

City of Marietta

**ENGINEERING,
HEALTH & UTILITY
USER FEE STUDY**

Prepared by:

MAXIMUS
HELPING GOVERNMENT SERVE THE PEOPLE®

May 10, 2007

**Eric Seachrist, Manager
7523 Fredle Drive
Concord Twp, OH 44077
(440) 639-0288**

TABLE OF CONTENTS

INTRODUCTION AND BACKGROUND	1
<hr/>	
Purpose and Scope of the Study	1
Purpose of the Report.....	1
About MAXIMUS.....	2
Report Organization.....	2
PROJECT METHODOLOGY	3
<hr/>	
General Cost Analysis Approach and Philosophy	3
MAXFEES Methodology	3
FINDINGS AND RESULTS	10
<hr/>	
General Findings.....	10
Specific Fee and Project Issues	10
CONCLUSION	13
<hr/>	
APPENDICES	
<hr/>	
APPENDIX 1: MAXFEES Results for Engineering fees	
APPENDIX 2: MAXFEES Results for select Health fees	
APPENDIX 3: MAXFEES Results for select Water fees	
APPENDIX 4: MAXFEES Results for select Wastewater fees	

INTRODUCTION AND BACKGROUND

Purpose and Scope of the Study

The City of Marietta Engineering Department engaged MAXIMUS, Inc. to conduct a detailed study of user fee-related services provided by the Engineering, Health, Water and Wastewater departments. The City charges these fees to developers, individuals and groups that utilize the permit issuance, plan check, project review, project management, inspection, and other development-related services provided by all three departments. In the course of this study, MAXIMUS evaluated the actual cost of providing these services.

The principal goal of this study was to calculate the full cost of providing the services, including all direct, indirect, and support costs associated with building and zoning permit services. Secondary objectives of the study included:

- Ensure that the fees are reasonable and fair.
- Ensure that the fees are rational and defensible.
- Build a fee structure that recovers the full cost of providing services, whether currently subsidized by fees or not, in order to ensure continued funding at current service levels.
- Identify potential new fees for revenue recovery
- Examine the current agreement with Washington County for building/zoning fee services and recommend any changes to make in contracting for such services

The MAXIMUS study employed our rigorous and proven project approach and analytical methodologies to evaluate the City's costs for select user fee-related services. We based the analysis on existing data, when available, and on other actual figures and estimates provided by the City. The study focused on the actual cost of services, as the City currently provides them. We did not examine or evaluate the effectiveness, efficiency, or value of the City's programs, services, or operations.

Purpose of the Report

The primary outcome of this study is a series of worksheets and tables that show the detail of the data inputs, cost calculations, adjustments, time estimates, service volumes, and current fee levels. MAXIMUS provided these worksheets under separate cover to City of Marietta. Alternatively, this report summarizes the results of the study, as well as presents conceptual information regarding fee establishment and provides a description of the methodologies used to conduct the analysis. As a *summary* document, this report is not intended to provide all of the detail related to the study process or outcomes.

About MAXIMUS

The Consulting Services Division of MAXIMUS is part of a nationwide consulting firm specializing in cost analysis and revenue enhancement studies for state and local government. MAXIMUS is headquartered in Reston, Virginia, with local regional offices in Ohio, Michigan and Indiana. Our Northern Region has provided services to hundreds of city, county and state agencies in these three states. In addition to being the industry's volume leader in cost analysis studies, we have pioneered approaches to fee analysis, including our MAXFEES approach that we employed for the City of Marietta User Fee study.

Report Organization

Following the initial discussion of background information, this report will present the conceptual issues that guide the MAXIMUS fee (cost of service) study. The report will then address the steps of the MAXIMUS methodologies we employed to conduct the study. The summaries of the actual findings will follow, including tables of the actual costs of services and discussions relating to some of the specific issues that emerged during the study.

PROJECT METHODOLOGY

General Cost Analysis Approach and Philosophy

The purpose of a user fee study is to determine the full cost of services offered by the agency for which user fees are currently being charged or could be charged. The full cost can usually be compared to current revenues to determine the existing amount of subsidy (or overcharge). With this knowledge, a governmental entity can make informed decisions concerning appropriate fee adjustments. MAXIMUS is able to assist in understanding fee-related issues and trends. However, in the final analysis, the actual decision to increase or decrease fees is a local decision.

The underlying rationale to charge full cost for user fees is simply this: the City is providing a distinct service or product to a business or individual who is gaining a monetary, emotional, or recreational benefit. A policy that is equitable requires that others who do not participate in that benefit should not subsidize individuals or businesses. For example, should a long-term resident living in a central part of the City contribute towards a subsidy to a developer opening up a new subdivision on the edge of the City?

Our methodology for developing fee-for-service calculations is to create a standard cost model for each current and potential fee. We believe that a service qualifies for the “fee” designation when the activity benefits a specific individual or group, as opposed to the public at large. For example, a development activity clearly fits the definition – whether the beneficiary makes a near-term profit or not – as opposed to police patrol or parkland maintenance, which benefit the community as a whole.

The costs we develop are “full cost,” since they include all direct and indirect costs, including direct support costs from other departments. The indirect costs include program and department support, plus city-wide overhead (e.g., city administration, finance, law department, building maintenance, etc.). Our final report includes our determination of the full cost of each service.

MAXFEES Methodology

General Description

The City of Marietta currently uses a combination of flat and variable fees -- a method adopted by most municipalities in setting building, permit and plan check fees. The City of Marietta, like many other jurisdictions, sought an a method of calculating fees to establish a link between the fees charged to the community and the actual cost of providing the services. Such a link is increasingly becoming a desired policy goal in many other communities.

Our MAXFEES methodology is designed to establish a strong connection between project cost and fee levels (revenue requirements). Furthermore, we believe the methodology meets the following imperatives of any governmental fee structure. It is:

- fair to both the applicant and the jurisdiction,
- definitive,
- practical, and
- legally defensible.

The MAXFEES model is simple in concept. We create a list of discrete fee-services (discrete, in that we differentiate fee-services by activity and/or by effort required to deliver a unit of service.)

We then identify the standard time of applicable personnel to complete the process for each fee-service, and apply these time requirements to the laborer's average productive hourly rate.

In turn, labor costs act as proportional cost drivers for all fee-services delivered by a given department. That is, the department's annual operating costs for services and supplies are allocated to its various fee-services based upon the respective share of effort required to deliver each fee-service in a sample year.

MAXFEES Steps

MAXIMUS originally based its MAXFEES (and for larger scale operations, NEXUS) methodology on the information and concepts outlined by Michael W. Bouse in his book, Establishing Building Permit Fees published by the International Conference of Building Official's (ICBO) in 1998. Over the years, we have added new levels of analysis and otherwise modified and improved the methodology and model to better address the need to link fees to actual costs, enhance accuracy, and add to the usefulness of the results to the local agencies and their customers. Because of these many improvements to the model, our MAXFEES approach is even more defensible and appropriate for local building and safety agencies.

The following section summarizes the major tasks of the MAXFEES approach and the related steps necessary to complete each task:

Task 1: Determine the Productive Hourly Rate

The basis for all costs in the MAXFEES model is the "productive" hourly rates, either as a departmental average, or where wide ranges exist, for individual personnel. Within the context of this study, the term "productive" does not establish a subjective or qualitative measure of the performance of employees. Instead, it simply indicates the amount of time the average employee would be "billable" to specific fee-services during the year.

A productive hourly rate seeks to recover the full cost of the actual time staff performs work related to fee-services. This cost includes factors to recover:

- direct salaries,
- employee benefits,
- services and supplies,
- city and department overhead and indirect costs,
- administrative, support, and supervisory staff,
- other program-related costs, such as reserve contributions and fixed assets (annualized use).

The total of all of these costs is the total cost for the department to operate annually. Actual Expenditures for 2005 expenditures have been used for departmental costs, with some adjustments as noted.

Step 1: In order to calculate the rate, MAXIMUS worked with departments to identify the average number of productive hours available for staff. These figures reflect a full-time equivalent employee, with reductions made for non-productive time, such as vacation, holidays, sick leave, training, meetings, and other non-fee related work. The total number of productive hours for staff, discounted for administrative and other wholly non-direct-production staff, is factored into the rate. (Note that non-billable, fee service related time is identified, itemized, and calculated separately, should policy makers wish to include such costs into the fee structures.)

Step 2: MAXIMUS divided the total annual cost of departmental staff by the total number of productive hours to establish fully-burdened, productive hourly rates for each departmental position.

Task 2: Determine the Actual Costs for Each Fee-Service

A value of the MAXFEES model is its ability to calculate the cost of permits for services and take into account the differential consumption of effort and economies of scale that exist. The steps for calculating such fees are described below:

Step 1: MAXIMUS worked with departments to establish a list of service activities within the City for which there is a desire to recover full costs. We initially based this list on existing fee schedules, but we modified it to better fit the business practices and desired fee-services of the department in question.

Step 2: The department established a standard level of service delivery for each fee-service that served as the focus of time estimates for process completion. For example, in order to specify the time necessary to inspect a new residence, the department needed to know the size of the home under consideration.

Step 3: Each department provided estimates or actual data, when available, relating to the time necessary to complete the fee activity for each service type (e.g., residential/commercial/industrial.)

The fee activities also represent time consumed in direct support of the actual review of plans or on-site inspections. This time includes application and plan intake and processing, handling and distribution, travel to sites, filing, scheduling, re-checks, documentation, and other necessary and related services and activities – unless a separate application fee was developed alongside of the fee-service in question.

Step 4: The MAXFEES model multiplied the total time required for each fee-service type by the average productive hourly rate (Task 1) to determine the total actual processing cost for that service type.

Alternative Fee Analysis Methods

Local government fee analysis is an imperfect endeavor, as it normally seeks to standardize charges for services that may have variable inputs, processes, and outputs. The most accurate and comprehensive approach to determine fees is to charge each individual fee payer for the actual time (converted to actual cost) and materials necessary to provide the specific government services to him/her. Under this “time tracking” model, every charge would be unique, since this approach requires the City to track all costs associated with each particular project, including the specific allocation of city staff time shared between projects.

The time tracking approach results in a significant administrative burden for direct and support staff to constantly track and calculate costs and fees to each individual customer. The result is a greater cost (direct and overhead), loss of efficiency, and time delays as staff are forced to devote additional administrative and direct time (both charged to the customer) to track the time. The complexity of this approach (i.e., variable staff costs, variable time consumption, variable material consumption, variable overhead and indirect charges, etc.) is also contrary to the efficient practices and the approaches used by many business enterprises that provide a high volume of services to a wide variety of customers each year.

MAXIMUS generally recommends against the “time tracking” approach for building permits. First of all, the potential greater accuracy of tracking and charging for individual consumption of government services is likely outweighed by the additional burdens and probable costs borne by the customer. In addition, without standardized fees, MAXIMUS is concerned about the potential for impact to the jurisdiction and its customers regarding the fluctuations in actual time and construction slow-downs, whereby there may be unintended consequences, such as, “work efforts may expand to fill the time budgeted to complete the task.” In periods of low construction activity, the staff of a building plan check and inspection unit may devote more time to individual tasks (because they have the time and need to fill it). This situation causes inordinately high fees to be charged to the applicant.

Despite our general discouragement, in some special cases, the time tracking approach may be optimal, such as when the local jurisdiction has a compelling need for accuracy and defensibility, due to litigation, outside reporting requirements, or significant gaps in current data collection. In addition, a specific time tracking approach may be the only feasible method in unique or extraordinary land development or building cases that do not reasonably fit within the existing fee structure (e.g., stadium, aquarium, amusement park, etc.).

It is noted that fluctuations in service activity may impact the overall cost recovery rate of the department. Potential impacts include:

Construction Activity Slowdown: If construction activity decreases significantly without a proportional staff reduction, overall cost recovery will decrease, resulting in a subsidy.

Construction Activity Upturn: If construction activity increases significantly without a proportional staffing increase, short-term cost recovery will increase because fees are collected before work efforts are expended. However, mid-term cost recovery should remain at full cost levels, assuming the City can add appropriate staff and “work-down” the project inventory.

With the above considerations in mind, hourly rates for personnel were calculated under separate fee categories for departmental reference. These labor rates could be adjusted annually based upon cost-of-living adjustments and/or calculated variations in annual operating budgets.

Because of the wide range of numbers, types and labor-time required for the performance of water and wastewater connection (tap-in) permits, it is recommended that the City continue to bill for these services based upon actual labor-time required per job. It is recommended that the City, however, use the hourly rates calculated in this study, and that the City replace reference to its equipment use schedule in its Codified Ordinances with the Ohio Department of Transportation’s equipment use schedule (which is updated quarterly.) Also, it is recommended that the City continue to charge customers for materials, as they have been doing, but that they charge at cost, without markup. The rationale behind the removal of the markup is that all overhead costs are recovered through the proposed labor rates.

FINDINGS AND RESULTS

General Findings

As a cost of service (fee) study, the project did not seek to determine answers to specific complex issues faced by the City, nor did it seek to provide recommendations for improvements to city processes or policies. Instead, the purpose was to help the City identify and understand its cost of service—as currently provided. Consequently, our analysis did not result in traditional “findings” regarding the operational effectiveness or efficiency of the department operations. Instead, our findings represent the outcome of the study: various lists of services and their related costs (potential fees). This section of the report presents these results.

In reviewing the report and its conclusions, the following points should be noted:

1. Summary numbers are on the full cost basis and include all departmental and city-wide overhead costs.
2. For analytical purposes, current revenue is the product of the current fee (or average annual fee in the case of fees that have variable rates) multiplied by unit volume (except where specified). Since the study’s unit volume was established to represent management’s best estimate for the “normal” annual volume, it may be at variance with actual or budgeted revenues.

Specific Fee and Project Issues

Time “Estimates”

As discussed previously in this report, MAXIMUS believes that an actual time-tracking approach is not reasonable or cost effective for high volumes of fee-related services. Consequently, our fee models employ standardized, averaged, or estimated times for the completion of fee-related tasks. While this approach is imperfect, it can still meet a standard of “reasonableness” with regards to the linkage between the fees and the cost of services, particularly over the course of multiple projects and a full fiscal year.

In the study for the City of Marietta, departments were able to identify sufficient existing data or develop statistical information to support the time consumption data used to populate the fee analysis model. In some cases, however, the departments did not have existing data and had to rely upon time estimates prepared by knowledgeable staff and managers. This approach is reasonable and appropriate, because the experienced staff and managers of the City of Marietta are the preeminent experts on the subject of work requirements in the City of Marietta, particularly considering the unique level of service and staff capabilities in the City. In short, nobody knows the business of development services in the City of Marietta better than the department staff and managers. There are no other sources of information that are currently qualified to reliably contradict the time estimates provided by the City.

The time estimates provided by the City underwent a rigorous internal review process that entailed multiple iterations and modification until all parties were satisfied that the estimates reflected reality. MAXIMUS directed the departments to provide estimates that represented standard projects—without skewing for “best-case” and “worst-case” scenarios. In addition, MAXIMUS conducted a “reasonableness test” by reviewing the time estimates and making sample comparisons with the fee schedules of other cities. Finally, we questioned the departments regarding the appearance of anomalies.

Cost of Debt Service as it Relates to Water and Wastewater Tap Fees

The calculation of the cost of the tap fees included what are considered routine operating and maintenance costs. As a result costs for debt-financed capital was excluded. This results in fee costs which are lower than if debt service costs, and/or “excess capital” costs are included.

The alternative would be to include the cost of debt service, with the understanding that the tap fee is acting as an impact fee whose purpose is to recover infrastructure costs already paid in part by existing customers.

In turn, the counter-argument to such a cost principle is to insure that the utility rates themselves are designed to recover debt service costs. However, it was not within the scope of this study to make the determination as to whether or not the City’s existing rate structures were designed to recover debt service costs, or if the rates are doing so adequately.

Fee Level and Revenue Comparisons

As part of this study, the City and MAXIMUS created new fees and restructured other existing fees through consolidations, separations, and other requested fee changes. Consequently, the cost/revenue comparison was not practical in every case. Calculated costs were matched with current fees to determine existing subsidies or surpluses wherever possible.

Engineering Fees #1A, #1B and #3

These three fee services involve the permitting of building new or additional structures. Because the sizes of structures varied, a lump sum amount was first calculated for each service class based on the average-sized structure for each class. The lump sums were then divided, based upon labor ratios, into fixed and variable costs. The variable cost was aligned with the varying size of the potential structures (in square feet.) Therefore, the larger structures, requiring more labor time for inspection, would pay accordingly.

Also, it was identified that the different rates for the different size structures allowed for a stepped, or “block” rate, accommodating economies of scale. As the size of the structure increases, the rate per square foot decreases.

The declining block rates for the three fees, which can be consolidated as a single building fee, are as follows:

First 0 – 200 square feet of structure = \$0.54 per square foot
Next 800 square feet of structure = \$0.39 per square foot
Remaining square feet of structure = \$0.16 per square foot

The fixed, administrative fee was determined to be \$110.

Fee-Services Contracted to Washington County

As part of the user fee study, MAXIMUS was enlisted to examine the City's current agreement with Washington County (see Appendix 5) to provide services, and to issue and administer commercial building permits within the City of Marietta. MAXIMUS made the following observations and conclusions:

- 1) The City's cost to perform inspection services is at a lower hourly rate than that of the services provided by the County. It might therefore make sense to discontinue contracting with the County. However, City personnel may not be able to accommodate the additional workload that such a change would create.
- 2) Therefore, the City should consider revising and updating the agreement with the County, so as to improve the quality of reporting on services performed by the County. Current language in the agreement is fairly general. By adding specific language requiring a set level of reporting, the City can improve accountability and overall City-County communication, which would benefit both parties for purposes of planning and development. For example, it is common for economic development organizations to track both residential and commercial permitting as an indicator for economic growth in the community and surrounding area. The City can improve both accountability and communications between the City and the County by meeting routinely with the Washington County Building Permit Office and discussing the action steps necessary to share information and data associated with issuing building permits. Both the City and County currently utilize the permit, code enforcement and rental property tracking software package, "*Equalizer Building Department System*" published by BS&A Software of Bath, Michigan. The software offers a web application that allows a department to display its building permit data on a website and provides a real-time level of service for free to the municipality. This application, in turn, can charge users of the web site a convenience fee for the access. **Our recommendation to improve communications and to provide easy access to building permit data and information is for the City and County officials to meet, discuss and investigate this option as a potential solution.**

Fee-Services Which Over-recover Full Costs

It is common to find that an entity's fee schedule under-charges for the services it provides due to the infrequency with which such schedules tend to be updated. However, there may be a few

services which are discovered to recover more than the full cost of service. In the case of the Marietta study there were very few services determined to over-recover their costs. In all cases, the difference was minimal. In all cases, because of the minimal difference, MAXIMUS recommended that the City simply continue to charge its existing fee.

CONCLUSION

The City of Marietta Engineering Department engaged MAXIMUS to determine the full cost of fee-related building permits services provided to its citizens and businesses. MAXIMUS employed a proven and objective methodology to calculate the cost of the services, and we used our experience to help the City develop reasonable potential fees. City leaders can use this information to make more informed decisions and set fees to meet the fiscal and policy goals and objectives of the City.

APPENDIX 1:
MAXFEES RESULTS:
ENGINEERING USER FEES

**APPENDIX 1
MAXFEES RESULTS
ENGINEERING DEPARTMENT USER FEES**

Fee #	Fee Area	Recoverable Units of Service	Current Fee	Current Revenue	Full Cost per Unit	Total Cost	Surplus (Deficit)	Recommended Fee	Revenue at Recommended Fee	Additional Revenue
ENG #1A	BUILDING - RES., NEW	7	\$110.00	\$770	\$430.29	\$3,013	(\$2,243)	\$430.00	\$3,010	\$2,240
ENG #1B	BUILDING - RES., ADDN. (GARAGE, DECK, ETC.)	110	\$25.00	\$2,750	\$270.32	\$29,736	(\$26,986)	\$270.00	\$29,700	\$26,950
ENG #2	BUILDING - RES., ALTER.	61	\$20.00	\$1,220	\$174.26	\$10,630	(\$9,410)	\$174.00	\$10,614	\$9,394
ENG #3	BUILDING - MINOR (SHED, MOBILE HOME, POOL, ETC)	22	\$20.00	\$440	\$238.27	\$5,242	(\$4,802)	\$238.00	\$5,236	\$4,796
ENG #4	DEMOLITION - RES.	30	\$10.00	\$300	\$55.13	\$1,654	(\$1,354)	\$55.00	\$1,650	\$1,350
ENG #5	DEMOLITION - COM/IND	9	\$10.00	\$90	\$75.67	\$682	(\$592)	\$76.00	\$684	\$594
ENG #6	ZONING - COM., NEW	98	\$100.00	\$9,800	\$279.30	\$27,372	(\$17,572)	\$279.00	\$27,342	\$17,542
ENG #7	ZONING - COM., SHED (LESS THAN 200 SF)	1	\$50.00	\$50	\$121.00	\$121	(\$71)	\$121.00	\$121	\$71
ENG #8	ZONING - COM., RENOV. / ALTER.	1	\$20.00	\$20	\$121.00	\$121	(\$101)	\$121.00	\$121	\$101
ENG #9	ZONING - COM., ANTENNAE & SIGNAGE	1	\$10.00	\$10	\$103.00	\$103	(\$93)	\$103.00	\$103	\$93
ENG #10	FLOOD PLAIN PERMIT - RES.	26	\$10.00	\$260	\$151.19	\$3,931	(\$3,671)	\$151.00	\$3,926	\$3,666
ENG #11	FLOOD PLAIN PERMIT - COM.	60	\$10.00	\$600	\$215.27	\$12,917	(\$12,317)	\$215.00	\$12,900	\$12,300
ENG #12	USE & OCCUPANCY	123	\$5.00	\$615	\$87.13	\$10,717	(\$10,102)	\$87.00	\$10,701	\$10,086
ENG #13	STREET ACCESS - RES.	17	\$10.00	\$170	\$87.24	\$1,484	(\$1,314)	\$87.00	\$1,479	\$1,309
ENG #14	STREET ACCESS - COM.	6	\$20.00	\$120	\$87.17	\$524	(\$404)	\$87.00	\$522	\$402
ENG #15	ROW USE	38	\$20.00	\$760	\$119.16	\$4,529	(\$3,769)	\$119.00	\$4,522	\$3,762
ENG #16	ZONING VARIANCE - APPLICATION	49	\$50.00	\$2,450	\$252.41	\$12,369	(\$9,919)	\$252.00	\$12,348	\$9,898
ENG #17	ZONING VARIANCE - CERTIFICATE	40	\$20.00	\$800	\$27.60	\$1,104	(\$304)	\$28.00	\$1,120	\$320
ENG #18	FLOOD PLAIN VARIANCE - APPLICATION	2	\$10.00	\$20	\$174.00	\$348	(\$328)	\$174.00	\$348	\$328
ENG #19	FLOOD PLAIN VARIANCE - CERTIFICATE	1	\$20.00	\$20	\$28.00	\$28	(\$8)	\$28.00	\$28	\$8
ENG #20	COPY - ZONING CODE	83	\$10.00	\$830	\$11.54	\$958	(\$128)	\$12.00	\$996	\$166
ENG #21	COPY - FLOOD CODE	28	\$5.00	\$140	\$11.50	\$322	(\$182)	\$12.00	\$336	\$196
ENG #22	COPY - LAND DEVELOPMENT CODE	1	\$7.80	\$8	\$12.00	\$12	(\$4)	\$12.00	\$12	\$4
ENG #23	COPY - SUBDIVISION REGS	11	\$5.00	\$55	\$11.64	\$129	(\$74)	\$12.00	\$132	\$77
ENG #24	COPY - MAPS, SMALL	186	\$1.00	\$186	\$11.54	\$2,147	(\$1,961)	\$12.00	\$2,232	\$2,046
ENG #25	COPY - MAPS, LARGE	8	\$5.00	\$40	\$11.38	\$92	(\$52)	\$11.40	\$91	\$51
ENG #26	COPY - MISC	725	\$0.05	\$37	\$0.04	\$30	\$7	\$0.05	\$37	\$0
ENG #27	LAND DEVELOPMENT PERMIT, <1 AC	6	\$25.00	\$150	\$107.50	\$645	(\$495)	\$108.00	\$648	\$498
ENG #28	LAND DEVELOPMENT PERMIT, 1-5 AC	1	\$50.00	\$50	\$107.00	\$107	(\$57)	\$107.00	\$107	\$57
ENG #29	LAND DEVELOPMENT PERMIT, >5 AC	1	\$100.00	\$100	\$107.00	\$107	(\$7)	\$107.00	\$107	\$7
Total User Fee Activities				\$22,861		\$131,174	(\$108,313)		\$131,173	\$108,312

APPENDIX 2:
MAXFEES RESULTS:
HEALTH USER FEE

**APPENDIX 2
MAXFEES RESULTS
HEALTH DEPARTMENT USER FEE**

Fee #	Fee Area	Recoverable Units of Service	Current Fee	Current Revenue	Full Cost per Unit	Total Cost	Surplus (Deficit)	Recommended Fee	Revenue at Recommended Fee	Additional Revenue
1	Plumbing Permit	11	\$75.50	\$831	\$66.36	\$730	\$101	\$75.50	\$831	\$0
Grand Total				\$831		\$730	\$101		\$831	\$0

APPENDIX 3:
MAXFEES RESULTS:
WATER UTILITY USER FEES

**APPENDIX 3
MAXFEES RESULTS
WATER DEPARTMENT USER FEES**

Fee #	Fee Area	Recoverable Units of Service	Current Fee	Current Revenue	Full Cost per Unit	Total Cost	Surplus (Deficit)	Recommended Fee	Revenue at Recommended Fee	Additional Revenue
WTR #1	WATER CONNECTION, 3/4" TAP	7	\$400.00	\$2,800	\$663.00	\$4,641	(\$1,841)	\$663.00	\$4,641	\$1,841
WTR #2	WATER CONNECTION, 1" TAP	1	\$500.00	\$500	\$662.00	\$662	(\$162)	\$662.00	\$662	\$162
WTR #3	WATER CONNECTION, 2" TAP	2	\$600.00	\$1,200	\$662.50	\$1,325	(\$125)	\$663.00	\$1,326	\$126
WTR #4	WATER CONNECTION, 4" TAP	1	\$1,350.00	\$1,350	\$1,048.00	\$1,048	\$302	\$1,048.00	\$1,048	-\$302
WTR #5	WATER CONNECTION, 6" TAP	2	\$1,850.00	\$3,700	\$1,048.00	\$2,096	\$1,604	\$1,048.00	\$2,096	-\$1,604
WTR #6	WATER CONNECTION, 8" TAP	1	\$2,600.00	\$2,600	\$1,048.00	\$1,048	\$1,552	\$1,048.00	\$1,048	-\$1,552
WTR #7	WATER CONNECTION APPLICATION	15	\$27.00	\$405	\$30.33	\$455	(\$50)	\$30.00	\$450	\$45
WTR #8	SET METER / TRANSFER SERVICE	1,088	\$11.25	\$12,240	\$136.18	\$148,164	(\$135,924)	\$136.00	\$147,968	\$135,728
WTR #9	FROZEN METER, 5/8" METER	10	\$85.00	\$850	\$136.10	\$1,361	(\$511)	\$136.00	\$1,360	\$510
WTR #10	SEASONAL METER CHANGE	31	\$20.00	\$620	\$136.16	\$4,221	(\$3,601)	\$136.00	\$4,216	\$3,596
WTR #11	METER ACCURACY TEST, 5/8" METER	1	\$25.00	\$25	\$243.00	\$243	(\$218)	\$243.00	\$243	\$218
WTR #12	RECONNECT, REG HRS	514	\$20.00	\$10,280	\$39.35	\$20,226	(\$9,946)	\$39.00	\$20,046	\$9,766
WTR #13	RECONNECT, AFTER HRS	13	\$70.00	\$910	\$385.85	\$5,017	(\$4,107)	\$386.00	\$5,018	\$4,108
WTR #15 (FUTURE)	BACKFLOW PREVENTION, RESIDENTIAL	550	\$0.00	\$0	\$64.51	\$35,481	(\$35,481)	\$65.00	\$35,750	\$35,750
WTR #16 (FUTURE)	BACKFLOW PREVENTION, NON-RESIDENTIAL	1,140	\$0.00	\$0	\$95.59	\$108,973	(\$108,973)	\$96.00	\$109,440	\$109,440
Grand Total				\$37,480		\$334,961	(\$297,481)		\$335,312	\$297,832

APPENDIX 4:

**MAXFEES RESULTS:
WASTEWATER UTILITY USER FEES**

**APPENDIX 4
MAXFEES RESULTS
WASTEWATER DEPARTMENT USER FEES**

Fee #	Fee Area	Recoverable Units of Service	Current Fee	Current Revenue	Full Cost per Unit	Total Cost	Surplus (Deficit)	Recommended Fee	Revenue at Recommended Fee	Additional Revenue
WWT #1	SERVICE CONNECTION, WASTEWATER, RESIDENTIAL	7	\$560.00	\$3,920	\$959.86	\$6,720	(\$2,800)	\$960.00	\$6,720	\$2,800
WWT #2	SERVICE CONNECTION, WASTEWATER, COMMERCIAL	2	\$770.00	\$1,540	\$960.50	\$1,921	(\$381)	\$961.00	\$1,922	\$382
WWT #3	SERVICE CONNECTION, WASTEWATER, INDUSTRIAL	1	\$600.00	\$600	\$1,350.00	\$1,350	(\$750)	\$1,350.00	\$1,350	\$750
WWT PROP #1	SURCHARGE FOR CONNECT. OUTSIDE CITY	1	\$0.00	\$0	\$77.00	\$77	(\$77)	\$77.00	\$77	\$77
WWT PROP #2	SERVICE CONNECTION, WASTEWATER, APPLICATION	10	\$0.00	\$0	\$16.20	\$162	(\$162)	\$16.00	\$160	\$160
WWT REF #1	EO II (BILLABLE HR)	1	\$31.98	N/A	\$56.00	\$56	N/A	\$56.00	\$56	N/A
WWT REF #2	FOREMAN (BILLABLE HR)	1	\$44.42	N/A	\$73.00	\$73	N/A	\$73.00	\$73	N/A
WWT REF #3	LABORER (BILLABLE HR)	1	\$17.67	N/A	\$33.00	\$33	N/A	\$33.00	\$33	N/A
WWT REF #4	TAPPER (BILLABLE HR)	1	\$31.33	N/A	\$56.00	\$56	N/A	\$56.00	\$56	N/A
WWT REF #5	CHEMIST (BILLABLE HR)	1	\$36.89	N/A	\$62.00	\$62	N/A	\$62.00	\$62	N/A
WWT REF #6	WWT SUPER (BILLABLE HR)	1	\$46.41	N/A	\$76.00	\$76	N/A	\$76.00	\$76	N/A
Grand Total				\$6,060		\$10,230	(\$4,170)		\$10,229	\$4,169

APPENDIX 5:
AGREEMENT WITH WASHINGTON COUNTY