

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADOPTING AN ON-LINE RECREATION REGISTRATION SYSTEM USE FEE.

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the City Council of the City of Costa Mesa has heretofore established various schedules of rates, fees, and charges for services provided by the City including, but not limited to, rates, fees, and charges for the rental of park and recreation facilities, model airplane permits, community garden parcels and field permitting; and

WHEREAS, this City Council desires to provide a more expeditious and efficient method for the public to pay for such services through the implementation of a new on-line, recreation registration system user fee as described in Exhibit "A" attached hereto; and

WHEREAS, this City Council has conducted a duly noticed public hearing with respect to the fees prior to the adoption of this Resolution; and

NOW, THEREFORE, BE IT RESOLVED as follows:

Section 1: The City Council finds and determines that the on-line, recreation registration system user fee described in Exhibit "A" attached hereto does not exceed the established reasonable cost of providing the service for which the fees are levied.

Section 2: The fees set forth in Exhibit "A" shall be effective and shall be implemented commencing February 1, 2012, which is at least 30 days after Council adoption.

ATTACHMENT 3

PASSED AND ADOPTED this ___day of_____, 2011.

Gary Monahan, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Folcik, City Clerk

Tom Duarte, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, JULIE FOLCIK, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. _____ and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the ___ day of _____, 2011, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this ___ day of _____, 2011.

JULIE FOLCIK, CITY CLERK

(SEAL)

ATTACHMENT 3

EXHIBIT A

The transaction fees charged by The Active Network (TAN) for use of the on-line, web-based registration system are in addition to the City's activity/permit fee and will be charged to the registrant when they use the on-line registration system. The transaction fees will be retained by TAN, and the activity/permit fees will be remitted to the City. When a participant registers and pays for an activity or a permit at a City facility (not on-line) with cash, a check or credit card, the City is charged the transaction fee, not the participant (see the example below).

Example of On-Line Transaction		Example of Off-line Transaction	
Class/Program Fee:	\$100.00	Class/Program Fee:	\$100.00
Transaction Fee (6.5% + .50):	\$ 7.00	Transaction Fee Credit Cd (3.75%)	\$ 3.75
Participant Pays:	\$107.00	Participant Pays:	\$100.00
City Keeps:	\$100.00	City Keeps (\$100 - \$3.75)	\$96.25
The Active Network receives:	\$ 7.00	The Active Network receives:	\$ 3.75

In order for the City to recover the reduction in revenue from the offline transactions (\$96.25 in the above example), staff proposes implementing a "System Use" fee of \$5 on all contract class, activity and permit fees processed through the ActiveNet system (on-line and off-line) to cover the transaction fee charges. The class/program fee will be increased by \$5. In the ActiveNet system, all transaction fees, whether on-line or off-line, are calculated automatically based on the class/program fee. With a class/program fee of \$105.00, the off-line Transaction fee will be \$3.94, the participant pays \$105.00, the City nets \$101.06 and The Active Network keeps \$3.94 (see example below). The class fee to be split with the instructors will remain at \$100. Any additional amounts received by the City will be used to offset the up-front cost of the ActiveNet System.

Example of On-Line Transaction		Example of Off-line Transaction	
Class/Program Fee:	\$105.00	Class/Program Fee:	\$105.00
Transaction Fee: (\$105.00 x 6.5% + .50):	\$7.33	Transaction Fee Credit Cd (\$105.00 x 3.75%)	\$3.94
Participant Pays:	\$112.33	Participant Pays:	\$105.00
City Keeps:	\$105.00	City Keeps: (\$105 - \$3.94)	\$101.06
The Active Network receives:	\$ 7.33	The Active Network receives:	\$ 3.94