



Capacity Fee and Permit Fee Studies

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District Engineer

May 6, 2025

Permit Fees

Current Permit Fee Schedule

Ordinance 25 *Adopted June 1, 1993*

Section 4 - Establishment of Fees - Fees charged by the District for services shall be as follows:

- 4.1 **Plan Check Fee.** Plan check fee shall be equal to 2% of the Engineer's estimated construction cost for all sewer construction including, but not limited to, sewer lines, trunkline, pump station, manholes, trenching, dewatering, backfill, paving and testing.
- 4.2 **Inspection Fee.** Inspection fee for two or more equivalent units shall be equal to 4% of the construction cost as described in Section 4.1 above, or \$50.00 per single inspection.
- 4.3 **Connection Fee.** The connection fee shall be equal to the total number of equivalent service units determined in Section 3 above multiplied time \$275.00.
- 4.4 **Permit Fee.** The fee charged to cover administration fees for permit issuance. The fee is \$20.00 per permit issued.



Options for Permit Fee Structures

Method 1

Engineer's Estimate as basis for Fee

- ISD Current Method
- Dependent on **accuracy of construction estimates provided by developers; often lower than actual – favors developer**
- **Longer time** to agree on appropriate construction cost with developers
- Difficult to recover additional hours for retest or delayed projects
- **Not able to capture full staff cost recovery**

Method 2

Fixed Fee Schedules

- Based on typical **level of effort for tasks**
- Updated and published annually to stay current with costs
- No negotiation with developers over fees
- **Transparent fee structure**
- Accurate staff cost recovery
- **Easy to administer**

Method 3

Deposit with Hours Tracked

- Full cost recovery of staff costs
- Staff rates updated and published to stay current
- **Time intensive for administration** to reconcile permit accounts and issue statements
- Not transparent for developers to determine up front estimated costs



Proposed New Fee Structure Methodology

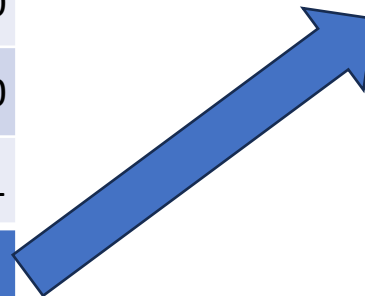
Current Fee Structure does not fully capture Staff Costs

Low Project's Estimate Example for 64 homes

Item	Qty	Unit	Unit Price	Total
8"PVS	3,067	LF	\$30	\$92,010
Standard MH Manholes	18	EA	\$2,500	\$45,000
Connect to Sewer Manhole	2	EA	\$500	\$1,000
Connect to Sewer Stub	1	EA	\$500	\$500
Service Connections	64	EA	\$275	\$17,600
Clean Out	64	EA	\$950	\$60,800
Subtotal				\$216,910
10% Contingency				\$21,691
Grand Total (to the nearest 1000)				\$239,000

Current ISD Permit Fees

Permit Item	Qty	Unit Price	Permit Fee	Equivalent Hours
Plan Check	\$239,000	2%	\$4,780	19.3
Permit Issuance	64	\$20	\$1,280	12.3
Inspection	\$239,000	4%	\$9,560	63.7
Total Permit Fee			\$15,620	



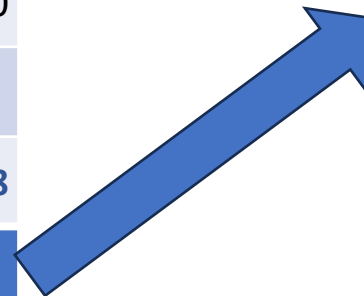
Revised Fee Structure more accurately captures Staff Costs

Updated Project's Estimate Example for 64 homes

Item	Qty	Unit	Unit Price	Total
8"PVS	3,067	LF	\$140	\$429,380
Standard MH Manholes	18	EA	\$14,000	\$252,000
Connect to Sewer Manhole	2	EA	\$1500	\$3,000
Connect to Sewer Stub	1	EA	\$500	\$500
Service Connections	64	EA	\$5,000	\$320,000
Clean Out	64	EA	\$950	\$60,800
Subtotal				\$1,065,680
10% Contingency				\$106,568
Grand Total (to the nearest 1000)				\$1,173,000

Using Method 1 for ISD Permit

Permit Item	Qty	Unit Price	Permit Fee	Equivalent Hours
Plan Check	\$1,173,000	2%	\$23,460	94.9
Permit Issuance	64	\$20	\$1,280	12.3
Inspection	\$1,173,000	4%	\$46,920	312.8
Total Permit Fee			\$71,660	



Method 1 Cost Recovery vs other Agencies

Project's Estimate for 64 homes is \$1,173,000

Agency	Method	Plan Check/Permit	Inspection	Fees Updated	Plan Check	Inspection	Total
Antioch*	Deposit	Actual Costs	Actual Costs	July 1, 2024	Actual Costs + \$300	Actual Costs + \$593	Full Cost Recovery
Oakley	Deposit	Time & Materials	Time & Materials	April 28, 2024	Full Cost Recovery	Full Cost Recovery	Full Cost Recovery
Central San	Fixed Fee	\$353 per new service plus \$3859 mainline review	Base inspection of \$1021 plus 16.04 per new main and \$1021 per connection	July 1, 2024	\$26,451	\$118,056	\$144,507
Pittsburg*	Engineer Estimate	4.5% Improvements plus \$37 per new utility service	7.5% first \$500,000, plus 5% from \$500, to \$5M, and 4.6% over \$5M	July 24, 2024	\$55,453	\$71,743	\$127,196
DSRSD	Fixed Fee	\$5173 + \$97 per unit after 5 + \$7.43 per LF new main after 300 LF	Base: \$7982 for 350 LF plus \$12.99 per LF main and \$604 per new lateral	July 1, 2024	\$28,854	\$81,932	\$110,786
Stockton	Deposit	\$82.50 plus 5.5% of \$99,999; \$285 plus 3% \$100,000-\$749,999; \$293 plus 2% over \$750,000	3.5% of mainline cost plus \$316 per new connection	July 1, 2024	\$24,293	\$62,224	\$86,517
ISD (Current)	Engineer Estimate	2% Improvements plus \$20 permit	4% Improvements	June 1, 1993	\$24,740	\$46,920	\$71,660
Brentwood	Engineer Estimate	2.5% of \$250 K, plus 2.25% from \$250K, plus 2% over \$1M	5% first \$100K, plus 4.5% next \$100K, plus 4% next \$300K, plus 3.5% over \$500K	Feb. 1, 2025	\$26,585	\$45,055	\$71,640

* Included Delta Diablo treatment plant fees

Fee update is needed for Full Cost Recovery

- Standard Industry Practice
- **Add New Fees** for other services provided:
 - **Lateral Compliance Program**
 - Restart of approved plans that have expired
 - Commercial Change of Use Plans
 - Credit Card/ACH transactions
- Provide tiers and clarification for general penalties
- **Eliminate using Low Engineering Estimates** provided by contractors which can skew permit fees
- Coordinate with the new ERP implementation



Neighboring Agencies Strive for Full Cost Recovery

Project's Estimate for 64 homes is \$1,173,000

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DSRSD	Fixed Fee	\$5173 + \$97 per unit after 5 + \$7.43 per LF new main after 300 LF	Base: \$7982 for 350 LF plus \$12.99 per LF main and \$604 per new lateral	July 1, 2024	\$28,854	\$81,932	\$110,786
ISD (Proposed)	Fixed Fee	\$354 per new connection plus \$5,474 mainline review	Base inspection of \$765 plus 15.30 per new main and \$189 per connection	Pending for FY2025/26	\$28,130	\$59,786	\$87,916
Stockton	Deposit	\$82.50 plus 5.5% of \$99,999; \$285 plus 3% over \$100,000- \$749,999; \$293 plus 2% over \$750,000	3.5% of mainline cost plus \$316 per new connection	July 1, 2024	\$24,293	\$62,224	\$86,517
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* Included Delta Diablo treatment plant fees

Proposed Application/Plan Review Fees

I	Application / Plan Review		
1	Single Family Residential & Accessory Dwelling Units		
	Application for new sewer service (includes up to 2 plan submittals)	\$	Per Application
	Additional Plan Review (minimum 1 hour)	\$	Per Each Additional Hour
2	Multi-Family/Mobile Home Park/RV Park		
	Application for new sewer service (includes up to 2 plan submittals)	\$	Per Application
	Additional Plan Review (minimum 1 hour)	\$	Per Each Additional Hour
3	Commercial/Industrial		
	Application for new sewer service (includes up to 2 plan submittals)	\$	Per Application
	Application for change in use or expansion of existing commercial facility (includes up to 2 plan submittals)	\$	Per Application
	Additional Plan Review (minimum 1 hour)	\$	Per Each Additional Hour
4	Sewer Mainline Infrastructure		
	New application for sewer mainline infrastructure (includes up to 2 plan submittals)	\$	Per Application
	Restart mainline application (includes up to 2 plan submittals)	\$	Per Application
	Additional Plan Review (minimum 1 hour)	\$	Per Each Additional Hour

Proposed Inspection Fees

II	Inspections		
5	Single Family Residential & Accessory Dwelling Units		
	Initial Basic Permit/Inspection of Lateral Connection	\$	Per Application
	Lateral Compliance Certificate per Ordinance 65	\$	Per Application
	Each Additional Inspection/Reinspection of Failures	\$	Per Each Additional Hour
6	Multi-Family/Mobile Home Park/RV Park		
	Initial Basic Permit/Inspection of Lateral Connection	\$	Per Application
	Lateral Compliance Certificate per Ordinance 65	\$	Per Application
	Each Additional Inspection/Trash Enclosure Inspection/Reinspection of Failures	\$	Per Each Additional Hour
7	Commercial/Industrial		
	Initial Basic Permit/Inspection of Lateral Connection	\$	Per Appertinent Structure c Lateral Connection
	Each Additional Inspection/Reinspection of Failures	\$	Per Each Additional Hour
	After Hours Inspection/Weekdays	\$	Per Hour
	Weekend/Holidays Inspection Base Fee (4 hour minimum)	\$	Per Inspection
	Weekend/Holiday Inspection Per Each Additional Hour after 4 Hours	\$	Per Inspection

Proposed Inspection Fees (continued)

8	Sewer Mainline Infrastructure		
	Base Inpection	\$	Per Application
	Mainline Inspection (Includes Structures and Lower Laterals)	\$	Per Foot
	After Hours Inspection Weekdays	\$	Per Hour
	Weekend/Holidays Inspection Base Fee (4 hour minimum)	\$	Per Inspection
	Weekend/Holiday Inspection Per Each Additional Hour after 4 Hours	\$	Per Each Additional Hour
9	Special Inspection		
	Special Inspection	\$	Per Hour

Proposed General Fees and General Penalty

III	General		
10	Transaction Fee		
	Checks	No charge	Per Transaction
	eCheck/ACH transaction	Actual Cost or \$2.25 Min.	Per Transaction
	Credit Card	Actual Cost or 2.99% +\$0.99 Min.	Per Transaction
11	Late Charges		
	Assessment of Late Charges: Shall be assessed on the overdue amount outstanding	10%	Per Delinquency
	Additional Late Charges: Shall be assessed for each 30 day period during which the overdue bill remains unpaid	1%	Per Delinquency
12	Charge for Returned Checks	\$25	Per Returned Check
IV	General Penalty		
13	Code Infraction		
	First violation	\$	Per Violation
	Second violation of same provision or ordinance within one year	\$	Per Violation
	Each additional violation of the same provision or ordinance within one year	\$	Per Violation

Capacity Fees

Oakley growing at a rate of 1.9% per year

Population Trends							
City	2019	2020	2021	2022	2023	2024	%/Yr
Antioch	112,180	115,333	115,079	114,247	115,282	115,632	0.6%
Brentwood	64,491	64,309	64,534	64,228	64,496	64,811	0.1%
Clayton	11,325	11,064	10,980	10,807	10,687	10,683	-1.1%
Concord	129,880	125,520	124,775	122,713	121,663	121,513	-1.3%
Danville	43,965	43,667	43,401	43,096	42,736	42,567	-0.6%
El Cerrito	24,788	25,979	25,841	25,643	25,409	25,700	0.7%
Hercules	25,513	26,023	26,255	25,869	26,202	26,063	0.4%
Lafayette	25,428	25,425	25,265	24,948	24,823	24,808	-0.5%
Martinez	37,369	37,539	37,209	36,686	36,425	36,439	-0.5%
Moraga	16,773	17,303	17,226	17,025	16,858	16,784	0.0%
Oakley	41,775	43,355	43,598	44,211	44,929	45,736	1.9%
Orinda	18,955	19,521	19,488	19,340	19,231	19,191	0.2%
Pinole	19,470	18,935	18,753	18,493	18,278	18,192	-1.3%
Pittsburg	73,640	76,246	75,769	74,644	74,736	75,085	0.4%
Pleasant Hill	34,231	34,512	34,244	33,770	33,447	33,352	-0.5%
Richmond	109,991	115,900	115,187	114,143	113,122	112,735	0.5%
San Pablo	31,141	32,205	31,989	31,499	31,163	31,088	0.0%
San Ramon	82,147	84,599	84,474	83,502	82,754	82,525	0.1%
Walnut Creek	70,755	70,306	70,520	69,394	69,010	69,433	-0.4%
Unincorporated	173,806	178,186	177,749	175,583	174,023	174,289	0.1%
Total	1,147,623	1,165,927	1,162,336	1,149,841	1,145,274	1,146,626	-0.02%

Source: California Department of Finance

Measurements for assigning Capacity EDUs established in 1993 are Outdated

Section 3 - ESTABLISHMENT OF UNITS

Connection fees, plant capacity fee, trunkline fee and sewerage service fee shall be calculated by using the following applicable multiplier.

TYPE OF SERVICE	EQUIVALENT SERVICE UNIT
RESIDENTIAL:	
Single Family Dwelling Unit	1
Multiple Dwelling Unit	1 each unit
Multiple Lodging Unit	1 + (0.5 X No. of Rooms)
Mobile Home Space	1 each space
Live-aboard Vessel (sewered or unsewered)	1 each vessel
COMMERCIAL:	
Bar (each seat)	0.10 per seat
Laundromat (each machine)	0.35
Retail Store / Office Space (per 1,000 S.F.)	0.50
Repair Shop (per 1,000 S.F.)	0.25
Service Station (w/public restrooms)	0.40 per pump
Service Station (w/o public restrooms)	0.50
Barber Shop	1 + (.50 X No. of chairs)
Beauty Shop	1 + (1 X No. of chairs)
Veterinary	3
Dry Cleaners	1
Markets (per 1,000 S. F. retail area)	1
Medical - Dental (per doctor)	1

RECREATIONAL FACILITIES:

Recreational Vehicle Space (sewered)	0.40 per space
Recreational Vehicle Space (unsewered)	0.07 per space
Boat Berth Space	0.04 per space
Camping, Picnic (each site)	0.07
Boat Launch Facility	2

RESTAURANTS:

Restaurant	0.10 X No. of seats
Fast Food (take-out only))	4
On/Off Premises (drive-thru)	4 + (.10 X No. of seats)

PUBLIC FACILITIES:

Churches	1
Schools, primary	0.067 per student
Schools, secondary	0.10 per student

OTHERS:

The Engineer shall assign, based on flow, composition and/or strength, the unit multiplier for all services per categories of use not listed above.

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Proposed Non-Residential Capacity Fees are grouped by Use and Strength

Institutional

Schools

Government

Churches

Commercial Low Strength

Office/Retail

Recreational

Gas Station

Commercial Medium Strength

Mixed Use

Laundromats/Car Wash

Supermarkets

Medical/Dental

Beauty/Barber

Commercial High Strength

Restaurants

Bakeries

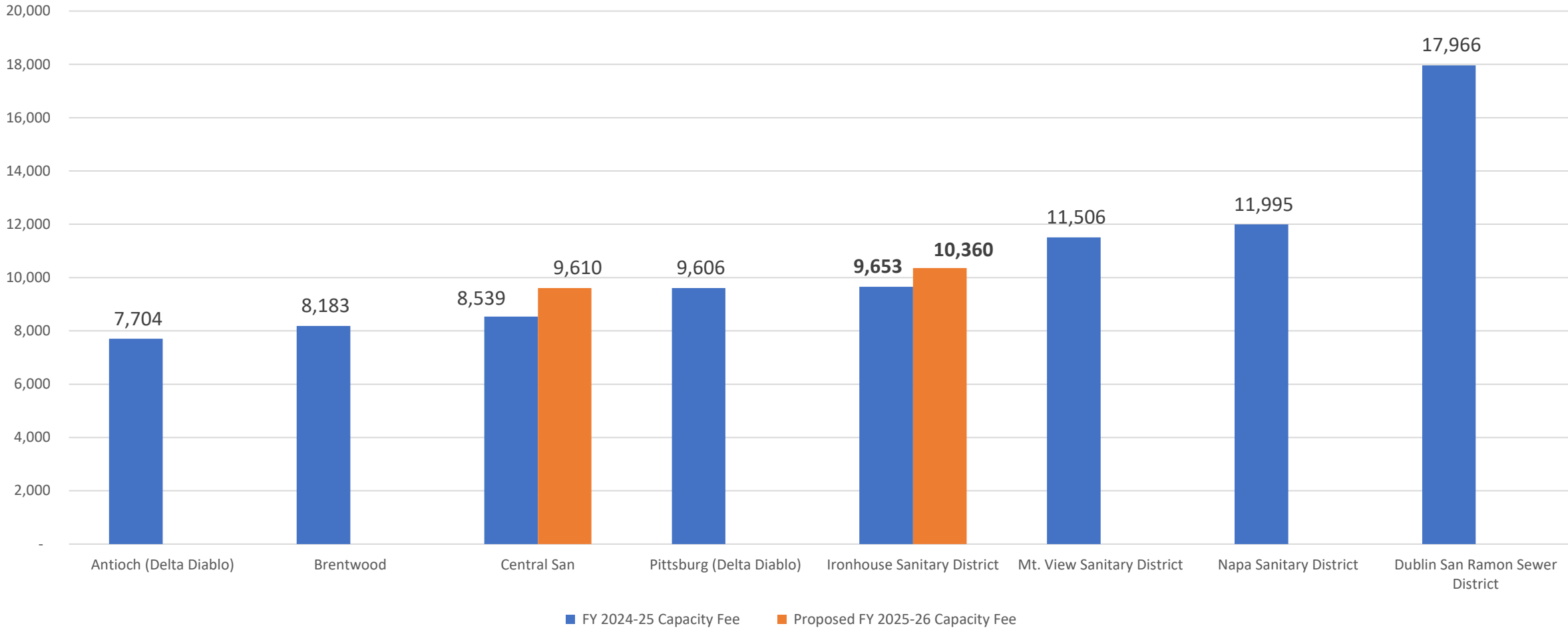
New EDU assignment based on Square Footage

Customer Class	Charge Per Constituent	Constituent Basis
Residential Customers		
Residential ¹	\$ 10,360	Per EDU
Multiple Residential ^{2,3}	\$ 4.92	Per Unit of Building Area (sf)
Accessory Dwelling Unit ³	\$ 4.92	Per Unit of Building Area (sf)
Mobile Homes ⁴	\$ 4.92	Per Unit of Building Area (sf)
Non-Residential Customers		
Institutional	\$ 5.18	Per Unit of Building Area (sf)
Commercial Low Strength	\$ 5.39	Per Unit of Building Area (sf)
Commercial Medium Strength	\$ 7.36	Per Unit of Building Area (sf)
Commercial High Strength	\$ 10.88	Per Unit of Building Area (sf)
Industrial Customers		
Industrial	\$ 32.98	Per Unit of Flow (gpd)
	\$ 7,908	Per Unit of BOD (lbs/day)
	\$ 7,908	Per Unit of TSS (lbs/day)

1. Residential customer class includes townhouses.
2. Multiple Residential customer class includes condos and apartments.
3. In the absence of actual square footage, multiple residential and ADU's will assume 1200 sf (60% of SFR and the limit of Gov Code section 66314).
4. In the absence of actual square footage, mobile homes will assume 1600 sf (80% of SFR).

Proposed ISD Capacity Fee

\$10,360 per EDU or 7.3% increase



Financial Forecast

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Current YTD	FY 2024-25 Budget	FY 2025-26 Budget
Plan Check/Permit	\$35,791	\$8,800	\$66,323	\$35,821	\$35,000	\$65,000
Inspection	\$76,674	\$21,900	\$108,217	\$81,926	\$80,000	\$135,000
Subtotal	\$112,465	\$30,700	\$174,540	\$117,747	\$115,000	\$200,000
Capacity Fees	\$7,280,334	\$2,149,492	\$913,757	\$1,134,078	\$1,930,600	\$2,187,393
Total	\$7,392,799	\$2,180,192	\$1,088,297	\$1,251,825	\$2,045,600	\$2,387,393

Recommendation to the Finance Committee

- CONSIDER RECOMMENDING THAT THE BOARD CONDUCT A PUBLIC HEARING AND,
- ADOPT ORDINANCE NO. 86 AMENDING ORDINANCE NO. 25 AND,
- ESTABLISH SEWER CAPACITY FEES AND PERMIT FEES

Questions?

