

RESOLUTION 2022-38

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAUMONT - CHERRY VALLEY WATER DISTRICT
ACCEPTING THE MISCELLANEOUS FEES UPDATE
REPORT DATED OCTOBER 27, 2022 AND ADOPTING A
REVISED SCHEDULE OF MISCELLANEOUS FEES
(ADMINISTRATIVE COST RECOVERIES) EFFECTIVE
DECEMBER 14, 2022 AND SUPERSEDING
RESOLUTIONS 2010-09, 2012-08, 2015-06, AND 2018-04**

WHEREAS, the Beaumont-Cherry Valley Water District (District) is authorized, pursuant to California Water Code 31007, to fix, prescribe, revise and collect fees and charges so as to yield an amount sufficient to pay the operating expenses of the District, provide for repairs and depreciation of works owned and / or operated by the District, pay the interest on any bonded debt, and provide a fund for payment of the principal of the bonded debt as it becomes due; and

WHEREAS, the Board of Directors has determined that District staff provides many types of services involving requests by customers and the District imposes service fees and deposits upon customers to recover the costs of staff time and other administrative expenses related to providing these services; and

WHEREAS, current fees and charges do not adequately recoup the District's costs of providing certain services and thus, a significant amount of those costs are currently paid from the District's general fund, and therefore are borne by the ratepayers; and

WHEREAS, the District finds that providing these services is of special benefit to those customers both separate and apart from the general benefits to the public, and therefore, in the interest of fairness, the District desires to better recover the costs of providing those services from customers who have sought said services by revising its Schedule of Miscellaneous Fees (Administrative Cost Recoveries); and

WHEREAS, the Board of Directors of the Beaumont-Cherry Valley Water District has carefully reviewed the 2022 Miscellaneous Fees Update Report prepared and submitted by Raftelis Financial Consultants dated October 27, 2022 which is attached hereto marked Exhibit "A"; and

WHEREAS, the Board of Directors finds the proposed fee schedules as set forth in the Report to be necessary for the District's continued recovery of costs of service, are in compliance with State law, and are in the best interests of the District and its customers with exceptions as noted below; and

WHEREAS, Beaumont-Cherry Valley Water District provided notice of a public hearing and written notice was provided to interested parties who filed written requests for mailed notice of meetings on new or increased development-related fees or service charges; and

WHEREAS, on December 14, 2022, the Board of Directors conducted a public hearing for the purpose of considering the adoption of a revised schedule of miscellaneous fees and charges,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District that:

1. The recommendations set forth in the 2022 Miscellaneous Fees Update Report prepared and submitted by Raftelis Financial Consultants dated October 27, 2022 which is attached hereto and marked as Exhibit "A" and made a part of this Resolution are hereby approved and accepted by the Board of Directors
2. The Miscellaneous Fees (Administrative Cost Recoveries) within the Miscellaneous Fees Update Report and made a part of this Resolution are hereby adopted and shall become effective December 14, 2022 with the following exceptions:
 - a. Those fees and charges that the Board may designate for less than 100 percent cost recovery:

i.	After Hours Call Out	
ii.	After Hours Call Out (SB 998)	
iii.	Bench Test Credit	
iv.	Meter Testing done in-house	5/8" to 1" meters
v.	Meter Testing done in-house	1.5" to 2" meters
vi.	Testing done by outside contractor	5/8" to 1" meters
vii.	Testing done by outside contractor	1.5" to 2" meters
viii.	Backflow Administration	

3. To the extent that the terms and provisions of this Resolution may be inconsistent or in conflict with the terms and conditions of any prior ordinance, resolution, rule, or regulation the terms of this Resolution shall prevail, and any such inconsistent and conflicting provisions of prior ordinance, resolution, rule, or regulation are hereby superseded
4. If any provision of this Resolution or application thereof to any person or circumstance is held invalid, no other provision of this Resolution shall be affected thereby
5. The Miscellaneous Fees and Charges as set forth in Exhibit A are not discriminatory or excessive, will comply with Government Code Sections 54340 et. seq., and will otherwise comply with law.

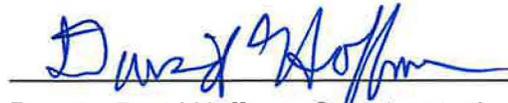
ADOPTED this 14th day of December, 2022 by the following vote:

AYES: Covington, Hoffman, Ramirez, Slawson, Williams
 NOES:
 ABSTAIN:
 ABSENT:



Director Lona Williams, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District

ATTEST:



Director David Hoffman, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

Attachments: Exhibit A: Miscellaneous Fee Update Report dated 10/27/2022 (36 pages)

Beaumont-Cherry Valley Water District

Miscellaneous Fee Update

Final Draft Report / October 27, 2022



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Final Draft



October 27, 2022

Mr. William Clayton
Finance and Administration Department
Beaumont-Cherry Valley Water District
560 Magnolia Ave.
Beaumont, CA 92223

Subject: Final Draft Report for the Miscellaneous Fees

Dear Mr. Clayton,

Raftelis is pleased to provide the Beaumont-Cherry Valley Water District (District) with this report which describes the work done on the Miscellaneous Fee Update. The District's miscellaneous fees were developed originally in 2012 and the miscellaneous fees have broadly not been updated or adjusted to keep pace with rising costs associated with providing services. Therefore, the overarching purpose of the Miscellaneous Fee Update was to update the previously established fees and penalties to recover the associated costs.

This report provides a detailed discussion of key findings and recommendations. It has been a pleasure working with you and other members of the District's staff. Thank you for the support you provided during this study.

Sincerely,

A handwritten signature in blue ink that reads "John Wright".

John Wright
Senior Manager

A handwritten signature in blue ink that reads "Cleo Koenig".

Cleo Koenig
Associate Consultant

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1. Executive Summary

The Beaumont-Valley Water District (District) contracted with Raftelis to perform a miscellaneous fee study in 2022. The study's main objective is to develop fair and justifiable miscellaneous fees that reflect actual costs the District incurs to provide these miscellaneous services to their customers. This document outlines the purpose of miscellaneous fees, as well as the methodologies and rationale behind implementing these fees. This executive summary provides a brief summation of the legal precedent, the methodology, and the derived rates.

1.1. Background

Beaumont-Cherry Valley Water District serves over 60,000 people in both the City of Beaumont and the Cherry Valley community. The District has experienced significant growth over the past 20 years and will for the foreseeable future, exemplified by the growth in their reservoir system which went from a capacity of 7 million gallons of storage in 2000 to 23 million gallons of storage today. The District also has grown to have 21 wells, 15 reservoirs and distributes water through a system consisting of pipelines of variable size up to 30 inches in diameter.

The District's miscellaneous fees were developed originally in 2012 and the service connection fees and construction meter deposits were updated in 2015 and again in 2018, but otherwise, the miscellaneous fees have broadly not been updated or adjusted to keep pace with rising costs associated with providing services. As part of the District's review of rates and fees, a comprehensive miscellaneous fee update study was undertaken. Raftelis began by reviewing the District's existing overhead allocation methodology and miscellaneous fees schedule and calculations. After review, a Fee Calculator was developed to calculate the fees for specific services, activities, or penalties provided or charged to the District's water and recycled water customers.

1.2. Economic and Legal Framework

The purpose of miscellaneous fees is to recover, from customers, the cost of providing services that are not recovered through utility rates. Miscellaneous fees are not governed by the requirements of California Proposition 218. Instead, they are governed by the requirements of California Proposition 26.

California Proposition 26 was adopted in 2010 and requires that a public utility adopt fees by either ordinance or resolution. Any fees which exceed the estimated full cost of rendering the related service must be approved by a popular vote of two-thirds, as a fee that exceeds the estimated full cost would be considered a tax and not a fee. Since no fee proposed in this study exceeds the full cost to render the related service- or is considered a penalty and is therefore not considered tax- these fees do not require a popular two-thirds vote¹.

The standard fee limitation established in California law for miscellaneous fees is the "estimated, reasonable cost" principle. The total cost of each service included in this analysis is primarily based on the salaries and benefits hourly rates (SBHR) that were determined for District personnel directly involved in providing each service. SBHRs are then used in conjunction with other cost inputs such as labor hours, materials, equipment, travel, and indirect overhead estimates. The calculation of the SBHRs is discussed further in Section 2.2.

¹ Raftelis does not practice law, nor does it provide legal advice. The above discussion is to provide a general review of apparent state institutional constraints. The District should consult with its counsel for clarification and/or specific review of any of the above or other matters.

Throughout this report, the District’s miscellaneous fees are categorized as either user fees or penalty fees. User fees are intended to only recover the costs associated with providing a particular service. For the purposes of this report, user fees are split between customer account-related user fees and engineering-related user fees. On the other hand, penalty fees are charged when users violate terms of agreement or service, a law, or other regulations. These fees are intended to both recover costs and change behavior.

1.3. Miscellaneous Fees

The District’s current and proposed miscellaneous fees are summarized in Table 1-1, Table 1-2, Table 1-3, and Table 1-4 below. Figure 1-1 is a legend explaining the per unit abbreviations in each table. The tables are separated by customer account-related user fees, engineering-related user fees, and penalty fees. These fees have not been adjusted in recent years and no longer recover the associated costs to provide their relevant services to customers. Therefore, this Study utilized time and material estimates, salary and benefit information, and indirect overhead costs to determine the adequate fees to cover the costs associated with each service. The proposed fees were designed with District staff based on workflow activities, labor and material cost information provided by the District.

Figure 1-1: Legend for Per Unit

Unit Abbreviation	Unit
EO	Each Occurrence
SB	Senate Bill
UB	Utility Billing
SF	Square Foot
LS	Lump Sum
LF	Linear Foot
CII	Commercial/Industrial/Institutional
WM	Water Meter
DS	Design Sheet

Table 1-1: Current and Proposed Customer Account-Related User Fees

Line	Fee Description	Existing Fee	Proposed Fee	Per
1	Customer Account-Related Fees			
2	After-hours Call-out Fee	\$50.00	\$200.00	EO
3	After-hours Call-out (SB 998) Fee	\$0.00	\$100.00	EO
4	Credit Card Processing Fee (UB)	\$1.75	\$2.50	EO
5	Credit Card Processing Fee (Non-UB)		3% of total charge	EO
6	Credit Check Processing Fee	\$5.00	\$10.00	EO
7	Bench Test Credit	\$30.00	\$370.00	EO
8	Backflow Administration Fee	\$40.00	\$50.00	EO
9	Meter Testing Fee - 5/8" to 1" Inside ⁽¹⁾	\$30.00	\$370.00	EO
10	Meter Testing Fee - 5/8" to 1" Outside ⁽²⁾	\$200.00	\$420.00	EO
11	Meter Testing Fee - 1.5" to 2" Inside ⁽¹⁾	\$50.00	\$480.00	EO
12	Meter Testing Fee - 1.5" to 2" Outside ⁽²⁾	\$250.00	\$610.00	EO
13	Customer Account-Related Deposits			
14	Customer Deposit - Medium ⁽³⁾	\$150.00	\$150.00	EO
15	Customer Deposit - High ⁽³⁾	\$250.00	\$250.00	EO
16	Customer Deposit - Low ⁽³⁾	\$0.00	\$0.00	EO

Footnotes:

- (1) Refers to meter testing performed in-house (on site at District facilities) as opposed to by a third-party vendor
- (2) Refers to meter testing performed offsite by a third-party vendor as opposed to in-house
- (3) Refers to a non-payment risk category as determined by a credit check performed by a third-party vendor

Table 1-2: Current and Proposed Engineering-Related User Fees

Line	Fee Description	Existing Fee	Proposed Fee	Per
1	Engineering-Related Fees			
2	Service Connection Fee - 5/8" Non-Tract, Short Side	\$4,783.00	\$6,680.00	LS
3	Service Connection Fee - 5/8" Non-Tract, Long Side	\$8,213.00	\$12,590.00	LS
4	Service Connection Fee (Meter Assembly only) - 5/8" In-Tract	\$986.00	\$1,120.00	LS
5	Service Connection Fee - 3/4" Non-Tract, Short Side	\$4,845.00	\$6,710.00	LS
6	Service Connection Fee - 3/4" Non-Tract, Long Side	\$8,159.00	\$12,700.00	LS
7	Service Connection Fee (Meter Assembly only) - 3/4" In-Tract	\$1,048.00	\$1,140.00	LS
8	Service Connection Fee - 1.0" Non-Tract, Short Side	\$4,862.00	\$6,780.00	LS
9	Service Connection Fee - 1.0" Non-Tract, Long Side	\$8,292.00	\$12,770.00	LS
10	Service Connection Fee (Meter Assembly only) - 1.0" In-Tract	\$1,082.00	\$1,210.00	LS
11	Service Connection Fee - 1.5" Non-Tract, Short Side	\$5,587.00	\$7,000.00	LS
12	Service Connection Fee - 1.5" Non-Tract, Long Side	\$9,503.00	\$13,350.00	LS
13	Service Connection Fee (Meter Assembly only) - 1.5" In-Tract	\$784.00	\$730.00	LS
14	Service Connection Fee - 2.0" Non-Tract, Short Side	\$5,780.00	\$7,240.00	LS
15	Service Connection Fee - 2.0" Non-Tract, Long Side	\$9,580.00	\$13,600.00	LS
16	Service Connection Fee (Meter Assembly only) - 2.0" In-Tract	\$977.00	\$980.00	LS
17	Encroachment Permit Fee (City of Beaumont Non-Moratorium Area)	\$0.00	\$510.00	EO
18	Encroachment Permit Fee (County of Riverside)	\$0.00	\$170.00	EO
19	Encroachment Permit Fee (City of Calimesa)	\$0.00	\$120.00	EO
20	Encroachment Permit Fee (City of Beaumont Moratorium Area)	\$0.00	\$650.00	EO
21	Residential Service - No Reimbursement Agreement (Front Footage Fee)	\$28.50	\$29.50	LF
22	Commercial Service - No Reimbursement Agreement (Front Footage Fee)	\$35.00	\$35.10	LF

Table 1-3: Current and Proposed Engineering-Related Deposits

Line	Fee Description	Existing Fee	Proposed Fee	Per
1	1" Construction Meter Deposit	\$502.00	\$500.00	EO
2	3" Construction Meter Deposit	\$2,042.00	\$2,650.00	EO
3	Will Serve Deposit	\$500.00	\$500.00	FO
4	Fire Flow Deposit	\$500.00	\$700.00	EO
5	Water Supply Assessment Deposit	\$5,000.00	\$5,000 when prepared by the Developer; \$10,000 when prepared by the District	EO
6	Plan of Service Deposit	\$5,000.00	\$5,000 when prepared by the Developer; \$10,000 when prepared by the District	EO
7	Inspection Deposit (Typical Tract)	\$15,000.00	\$15,000.00	EO
8	Plan Check Deposit Plan Set<5 sheets	\$3,000.00	\$3,000.00	EO
9	Plan Check Deposit Plan Set 5 - 9 sheets	\$5,000.00	\$5,000.00	EO
10	Plan Check Deposit Plan Set>=10 sheets	\$0.00	7,500.00	EO
11	GIS Deposit	\$275	\$0.00	WM
12	GIS Deposit - Commercial/Institutional/Industrial	\$0.00	\$710.00	DS
13	GIS Deposit – Residential	\$0.00	\$210.00	DS
14	Fire Hydrant Deposit (Includes pavement)	\$10,000.00	\$19,150.00	EO
15	4" Fire Service Installation Deposit	\$8,929.19	\$16,010.00	EO
16	6" Fire Service Installation Deposit	\$10,594.38	\$18,860.00	EO
17	8" Fire Service Installation Deposit	\$15,867.10	\$29,070.00	EO
18	10" Fire Service Installation Deposit	\$27,450.87	\$51,710.00	EO
19	12" Fire Service Installation Deposit	\$31,242.75	\$53,250.00	EO
20	City of Beaumont Moratorium Area Additional Paving Deposit (Short Side)	\$0.00	\$6,560.00	EO
21	City of Beaumont Moratorium Area Additional Paving Deposit (Long Side)	\$0.00	\$12,500.00	EO
22	Equipment (For Repairs) (Trucks and Machinery)	\$25.00	\$0.00	EO

Table 1-4: Current and Proposed Penalties

Line	Penalty Description	Existing Penalty	Proposed Penalty	Per
1	Customer Account-Related Penalty			
2	Second Notice Charge	\$5.00	\$5.00	EO
3	Third Notice Charge	\$5.00	\$15.00	EO
4	Account Reinstatement Charge	\$50.00	\$50.00	EO
5	Lien Processing Fee	\$100.00	\$170.00	EO
6	Returned Payment Charge	\$25.00	\$25.00	EO
7	Resubmit	\$5.00	\$0.00	EO
8	Water Restriction Penalty	Varies based on consumption of the most recent bill	Varies based on consumption of the most recent bill	EO
9	Engineering-Related Penalty			
10	Water Theft Prevention - Illegal Jumper and/or Connection (Unauthorized Connection Charge)	\$1,150.00	\$1,150.00	EO
11	Water Theft Prevention (Broken or Stolen Lock)	\$20.00	\$20.00	EO
12	Lost/Damaged Construction Meter	\$2,042.00	\$2,650.00	EO
13	Hit Fire Hydrant	Per Work Order	Per Work Order	EO

2. Fee Calculation Components

The purpose of this report is to discuss the development of updated proposed miscellaneous fees for the District. The basic premise of a fee study is to determine the “reasonable costs” of each of the services provided by the District. Miscellaneous fees are necessary to ensure that customers are compensating the District for the cost of various services they are provided that are customer-specific and which are not recovered from rates. These components are used in Section 3. The proposed miscellaneous fees are calculated based on full cost recovery assumptions and include overhead costs, the salaries and benefits of staff performing work activities directly associated with the various miscellaneous fee components, and departmental costs such as supplies, materials, and mileage. The following sections describe how these components were determined.

2.1. Overhead Costs

In addition to recovering the direct cost of labor and materials associated with processing and administering miscellaneous fee-related activities or functions, which are primarily incurred in the District’s Engineering and Operations departments, it is common for agencies to recover support costs. Support costs are those costs relating to central service providers such as the general manager, human resources, information systems, finance and accounting, and administration. These central services costs represent costs that are not related directly to the miscellaneous fee work activities, such as utilities or wages, taxes, and benefits of other employees whose primary function is to support the Engineering and Operations departments. Table 2-1 below shows the overhead rate of 48%, which was obtained by dividing the central service costs by the total salaries and benefits. This rate is multiplied by the Salaries and Benefits Hourly Rate (SBHR), discussed below, and included as Labor Overhead in many of the miscellaneous fee-related activities or functions detailed throughout this report.

Table 2-1: Overhead Cost Calculations

Line	Description		Notes
1	Total 2022 Central Service Costs	\$3,551,065	
2	Total 2022 Salaries and Benefits	\$7,363,000	
3	Overhead Rate (%)	48%	Line 1/Line 2

2.2. Salaries and Benefits Hourly Rate (SBHR)

The salaries and benefits hourly rate is the cost to employ District personnel including wages, taxes, and benefits. The SBHRs are calculated based on an assumption of productive hours for full and part-time employees. Productive hours are those hours where staff have the potential to work on fee-related activities or functions and consider non-productive hours such as holidays, paid time off, and training. The first step in calculating the SBHR is to take the total yearly salaries and benefits for an employee and divide by the assumed productive hours. The total cost of each fee-related activity or function included in this analysis is primarily based on the SBHRs that were determined for District personnel directly involved in providing each activity or function and based on 2022 rates. If the titles performing the fee-related activities or functions are interchangeable within similar job classifications, the average of the SBHRs for those classifications is used. Table 2-2 has a summary of the SBIIR for different job titles.

Table 2-2: 2022 Salaries and Benefits Hourly Rates

Line	Job Title	Total Salaries & Benefits ⁽¹⁾	Productive Hours	SBHR
1	Finance and Administration Staff			
2	Management Analyst II	\$167,663	1970	\$85.11
3	Senior Management Analyst	\$197,506	1970	\$100.26
4	Customer Service Representative I	\$85,228	1970	\$43.26
5	Customer Service Supervisor	\$153,838	1970	\$78.09
6				
7	Engineering Staff			
8	Director of Engineering	\$270,482	1970	\$137.30
9	Engineering Assistant	\$143,751	1970	\$72.97
10	Development Services Representative	\$105,863	1970	\$53.74
11	Engineering Intern	\$19,163	1000	\$19.16
12				
13	Engineering Average	\$134,815	1970	\$68.43
14				
15	Operations- Transmission and Distribution Staff			
16	Water Utility Superintendent	\$200,941	1970	\$102.00
17	Water Utility Supervisor	\$198,819	1970	\$100.92
18	Water Utility Worker I	\$101,808	1970	\$51.68
19	Water Utility Worker II	\$127,448	1970	\$64.69
20	Senior Water Utility Worker	\$139,783	1970	\$70.96
21				
22	Water Utility Worker I/II/III Average	\$123,013	1970	\$62.44
23				
24	Water Production Operator I	\$95,297	1970	\$48.37
25	Water Production Operator II	\$142,019	1970	\$72.09
26				
27	Water Production Operator I/II Average	\$118,658	1970	\$60.23

Footnotes:

(1) Based on 2022 Salary Schedule rates and benefits. District reserves the right to adjust SBHR items annually to reflect changing costs.

2.3. Other Considerations

Other costs included in this analysis are time, travel costs, equipment, services, and materials. Direct labor costs were determined by multiplying the SBHR by the estimated hours of labor for each position or employee that works on the miscellaneous fee activity or function. District staff was consulted to determine the average time needed to complete the service for each activity or function calculated in the following sections. Travel costs were calculated and applied to the relevant fee. Travel costs help recover the costs of operating a standard vehicle. Material costs include estimated office supplies, materials of construction, meters, etc. These costs may vary by the size of the meter.

Table 2-3: Equipment and Services Costs/Rates

Line	Description	Cost/Rate
1	Trench Paving Rate (per S/F)	\$8.25
2	Various Credit Card Vendor Processing Cost (UB)	\$2.50
3	Various Credit Card Vendor Processing Cost (Non-UB)	3%
4	Customer Deposit (Medium Non-Payment Risk)	\$150.00
5	Customer Deposit (High Non-Payment Risk)	\$250.00
6	Customer Deposit (Low Non-Payment Risk)	\$0.00
7	Vendor Credit Check Processing Cost (Online Services)	\$3.00
8	Vendor Backflow Statement Processing Cost (Infosend)	\$3.71
9	Bank Return Check/ACH/Credit Card Fee	\$25.00
10	Lien Release	\$20.00
11	GIS System (Nobel) Updates - Commercial/Institutional/Industrial (Per Design Sheet)	\$500.00
12	GIS System (Nobel) Updates - Residential (Per Design Sheet)	\$100.00
13	Meter Test 5/8" to 1" Outside Vendor	\$100.00
14	Meter Test 1.5" to 2" Outside Vendor	\$185.00
15	Utility Truck (24 Hour Rate)	\$1,200.00
16	Dump Truck (24 Hour Rate)	\$1,080.00
17	Compressor (24 Hour Rate)	\$480.00
18	Backhoe/Loader (24 Hour Rate)	\$1,050.00
19	Compactor (24 Hour Rate)	\$330.00
20	Tapper (24 Hour Rate)	\$40.00
21	8" Front Footage Cost Per Linear Foot Per Side	\$29.50
22	12" Front Footage Cost Per Linear Foot Per Side	\$35.10
23	Encroachment Permit Fee (City of Beaumont Non-Moratorium Area)	\$506.12
24	Encroachment Permit (County of Riverside)	\$166.67
25	Encroachment Permit (City of Calimesa)	\$120.00
26	Encroachment Permit (City of Beaumont Moratorium Area)	\$645.56
27	Paver Rental (B-81) (Per occurrence)	\$750.00

Table 2-4: Materials Costs

Line	Description	Cost ⁽¹⁾
1	5/8" Meter Materials of Assembly	\$1,018.29
2	5/8" Short Side Service Connection Materials of Assembly	\$1,527.85
3	5/8" Long Side Service Connection Materials of Assembly	\$1,726.49
4	3/4" Meter Materials of Assembly	\$1,046.30
5	3/4" Short Side Service Connection Materials of Assembly	\$1,555.86
6	3/4" Long Side Service Connection Materials of Assembly	\$1,843.26
7	1" Meter Materials of Assembly	\$1,117.42
8	1" Short Side Service Connection Materials of Assembly	\$1,626.98
9	1" Long Side Service Connection Materials of Assembly	\$1,914.37
10	1.5" Meter Materials of Assembly	\$635.36
11	1.5" Short Side Service Connection Materials of Assembly	\$1,850.14
12	1.5" Long Side Service Connection Materials of Assembly of Assembly	\$2,493.04
13	2" Meter Materials	\$878.03
14	2" Short Side Service Connection Materials of Assembly	\$2,092.81
15	2" Long Side Service Connection Materials of Assembly	\$2,735.71
16	1" Hydrant (Construction) Meter	\$495.00
17	3" Hydrant (Construction) Meter	\$2,645.00
18	New Fire Hydrant Materials	\$8,335.05
19	Keyed Padlock (Lock off)	\$7.49
20	4" Fire Service Connection Materials of Assembly	\$8,487.03
21	6" Fire Service Connection Materials of Assembly	\$11,329.91
22	8" Fire Service Connection Materials of Assembly	\$20,253.33
23	10" Fire Service Connection Materials of Assembly	\$31,762.28
24	12" Fire Service Connection Materials of Assembly	\$33,037.18
Footnotes:		
(1) Based on 2022 costs of materials. District reserves the right to prorate material item costs annually to reflect cost increases.		

3. User Fee Calculation

User fees are intended to recover the cost of providing a service. The basic concept of user fees is to determine the “reasonable cost” of each service provided by the District. The full cost of providing a service is typically seen as an objective basis for determining the fees. Each user fee calculation is discussed in the following subsections.

3.1. Customer Account-Related User Fees

Customer account-related user fees are costs associated with providing customer account-related services, such as processing fees, meter testing, and customer account deposits.

3.1.1. AFTER-HOURS CALL-OUT FEES

Below are the after-hours call-out fees of \$200 as shown in Table 3-1. This charge is based on the labor and travel costs incurred to provide service and is charged when the customer requests the service during nonoperational hours. The Water Shutoff Protection Act (SB 998) also has an after-hours turn-on charge capped at \$100, as shown in Table 3-2. The SB 998 After-hours Call-Out Fee would only be charged for residential water service during nonoperational hours. This is rounded for the ease of administrative tasks.

Table 3-1: After-hours Call-Out Fee

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$187.33	\$0.00	\$187.33	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$5.90	\$0.00	\$5.90	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	\$0.00	\$0.00	\$0.00	
6	Total Fee	\$193.23	\$0.00	\$193.23	\$200.00

Table 3-2: After-hours Call-Out (SB 998) Fee

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$100.00	\$100.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	\$0.00	\$0.00	\$0.00	
6	Total Fee	\$0.00	\$100.00	\$100.00	\$100.00

3.1.2. CREDIT CARD PROCESSING FEES

Credit card processing fees are based on the fees charged by banks to process these payments. For Utility Billing account payment (UB) cards, this cost is \$2.50. For non-UB cards, this is 3% of the total charge placed on the

credit card. This payment is laid out below in Table 3-3.

Table 3-3: Credit Card Processing Fees

Line	Fee Calculation	Proposed Fee
1	Credit Card Processing Fee (UB)	\$2.50
2	Credit Card Processing Fee (Non-UB)	3% of total charge

3.1.3. CREDIT CHECK PROCESSING FEE

The credit check processing fee is based on the costs incurred to investigate a customer’s credit, including labor, equipment, and services. This calculation is laid out below in Table 3-4 and rounded for ease of administration.

Table 3-4: Credit Check Processing Fee

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$3.61	\$0.00	\$3.61	
2	Labor Overhead	\$1.74	\$0.00	\$1.74	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	\$3.00	\$0.00	\$3.00	
6	Total Fee	\$8.34	\$0.00	\$8.34	\$10.00

3.1.4. BENCH TEST CREDIT

The bench test credit is not a fee but is instead a deposit that could be returned to the customer if the meter test results are in the customer’s favor. This is cost-based, and the calculations are shown below in Table 3-5 and are rounded to the nearest \$10 for ease of administration.

Table 3-5: Bench Test Credit

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$248.35	\$0.00	\$248.35	
2	Labor Overhead	\$119.77	\$0.00	\$119.77	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	\$0.00	\$0.00	\$0.00	
6	Total Fee	\$368.12	\$0.00	\$368.12	\$370.00

3.1.5. BACKFLOW ADMINISTRATION FEE

The backflow administration fee recovers the costs associated with labor, travel, and services. The calculations are shown below in Table 3-6 and are rounded to the nearest \$10 for ease of administration.

Table 3-6: Backflow Administration Fee

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$26.93	\$0.00	\$26.93	
2	Labor Overhead	\$12.99	\$0.00	\$12.99	
3	Travel	\$5.77	\$0.00	\$5.77	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$3.71</u>	<u>\$0.00</u>	<u>\$3.71</u>	
6	Total Fee	\$49.40	\$0.00	\$49.40	\$50.00

3.1.6. METER TESTING FEES

The meter testing fee recovers the costs associated with labor, equipment, and labor overhead. The calculations are shown below in Table 3-7,

Table 3-8, Table 3-9, and Table 3-10 and are rounded to the nearest \$10 for ease of administration. The costs vary based on the size of the meter and whether the meter test is done in-house by the District (inside) or by a third party (outside).

Table 3-7: Meter Testing 5/8" to 1" Inside Fee

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$248.35	\$0.00	\$248.35	
2	Labor Overhead	\$119.77	\$0.00	\$119.77	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	
6	Total Fee	\$368.12	\$0.00	\$368.12	\$370.00

Table 3-8: Meter Testing 5/8" to 1" Outside Fee

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$212.87	\$0.00	\$212.87	
2	Labor Overhead	\$102.66	\$0.00	\$102.66	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$100.00</u>	<u>\$0.00</u>	<u>\$100.00</u>	
6	Total Fee	\$415.53	\$0.00	\$415.53	\$420.00

Table 3-9: Meter Testing 1.5” to 2” Inside Fee

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$319.30	\$0.00	\$319.30	
2	Labor Overhead	\$153.99	\$0.00	\$153.99	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	\$0.00	\$0.00	\$0.00	
6	Total Fee	\$473.30	\$0.00	\$473.30	\$480.00

Table 3-10: Meter Testing 1.5” to 2” Outside Fee

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$283.82	\$0.00	\$283.82	
2	Labor Overhead	\$136.88	\$0.00	\$136.88	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$185.00</u>	<u>\$0.00</u>	<u>\$185.00</u>	
6	Total Fee	\$605.70	\$0.00	\$605.70	\$610.00

3.1.7. CUSTOMER ACCOUNT DEPOSITS

The customer account deposits are split into three groups: medium, high, and low. A medium deposit is based on average off-peak billed usage and is assessed when a credit check results in a medium non-payment risk category. A high deposit is based on average peak billed usage and is assessed when a credit check results in a high non-payment risk category. A low deposit (no deposit) is assessed when a credit check results in a minimum non-payment risk category. Off-peak billed usage for this purpose is defined as the combination of two residential water bills during the winter months, while peak billed usage is defined as the combination of two residential water bills during the summer months. These fees are shown below in Table 3-11 and Table 3-12.

Table 3-11: Medium Customer Deposit

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$0.00	\$0.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$150.00</u>	<u>\$0.00</u>	<u>\$150.00</u>	
6	Total Deposit	\$150.00	\$0.00	\$150.00	\$150.00

Table 3-12: High Customer Deposit

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$0.00	\$0.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$250.00</u>	<u>\$0.00</u>	<u>\$250.00</u>	
6	Total Deposit	\$250.00	\$0.00	\$250.00	\$250.00

3.2. Engineering-Related User Fees

Engineering-related user fees are costs associated with providing engineering-related services, such as Service Connection fees, fire installation fees, and engineering deposits.

3.2.1. SERVICE CONNECTION FEES

The Service Connection fees are designed to recover the costs associated with installing meters and related services, which include labor, materials, and services. These costs are based on meter size and whether the meter falls on a short or long side. The calculations are shown in Table 3-13, Table 3-14, Table 3-15, Table 3-16, and Table 3-17 where column D shows the final rounded proposed fee for each meter.

Table 3-13: 5/8" Service Connection Fees

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Non-Tract, Short Side				
2	Direct Labor	\$1,873.29	\$0.00	\$1,873.29	
3	Labor Overhead	\$903.46	\$0.00	\$903.46	
4	Travel	\$0.00	\$0.00	\$0.00	
5	Materials	\$1,527.85	\$0.00	\$1,527.85	
6	Equipment/Services	<u>\$2,368.67</u>	<u>\$0.00</u>	<u>\$2,368.67</u>	
7	Total Fee	\$6,673.27	\$0.00	\$6,673.27	\$6,680.00
8					
9	Non-Tract, Long Side				
10	Direct Labor	\$3,746.59	\$0.00	\$3,746.59	
11	Labor Overhead	\$1,806.92	\$0.00	\$1,806.92	
12	Travel	\$0.00	\$0.00	\$0.00	
13	Materials	\$1,726.49	\$0.00	\$1,726.49	
14	Equipment/Services	<u>\$5,302.00</u>	<u>\$0.00</u>	<u>\$5,302.00</u>	
15	Total Fee	\$12,582.00	\$0.00	\$12,582.00	\$12,590.00
16					
17	(Meter Assembly only) - In-Tract				
18	Direct Labor	\$62.44	\$0.00	\$62.44	
19	Labor Overhead	\$30.12	\$0.00	\$30.12	
20	Travel	\$0.00	\$0.00	\$0.00	
21	Materials	\$1,018.29	\$0.00	\$1,018.29	
22	Equipment/Services	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	
23	Total Fee	\$1,110.85	\$0.00	\$1,110.85	\$1,120.00

Table 3-14: 3/4" Service Connection Fees

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Non-Tract, Short Side				
2	Direct Labor	\$1,873.29	\$0.00	\$1,873.29	
3	Labor Overhead	\$903.46	\$0.00	\$903.46	
4	Travel	\$0.00	\$0.00	\$0.00	
5	Materials	\$1,555.86	\$0.00	\$1,555.86	
6	Equipment/Services	<u>\$2,368.67</u>	<u>\$0.00</u>	<u>\$2,368.67</u>	
7	Total Fee	\$6,701.28	\$0.00	\$6,701.28	\$6,710.00
8					
9	Non-Tract, Long Side				
10	Direct Labor	\$3,746.59	\$0.00	\$3,746.59	
11	Labor Overhead	\$1,806.92	\$0.00	\$1,806.92	
12	Travel	\$0.00	\$0.00	\$0.00	
13	Materials	\$1,843.26	\$0.00	\$1,843.26	
14	Equipment/Services	<u>\$5,302.00</u>	<u>\$0.00</u>	<u>\$5,302.00</u>	
15	Total Fee	\$12,698.77	\$0.00	\$12,698.77	\$12,700.00
16					
17	(Meter Assembly only) - In-Tract				
18	Direct Labor	\$62.44	\$0.00	\$62.44	
19	Labor Overhead	\$30.12	\$0.00	\$30.12	
20	Travel	\$0.00	\$0.00	\$0.00	
21	Materials	\$1,046.30	\$0.00	\$1,046.30	
22	Equipment/Services	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	
23	Total Fee	\$1,138.86	\$0.00	\$1,138.86	\$1,140.00

Table 3-15: 1" Service Connection Fees

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Non-Tract, Short Side				
2	Direct Labor	\$1,873.29	\$0.00	\$1,873.29	
3	Labor Overhead	\$903.46	\$0.00	\$903.46	
4	Travel	\$0.00	\$0.00	\$0.00	
5	Materials	\$1,626.98	\$0.00	\$1,626.98	
6	Equipment/Services	\$2,368.67	\$0.00	\$2,368.67	
7	Total Fee	\$6,772.40	\$0.00	\$6,772.40	\$6,780.00
8					
9	Non-Tract, Long Side				
10	Direct Labor	\$3,746.59	\$0.00	\$3,746.59	
11	Labor Overhead	\$1,806.92	\$0.00	\$1,806.92	
12	Travel	\$0.00	\$0.00	\$0.00	
13	Materials	\$1,914.37	\$0.00	\$1,914.37	
14	Equipment/Services	\$5,302.00	\$0.00	\$5,302.00	
15	Total Fee	\$12,769.88	\$0.00	\$12,769.88	\$12,770.00
16					
17	(Meter Assembly only) - In-Tract				
18	Direct Labor	\$62.44	\$0.00	\$62.44	
19	Labor Overhead	\$30.12	\$0.00	\$30.12	
20	Travel	\$0.00	\$0.00	\$0.00	
21	Materials	\$1,117.42	\$0.00	\$1,117.42	
22	Equipment/Services	\$0.00	\$0.00	\$0.00	
23	Total Fee	\$1,209.98	\$0.00	\$1,209.98	\$1,210.00

Table 3-16: 1.5" Service Connection Fees

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Non-Tract, Short Side				
2	Direct Labor	\$1,873.29	\$0.00	\$1,873.29	
3	Labor Overhead	\$903.46	\$0.00	\$903.46	
4	Travel	\$0.00	\$0.00	\$0.00	
5	Materials	\$1,850.14	\$0.00	\$1,850.14	
6	Equipment/Services	\$2,368.67	\$0.00	\$2,368.67	
7	Total Fee	\$6,995.56	\$0.00	\$6,995.56	\$7,000.00
8					
9	Non-Tract, Long Side				
10	Direct Labor	\$3,746.59	\$0.00	\$3,746.59	
11	Labor Overhead	\$1,806.92	\$0.00	\$1,806.92	
12	Travel	\$0.00	\$0.00	\$0.00	
13	Materials	\$2,493.04	\$0.00	\$2,493.04	
14	Equipment/Services	\$5,302.00	\$0.00	\$5,302.00	
15	Total Fee	\$13,348.55	\$0.00	\$13,348.55	\$13,350.00
16					
17	(Meter Assembly only) - In-Tract				
18	Direct Labor	\$62.44	\$0.00	\$62.44	
19	Labor Overhead	\$30.12	\$0.00	\$30.12	
20	Travel	\$0.00	\$0.00	\$0.00	
21	Materials	\$635.36	\$0.00	\$635.36	
22	Equipment/Services	\$0.00	\$0.00	\$0.00	
23	Total Fee	\$727.92	\$0.00	\$727.92	\$730.00

Table 3-17: 2" Service Connection Fees

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Non-Tract, Short Side				
2	Direct Labor	\$1,873.29	\$0.00	\$1,873.29	
3	Labor Overhead	\$903.46	\$0.00	\$903.46	
4	Travel	\$0.00	\$0.00	\$0.00	
5	Materials	\$2,092.81	\$0.00	\$2,092.81	
6	Equipment/Services	\$2,368.67	\$0.00	\$2,368.67	
7	Total Fee	\$7,238.23	\$0.00	\$7,238.23	\$7,240.00
8					
9	Non-Tract, Long Side				
10	Direct Labor	\$3,746.59	\$0.00	\$3,746.59	
11	Labor Overhead	\$1,806.92	\$0.00	\$1,806.92	
12	Travel	\$0.00	\$0.00	\$0.00	
13	Materials	\$2,735.71	\$0.00	\$2,735.71	
14	Equipment/Services	\$5,302.00	\$0.00	\$5,302.00	
15	Total Fee	\$13,591.22	\$0.00	\$13,591.22	\$13,600.00
16					
17	(Meter Assembly only) - In-Tract				
18	Direct Labor	\$62.44	\$0.00	\$62.44	
19	Labor Overhead	\$30.12	\$0.00	\$30.12	
20	Travel	\$0.00	\$0.00	\$0.00	
21	Materials	\$878.03	\$0.00	\$878.03	
22	Equipment/Services	\$0.00	\$0.00	\$0.00	
23	Total Fee	\$970.59	\$0.00	\$970.59	\$980.00

3.2.2. ENCROACHMENT PERMIT FEES

The encroachment permit fees are a new fee based on the average cost per permit issued by the three jurisdictions that overlap the District's service area:

1. City of Beaumont
2. County of Riverside
3. City of Calimesa

This fee is assessed in addition to the respective service connection charges. There are two separate fees for permits issued by the City of Beaumont, which are derived from the separately identified costs for streets outside of the City's Moratorium Areas and those within. These have been rounded up to the nearest \$10 for administrative purposes, as shown in Table 3-18.

Table 3-18: Encroachment Permit Fees

Line	Fee Calculation	Cost-Based A	Policy- Based B	Total Cost C = A + B	Proposed Fee D
1	City of Beaumont Non-Moratorium Area				
2	Direct Labor	\$0.00	\$0.00	\$0.00	
3	Labor Overhead	\$0.00	\$0.00	\$0.00	
4	Travel	\$0.00	\$0.00	\$0.00	
5	Materials	\$0.00	\$0.00	\$0.00	
6	Equipment/Services	<u>\$506.12</u>	<u>\$0.00</u>	<u>\$506.12</u>	
7	Total Fee	\$506.12	\$0.00	\$506.12	\$510.00
8	County of Riverside				
9	Direct Labor	\$0.00	\$0.00	\$0.00	
10	Labor Overhead	\$0.00	\$0.00	\$0.00	
11	Travel	\$0.00	\$0.00	\$0.00	
12	Materials	\$0.00	\$0.00	\$0.00	
13	Equipment/Services	<u>\$166.67</u>	<u>\$0.00</u>	<u>\$166.67</u>	
14	Total Fee	\$166.67	\$0.00	\$166.67	\$170.00
15	City of Calimesa				
16	Direct Labor	\$0.00	\$0.00	\$0.00	
17	Labor Overhead	\$0.00	\$0.00	\$0.00	
18	Travel	\$0.00	\$0.00	\$0.00	
19	Materials	\$0.00	\$0.00	\$0.00	
20	Equipment/Services	<u>\$120.00</u>	<u>\$0.00</u>	<u>\$120.00</u>	
21	Total Fee	\$120.00	\$0.00	\$120.00	\$120.00
22	City of Beaumont Moratorium Area				
23	Direct Labor	\$0.00	\$0.00	\$0.00	
24	Labor Overhead	\$0.00	\$0.00	\$0.00	
25	Travel	\$0.00	\$0.00	\$0.00	
26	Materials	\$0.00	\$0.00	\$0.00	
27	Equipment/Services	<u>\$645.56</u>	<u>\$0.00</u>	<u>\$645.56</u>	
28	Total Fee	\$645.56	\$0.00	\$645.56	\$650.00

3.2.3. RESIDENTIAL AND COMMERCIAL SERVICE – NO REIMBURSEMENT AGREEMENT (FRONT FOOTAGE FEES)

The residential and commercial service (no reimbursement agreements) (Front Footage Fees) are based on a weighted cost per linear foot for half of the cost to construct (1/2 to each side of parcel frontage) either an 8-inch mainline for residential or a 12-inch mainline for commercial. This is shown in Table 3-19 and Table 3-20 below and is 1/2 of the total cost per linear foot.

Table 3-19: Residential Service No Reimbursement Agreement (1/2 of Frontage – i.e., each side of street)

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$0.00	\$0.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$29.50</u>	<u>\$0.00</u>	<u>\$29.50</u>	
6	Total Fee	\$29.50	\$0.00	\$29.50	\$29.50

Table 3-20: Commercial Service No Reimbursement Agreement (1/2 of Frontage – i.e., each side of street)

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$0.00	\$0.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$35.10</u>	<u>\$0.00</u>	<u>\$35.10</u>	
6	Total Fee	\$35.10	\$0.00	\$35.10	\$35.10

3.2.4. CONSTRUCTION METER DEPOSITS

Construction meter deposits are based solely on the cost of the meter, which varies based on meter size. There are two meter types, 1" and 3", for which the costs are rounded for administrative purposes and shown in Table 3-21 and Table 3-22 below. The 3" meter cost was also used when determining the cost of a lost or damaged construction meter penalty in Table 4-6. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-21: 1" Meter Deposit

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$0.00	\$0.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$495.00	\$0.00	\$495.00	
5	Equipment/Services	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	
6	Total Deposit	\$495.00	\$0.00	\$495.00	\$500.00

Table 3-22: 3" Meter Deposit

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$0.00	\$0.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$2,645.00	\$0.00	\$2,645.00	
5	Equipment/Services	\$0.00	\$0.00	\$0.00	
6	Total Deposit	\$2,645.00	\$0.00	\$2,645.00	\$2,650.00

3.2.5. WILL SERVE DEPOSIT

The Will Serve deposit is based on estimated labor costs and is then rounded for administrative purposes. The District personnel involved in providing this service are provided by the Engineering department. Those SBHRs are shown in Table 2-2. The proposed Will Serve deposit has not changed from the current deposit of \$500 and is shown below in Table 3-23. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-23: Will Serve Deposit

Line	Description	Deposit
1	Will Serve Deposit	\$500.00

3.2.6. FIRE FLOW DEPOSIT

The fire flow deposit is based on labor costs expected to incur based on studies of average hours across 20 projects over multiple years. The deposit was rounded for administrative purposes, with the final cost of \$700 shown below in Table 3-24. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-24: Fire Flow Deposit

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$469.99	\$0.00	\$469.99	
2	Labor Overhead	\$226.67	\$0.00	\$226.67	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	\$0.00	\$0.00	\$0.00	
6	Total Deposit	\$696.65	\$0.00	\$696.65	\$700.00

3.2.7. WATER SUPPLY ASSESSMENT DEPOSIT

The water supply deposit is based on estimated labor costs and is then rounded for administrative purposes. The District personnel involved in providing this service are the Director of Engineering, the Engineering Assistant, and the Development Services Representative. Their respective SBHRs are shown in Table 2-2. When the assessment is prepared by the District, the deposit is \$10,000. However, if the assessment is prepared by the developer, the

deposit is only \$5,000. These are both shown in Table 3-25. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-25: Water Supply Assessment Deposit

Line	Description	Deposit
1	Assessment Prepared by District	\$10,000.00
2	Assessment Prepared by Developer	\$5,000.00

3.2.8. PLAN OF SERVICE DEPOSIT

The Plan of Service deposit is based on labor costs incurred by the Director of Engineering, an Engineering Assistant, and a Development Services Representative. Thee FBHR for each of these personnel is presented in Table 2-2. When the Plan of Service is prepared by the District, the deposit is \$10,000. However, if the Plan of Service is prepared by the developer, the deposit is \$5,000. The District does not process annexation applications with LAFCO.

Table 3-26: Plan of Service Deposit

Line	Description	Deposit
1	Plan of Service Prepared by District	\$10,000.00
2	Plan of Service Prepared by Developer	\$5,000.00

3.2.9. INSPECTION DEPOSIT

The inspection deposit is based on estimated labor costs and is then rounded for administrative purposes. The District personnel involved in providing this service are the Water Utility Superintendent, a Water Utility Supervisor, a Water Utility Worker I and II, and a Senior Water Utility Worker. Their respective SBHRs are shown in Table 2-2. The proposed inspection deposit has not changed from the current deposit of \$15,000. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-27: Inspection Deposit

Line	Description	Deposit
1	Inspection Deposit	\$15,000.00

3.2.10. PLAN CHECK DEPOSITS

The plan check deposits are based on estimated labor costs incurred and are varied based on the number of plan sheets for the project. The existing plan check deposits have not changed from the current deposits of \$3,000 for less than 5 sheets and \$5,000 for any plan sets of 5 sheets up to 9 sheets. A deposit of \$7,500 for 10 sheets and over will now be collected as shown in Table 3-28. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-28: Plan Check Deposits

Line	Description	Deposit
1	Plan Check (Less than 5 sheets) Deposit	\$3,000.00
2	Plan Check Deposit (5 – 9 Sheets) Deposit	\$5,000.00
3	Plan Check Deposit (10 sheets or More)	\$7,500.00

3.2.11. GIS DEPOSITS

The existing GIS deposit is based on a charge of \$275 per meter, for maintenance of and ongoing updates to the District’s GIS system. There are now two types of GIS deposits being proposed, one for Commercial, Institutional, and Industrial maps (CII), and one for Residential maps. The deposit to be collected is based on the count of plan design sheets, and estimated labor costs incurred, and is proposed as \$710 per design sheet for CII and \$210 per design sheet for residential, as shown below in Table 3-29. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-29: GIS Deposits

Line	Description	Deposit
1	GIS Deposit – Commercial/Institutional/Industrial	\$710.00 / Design Sheet
2	GIS Deposit – Residential	\$210.00 / Design Sheet

3.2.12. FIRE DEPOSITS

The fire hydrant deposit and fire service installation fee costs are based on the labor costs, equipment, and materials. The fire hydrant deposit calculations are summarized in Table 3-30. The fire service installation fee varies by meter size and the calculations are summarized in Table 3-31. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-30: Fire Hydrant Deposit

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$5,708.15	\$0.00	\$5,708.15	
2	Labor Overhead	\$2,752.95	\$0.00	\$2,752.95	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$8,335.05	\$0.00	\$8,335.05	
5	Equipment/Services	<u>\$2,352.00</u>	<u>\$0.00</u>	<u>\$2,352.00</u>	
6	Total Deposit	\$19,148.15	\$0.00	\$19,148.15	\$19,150.00

Table 3-31: Fire Service Installation Fees

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	4" Service Installation				
2	Direct Labor	\$3,488.25	\$0.00	\$3,488.25	
3	Labor Overhead	\$1,682.33	\$0.00	\$1,682.33	
4	Travel	\$0.00	\$0.00	\$0.00	
5	Materials	\$8,487.03	\$0.00	\$8,487.03	
6	Equipment/Services	\$2,352.00	\$0.00	\$2,352.00	
7	Total Fee	\$16,009.62	\$0.00	\$16,009.62	\$16,010.00
8	6" Service Installation				
9	Direct Labor	\$3,488.25	\$0.00	\$3,488.25	
10	Labor Overhead	\$1,682.33	\$0.00	\$1,682.33	
11	Travel	\$0.00	\$0.00	\$0.00	
12	Materials	\$11,329.91	\$0.00	\$11,329.91	
13	Equipment/Services	\$2,352.00	\$0.00	\$2,352.00	
14	Total Fee	\$18,852.50	\$0.00	\$18,852.50	\$18,860.00
15	8" Service Installation				
16	Direct Labor	\$4,360.32	\$0.00	\$4,360.32	
17	Labor Overhead	\$2,102.92	\$0.00	\$2,102.92	
18	Travel	\$0.00	\$0.00	\$0.00	
19	Materials	\$20,253.33	\$0.00	\$20,253.33	
20	Equipment/Services	\$2,352.00	\$0.00	\$2,352.00	
21	Total Fee	\$29,068.56	\$0.00	\$29,068.56	\$29,070.00
22	10" Service Installation				
23	Direct Labor	\$10,174.07	\$0.00	\$10,174.07	
24	Labor Overhead	\$4,906.80	\$0.00	\$4,906.80	
25	Travel	\$0.00	\$0.00	\$0.00	
26	Materials	\$31,762.28	\$0.00	\$31,762.28	
27	Equipment/Services	\$4,866.00	\$0.00	\$4,866.00	
28	Total Fee	\$51,709.16	\$0.00	\$51,709.16	\$51,710.00
29	12" Service Installation				
30	Direct Labor	\$10,174.07	\$0.00	\$10,174.07	
31	Labor Overhead	\$4,906.80	\$0.00	\$4,906.80	
32	Travel	\$0.00	\$0.00	\$0.00	
33	Materials	\$33,037.18	\$0.00	\$33,037.18	
34	Equipment/Services	\$5,130.00	\$0.00	\$5,130.00	
35	Total Fee	\$53,248.06	\$0.00	\$53,248.06	\$53,250.00

3.2.13. CITY OF BEAUMONT MORATORIUM AREA ADDITIONAL PAVING DEPOSITS

The additional paving deposits are a new, cost-based deposit to cover the service costs associated with this service, related to additional paving required by the City of Beaumont's street moratorium. On November 19, 2019, the City of Beaumont adopted Ordinance No. 1113, placing a moratorium on recently paved or resurfaced streets. Due to Ordinance No. 1113, the District must follow stringent requirements to complete extensive repairs and/or improvements to the roadway following leak repair and/or maintenance which requires trenching in City streets that are subject to the moratorium. These deposits vary based on whether it is a short or long side and are based only on the additional dimensions required by Ordinance No. 1113. Said deposits are laid out in Table 3-32 below. The differential of the deposit and the actual costs incurred is returned to or collected from the customer.

Table 3-32: City of Beaumont Moratorium Area Additional Paving Deposit (Short Side)

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$0.00	\$0.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>6,560.00</u>	<u>\$0.00</u>	<u>\$6,560.00</u>	
6	Total Fee	\$6,560.00	\$0.00	\$6,560.00	\$6,560.00

Table 3-33: City of Beaumont Moratorium Area Additional Paving Deposit (Long Side)

Line	Fee Calculation	Cost-Based A	Policy-Based B	Total Cost C = A + B	Proposed Fee D
1	Direct Labor	\$0.00	\$0.00	\$0.00	
2	Labor Overhead	\$0.00	\$0.00	\$0.00	
3	Travel	\$0.00	\$0.00	\$0.00	
4	Materials	\$0.00	\$0.00	\$0.00	
5	Equipment/Services	<u>\$12,500.00</u>	<u>\$0.00</u>	<u>\$12,500.00</u>	
6	Total Fee	\$12,500.00	\$0.00	\$12,500.00	12,500.00

4. Penalty Fees

Penalty fees are charged when users violate terms of agreement/service, a law, or other regulations. These fees are intended to not only recover costs but also change behavior. These penalty fees have a clear trigger and, according to Proposition 26, do not require a nexus linking the costs of providing the service and the fee. The Board may set all penalty fees, except where limitations are noted.

4.1. Late Fee Charges

A late fee is a policy-based charge to customers for making a required payment after the due date. The proposed fee is set at \$5.00 for a second notice and \$15.00 for a third notice as shown in Table 4-1.

Table 4-1: Late Fee Charges

Line	Description	
1	Second Notice Charge	\$5.00
2	Third Notice Charge	\$15.00

4.2. Returned Payment Charge

The return check fee is charged when a bank returns a payment for non-sufficient funds. This fee has been determined by the California Civil Code. Table 4-2 summarizes the proposed fee of \$25.00.

Table 4-2: Return Payment Charge

Line	Description	
1	Returned Payment Charge	\$25.00

4.3. Account Reinstatement Fee

The account reinstatement fee is charged to reinstate a customer account. This fee is policy-based on two hours of hourly work according to Resolution 2012-08. Table 4-3 summarizes the proposed fee of \$50.00.

Table 4-3: Account Reinstatement Fee

Line	Description	
1	Account Reinstatement Fee	\$50.00

4.4. Lien Processing Fee

The lien processing fee is charged to process a lien. This fee is policy-based according to Resolution 2012-08. Table 4-4 summarizes the proposed fee of \$170.00.

Table 4-4: Lien Processing Fee

Line	Description	
1	Lien Processing Fee	\$170.00

4.5. Water Restriction Bill Fee

The water restriction bill is charged when customers use water inappropriately during water restrictions. This proposed fee varies based on the consumption of the most recent bill and is outlined in Board Resolution 2022-12. The first violation is a written warning, the second violation is 10% of the customer's current bill, the third violation is 20% of the customer's current bill, the fourth violation is 30% of the customer's current bill, and the fifth violation is 50% of the customer's current bill.

4.6. Water Theft Prevention Fees

The water theft prevention fee is charged when the theft of water occurs. The proposed fee is a policy-based fee that has been set at \$1,150, as shown in Table 4-5. The broken or stolen lock fee is charge based on the cost to replace a lock broken off or stolen from the meter, also shown in the table below.

Table 4-5: Water Theft Prevention Fees

Line	Description	
1	Water Theft Prevention Fee	\$1,150.00
2	Broken or Stolen Lock Fee	\$20.00

4.7. Lost or Damaged Construction Meter

The lost or damaged construction meter fee is charged when a meter is broken or deemed unrecoverable. The proposed fee has been set at \$2,700 as shown in Table 4-6 based on the 3" construction meter deposit in Table 3-22.

Table 4-6: Lost or Damaged Construction Meter

Line	Description	
1	Lost/Damaged Construction Meter	\$2,650.00

4.8. Hit Fire Hydrant

The hit fire hydrant penalty is charged when a fire hydrant is broken. The proposed penalty has no set rate and instead varies per work order based on the cost of materials, labor, and water lost at the highest tiered rate.