to the new formula and includes an increase based on the lesser of the Consumer Price Index or 2% annual adjustment to cover the regular increases in costs beginning in FY 2024/2025 and every year thereafter. Further, Amendment Number 4 (Attachment 1) to the Agreement for the Joint Exercise of Powers amends the language on the method by which member agency dues are assessed and provides the Board the authority to adjust the method for assessing member agency dues as



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needed without needing to amend the JPA Agreement. At the January 3, 2024, Board of Directors (Board) meeting, the Board accepted the COG Ad Hoc Committee recommendation for option 3, establishing a new assessment method and increased dues to each agency and approving Amendment Number 4. Following the approval by all member agencies, the new dues will go into effect on July 1, 2024, at the start of FY 2024/2025. Once implemented, the Ad Hoc Committee and the City/County Managers' Technical Advisory Committee will work to identify program and project priorities and amend the approved work plan.

Fiscal Impact: This item has no financial impact on the Fiscal Year 2023/2024 budget; however, if approved, the new assessment will increase the City's dues by an additional \$3,114 for a total new assessment of \$16,721 for FY 2024/2025.

Recommended Action: Approve Amendment Number 4 to the Joint Powers Authority Agreement with San Bernardino Council of Governments Services concerning the method by which member agency dues are assessed and including an increase to member dues by \$3,114 for a total new assessment of \$16,721.

Submitted By: Kathy Raasch, Interim Development Services Director

City Manager Approval: Patrick J. Martinez Date: 2/22/2024
Other Department Approval (when required): Barbara DiLeo Date: 02/22/24

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: _____