



## CONSENT CALENDAR

### City of San Bernardino Request for Council Action

**Date:** April 3, 2024

**To:** Honorable Mayor and City Council Members

**From:** Charles A. Montoya, City Manager;  
Lynn Merrill, Director of Public Works

**Department:** Public Works

**Subject:** **Approving Amendment No. 4 to the Joint Exercise of Powers Agreement with the San Bernardino Associated Governments (SANBAG) (All Wards)**

#### **Recommendation:**

It is recommended that the Mayor and City Council of the City of San Bernardino, California, authorize the City Manager to execute Amendment No. 4 to the Joint Exercise of Powers Agreement with the San Bernardino Associated Governments (SANBAG).

#### **Executive Summary**

Amendment No. 4 to the Joint Exercise of Powers Agreement (JPA) updates the title of SANBAG to San Bernardino Council of Governments (SBCOG) and authorizes the Board of Directors to determine and implement new member agency assessment dues without going through the JPA Amendment process. SBCOG is establishing a new methodology for calculating assessment dues, which is based on population and revenue. The current City assessment is \$24,799, and under the new methodology the City would owe an additional \$80,540, for a total assessment of \$105,339 in Fiscal Year 2024/25.

#### **Background**

SANBAG is a council of governments (COG) formed in 1973 by a joint powers exercise agreement (JPA). Member agencies include cities in San Bernardino County and the County of San Bernardino. SANBAG is governed by a Board of Directors consisting of a mayor or designated council member from each of the twenty-four cities in San Bernardino County, and the five members of the San Bernardino County Board of Supervisors. SANBAG was initially formed to conduct cooperative regional planning and to further an efficient multi-modal transportation system countywide. In 2016, the

Governor of California signed into law Senate Bill 1305, which authorized SANBAG to consolidate five different transit agencies under its purview into a single statutory entity, the San Bernardino County Transportation Authority (SBCTA). The authority conducts a variety of actions such as transportation planning, construction, and operation throughout the county. Despite the creation of SBCTA, SANBAG (also known as SBCOG) continues to operate as a separate legal entity, fulfilling its mission to provide cooperative regional planning services to cities within the county.

On July 5, 2023, SBCOG established an Ad Hoc Committee to explore expanding the capacity of the COG and increasing member agency dues to fund the expansion. This included increasing SBCOG's full-time employees' (FTE's) from 1.3 to 3 and adding a consultant to support COG related functions such as project management, liaison, regional advocacy, and grant writing/coordination. The proposed SBCOG budget would increase from \$658,000 to \$1.5 million, including increases based on the lesser of the Consumer Price Index or 2% annual adjustment to cover the regular increases in cost.

In October of 2023 the Ad Hoc committee held a discussion concerning the allocation of costs to SBCOG member agencies. SBCOG staff provided three alternatives regarding the distribution of baseline costs across jurisdictions:

- A. 100% Population
- B. 100% Fund Sales and Property Tax Revenues Received
- C. 50% Population/50% Fund Sales and Property Tax Revenues Received

The Ad Hoc committee recommended option C to be incorporated into an amendment to the JPA with member agencies and forwarded the full recommendation to the SBCTA Board of Directors for approval.

On January 3, 2024, the SBCTA Board of Directors approved the full recommendation to execute Amendment No. 4 to the JPA and requested all member agencies approve and execute Amendment No. 4 no later than April 30, 2024.

### **Discussion**

The Joint Powers Exercise Agreement governing SANBAG has been amended three times, most recently in 1975. Amendment No. 4 before the Mayor and City Council of the City of San Bernardino contains two primary actions:

Action 1: Amendment No. 4 formally changes the name of the council of governments formed under the agreement from the San Bernardino Associated Governments (SANBAG) to the San Bernardino Council of Governments (SBCOG).

*The joint powers entity formed by the Agreement shall be known as the San Bernardino Council of Governments ("SBCOG"). All instances of "San Bernardino Associated Governments" in the Agreement are replaced with "San Bernardino Council of Governments." All instances of "SANBAG" are replaced with "SBCOG."*

*All instances of “the Association” or “the association” in reference to the joint powers entity are replaced with “the COG.”*

Action 2: Amendment No. 4 updates the language in the JPA concerning the method by which member agency dues are assessed. The new language authorizes the SBCTA Board of Directors, by adopted policy, to determine what assessments (including method and formula) will be imposed on member agencies:

*In reviewing the budget, the Board of Directors shall determine what assessments are necessary. Such assessments shall be calculated in accordance with SBCOG policy adopted by the Board of Directors. The policy will identify a particular method or formula specifying how member agency dues shall be assessed, and will also allow for optional, subscription assessments that member agencies may opt in to on a voluntary basis, based on a Board-adopted budget or budget amendment and a subscription work program.*

At the January 3, 2024, SBCTA Board Meeting, the Board adopted a new policy for SBCOG General Assessment Dues. To fund its expansion, SBCOG needs to collect a total of \$1,500,000 in assessments, where each member jurisdiction is responsible for their respective proportion of the total cost. This baseline target of \$1,500,000 was determined after researching and analyzing the programs and budgets of sister agencies in the region. The survey included the San Gabriel Valley Council of Governments (SGVCOG), Western Riverside Council of Governments (WRCOG), and the Coachella Valley Association of Governments (CVAG).

As part of the new policy, SBCOG is revising its methodology that calculates each member’s responsible share of the total \$1,500,000 cost. The proportion of each jurisdiction’s population and revenues as a member of SBCOG, divided by two, will now determine the assessment dues. For example: the City’s population of 220,840 people represents 10.09% of the total population for all SBCOG members, and the City’s revenues of \$129,701,848 represents 7.83% of the total revenues for all SBCOG members. Adding both numbers and dividing by two produces the percent of the total costs that the City is responsible for, which is 7.83%:

	<b>CITY</b>		<b>SBCOG</b>		<b>PROPORTION</b>
Population	220,840	/	2,187,665	=	10.09%
Revenues	\$129,701,848	/	\$2,333,448,755	=	5.56%
			<b>Total</b>		<b>15.65%</b>
			<b>Total / 2</b>		<b>7.83%</b>

While there is a new total cost of \$1,500,000, SBCOG is already scheduled to collect \$470,941 in assessments under the previous methodology, with the City paying \$24,799. As a result, a total of \$1,029,059 in new assessments needs to be collected from SBCOG members. Under the revised methodology, the City’s is responsible for 7.83% of these new costs, which equates to \$80,540.

The current City assessment is \$24,799, and under the new methodology the City would owe an additional \$80,540, for a total assessment of \$105,339.

**Summary:**

**SBCOG Target Assessment Total:**

- (New Budget to be collected from all member agencies) - \$1,500,000.
- (City of San Bernardino share) - \$105,339.

**SBCOG Current Assessment Total:**

- (Current Budget to be collected from all member agencies) - \$470,941.
- (City of San Bernardino share) - \$24,799.

**SBCOG Assessment Shortfall:**

- (Shortfall = New Assessment for member agencies) - \$1,029,059.
- (City of San Bernardino share) - \$80,540.

**2021-2025 Strategic Targets and Goals**

The approval of Amendment No. 4 to the Agreement for the Joint Exercise of Powers relative to the San Bernardino Associated Governments (SANBAG) aligns with Goal No. 2: Focused, Aligned Leadership, and Unified Community.

**Fiscal Impact**

The General Fund impact associated with this item is \$105,339. Future budgets to pay for assessment dues will be updated as necessary.

**Conclusion**

It is recommended that the Mayor and City Council of the City of San Bernardino, California, authorize the City Manager to execute Amendment No. 4 to the Joint Exercise of Powers Agreement with the San Bernardino Associated Governments (SANBAG).

**Attachments**

Attachment 1 – Amendment No. 4

Attachment 2 – Amendment No. 3

Attachment 3 – Agenda Item #26, January 3, 2024, SBCTA Board of Directors meeting (Staff Report, Assessment Table, 2018-2023, 2023-2025 SBCOG Work Plan).

**Ward:**

All Wards

**Synopsis of Previous Council Actions:**

None