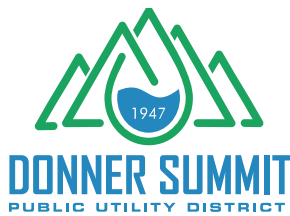


## **Agenda Item 8D**



## STAFF REPORT

**TO:** Board of Directors

**PREPARED BY:** Steven Palmer, PE, CSDM, General Manager *SP*

**SUBJECT:** Review Proposed Administrative Fees

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### **RECOMMENDATION**

Review proposed administrative fees and provide direction to Staff on whether to present them for adoption at a future meeting.

### **BACKGROUND**

Administrative fees are one-time, non-recurring fees for providing a specific customer service that is not part of routine operations. Administrative fees ensure that the service provided is not subsidized by customers not requiring the services.

Administrative fees are not taxes pursuant to California Proposition 26 because they fall under one of the following five exemptions:

1. A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
2. A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
3. A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.
4. A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
5. A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law.

District Staff is proposing to implement administrative fees for the following services:

- Will Serve Letter
- Escrow Demand and Inspection
- Escrow Re-Inspection
- Encroachment Permit
- New Service Application
- Inspection – Encroachment
- Inspection – New Service

**DISCUSSION**

Calculations for the proposed Administrative Fees are detailed in the memorandum included as Attachment 1 and summarized below.

<b>Fee</b>	<b>Amount</b>
Will Serve Letter	\$ 116
Escrow Demand and Inspection	\$ 208
Escrow Re-Inspection	\$ 171
Encroachment Permit	\$ 252
New Service Application	\$ 270
Inspection – Encroachment	\$ 270
Inspection – New Service	\$ 441

Each fee is calculated using the fully burdened hourly rate for the employee most likely to perform the work multiplied by the estimated time required for the service.

It is common for water and wastewater utilities to adopt similar fees so that existing ratepayers do not pay for services they do not use. As an example, fee schedules for Tahoe City Public Utility District (TCPUD), Truckee Sanitary District (TSD), North Tahoe Public Utility District (NTPUD), Nevada Irrigation District (NID), and South Placer Municipal Utility District (SPMUD) are included as Attachment 2.

Staff is requesting direction on whether to present these fees for adoption at a future meeting. Alternatively, the Board may direct staff to modify the proposed amounts, request that Staff consider other fees, or direct Staff to not implement these fees.

**FISCAL IMPACT**

Adopting these fees will result in additional revenue that will offset rates. The amount of additional revenue will vary. Based on recent activity, the revenue increase is estimated to be between \$2,000 and \$5,000 per year.

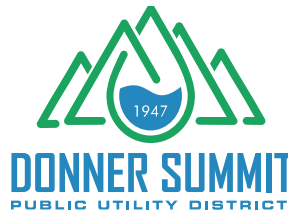
**CEQA ASSESSMENT**

Adopting Administrative Fees is not a CEQA Project.

**ATTACHMENTS**

1. Administrative Fee Memo
2. Other Agency Fees

# **Attachment 1**



## MEMORANDUM

To: Board of Directors  
From: Steven Palmer  
Date: February 12, 2026  
Re: Administrative Fees

### I. Purpose

This memorandum provides a schedule of Administrative Fees for Board consideration. Administrative Fees are one-time, non-recurring, fees for providing a specific customer service that is not part of routine operations. Administrative Fees ensure that the service provided is not subsidized by customers who do not require the services. The District does not currently charge Administrative Fees for non-routine requests.

Administrative Fees are not taxes pursuant to California Proposition 26 because they fall under one of the following five exemptions:

1. A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
2. A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
3. A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.
4. A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
5. A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law.

The Administrative Fees charged cannot exceed the cost to provide the service.

### II. Methodology

The Administrative Fees are calculated from the fully burdened hourly rate of District employees who perform the services and the amount of time required for each service. District employees performing these services include field operators, management staff, and administrative staff. The fully burdened hourly rate calculations are presented in Table 1, below. The hourly rates and overhead costs are from the adopted FY2026 operating budget.

Staff	Benefits & Insurance & Payroll Tax (Annual)	Benefits & Insurance & Payroll Tax (Hourly)	Hourly Rate	Fully Burdened Hourly Rate
General Manager	\$72,680.85	\$36.44	\$98.01	\$134.45
Assistant Plant Manager	\$43,360.42	\$25.41	\$74.06	\$99.47
Operator II	\$58,274.02	\$31.36	\$54.25	\$85.61
Operator I	\$29,269.84	\$15.95	\$42.73	\$58.68
Office Assistant	\$55,870.26	\$27.57	\$46.55	\$74.12

Note: Hourly calculations are based on 2,080 working hours per year.

### III. Calculations

Administrative fees are calculated by multiplying the amount of time required for each service by the fully burdened hourly rate in Table 1. Table 2 below shows the amount of time required for each service and the calculation for each fee.

Staff	Hours	Fully Burdened Hourly Rate	Cost
<i>Will Serve Letter</i>			
General Manager	0.5	\$134.45	\$ 67.23
Assistant Plant Manager	0.5	\$99.47	\$ 49.74
<i>Will Serve Letter Cost</i>			\$ 116.97
<i>Escrow Demand and Inspection</i>			
Operator II	2	\$85.61	\$ 171.22
Office Assistant	0.5	\$74.12	\$ 37.06
<i>Escrow Demand and Inspection Cost</i>			\$ 208.28
<i>Escrow Re-Inspection</i>			
Operator II	2	\$85.61	\$ 171.22
<i>Escrow Re-Inspection Cost</i>			\$ 171.22
<i>Encroachment Permit</i>			
General Manager	1	\$134.45	\$ 134.45
Assistant Plant Manager	1	\$99.47	\$ 99.47
Office Assistant	0.25	\$74.12	\$ 18.53
<i>Encroachment Permit Cost</i>			\$ 252.45
<i>New Service Application</i>			
General Manager	1	\$134.45	\$ 134.45
Assistant Plant Manager	1	\$99.47	\$ 99.47
Office Assistant	0.5	\$74.12	\$ 37.06
<i>New Service Application Cost</i>			\$ 270.98

Staff	Hours	Fully Burdened Hourly Rate	Cost
<i>Inspection – Encroachment</i>			
Assistant Plant Manager	1	\$99.47	\$ 99.47
Operator II	2	\$85.61	\$ 171.22
<i>Inspection – Encroachment Cost</i>			\$ 270.69
<i>Inspection – New Service</i>			
Assistant Plant Manager	1	\$99.47	\$ 99.47
Operator II	4	\$85.61	\$ 342.44
<i>Inspection – New Service Cost</i>			\$ 441.91

**IV. Calculated Fees**

The calculated Administrative Fees, rounded down to the nearest \$1, are listed in Table 3, below.

Fee	Amount
Will Serve Letter	\$ 116
Escrow Demand and Inspection	\$ 208
Escrow Re-Inspection	\$ 171
Encroachment Permit	\$ 252
New Service Application	\$ 270
Inspection – Encroachment	\$ 270
Inspection – New Service	\$ 441

**V. Annual Fee Adjustments**

The Administrative Fees should be updated at the beginning of every fiscal year according to the April to April change in the West Region All Urban Consumer Price Index, as produced by the Bureau of Labor Statistics.

## **Attachment 2**

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**APPENDIX A-1  
DEPOSITS, INSPECTION CHARGES  
AND SPECIAL FEES**

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**DEPOSITS**

Residential Permit Deposit .....	\$ 1,500.00
Commercial Seal Cap Deposit .....	\$ 1,000.00
Commercial Plan Check Review Deposit.....	\$ 500.00
Sewer Main Tapping Deposit (Standard Minimum) .....	\$ 750.00
Preliminary Sewer Lateral Agreement Deposit .....	\$ 2,500.00
Sewer Main Tapping Deposit (Special Conditions) .....	Determined on Case-by-Case Basis
Commercial Project Deposits .....	Determined by Plan Check
Other .....	Determined by the General Manager

**INSPECTION CHARGES**

Residential .....	\$ 350.00
Supplemental Residential Pump Inspection Fee.....	\$ 500.00
Others .....	At Cost

**SPECIAL FEES AND CHARGES**

Unauthorized Seal Cap Removal .....	\$ 1,000.00
Preliminary Sewer Lateral Agreement.....	\$ 150.00
Permit Extension.....	\$ 100.00
Permit Cancellation.....	\$ 150.00
Owner-builder Temporary Trailer Hook Up.....	\$ 200.00
Annexation Fee per Acre .....	\$ 100.00
Return Check Fee.....	\$ 35.00
Copy Service, 8 1/2 x 11.....	\$0.50 per Page
Other .....	Determined by the General Manager

Description	Fee	
<b>RESIDENTIAL-NEW CONSTRUCTION OR REMODEL</b>		
Permit and final inspection (Minor-Remodel)	\$ 60.00	
Plan check for remodel not involving sewer or water systems	No Charge	
Permit plan check and up to 4 site inspections for new construction or remodel involving sewer and/or water system involvement	175.00	
Additional inspections exceeding ordinance standard	41.00	Per inspection
Residential sewer pump system review	171.00	
Residential fire sprinkler system review	113.00	
Conditional Final - Minor construction incomplete	525.00	Deposit- Refunded upon completion of pending work.
Replacement or relocation of existing water service line	60.00	One site visit (trench/pressure)
Replacement or relocation of existing sewer service lateral	144.00	Up to three site visits
Seal Cap Deposit	525.00	
<b>COMMERCIAL - NEW CONSTRUCTION OR REMODEL</b>		
Permit and final inspection (Minor-Remodel)	\$ 60.00	
Permit, development agreement, plan check and inspection	525.00	Deposit; billed at actual cost; including legal expense
Conditional Final – Minor construction incomplete	525.00	Deposit-Refunded upon completion of pending work
<b>CUSTOMER CONSTRUCTION</b>		
Development agreement, plan check and inspection for installation and or extension of water main	\$ 525.00	Deposit; billed at actual cost
Development agreement, plan check and inspection for installation and or extension of sewer collection system	525.00	Deposit; billed at actual cost
On-site inspection not related to permit or agreement	41.00	
Security bond for property owner performing own work	1,050.00	Refundable deposit
<b>DISTRICT CONSTRUCTION FOR CUSTOMER'S BENEFIT</b>		
Water service tap	\$ 2,100.00	Deposit; billed at actual cost
Fire sprinkler service tap	2,100.00	Deposit; billed at actual cost
Sewer stub install	2,100.00	Deposit; billed at actual cost
<b>FOOD SERVICE WASTEWATER DISCHARGE PERMIT</b>		
Permit for food service facility	\$ 176.00	Annual fee
Plan check – Grease interceptor or grease trap	60.00	Deposit; billed at actual cost
Inspection – Grease interceptor or grease trap	41.00	Per inspection
<b>TEMPORARY DISCHARGE</b>		
Permit	\$ 41.00	
Temporary discharge (\$0.98 per 1,000 gallons plus \$0.98 per 1,000 gallons per lift) includes swimming pool & spa drain	60.00	Deposit; billed at actual cost
Security deposit for damage to District facilities as a part of temporary discharge	475.00	Refundable if facilities not damaged
<b>FIRE HYDRANT USE</b>		
Permit	\$ 41.00	
Water use through hydrant meter	121.00	Deposit; billed at \$3.20 per 1,000 gallons
Security deposit for hydrant meter	785.00	Refundable deposit
<b>SEWER AIR TEST – TIME OF SALE</b>		
Processing fee and one site inspection	No Charge	
Repeat site visit	\$ 41.00	
Withhold in lieu of test: Processing fee	60.00	Additional charge if site visit req'd
Withhold in lieu of test: Site visit, if needed	41.00	

<b>DISCONNECT WATER AND/OR SEWER SERVICE – CAP OFF PERMANENTLY</b>		<b>Agenda Item: 8D Attachment 2</b>
Processing fee	\$ 24.00	
Inspection fee	41.00	Each site visit
Witness abandonment of septic tank	41.00	
<b>MISCELLANEOUS SERVICES</b>		
Water meter test for accuracy	60.00	Deposit; billed at actual cost. No charge if meter found to exceed 100% accuracy
Water sampling & testing, at customer's request	60.00	Deposit; billed at actual cost
Water service locate on private property	60.00	Minimum; billed at actual cost
Temporary shut-off of exposed water service	60.00	Minimum; billed at actual cost
Reconnect water service during regular business hours	60.00	Minimum; billed at actual cost
Reconnect water service after hours	87.00	Minimum; billed at actual cost
Sewer property line cleanout locate; cleanouts deeper than 18" below grade will not be exposed	117.00	Minimum; billed at actual cost
Cross-connection inspection, on-site	No charge	
<b>DISTRICT LABOR AND EQUIPMENT EXPENSE</b>		
District labor, overhead and vehicle expense	Actual cost	
Camera to televise sewer main	\$ 30.00 per hour	Equipment charge only; plus labor
Vactor	152.00 per hour	Equipment charge only; plus labor
Backhoe	46.00 per hour	Equipment charge only; plus labor
Emergency snow removal	Actual Cost	Minimum 1 hour
<b>EASEMENTS</b>		
Easement research, including, but not limited to, review and approval of easements; requests for easement abandonment and / or encroachment	\$ 60.00	Deposit; billed at actual cost
Easement encroachment agreement	525.00	Deposit; billed at actual cost
<b>ADMINISTRATIVE AND MISCELLANEOUS FEES</b>		
Unreported connections	\$ 352.00	
Unreported discharges	352.00	
Unreported fire hydrant use - excluding Fire Department use	352.00	
Investigation of unauthorized activity, including, but not limited to discharges, sump pumps and removal or bypass of District- approved backflow prevention assembly	Actual Cost	Including administrative, field investigation and legal expenses
Ordinance violation disconnect and reconnect (including non-payment)	Actual Cost	
<b>MISCELLANEOUS CHARGES AND FEES</b>		
Process returned check	\$ 24.00	
Delinquent payment of charges for services provided	10% of balance 1.5% of balance	30 days after each quarterly billing 60 days after each quarterly billing
Process refund of fees paid for service where service request was cancelled; excludes refund of overpayment on deposits	24.00	
Process refund of balance on deposit for service performed	No charge	
Process refund of connection fee	87.00	
Process change in ownership	24.00	
Copies, letter or legal size, each	.13	
Copies, blueprint (for plan review, only)	2.30	

**NOTE: SNOW REMOVAL IS NOT INCLUDED WITH ANY SERVICE PROVIDED**

**DEPOSITS MAY BE REDUCED OR INCREASED DEPENDING UPON  
THE ACTUAL ESTIMATED COST**



**NORTH TAHOE PUBLIC UTILITY DISTRICT  
SEWER ORDINANCE  
ATTACHMENT A-3  
FEE SCHEDULE**

(adopted March 9, 2021; effective May 8, 2021; resolution no. 2021-02)

General Charges	
Agendas and Agenda Packets	No charge for electronic copy
Public Records Act Request	No charge for electronic copy
Connection Fee Refund	\$200
Returned Check	\$25
Ordinance Non-Compliance Charge	\$250/day
Staff Services/Engineering Consultation	\$75/half hour
Property Line Adjustments	\$360
Plan Review in Excess of Two Hours	\$75/half hour
Variance Application (initial review)	\$1,000
District Equipment Rental w/Operator	CalTrans Labor Surcharge and Equipment Rental Rates Equipment Rate plus Staff Services

Sewer Additional Charges	
Line Test Inspection - Fail (Pass no charge)	\$175
Other Inspections & Locations	\$100
Call Back Fee	\$150
Sewer Clean-out Box	Actual cost plus \$20
Sewer Lateral Tap	\$1,050
Sewer Lateral Abandonment	\$1,050

Delinquent Bills. In the event of delinquency in the payment of any rates, or charges, or installation charges thereof, or interest thereon, penalty and interests shall be imposed as set forth in set forth in this Ordinance. A basic penalty of 10% of the amount of each delinquency shall be added, plus an additional penalty of one percent (1%) per month for non-payment of rates, charges, installation charges, and/or interest and penalties. Notwithstanding the foregoing, if a customer demonstrates that he or she has a household income below 200% of the federal poverty level, the District shall waive interest charges on delinquent bills once every twelve months.



**NORTH TAHOE PUBLIC UTILITY DISTRICT**  
**WATER ORDINANCE**  
**ATTACHMENT A-3**  
**FEE SCHEDULE**  
 (adopted March 9, 2021; effective May 8, 2021; resolution no. 2021-02)

General Charges	
Agendas and Agenda Packets	No charge for electronic copy
Public Records Act Requests	No charge for electronic copy
Connection Fee Refund	\$200
Returned Check	\$25
Ordinance Non-Compliance Charge	\$250/day
Staff Services/Engineering Consultation	\$75/half hour
District Equipment Rental w/Operator	CalTrans Labor Surcharge and Equipment Rental Rates Equipment Rate plus Staff Services
Property Line Adjustments	\$360
Plan Review in Excess of Two Hours	\$75/half hour
Variance Application (initial review)	\$1,000

Water Additional Charges	
Tahoe Estates Winterization Fee (at time of connection)	\$750
Customer Requested Meter Test	\$60
	\$60/during business hours
Customer Service Call Requested Turn On/Off	\$150/outside business hours
Non-Payment Turn Off/Reducer Placement	\$110
Temporary Water Service	\$275
Call Back Fee	\$150
Water Tap Abandonment requiring removal of existing tapping saddle and installation of repair clamp	\$1,050
	\$1,450/deposit
Hydrant Meter Rental	\$40/month Consumption as per rate schedule
Meter Installation Charges	
Size of Meter to be installed	Charge Per Each Meter
3/4 - inch meter	\$2,519
1 - inch meter	\$2,871
1 1/2 - inch meter	\$5,611
2 - inch meter	\$6,328
3 - inch meter and greater	Cost Estimate to be Provided at Plan Check

Water meter and fire protection meter installation charges are for all materials, equipment and labor in accordance with the NTPUD Requirements for design, Construction and Maintenance of Sewer and Water Services and Appurtenances Technical Specifications.

Delinquent Bills. In the event of delinquency in the payment of any rates, or charges, or installation charges thereof, or interest thereon, penalty and interests shall be imposed as set forth in set forth in this Ordinance a basic penalty of 10% of the amount of each delinquency shall be added, plus an additional penalty of one percent (1%) per month for non-payment of rates, charges, installation charges, and/or interest and penalties. Notwithstanding the foregoing, if a customer demonstrates that he or she has a household income below 200% of the federal poverty level, the District shall waive interest charges on delinquent bills once every twelve months.

SCHEDULE OF RATES AND CHARGES  
BY NEVADA IRRIGATION DISTRICT

SCHEDULE 6-A  
EFFECTIVE See below

**MISCELLANEOUS CHARGES  
RENDERING AND PAYMENT OF BILLS**

DESCRIPTION	CHARGE	EFFECTIVE DATE
Duplicate of Water Statement (per billing)	\$ 2.00	09/26/1984
Turn off Notification Fee (Inside District)	12.40	01/01/2026
Turn off Notification Fee (Outside District)	15.50	01/01/2026
Outside District Security Deposit	50.00	09/26/1984
Return Check Fee	25.00	02/11/2015
Public Utility Easement Abandonment	50.00	01/01/1993
Water Availability Letter	50.00	01/01/1994
Variance Request	175.00	01/01/1994
Photocopies, per page	0.10	02/11/2015
Records on Compact Disc (plus postage if applicable)	5.00	02/11/2015
Encroachment Permit - County	190.00	07/01/2007

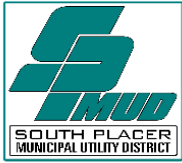
SCHEDULE OF RATES AND CHARGES  
BY NEVADA IRRIGATION DISTRICT

SCHEDULE 7-A  
EFFECTIVE JANUARY 1, 2026<sup>21</sup>

**SPECIAL SERVICE CALL**

Special Service Call fee inside District:	\$ 127.00
Special Service Call fee after normal working hours:	263.00
Special Service Call fee outside District:	\$ 159.00
Special Service Call fee after normal working hours, outside District	329.00

<sup>21</sup> BOD 02/15/2015, 12/08/2021



**South Placer Municipal Utility District**  
**Fee Schedule**  
**Resolution 25-08**  
**Fiscal Year 2025/26**

Fee Description	Fee Amount
Monthly Service Charge (Ordinance 23-01)	\$40.50 / EDU
Monthly PRSC Newcastle Residents (Resolution 13-11)	\$54 / EDU
Building Sewer Inspection/Food Service Establishment Tenant Improvement Inspection Fee	\$495
Building Sewer Inspection (Repairs)	\$260
Residential Ejector Pump Submittal Review (Includes plan review and inspection)	\$595
Accessory Dwelling Unit (ADU) Submittal Review (Includes plan review and inspection)	\$635
Reconnect Fee	\$630
Access Permit Fee	\$750
Project Plan Check & Inspection Processing Fee	\$2,235 Deposit + District Costs
Tenant Improvement Processing Fee (includes plan review)	\$385 Deposit + District Costs
Appeal Fee (Resolution 24-33)	\$50
Capacity Charge per Equivalent Dwelling Unit (EDU) (Ordinance 23-02)	\$14,812
Local Capacity Charge per EDU (Sewer Code Chapter 2)	\$4,954
Regional Capacity Charge per EDU (SPWA Treatment)	\$9,858
Project Related Participation Fee per EDU - PRPF (NSD) (Resolution 13-11/10-09 - Year 13) Adjusts 10/1/25	\$1,300
Out-of-Area Service Agreement Processing Fee	\$1,250
Annexation Single Parcel/Single Home	\$2,075
Annexation Large Annex (up to 50 acres)	\$7,375
Annexation Large Annex (More than 50 acres)	\$8,925
Warranty TV/Flush Fee (6" - 15" diameter)	\$3.70/ft + District costs
Warranty TV/Flush Fee (> 15" diameter)	\$5.20/ft + District costs
Inspection Overtime Fee (Weekday - 3 hr max)	\$865
Inspection Overtime Fee (Night/Saturday - 8 hr max)	\$2,010
Tap - Mainline	\$2,920
Tap - Manhole	\$3,360
One-Time Discharge Permit	\$1,085
Wastewater Discharge Permit (Initial Permit)	\$780
Wastewater Discharge Permit (Renewal)	\$520
Document Copy Fees	
~ Copy of 8.5 x 11 - 11 x 17	\$0.25
~ Copy 24 x 36	\$16
~ Copy GIS Document	\$80
~ Copy Electronic Files onto CD	\$80
Standard Specifications (Binder)	\$80 + shipping if mailed
Sewer System Management Plan (SSMP) (Binder)	\$80 + shipping if mailed
Credit Card Transaction Charge (Resolution 21-06/Policy 3170) NOT Applicable to Monthly Service Charges	2.5%