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DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

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TRANSPORTATION DIVISION

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May 7, 1991

Joint Transportation and Community Development
and Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: FEE PROPOSALS - DEVELOPMENT SERVICES AND TRANSPORTATION ENGINEERING

SUMMARY

This report recommends that the Budget and Finance and Transportation and Community Development Committee review this report and refer it to the full City Council for approval of the attached resolutions that recommend:

1. That new fees and revised fees proposed in the attached report by the Department of Public Works, Engineering and Transportation Divisions, be established in compliance with Government Code Sections 54992 and 21080 (b) 8; and
2. That the City Fees and Charges Report be amended to reflect the above new and revised fees for the Department of Public Works, Engineering and Transportation Divisions and that these fees become effective beginning July 1, 1991 in accordance with the schedule indicated in the resolution.

BACKGROUND INFORMATION

The Department of Public Works' Development Services and Transportation Engineering sections are responsible for the majority of pre-project engineering for the Public Works' Office of Engineering and Transportation. Because these sections generally provide services to projects before they are recognized projects with funding sources, Development Services and Transportation Engineering depend for support on either the General Fund or developer fees or a combination of both. The attached report, (Exhibit A), details the proposed fee revisions and new fees, the timeline for implementation of the proposed fees, and estimated revenue to be received.

The City's developer fees have been established to recover the costs for necessary administration and engineering services for such pre-project functions as subdivision and parcel map review, and review of planning applications and reassessment maps. Staff of Development Services and Transportation Engineering have researched current costs of providing these necessary Public Works services and find

revision of fees is necessary in order to continue to recover costs for these services. In addition to the research on current costs, staff surveyed nine comparable California cities to assure that the proposed fee revisions were competitive with the other cities but not prohibitive to developers, (Exhibit B).

In addition to the recommended revisions, there are several services for which no fees have been established. These services include Public Works review of tentative maps, Public Works review of environmental documents, special events support, and written response to floodplain enquiries from commercial interests. New fees are being proposed in order to recover the costs of these services from the primary beneficiaries of these services.

Revenue resulting from revision of the existing fees and establishment of the new fees will provide the maximum possible cost recovery for the Development Services and Transportation Engineering sections of the Department of Public Works. This revenue increase will also further reduce these sections' dependence on General Fund support.

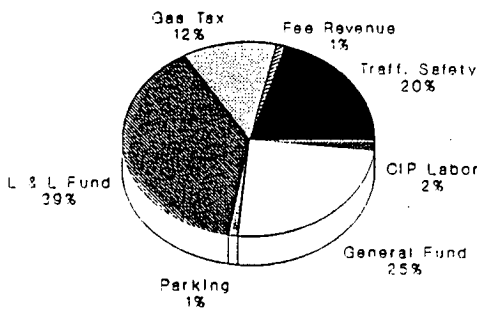
Public notification of these proposed fee revisions and new fees has been done in conjunction with the Department of Planning and Community Development. Notices were mailed to all interested parties, including engineering firms, building trades and public utilities. In addition, the City Clerk has published notification of the new and revised fees in the local newspaper.

FINANCIAL DATA

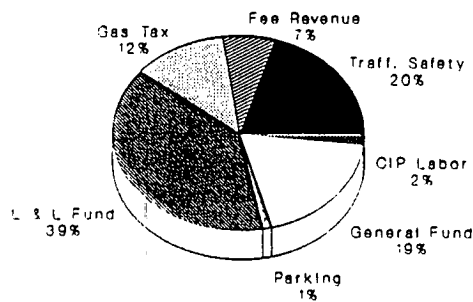
Establishment of new fees and revision of existing fees is necessary to fully recover the costs of the Department of Public Works, Engineering and Transportation Divisions for providing various administrative and engineering services. The revenue to be received through these fees will help reduce the General Fund subsidy to these divisions.

The tables and graphs below provide a summary of the proposed fees and expected revenues. More detailed cost, fee and revenue data can be found in Exhibit A.

Transportation Engineering General Fund vs. Fee & Other Offsets

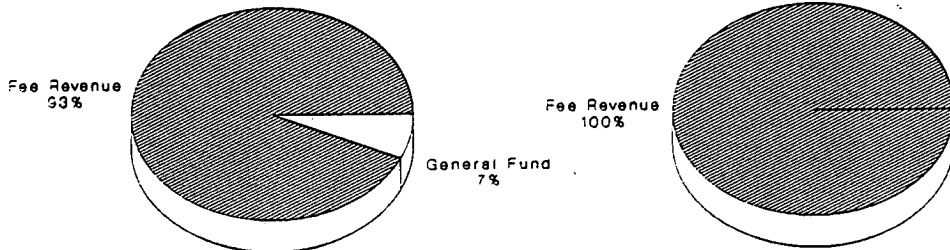


Before Fee Revision



After Fee Revision

Development Services General Fund vs. Fee Offsets



Before Revision

After Revision

Estimated Increased Revenue via New Public Works Fees

Revenue Description	Revenue Code	FY 92 Revenue Budget Without New Fees	FY 92 Increase Amount With New Fees	FY 92 Total Revenue Budget w/ New Fees	FY 93 Increase Amount With New Fees	FY 93 Total Revenue Budget w/ New Fees
Driveway Permits (Issuance)	3210	\$52,000.00	\$9,995.00	\$61,995.00	\$0.00	\$61,995.00
Excavation Permits (Utility Companies)	3227	\$30,000.00	\$105,000.00	\$135,000.00	\$6,750.00	\$141,750.00
Excavation Permits (Others)		incl. above	incl. above	incl. above	incl. above	incl. above
Revocable Permits (Staff Issued)	3299	\$9,000.00	\$200.00	\$9,200.00	\$0.00	\$9,200.00
Transportation Permits (Org. 3128)	3218	\$4,000.00	\$14,250.00	\$18,250.00	\$0.00	\$18,250.00
Public Works Environmental Review	TBD	\$0.00	\$52,000.00	\$52,000.00	\$0.00	\$52,000.00
Special Events Permits Org. 3128)	TBD	\$0.00	\$23,800.00	\$23,800.00	\$0.00	\$23,800.00
Reassessments (Public Works Org. 3113)	3709	\$6,190.00	\$33,070.00	\$39,260.00	\$0.00	\$39,260.00
Reassessments (Finance Org. 1134)	TBD	\$0.00	\$1,000.00	\$1,000.00	\$0.00	\$1,000.00
Assessment Prepayments (Finance Org. 1134)	TBD	\$0.00	\$1,000.00	\$1,000.00	\$0.00	\$1,000.00
*Street Light Design	3651	\$1,006,950.00	\$12,550.00	\$1,019,500.00	\$50,975.00	\$1,070,475.00
Tentative Maps	TBD	\$0.00	\$84,500.00	\$84,500.00	\$0.00	\$84,500.00
Pub. Works Review (Lot Mergers, etc.)	TBD	\$0.00	\$16,800.00	\$16,800.00	\$0.00	\$16,800.00
Pub. Works Review (Variances, etc.)	TBD	\$0.00	\$28,000.00	\$28,000.00	\$0.00	\$28,000.00
Certificates of Compliance	3639	\$35,000.00	\$19,050.00	\$54,050.00	\$0.00	\$54,050.00
TOTALS:		\$1,143,140.00	\$401,215.00	\$1,544,355.00	\$57,725.00	\$1,602,080.00

*This fee is included and collected with Engineering Fees

POLICY CONSIDERATIONS

Cities may levy fees which are limited to the cost of services provided under the authority of the City Police Powers as defined by Article XI, Section 7 of the California Constitution. The recommended fees and fee revisions are proposed in order to offset the direct and indirect costs of providing engineering and administrative services during the pre-project phase of developments proposed in the city.

In addition, all of the recommended fees and fee revisions are consistent with the applicable sections of the Sacramento City Code and State codes, i.e. Vehicle Code, Streets and Highways Code. Specific references to the applicable code sections are included in the attached report.

MBE/WBE EFFORTS

This report does not have any effect upon the City' MBE/WBE efforts.

RECOMMENDATION

This report recommends that the Budget and Finance and Transportation and Community Development Committee review this report and refer it to the full City Council for approval of the attached resolution which recommends:

1. That the new fees and revised fees proposed in the attached report by the Department of Public Works, Engineering and Transportation Divisions, be established in compliance with Government Code Sections 54992 and 21080 (b) 8; and
2. That the City Fees and Charges Report be amended to reflect the above new and revised fees for the Department of Public Works, Engineering and Transportation Divisions and that these fees become effective beginning July 1, 1991 in accordance with the schedule indicated in the resolution.

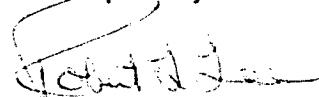
RECOMMENDATION APPROVED:



JACK CRIST
Deputy City Manager

Contact Person:
Terry Moore, Supervising Engineer
449-8213

Respectfully submitted,



ROBERT L. LEE
Deputy Director, Public Works

APPROVED:



MELVIN H. JOHNSON
Director, Public Works

All Districts
May 14, 1991

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION OF FINDINGS CONCERNING NEW AND REVISED FEES FOR PUBLIC WORKS DEPARTMENT, ENGINEERING AND TRANSPORTATION DIVISIONS

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

WHEREAS, the Budget and Finance and Transportation and Community Development Committee held a public hearing on May 7, 1991 concerning new and revised fees for the Department of Public Works, Engineering and Transportation Divisions, at which hearing staff presented oral and written reports, and at which hearing, oral and written presentations could be made by members of the public; and at which Committee recommended adoption of a new fee schedule; and

WHEREAS, the City Council received, on May 14, 1991 at a regularly scheduled Council meeting, oral and written reports by staff, and at which meeting, oral and written presentations could be made by members of the public; and

THEREFORE, on the basis of the information presented to it and upon all information in the public record, in compliance with Government Code Sections 54992 and 21080(b)8, and Section 6481 of the Streets and Highways Code, and in connection with a resolution of even date herewith establishing new and revised fees for the Department of Public Works, Engineering and Transportation Divisions, the City Council finds:

1. The new and revised fees will provide funds to meet operating expenses in connection with provision of the services for which the fees are charged.
2. The new and revised fees will provide funds to purchase necessary equipment for use in connection with provision of the services for which the fees are charged.
3. The new and revised fees do not exceed the estimated amount required to provide the service for which the fees are levied.
4. The fee set forth in Section 6481 of the Streets and Highways Code is not sufficient to reimburse the City for the necessary administrative costs in processing applications for reassessments.

ATTEST:

MAYOR

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

PUBLIC WORKS DEPARTMENT - ENGINEERING DIVISION

I. BARRICADES SIGNS USE (Deposit)

Block Parties \$20 (refundable)

II. BELL AVENUE STORM DRAINAGE AND SANITARY SEWER FEE DISTRICTS

Fee for trunk storm drainage cost for Bell Avenue
Drainage Benefit Area \$2,515.00*
per acre

Fee for trunk sanitary sewer cost for Bell Avenue
Sewer Benefit Area \$2,175.00*
per acre

*Trunk fees shall increase at the rate of 0.67% per month commencing May 2, 1989, provided that in no event shall the amount of the trunk storm drainage fee exceed \$5,030 per acre or the amount of the trunk sanitary sewer fee exceed \$4,350 per acre. Fee increases and total fees shall be calculated on the first of each month and remain in effect until the first of the following month.

Collector Sewer Fee for Bell Avenue Sewer Benefit Area \$2,464.00*
(I-80 Industrial Park Area exempted) per acre

*The Collector Sewer Fee shall be subject to annual adjustment commencing on March 1, 1990 and each succeeding March 1 thereafter. At the beginning of each year, the Department of Public works shall review the Engineering News Record Construction Cost Index (ENRCCI). The January ENRCCI for 20 cities and the index for San Francisco will be averaged. When the average index thus computed differs from 5012, an adjustment factor shall be applied to the Collector Sewer Fee. This factor shall be equal to the ratio of the current 20 cities/San Francisco average index divided by 5012.

III. PERMITS

Driveway (driveway access) \$100 plus plan check and inspection costs per fee schedule for frontage improvements

Excavation:

Cable TV, PG&E, Pacific Bell, SMUD & Citizen's Utilities Full cost recovery

All Others \$250 plus \$55 per hour for over five hours total staff time

Revocable \$50 plus plan check and inspection fee per frontage improvement fee schedule (no Council action required.)

PUBLIC WORKS DEPARTMENT - ENGINEERING DIVISION

<u>Revocable Permits - continued</u>	\$200 plus plan check and inspection fee per frontage improvement fee schedule (requiring Council action)
Transportation (for excess load or size)	
Short-term Permits	\$15
Annual Permits	\$70
Duplicate Permits for Additional Loads	
Short-term Permits	\$15
Annual Permits	\$35
Special Events Permit	\$850

IV. ENGINEERING AND RELATED FEES AND CHARGES

Public Works Environmental Review Fee	\$2600 Per Environmental Impact Report.
Assessment Proceedings	Full cost recovery in accordance with the resolution of the City Council at the time of formation of the district. (City Code, Section 38.6) A deposit may be required prior to start of proceedings.
Reassessments	
Streets and Highways Code Sections 8740-8740.5 and 6481	\$1,500 plus \$10/parcel for greater than than 20 parcels, and an additional Finance Department administrative fee of \$50 plus \$15 per tax year on the remaining assessment collection period for each additional parcel created. Applicant shall provide reassessment map. (City Code, Section 38.7)
Assessment Prepayments	
Streets & Highways Code Section 8766	\$50 plus \$15 per \$5,000 in remaining principal. Fee is collected by the Finance Department.

Fee Schedule for Subdivisions, Frontage Improvements and Other Public Improvements (based on value of improvements and scope of service - City Code Section 38.7).

PUBLIC WORKS DEPARTMENT - ENGINEERING DIVISION

IV. Engineering and Related Fees and Charges - continued

NOTES:

Fees are computed by: 1) locating appropriate fee range; 2) subtracting the low value in the range from the project cost; 3) multiplying result by indicated percentage; and 4) adding indicated amount.

Fee schedules include services only for standard projects. Additional fees will be charged for difficult or unusual projects as determined by the Public Works Director or his designee. (This includes "street light only" projects, lime treated base, unusual flooding concerns, extensive project redesign, charges for overtime required on the project, providing structural engineering services, etc.).

Materials testing fees cover original testing only. Additional charges will be made if retesting is necessary.

Charges for projects requiring City design services (other than street lighting) will be based on full cost recovery. An initial deposit will be required.

An initial payment equal to one-half the estimated plan check and inspection fee (plus street light design, if applicable) is required prior to the start of plan checking. Remaining fees are due prior to start of construction.

Additional fees will be charged for change orders based on the estimated costs.

Basic Services:

<u>Value of Improvements</u>	<u>Plan Check and Inspection Fees</u>	<u>Materials Testing Fees</u>	<u>Total Fee</u>
\$ 0 - \$ 25,000	15.0%	3.0%	18.0%
\$ 25,000 - \$ 100,000	6.1% + \$ 3,750	2.0% + \$ 750	8.1% + \$ 4,500
\$100,000 - \$ 500,000	5.8% + \$ 8,325	1.0% + \$2,250	6.8% + \$10,575
\$500,000 - \$1,000,000	5.5% + \$31,525	0.5% + \$6,250	6.0% + \$37,775
over - \$1,000,000	5.1% + \$59,025	0.5% + \$8,750	5.6% + \$67,775

Street Light Design Services Initial Deposit:

<u>Value of All Improvements</u>	<u>Street Light Design Fees</u>
\$ 0 - \$ 100,000	\$ 1,000
\$ 100,000 - \$1, 000,000	1% of Construction Cost
\$ over - \$1, 000,000	\$ 10,000

Full Cost Recovery Prior to Start of Construction.

PUBLIC WORKS DEPARTMENT - ENGINEERING DIVISION

Surveying Services:

Value of Improvements

\$ 0 - \$ 25,000
\$25,000 - \$100,000
over - \$100,000

Surveying Fee

7.0%
5.0% + \$1,750
Service Not Provided

Building Permit Grading,
Paving and On-Site Review

\$200 minimum charge plus \$55/hour in excess of four hours. Fee payable prior to issuance of building permit (City Code, Section 38.7)

Floodplain Evaluation and Response

No charge for verbal response or written response to owner occupied single family residents. A \$50 minimum charge for written response to all others, plus \$55/hour in excess of one hour

Right-of-Way Acquisition

Full cost recovery with a minimum deposit of \$1,000. Payment in full required prior to Council action. (City Code, Section 38.7).

Right-of-Way Abandonments

Full cost recovery with a minimum charge of \$250 (Fee may be waived at the discretion of the Director of Public Works).

Processing of Easements Within
City Right-of-Way

Full cost recovery with a minimum fee of \$100 (City Code, Section 38.7)

Franchise Agreement Processing

Full cost recovery with a minimum fee of \$500 (City Code, Section 38.7)

V. PUBLICATIONS

Abandonment Proceeding

Full cost recovery

Mylar Sheets

\$2.50 each

PUBLIC WORKS DEPARTMENT - ENGINEERING DIVISION

Publications - continued

Standard Specifications for
Public Works Construction \$10 plus tax

Design Manual \$20

VI. SUBDIVISIONS

Tentative Maps (parcel & subdivision) \$650

Final Map \$2,300 plus \$15 for each lot in excess
of 50 (City Code, Section 40.510)

An additional fee of \$88.95 per acre for
a final subdivision map located within
the North Natomas Community Plan
area. Additional fee not applicable if
fee paid as part of planned unit
development review process

Parcel Map \$1,350 (City Code, Section 40.609)

Map Correction Certificate \$250 (City Code, Section 38.7)

Map Amendment \$500 (City Code, Section 38.7)

Public Works Review of Planning Applications
For Lot Splits, Lot Mergers, Lot Adjustments \$200

Public Works Review of Planning Applications
For Special Permits, Variances, etc. \$100

Certificate of Compliance (City Code, Section 40.1103)

Lot Splits \$750

Lot Mergers \$750

Lot Adjustments \$750 for 2-3 lots; \$1,000 for 4-6 lots
plus \$50/lot over 7 lots

Administrative \$250

Tree Planting \$25 per interior lot. \$50 per corner lot
(City Code, Section 40.811i)

PUBLIC WORKS DEPARTMENT - ENGINEERING DIVISION

Subdivisions - continued

Survey Monumentation

\$50 deposit for each boundary or interior monument (City Code, Section 40.708)

Street Name Signs

\$150 per intersection (City Code Section 40.811b)

Traffic Warning Signs, Signals
Devices

Established by the Traffic Engineer to permit full cost recovery by the City.

STA9-01.D