

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Public Works *AMM*

BOARD AGENDA # *B-3

Urgent Routine

AGENDA DATE April 21, 2009

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Set a Public Hearing on May 19, 2009, at 6:40 p.m., to Introduce and Waive the First Reading of an Ordinance to Amend Existing Fees for the Department of Public Works Engineering Division

STAFF RECOMMENDATIONS:

Set a Public Hearing on May 19, 2009, at 6:40 P.M. to introduce and waive the first reading of an ordinance to amend existing fees for the Department of Public Works Engineering Division.

FISCAL IMPACT:

The proposed fee increase will enable the Department of Public Works to recover more of the cost of providing construction inspection, plan review, and project review services. The proposed fees will generate approximately \$180,000. This revenue will be used to offset the staffing and operational costs associated with these services. Staffing costs to provide these services for Fiscal Year 2008/2009 were approximately \$540,000. Revenues for the same time period, based on the existing fee schedule, are projected to be \$178,000, a deficit of \$362,000. The proposed increase in fees will reduce the deficit to \$182,000.

BOARD ACTION AS FOLLOWS:

No. 2009-244

On motion of Supervisor DeMartini, Seconded by Supervisor Grover

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No. ORD-55-J-9

Approval to Set a Public Hearing on May 19, 2009, at 6:40 P.M. to Introduce and Waive the First Reading of an Ordinance to Amend Existing Fees for the Department of Public Works Engineering Division

DISCUSSION:

The Public Works Department provides services as required by law to the public and the development community. Some of these services encompass construction inspection, plan review, and project review. Public Works charges fees to recoup the costs of providing these inspection and review services.

The fee adjustments are based upon average time and costs involved in providing the service. Construction inspection, plan review, and project review fees were last increased in 1991. The cost of providing these services has increased and is not being fully recovered under the existing fee structure.

An example of this is the construction inspections for a concrete driveway. Under the current fee system, a driveway inspection is \$35. A concrete driveway takes a minimum of 3 inspections totaling an average of 2 hours. Calculating the cost of this same permit under the new methodology would be as follows: Using the rate of \$60 an hour the proposed fee for a driveway encroachment permit would be \$120 plus an additional \$10 for the basic permit fee, flood plain review, and related GIS updates for a total of \$130. This compares to the City of Modesto driveway encroachment permit of \$198.

Public Works realizes that in the current economic environment, it would be unreasonable to propose to increase fees in one year to cover the deficit between the current fees charged and the cost of delivering the services that has developed over the last 18 years since the fees were set in 1991. Therefore, Public Works proposes to increase the fees incrementally over a five year period.

The majority of Public Works inspection fees are currently at a \$60 flat rate. Flat rates are charged by project category and currently are independent of the hours of inspection required for a project dependant on the location, size, and type of each project. Also, time to travel to the inspection site is not included in the fee. Typically, daily inspections are spread out over a much wider area than those found in any city within the County. This means more travel time for the inspector and more varied inspections throughout the day.

Public Works proposes to use \$60 per hour as a baseline for setting inspection services and permit fees. The proposed fees are based on the average amount of time it normally takes to perform the various inspections. Public Works is submitting for approval only the first year's fee increase.

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The remaining adjustments will be returned to the Board of Supervisors for approval on an annual basis through year five. The anticipated increments over the next five years for the per hour baseline rate are shown in the following table:

Proposed Increases Over Five Years				
Year 1	Year 2	Year 3	Year 4	Year 5
\$60.00	\$70.00	\$80.00	\$90.00	\$95.00

Staff's current average weighted hourly rate is \$85. Based upon the current weighted rate and the proposed fee in year one, Public Works will continue to subsidize these services. With projected equity increases and cost of living increases it is anticipated that the Department will not be made whole until year five.

Fee Review Process

In order to determine proposed fee increases, Public Works used the following process:

- Public Works' plan check, encroachment permit, excavation permit, street improvement construction permit, and construction inspection fees were last increased December 17, 1991. In reviewing the fee structure, Public Works staff believed that the fees had fallen behind what is customarily and routinely charged by other San Joaquin Valley governmental entities for the same types of services.
- Public Works' Engineering staff contacted Fresno County, Merced County, and San Joaquin County, and the cities of Ceres, Fresno, Merced, Modesto, and Oakdale to obtain information about the fees they currently charge for plan checks, encroachment permits, excavation permits, street improvement construction permits, and construction inspections.

A spreadsheet was developed listing the fees charged by those government entities along with the current Stanislaus County Public Works fees (Exhibit C).

- The fees charged by other government entities were averaged and compared with the Stanislaus County fees. In addition, the variation in methods for charging the fees was also evaluated. Variations included a flat rate, charging actual time taken to perform the services, and requiring deposits based on a percentage of the engineer's estimated cost to complete the project.
- Based on the above analysis and evaluation Public Works has arrived at a proposed change in construction review and inspection fees.

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Proposed Fee Changes

Excavation Permit (for any excavation occurring in a County right-of-way): The basic permit fee is proposed to increase to \$20. This fee includes \$5 each for Flood Plain Administrator review and Geographic Information System (GIS) updates as related to the improvements. An additional fee for the inspection of the excavation work would change from a \$60 flat fee per 250 or 500 lineal feet of excavation of unpaved or paved area respectively to a \$120 flat fee. The fee is based on the average inspection time for each of these items being two hours.

Encroachment Permit: The flat rate fee that has been charged for an encroachment permit (for construction that occurs in a County right-of-way) for driveway construction has been \$35. The proposed fee increase is to \$120. Inspection for a concrete driveway takes a minimum of 3 inspections totaling on average 2 hours. With an hourly charge of \$60, 2 hours of inspection time equals \$120.

Construction Permits: Permits for street improvements have been charged at a flat rate fee of \$30 for the basic permit and an additional fee of \$60 per 250 lineal feet for inspection of curb and gutter work, sidewalks, and matching pavement construction, and a flat fee of \$60 for drywell inspections. Using a baseline of \$60 per hour and the average inspection time for the listed services of two hours, the proposed fee is \$120 plus the basic permit fee of \$40. The increase for the basic permit includes a one-time fee of \$10 to offset the staffing and operational costs associated with flood plain review and GIS updates as related to the improvements. Fees are to be paid in advance of the inspection.

Re-inspections have been charged, and will continue to be charged, at \$60 per hour. These fees have historically been collected after the work has been performed. For larger projects, a different method for charging fees for these services is proposed which is to require a deposit of 10% of the engineer's estimate for the total cost of the construction. Inspection time would be charged at the rate of \$60 per hour (no change), the charge being drawn down against the deposit. At the completion of the project, the balance of the deposit would be remitted to the customer. If the deposit is not sufficient to cover all inspection charges, the customer will be billed separately for additional charges. The standard rate per hour for construction inspection is proposed to remain at \$60 per hour for this year.

Improvement plan checking is proposed to remain at the rate of \$80 per hour. However, the initial hourly charge will include a one-time fee of \$10 in addition to the hourly charge. This fee will offset the staffing and operational costs associated with flood plain review and GIS updates as related to the improvements. As with large construction projects, a deposit of 10% of the engineer's estimate for the total cost of the project would be required, and inspection time would be charged back against the deposit.

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The flat rate fee for a parade permit is proposed to be increased from \$25 to \$50. A parade permit takes approximately 45 minutes to process, equivalent to \$50 of staff time. Public Works waives the parade permit fee for non-profit organizations.

The proposed new fee schedule is shown as Exhibit "A" in this document.

Currently, Public Works subsidizes these services in the amount of approximately \$360,000. With the proposed phasing plan, the subsidy will reduce to approximately \$182,000 in year one and be fully recovered by year five.

POLICY ISSUES:

Authority for the Department of Public Works to charge fees for use of County roads and inspection of constructions, excavations, and installations occurring in Stanislaus County streets is granted in California Street and Highways Code, Division 2, Chapter 2, Section 982, and Chapter 5.5, Article 2, Section 1464. The Board should consider if the recommended action is consistent with its priorities of a well-planned infrastructure system and the efficient delivery of public services.

STAFFING IMPACT:

The proposed increases will enable Public Works staff to continue to provide construction inspection, plan review, and project review services in a timely manner.

DG/RM/DH/MM/SR:jg/lc

H:\David Gein\Engineering Services\Encroachment Inspection & Permits\Fee Increase Project\Fee Increases 2009 – Set Hearing

ORDINANCE NO. C.S. _____

**AN ORDINANCE ADOPTING NEW FEES AND INCREASING EXISTING FEES
COLLECTED BY THE DEPARTMENT OF PUBLIC WORKS**

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS, STATE
OF CALIFORNIA ORDAINS AS FOLLOWS:

Section 1. Fees to be collected by the Department of Public Works are adopted and amended as set forth in the Department of Public Works Fee Schedule attached hereto as Exhibit A and incorporated by reference, copy of which is on file with the Clerk of the Board of Supervisors and is available for public inspection and copying in that office in accordance with the California Public Records Act.

Section 2. This ordinance shall take effect 30 days from and after the date of its passage and before the expiration of 15 days after its passage it shall be published once, with the members voting for and against the same, in the Modesto Bee, a newspaper published in the County of Stanislaus, State of California.

Upon motion of Supervisor _____ seconded
by Supervisor _____, the foregoing Ordinance was
passed and adopted at a regular meeting of the Board of Supervisors of the
County of Stanislaus, State of California, this ____ day of _____,
2009, by the following called-vote:

AYES: Supervisors:

NOES: Supervisors:

ABSENT: Supervisors:

Jim DeMartini, Chairman
of the Board of Supervisors of the
County of Stanislaus, State of California

ATTEST:

CHRISTINE FERRARO TALLMAN, Clerk of the
Board of Supervisors of the County of Stanislaus,
State of California

By _____
Liz King, Deputy Clerk

APPROVED AS TO FORM:

JOHN P. DOERING
County Counsel

By: 
Thomas E. Boze
Deputy County Counsel

EXHIBIT "A"			
Public Works Inspection Fees			
Fee Description	Current Fee		Proposed Fee
	Fee Amount	Fiscal Year Adopted	Fee Amount
Excavation Permits			
California Street & Highways 1464; California Code of Regulations. Division 2, Chapter 5.5, Article 2			
Permit	\$ 10.00	1991	\$ 20.00
			includes \$5 ea FPA&GIS
Inspection fee per 500 ft of trench in unpaved areas	\$ 60.00	1991	\$ 120.00
Inspection fee per 250 ft of trench in paved area	\$ 60.00	1991	\$ 120.00
Encroachment Permits-Driveway construction	\$ 35.00	1991	\$ 120.00
Construction Permits - Street Improvements			
California Street & Highways 1464			
Permit	\$ 30.00	1991	\$ 40.00
			includes \$5 ea FPA&GIS
Curb & Gutter - for each 250 lineal feet	\$ 60.00	1991	\$ 120.00
Sidewalks - for each 250 lineal feet	\$ 60.00	1991	\$ 120.00
Matching Pavement for each 250 lineal feet	\$ 60.00	1991	\$ 120.00
Drywell Inspection	\$ 60.00	1991	\$ 120.00
Re-inspections (hourly rate)	\$ 60.00	1991	no change
Construction Inspection (hourly rate)*	\$ 60.00	1991	no change
Improvement Plan Checking (hourly rate)*	\$ 80.00		No Change + \$10 one-time chg
*Actual inspection time to be charged against deposit of 10% of engineer's estimate of total cost of construction/improvement for large projects and subdivisions.			
Road Use Permit			
California Street & Highways 982; California Code of Regulations. Division 2, Chapter 2			
Parade Permit	\$ 25.00		\$ 50.00
Land Survey			
Subdivision Map Act 66451.2, Chapter 3, Article 1			
Subdivision Map Processing (per map)	\$ 1,390.00	2004	No Change
Plus additional per lot and block	\$ 10.00		
Parcel Map Processing (per map)	\$ 1,390.00	2004	No Change
Plus additional per parcel	\$ 10.00		
Survey Map Processing (per request)	\$ 565.00	2004	No Change
Certificate of Compliance Processing (per request)	\$ 695.00	2004	No Change
Road Abandonment Processing (per request)	\$ 1,110.00	2004	No Change
Lot Line Adjustment Processing			
A2 Zoning District (per lot line application)	\$ 695.00	2004	No Change
All Other Zoning Districts (per lot line application)	\$ 210.00	2004	No Change

EXHIBIT "B"

FEE ANALYSIS – JANUARY 2009

DETERMINING WEIGHTED RATES FOR VARIOUS TASKS

1. Weighted Rate for Construction Inspection

Hourly rate charged by the construction inspector shall be \$85.00 per hour.

Assistant Engineer	1.0 hr @ \$61.85 = \$61.85
Public Services Manager	0.1 hr @ \$80.84 = \$ 8.08
Assistant Engineer	0.1 hr @ \$61.85 = \$ 6.19
Clerical	0.1 hr @ \$19.59 = \$ 1.60
Deputy Director	0.1 hr @ \$82.94 = \$ 8.29
	<u>\$86.01</u>

All work by others, including traffic engineering and additional inspectors, shall be charged at each individual's weighted labor rate. Per Stanislaus County Subdivision Ordinance 20.58.070, Inspection Fees shall be based on the actual costs incurred plus a reasonable sum for overhead and supervision.

2. Weighted Rate for Project Review

Hourly rate charged by the construction inspector shall be \$85.00 per hour.

Assistant Engineer	1.0 hr @ \$ 61.85 = \$61.85
Public Services Manager	0.1 hr @ \$ 80.84 = \$ 8.08
Clerical	0.1 hr @ \$ 19.59 = \$ 1.60
Deputy Director	0.1 hr @ \$ 82.94 = \$ 8.29
Director	0.1 hr @ \$122.49 = <u>\$12.25</u>
	<u>\$92.07</u>

All work by others, including traffic engineering and additional inspectors, shall be charged at each individual's weighted labor rate. Per Stanislaus County Subdivision Ordinance 20.58.070, Inspection Fees shall be based on the actual costs incurred plus a reasonable sum for overhead and supervision.

EXHIBIT "C"

Stanislaus County	Fee Comparison	January	2009	Municipalities								
				Proposed	Stan Co	Ceres	Fresno Co	Fresno	Modesto	Merced Co	Merced	Oakdale
Excavation Permit	Effective Date			12/17/91	9/11/06	6/5/07	1/7/09	7/1/07	9/11/07	1/1/07	5/21/07	
Permit		No Change		\$10	\$100	\$25	\$175.00	\$50	\$54	\$25	\$150	
Inspection fee per 500 feet of trench in unpaved areas		\$60/hour		\$60	\$55	\$125+.21 LF	\$7.48 LF	\$20 LF	\$96	\$1 LF	\$115	
Inspection fee per 250 feet of trench in paved areas		\$60/hour		\$60	\$55	\$125+.77 LF		\$2.50 SF	\$138	\$1 LF	\$20/100 LF	
Pipelines under County Road (Requires Maintenance Agmnt)		\$60/hour		\$60	\$100.00	\$125	\$150.00	\$70	\$138	\$75	\$75	
Manholes, drain inlets		\$60/hour		\$60	\$100.00		\$104.00 ea					
Utility Company Excavation Permit												
Bellholes for new or cut off service	Deleted, will use excavation Permit			\$20.00	\$50.00	\$125	\$150.00	\$245	\$96	\$75	\$80	
Encroachment Permit												
Commercial or Residential Driveway Permit		\$60/hour		\$35	\$50.00	\$275+.23 SF	\$3.43 LF	\$198	\$96	\$35	\$80	
Plancheck fee				\$80 HR	\$255	\$640	\$750.00	1.6% of ee	\$250	\$250	TBD	
Improvement Plan Checking (hourly rate)	No change + \$10 charge											
Construction Permits – Street Improvements												
Permit	\$10 charge +	\$60/hour		\$30	\$50.00	\$25		\$50	\$96	3%		
Curb and Gutter- for 250 LF		\$60/hour		\$60	\$200.00	\$275+.77 LF	\$0.85 LF	\$198	.05 x EE	\$1 LF	\$80	
Sidewalks - for each 250 LF		\$60/hour		\$60	\$200.00	\$10+.10 SF	\$0.69 LF	\$198	.05 x EE	\$1 LF	\$80	
Matching Pavement		\$60/hour		\$260	\$100.00	\$275+1.15SY	\$0.07 SF	\$439	.05 x EE	\$1 LF		
Drywell Inspection	\$10 charge +	\$60/hour		\$60	\$100.00	\$68	\$100.00	\$245	.05 x EE	\$35		
Re-inspections (hourly rate)		\$60/hour		\$60	\$150.00	\$25	\$100.00	\$35	\$96	\$110		
Construction Inspection (hourly rate)	\$10 charge +	\$60/hour										
Parade Permit				\$50	\$25	\$50.00	\$77	\$250.00	\$245	\$35	\$50	\$150

NOTICE OF PUBLIC HEARING REGARDING
THE AMENDMENT OF EXISTING FEES
FOR THE DEPARTMENT OF PUBLIC WORKS ENGINEERING DIVISION

NOTICE IS HEREBY GIVEN that on May 19, 2009, at the hour of 6:40 P.M., or as soon thereafter as the matter may be heard, the Stanislaus County Board of Supervisors will meet in the Basement Chambers, 1010 10th Street, Modesto, California, to consider the Introduction and Waiver of the First Reading of an Ordinance to Amend Existing Fees for Department of Public Works Engineering Division.

ADDITIONAL NOTICE IS GIVEN that the proposed Ordinance and Fee Schedule will be available for review on May 8, 2009 in the Clerk of the Board Office, 1010 10th Street, Suite 6700, Modesto, CA. For further information, contact Diane Haugh in the Public Works Department at (209) 525-6550 or at 1010 Tenth Street, Suite 3500, Modesto, CA.

NOTICE IS FURTHER GIVEN that at the above time and place, interested persons will be given the opportunity to be heard. Material submitted to the Board for consideration (i.e. photos, petitions, etc.) will be retained by the County. If a challenge to the above application is made in court, persons may be limited to raising only those issues they or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Board of Supervisors.

BY ORDER OF THE BOARD OF SUPERVISORS

DATED: April 21, 2009

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk of
the Board of Supervisors
of the County of Stanislaus,
State of California.

BY: 

Elizabeth A. King, Assistant Clerk

**DECLARATION OF PUBLICATION
(C.C.P. S2015.5)**

**COUNTY OF STANISLAUS
STATE OF CALIFORNIA**

I am a citizen of the United States and a resident Of the County aforesaid; I am over the age of Eighteen years, and not a party to or interested In the above entitle matter. I am a printer and Principal clerk of the publisher of **THE MODESTO BEE**, printed in the City of **MODESTO** , County of **STANISLAUS** , State of California, daily, for which said newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of **STANISLAUS** , State of California, Under the date of **February 25, 1951, Action No. 46453**; that the notice of which the annexed is a printed copy, has been published in each issue there of on the following dates, to wit:

May 08, 2009, May 14, 2009

**NOTICE OF PUBLIC HEARING
REGARDING THE AMENDMENT
OF EXISTING FEES FOR THE DE-
PARTMENT OF PUBLIC WORKS
ENGINEERING DIVISION.**

NOTICE IS HEREBY GIVEN that on May 19, 2009, at the hour of 6:40 P.M., or as soon thereafter as the matter may be heard, the Stanislaus County Board of Supervisors will meet in the Basement Chambers, 1010 10th Street, Modesto, California, to consider the Introduction and Waiver of the First Reading of an Ordinance to Amend Existing Fees for Department of Public Works Engineering Division. ADDITIONAL NOTICE IS GIVEN that the proposed Ordinance and Fee Schedule will be available for review on May 8, 2009 in the Clerk of the Board Office, 1010 10th Street, Suite 6700, Modesto, CA. For further information, contact Diane Haugh in the Public Works Department at (209) 525-6550 or at 1010 Tenth Street, Suite 3500, Modesto, CA. NOTICE IS FURTHER GIVEN that at the above time and place, interested persons will be given the opportunity to be heard. Material submitted to the Board for consideration (i.e. photos, petitions, etc.) will be retained by the County. If a challenge to the above application is made in court, persons may be limited to raising only those issues they or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Board of Supervisors. BY ORDER OF THE BOARD OF SUPERVISORS. DATED: April 21, 2009. ATTEST: CHRISTINE FERRARO TALLMAN, Clerk of the Board of Supervisors of the County of Stanislaus, State of California. BY: Elizabeth A. King, Assistant Clerk

Pub Dates May 8, 14, 2009

I certify (or declare) under penalty of perjury That the foregoing is true and correct and that This declaration was executed at

MODESTO, California on

May 15th, 2009

(Signature)


