



# CITY OF MERCED

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## DEVELOPMENT SERVICES FEE STUDY

FEBRUARY 2026



7960 B Soquel Drive, Suite 363, Aptos, California 95003  
CLEARSOURCEFINANCIAL.COM

## REPORTING

- 1 TRANSMITTAL
- 2 EXECUTIVE SUMMARY
- 4 PROJECT ORIENTATION
- 9 IMPLEMENTATION

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- I FEE COMPARISON
- II COST OF SERVICE ANALYSIS





February 2026

**CITY OF MERCED**

Attention: Daryl Jordan | City Engineer  
678 West 18<sup>th</sup> Street  
Merced, California 95340

**USER AND REGULATORY FEE STUDY – DEVELOPMENT SERVICES**

Dear Mr. Jordan:

ClearSource Financial Consulting submits the following report describing the findings of our preparation of a User and Regulatory Fee Study for the City of Merced.

Please refer to the Executive Summary for the key findings of the analysis and estimated impacts to City funds. The balance of the report and its appendices provide the necessary documentation to support those outcomes.

Thank you for the opportunity to serve the City on this topic. We are happy to continue discussion on this study as the need arises or consult with you on additional topics.

Sincerely,

A handwritten signature in blue ink, appearing to read "Terry Madsen".

**TERRY MADSEN, PRESIDENT | CLEARSOURCE FINANCIAL CONSULTING**

PHONE: 831.288.0608

EMAIL: [TMADSEN@CLEARSOURCEFINANCIAL.COM](mailto:TMADSEN@CLEARSOURCEFINANCIAL.COM)

## STUDY OVERVIEW

The City of Merced provides many services to ensure safe, orderly, and aesthetically pleasing development and construction in Merced. Broad categories of these services include, but are not limited to, project entitlement review, planning permitting, map review, and building plan review and construction permitting. User fees and regulatory fees are the mechanism by which the City may recoup a portion of, or all, the costs associated with these services.

The City of Merced has completed a User and Regulatory Fee Study focused on the City's Development Services Fees. California cities regularly conduct these studies to justify fee amounts imposed and to optimize the overall portfolio of revenues available to the municipality to fund its services.

Industry practice and fiscal conditions in the state have led most cities to link cost recovery for services of individual action, cause, or benefit to that same individual through user fee revenue, relieving the agency's general revenues as much as possible for use toward services of broader community benefit.

## USER AND REGULATORY FEES

Cities derive annual revenue from a number of sources. These include, but are not limited to, property taxes, sales taxes, license fees, franchise fees, fines, rents, and user and regulatory fees. **User and regulatory fees are intended to cover all, or a portion of, the costs incurred by the City for providing fee-related services and activities that are not otherwise provided to those not paying the fee.**

California law provides guidance regarding the amounts the City may charge for fee-related services and activities. Specifically, in order to avoid being considered taxes, the **fees charged shall not exceed the estimated reasonable cost of providing the services**, activities, or materials for which fees are charged.

At its conclusion, this study proposes for City Council review and consideration at public hearing a new **Schedule of Fees and Charges** for application and continued update in subsequent years.

## COST RECOVERY POLICY AND PRACTICE

Recovering the costs of providing fee-related services directly influences the City's fiscal health and increases the City's ability to meet the service level expectations of fee payers.

The services for which the City imposes a user or regulatory fee typically derive from an individual person or entity's action, request, or behavior. Therefore, except in cases where there is an overwhelming public benefit generated by the City's involvement in the individual action, **a fee for service ensures that the individual bears most, if not all, of the cost incurred by the City to provide that service.** When a fee targets "100% or full cost recovery," the individual is bearing the entirety of the cost. When a fee targets less than full cost recovery, another City revenue source – in most cases, the General Fund – subsidizes the individualized activity.

Generally, **fees for service are targeted to full cost recovery, inclusive of operating, direct, indirect, and capital costs, except in cases where the City Council cites a public interest in lower fees.** The City may also be influenced by market conditions, comparing to municipalities of similar size and service profile.



## FINDINGS AND PROPOSED ACTION

During the course of study, information and analysis was generated and is discussed substantively throughout this report and its technical appendices. However, summarized by broad fee category in the subsequent findings statements, are outcomes and proposals that may be of particular interest to City leaders and policymakers.

- The City may adjust fees and enhance cost recovery, without positioning itself as an outlier to comparable communities. Comparison information is included **Appendix I**.
- Full cost recovery is targeted from most proposed fees due to the regulatory nature of the fees and the high level of direct benefit resulting from construction activities including enjoyment of property enhancements, increased property values, and the desire to avoid having other Merced residents and businesses subsidize an individual's private construction activities. Cost of service information is included **Appendix II**.
- The anticipated fiscal impact of the proposed fee changes is approximately \$1,150,000 in enhanced cost recovery.



## SCOPE OF STUDY

The City of Merced has completed a **User and Regulatory Fee Study for Development Services Fees**, which represents an external review of prevailing practices and development of a new **Schedule of Development Services Fees and Charges**. ClearSource Financial Consulting has prepared this analysis using City organizational information and will be available to answer questions as the City proceeds in implementing findings as it chooses.

Key tasks expected by the City from this study included the following:

- ▶ Review eligible fee-related services Citywide to establish the reasonable relationship between current fees for service and the underlying costs of service.
- ▶ Calculate the full cost of service, including estimated Citywide overhead costs.
- ▶ Recommend fees to be charged for each service.
- ▶ Recommend cost recovery strategies and best practices in setting fees, while considering the complexities and demands of responsible programs or departments.
- ▶ Identify underlying billable rates for cost recovery opportunities and as the basis for user fees.

## DIRECT SERVICES UNDER REVIEW

### FEE CATEGORIES

- ▶ Planning – Services include, but are not limited to, entitlement review, and review for project compliance with the City's Zoning Code.
- ▶ Engineering – Services include, but are not limited to, Including and development plan review and inspection, and encroachment permitting.
- ▶ Building and Fire Review – Services include, but are not limited to, Building plan review, permitting, and inspection for construction and sub-trades to determine compliance with California Building Code and Fire Code.

## REASON FOR STUDY

Cities derive annual revenue from a number of sources. These include, but are not limited to, property taxes, sales taxes, franchise fees, fines, rents, and user and regulatory fees. User and regulatory fees are intended to cover all, or a portion of, the costs incurred by a City for providing fee-related services and activities that are not otherwise provided to those not paying the fee.

California cities regularly conduct fee studies to justify fee amounts imposed and to optimize the overall body of revenues available to the municipality to fund its services. Widespread industry practice and fiscal conditions in the state have led most cities to link cost recovery for services of individual action, cause, or benefit to that individual through user fee revenue, relieving the agency's general revenues for services of broader community benefit.



## PREVAILING GUIDANCE

The objectives of this study, the methodology used to complete the study, and the formulation of outcomes and recommendations for future consideration were significantly influenced by Article 13C of the California Constitution and Section 66014 of the California Government Code.

Article 13C states that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payer bear a fair or reasonable relationship to the payer's burdens on, or benefits received from, the governmental activity. Additionally, Article 13C identifies the following as items that are not defined as taxes:

- ▶ A charge imposed for a specific benefit conferred or privilege granted directly to the payer 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.
- ▶ A charge imposed for a specific government service or product provided directly to the payer 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.
- ▶ 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.
- ▶ A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
- ▶ 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.
- ▶ A charge imposed as a condition of property development.
- ▶ Assessments and property-related fees imposed in accordance with the provisions of Article XIII D.

Section 66014(a) of the California Government Code includes the following, "Notwithstanding any other provision of law, when a local agency charges fees for zoning variances; zoning changes; use permits; building inspections; building permits; ...the processing of maps under the provisions of the Subdivision Map Act...; or planning services...; those fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

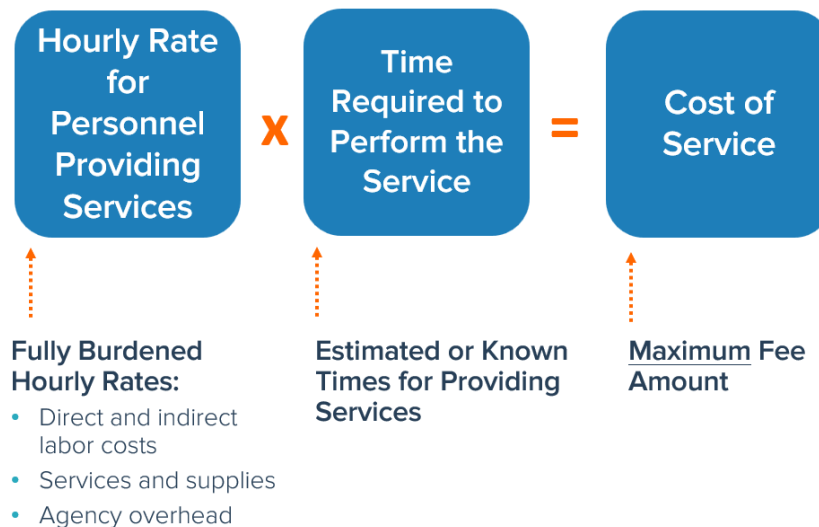
The outcomes and recommendations of the study are intended to comply with applicable federal, state, and local laws including providing confirmation that the proposed fees ("charges") recommended as a result of this study are not taxes as defined in Article 13C of the California Constitution and that the proposed fees are no more than necessary to cover the reasonable costs of the City's activities and services addressed in the fees. Additionally, this report is intended to show that the manner in which the costs are allocated to a payer bear a fair and reasonable relationship to the payer's burdens on, or benefits received from the activities and services provided by the City.



## METHODOLOGY AND DATA SOURCES

This study calculated the estimated reasonable cost of providing various fee-related services across the City organization. Generally, the estimated reasonable cost of providing the fee-related services and activities examined in this study can be calculated as the product of the composite fully-burdened hourly labor rate of the division responsible for providing services and the estimated labor time required to process a typical request for service. This calculation is illustrated in **Exhibit 1**.

### EXHIBIT 1 | COST OF SERVICE CALCULATION



The composite fully-burdened hourly rates calculated in this study are based on the estimated annual hours spent providing fee related services, and estimated labor, services and supplies, and Citywide overhead expenditures, sourced as follows:

- ▶ Labor expenditures for in-house personnel were based on budgeted salary and benefits expenditures.
- ▶ Contract service personnel and other services and supplies related costs were based on adopted budgets and anticipated costs.
- ▶ Citywide overhead cost allocations were based on budgeted allocations for FY 2025-26.

The service time estimates were developed as follows:

- ▶ Multiple interviews with City staff directly responsible for the various permit issuance, plan review, and inspection activities to understand the typical level of effort associated with various services provided.
- ▶ Application of interview results and time estimates to various prototypical projects likely to occur within Merced to determine reasonableness of estimates as compared to historical precedent.

Once cost of service levels are identified, the City may use this information to inform targeted cost recovery from fees. Fees set at the cost of service target full cost recovery. Fees set at any amount less than the cost of service target less than full cost recovery.

An illustration of the methods used in this analysis is shown in **Exhibit 2**.

**EXHIBIT 2 | STEPS IN ANALYZING COSTS OF SERVICE AND USER FEES**



Additional information may be found in the appendices of this report. Information provided in the appendices includes:

- **Appendix I:** Comparison of current and proposed fees to comparable cities.
- **Appendix II:** Detailed cost of service information for the services examined in this study, including:
  - Divisional cost of service and cost recovery information
  - Calculation of fully-burdened hourly rates
  - Service time estimates
  - Cost of service calculations and current cost recovery information for the various fee-related services provided by the divisions
  - Proposed fee and proposed cost recovery information for the various fee-related services provided by the divisions.



## CONSIDERATIONS FOR IMPLEMENTATION

If the City decides to adopt or otherwise utilize outcomes generated through this study, it should:

- ▶ **Update Systems for Fee Outcomes** - Ensure that City staff begin using updated fees and associated outcomes once the updated schedule of fees becomes effective. Values should be included in all official fee schedules used throughout the City (e.g., departmental pamphlets, counter schedules, and online information). Additionally, ensure collections processes are updated, which may include coding in billing systems and training for personnel who handle fees directly with the public.
- ▶ **Actively Monitor the Use of Fees** - In order to recover accurate and eligible amounts expected, the City should be diligent about tracking time to projects for time and materials billings and ensuring fees are applied in the correct amount and using the correct and intended basis for fixed fee billings.
- ▶ **Monitor Feedback and Permit Statistics** - Monitor permit and application volume and applicant feedback to determine if fee modifications are resulting in any unanticipated changes in project frequency and to increase the level of detail available for revenue forecasting.
- ▶ **Annually Review and Adjust Fee Values** - In order to generally maintain pace with regional cost inflation and/or the City's salary cost inflation, the City should adjust its fees on an annual basis. A commonly used, reasonable inflation index is the annual change in the all-urban Consumer Price Index (CPI) representative of the region.
- ▶ **Periodically Perform Comprehensive Analysis** - A comprehensive fee study should be conducted periodically (e.g., every three to five years) to ensure fee levels remain at or below legal limits and are consistent with evolving service practices and local conditions.





# APPENDIX I

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## FEE COMPARISON



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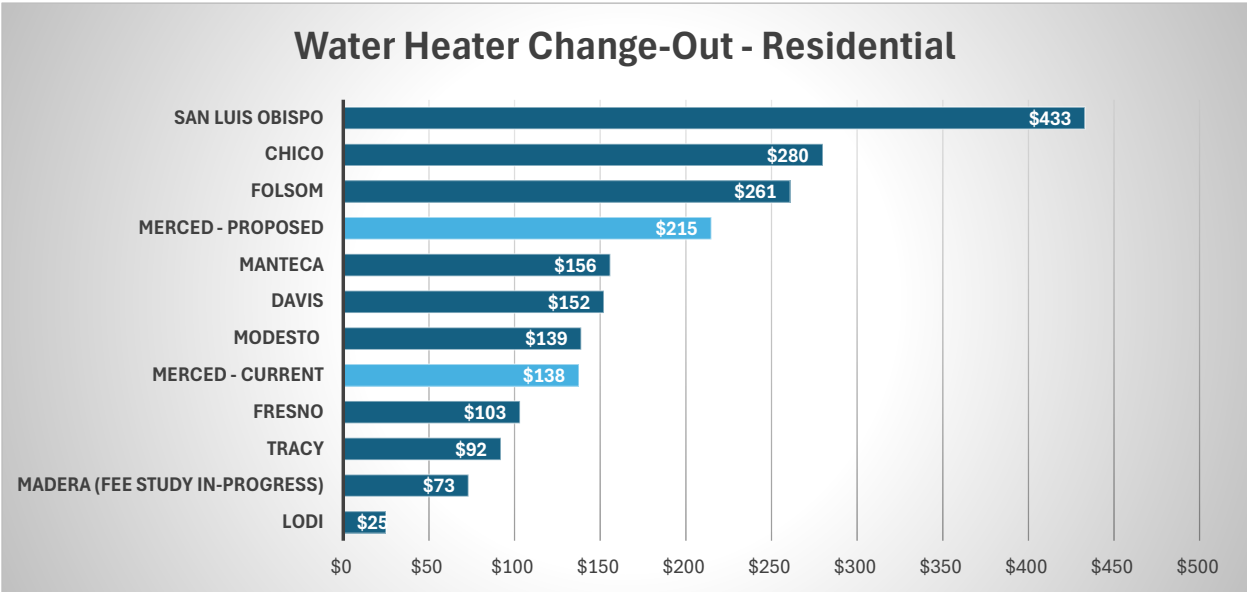
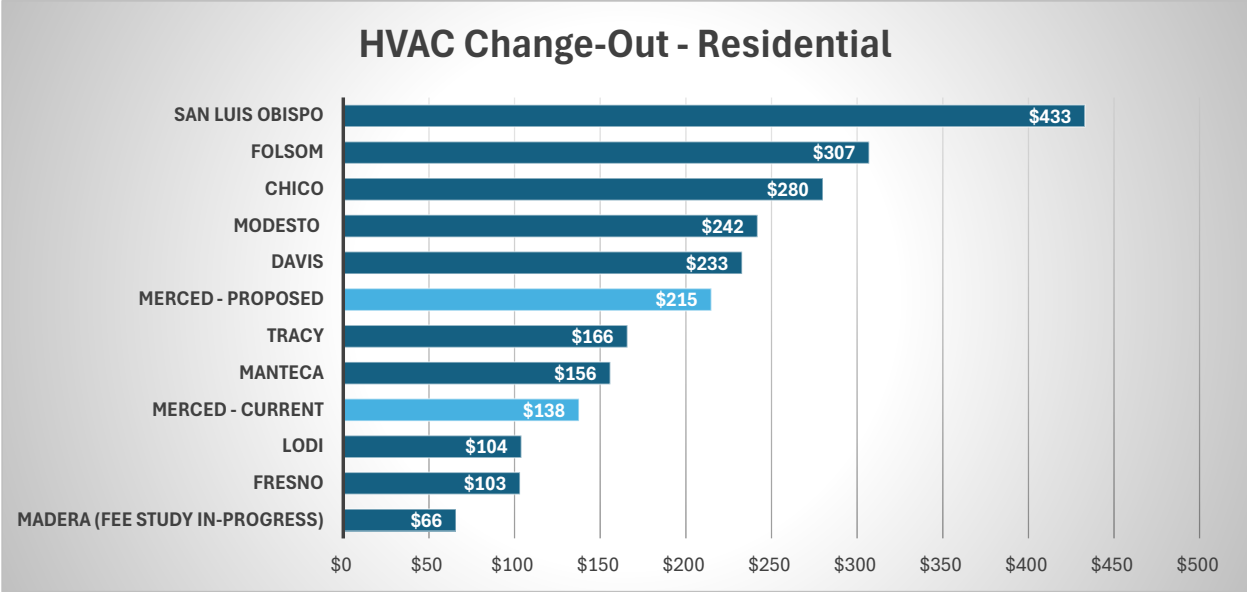
## REGIONAL FEE COMPARISON

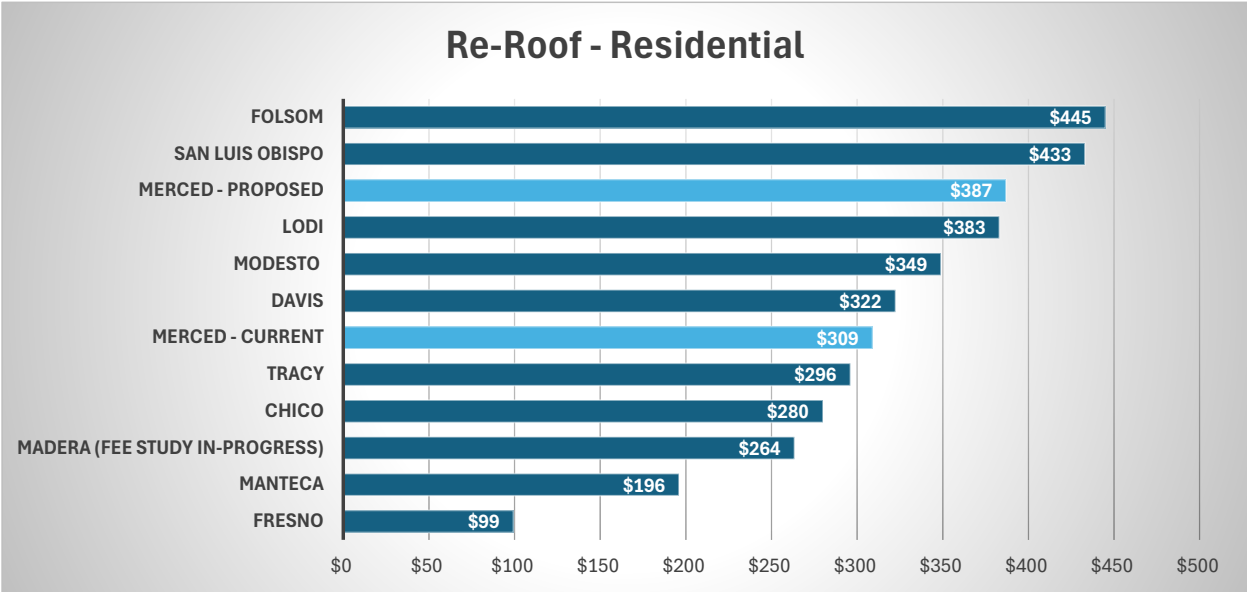
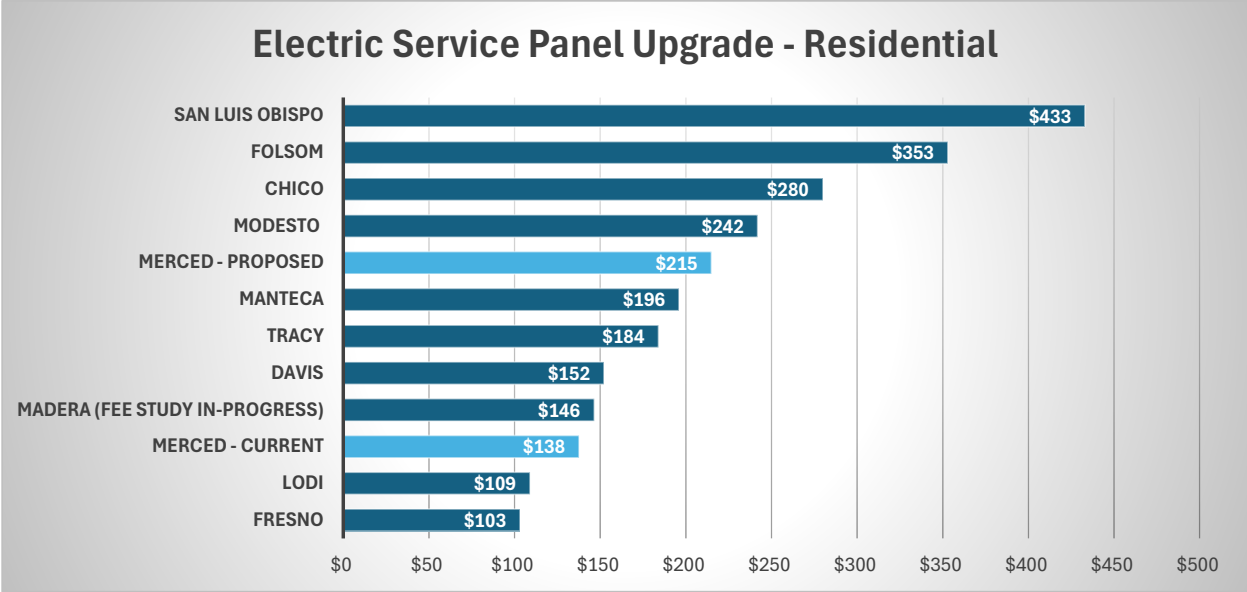
Similar fees are collected by communities throughout the region and the State. The proposed fee amounts do not exceed the City's cost of service and are in-range of amounts charged by other jurisdictions.

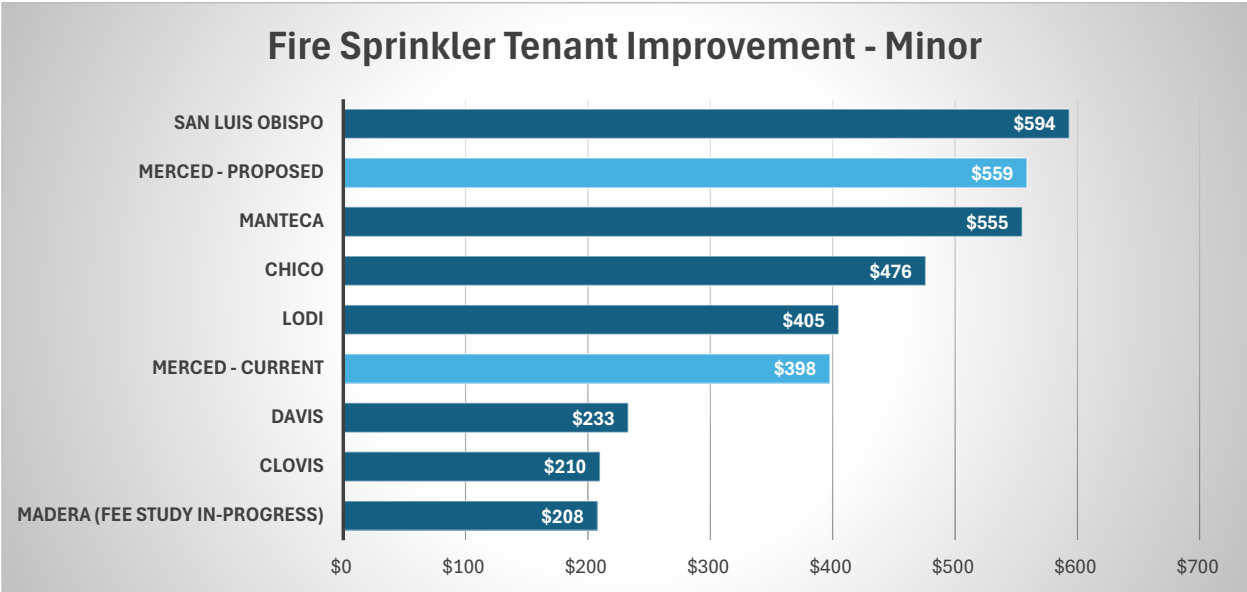
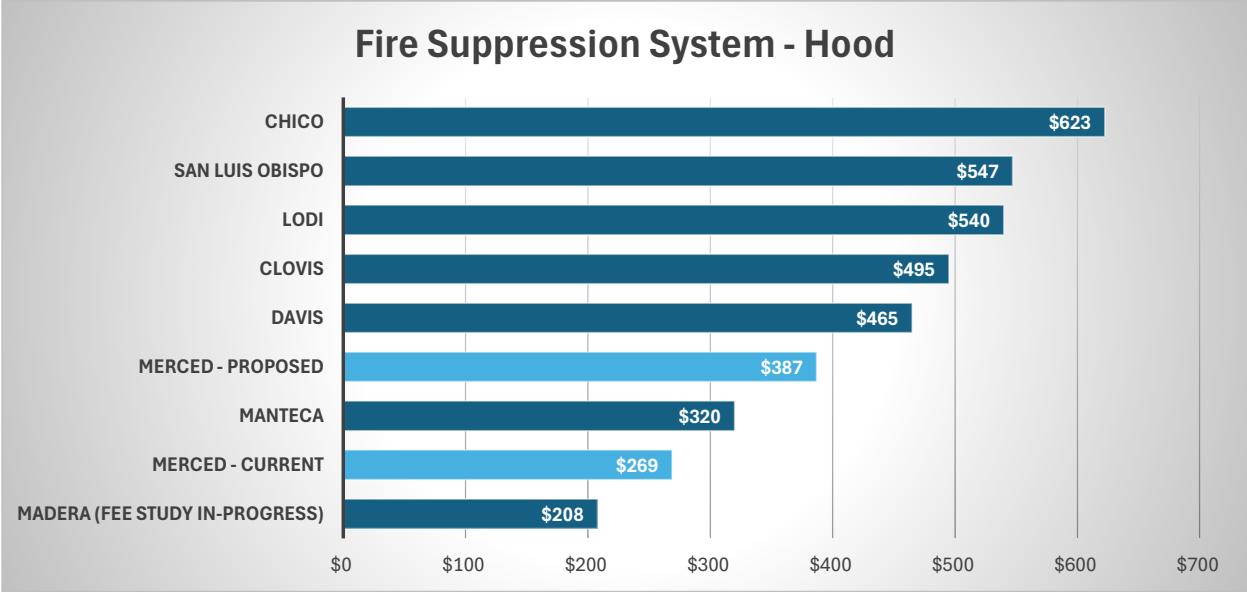
In order to provide the City Council with additional information as it considers potential adjustments to fees, current and proposed fees were compared to amounts collected by other agencies. For sampling purposes, the fee comparison examined fees for:

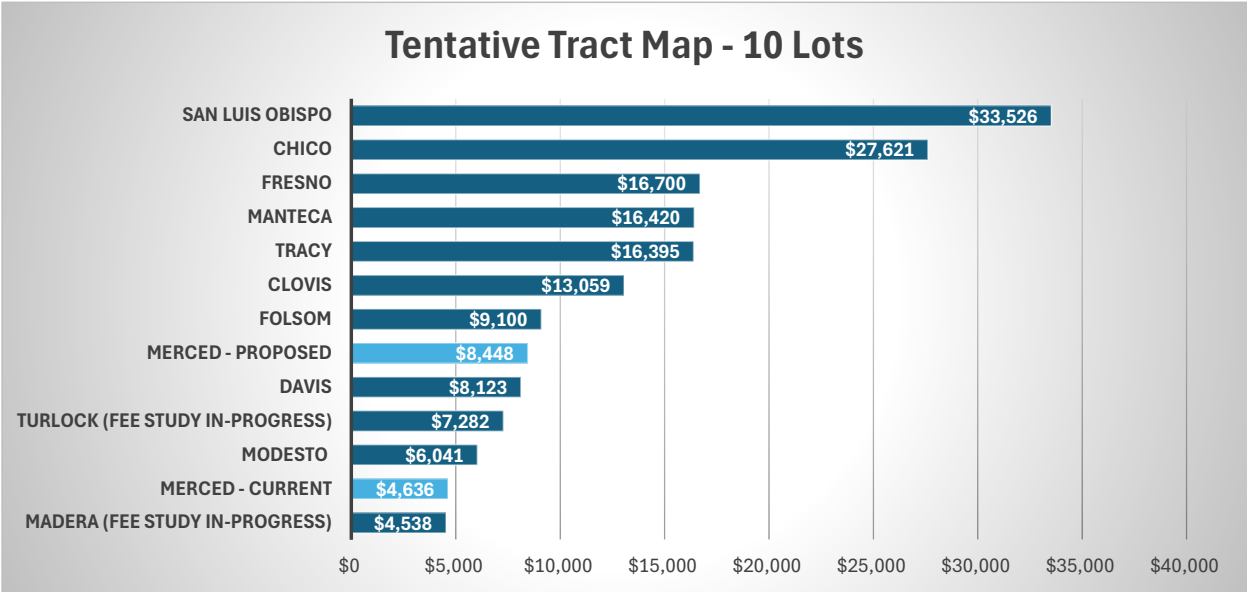
- City of Chico
- City of Clovis
- City of Davis
- City of Folsom
- City of Fresno
- City of Lodi
- City of Madera
- City of Manteca
- City of Modesto
- City of San Luis Obispo
- City of Tracy
- City of Turlock

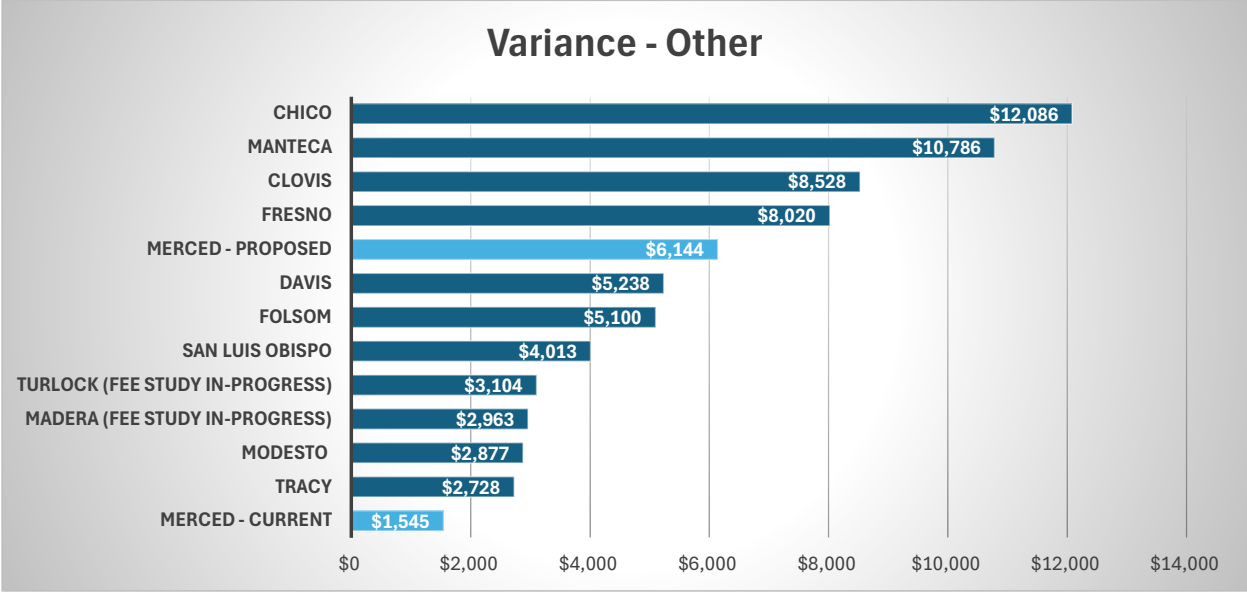
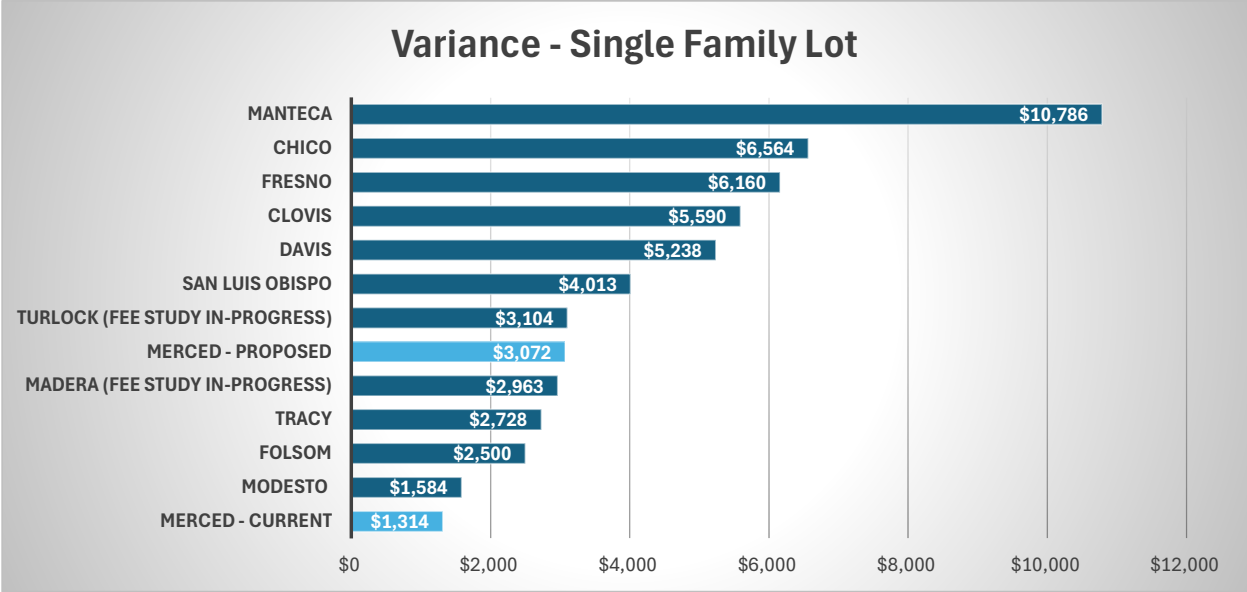
The City of Merced, consistent with other cities throughout the State, has an existing fee schedule that contemplates hundreds of potential unique requests for service. Consequently, an exhaustive comparison of all scenarios is unrealistic. Instead, comparison information for several targeted fee categories (e.g., high volume categories, fee categories of particular interest to community, etc.) are provided in order to provide the City Council with a reasonable sense of changes expected. For Merced, outcomes will show that new fees may range from low, mid, to upper end of regional fee spectrum depending on the service provided. This is common among municipalities due to differing levels of service and review included among various fee categories. Scenarios considered range from smaller scale projects to larger scale projects. Examples are illustrated in the charts on the following pages.

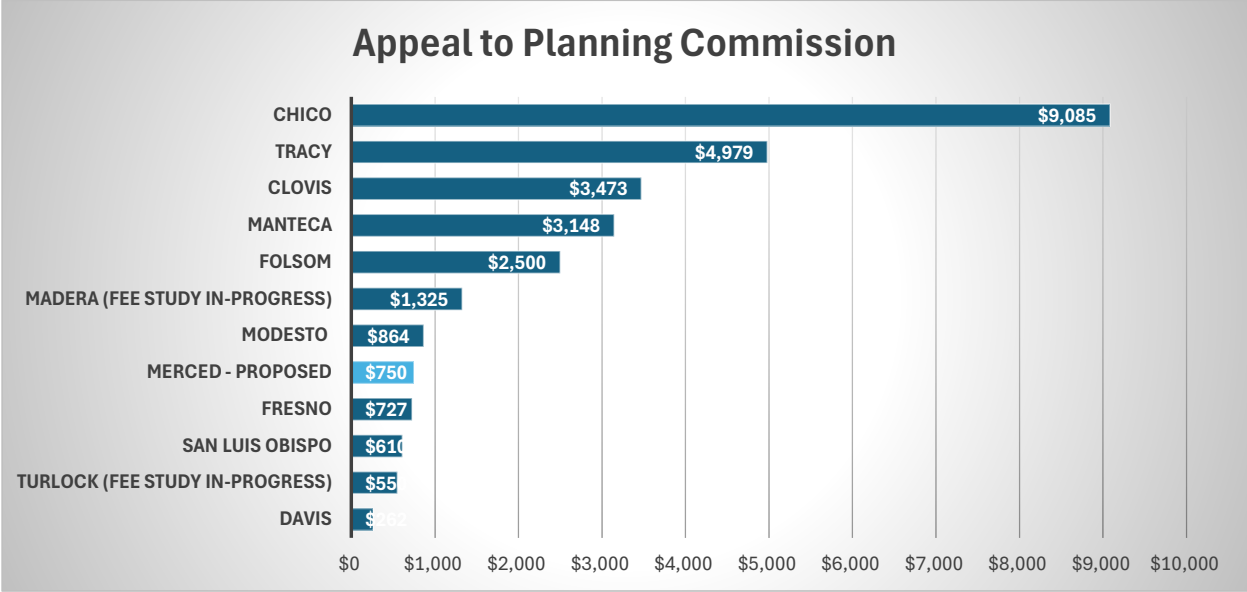
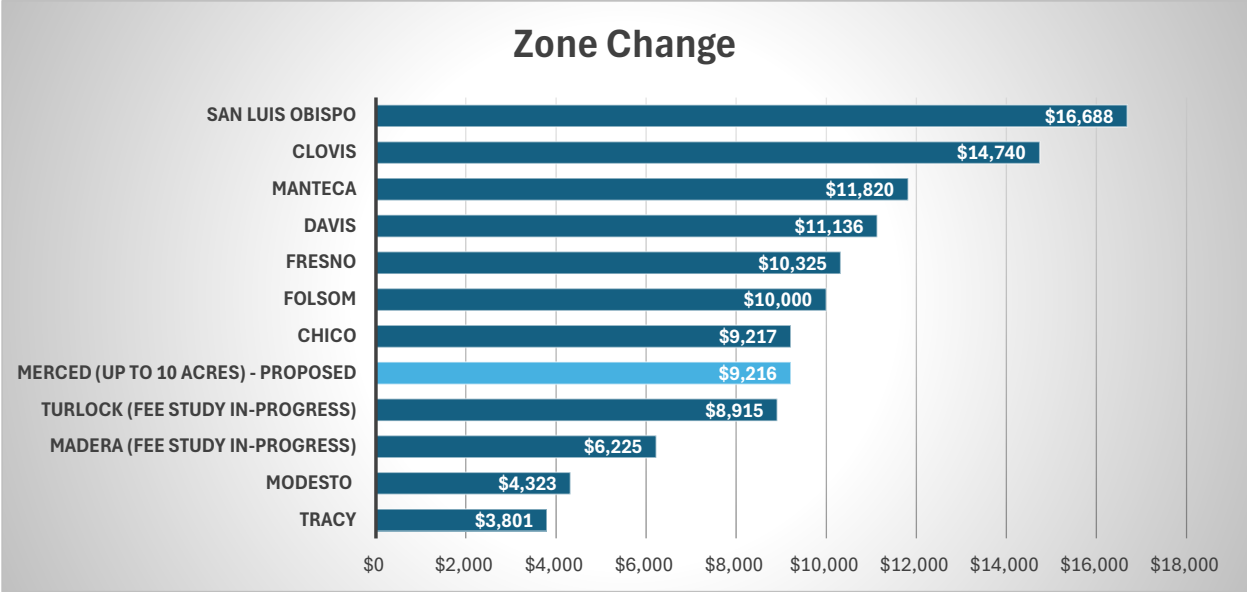


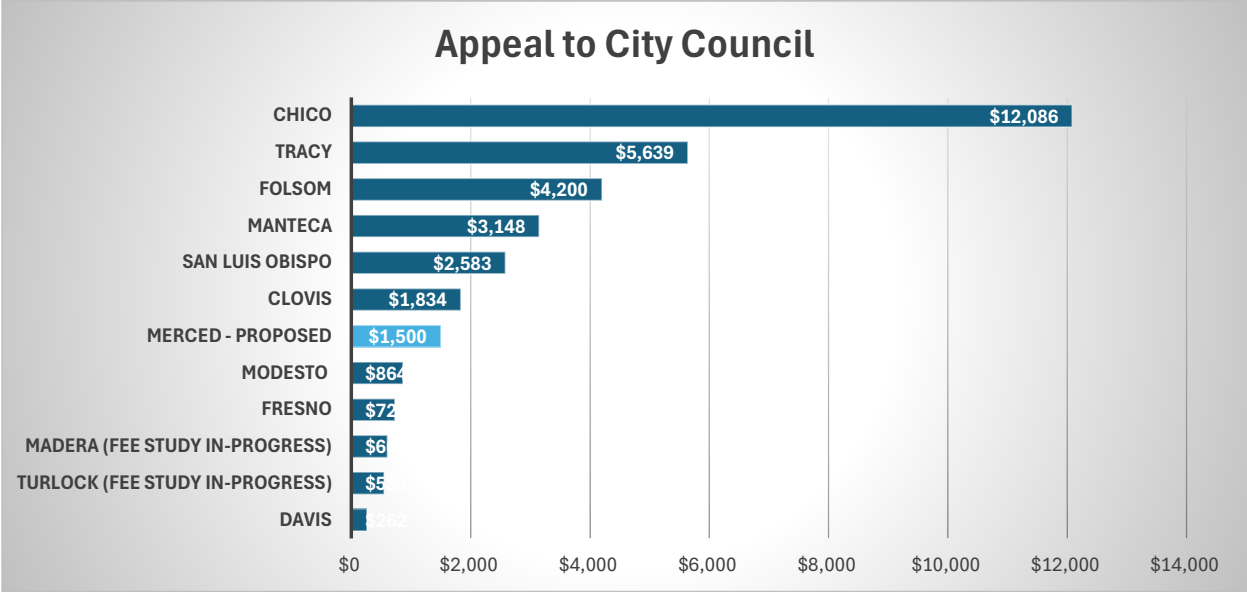














## APPENDIX II

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# COST OF SERVICE ANALYSIS



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**Cost of Service Analysis**

# City of Merced

## Cost of Service Analysis

| Description   | Page |
|---|------|
| Planning Fees   | 3    |
| Engineering and Encroachment Permit Fees                                    | 16   |
| Inspection Services / Building Fees   | 25   |
| Fire Construction Review Fees   | 49   |
| Development Specific Technology Enhancements / Land Management Tracking Fee | 59   |
| General Plan/Zoning Code Update Fee   | 61   |
| Fiscal Impact of Proposed Fee Adjustments                                   | 63   |



**User and Regulatory Fees**

*Cost of Service Calculations*

*Planning Fees*

City of Merced  
 User and Regulatory Fee Study  
 Allocation of Annual Labor Effort - Planning Division

| Position                      | Hourly | FTE  | Yearly    | Total Hours Per FTE | Less: Holiday & Leave | Productive Hours Per FTE | Productive Hours | Notes   |
|-------------------------------|--------|------|-----------|---------------------|-----------------------|--------------------------|------------------|---------|
| Director of Development Servi | \$86   | 0.35 | \$62,568  | 2,080               | 216                   | 1,864                    | 652              | [a],[b] |
| Planning Manager              | \$63   | 1.00 | \$131,498 | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Principle Planner             | \$60   | 1.00 | \$125,236 | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Senior Planner                | \$52   | 1.00 | \$108,186 | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Assc Pln/Planner/Asst Pln     | \$37   | 2.00 | \$155,153 | 2,080               | 216                   | 1,864                    | 3,728            | [a],[b] |
| Dev Services Tech I/II        | \$30   | 2.00 | \$125,920 | 2,080               | 216                   | 1,864                    | 3,728            | [a],[b] |
| Management Analyst            | \$45   | 1.00 | \$93,329  | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Administrative Asst III       | \$30   | 0.50 | \$31,690  | 2,080               | 216                   | 1,864                    | 932              | [a],[b] |
| Administrative Asst I/II      | \$27   | 1.00 | \$55,617  | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| <b>Total</b>                  |        | 9.85 | \$889,198 |                     |                       |                          | <b>18,360</b>    |         |

**Contract Services**

| Description              | Total     | Est Hrly Cost | Total Hours | Notes |
|--------------------------|-----------|---------------|-------------|-------|
| Annual Contract Services | \$430,825 | \$135         | 3,191       | [c]   |

| Total Productive Hours | Total  | Notes |
|------------------------|--------|-------|
| In-House               | 18,360 |       |
| Contract               | 3,191  |       |
| <b>Total</b>           | 21,552 |       |

| Allocation of Hours | Share | Total  | Notes |
|---------------------|-------|--------|-------|
| Indirect            | 30%   | 6,466  | [b]   |
| Direct              | 70%   | 15,086 | [b]   |
| <b>Total</b>        | 100%  | 21,552 |       |

[a] Source: FY 25/26 authorized positions.

[b] Direct/Indirect hours are intended to serve as reasonable estimates. Amounts will vary from year-to-year depending on activity, projects, and City Council priorities.

[c] Amounts intended to serve as reasonable estimates of market rates for contract service providers.

City of Merced  
 User and Regulatory Fee Study  
 Calculation of Cost Recovery and Fully-Burdened Hourly Rate - Community Development - Planning Division

Recurring Expenditures [a]

| Fund         | Division        | Account | Acct Desc                      | Budget             | Adjust            | Total              | Notes |
|--------------|-----------------|---------|--------------------------------|--------------------|-------------------|--------------------|-------|
| 3000         | 5020 - Planning | 501001  | Regular Salaries               | 905,138            | \$0               | \$905,138          |       |
| 3000         | 5020 - Planning | 501002  | Extra Help                     | 29,059             | \$0               | \$29,059           |       |
| 3000         | 5020 - Planning | 501003  | Regular Overtime               | 15,000             | \$0               | \$15,000           |       |
| 3000         | 5020 - Planning | 501101  | Bilingual Pay Program          | 2,400              | \$0               | \$2,400            |       |
| 3000         | 5020 - Planning | 501107  | Education Incentive Pay        | 3,000              | \$0               | \$3,000            |       |
| 3000         | 5020 - Planning | 501121  | Longevity Pay                  | 6,715              | \$0               | \$6,715            |       |
| 3000         | 5020 - Planning | 502003  | Earned Benefit                 | 41,281             | \$0               | \$41,281           |       |
| 3000         | 5020 - Planning | 503002  | Vehicle Allowance              | 3,528              | \$0               | \$3,528            |       |
| 3000         | 5020 - Planning | 504001  | Social Security-OASDI          | 58,375             | \$0               | \$58,375           |       |
| 3000         | 5020 - Planning | 504002  | Social Security-Medicare       | 14,074             | \$0               | \$14,074           |       |
| 3000         | 5020 - Planning | 504003  | PTS Plan FICA Alternative      | 378                | \$0               | \$378              |       |
| 3000         | 5020 - Planning | 505001  | Retirement PERS Classic        | 12,507             | \$0               | \$12,507           |       |
| 3000         | 5020 - Planning | 505003  | Retirement PERS New PEPRA      | 71,941             | \$0               | \$71,941           |       |
| 3000         | 5020 - Planning | 505005  | Retrmt Unfunded Acc Liab Mis   | 174,510            | \$0               | \$174,510          |       |
| 3000         | 5020 - Planning | 506101  | Core Allowance                 | 168,250            | \$0               | \$168,250          |       |
| 3000         | 5020 - Planning | 506102  | Workers Compensation           | 3,320              | \$0               | \$3,320            |       |
| 3000         | 5020 - Planning | 506110  | Post Employment Benefits       | 49,262             | \$0               | \$49,262           |       |
| 3000         | 5020 - Planning | 511002  | Telephone                      | 1,199              | \$0               | \$1,199            |       |
| 3000         | 5020 - Planning | 511003  | Postage & Mailing              | 8,891              | \$0               | \$8,891            |       |
| 3000         | 5020 - Planning | 511004  | Printing                       | 7,065              | \$0               | \$7,065            |       |
| 3000         | 5020 - Planning | 511005  | Office Supplies                | 22,600             | \$0               | \$22,600           |       |
| 3000         | 5020 - Planning | 511006  | Advertising                    | 9,248              | \$0               | \$9,248            |       |
| 3000         | 5020 - Planning | 511007  | Office Equip & Maintenance     | 8,350              | \$0               | \$8,350            |       |
| 3000         | 5020 - Planning | 511008  | Electronic, Tech & Other Equip | 6,000              | \$0               | \$6,000            |       |
| 3000         | 5020 - Planning | 511009  | Software                       | 1,806              | \$0               | \$1,806            |       |
| 3000         | 5020 - Planning | 511010  | Rents & Leases                 | 1,250              | \$0               | \$1,250            |       |
| 3000         | 5020 - Planning | 511011  | Certs,Memberships&Subscriptio  | 19,472             | \$0               | \$19,472           |       |
| 3000         | 5020 - Planning | 511012  | Professional Services          | 430,825            | \$0               | \$430,825          |       |
| 3000         | 5020 - Planning | 511014  | Equipment Ops & Maintenance    | 3,100              | \$0               | \$3,100            |       |
| 3000         | 5020 - Planning | 511019  | Mileage                        | 100                | \$0               | \$100              |       |
| 3000         | 5020 - Planning | 511020  | Training Expense               | 31,224             | \$0               | \$31,224           |       |
| 3000         | 5020 - Planning | 511021  | Travel and Meetings            | 26,426             | \$0               | \$26,426           |       |
| 3000         | 5020 - Planning | 511301  | Non-operating Mats & Supplies  | 1,800              | \$0               | \$1,800            |       |
| 3000         | 5020 - Planning | 547001  | Dept Share of Insurance        | 62,178             | \$0               | \$62,178           |       |
| 3000         | 5020 - Planning | 547006  | Facilities Maint Charge        | 82,161             | \$0               | \$82,161           |       |
| 3000         | 5020 - Planning | 547009  | Support Services               | 122,716            | \$0               | \$122,716          |       |
| 3000         | 5020 - Planning | 520500  | Adm Exp-City Council           | 17,051             | \$0               | \$17,051           |       |
| 3000         | 5020 - Planning | 521000  | Adm Exp-City Manager           | 51,235             | \$0               | \$51,235           |       |
| 3000         | 5020 - Planning | 521010  | Adm Exp-City Clerk             | 21,385             | \$0               | \$21,385           |       |
| 3000         | 5020 - Planning | 521500  | Adm Exp-City Attorney          | 26,724             | \$0               | \$26,724           |       |
| 3000         | 5020 - Planning | 522000  | Adm Exp-Finance                | 144,636            | \$0               | \$144,636          |       |
| 3000         | 5020 - Planning | 522050  | Adm Exp-Purchasing             | 17,261             | \$0               | \$17,261           |       |
| 3000         | 5020 - Planning | 531000  | Interdept DSC-General Fund     | 95,913             | \$0               | \$95,913           |       |
| 3000         | 5020 - Planning | 533000  | Interdept DSC-Develop Svc      | 117,463            | \$0               | \$117,463          |       |
| 3000         | 5020 - Planning | 621000  | Op Trsf-General Fund           | 60,612             | (\$60,612)        | \$0                |       |
| 3000         | 5020 - Planning | 627008  | OpTrsf-Support Services        | 3,073              | (\$3,073)         | \$0                |       |
| <b>Total</b> |                 |         |                                | <b>\$2,960,502</b> | <b>(\$63,685)</b> | <b>\$2,896,817</b> |       |

City of Merced  
 User and Regulatory Fee Study  
 Calculation of Cost Recovery and Fully-Burdened Hourly Rate - Community Development - Planning Division

**Allocation of Citywide Overhead**

| Description                  | Allocation of C'wide OH | Notes |
|------------------------------|-------------------------|-------|
| Citywide Overhead Allocation | See Above               |       |

**Allocation of Annual Labor Effort Among Core Services**

| Description  | Total       | Total              | Notes |
|--|-------------|--------------------|-------|
| Current Planning and Permitting  | 60%         | \$1,738,090        | [b]   |
| All Other Planning Services (e.g., Advance Planning / Regional Planning) | 40%         | \$1,158,727        | [b]   |
| <b>Total</b>   | <b>100%</b> | <b>\$2,896,817</b> |       |

City of Merced  
 User and Regulatory Fee Study  
 Calculation of Cost Recovery and Fully-Burdened Hourly Rate - Community Development - Planning Division

**Average Annual Revenues**

| Fund Desc    | Acct Desc                      | FY 22/23<br>Actual | FY 23/24<br>Actual | Average          | FY 25/26<br>Budget |
|--------------|--------------------------------|--------------------|--------------------|------------------|--------------------|
| 3000-5010    | Cannabis Application Fees      | \$55,130           | \$47,760           | \$51,445         | \$56,833           |
| 3000-5010    | Cannabis Regulatory Fees       | \$16,418           | \$71,298           | \$43,858         | \$83,649           |
| 3000-5010    | Cost Recovery                  | \$16,319           | \$86,890           | \$51,605         | \$0                |
| 3000-5010    | Annexations & Rezoning         | \$1,386            | \$33,400           | \$17,393         | \$61,254           |
| 3000-5010    | Application Filing Fees        | \$4,342            | \$2,251            | \$3,297          | \$3,556            |
| 3000-5010    | Building Permit Plan Checking  | \$43,177           | \$42,627           | \$42,902         | \$36,590           |
| 3000-5010    | Conditional Use Permits        | \$31,279           | \$22,744           | \$27,012         | \$28,740           |
| 3000-5010    | Design Rev & Hist Pres Permits | \$4,364            | \$1,091            | \$2,728          | \$1,238            |
| 3000-5010    | Env Imp Report (EIR) Mgmt Fee  | \$0                | \$0                | \$0              | \$40,000           |
| 3000-5010    | Env Rev-Cat Exempt/Neg Decl    | \$9,383            | \$13,198           | \$11,291         | \$7,745            |
| 3000-5010    | Env Rev-Mitigated Neg Decl     | \$0                | \$0                | \$0              | \$15,454           |
| 3000-5010    | General Plan Amendments        | \$8,908            | \$22,456           | \$15,682         | \$18,604           |
| 3000-5010    | Home Business Occupation Prm   | \$8,550            | \$8,782            | \$8,666          | \$9,750            |
| 3000-5010    | Minor Subdivisions             | \$10,085           | \$7,579            | \$8,832          | \$11,124           |
| 3000-5010    | Site Plan Review Permits       | \$24,356           | \$22,499           | \$23,428         | \$21,321           |
| 3000-5010    | Site Util Plan (SUP) Establ    | \$5,632            | \$24,773           | \$15,203         | \$7,676            |
| 3000-5010    | Site Util (SUP) Revisions      | \$277              | \$0                | \$139            | \$3,078            |
| 3000-5010    | Strt Closure&Temp Encroachme   | \$3,033            | \$4,458            | \$3,746          | \$4,175            |
| 3000-5010    | Subdivision Maps-Tentative     | \$34,918           | \$33,458           | \$34,188         | \$38,635           |
| 3000-5010    | Zone Changes                   | \$4,304            | \$294              | \$2,299          | \$10,792           |
| 3000-5010    | Zoning Letters                 | \$2,498            | \$1,683            | \$2,091          | \$1,160            |
| <b>Total</b> |                                | <b>\$284,359</b>   | <b>\$447,240</b>   | <b>\$365,800</b> | <b>\$461,374</b>   |

| Description          | Total       |
|----------------------|-------------|
| Average Revenue      | \$365,800   |
| Expenditures         | \$1,738,090 |
| Cost Recovery Rate   | 21%         |
| General Fund Subsidy | \$1,372,291 |

**Calculation of Fully-Burdened Hourly Rate**

| Description                | Total       |
|----------------------------|-------------|
| Costs                      | \$2,896,817 |
| Direct Hours               | 15,086      |
| Fully-Burdened Hourly Rate | \$192       |

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**Calculation of Cost Multiplier for Fully-Burdened Hourly Rate (Apply to Base Salary Cost Per Hour)**

| Description | FTE  | Annual Hours Per FTE | Total Annual Hours | Estimated Salaries | Hourly Wage Rate Only Assuming Total Annual Hours | Fully-Burdened Hourly Rate | Indirect Cost Rate Multiplier (ICR) |
|-------------|------|----------------------|--------------------|--------------------|---|----------------------------|-------------------------------------|
| Planning    | 9.85 | 2,080                | 20,488             | \$889,198          | \$43  | \$192                      | 4.42                                |

**Calculation of Fully-Burdened Hourly Rate by Position**

| Position                         | Total Salaries | Total FTE | Avg Salary Per FTE | Avg Salary Per Hour | ICR for Fully-Burdened Hourly Rate | Fully-Burdened Hourly Rate |
|----------------------------------|----------------|-----------|--------------------|---------------------|------------------------------------|----------------------------|
| Director of Development Services | \$62,568       | 0.35      | \$178,767          | \$86                | 4.42                               | \$380                      |
| Planning Manager                 | \$131,498      | 1.00      | \$131,498          | \$63                | 4.42                               | \$280                      |
| Principle Planner                | \$125,236      | 1.00      | \$125,236          | \$60                | 4.42                               | \$266                      |
| Senior Planner                   | \$108,186      | 1.00      | \$108,186          | \$52                | 4.42                               | \$230                      |
| Assc Pln/Planner/Asst Pln        | \$155,153      | 2.00      | \$77,577           | \$37                | 4.42                               | \$165                      |
| Dev Services Tech I/II           | \$125,920      | 2.00      | \$62,960           | \$30                | 4.42                               | \$134                      |
| Management Analyst               | \$93,329       | 1.00      | \$93,329           | \$45                | 4.42                               | \$198                      |
| Administrative Asst III          | \$31,690       | 0.50      | \$63,380           | \$30                | 4.42                               | \$135                      |
| Administrative Asst I/II         | \$55,617       | 1.00      | \$55,617           | \$27                | 4.42                               | \$118                      |

[a] Source: FY 25/26 Recommended Budget.

[b] Amounts are intended to serve as reasonable estimates. Amounts will vary from year-to-year depending on activity, projects, and City Council priorities.

City of Merced  
 User and Regulatory Fee Study  
 Planning Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description   |   | Service Time |   | Hourly Rate | = | Cost of Service | Current Fee                    | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Charge Basis | Notes  |
|---|---|--------------|---|-------------|---|-----------------|--------------------------------|-----------------------|--------------|------------------------|--------------|--------|
| <b>ANNEXATION &amp; PRE-ZONING</b>                      |   |              |   |             |   |                 |                                |                       |              |                        |              |        |
| 1   | Pre-Annexation Development Agreement                          | 64.00        | x | \$192       | = | \$12,288        | \$4,636                        | 38%                   | \$12,288     | 100%                   | Fixed Fee    | [a]    |
| 2   | Annexation  |              |   |             |   |                 |                                |                       |              |                        |              |        |
|   | a) Single R-1 Lot (1 acre or less)                            | 40.00        | x | \$192       | = | \$7,680         | \$1,545                        | 20%                   | \$3,840      | 50%                    | Fixed Fee    | [a][b] |
|   | b) All Other Annexations                                      |              |   |             |   |                 |                                |                       |              |                        |              |        |
|   | i) Up to 10 acres   | 120.00       | x | \$192       | = | \$23,040        | \$3,090 + \$229.35/acre        | varies                | \$23,040     | 100%                   | Fixed Fee    | [a][c] |
|   | ii) Between 10.01 and 100 acres                               | 160.00       | x | \$192       | = | \$30,720        | \$3,090 + \$229.35/acre        | varies                | \$30,720     | 100%                   | Fixed Fee    | [a][c] |
|   | iii) Over 100.01 acres  | 240.00       | x | \$192       | = | \$46,080        | T&M with \$30K initial deposit | varies                | \$46,080     | 100%                   | Fixed Fee    | [a][c] |
| <b>APPEALS</b>  |   |              |   |             |   |                 |                                |                       |              |                        |              |        |
| 3   | Appeal  |              |   |             |   |                 |                                |                       |              |                        |              |        |
|   | a) Appeal to Planning Commission                              | 16.00        | x | \$192       | = | \$3,072         | varies                         | varies                | \$750        | 24%                    | Fixed Fee    | [d]    |
|   | b) Appeal to City Council                                     | 16.00        | x | \$192       | = | \$3,072         | varies                         | varies                | \$1,500      | 49%                    | Fixed Fee    | [d]    |
| <b>CITY-OWNED REAL PROPERTY USE PERMIT</b>              |   |              |   |             |   |                 |                                |                       |              |                        |              |        |
| 4   | City-owned Real Property Use Permit                           |              |   |             |   |                 |                                |                       |              |                        |              |        |
|   | a) Use Request Subject to Administrative Approval             | 2.00         | x | \$192       | = | \$384           |                                |                       | \$200        | 52%                    | Fixed Fee    |        |
|   | b) Use Request Requiring City Council Review                  | 6.00         | x | \$192       | = | \$1,152         |                                |                       | \$600        | 52%                    | Fixed Fee    |        |
| <b>COMMERCIAL CANNABIS BUSINESS PERMITS (CCBP)</b>      |   |              |   |             |   |                 |                                |                       |              |                        |              |        |
| <i>City Council Resolutions #2017-67 &amp; #2021-43</i> |   |              |   |             |   |                 |                                |                       |              |                        |              |        |
| 5   | CCBP Application Fees   |              |   |             |   |                 |                                |                       |              |                        |              | [e]    |
|   | a) Phase 1 (All Types)  |              |   |             |   | Note [k]        | \$1,213                        |                       | \$1,213      |                        | Fixed Fee    |        |
|   | b) Phase 2 (Merit-Based)                                      |              |   |             |   | Note [k]        | \$10,796                       |                       | \$10,796     |                        | Fixed Fee    |        |
|   | c) Phase 2 (Non-Merit Based)                                  |              |   |             |   | Note [k]        | \$7,867                        |                       | \$7,867      |                        | Fixed Fee    |        |
|   | d) Background Checks for Owners of 5%+ Over 1 Owner (Phase 2) |              |   |             |   | Note [k]        | \$1,803                        |                       | \$1,803      |                        | Fixed Fee    |        |
|   | e) Annual CCBP Renewal  |              |   |             |   | Note [k]        | \$2,810                        |                       | \$2,810      |                        | Fixed Fee    |        |
|   | f) Appeal of a CCBP   |              |   |             |   | Note [k]        | \$471                          |                       | \$471        |                        | Fixed Fee    |        |
|   | g) Appeal of a CCBP Renewal                                   |              |   |             |   | Note [k]        | \$595                          |                       | \$595        |                        | Fixed Fee    |        |
| 6   | Annual Regulatory Fees  |              |   |             |   |                 |                                |                       |              |                        |              | [e]    |
|   | a) Cultivation--Up to 10,000 SF (2 Inspections/Yr)            |              |   |             |   | Note [k]        | \$9,573                        |                       | \$9,573      |                        | Fixed Fee    |        |
|   | b) Cultivation--Nursery Only (2 Inspections/Year)             |              |   |             |   | Note [k]        | \$9,573                        |                       | \$9,573      |                        | Fixed Fee    |        |
|   | c) Distribution (2 Inspections/Year)                          |              |   |             |   | Note [k]        | \$9,156                        |                       | \$9,156      |                        | Fixed Fee    |        |
|   | d) Manufacturing (2 Inspections/Year)                         |              |   |             |   | Note [k]        | \$9,573                        |                       | \$9,573      |                        | Fixed Fee    |        |
|   | e) Retail Sales (2 Inspections/Year)                          |              |   |             |   | Note [k]        | \$9,156                        |                       | \$9,156      |                        | Fixed Fee    |        |
|   | f) Testing (2 Inspections/Year)                               |              |   |             |   | Note [k]        | \$7,680                        |                       | \$7,680      |                        | Fixed Fee    |        |

City of Merced  
 User and Regulatory Fee Study  
 Planning Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description                                  |  | Service Time |   | Hourly Rate |   | Cost of Service | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Charge Basis | Notes |
|--|--|--------------|---|-------------|---|-----------------|-------------|-----------------------|--------------|------------------------|--------------|-------|
| <b>CONDITIONAL USE PERMIT (CUP)</b>              |  |              |   |             |   |                 |             |                       |              |                        |              |       |
| 7  | Conditional Use Permit (CUP)   |              |   |             |   |                 |             |                       |              |                        |              |       |
|  | a) Administrative CUP for Signs/Minor Use Permits (Staff Approval only)          | 2.50         | x | \$192       | = | \$480           | \$309       | 64%                   | \$480        | 100%                   | Fixed Fee    |       |
|  | b) Community Gardens   | 6.00         | x | \$192       | = | \$1,152         | No Charge   | 0%                    | \$1,152      | 100%                   | Fixed Fee    |       |
|  | c) Minor - Signs, Walls, Single Food Trucks, etc. if goes to Planning Commission | 6.00         | x | \$192       | = | \$1,152         | \$773       | 67%                   | \$1,152      | 100%                   | Fixed Fee    |       |
|  | d) Regular CUP (R-1 uses, churches, Land use or design only, etc.)               | 32.00        | x | \$192       | = | \$6,144         | \$3,863     | 63%                   | \$6,144      | 100%                   | Fixed Fee    |       |
|  | e) Major CUP (Land use and design; P-D's)  | 36.00        | x | \$192       | = | \$6,912         | varies      | varies                | \$6,912      | 100%                   | Fixed Fee    |       |
| <b>DESIGN REVIEW &amp; HISTORIC PRESERVATION</b> |  |              |   |             |   |                 |             |                       |              |                        |              |       |
| 8  | Painting and Small Signs (Staff )  | 1.00         | x | \$192       | = | \$192           | \$39        | 20%                   | \$100        | 52%                    | Fixed Fee    |       |
| 9  | Signs, Awnings, and Simple Modifications (Staff)                                 | 2.00         | x | \$192       | = | \$384           | \$116       | 30%                   | \$384        | 100%                   | Fixed Fee    |       |
| 10   | Remodels and Site Improvements (DRC)   | 6.00         | x | \$192       | = | \$1,152         | \$773       | 67%                   | \$1,152      | 100%                   | Fixed Fee    |       |
| 11   | New Developments (DRC)   | 24.00        | x | \$192       | = | \$4,608         | \$1,854     | 40%                   | \$4,608      | 100%                   | Fixed Fee    |       |
| 12   | Historic Preservation Applications (DRC/HPC)                                     |              |   |             |   |                 |             |                       |              |                        |              |       |
|  | a) Application for Historic Resource (DRC & Council)                             | 24.00        | x | \$192       | = | \$4,608         | \$386       | 8%                    | \$4,608      | 100%                   | Fixed Fee    |       |
|  | b) Certificate of Alteration for an Historic Resource                            | 24.00        | x | \$192       | = | \$4,608         | \$231       | 5%                    | \$4,608      | 100%                   | Fixed Fee    |       |
| <b>DETERMINATIONS/INTERPRETATIONS</b>            |  |              |   |             |   |                 |             |                       |              |                        |              |       |
| 13   | Determinations / Interpretations   |              |   |             |   |                 |             |                       |              |                        |              |       |
|  | a) By Planning Commission  |              |   |             |   |                 |             |                       |              |                        |              |       |
|  | i) Single R-1 Lot  | 12.00        | x | \$192       | = | \$2,304         | \$773       | 34%                   | \$2,304      | 100%                   | Fixed Fee    |       |
|  | ii) Other  | 12.00        | x | \$192       | = | \$2,304         | \$773       | 34%                   | \$2,304      | 100%                   | Fixed Fee    |       |
|  | b) By Staff  | 4.00         | x | \$192       | = | \$768           | \$77        | 10%                   | \$768        | 100%                   | Fixed Fee    |       |
| <b>ENCROACHMENT PERMIT</b>                       |  |              |   |             |   |                 |             |                       |              |                        |              |       |
| 14   | Restaurant   | 2.00         | x | \$192       | = | \$384           | \$231       | 60%                   | \$384        | 100%                   | Fixed Fee    | [f]   |
| 15   | Street Closures  |              |   |             |   |                 |             |                       |              |                        |              |       |
|  | a) Staff Review  | 2.00         | x | \$192       | = | \$384           | \$77        | 20%                   | \$384        | 100%                   | Fixed Fee    | [f]   |
|  | b) Council Review  | 6.00         | x | \$192       | = | \$1,152         | \$464       | 40%                   | \$1,152      | 100%                   | Fixed Fee    | [f]   |

City of Merced  
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 Planning Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description               | Service Time  |        | Hourly Rate |       | Cost of Service | Current Fee | Current Cost Recovery                               | Proposed Fee | Proposed Cost Recovery                              | Charge Basis | Notes                                |     |
|-------------------------------|---|--------|-------------|-------|-----------------|-------------|---|--------------|---|--------------|--------------------------------------|-----|
| <b>ENVIRONMENTAL REVIEW</b>   |   |        |             |       |                 |             |   |              |   |              |                                      |     |
| 16                            | Categorical Exemption   | 1.50   | x           | \$192 | =               | \$288       | \$155   | 54%          | \$288   | 100%         | Fixed Fee                            |     |
| 17                            | Negative Declaration  | 16.00  | x           | \$192 | =               | \$3,072     | \$1,545   | 50%          | \$3,072   | 100%         | Fixed Fee                            | [a] |
| 18                            | Mitigated Negative Declaration  | 48.00  | x           | \$192 | =               | \$9,216     | \$7,726   | 84%          | \$9,216   | 100%         | Fixed Fee                            | [a] |
| 19                            | Expanded Initial Study  | 48.00  | x           | \$192 | =               | \$9,216     | \$7,726   | 84%          | \$9,216   | 100%         | Fixed Fee                            | [a] |
| 20                            | Environmental Impact Report   |        |             |       |                 |             | Based on Cost<br>See Note [g]<br>(Deposit Required) |              | Based on Cost<br>See Note [g]<br>(Deposit Required) |              | Deposit                              | [g] |
| 21                            | Additional Related Fees   |        |             |       |                 |             |   |              |   |              |                                      |     |
|                               | a) Merced County Clerk Filing Fee (Required of all)   |        |             |       |                 | \$50        |   |              | Pass Through of<br>County Fee                       |              | Check made out to<br>"Merced County" |     |
|                               | b) EIR/EIS Contract Management Fee  | varies | x           | \$192 | =               | 20%         | 10%   | 50%          | 20%   | 100%         | % of Cost                            |     |
|                               | c) State Fish & Wildlife Fees: (Check needs to be made out to Merced County and must accompany the NOD) |        |             |       |                 |             |   |              |   |              |                                      |     |
|                               | i) For Negative Declarations  |        |             |       |                 | \$2,969     |   |              | Pass Through of Dept of<br>Fish & Wildlife Fee      |              | Fixed Fee                            |     |
|                               | ii) For EIR's   |        |             |       |                 | \$4,124     |   |              | Pass Through of Dept of<br>Fish & Wildlife Fee      |              | Fixed Fee                            |     |
| <b>EXTENSIONS</b>             |   |        |             |       |                 |             |   |              |   |              |                                      |     |
| 22                            | Extension   | 8.00   | x           | \$192 | =               | \$1,536     | varies  |              | Lesser of \$750 or 25% of<br>application filing fee | varies       | Fixed Fee                            |     |
| <b>GENERAL PLAN AMENDMENT</b> |   |        |             |       |                 |             |   |              |   |              |                                      |     |
| 23                            | General Plan Amendment  | 64.00  | x           | \$192 | =               | \$12,288    | varies  |              | \$12,288  | 100%         | Fixed Fee                            |     |
| <b>MINOR SUBDIVISIONS</b>     |   |        |             |       |                 |             |   |              |   |              |                                      |     |
| 24                            | Lot Splits/Parcel Maps  | 24.00  | x           | \$192 | =               | \$4,608     | \$1,236   | 27%          | \$4,608   | 100%         | Fixed Fee                            |     |
| 25                            | Lot Line Adjustment   | 16.00  | x           | \$192 | =               | \$3,072     | \$618   | 20%          | \$3,072   | 100%         | Fixed Fee                            |     |
| 26                            | Lot Mergers   | 16.00  | x           | \$192 | =               | \$3,072     | \$618   | 20%          | \$3,072   | 100%         | Fixed Fee                            |     |
| 27                            | Subdivision Map Exemption Investigation   | 8.00   | x           | \$192 | =               | \$1,536     | \$309   | 20%          | \$1,536   | 100%         | Fixed Fee                            |     |

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| Fee Description               | Service Time   |       | Hourly Rate |       | Cost of Service | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Charge Basis | Notes         |
|-------------------------------|--|-------|-------------|-------|-----------------|-------------|-----------------------|--------------|------------------------|--------------|---------------|
| <b>MISCELLANEOUS</b>          |  |       |             |       |                 |             |                       |              |                        |              |               |
| 28                            | Administrative Revision to Site Plans or Elevations (Or Minor Modification Permits)                        | 4.00  | x           | \$192 | =               | \$768       | \$231                 | 30%          | \$768                  | 100%         | Fixed Fee     |
| 29                            | Building Permit--Planning Site Plan Review Only  |       |             |       |                 |             |                       |              |                        |              |               |
|                               | a) Pools/Signs/Setbacks/etc.   | 0.50  | x           | \$192 | =               | \$96        | \$77                  | 80%          | \$96                   | 100%         | Fixed Fee     |
|                               | b) Remodel/Tenant Improvement  | 1.00  | x           | \$192 | =               | \$192       | \$77                  | 40%          | \$192                  | 100%         | Fixed Fee     |
|                               | c) Single Family Residential/Duplex New Construction   | 1.50  | x           | \$192 | =               | \$288       | \$77                  | 27%          | \$288                  | 100%         | Fixed Fee     |
|                               | d) Multi-Family / Commercial / Industrial (New Construction)   |       |             |       |                 |             |                       |              |                        |              |               |
|                               | i) Up to 10,000 SF   | 2.00  | x           | \$192 | =               | \$384       | \$309                 | 81%          | \$384                  | 100%         | Fixed Fee     |
|                               | ii) 10,001 to 50,000 SF  | 3.00  | x           | \$192 | =               | \$576       | \$309                 | 54%          | \$576                  | 100%         | Fixed Fee     |
|                               | iii) 50,001 - 100,000 SF   | 6.00  | x           | \$192 | =               | \$1,152     | \$309                 | 27%          | \$1,152                | 100%         | Fixed Fee     |
|                               | iv) Greater than 100,000 SF  | 12.00 | x           | \$192 | =               | \$2,304     | \$309                 | 13%          | \$2,304                | 100%         | Fixed Fee     |
| 30                            | Applicant Requested Continuance Requests - Planning Commission Public Hearings (After agenda is published) | 4.00  | x           | \$192 | =               | \$768       | \$231                 | 30%          | \$768                  | 100%         | Fixed Fee     |
| 31                            | Covenants of Easement  | 6.00  | x           | \$192 | =               | \$1,152     | \$464                 | 40%          | \$1,152                | 100%         | Fixed Fee     |
| 32                            | Home Occupation Permits (Minor) [Major Home Occupations are charged the Minor Use Permit Fee]              | 0.50  | x           | \$192 | =               | \$96        | \$39                  | 41%          | \$96                   | 100%         | Fixed Fee     |
| 33                            | Staff Research Time  | 0.50  | x           | \$192 | =               | \$96        | \$67                  | 69%          | \$96                   | 100%         | per 1/2 hour  |
| 34                            | Temporary Outdoor Use Permit   |       |             |       |                 |             |                       |              |                        |              |               |
|                               | a) Seasonal More than One Week   | 1.50  | x           | \$192 | =               | \$288       | \$77                  | 27%          | \$288                  | 100%         | Fixed Fee     |
|                               | b) Single Week   | 1.50  | x           | \$192 | =               | \$288       | \$77                  | 27%          | \$150                  | 52%          | Fixed Fee     |
| 35                            | Zoning Compliance Letter (Involves City Atty)  | 8.00  | x           | \$192 | =               | \$1,536     | \$618                 | 40%          | \$1,536                | 100%         | Fixed Fee     |
| 36                            | Zoning Verification Letter (Planning Staff Only)   | 1.50  | x           | \$192 | =               | \$288       | \$116                 | 40%          | \$288                  | 100%         | Fixed Fee     |
| <b>NAME CHANGES</b>           |  |       |             |       |                 |             |                       |              |                        |              |               |
| 37                            | Street / Subdivision Name Changes  |       |             |       |                 |             |                       |              |                        |              |               |
|                               | a) Subdivision Names (once public hearing notice has been published)                                       | 8.00  | x           | \$192 | =               | \$1,536     | \$386                 | 25%          | \$1,536                | 100%         | Fixed Fee     |
|                               | b) Street Names (for subdivisions, once final map has been approved)                                       | 12.00 | x           | \$192 | =               | \$2,304     | \$1,545               | 67%          | \$2,304                | 100%         | Fixed Fee     |
| <b>PRE-APPLICATION REVIEW</b> |  |       |             |       |                 |             |                       |              |                        |              |               |
| 38                            | Pre-Application Review   |       |             |       |                 |             |                       |              |                        |              | [h]           |
|                               | a) Minor (CUP's, Site Plan Review, etc.)   | 8.00  | x           | \$192 | =               | \$1,536     | \$194                 | 13%          | \$300                  | 20%          | Fixed Fee     |
|                               | b) Major (Zone Changes, General Plan Amendments, SUP Revisions, Tentative Maps, etc.)                      | 12.00 | x           | \$192 | =               | \$2,304     | \$309                 | 13%          | \$750                  | 33%          | Fixed Fee     |
|                               | c) Annexation Pre-Applications (Includes City Council Review)  | 16.00 | x           | \$192 | =               | \$3,072     | \$1,545               | 50%          | \$2,000                | 65%          | Fixed Fee [i] |

City of Merced  
 User and Regulatory Fee Study  
 Planning Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description                             | Service Time   |       | Hourly Rate |       | Cost of Service | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Charge Basis | Notes              |
|---|--|-------|-------------|-------|-----------------|-------------|-----------------------|--------------|------------------------|--------------|--------------------|
| <b>SERVICE (WATER &amp; SEWER) REQUESTS</b> |  |       |             |       |                 |             |                       |              |                        |              |                    |
| 39  | Service (Water & Sewer) Requests - County Property   |       |             |       |                 |             |                       |              |                        |              |                    |
|   | a) Staff Review  | 5.00  | x           | \$192 | =               | \$960       | \$231                 | 24%          | \$500                  | 52%          | Fixed Fee; per lot |
|   | b) City Council Review   | 10.00 | x           | \$192 | =               | \$1,920     | varies                | varies       | \$1,920                | 100%         | Fixed Fee; per lot |
| <b>SITE PLAN REVIEW</b>                     |  |       |             |       |                 |             |                       |              |                        |              |                    |
| 40  | Minor: (Minor change in existing site or change in use with minor design adjustments)                                |       |             |       |                 |             |                       |              |                        |              |                    |
|   |  | 8.00  | x           | \$192 | =               | \$1,536     | \$928                 | 60%          | \$1,536                | 100%         | Fixed Fee          |
| 41  | Major: (Major redesign of existing site or design of vacant site) (Large projects may be charged on an hourly basis) |       |             |       |                 |             |                       |              |                        |              |                    |
|   |  | 16.00 | x           | \$192 | =               | \$3,072     | \$1,545               | 50%          | \$3,072                | 100%         | Fixed Fee          |
| 42  | Other  |       |             |       |                 |             |                       |              |                        |              |                    |
|   | a) Accessory Dwelling Units (Minor Use Permit) & Community Gardens   |       |             |       |                 |             | No Charge             |              | No Charge              |              | Fixed Fee          |
|   | b) Recycling Centers   | 4.00  | x           | \$192 | =               | \$768       | \$309                 | 40%          | \$768                  | 100%         | Fixed Fee          |
| <b>SITE UTILIZATION PLAN</b>                |  |       |             |       |                 |             |                       |              |                        |              |                    |
| 43  | Site Utilization Plan - Residential Planned Development (RP-D) and Planned Development (P-D)                         |       |             |       |                 |             |                       |              |                        |              |                    |
|   | a) Site Utilization Plan Establishment   |       |             |       |                 |             |                       |              |                        |              |                    |
|   | i) Stand Alone Application   |       |             |       |                 |             |                       |              |                        |              |                    |
|   | a) Single R-1 Lot (1 acre or less)   | 32.00 | x           | \$192 | =               | \$6,144     | varies                | varies       | \$3,072                | 50%          | Fixed Fee          |
|   | b) All Other   |       |             |       |                 |             |                       |              |                        |              |                    |
|   | i) Up to 10 acres  | 48.00 | x           | \$192 | =               | \$9,216     | varies                | varies       | \$9,216                | 100%         | Fixed Fee          |
|   | ii) Between 10.01 and 100 acres  | 64.00 | x           | \$192 | =               | \$12,288    | varies                | varies       | \$12,288               | 100%         | Fixed Fee          |
|   | iii) Over 100.01 acres   | 80.00 | x           | \$192 | =               | \$15,360    | varies                | varies       | \$15,360               | 100%         | Fixed Fee          |
|   | ii) Application Submitted Concurrent with General Plan Amendment   |       |             |       |                 |             |                       |              |                        |              |                    |
|   | a) Single R-1 Lot (1 acre or less)   | 16.00 | x           | \$192 | =               | \$3,072     | varies                | varies       | \$1,536                | 50%          | Fixed Fee          |
|   | b) All Other   |       |             |       |                 |             |                       |              |                        |              |                    |
|   | i) Up to 10 acres  | 24.00 | x           | \$192 | =               | \$4,608     | varies                | varies       | \$4,608                | 100%         | Fixed Fee          |
|   | ii) Between 10.01 and 100 acres  | 32.00 | x           | \$192 | =               | \$6,144     | varies                | varies       | \$6,144                | 100%         | Fixed Fee          |
|   | iii) Over 100.01 acres   | 40.00 | x           | \$192 | =               | \$7,680     | varies                | varies       | \$7,680                | 100%         | Fixed Fee          |
|   | b) Site Utilization Plan Revision  |       |             |       |                 |             |                       |              |                        |              |                    |
|   | i) Single R-1 Lot (1 acre or less)   |       |             |       |                 |             |                       |              |                        |              |                    |
|   |  | 16.00 | x           | \$192 | =               | \$3,072     | varies                | varies       | \$1,536                | 50%          | Fixed Fee          |
|   | ii) All Other  |       |             |       |                 |             |                       |              |                        |              |                    |
|   | a) Up to 10 acres  | 24.00 | x           | \$192 | =               | \$4,608     | varies                | varies       | \$4,608                | 100%         | Fixed Fee          |
|   | b) Between 10.01 and 100 acres   | 32.00 | x           | \$192 | =               | \$6,144     | varies                | varies       | \$6,144                | 100%         | Fixed Fee          |
|   | c) Over 100.01 acres   | 40.00 | x           | \$192 | =               | \$7,680     | varies                | varies       | \$7,680                | 100%         | Fixed Fee          |

City of Merced  
 User and Regulatory Fee Study  
 Planning Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Service Time  |       | Hourly Rate |       | Cost of Service | Current Fee | Current Cost Recovery                 | Proposed Fee | Proposed Cost Recovery                | Charge Basis | Notes     |
|--|---|-------|-------------|-------|-----------------|-------------|---------------------------------------|--------------|---------------------------------------|--------------|-----------|
| <b>TENTATIVE SUBDIVISION (TRACT) MAP</b>   |   |       |             |       |                 |             |                                       |              |                                       |              |           |
| 44   | Tentative Subdivision (Tract) Map   |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | a) 1 - 50 Lots  | 44.00 | x           | \$192 | =               | \$8,448     | \$4,636                               | 55%          | \$8,448                               | 100%         |           |
|  | b) 50+ Lots   | 64.00 | x           | \$192 | =               | \$12,288    | \$7,726                               | 63%          | \$12,288                              | 100%         |           |
| <b>VARIANCE</b>  |   |       |             |       |                 |             |                                       |              |                                       |              |           |
| 45   | Variance  |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | a) Single R-1 lot   | 16.00 | x           | \$192 | =               | \$3,072     | \$1,314                               | 43%          | \$3,072                               | 100%         |           |
|  | b) All Others   | 32.00 | x           | \$192 | =               | \$6,144     | \$1,545                               | 25%          | \$6,144                               | 100%         |           |
|  | c) Multiple on one application  | 40.00 | x           | \$192 | =               | \$7,680     | \$2,318                               | 30%          | \$7,680                               | 100%         |           |
| <b>Zone Change</b>   |   |       |             |       |                 |             |                                       |              |                                       |              |           |
| 46   | Zone Change   |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | a) Stand Alone Application  |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | i) Single R-1 Lot (1 acre or less)  | 32.00 | x           | \$192 | =               | \$6,144     | varies                                | varies       | \$3,072                               | 50%          | Fixed Fee |
|  | ii) All Other   |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | a) Up to 10 acres   | 48.00 | x           | \$192 | =               | \$9,216     | varies                                | varies       | \$9,216                               | 100%         | Fixed Fee |
|  | b) Between 10.01 and 100 acres  | 64.00 | x           | \$192 | =               | \$12,288    | varies                                | varies       | \$12,288                              | 100%         | Fixed Fee |
|  | c) Over 100.01 acres  | 80.00 | x           | \$192 | =               | \$15,360    | varies                                | varies       | \$15,360                              | 100%         | Fixed Fee |
|  | b) Application Submitted Concurrent with General Plan Amendment   |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | i) Single R-1 Lot (1 acre or less)  | 16.00 | x           | \$192 | =               | \$3,072     | varies                                | varies       | \$1,536                               | 50%          | Fixed Fee |
|  | ii) All Other   |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | a) Up to 10 acres   | 24.00 | x           | \$192 | =               | \$4,608     | varies                                | varies       | \$4,608                               | 100%         | Fixed Fee |
|  | b) Between 10.01 and 100 acres  | 32.00 | x           | \$192 | =               | \$6,144     | varies                                | varies       | \$6,144                               | 100%         | Fixed Fee |
|  | c) Over 100.01 acres  | 40.00 | x           | \$192 | =               | \$7,680     | varies                                | varies       | \$7,680                               | 100%         | Fixed Fee |
| <b>ZONING TEXT AMENDMENT (Amendment to Title 20 of Merced Municipal Code)</b>                      |   |       |             |       |                 |             |                                       |              |                                       |              |           |
| 47   | Zoning Text Amendment   |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | a) Standards (Setbacks, signs, etc.)  | 24.00 | x           | \$192 | =               | \$4,608     | \$1,545                               | 34%          | \$4,608                               | 100%         |           |
|  | b) Land Use (Adding a land use to a zone, adjusting requirements for a specific land use, etc.)                                   | 40.00 | x           | \$192 | =               | \$7,680     | \$2,318                               | 30%          | \$7,680                               | 100%         |           |
| <b>Standard Hourly Billing Rates and Hourly Rates for Services Not Identified in this Schedule</b> |   |       |             |       |                 |             |                                       |              |                                       |              |           |
| 48   | Standard Hourly Billing Rates and Hourly Rates for Deposit-Based Services, and Services Not Otherwise Identified in this Schedule |       |             |       |                 |             |                                       |              |                                       |              |           |
|  | a) In-House   |       |             |       |                 |             | Fully-Burdened Positional Hourly Rate |              | Fully-Burdened Positional Hourly Rate | 100%         |           |
|  | b) Consultant/Attorney/3rd Party Review   |       |             |       |                 |             |                                       |              | Pass-through + 10% Admin Fee          | 100%         |           |

City of Merced  
 User and Regulatory Fee Study  
 Planning Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description | Service Time | Hourly Rate | Cost of Service | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Charge Basis | Notes |
|-----------------|--------------|-------------|-----------------|-------------|-----------------------|--------------|------------------------|--------------|-------|
|-----------------|--------------|-------------|-----------------|-------------|-----------------------|--------------|------------------------|--------------|-------|

\* Periodically, the City in its sole discretion, may use third party consultants/attorney/specialized support to augment internal staff services. In such situations, the applicant will be responsible for the full cost of service associated with application review and processing. To support cost recovery, any fixed fee amounts for applicable review services shall function as initial deposits. A positive account balance shall be maintained at all times during the review process. No work will be performed on a project with a negative fund balance. Periodically, the applicant may be notified and required to supplement the deposit account with an additional amounts to support ongoing review efforts. Funds expended for staff time or third party review shall not be dependent upon the City's approval or disapproval of the application request. Any deposit amounts remaining after final project close out will be returned to applicant.

[a] In addition to amounts shown above, applicant is responsible for all costs of outside agency review/services, including but not limited to, LAFCO, Board of Equalization Fees, Department of Fish and Wildlife Fees, specialized attorney review, etc..

[b] R-1 Type Uses include those uses eligible for consideration as conditional uses in an R-1 residential zone or any R-1 use (principally permitted or otherwise) when considered for a conditional use permit in another zone.

[c] Annexation fee may be paid in two equal installments (50% of fee upon submittal of application; 50% of fee payable prior to City Council consideration of annexation).

[d] Depending on the subject of the appeal, specialized expertise may be solicited, at the expense of the applicant, for the purpose of providing input to the City Manager, City Attorney, Planning Commission, other Commission or Board, or City Council. If a decision is made in the appellant's favor, the City will refund the appeal filing fee.

[e] CCBP application fees are due and payable upon submittal of a commercial cannabis business permit application. The amount of the fees are adjusted annually to account for inflation by using the Consumer Price Index (CPI). In no event, shall the fees in any year be less than the preceding year. The regulatory fee is to be due and payable prior to opening the business and thereafter on or before the anniversary date. The regulatory fee may be amended from time to time based upon actual costs. The amount of the fees are adjusted annually to account for inflation by using the CPI. In no event, shall the fees in any year be less than the preceding year.

[f] See Merced Municipal Code (M.M.C.): Restaurant Encroachment Permit (MMC Title 12.36.060) and Street Closure (MMC Title 12.42.050).

[g] Based on cost (deposit required). Application fee is based on the actual cost of time, services, and materials incurred in processing the application. With the exception of environmental reviews, the deposit is due upon application. Any costs above the deposit are due and payable prior to final Planning Commission/City Council action. The deposit and actual cost for environmental reviews will be determined on a case by case basis after the application is accepted, and the deposit is due before work commences. In addition to the fee amounts listed in this schedule, applicant is responsible for all costs of outside agency review/services, including but not limited to, County Recording Costs, specialized attorney review, LAFCO, Board of Equalization Fees, Department of Fish and Wildlife Fees, etc.

[h] Pre-Application Review Charge may be assessed on any request to consider a particular piece of property for development activity, including change of zoning, preliminary site plan review, preliminary review of a subdivision layout, or as otherwise determined by the Director of Development Services. This charge will be credited against any "Application Fee" subsequently received from the applicant for the subject project.

[i] Annexation pre-applications are different from regular pre-applications that are only reviewed by City staff in that Annexation pre-applications are also reviewed by the City Council and Merced County Local Agency Formation Commission (LAFCO) staff to provide early guidance on annexation requests. See separate Annexation pre-application form for details regarding submittals and process. Fee may be credited toward an official annexation application.

[j] Fee Adjustments. Per MMC 20.66.030(D), the Director of Development Services shall have the authority to lower or increase the fee in any individual case, not to exceed the actual cost of staff time, or waive the payment for another government agency, or non-profit, tax exempt organization, or where good cause appears. In the case where no application fee has been adopted, the Director will determine which adopted fee to charge that would be equivalent based on the similar level of effort and review required.

[k] Refunds. Partial refunds can be given if applications are withdrawn prior to public hearing. However, the cost of actual staff time or direct costs spent on the application will be deducted from the original amount prior to a refund being granted. Please note that refunds can only be given within 1 year after application submittal due to budgeting constraints.

[l] CCBP fees were recently updated (City Council Resolutions #2017-67 & #2021-43), consequently they are not being re-examined or proposed for adjustment or increase as part of this study. Staff intends to re-examine cost of service and fee structure as additional program information and history is developed.



**User and Regulatory Fees**

*Cost of Service Calculations*

*Engineering and Encroachment Fees*

City of Merced  
 User and Regulatory Fee Study  
 Allocation of Annual Labor Effort - Engineering Division

| Position                      | Hourly | FTE   | Yearly      | Total Hours Per FTE | Less: Holiday & Leave | Productive Hours Per FTE | Productive Hours | Notes   |
|-------------------------------|--------|-------|-------------|---------------------|-----------------------|--------------------------|------------------|---------|
| City Engineer                 | \$87   | 1.00  | \$180,602   | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| City Surveyor                 | \$61   | 1.00  | \$126,198   | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Senior Engineer               | \$61   | 1.00  | \$126,198   | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Associate/Asst Engineer       | \$52   | 3.00  | \$327,081   | 2,080               | 216                   | 1,864                    | 5,592            | [a],[b] |
| Engineering Tech I/II/III/IV  | \$44   | 4.00  | \$361,990   | 2,080               | 216                   | 1,864                    | 7,456            | [a],[b] |
| Management Analyst            | \$45   | 1.00  | \$93,329    | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Administrative Assistant I/II | \$27   | 1.00  | \$55,617    | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| <b>Total</b>                  |        | 12.00 | \$1,271,015 |                     |                       |                          | <b>22,368</b>    |         |

**Contract Services**

| Description              | Total    | Est Hrly Cost | Total Hours | Notes |
|--------------------------|----------|---------------|-------------|-------|
| Annual Contract Services | \$30,000 | \$200         | 150         | [c]   |

| Total Productive Hours | Total         | Notes |
|------------------------|---------------|-------|
| In-House               | 22,368        |       |
| Contract               | 150           |       |
| <b>Total</b>           | <b>22,518</b> |       |

| Allocation of Hours | Share       | Total         | Notes |
|---------------------|-------------|---------------|-------|
| Indirect            | 35%         | 7,881         | [b]   |
| Direct              | 65%         | 14,637        | [b]   |
| <b>Total</b>        | <b>100%</b> | <b>22,518</b> |       |

[a] Source: FY 24/25 authorized positions.

[b] Direct/Indirect hours are intended to serve as reasonable estimates. Amounts will vary from year-to-year depending on activity, projects, and City Council priorities.

[c] Amounts intended to serve as reasonable estimates of market rates for contract service providers.

City of Merced  
 User and Regulatory Fee Study  
 Engineering Division

Recurring Expenditures [a]

| Fund  | Division           | Account | Acct Desc                      | Budget      | Adjust    | Total       | Notes |
|-------|--------------------|---------|--------------------------------|-------------|-----------|-------------|-------|
| 3000  | 5000 - Engineering | 501001  | Regular Salaries               | 1,236,798   | \$0       | \$1,236,798 | [a]   |
| 3000  | 5000 - Engineering | 501002  | Extra Help                     | 49,357      | \$0       | \$49,357    | [a]   |
| 3000  | 5000 - Engineering | 501003  | Regular Overtime               | 2,000       | \$0       | \$2,000     | [a]   |
| 3000  | 5000 - Engineering | 501101  | Bilingual Pay Program          | 1,200       | \$0       | \$1,200     | [a]   |
| 3000  | 5000 - Engineering | 501107  | Education Incentive Pay        | 8,400       | \$0       | \$8,400     | [a]   |
| 3000  | 5000 - Engineering | 501121  | Longevity Pay                  | 19,999      | \$0       | \$19,999    | [a]   |
| 3000  | 5000 - Engineering | 502003  | Earned Benefit                 | 16,802      | \$0       | \$16,802    | [a]   |
| 3000  | 5000 - Engineering | 503002  | Vehicle Allowance              | 10,080      | \$0       | \$10,080    | [a]   |
| 3000  | 5000 - Engineering | 504001  | Social Security-OASDI          | 76,129      | \$0       | \$76,129    | [a]   |
| 3000  | 5000 - Engineering | 504002  | Social Security-Medicare       | 18,833      | \$0       | \$18,833    | [a]   |
| 3000  | 5000 - Engineering | 504003  | PTS Plan PICA Alternative      | 642         | \$0       | \$642       | [a]   |
| 3000  | 5000 - Engineering | 505001  | Retirement PERS Classic        | 40,217      | \$0       | \$40,217    | [a]   |
| 3000  | 5000 - Engineering | 505002  | Retirement PERS Lateral        | 18,413      | \$0       | \$18,413    | [a]   |
| 3000  | 5000 - Engineering | 505003  | Retirement PERS New PEPPRA     | 58,132      | \$0       | \$58,132    | [a]   |
| 3000  | 5000 - Engineering | 505005  | Retrmnt Unfunded Acc Liab Mis  | 238,453     | \$0       | \$238,453   | [a]   |
| 3000  | 5000 - Engineering | 506101  | Core Allowance                 | 226,661     | \$0       | \$226,661   | [a]   |
| 3000  | 5000 - Engineering | 506102  | Workers Compensation           | 4,635       | \$0       | \$4,635     | [a]   |
| 3000  | 5000 - Engineering | 506110  | Post Employment Benefits       | 26,581      | \$0       | \$26,581    | [a]   |
| 3000  | 5000 - Engineering | 511002  | Telephone                      | 7,000       | \$0       | \$7,000     | [a]   |
| 3000  | 5000 - Engineering | 511003  | Postage & Mailing              | 400         | \$0       | \$400       | [a]   |
| 3000  | 5000 - Engineering | 511004  | Printing                       | 600         | \$0       | \$600       | [a]   |
| 3000  | 5000 - Engineering | 511005  | Office Supplies                | 14,650      | \$0       | \$14,650    | [a]   |
| 3000  | 5000 - Engineering | 511007  | Office Equip & Maintenance     | 1,200       | \$0       | \$1,200     | [a]   |
| 3000  | 5000 - Engineering | 511008  | Electronic, Tech & Other Equip | 2,400       | \$0       | \$2,400     | [a]   |
| 3000  | 5000 - Engineering | 511009  | Software                       | 21,400      | \$0       | \$21,400    | [a]   |
| 3000  | 5000 - Engineering | 511010  | Rents & Leases                 | 45          | \$0       | \$45        | [a]   |
| 3000  | 5000 - Engineering | 511011  | Certs,Memberships&Subscriptio  | 28,906      | \$0       | \$28,906    | [a]   |
| 3000  | 5000 - Engineering | 511012  | Professional Services          | 30,000      | \$0       | \$30,000    | [a]   |
| 3000  | 5000 - Engineering | 511013  | Operating Mats, Svcs&Supplies  | 2,500       | \$0       | \$2,500     | [a]   |
| 3000  | 5000 - Engineering | 511014  | Equipment Ops & Maintenance    | 10,615      | \$0       | \$10,615    | [a]   |
| 3000  | 5000 - Engineering | 511017  | Safety Supplies                | 2,700       | \$0       | \$2,700     | [a]   |
| 3000  | 5000 - Engineering | 511018  | Small Tools & Equipment        | 800         | \$0       | \$800       | [a]   |
| 3000  | 5000 - Engineering | 511019  | Mileage                        | 150         | \$0       | \$150       | [a]   |
| 3000  | 5000 - Engineering | 511020  | Training Expense               | 9,500       | \$0       | \$9,500     | [a]   |
| 3000  | 5000 - Engineering | 511021  | Travel and Meetings            | 7,000       | \$0       | \$7,000     | [a]   |
| 3000  | 5000 - Engineering | 547001  | Dept Share of Insurance        | 68,433      | \$0       | \$68,433    | [a]   |
| 3000  | 5000 - Engineering | 547004  | Vehicle Operations             | 14,695      | \$0       | \$14,695    | [a]   |
| 3000  | 5000 - Engineering | 547005  | Vehicle Replacement Fee        | 10,989      | \$0       | \$10,989    | [a]   |
| 3000  | 5000 - Engineering | 547006  | Facilities Maint Charge        | 53,684      | \$0       | \$53,684    | [a]   |
| 3000  | 5000 - Engineering | 547009  | Support Services               | 175,451     | \$0       | \$175,451   | [a]   |
| 3000  | 5000 - Engineering | 520500  | Adm Exp-City Council           | 15,258      | \$0       | \$15,258    | [a]   |
| 3000  | 5000 - Engineering | 521000  | Adm Exp-City Manager           | 45,849      | \$0       | \$45,849    | [a]   |
| 3000  | 5000 - Engineering | 521010  | Adm Exp-City Clerk             | 18,814      | \$0       | \$18,814    | [a]   |
| 3000  | 5000 - Engineering | 521500  | Adm Exp-City Attorney          | 23,915      | \$0       | \$23,915    | [a]   |
| 3000  | 5000 - Engineering | 522000  | Adm Exp-Finance                | 129,431     | \$0       | \$129,431   | [a]   |
| 3000  | 5000 - Engineering | 522050  | Adm Exp-Purchasing             | 15,446      | \$0       | \$15,446    | [a]   |
| 3000  | 5000 - Engineering | 533000  | Interdept DSC-Develop Svc      | 14,408      | \$0       | \$14,408    | [a]   |
| 3000  | 5000 - Engineering | 627008  | Op Trsf-Support Services       | 3,625       | (\$3,625) | \$0         | [a]   |
| Total |                    |         |                                | \$2,783,196 | (\$3,625) | \$2,779,571 |       |

**Allocation of Citywide Overhead**

| Description                  | Allocation of C'wide OH | Notes |
|------------------------------|-------------------------|-------|
| Citywide Overhead Allocation | See Above               |       |

**Average Annual Revenues**

| Account      | Acct Desc                      | FY 22/23 Actual    | FY 23/24 Actual    | Average            | FY 25/26 Budget    |
|--------------|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| 413303       | Encroachment Permits           | \$363,083          | \$336,366          | \$349,725          | \$350,000          |
| 415012       | Inspection Fees                | \$46,685           | \$135,432          | \$91,059           | \$409,309          |
| 415112       | Plan Checking Fees-Plans       | \$13,613           | \$63,032           | \$38,322           | \$152,327          |
| 431006       | Personnel Time Charged         | \$871,925          | \$736,567          | \$804,246          | \$835,000          |
| 3000-5010    | Subdivision Maps-Final         | \$23,444           | \$47,740           | \$35,592           | \$0                |
| 417001       | Sale of Plans, Maps, Ords&Pubs | \$5,170            | \$1,130            | \$3,150            | \$2,000            |
| 483000       | Interdept DSC-Dev Svcs         | \$120,372          | \$131,732          | \$126,052          | \$182,919          |
| 483001       | Interdept DSC-Strt&Lght Maint  | \$110,523          | \$145,201          | \$127,862          | \$87,654           |
| 485003       | Interdept DSC-Airport Ind Park | \$4,087            | \$0                | \$2,044            | \$0                |
| 486000       | Interdept DSC-WWtr System      | \$229,953          | \$280,231          | \$255,092          | \$328,548          |
| 486001       | Interdept DSC-Water System     | \$259,362          | \$396,696          | \$328,029          | \$395,035          |
| 486002       | Interdept DSC-Refuse Ops       | \$16,782           | \$19,620           | \$18,201           | \$25,922           |
| 487000       | Interdept DSC-PublicWorks Adm  | \$3,882            | \$4,272            | \$4,077            | \$3,409            |
| <b>Total</b> |                                | <b>\$2,068,881</b> | <b>\$2,298,020</b> | <b>\$2,183,450</b> | <b>\$2,772,123</b> |

| Description          | Total       |
|----------------------|-------------|
| Average Revenue      | \$2,183,450 |
| Expenditures         | \$2,779,571 |
| Cost Recovery Rate   | 79%         |
| General Fund Subsidy | \$596,121   |

**Calculation of Fully-Burdened Hourly Rate**

| Description                | Total       |
|----------------------------|-------------|
| Costs                      | \$2,779,571 |
| Direct Hours               | 14,637      |
| Fully-Burdened Hourly Rate | \$190       |

**Calculation of Cost Multiplier for Fully-Burdened Hourly Rate (Apply to Base Salary Cost Per Hour)**

| Description | FTE   | Annual Hours Per FTE | Total Annual Hours | Estimated Salaries | Hourly Wage Rate Only Assuming Total Annual Hours | Fully-Burdened Hourly Rate | Indirect Cost Rate Multiplier (ICR) |
|-------------|-------|----------------------|--------------------|--------------------|---|----------------------------|-------------------------------------|
| Engineering | 12.00 | 2,080                | 24,960             | \$1,271,015        | \$51  | \$190                      | 3.73                                |

**Calculation of Fully-Burdened Hourly Rate by Position**

| Position                      | Total Salaries | Total FTE | Avg Salary Per FTE | Avg Salary Per Hour | ICR for Fully-Burdened Hourly Rate | Fully-Burdened Hourly Rate | Current Billing Rate |
|-------------------------------|----------------|-----------|--------------------|---------------------|------------------------------------|----------------------------|----------------------|
| City Engineer                 | \$180,602      | 1.00      | \$180,602          | \$87                | 3.73                               | \$324                      |                      |
| City Surveyor                 | \$126,198      | 1.00      | \$126,198          | \$61                | 3.73                               | \$226                      |                      |
| Senior Engineer               | \$126,198      | 1.00      | \$126,198          | \$61                | 3.73                               | \$226                      |                      |
| Associate/Asst Engineer       | \$327,081      | 3.00      | \$109,027          | \$52                | 3.73                               | \$196                      |                      |
| Engineering Tech I/II/III/IV  | \$361,990      | 4.00      | \$90,497           | \$44                | 3.73                               | \$162                      |                      |
| Management Analyst            | \$93,329       | 1.00      | \$93,329           | \$45                | 3.73                               | \$167                      |                      |
| Administrative Assistant I/II | \$55,617       | 1.00      | \$55,617           | \$27                | 3.73                               | \$100                      |                      |

[a] Source: FY 25/26 Adopted Budget.

City of Merced  
 User and Regulatory Fee Study  
 Cost of Service Calculation - Engineering and Encroachments

| Fee Description   |  | Service Time | Hourly Rate | Cost of Service | Current Fee       | Current Cost Recovery | Proposed Fee                                    | Proposed Cost Recovery | Fee Change | Charge Basis               | Note |
|---|--|--------------|-------------|-----------------|-------------------|-----------------------|---|------------------------|------------|----------------------------|------|
| <b><u>Encroachment Permit / Improvement Permit Fees</u></b>             |  |              |             |                 |                   |                       |   |                        |            |                            |      |
| 1   | Utility Work/Connections (Individual Permits)  | 2.25         | x \$190     | = \$428         | \$231             | 54%                   | \$428   | 100%                   | \$196      | Fixed Fee                  |      |
| 2   | Driveways/Minor Frontage Improvements  |              |             |                 |                   |                       |   |                        |            |                            |      |
|   | a) Residential (per driveway)  | 2.25         | x \$190     | = \$428         |                   |                       | \$250   | 58%                    |            | Fixed Fee                  |      |
|   | b) Commercial (per driveway)   | 2.25         | x \$190     | = \$428         |                   |                       | \$428   | 100%                   |            | Fixed Fee                  |      |
| 3   | Major Utility Trench / Bore Review and Inspection  | 0.05         | x \$190     | = \$10          | varies            | varies                | \$10  | 100%                   |            | Fixed Fee; per linear foot |      |
| 4   | All Other  |              |             |                 |                   |                       | See Improvement Plan Review and Inspection Fees |                        |            |                            |      |
| <b><u>Agreement for Private Improvements in Public Right-of-Way</u></b> |  |              |             |                 |                   |                       |   |                        |            |                            |      |
| 5   | Agreement for Private Improvements in Public Right-of-Way  | 1.8          | x \$190     | = \$333         |                   |                       | \$250   | 75%                    |            | each                       |      |
| <b><u>Improvement Plan Review and Inspection</u></b>                    |  |              |             |                 |                   |                       |   |                        |            |                            |      |
| 6   | Engineering and Landscape Plan Check and Inspection<br>(Fee Includes Up to 3 Cycle Reviews - Hourly Billing Applies for Reviews Required Beyond 3rd Cycle) |              |             |                 |                   |                       |   |                        |            |                            |      |
|   | a) Project Value Up to \$10,000  | 4.00         | x \$190     | = \$760         | 0.75% PC; 3% Insp | varies                | \$760   | 100%                   | Varies     | Fixed Fee                  |      |
|   | b) Project Value \$10,001 - \$100,000  |              |             |                 |                   |                       |   |                        |            |                            |      |
|   | i. Base Fee for First \$10,000   | 4.00         | x \$190     | = \$760         | 0.75% PC; 3% Insp | varies                | \$760   | 100%                   | Varies     | Fixed Fee                  |      |
|   | ii. Fee for Each Add'l \$1 Up to \$100,000   |              |             | 7.60%           | 0.75% PC; 3% Insp | varies                | 7.60%   | 100%                   | Varies     | Fixed Fee                  |      |
|   | c) \$100,001 - \$199,999   |              |             |                 |                   |                       |   |                        |            |                            |      |
|   | i. Base Fee for First \$100,000  | 40.00        | x \$190     | = \$7,600       | 0.75% PC; 3% Insp | varies                | \$7,600   | 100%                   | Varies     | Fixed Fee                  |      |
|   | ii. Fee for Each Add'l \$1 Up to \$200,000   |              |             | 6.08%           | 0.75% PC; 3% Insp | varies                | 6.08%   | 100%                   | Varies     | Fixed Fee                  |      |
|   | d) \$200,001 - \$299,999   |              |             |                 |                   |                       |   |                        |            |                            |      |
|   | i. Base Fee for First \$200,000  | 72.00        | x \$190     | = \$13,680      | 0.75% PC; 3% Insp | varies                | \$13,680  | 100%                   | Varies     | Fixed Fee                  |      |
|   | ii. Fee for Each Add'l \$1 Up to \$300,000   |              |             | 4.56%           | 0.75% PC; 3% Insp | varies                | 4.56%   | 100%                   | Varies     | Fixed Fee                  |      |
|   | e) \$300,000 or more   |              |             |                 |                   |                       |   |                        |            |                            |      |
|   | i. Base Fee for First \$300,000  | 96.00        | x \$190     | = \$18,240      | 0.75% PC; 3% Insp | varies                | \$18,240  | 100%                   | Varies     | Fixed Fee                  |      |
|   | ii. Fee for Each Add'l \$1   |              |             | 4.10%           | 0.75% PC; 3% Insp | 91%                   | 4.10%   | 100%                   | Varies     | Fixed Fee                  |      |
|   | f) Landscape Plan Review   |              |             |                 |                   |                       |   |                        |            |                            |      |
|   | i. Non-Development   | 1.00         | x \$190     | = \$190         |                   |                       | \$190   | 100%                   |            | Fixed Fee                  |      |
|   | ii. Custom Home  | 5.00         | x \$190     | = \$950         |                   |                       | \$950   | 100%                   |            | Fixed Fee                  |      |
|   | iii. Production Home/Subdivision   | 11.00        | x \$190     | = \$2,090       |                   |                       | \$2,090   | 100%                   |            | Fixed Fee                  |      |
|   | iv. Model Home Complex   | 7.00         | x \$190     | = \$1,330       |                   |                       | \$1,330   | 100%                   |            | Fixed Fee                  |      |
|   | v. Commercial, Streetscape, Other Development Projects   | 8.00         | x \$190     | = \$1,520       |                   |                       | \$1,520   | 100%                   |            | Fixed Fee                  |      |
|   | vi. Development and Civil Improvements - Landscaping Review  | 10.00        | x \$190     | = \$1,900       |                   |                       | \$1,900   | 100%                   |            | Fixed Fee                  |      |

City of Merced  
 User and Regulatory Fee Study  
 Cost of Service Calculation - Engineering and Encroachments

| Fee Description   |   | Service Time | Hourly Rate | Cost of Service | Current Fee | Current Cost Recovery | Proposed Fee                    | Proposed Cost Recovery | Fee Change | Charge Basis | Note |
|---|---|--------------|-------------|-----------------|-------------|-----------------------|---------------------------------|------------------------|------------|--------------|------|
| <b><u>Grading and Drainage Plan Review and Inspection</u></b>             |   |              |             |                 |             |                       |                                 |                        |            |              |      |
| 7   | Grading and Drainage Plan Review                                      |              |             |                 |             |                       |                                 |                        |            |              |      |
|   | a) Site < 10,000 SF (gross site area)                                 | 6.0          | x \$190     | = \$1,140       |             |                       | \$1,140                         | 100%                   |            |              |      |
|   | b) Site ≥ 10,000 SF and < .5 Acre (gross site area)                   | 12.0         | x \$190     | = \$2,280       |             |                       | \$2,280                         | 100%                   |            |              |      |
|   | c) Site ≥ .5 Acre (gross site area)                                   |              |             |                 |             |                       |                                 |                        |            |              |      |
|   | i) First Acre   | 12.0         | x \$190     | = \$2,280       |             |                       | \$2,280                         | 100%                   |            |              |      |
|   | ii) Each Additional Acre  | 2.0          | x \$190     | = \$380         |             |                       | \$380                           | 100%                   |            | per acre     |      |
| <b><u>NPDES / Stormwater Treatment Features Review and Inspection</u></b> |   |              |             |                 |             |                       |                                 |                        |            |              |      |
| 8   | NPDES Review / Inspection Fee (C3 Requirements)                       |              |             |                 |             |                       |                                 |                        |            |              |      |
|   | a) For Projects Not Required to Submit Numeric Sizing                 | 2.0          | x \$190     | = \$380         |             |                       | \$380                           | 100%                   |            |              |      |
|   | b) For Projects Required to Submit Numeric Sizing                     |              |             |                 |             |                       |                                 |                        |            |              |      |
|   | i) Impervious Area up to 1 Acre                                       | 9.0          | x \$190     | = \$1,710       |             |                       | \$1,710                         | 100%                   |            |              | [a]  |
|   | ii) Impervious Area Over 1 Acre                                       |              |             |                 |             |                       |                                 |                        |            |              |      |
|   | a) First Acre   | 9.0          | x \$190     | = \$1,710       |             |                       | \$1,710                         | 100%                   |            |              | [a]  |
|   | b) Each Additional Acre   | 3.0          | x \$190     | = \$570         |             |                       | \$570                           | 100%                   |            |              | [a]  |
|   | c) For Each Add'l Treatment Facility (First Two Included in Base Fee) | 2.0          | x \$190     | = \$380         |             |                       | \$380                           | 100%                   |            | each         |      |
|   | d) Pervious Pavement / Concrete / Asphalt                             |              |             |                 |             |                       |                                 |                        |            |              |      |
|   | i) First 5,000 SF   | 10.0         | x \$190     | = \$1,900       |             |                       | \$1,900                         | 100%                   |            |              |      |
|   | ii) Each Additional 2,500 SF  | 3.0          | x \$190     | = \$570         |             |                       | \$570                           | 100%                   |            |              |      |
|   | e) For Projects Sent to Consultant Review                             | n/a          | x n/a       | = pass-through  |             |                       | pass-through<br>+ 15% admin fee | n/a                    |            |              |      |
| 9   | Stormwater Treatment Features Operations & Maintenance Inspection     | 2.5          | x \$190     | = \$475         |             |                       | \$238                           | 50%                    |            |              |      |

City of Merced  
 User and Regulatory Fee Study  
 Cost of Service Calculation - Engineering and Encroachments

| Fee Description                                       |   | Service Time | Hourly Rate | Cost of Service | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Fee Change | Charge Basis               | Note |
|---|---|--------------|-------------|-----------------|-------------|-----------------------|--------------|------------------------|------------|----------------------------|------|
| <b><u>Final Map / Subdivision Review</u></b>          |   |              |             |                 |             |                       |              |                        |            |                            |      |
| 10  | Final Map and Parcel Map  |              |             |                 |             |                       |              |                        |            |                            |      |
|   | a) Parcel Map Check   | 28.00        | x \$190     | = \$5,320       |             |                       | \$5,320      | 100%                   |            | Fixed Fee                  |      |
|   | b) Final Map Check  |              |             |                 |             |                       |              |                        |            |                            |      |
|   | i. Base Fee/Final Map Amendment   | 40.00        | x \$190     | = \$7,600       |             |                       | \$7,600      | 100%                   |            | Fixed Fee                  |      |
|   | ii. Plus, Per Lot Fee   | 0.50         | x \$190     | = \$95          |             |                       | \$95         | 100%                   |            | Fixed Fee                  |      |
|   | c) Reversion to Acreage   | 28.00        | x \$190     | = \$5,320       |             |                       | \$5,320      | 100%                   |            | Fixed Fee                  |      |
|   | d) Certificate of Correction/Certificate of Compliance  | 12.00        | x \$190     | = \$2,280       |             |                       | \$2,280      | 100%                   |            | T & M with Initial Deposit |      |
| 11  | Monumentation Deposit (Refundable)  | n/a          | x n/a       | x n/a           |             |                       | 100%         | n/a                    |            | % of survey cost est.      | [b]  |
| 12  | Right of Ways (ROW) and Easements   |              |             |                 |             |                       |              |                        |            |                            |      |
|   | a) Review of ROW/Easement Documents   | 12.00        | x \$190     | = \$2,280       |             |                       | \$2,280      | 100%                   |            | Fixed Fee                  |      |
|   | b) ROW/Easement Abandonment   | 20.00        | x \$190     | = \$3,800       |             |                       | \$3,800      | 100%                   |            | Fixed Fee                  |      |
| 13  | Subdivision Agreement Processing  | 20.00        | x \$190     | = \$3,800       |             |                       | \$3,800      | 100%                   |            | Fixed Fee                  |      |
| <b><u>Onsite Engineering Review</u></b>               |   |              |             |                 |             |                       |              |                        |            |                            |      |
| 14  | Onsite Engineering Review (e.g., Refuse Enclosure; Backflow; Grease / Sand Interceptor; Monitoring Wells) | 1.00         | x \$190     | = \$190         |             |                       | \$190        | 100%                   |            | Fixed Fee                  |      |
| <b><u>Transportation and Traffic Control Plan</u></b> |   |              |             |                 |             |                       |              |                        |            |                            |      |
| 15  | Oversize Load Permit  |              |             |                 |             |                       |              |                        |            |                            |      |
|   | a) One Day  | n/a          | x n/a       | x n/a           |             |                       | \$16         | n/a                    |            | per day                    |      |
|   | b) Annual   | n/a          | x n/a       | x n/a           |             |                       | \$90         | n/a                    |            | per year                   |      |
| 16  | Traffic Control Plan Review   |              |             |                 |             |                       |              |                        |            |                            |      |
|   | a) Minor (Lane Closures)  | 1.0          | x \$190     | = \$190         |             |                       | \$190        | 100%                   |            |                            |      |
|   | b) Major (Detours)  | 4.0          | x \$190     | = \$760         |             |                       | \$760        | 100%                   |            |                            |      |

City of Merced  
 User and Regulatory Fee Study  
 Cost of Service Calculation - Engineering and Encroachments

| Fee Description              |   | Service Time | Hourly Rate | Cost of Service | Current Fee | Current Cost Recovery | Proposed Fee                 | Proposed Cost Recovery | Fee Change | Charge Basis    | Note |
|------------------------------|---|--------------|-------------|-----------------|-------------|-----------------------|------------------------------|------------------------|------------|-----------------|------|
| <b>Other Applicable Fees</b> |   |              |             |                 |             |                       |                              |                        |            |                 |      |
| 17                           | Technology Fee (% of Encroachment/Engineering Permit Fee)   |              |             | 5%              | n/a - new   |                       | 5%                           | 94%                    | n/a - new  | % of permit fee |      |
| 18                           | Will Serve Letter (Utilities)   | 2.0          | x \$190     | = \$380         | \$155       | 41%                   | \$380                        | 100%                   | \$225      | Fixed Fee       |      |
| 19                           | Research of Engineering Records   | 1.0          | x \$190     | = \$190         |             |                       | \$190                        | 100%                   |            | Per Hour        |      |
| 20                           | Extension of Time   | 1.0          | x \$190     | = \$190         |             |                       | \$190                        | 100%                   |            | per extension   |      |
| 21                           | Plan Revision   | 1.0          | x \$190     | = \$190         |             |                       | \$190                        | 100%                   |            | per hour        |      |
| 22                           | Excess Plan Review  | 1.0          | x \$190     | = \$190         |             |                       | \$190                        | 100%                   |            | per hour        | [c]  |
| 23                           | Re-inspection Fee (2nd Time or More) (each)   | 0.5          | x \$190     | = \$95          |             |                       | \$95                         | 100%                   |            | Each            |      |
| 24                           | Missed Inspection Fee   | 0.5          | x \$190     | = \$95          |             |                       | \$95                         | 100%                   |            | Each            |      |
| 25                           | After Hours Inspection (per hour) (2-hour minimum)  | 1.2          | x \$190     | = \$228         |             |                       | \$228                        | 100%                   |            | Per Hour        |      |
| 26                           | Standard Hourly Billing Rates and Hourly Rates for Services Not Identified in this Schedule, Other Inspection, Missed/Excess Inspections, Re-inspection Fee |              |             |                 |             |                       |                              |                        |            |                 | [c]  |
|                              | a) In-House   | 1.0          | x \$190     | = \$190         |             |                       | \$190                        | 100%                   |            |                 |      |
|                              | b) Consultant/3rd Party   |              |             |                 |             |                       | Pass-through + 10% Admin Fee | 100%                   |            |                 |      |
| 27                           | Appeal  |              |             |                 |             |                       |                              |                        |            |                 |      |
|                              | a) Appeal to Commission / Board / Other   | 6.0          | x \$190     | = \$1,140       |             |                       | \$750                        | 66%                    |            | per appeal      | [d]  |
|                              | b) Appeal to City Council   | 16.0         | x \$190     | = \$3,040       |             |                       | \$1,500                      | 49%                    |            | per appeal      | [d]  |
| 28                           | Commencing Work Without a Permit or Work Different than Authorized by Permit  | n/a          | x n/a       | x n/a           |             |                       | 2x permit fee                | n/a                    |            | double fees     |      |

\* If it is anticipated that the application processing costs of selected minor or major projects will be significantly less or more than the above fees, the Director may at his/her discretion collect a deposit for the estimated staff time costs to process the application based on hourly rates.

\*\* Engineer's cost estimate shall be approved by the City Engineer and shall include all items of work. The construction cost shall be cumulative for each utility permit work related to a single project as determined by the City regardless of the number of permits issued.

\*\*\* The City will pass-through to the applicant other agency fees applicable to the project (e.g. County recording fees.)

[a] For up to two treatment facilities.

[b] Refundable upon installation and verification of all new monuments as shown on subdivision map.

[c] Base fees assume up to three plan checks and initial inspection and one re-inspection. The City will bill hourly for additional plan review and inspections required.

[d] Depending on the subject of the appeal, specialized expertise may be solicited, at the expense of the applicant, for the purpose of providing input to the City Manager, Planning Commission, other Commission or Board, or City Council. If a decision is made in the appellant's favor, the City will refund the appeal filing fee.



**User and Regulatory Fees**

*Cost of Service Calculations*

*Inspection Services / Building Fees*

City of Merced  
 User and Regulatory Fee Study  
 Allocation of Annual Labor Effort - Inspection Services / Building

| Position                         | Hourly | FTE          | Yearly             | Total Hours Per FTE | Less: Holiday & Leave | Productive Hours Per FTE | Productive Hours | Notes   |
|----------------------------------|--------|--------------|--------------------|---------------------|-----------------------|--------------------------|------------------|---------|
| Director of Development Services | \$86   | 0.50         | \$89,384           | 2,080               | 216                   | 1,864                    | 932              | [a],[b] |
| Chief Building Official          | \$74   | 1.00         | \$153,290          | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Assistant Building Official      | \$63   | 1.00         | \$131,498          | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Building Inspector III           | \$44   | 1.00         | \$91,042           | 2,080               | 216                   | 1,864                    | 1,864            | [a],[b] |
| Building Inspector I/II          | \$36   | 3.00         | \$222,533          | 2,080               | 216                   | 1,864                    | 5,592            | [a],[b] |
| Plan Examiner I/II               | \$43   | 3.00         | \$267,814          | 2,080               | 216                   | 1,864                    | 5,592            | [a],[b] |
| Development Services Tech I/II   | \$30   | 2.00         | \$125,920          | 2,080               | 216                   | 1,864                    | 3,728            | [a],[b] |
| Administrative Assistant III     | \$30   | 0.50         | \$31,690           | 2,080               | 216                   | 1,864                    | 932              | [a],[b] |
| <b>Total</b>                     |        | <b>12.00</b> | <b>\$1,113,171</b> |                     |                       |                          | <b>22,368</b>    |         |

**Contract Services**

| Description              | Total    | Est Hrly Cost | Total Hours | Notes |
|--------------------------|----------|---------------|-------------|-------|
| Annual Contract Services | \$80,000 | \$135         | 593         | [c]   |

| Total Productive Hours | Total         | Notes |
|------------------------|---------------|-------|
| In-House               | 22,368        |       |
| Contract               | 593           |       |
| <b>Total</b>           | <b>22,961</b> |       |

| Allocation of Hours | Share       | Total         | Notes |
|---------------------|-------------|---------------|-------|
| Indirect            | 30%         | 6,888         | [b]   |
| Direct              | 70%         | 16,072        | [b]   |
| <b>Total</b>        | <b>100%</b> | <b>22,961</b> |       |

[a] Source: FY 25/26 authorized positions.

[b] Direct/Indirect hours are intended to serve as reasonable estimates. Amounts will vary from year-to-year depending on activity, projects, and City Council priorities.

[c] Amounts intended to serve as reasonable estimates of market rates for contract service providers.

City of Merced

User and Regulatory Fee Study

Calculation of Cost Recovery and Fully-Burdened Hourly Rate - Inspection Services / Building

Recurring Expenditures [a]

| Fund         | Division                   | Account | Acct Desc                      | Budget             | Adjust           | Total              | Notes |
|--------------|----------------------------|---------|--------------------------------|--------------------|------------------|--------------------|-------|
| 3000         | 5010 - Inspection Services | 501001  | Regular Salaries               | \$1,130,735        | \$0              | \$1,130,735        |       |
| 3000         | 5010 - Inspection Services | 501003  | Regular Overtime               | \$35,000           | \$0              | \$35,000           |       |
| 3000         | 5010 - Inspection Services | 501007  | Call Back Time Worked          | \$5,995            | \$0              | \$5,995            |       |
| 3000         | 5010 - Inspection Services | 501107  | Education Incentive Pay        | \$600              | \$0              | \$600              |       |
| 3000         | 5010 - Inspection Services | 501113  | Stand By Pay                   | \$28,920           | \$0              | \$28,920           |       |
| 3000         | 5010 - Inspection Services | 501121  | Longevity Pay                  | \$10,674           | \$0              | \$10,674           |       |
| 3000         | 5010 - Inspection Services | 502002  | Unused Sick Leave              | \$2,185            | \$0              | \$2,185            |       |
| 3000         | 5010 - Inspection Services | 502003  | Earned Benefit                 | \$30,254           | \$0              | \$30,254           |       |
| 3000         | 5010 - Inspection Services | 503002  | Vehicle Allowance              | \$15,120           | \$0              | \$15,120           |       |
| 3000         | 5010 - Inspection Services | 504001  | Social Security-OASDI          | \$75,595           | \$0              | \$75,595           |       |
| 3000         | 5010 - Inspection Services | 504002  | Social Security-Medicare       | \$17,680           | \$0              | \$17,680           |       |
| 3000         | 5010 - Inspection Services | 505001  | Retirement PERS Classic        | \$12,147           | \$0              | \$12,147           |       |
| 3000         | 5010 - Inspection Services | 505003  | Retirement PERS New PEPR       | \$91,916           | \$0              | \$91,916           |       |
| 3000         | 5010 - Inspection Services | 505005  | Retrmnt Unfunded Acc Liab Mis  | \$218,004          | \$0              | \$218,004          |       |
| 3000         | 5010 - Inspection Services | 506101  | Core Allowance                 | \$168,951          | \$0              | \$168,951          |       |
| 3000         | 5010 - Inspection Services | 506102  | Workers Compensation           | \$4,585            | \$0              | \$4,585            |       |
| 3000         | 5010 - Inspection Services | 506110  | Post Employment Benefits       | \$52,835           | \$0              | \$52,835           |       |
| 3000         | 5010 - Inspection Services | 511002  | Telephone                      | \$16,220           | \$0              | \$16,220           |       |
| 3000         | 5010 - Inspection Services | 511003  | Postage & Mailing              | \$500              | \$0              | \$500              |       |
| 3000         | 5010 - Inspection Services | 511004  | Printing                       | \$1,380            | \$0              | \$1,380            |       |
| 3000         | 5010 - Inspection Services | 511005  | Office Supplies                | \$7,434            | \$0              | \$7,434            |       |
| 3000         | 5010 - Inspection Services | 511007  | Office Equip & Maintenance     | \$2,845            | \$0              | \$2,845            |       |
| 3000         | 5010 - Inspection Services | 511008  | Electronic, Tech & Other Equip | \$500              | \$0              | \$500              |       |
| 3000         | 5010 - Inspection Services | 511010  | Rents & Leases                 | \$3,000            | \$0              | \$3,000            |       |
| 3000         | 5010 - Inspection Services | 511011  | Certs,Memberships&Subscriptio  | \$31,188           | \$0              | \$31,188           |       |
| 3000         | 5010 - Inspection Services | 511012  | Professional Services          | \$80,000           | \$0              | \$80,000           |       |
| 3000         | 5010 - Inspection Services | 511014  | Equipment Ops & Maintenance    | \$2,430            | \$0              | \$2,430            |       |
| 3000         | 5010 - Inspection Services | 511017  | Safety Supplies                | \$1,800            | \$0              | \$1,800            |       |
| 3000         | 5010 - Inspection Services | 511018  | Small Tools & Equipment        | \$1,770            | \$0              | \$1,770            |       |
| 3000         | 5010 - Inspection Services | 511020  | Training Expense               | \$14,020           | \$0              | \$14,020           |       |
| 3000         | 5010 - Inspection Services | 511021  | Travel and Meetings            | \$16,958           | \$0              | \$16,958           |       |
| 3000         | 5010 - Inspection Services | 511301  | Non-operating Mats & Supplies  | \$410              | \$0              | \$410              |       |
| 3000         | 5010 - Inspection Services | 547001  | Dept Share of Insurance        | \$74,879           | \$0              | \$74,879           |       |
| 3000         | 5010 - Inspection Services | 547004  | Vehicle Operations             | \$11,790           | \$0              | \$11,790           |       |
| 3000         | 5010 - Inspection Services | 547005  | Vehicle Replacement Fee        | \$12,679           | \$0              | \$12,679           |       |
| 3000         | 5010 - Inspection Services | 547006  | Facilities Maint Charge        | \$87,086           | \$0              | \$87,086           |       |
| 3000         | 5010 - Inspection Services | 547009  | Support Services               | \$145,085          | \$0              | \$145,085          |       |
| 3000         | 5010 - Inspection Services | 520500  | Adm Exp-City Council           | \$10,989           | \$0              | \$10,989           |       |
| 3000         | 5010 - Inspection Services | 521000  | Adm Exp-City Manager           | \$33,020           | \$0              | \$33,020           |       |
| 3000         | 5010 - Inspection Services | 521010  | Adm Exp-City Clerk             | \$13,549           | \$0              | \$13,549           |       |
| 3000         | 5010 - Inspection Services | 521500  | Adm Exp-City Attorney          | \$17,223           | \$0              | \$17,223           |       |
| 3000         | 5010 - Inspection Services | 522000  | Adm Exp-Finance                | \$93,214           | \$0              | \$93,214           |       |
| 3000         | 5010 - Inspection Services | 522050  | Adm Exp-Purchasing             | \$11,124           | \$0              | \$11,124           |       |
| 3000         | 5010 - Inspection Services | 531000  | Interdept DSC-General Fund     | \$107,350          | \$0              | \$107,350          |       |
| 3000         | 5010 - Inspection Services | 533000  | Interdept DSC-Develop Svc      | \$65,456           | \$0              | \$65,456           |       |
| 3000         | 5010 - Inspection Services | 627008  | Op Trsf-Support Services       | \$2,530            | (\$2,530)        | \$0                |       |
| <b>Total</b> |                            |         |                                | <b>\$2,767,625</b> | <b>(\$2,530)</b> | <b>\$2,765,095</b> |       |

City of Merced  
 User and Regulatory Fee Study  
 Calculation of Cost Recovery and Fully-Burdened Hourly Rate - Inspection Services / Building

**Allocation of Citywide Overhead**

| Description                  | Allocation of C'wide OH | Notes |
|------------------------------|-------------------------|-------|
| Citywide Overhead Allocation | See Above               |       |

**Revenue Summary**

| Fund Desc    | Acct Desc                | FY 22/23 Actual    | FY 23/24 Actual    | Average            |
|--------------|--------------------------|--------------------|--------------------|--------------------|
| 3000-5010    | Construction Permits     | \$1,886,773        | \$1,840,246        | \$1,863,509        |
| 3000-5010    | Plan Checking Fees-Plans | \$483,717          | \$447,647          | \$465,682          |
| <b>Total</b> |                          | <b>\$2,370,490</b> | <b>\$2,287,893</b> | <b>\$2,329,191</b> |

| FY 25/26 Budget    | Notes |
|--------------------|-------|
| \$1,800,000        | [a]   |
| \$640,000          | [a]   |
| <b>\$2,440,000</b> |       |

| Description          | Total       |
|----------------------|-------------|
| Average Revenue      | \$2,329,191 |
| Expenditures         | \$2,765,095 |
| Cost Recovery Rate   | 84%         |
| General Fund Subsidy | \$435,904   |

**Calculation of Fully-Burdened Hourly Rate**

| Description                | Total       |
|----------------------------|-------------|
| Costs                      | \$2,765,095 |
| Direct Hours               | 16,072      |
| Fully-Burdened Hourly Rate | \$172       |

City of Merced  
 User and Regulatory Fee Study  
 Calculation of Cost Recovery and Fully-Burdened Hourly Rate - Inspection Services / Building

**Calculation of Cost Multiplier for Fully-Burdened Hourly Rate (Apply to Base Salary Cost Per Hour)**

| Description | FTE   | Annual Hours Per FTE | Total Annual Hours | Estimated Salaries | Hourly Wage Rate Only Assuming Total Annual Hours | Fully-Burdened Hourly Rate | Indirect Cost Rate Multiplier (ICR) |
|-------------|-------|----------------------|--------------------|--------------------|---|----------------------------|-------------------------------------|
| Building    | 12.00 | 2,080                | 24,960             | \$1,113,171        | \$45  | \$172                      | 3.86                                |

**Calculation of Fully-Burdened Hourly Rate by Position**

| Position                         | Total Salaries | Total FTE | Avg Salary Per FTE | Avg Salary Per Hour | ICR for Fully-Burdened Hourly Rate | Fully-Burdened Hourly Rate |
|----------------------------------|----------------|-----------|--------------------|---------------------|------------------------------------|----------------------------|
| Director of Development Services | \$89,384       | 0.50      | \$178,767          | \$86                | 3.86                               | \$331                      |
| Chief Building Official          | \$153,290      | 1.00      | \$153,290          | \$74                | 3.86                               | \$284                      |
| Assistant Building Official      | \$131,498      | 1.00      | \$131,498          | \$63                | 3.86                               | \$244                      |
| Building Inspector III           | \$91,042       | 1.00      | \$91,042           | \$44                | 3.86                               | \$169                      |
| Building Inspector I/II          | \$222,533      | 3.00      | \$74,178           | \$36                | 3.86                               | \$138                      |
| Plan Examiner I/II               | \$267,814      | 3.00      | \$89,271           | \$43                | 3.86                               | \$166                      |
| Development Services Tech I/II   | \$125,920      | 2.00      | \$62,960           | \$30                | 3.86                               | \$117                      |
| Administrative Assistant III     | \$31,690       | 0.50      | \$63,380           | \$30                | 3.86                               | \$118                      |

[a] Source: FY 25/26 Recommended Budget.

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description                 | Service Time                                   |            |       | Hourly Rate | Cost of Service   |            |       | Current Fee       |            |       |                       |          |          |     |
|---------------------------------|--|------------|-------|-------------|-------------------|------------|-------|-------------------|------------|-------|-----------------------|----------|----------|-----|
|                                 | Permit Processing                              | Inspection | Total |             | Permit Processing | Inspection | Total | Permit Processing | Inspection | Total | Current Cost Recovery |          |          |     |
| <b>Over the Counter Permits</b> |  |            |       |             |                   |            |       |                   |            |       |                       |          |          |     |
| 1                               | Electric - Service Panel Add/Change            | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 2                               | Electric - Sub-Panel Add/Change                | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 3                               | Electric - Temporary Power Pole                | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 4                               | HVAC - AC Condenser Add/Change                 | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 5                               | HVAC - Boiler/Chiller Add/Change               | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 6                               | HVAC - Ducting Add/Change                      | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 7                               | HVAC - Furnace Add/Change                      | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 8                               | HVAC - Heat Exchanger Add/Change               | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 9                               | HVAC - Rooftop Unit Add/Change                 | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 10                              | HVAC - Split System Add/Change                 | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 11                              | Plumbing - Backflow                            | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 12                              | Plumbing - Gas Line Add/Replace                | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 13                              | Plumbing - Sewer Line Add/Replace              | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 14                              | Plumbing - Water Heater Add/Replace            | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 15                              | Plumbing - Water Line Add/Replace              | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |
| 16                              | Plumbing - Water Heater (Tankless) Add/Replace | 0.25       | 1.00  | 1.25        | x                 | \$172      | =     | \$43              | \$172      | \$215 | \$10.75               | \$126.96 | \$137.71 | 64% |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description                 | Proposed Fee                                   |            |       |                        | Fee Change        |            |       | Unit | Note |  |
|---------------------------------|--|------------|-------|------------------------|-------------------|------------|-------|------|------|--|
|                                 | Permit Processing                              | Inspection | Total | Proposed Cost Recovery | Permit Processing | Inspection | Total |      |      |  |
| <b>Over the Counter Permits</b> |  |            |       |                        |                   |            |       |      |      |  |
| 1                               | Electric - Service Panel Add/Change            | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 2                               | Electric - Sub-Panel Add/Change                | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 3                               | Electric - Temporary Power Pole                | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 4                               | HVAC - AC Condenser Add/Change                 | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 5                               | HVAC - Boiler/Chiller Add/Change               | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 6                               | HVAC - Ducting Add/Change                      | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 7                               | HVAC - Furnace Add/Change                      | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 8                               | HVAC - Heat Exchanger Add/Change               | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 9                               | HVAC - Rooftop Unit Add/Change                 | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 10                              | HVAC - Split System Add/Change                 | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 11                              | Plumbing - Backflow                            | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 12                              | Plumbing - Gas Line Add/Replace                | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 13                              | Plumbing - Sewer Line Add/Replace              | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 14                              | Plumbing - Water Heater Add/Replace            | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 15                              | Plumbing - Water Line Add/Replace              | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |
| 16                              | Plumbing - Water Heater (Tankless) Add/Replace | \$43       | \$172 | \$215                  | 100%              | \$32       | \$45  | \$77 |      |  |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description   | Service Time      |            |       | x | Hourly Rate | = | Cost of Service   |            |         | Current Fee       |            |            |                       |
|---|-------------------|------------|-------|---|-------------|---|-------------------|------------|---------|-------------------|------------|------------|-----------------------|
|   | Permit Processing | Inspection | Total |   |             |   | Permit Processing | Inspection | Total   | Permit Processing | Inspection | Total      | Current Cost Recovery |
| 17 Reroof (Overlay or Tear-Off/Replace) - Residential               | 0.25              | 2.00       | 2.25  | x | \$172       | = | \$43              | \$344      | \$387   | \$0.00            | \$309.22   | \$309.22   | 80%                   |
| 18 Reroof (Overlay or Tear-Off/Replace) - Commercial / Multi-Family |                   |            |       |   |             |   |                   |            |         |                   |            |            |                       |
| a) 1 - 20,000 sq ft   | 0.25              | 3.00       | 3.25  | x | \$172       | = | \$43              | \$516      | \$559   | \$10.75           | \$380.89   | \$391.64   | 70%                   |
| b) 20,001 - 40,000 sq ft  | 0.25              | 5.00       | 5.25  | x | \$172       | = | \$43              | \$860      | \$903   | \$10.75           | \$634.82   | \$645.57   | 71%                   |
| c) 40,001 - 60,000 sq ft  | 0.25              | 6.00       | 6.25  | x | \$172       | = | \$43              | \$1,032    | \$1,075 | \$10.75           | \$761.78   | \$772.53   | 72%                   |
| d) 60,001 - 80,000 sq ft  | 0.25              | 8.00       | 8.25  | x | \$172       | = | \$43              | \$1,376    | \$1,419 | \$10.75           | \$1,015.71 | \$1,026.46 | 72%                   |
| e) 80,001 - 100,000 sq ft   | 0.25              | 10.00      | 10.25 | x | \$172       | = | \$43              | \$1,720    | \$1,763 | \$10.75           | \$1,269.64 | \$1,280.39 | 73%                   |
| f) 100,001 - 120,000 sq ft  | 0.25              | 12.00      | 12.25 | x | \$172       | = | \$43              | \$2,064    | \$2,107 | \$10.75           | \$1,523.56 | \$1,534.31 | 73%                   |
| g) 120,001+ sq ft   | 0.25              | 14.00      | 14.25 | x | \$172       | = | \$43              | \$2,408    | \$2,451 | \$10.75           | \$1,777.49 | \$1,788.24 | 73%                   |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |  | Proposed Fee      |            |         |                        | Fee Change        |            |       | Unit | Note |
|-----------------|--|-------------------|------------|---------|------------------------|-------------------|------------|-------|------|------|
|                 |  | Permit Processing | Inspection | Total   | Proposed Cost Recovery | Permit Processing | Inspection | Total |      |      |
| 17              | Reroof (Overlay or Tear-Off/Replace) - Residential               | \$43              | \$344      | \$387   | 100%                   | \$43              | \$35       | \$78  |      |      |
| 18              | Reroof (Overlay or Tear-Off/Replace) - Commercial / Multi-Family |                   |            |         |                        |                   |            |       |      |      |
|                 | a) 1 - 20,000 sq ft  | \$43              | \$516      | \$559   | 100%                   | \$32              | \$135      | \$167 |      |      |
|                 | b) 20,001 - 40,000 sq ft   | \$43              | \$860      | \$903   | 100%                   | \$32              | \$225      | \$257 |      |      |
|                 | c) 40,001 - 60,000 sq ft   | \$43              | \$1,032    | \$1,075 | 100%                   | \$32              | \$270      | \$302 |      |      |
|                 | d) 60,001 - 80,000 sq ft   | \$43              | \$1,376    | \$1,419 | 100%                   | \$32              | \$360      | \$393 |      |      |
|                 | e) 80,001 - 100,000 sq ft  | \$43              | \$1,720    | \$1,763 | 100%                   | \$32              | \$450      | \$483 |      |      |
|                 | f) 100,001 - 120,000 sq ft                                       | \$43              | \$2,064    | \$2,107 | 100%                   | \$32              | \$540      | \$573 |      |      |
|                 | g) 120,001+ sq ft  | \$43              | \$2,408    | \$2,451 | 100%                   | \$32              | \$631      | \$663 |      |      |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Service Time      |             |            |       | Hourly Rate | Cost of Service   |             |            |          |
|--|-------------------|-------------|------------|-------|-------------|-------------------|-------------|------------|----------|
|  | Permit Processing | Plan Review | Inspection | Total |             | Permit Processing | Plan Review | Inspection | Total    |
| <b>Miscellaneous</b>   |                   |             |            |       |             |                   |             |            |          |
| 1 Aircraft Hangar - Basic Aircraft Storage                   | 0.00              | 2.00        | 4.00       | 6.00  | x \$172 =   | \$0               | \$344       | \$688      | \$1,032  |
| 2 Alteration / Remodel / Repair (Multi-Family / Residential) | 0.25              | 1.00        | 2.00       | 3.25  | x \$172 =   | \$43              | \$172       | \$344      | \$559    |
| 3 Balcony  | 0.00              | 1.00        | 2.00       | 3.00  | x \$172 =   | \$0               | \$172       | \$344      | \$516    |
| 4 Block Wall   | 0.00              | 1.00        | 1.00       | 2.00  | x \$172 =   | \$0               | \$172       | \$172      | \$344    |
| 5 Carport  | 0.00              | 1.00        | 2.00       | 3.00  | x \$172 =   | \$0               | \$172       | \$344      | \$516    |
| 6 Cell Antenna W/Without Equipment (Existing Tower)          | 0.25              | 1.00        | 2.00       | 3.25  | x \$172 =   | \$43              | \$172       | \$344      | \$559    |
| 7 Cell Cabinet Equip Only (Exist Tower/Antenna)              | 0.25              | 1.00        | 3.00       | 4.25  | x \$172 =   | \$43              | \$172       | \$516      | \$731    |
| 8 Cell Tower (New)   | 0.25              | 2.00        | 4.00       | 6.25  | x \$172 =   | \$43              | \$344       | \$688      | \$1,075  |
| 9 Damage Repair  | 0.00              | 1.00        | 2.00       | 3.00  | x \$172 =   | \$0               | \$172       | \$344      | \$516    |
| 10 Deck  | 0.00              | 1.00        | 2.00       | 3.00  | x \$172 =   | \$0               | \$172       | \$344      | \$516    |
| 11 Demolition  |                   |             |            |       |             |                   |             |            |          |
| a) Structure   | 0.25              | 0.00        | 3.00       | 3.25  | x \$172 =   | \$43              | \$0         | \$516      | \$559    |
| b) Septic Tank   | 0.25              | 0.00        | 2.00       | 2.25  | x \$172 =   | \$43              | \$0         | \$344      | \$387    |
| c) Swimming Pool   | 0.25              | 0.00        | 2.00       | 2.25  | x \$172 =   | \$43              | \$0         | \$344      | \$387    |
| d) Well  | 0.25              | 0.00        | 2.00       | 2.25  | x \$172 =   | \$43              | \$0         | \$344      | \$387    |
| e) Miscellaneous   | 0.25              | 0.00        | 2.00       | 2.25  | x \$172 =   | \$43              | \$0         | \$344      | \$387    |
| 12 Fence   | 0.00              | 1.00        | 1.00       | 2.00  | x \$172 =   | \$0               | \$172       | \$172      | \$344    |
| 13 Garage  |                   |             |            |       |             |                   |             |            |          |
| a) Commercial  |                   |             |            |       |             |                   |             |            | See Note |
| b) Multi-Family  |                   |             |            |       |             |                   |             |            | See Note |
| c) Public Parking  |                   |             |            |       |             |                   |             |            | See Note |
| d) Residential   | 0.00              | 1.00        | 6.00       | 7.00  | x \$172 =   | \$0               | \$172       | \$1,032    | \$1,204  |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Current Fee       |             |            |          |                       | Proposed Fee      |             |            |          |                        |
|--|-------------------|-------------|------------|----------|-----------------------|-------------------|-------------|------------|----------|------------------------|
|  | Permit Processing | Plan Review | Inspection | Total    | Current Cost Recovery | Permit Processing | Plan Review | Inspection | Total    | Proposed Cost Recovery |
| <b>Miscellaneous</b>   |                   |             |            |          |                       |                   |             |            |          |                        |
| 1 Aircraft Hangar - Basic Aircraft Storage                   | \$0.00            | \$241.64    | \$507.85   | \$749.49 | 73%                   | \$0               | \$344       | \$688      | \$1,032  | 100%                   |
| 2 Alteration / Remodel / Repair (Multi-Family / Residential) | \$0.00            | \$120.82    | \$253.93   | \$374.75 | 67%                   | \$43              | \$172       | \$344      | \$559    | 100%                   |
| 3 Balcony  | \$0.00            | \$120.82    | \$253.93   | \$374.75 | 73%                   | \$0               | \$172       | \$344      | \$516    | 100%                   |
| 4 Block Wall   | \$0.00            | \$120.82    | \$126.96   | \$247.78 | 72%                   | \$0               | \$172       | \$172      | \$344    | 100%                   |
| 5 Carport  | \$0.00            | \$120.82    | \$253.93   | \$374.75 | 73%                   | \$0               | \$172       | \$344      | \$516    | 100%                   |
| 6 Cell Antenna W/Without Equipment (Existing Tower)          | \$10.75           | \$120.82    | \$253.93   | \$385.50 | 69%                   | \$43              | \$172       | \$344      | \$559    | 100%                   |
| 7 Cell Cabinet Equip Only (Exist Tower/Antenna)              | \$10.75           | \$120.82    | \$380.89   | \$512.46 | 70%                   | \$43              | \$172       | \$516      | \$731    | 100%                   |
| 8 Cell Tower (New)   | \$10.75           | \$241.64    | \$507.85   | \$760.25 | 71%                   | \$43              | \$344       | \$688      | \$1,075  | 100%                   |
| 9 Damage Repair  | \$0.00            | \$120.82    | \$253.93   | \$374.75 | 73%                   | \$0               | \$172       | \$344      | \$516    | 100%                   |
| 10 Deck  | \$0.00            | \$120.82    | \$253.93   | \$374.75 | 73%                   | \$0               | \$172       | \$344      | \$516    | 100%                   |
| 11 Demolition  |                   |             |            |          |                       |                   |             |            |          |                        |
| a) Structure   | \$10.75           | \$0.00      | \$380.89   | \$391.64 | 70%                   | \$43              | \$0         | \$516      | \$559    | 100%                   |
| b) Septic Tank   | \$10.75           | \$0.00      | \$253.93   | \$264.68 | 68%                   | \$43              | \$0         | \$344      | \$387    | 100%                   |
| c) Swimming Pool   | \$10.75           | \$0.00      | \$253.93   | \$264.68 | 68%                   | \$43              | \$0         | \$344      | \$387    | 100%                   |
| d) Well  | \$10.75           | \$0.00      | \$253.93   | \$264.68 | 68%                   | \$43              | \$0         | \$344      | \$387    | 100%                   |
| e) Miscellaneous   | \$10.75           | \$0.00      | \$253.93   | \$264.68 | 68%                   | \$43              | \$0         | \$344      | \$387    | 100%                   |
| 12 Fence   | \$0.00            | \$120.82    | \$126.96   | \$247.78 | 72%                   | \$0               | \$172       | \$172      | \$344    | 100%                   |
| 13 Garage  |                   |             |            |          |                       |                   |             |            |          |                        |
| a) Commercial  |                   |             |            | See Note |                       |                   |             |            | See Note |                        |
| b) Multi-Family  |                   |             |            | See Note |                       |                   |             |            | See Note |                        |
| c) Public Parking  |                   |             |            | See Note |                       |                   |             |            | See Note |                        |
| d) Residential   | \$0.00            | \$120.82    | \$761.78   | \$882.60 | 73%                   | \$0               | \$172       | \$1,032    | \$1,204  | 100%                   |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Fee Change        |             |            |       | Charge Basis | Note |
|--|-------------------|-------------|------------|-------|--------------|------|
|  | Permit Processing | Plan Review | Inspection | Total |              |      |
| <b>Miscellaneous</b>   |                   |             |            |       |              |      |
| 1 Aircraft Hangar - Basic Aircraft Storage                   | \$0               | \$102       | \$180      | \$283 |              |      |
| 2 Alteration / Remodel / Repair (Multi-Family / Residential) | \$43              | \$51        | \$90       | \$184 |              |      |
| 3 Balcony  | \$0               | \$51        | \$90       | \$141 |              |      |
| 4 Block Wall   | \$0               | \$51        | \$45       | \$96  |              |      |
| 5 Carport  | \$0               | \$51        | \$90       | \$141 |              |      |
| 6 Cell Antenna W/Without Equipment (Existing Tower)          | \$32              | \$51        | \$90       | \$174 |              |      |
| 7 Cell Cabinet Equip Only (Exist Tower/Antenna)              | \$32              | \$51        | \$135      | \$219 |              |      |
| 8 Cell Tower (New)   | \$32              | \$102       | \$180      | \$315 |              |      |
| 9 Damage Repair  | \$0               | \$51        | \$90       | \$141 |              |      |
| 10 Deck  | \$0               | \$51        | \$90       | \$141 |              |      |
| 11 Demolition  |                   |             |            |       |              |      |
| a) Structure   | \$32              | \$0         | \$135      | \$167 |              |      |
| b) Septic Tank   | \$32              | \$0         | \$90       | \$122 |              |      |
| c) Swimming Pool   | \$32              | \$0         | \$90       | \$122 |              |      |
| d) Well  | \$32              | \$0         | \$90       | \$122 |              |      |
| e) Miscellaneous   | \$32              | \$0         | \$90       | \$122 |              |      |
| 12 Fence   | \$0               | \$51        | \$45       | \$96  |              |      |
| 13 Garage  |                   |             |            |       |              |      |
| a) Commercial  |                   |             |            |       |              | [a]  |
| b) Multi-Family  |                   |             |            |       |              | [a]  |
| c) Public Parking  |                   |             |            |       |              | [b]  |
| d) Residential   | \$0               | \$51        | \$270      | \$321 |              |      |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description                                       | Service Time      |             |            |       | Hourly Rate | Cost of Service   |             |            |       |         |         |
|---|-------------------|-------------|------------|-------|-------------|-------------------|-------------|------------|-------|---------|---------|
|   | Permit Processing | Plan Review | Inspection | Total |             | Permit Processing | Plan Review | Inspection | Total |         |         |
| 14 Modular  |                   |             |            |       |             |                   |             |            |       |         |         |
| a) Modular (Commercial / Job Trailer / Sales Trailer) | 0.00              | 1.50        | 3.00       | 4.50  | x           | \$172             | =           | \$0        | \$258 | \$516   | \$774   |
| b) Modular (Residential)                              | 0.00              | 1.50        | 3.00       | 4.50  | x           | \$172             | =           | \$0        | \$258 | \$516   | \$774   |
| 15 Parking Lot  | 0.25              | 2.00        | 3.00       | 5.25  | x           | \$172             | =           | \$43       | \$344 | \$516   | \$903   |
| 16 Patio Cover  | 0.00              | 1.00        | 2.00       | 3.00  | x           | \$172             | =           | \$0        | \$172 | \$344   | \$516   |
| 17 Photovoltaic System                                |                   |             |            |       |             |                   |             |            |       |         |         |
| a) 1-2 Inv or 1-80 Micro-inv                          | 0.25              | 1.50        | 1.50       | 3.25  | x           | \$172             | =           | \$43       | \$258 | \$258   | \$559   |
| b) 3-5 Inv or 81-160 Micro-inv                        | 0.25              | 1.50        | 2.50       | 4.25  | x           | \$172             | =           | \$43       | \$258 | \$430   | \$731   |
| c) 6+ Inv or 161+ Micro-inv                           | 0.25              | 1.50        | 3.50       | 5.25  | x           | \$172             | =           | \$43       | \$258 | \$602   | \$903   |
| 18 Refuse Enclosure                                   | 0.00              | 1.00        | 1.00       | 2.00  | x           | \$172             | =           | \$0        | \$172 | \$172   | \$344   |
| 19 Retaining Wall                                     | 0.00              | 1.00        | 1.00       | 2.00  | x           | \$172             | =           | \$0        | \$172 | \$172   | \$344   |
| 20 Shed / Utility                                     | 0.00              | 1.00        | 3.00       | 4.00  | x           | \$172             | =           | \$0        | \$172 | \$516   | \$688   |
| 21 Sign   | 0.00              | 1.00        | 1.00       | 2.00  | x           | \$172             | =           | \$0        | \$172 | \$172   | \$344   |
| 22 Sign - Monument                                    | 0.00              | 1.00        | 3.00       | 4.00  | x           | \$172             | =           | \$0        | \$172 | \$516   | \$688   |
| 23 Spa Only   |                   |             |            |       |             |                   |             |            |       |         |         |
| a) Residential  | 1.50              | 1.50        | 5.00       | 8.00  | x           | \$172             | =           | \$258      | \$258 | \$860   | \$1,376 |
| b) Commercial / Multi-Family                          | 1.50              | 3.50        | 11.00      | 16.00 | x           | \$172             | =           | \$258      | \$602 | \$1,892 | \$2,752 |
| 24 Swimming Pool with Spa                             |                   |             |            |       |             |                   |             |            |       |         |         |
| a) Residential  | 1.50              | 1.50        | 8.00       | 11.00 | x           | \$172             | =           | \$258      | \$258 | \$1,376 | \$1,892 |
| b) Commercial / Multi-Family                          | 1.50              | 3.50        | 11.00      | 16.00 | x           | \$172             | =           | \$258      | \$602 | \$1,892 | \$2,752 |
| 25 Swimming Pool without Spa                          |                   |             |            |       |             |                   |             |            |       |         |         |
| a) Residential  | 1.50              | 1.50        | 5.00       | 8.00  | x           | \$172             | =           | \$258      | \$258 | \$860   | \$1,376 |
| b) Commercial / Multi-Family                          | 1.50              | 3.50        | 11.00      | 16.00 | x           | \$172             | =           | \$258      | \$602 | \$1,892 | \$2,752 |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description                                       | Current Fee       |             |            |            |                       | Proposed Fee      |             |            |         |                        |
|---|-------------------|-------------|------------|------------|-----------------------|-------------------|-------------|------------|---------|------------------------|
|   | Permit Processing | Plan Review | Inspection | Total      | Current Cost Recovery | Permit Processing | Plan Review | Inspection | Total   | Proposed Cost Recovery |
| 14 Modular  |                   |             |            |            |                       |                   |             |            |         |                        |
| a) Modular (Commercial / Job Trailer / Sales Trailer) | \$0.00            | \$181.23    | \$380.89   | \$562.12   | 73%                   | \$0               | \$258       | \$516      | \$774   | 100%                   |
| b) Modular (Residential)                              | \$0.00            | \$181.23    | \$380.89   | \$562.12   | 73%                   | \$0               | \$258       | \$516      | \$774   | 100%                   |
| 15 Parking Lot  | \$10.75           | \$241.64    | \$380.89   | \$633.28   | 70%                   | \$43              | \$344       | \$516      | \$903   | 100%                   |
| 16 Patio Cover  | \$0.00            | \$120.82    | \$253.93   | \$374.75   | 73%                   | \$0               | \$172       | \$344      | \$516   | 100%                   |
| 17 Photovoltaic System                                |                   |             |            |            |                       |                   |             |            |         |                        |
| a) 1-2 Inv or 1-80 Micro-inv                          | \$10.75           | \$181.23    | \$190.45   | \$382.43   | 68%                   | \$43              | \$258       | \$258      | \$559   | 100%                   |
| b) 3-5 Inv or 81-160 Micro-inv                        | \$10.75           | \$181.23    | \$317.41   | \$509.39   | 70%                   | \$43              | \$258       | \$430      | \$731   | 100%                   |
| c) 6+ Inv or 161+ Micro-inv                           | \$10.75           | \$181.23    | \$444.37   | \$636.35   | 70%                   | \$43              | \$258       | \$602      | \$903   | 100%                   |
| 18 Refuse Enclosure                                   | \$0.00            | \$120.82    | \$126.96   | \$247.78   | 72%                   | \$0               | \$172       | \$172      | \$344   | 100%                   |
| 19 Retaining Wall                                     | \$0.00            | \$120.82    | \$126.96   | \$247.78   | 72%                   | \$0               | \$172       | \$172      | \$344   | 100%                   |
| 20 Shed / Utility                                     | \$0.00            | \$120.82    | \$380.89   | \$501.71   | 73%                   | \$0               | \$172       | \$516      | \$688   | 100%                   |
| 21 Sign   | \$0.00            | \$120.82    | \$126.96   | \$247.78   | 72%                   | \$0               | \$172       | \$172      | \$344   | 100%                   |
| 22 Sign - Monument                                    | \$0.00            | \$120.82    | \$380.89   | \$501.71   | 73%                   | \$0               | \$172       | \$516      | \$688   | 100%                   |
| 23 Spa Only   |                   |             |            |            |                       |                   |             |            |         |                        |
| a) Residential  | \$64.51           | \$181.23    | \$634.82   | \$880.55   | 64%                   | \$258             | \$258       | \$860      | \$1,376 | 100%                   |
| b) Commercial / Multi-Family                          | \$64.51           | \$422.87    | \$1,396.60 | \$1,883.98 | 68%                   | \$258             | \$602       | \$1,892    | \$2,752 | 100%                   |
| 24 Swimming Pool with Spa                             |                   |             |            |            |                       |                   |             |            |         |                        |
| a) Residential  | \$64.51           | \$181.23    | \$1,015.71 | \$1,261.44 | 67%                   | \$258             | \$258       | \$1,376    | \$1,892 | 100%                   |
| b) Commercial / Multi-Family                          | \$64.51           | \$422.87    | \$1,396.60 | \$1,883.98 | 68%                   | \$258             | \$602       | \$1,892    | \$2,752 | 100%                   |
| 25 Swimming Pool without Spa                          |                   |             |            |            |                       |                   |             |            |         |                        |
| a) Residential  | \$64.51           | \$181.23    | \$634.82   | \$880.55   | 64%                   | \$258             | \$258       | \$860      | \$1,376 | 100%                   |
| b) Commercial / Multi-Family                          | \$64.51           | \$422.87    | \$1,396.60 | \$1,883.98 | 68%                   | \$258             | \$602       | \$1,892    | \$2,752 | 100%                   |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |   | Fee Change        |             |            |       | Charge Basis | Note |
|-----------------|---|-------------------|-------------|------------|-------|--------------|------|
|                 |   | Permit Processing | Plan Review | Inspection | Total |              |      |
| 14              | Modular   |                   |             |            |       |              |      |
|                 | a) Modular (Commercial / Job Trailer / Sales Trailer) | \$0               | \$77        | \$135      | \$212 |              |      |
|                 | b) Modular (Residential)                              | \$0               | \$77        | \$135      | \$212 |              |      |
| 15              | Parking Lot   | \$32              | \$102       | \$135      | \$270 |              |      |
| 16              | Patio Cover   | \$0               | \$51        | \$90       | \$141 |              |      |
| 17              | Photovoltaic System                                   |                   |             |            |       |              | [c]  |
|                 | a) 1-2 Inv or 1-80 Micro-inv                          | \$32              | \$77        | \$68       | \$177 |              | [c]  |
|                 | b) 3-5 Inv or 81-160 Micro-inv                        | \$32              | \$77        | \$113      | \$222 |              | [c]  |
|                 | c) 6+ Inv or 161+ Micro-inv                           | \$32              | \$77        | \$158      | \$267 |              | [c]  |
| 18              | Refuse Enclosure                                      | \$0               | \$51        | \$45       | \$96  |              |      |
| 19              | Retaining Wall  | \$0               | \$51        | \$45       | \$96  |              |      |
| 20              | Shed / Utility  | \$0               | \$51        | \$135      | \$186 |              |      |
| 21              | Sign  | \$0               | \$51        | \$45       | \$96  |              |      |
| 22              | Sign - Monument                                       | \$0               | \$51        | \$135      | \$186 |              |      |
| 23              | Spa Only  |                   |             |            |       |              |      |
|                 | a) Residential  | \$193             | \$77        | \$225      | \$495 |              |      |
|                 | b) Commercial / Multi-Family                          | \$193             | \$179       | \$495      | \$868 |              |      |
| 24              | Swimming Pool with Spa                                |                   |             |            |       |              |      |
|                 | a) Residential  | \$193             | \$77        | \$360      | \$631 |              |      |
|                 | b) Commercial / Multi-Family                          | \$193             | \$179       | \$495      | \$868 |              |      |
| 25              | Swimming Pool without Spa                             |                   |             |            |       |              |      |
|                 | a) Residential  | \$193             | \$77        | \$225      | \$495 |              |      |
|                 | b) Commercial / Multi-Family                          | \$193             | \$179       | \$495      | \$868 |              |      |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |
|-----------------|
|-----------------|

[a] For Commercial and Multi-Family Garage fees use Shell Building Fees and possible tenant improvement fees if commercial space is available.

[b] For Public Parking Garage fees use Industrial Building Fees and possible tenant improvement fees if commercial space is available.

[c] Fees are intended to comply with California Government Code Section 66015, governing fees for residential and commercial solar energy systems. Specifically Section 66015(a)(2), "...a city, county, city and county, or charter city may charge a residential permit fee for a solar energy system that exceeds the fees specified in paragraph (1) if the city, county, city and county, or charter city, as part of a written finding and an adopted resolution or ordinance, provides substantial evidence of the reasonable cost to issue the permit." and 66015(b)(2), "...a city, county, city and county, or charter city may charge a commercial permit fee for a solar energy system that exceeds the applicable fee specified in paragraph (1) if the city, county, city and county, or charter city, as part of a written finding and an adopted resolution or ordinance, provides substantial evidence of the reasonable cost to issue the permit."

[d] The Chief Building Official shall have the authority to increase the fee in any individual case, not to exceed the actual cost to process the permit.

[e] The amount of the fees shall be adjusted annually, at the beginning of each calendar year, to account for inflation by using the Consumer Price Index (CPI) for the region closest to the City of Merced. In no event shall the fees in any year be less than in the preceding year.

| Service Time      |             |            |       |
|-------------------|-------------|------------|-------|
| Permit Processing | Plan Review | Inspection | Total |

| Hourly Rate |
|-------------|
|-------------|

| Cost of Service   |             |            |       |
|-------------------|-------------|------------|-------|
| Permit Processing | Plan Review | Inspection | Total |

| Fee Description |   |
|-----------------|---|
| 1               | <del>Grading (Move Dirt Only - No Other Work)</del> |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |
|-----------------|
|-----------------|

[a] For Commercial and Multi-Family Garage fees use Shell Building Fees and possible tenant improvement fees if commercial space is available.

[b] For Public Parking Garage fees use Industrial Building Fees and possible tenant improvement fees if commercial space is available.

[c] Fees are intended to comply with California Government Code Section 66015, governing fees for residential and commercial solar energy systems. Specifically Section 66015(a)(2), "...a city, county, city and county, or charter city may charge a residential permit fee for a solar energy system that exceeds the fees specified in paragraph (1) if the city, county, city and county, or charter city, as part of a written finding and an adopted resolution or ordinance, provides substantial evidence of the reasonable cost to issue the permit." and 66015(b)(2), "...a city, county, city and county, or charter city may charge a commercial permit fee for a solar energy system that exceeds the applicable fee specified in paragraph (1) if the city, county, city and county, or charter city, as part of a written finding and an adopted resolution or ordinance, provides substantial evidence of the reasonable cost to issue the permit."

[d] The Chief Building Official shall have the authority to increase the fee in any individual case, not to exceed the actual cost to process the permit.

[e] The amount of the fees shall be adjusted annually, at the beginning of each calendar year, to account for inflation by using the Consumer Price Index (CPI) for the region closest to the City of Merced. In no event shall the fees in any year be less than in the preceding year.

| Current Fee       |             |            |       |                       |
|-------------------|-------------|------------|-------|-----------------------|
| Permit Processing | Plan Review | Inspection | Total | Current Cost Recovery |

| Proposed Fee      |             |            |       |                        |
|-------------------|-------------|------------|-------|------------------------|
| Permit Processing | Plan Review | Inspection | Total | Proposed Cost Recovery |

| Fee Description |   |
|-----------------|---|
| 1               | <del>Grading (Move Dirt Only - No Other Work)</del> |

City of Merced  
 User and Regulatory Fee Study  
 Building Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |
|-----------------|
|-----------------|

[a] For Commercial and Multi-Family Garage fees use Shell Building Fees and possible tenant improvement fees if commercial space is available.

[b] For Public Parking Garage fees use Industrial Building Fees and possible tenant improvement fees if commercial space is available.

[c] Fees are intended to comply with California Government Code Section 66015, governing fees for residential and commercial solar energy systems. Specifically Section 66015(a)(2), "...a city, county, city and county, or charter city may charge a residential permit fee for a solar energy system that exceeds the fees specified in paragraph (1) if the city, county, city and county, or charter city, as part of a written finding and an adopted resolution or ordinance, provides substantial evidence of the reasonable cost to issue the permit." and 66015(b)(2), "...a city, county, city and county, or charter city may charge a commercial permit fee for a solar energy system that exceeds the applicable fee specified in paragraph (1) if the city, county, city and county, or charter city, as part of a written finding and an adopted resolution or ordinance, provides substantial evidence of the reasonable cost to issue the permit."

[d] The Chief Building Official shall have the authority to increase the fee in any individual case, not to exceed the actual cost to process the permit.

[e] The amount of the fees shall be adjusted annually, at the beginning of each calendar year, to account for inflation by using the Consumer Price Index (CPI) for the region closest to the City of Merced. In no event shall the fees in any year be less than in the preceding year.

| Fee Change        |             |            |       | Charge Basis | Note |
|-------------------|-------------|------------|-------|--------------|------|
| Permit Processing | Plan Review | Inspection | Total |              |      |

| Fee Description |   |
|-----------------|---|
| 1               | <b>Removed from Schedule - No Longer Used</b><br>Grading (Move Dirt Only - No Other Work) |

City of Merced  
 User and Regulatory Fee Study  
 Building Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description                                    | Svc Time (Per SF) |   | Hourly Rate | Cost of Svc | Current Fee      | Current Cost Recovery | Proposed Fee     | Proposed Cost Recovery | Fee Change | Charge Basis | Note |
|--|-------------------|---|-------------|-------------|------------------|-----------------------|------------------|------------------------|------------|--------------|------|
| <b>Building Permit Fee</b>                         |                   |   |             |             |                  |                       |                  |                        |            |              | [a]  |
| <b>New Construction - Occupancy Type</b>           |                   |   |             |             |                  |                       |                  |                        |            |              | [a]  |
| 1 Addition without Remodel (Greater of a or b)     |                   |   |             |             |                  |                       |                  |                        |            |              |      |
| a) Permit Processing, Permit, and Bldg Plan Review |                   |   |             |             |                  |                       |                  |                        |            |              |      |
| i) Permit Processing                               | 0.25              | x | \$172       | \$43.00     | \$10.75          | 25%                   | \$43             | 100%                   | \$32       |              |      |
| ii) Building Plan Review                           | 1.00              | x | \$172       | \$172.00    | \$120.82         | 70%                   | \$172            | 100%                   | \$51       |              |      |
| iii) Building Permit Inspection                    | 2.00              | x | \$172       | \$344.00    | \$253.93         | 74%                   | \$344            | 100%                   | \$90       |              |      |
| b) Permit Processing, Permit, and Bldg Plan Review |                   |   |             |             |                  |                       |                  |                        |            |              |      |
| i) Permit Processing                               | 0.25              | x | \$172       | \$43.00     | \$10.75          | 25%                   | \$43             | 100%                   | \$32       |              |      |
| ii) Building Plan Review                           |                   |   |             |             | See Bldg PC Fees |                       | See Bldg PC Fees |                        |            |              |      |
| iii) Building Permit Inspection                    | 0.0107            | x | \$172       | \$1.84      | \$1.55           | 84%                   | \$1.84           | 100%                   | \$0.29     | per sq ft    |      |
| 2 Aircraft Hangar - Crew Amenities and Aircraft    |                   |   |             |             |                  |                       |                  |                        |            |              |      |
| a) Up to 5,000 Sq. Ft.                             | 0.0079            | x | \$172       | \$1.36      | \$1.15           | 84%                   | \$1.36           | 100%                   | \$0.21     | per sq ft    |      |
| b) 5,001 - 10,000 Sq. Ft.                          | 0.0067            | x | \$172       | \$1.15      | \$0.97           | 84%                   | \$1.15           | 100%                   | \$0.18     | per sq ft    |      |
| c) 10,001 - 40,000 Sq. Ft.                         | 0.0059            | x | \$172       | \$1.01      | \$0.85           | 84%                   | \$1.01           | 100%                   | \$0.16     | per sq ft    |      |
| d) 40,001 - 50,000 Sq. Ft.                         | 0.0048            | x | \$172       | \$0.83      | \$0.70           | 84%                   | \$0.83           | 100%                   | \$0.13     | per sq ft    |      |
| e) 50,001 Sq. Ft. and over                         | 0.0034            | x | \$172       | \$0.58      | \$0.49           | 84%                   | \$0.58           | 100%                   | \$0.09     | per sq ft    |      |
| 3 Aircraft Hangar - Repair Facility                |                   |   |             |             |                  |                       |                  |                        |            |              |      |
| a) Up to 5,000 Sq. Ft.                             | 0.0079            | x | \$172       | \$1.36      | \$1.15           | 84%                   | \$1.36           | 100%                   | \$0.21     | per sq ft    |      |
| b) 5,001 - 10,000 Sq. Ft.                          | 0.0067            | x | \$172       | \$1.15      | \$0.97           | 84%                   | \$1.15           | 100%                   | \$0.18     | per sq ft    |      |
| c) 10,001 - 40,000 Sq. Ft.                         | 0.0059            | x | \$172       | \$1.01      | \$0.85           | 84%                   | \$1.01           | 100%                   | \$0.16     | per sq ft    |      |
| d) 40,001 - 50,000 Sq. Ft.                         | 0.0048            | x | \$172       | \$0.83      | \$0.70           | 84%                   | \$0.83           | 100%                   | \$0.13     | per sq ft    |      |
| e) 50,001 Sq. Ft. and over                         | 0.0034            | x | \$172       | \$0.58      | \$0.49           | 84%                   | \$0.58           | 100%                   | \$0.09     | per sq ft    |      |
| 4 Aircraft Hangar - Basic Aircraft Storage         |                   |   |             |             | See Note         |                       | See Note         |                        |            |              | [b]  |
| 5 Apartments/Multi-Family                          | 0.0061            | x | \$172       | \$1.05      | \$0.88           | 84%                   | \$1.05           | 100%                   | \$0.16     | per sq ft    |      |
| 6 Churches and Other Religious                     | 0.0055            | x | \$172       | \$0.95      | \$0.80           | 84%                   | \$0.95           | 100%                   | \$0.15     | per sq ft    |      |
| 7 Garage   |                   |   |             |             |                  |                       |                  |                        |            |              |      |
| a) Commercial                                      |                   |   |             |             | See Note         |                       | See Note         |                        | See Note   |              | [c]  |
| b) Multi-Family                                    |                   |   |             |             | See Note         |                       | See Note         |                        | See Note   |              | [c]  |
| c) Public Parking                                  |                   |   |             |             | See Note         |                       | See Note         |                        | See Note   |              | [d]  |
| d) Residential                                     |                   |   |             |             | See Note         |                       | See Note         |                        | See Note   |              | [b]  |

City of Merced  
 User and Regulatory Fee Study  
 Building Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description                              | Svc Time (Per SF) |   | Hourly Rate | Cost of Svc | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Fee Change | Charge Basis | Note |
|--|-------------------|---|-------------|-------------|-------------|-----------------------|--------------|------------------------|------------|--------------|------|
| 8 Hotels/Motels                              | 0.0054            | x | \$172       | \$0.94      | \$0.79      | 84%                   | \$0.94       | 100%                   | \$0.15     | per sq ft    |      |
| 9 Industrial/Warehouse                       |                   |   |             |             |             |                       |              |                        |            |              |      |
| a) Up to 5,000 Sq. Ft.                       | 0.0049            | x | \$172       | \$0.84      | \$0.71      | 84%                   | \$0.84       | 100%                   | \$0.13     | per sq ft    |      |
| b) 5,001 - 10,000 Sq. Ft.                    | 0.0032            | x | \$172       | \$0.55      | \$0.46      | 84%                   | \$0.55       | 100%                   | \$0.09     | per sq ft    |      |
| c) 10,001 - 40,000 Sq. Ft.                   | 0.0028            | x | \$172       | \$0.47      | \$0.40      | 84%                   | \$0.47       | 100%                   | \$0.07     | per sq ft    |      |
| d) 40,001 - 50,000 Sq. Ft.                   | 0.0023            | x | \$172       | \$0.39      | \$0.33      | 84%                   | \$0.39       | 100%                   | \$0.06     | per sq ft    |      |
| e) 50,001 Sq. Ft. and over                   | 0.0018            | x | \$172       | \$0.32      | \$0.27      | 84%                   | \$0.32       | 100%                   | \$0.05     | per sq ft    |      |
| 10 Medical - Non-OSHPD Fee                   |                   |   |             |             |             |                       |              |                        |            |              |      |
| a) Up to 5,000 Sq. Ft.                       | 0.0090            | x | \$172       | \$1.54      | \$1.30      | 84%                   | \$1.54       | 100%                   | \$0.24     | per sq ft    |      |
| b) 5,001 - 10,000 Sq. Ft.                    | 0.0078            | x | \$172       | \$1.34      | \$1.13      | 84%                   | \$1.34       | 100%                   | \$0.21     | per sq ft    |      |
| c) 10,001 - 40,000 Sq. Ft.                   | 0.0069            | x | \$172       | \$1.19      | \$1.00      | 84%                   | \$1.19       | 100%                   | \$0.19     | per sq ft    |      |
| d) 40,001 - 50,000 Sq. Ft.                   | 0.0059            | x | \$172       | \$1.01      | \$0.85      | 84%                   | \$1.01       | 100%                   | \$0.16     | per sq ft    |      |
| e) 50,001 Sq. Ft. and over                   | 0.0045            | x | \$172       | \$0.77      | \$0.65      | 84%                   | \$0.77       | 100%                   | \$0.12     | per sq ft    |      |
| 11 Medical - OSHPD III                       |                   |   |             |             |             |                       |              |                        |            |              |      |
| a) Up to 5,000 Sq. Ft.                       | 0.0107            | x | \$172       | \$1.85      | \$1.56      | 84%                   | \$1.85       | 100%                   | \$0.29     | per sq ft    |      |
| b) 5,001 - 10,000 Sq. Ft.                    | 0.0096            | x | \$172       | \$1.65      | \$1.39      | 84%                   | \$1.65       | 100%                   | \$0.26     | per sq ft    |      |
| c) 10,001 - 40,000 Sq. Ft.                   | 0.0088            | x | \$172       | \$1.51      | \$1.27      | 84%                   | \$1.51       | 100%                   | \$0.24     | per sq ft    |      |
| d) 40,001 - 50,000 Sq. Ft.                   | 0.0077            | x | \$172       | \$1.32      | \$1.12      | 84%                   | \$1.32       | 100%                   | \$0.21     | per sq ft    |      |
| e) 50,001 Sq. Ft. and over                   | 0.0063            | x | \$172       | \$1.08      | \$0.91      | 84%                   | \$1.08       | 100%                   | \$0.17     | per sq ft    |      |
| 12 Office/Professional/Retail                |                   |   |             |             |             |                       |              |                        |            |              |      |
| a) Up to 5,000 Sq. Ft.                       | 0.0079            | x | \$172       | \$1.36      | \$1.15      | 84%                   | \$1.36       | 100%                   | \$0.21     | per sq ft    |      |
| b) 5,001 - 10,000 Sq. Ft.                    | 0.0067            | x | \$172       | \$1.15      | \$0.97      | 84%                   | \$1.15       | 100%                   | \$0.18     | per sq ft    |      |
| c) 10,001 - 40,000 Sq. Ft.                   | 0.0059            | x | \$172       | \$1.01      | \$0.85      | 84%                   | \$1.01       | 100%                   | \$0.16     | per sq ft    |      |
| d) 40,001 - 50,000 Sq. Ft.                   | 0.0048            | x | \$172       | \$0.83      | \$0.70      | 84%                   | \$0.83       | 100%                   | \$0.13     | per sq ft    |      |
| e) 50,001 Sq. Ft. and over                   | 0.0034            | x | \$172       | \$0.58      | \$0.49      | 84%                   | \$0.58       | 100%                   | \$0.09     | per sq ft    |      |
| 13 Residential Single-Family Dwelling/Duplex |                   |   |             |             |             |                       |              |                        |            |              |      |
| a) Up to 1,580 Sq. Ft.                       | 0.0107            | x | \$172       | \$1.84      | \$1.55      | 84%                   | \$1.84       | 100%                   | \$0.29     | per sq ft    |      |
| b) 1,581 - 3,350 Sq. Ft.                     | 0.0101            | x | \$172       | \$1.74      | \$1.46      | 84%                   | \$1.74       | 100%                   | \$0.27     | per sq ft    |      |
| c) 3,351 Sq. Ft. and over                    | 0.0087            | x | \$172       | \$1.50      | \$1.26      | 84%                   | \$1.50       | 100%                   | \$0.24     | per sq ft    |      |
| 14 Restaurant                                | 0.0136            | x | \$172       | \$2.33      | \$1.97      | 84%                   | \$2.33       | 100%                   | \$0.37     | per sq ft    |      |

City of Merced  
 User and Regulatory Fee Study  
 Building Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Svc Time (Per SF) |   | Hourly Rate | Cost of Svc | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Fee Change | Charge Basis | Note |
|--|-------------------|---|-------------|-------------|-------------|-----------------------|--------------|------------------------|------------|--------------|------|
| 15 Shell   |                   |   |             |             |             |                       |              |                        |            |              |      |
| a) Up to 5,000 Sq. Ft.   | 0.0045            | x | \$172       | \$0.77      | \$0.65      | 84%                   | \$0.77       | 100%                   | \$0.12     | per sq ft    |      |
| b) 5,000 - 25,000 Sq. Ft.  | 0.0042            | x | \$172       | \$0.72      | \$0.60      | 84%                   | \$0.72       | 100%                   | \$0.11     | per sq ft    |      |
| c) 25,001 Sq. Ft. and up   | 0.0035            | x | \$172       | \$0.61      | \$0.51      | 84%                   | \$0.61       | 100%                   | \$0.10     | per sq ft    |      |
| 16 General Square Footage Fee to Be Used for Projects Not Identified Elsewhere in this Schedule        | 0.0107            | x | \$172       | \$1.84      | \$1.55      | 84%                   | \$1.84       | 100%                   | \$0.29     | per sq ft    |      |
| 17 Additional per square foot multiplier for the entire square footage of buildings 2 stories or more. | 0.0004            | x | \$172       | \$0.07      | \$0.06      | 84%                   | \$0.07       | 100%                   | \$0.01     | per sq ft    |      |

[a] The Building Official shall classify commercial buildings not listed above in the category most nearly resembling the use.

[b] See Miscellaneous Item Section.

[c] For Commercial and Multi-Family Garage fees use Shell Building Fees and possible tenant improvement fees if commercial space is available.

[d] For Public Parking Garage fees use Industrial Building Fees and possible tenant improvement fees if commercial space is available.

City of Merced  
 User and Regulatory Fee Study  
 Building Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description   | Svc Time (Per SF) | Hourly Rate | Cost of Svc | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Fee Change | Charge Basis | Note      |
|---|-------------------|-------------|-------------|-------------|-----------------------|--------------|------------------------|------------|--------------|-----------|
| <b>Building Permit Fee</b>  |                   |             |             |             |                       |              |                        |            |              | [a]       |
| <b>Commercial Tenant Improvements (T.I.)</b>  |                   |             |             |             |                       |              |                        |            |              | [a]       |
| <b>Minor T.I.</b>   |                   |             |             |             |                       |              |                        |            |              |           |
| 1 Minor T.I. (Greater of a or b)  |                   |             |             |             |                       |              |                        |            |              |           |
| a) Minimum Fee  |                   |             |             |             |                       |              |                        |            |              |           |
| i) Permit Processing  | 0.25              | x           | \$172       | \$43.00     | \$10.75               | 25%          | \$43.00                | 100%       | \$32.25      |           |
| ii) Building Plan Review (if required)  |                   |             |             |             | See Bldg PC Fees      |              | See Bldg PC Fees       |            |              |           |
| iii) Building Permit Inspection   | 1.00              | x           | \$172       | \$172.00    | \$126.96              | 74%          | \$172.00               | 100%       | \$45.04      |           |
| b) Other  |                   |             |             |             |                       |              |                        |            |              |           |
| i) Permit Processing  | 0.25              | x           | \$172       | \$43.00     | \$10.75               | 25%          | \$43.00                | 100%       | \$32.25      |           |
| ii) Building Plan Review (if required)  | 1.00              | x           | \$172       | \$172.00    | \$120.82              | 70%          | \$172.00               | 100%       | \$51.18      | per hour  |
| iii) Building Permit Inspection   | 1.00              | x           | \$172       | \$172.00    | \$126.96              | 74%          | \$172.00               | 100%       | \$45.04      | per hour  |
| <b>Moderate / Major T.I.</b>  |                   |             |             |             |                       |              |                        |            |              |           |
| 2 T.I. - Medical BP Fee   |                   |             |             |             |                       |              |                        |            |              |           |
| a) Up to 2,000 Sq. Ft.  | 0.0086            | x           | \$172       | \$1.47      | \$1.24                | 84%          | \$1.47                 | 100%       | \$0.23       | per sq ft |
| b) 2,001 - 3,000 Sq. Ft.  | 0.0077            | x           | \$172       | \$1.32      | \$1.12                | 84%          | \$1.32                 | 100%       | \$0.21       | per sq ft |
| c) 3,001 - 5,000 Sq. Ft.  | 0.0062            | x           | \$172       | \$1.07      | \$0.90                | 84%          | \$1.07                 | 100%       | \$0.17       | per sq ft |
| d) 5,001 - 20,000 Sq. Ft.   | 0.0054            | x           | \$172       | \$0.94      | \$0.79                | 84%          | \$0.94                 | 100%       | \$0.15       | per sq ft |
| e) 20,001 Sq. Ft. and over  | 0.0049            | x           | \$172       | \$0.84      | \$0.71                | 84%          | \$0.84                 | 100%       | \$0.13       | per sq ft |
| 3 T.I. - OSHPD III BP Fee   |                   |             |             |             |                       |              |                        |            |              |           |
| a) Up to 2,000 Sq. Ft.  | 0.0103            | x           | \$172       | \$1.77      | \$1.49                | 84%          | \$1.77                 | 100%       | \$0.28       | per sq ft |
| b) 2,001 - 3,000 Sq. Ft.  | 0.0092            | x           | \$172       | \$1.59      | \$1.34                | 84%          | \$1.59                 | 100%       | \$0.25       | per sq ft |
| c) 3,001 - 5,000 Sq. Ft.  | 0.0080            | x           | \$172       | \$1.37      | \$1.16                | 84%          | \$1.37                 | 100%       | \$0.22       | per sq ft |
| d) 5,001 - 20,000 Sq. Ft.   | 0.0073            | x           | \$172       | \$1.25      | \$1.05                | 84%          | \$1.25                 | 100%       | \$0.20       | per sq ft |
| e) 20,001 Sq. Ft. and over  | 0.0067            | x           | \$172       | \$1.15      | \$0.97                | 84%          | \$1.15                 | 100%       | \$0.18       | per sq ft |
| 4 T.I. - Restaurant   | 0.0136            | x           | \$172       | \$2.33      | \$1.98                | 84%          | \$2.33                 | 100%       | \$0.36       | per sq ft |
| 5 T.I. - All Other  |                   |             |             |             |                       |              |                        |            |              |           |
| a) Up to 2,000 Sq. Ft.  | 0.0075            | x           | \$172       | \$1.29      | \$1.09                | 84%          | \$1.29                 | 100%       | \$0.20       | per sq ft |
| b) 2,001 - 3,000 Sq. Ft.  | 0.0066            | x           | \$172       | \$1.14      | \$0.96                | 84%          | \$1.14                 | 100%       | \$0.18       | per sq ft |
| c) 3,001 - 5,000 Sq. Ft.  | 0.0051            | x           | \$172       | \$0.88      | \$0.74                | 84%          | \$0.88                 | 100%       | \$0.14       | per sq ft |
| d) 5,001 - 20,000 Sq. Ft.   | 0.0044            | x           | \$172       | \$0.75      | \$0.63                | 84%          | \$0.75                 | 100%       | \$0.12       | per sq ft |
| e) 20,001 Sq. Ft. and over  | 0.0038            | x           | \$172       | \$0.66      | \$0.55                | 84%          | \$0.66                 | 100%       | \$0.10       | per sq ft |
| 6 Additional per square foot multiplier for the entire square footage of buildings 2 stories or more. | 0.0004            | x           | \$172       | \$0.07      | \$0.06                | 84%          | \$0.07                 | 100%       | \$0.01       | per sq ft |

[a] The Building Official shall classify commercial buildings not listed above in the category most nearly resembling the use.

City of Merced  
 User and Regulatory Fee Study  
 Building Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description   | Svc Time | Fully-Burdened Hourly | Cost of Service | Current Fee | Current Cost Recovery | Proposed Fee | Proposed Cost Recovery | Fee Change | Charge Basis | Note     |
|---|----------|-----------------------|-----------------|-------------|-----------------------|--------------|------------------------|------------|--------------|----------|
| <b>1 Building Plan Check Fees - Building</b>                |          |                       |                 |             |                       |              |                        |            |              |          |
| a) Residential Master Plan - Initial Submittal              | 97%      |                       | 97%             | 97%         | 100%                  | 97%          | 100%                   | 0%         | % of BP Fee  | [a]      |
| b) Tract Home / Master Plan Construction (Production Units) | 15%      |                       | 15%             | 15%         | 100%                  | 15%          | 100%                   | 0%         | % of BP Fee  | [b]      |
| c) Plan Review Fee - All Others, if Applicable              | 65%      |                       | 65%             | 65%         | 100%                  | 65%          | 100%                   | 0%         | % of BP Fee  | [a]      |
| d) Alternate Materials and Methods Review (per hour)        | 1.00     | x                     | \$172 =         | \$172       | \$121                 | 70%          | \$172                  | 100%       | \$51         | per hour |
| e) Excess Plan Review Fee (4th and subsequent) (per hour)   | 1.00     | x                     | \$172 =         | \$172       | \$121                 | 70%          | \$172                  | 100%       | \$51         | per hour |
| f) Revisions to an Approved Permit (per hour)               | 1.00     | x                     | \$172 =         | \$172       | \$121                 | 70%          | \$172                  | 100%       | \$51         | per hour |
| g) Deferred Submittal (per hour)                            | 1.00     | x                     | \$172 =         | \$172       | \$121                 | 70%          | \$172                  | 100%       | \$51         | per hour |

[a] Includes up to three plan checks. The City will bill hourly for additional plan review required.

[b] For identical buildings built by the same builder on the same lot or in the same tract and for which building permits are issued at the same time.

City of Merced  
 User and Regulatory Fee Study  
 Building Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Service Time | Hourly Rate | Cost of Service | Current Fee                  | Current Cost Recovery | Proposed Fee                 | Proposed Cost Recovery | Fee Change | Charge Basis          | Note |
|--|--------------|-------------|-----------------|------------------------------|-----------------------|------------------------------|------------------------|------------|-----------------------|------|
| 1 Tax on Construction of a Residential Unit - Per SF                   |              |             |                 | \$0.91                       |                       | \$0.91                       |                        |            |                       | [a]  |
| 2 Strong Motion Instrumentation (SMI) Fee Calculation                  |              |             |                 |                              |                       |                              |                        |            |                       | [b]  |
| a) Residential   |              |             |                 | \$0.50 or valuation x .00013 |                       | \$0.50 or valuation x .00013 |                        |            |                       | [b]  |
| b) Commercial  |              |             |                 | \$0.50 or valuation x .00028 |                       | \$0.50 or valuation x .00028 |                        |            |                       | [b]  |
| 3 Building Standards (SB 1473) Fee Calculation (Valuation)             |              |             |                 |                              |                       |                              |                        |            |                       | [b]  |
| a) \$1 - \$25,000  |              |             |                 | \$1                          |                       | \$1                          |                        |            |                       | [b]  |
| b) \$25,001 - \$50,000   |              |             |                 | \$2                          |                       | \$2                          |                        |            |                       | [b]  |
| c) \$50,001 - \$75,000   |              |             |                 | \$3                          |                       | \$3                          |                        |            |                       | [b]  |
| d) \$75,001 - \$100,000  |              |             |                 | \$4                          |                       | \$4                          |                        |            |                       | [b]  |
| e) Each Add'l \$25,000 or fraction thereof                             |              |             |                 | Add \$1                      |                       | Add \$1                      |                        |            |                       | [b]  |
| 4 Technology Fee (percent of building permit fee)                      |              |             | 5%              |                              |                       | 5%                           | 94%                    | new        |                       | [c]  |
| 5 General Plan/Zoning Code Update Fee (percent of building permit fee) |              |             | 27%             |                              |                       | 5%                           | 18%                    | new        |                       | [d]  |
| 6 Permit Reissuance Fee  | 0.25         | x           | \$172           | =                            | \$43                  | \$43                         | 100%                   | new        |                       |      |
| <b>Other Fees</b>  |              |             |                 |                              |                       |                              |                        |            |                       |      |
| 7 After Hours Inspection (per hour) (2-hour minimum)                   | 1.20         | x           | \$172           | =                            | \$206                 | \$206                        | 100%                   | varies     | per hour; 2-hour min. |      |
| 8 Re-inspection Fee (2nd Time or More) (each)                          | 1.00         | x           | \$172           | =                            | \$172                 | \$172                        | 100%                   | varies     | each                  | [e]  |
| 9 Fees for Services Not Listed in this Fee Schedule (per hour)         | 1.00         | x           | \$172           | =                            | \$172                 | \$172                        | 100%                   | varies     | per hour              |      |
| <b>Violation Fees</b>  |              |             |                 |                              |                       |                              |                        |            |                       |      |
| 10 Fee Work Without Permit or Work Outside Permit Scope                |              |             |                 |                              |                       | 2x Permit Fee                |                        |            |                       |      |

[a] See Merced Municipal Code (MMC) Chapter 5.50. In the case of discrepancy between this schedule and amount outlined in the MMC, the MMC amount shall supersede this amount. Construction Tax not examined or included as part of this study. Included for documentation purposes only.

[b] Amounts established by State of California. In the case of discrepancy between this schedule and amounts established by the State, State amounts shall supersede these amounts. State fees not examined or included as part of this study. Included for documentation purposes only.

[c] Fee applies to all permit fees, excluding plan review, state fees, and other fees not adopted by this resolution.

[d] Fee applies to new construction, additions, tenant improvements, and residential remodels requiring building permits. Fee is not applied to plan review, state fees, and other fees not adopted by this resolution.

[e] Reinspection fee applies after the first re-inspection.



**User and Regulatory Fees**

*Cost of Service Calculations*

*Fire Construction Review Fees*

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Service Time      |             |            |       | Hourly Rate | Cost of Service   |             |            |         |
|--|-------------------|-------------|------------|-------|-------------|-------------------|-------------|------------|---------|
|  | Permit Processing | Plan Review | Inspection | Total |             | Permit Processing | Plan Review | Inspection | Total   |
| 1 Fire Alarm System  |                   |             |            |       |             |                   |             |            |         |
| a) 1 - 10 Devices  | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |
| b) 11 - 50 Devices   | 0.25              | 1.00        | 2.00       | 3.25  | x \$172 =   | \$43              | \$172       | \$344      | \$559   |
| c) 51 - 100 Devices  | 0.25              | 2.00        | 3.00       | 5.25  | x \$172 =   | \$43              | \$344       | \$516      | \$903   |
| d) 101 - 200 Devices   | 0.25              | 3.00        | 4.00       | 7.25  | x \$172 =   | \$43              | \$516       | \$688      | \$1,247 |
| e) More Than 200 Devices (i + ii + iii)                                      |                   |             |            |       |             |                   |             |            |         |
| i) Base Fee for Up to 200 Devices  | 0.25              | 3.00        | 4.00       | 7.25  | x \$172 =   | \$43              | \$516       | \$688      | \$1,247 |
| ii) Plus, Plan Review Fee  |                   | 3.00        |            | 3.00  | x \$172 =   | \$0               | \$516       | \$0        | \$516   |
| ii) Plus, Inspection Fee for Each Additional 100 Devices or Fraction Thereof |                   |             | 2.50       | 2.50  | x \$172 =   | \$0               | \$0         | \$430      | \$430   |
| 2 Fire Pump Certification  | 0.25              | 2.00        | 5.00       | 7.25  | x \$172 =   | \$43              | \$344       | \$860      | \$1,247 |
| 3 Fire Service (Underground)   | 0.25              | 1.00        | 3.00       | 4.25  | x \$172 =   | \$43              | \$172       | \$516      | \$731   |
| 4 Fire Suppression Standpipe System  | 0.25              | 1.00        | 3.00       | 4.25  | x \$172 =   | \$43              | \$172       | \$516      | \$731   |
| 5 Fire Suppression System  |                   |             |            |       |             |                   |             |            |         |
| a) Hood  | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |
| b) Booth   | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |
| c) Clean Agent   | 0.25              | 2.00        | 2.00       | 4.25  | x \$172 =   | \$43              | \$344       | \$344      | \$731   |
| d) Halon   | 0.25              | 2.00        | 2.00       | 4.25  | x \$172 =   | \$43              | \$344       | \$344      | \$731   |
| 6 Fuel Dispensing Equipment  |                   |             |            |       |             |                   |             |            |         |
| a) Initial   | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |
| b) Each Additional   |                   |             | 0.25       | 0.25  | x \$172 =   | \$0               | \$0         | \$43       | \$43    |
| 7 Remediation Systems  |                   |             |            |       |             |                   |             |            |         |
| a) Soil  | 0.25              | 1.00        | 2.00       | 3.25  | x \$172 =   | \$43              | \$172       | \$344      | \$559   |
| b) Water   | 0.25              | 1.00        | 2.00       | 3.25  | x \$172 =   | \$43              | \$172       | \$344      | \$559   |
| 8 Tank Abandonment   |                   |             |            |       |             |                   |             |            |         |
| a) Aboveground   | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |
| b) Underground   | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |
| 9 Tank Installation  |                   |             |            |       |             |                   |             |            |         |
| a) Aboveground   | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |
| b) Underground   | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |
| c) Propane   | 0.25              | 1.00        | 1.00       | 2.25  | x \$172 =   | \$43              | \$172       | \$172      | \$387   |

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Current Fee       |             |            |          |                       | Proposed Fee      |             |            |         |                        |
|--|-------------------|-------------|------------|----------|-----------------------|-------------------|-------------|------------|---------|------------------------|
|  | Permit Processing | Plan Review | Inspection | Total    | Current Cost Recovery | Permit Processing | Plan Review | Inspection | Total   | Proposed Cost Recovery |
| 1 Fire Alarm System  |                   |             |            |          |                       |                   |             |            |         |                        |
| a) 1 - 10 Devices  | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| b) 11 - 50 Devices   | \$10.75           | \$129.01    | \$258.02   | \$397.79 | 71%                   | \$43              | \$172       | \$344      | \$559   | 100%                   |
| c) 51 - 100 Devices  | \$10.75           | \$258.02    | \$387.03   | \$655.81 | 73%                   | \$43              | \$344       | \$516      | \$903   | 100%                   |
| d) 101 - 200 Devices   | \$10.75           | \$387.03    | \$516.05   | \$913.83 | 73%                   | \$43              | \$516       | \$688      | \$1,247 | 100%                   |
| e) More Than 200 Devices (i + ii + iii)                                      |                   |             |            |          |                       |                   |             |            |         |                        |
| i) Base Fee for Up to 200 Devices  | \$10.75           | \$387.03    | \$516.05   | \$913.83 | 73%                   | \$43              | \$516       | \$688      | \$1,247 | 100%                   |
| ii) Plus, Plan Review Fee  |                   | \$387.03    |            | \$387.03 | 75%                   | \$0               | \$516       | \$0        | \$516   | 100%                   |
| ii) Plus, Inspection Fee for Each Additional 100 Devices or Fraction Thereof |                   |             | \$309.22   | \$309.22 | 72%                   | \$0               | \$0         | \$430      | \$430   | 100%                   |
| 2 Fire Pump Certification  | \$10.75           | \$258.02    | \$645.06   | \$913.83 | 73%                   | \$43              | \$344       | \$860      | \$1,247 | 100%                   |
| 3 Fire Service (Underground)   | \$10.75           | \$129.01    | \$387.03   | \$526.80 | 72%                   | \$43              | \$172       | \$516      | \$731   | 100%                   |
| 4 Fire Suppression Standpipe System  | \$10.75           | \$129.01    | \$387.03   | \$526.80 | 72%                   | \$43              | \$172       | \$516      | \$731   | 100%                   |
| 5 Fire Suppression System  |                   |             |            |          |                       |                   |             |            |         |                        |
| a) Hood  | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| b) Booth   | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| c) Clean Agent   | \$10.75           | \$258.02    | \$258.02   | \$526.80 | 72%                   | \$43              | \$344       | \$344      | \$731   | 100%                   |
| d) Halon   | \$10.75           | \$258.02    | \$258.02   | \$526.80 | 72%                   | \$43              | \$344       | \$344      | \$731   | 100%                   |
| 6 Fuel Dispensing Equipment  |                   |             |            |          |                       |                   |             |            |         |                        |
| a) Initial   | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| b) Each Additional   |                   |             | \$32.76    | \$32.76  | 76%                   | \$0               | \$0         | \$43       | \$43    | 100%                   |
| 7 Remediation Systems  |                   |             |            |          |                       |                   |             |            |         |                        |
| a) Soil  | \$10.75           | \$129.01    | \$258.02   | \$397.79 | 71%                   | \$43              | \$172       | \$344      | \$559   | 100%                   |
| b) Water   | \$10.75           | \$129.01    | \$258.02   | \$397.79 | 71%                   | \$43              | \$172       | \$344      | \$559   | 100%                   |
| 8 Tank Abandonment   |                   |             |            |          |                       |                   |             |            |         |                        |
| a) Aboveground   | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| b) Underground   | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| 9 Tank Installation  |                   |             |            |          |                       |                   |             |            |         |                        |
| a) Aboveground   | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| b) Underground   | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| c) Propane   | \$10.75           | \$129.01    | \$129.01   | \$268.77 | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |  | Fee Change        |             |            |       | Unit       | Note |
|-----------------|--|-------------------|-------------|------------|-------|------------|------|
|                 |  | Permit Processing | Plan Review | Inspection | Total |            |      |
| 1               | Fire Alarm System  |                   |             |            |       |            |      |
|                 | a) 1 - 10 Devices  | \$32              | \$43        | \$43       | \$118 |            |      |
|                 | b) 11 - 50 Devices   | \$32              | \$43        | \$86       | \$161 |            |      |
|                 | c) 51 - 100 Devices  | \$32              | \$86        | \$129      | \$247 |            |      |
|                 | d) 101 - 200 Devices   | \$32              | \$129       | \$172      | \$333 |            |      |
|                 | e) More Than 200 Devices (i + ii + iii)                                      |                   |             |            |       |            |      |
|                 | i) Base Fee for Up to 200 Devices  | \$32              | \$129       | \$172      | \$333 |            |      |
|                 | ii) Plus, Plan Review Fee  | \$0               | \$129       | \$0        | \$129 |            |      |
|                 | ii) Plus, Inspection Fee for Each Additional 100 Devices or Fraction Thereof | \$0               | \$0         | \$121      | \$121 |            |      |
| 2               | Fire Pump Certification  | \$32              | \$86        | \$215      | \$333 |            |      |
| 3               | Fire Service (Underground)   | \$32              | \$43        | \$129      | \$204 |            |      |
| 4               | Fire Suppression Standpipe System  | \$32              | \$43        | \$129      | \$204 |            |      |
| 5               | Fire Suppression System  |                   |             |            |       |            |      |
|                 | a) Hood  | \$32              | \$43        | \$43       | \$118 | per system |      |
|                 | b) Booth   | \$32              | \$43        | \$43       | \$118 | per system |      |
|                 | c) Clean Agent   | \$32              | \$86        | \$86       | \$204 | per system |      |
|                 | d) Halon   | \$32              | \$86        | \$86       | \$204 | per system |      |
| 6               | Fuel Dispensing Equipment  |                   |             |            |       |            |      |
|                 | a) Initial   | \$32              | \$43        | \$43       | \$118 |            |      |
|                 | b) Each Additional   | \$0               | \$0         | \$10       | \$10  |            |      |
| 7               | Remediation Systems  |                   |             |            |       |            |      |
|                 | a) Soil  | \$32              | \$43        | \$86       | \$161 |            |      |
|                 | b) Water   | \$32              | \$43        | \$86       | \$161 |            |      |
| 8               | Tank Abandonment   |                   |             |            |       |            |      |
|                 | a) Aboveground   | \$32              | \$43        | \$43       | \$118 | per tank   |      |
|                 | b) Underground   | \$32              | \$43        | \$43       | \$118 | per tank   |      |
| 9               | Tank Installation  |                   |             |            |       |            |      |
|                 | a) Aboveground   | \$32              | \$43        | \$43       | \$118 | per tank   |      |
|                 | b) Underground   | \$32              | \$43        | \$43       | \$118 | per tank   |      |
|                 | c) Propane   | \$32              | \$43        | \$43       | \$118 | per tank   |      |

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |  | Service Time      |             |            |       | Hourly Rate | Cost of Service   |             |            |       |         |         |
|-----------------|--|-------------------|-------------|------------|-------|-------------|-------------------|-------------|------------|-------|---------|---------|
|                 |  | Permit Processing | Plan Review | Inspection | Total |             | Permit Processing | Plan Review | Inspection | Total |         |         |
| 10              | Tank Removal   |                   |             |            |       |             |                   |             |            |       |         |         |
|                 | a) Aboveground   | 0.25              | 1.00        | 1.00       | 2.25  | x           | \$172             | =           | \$43       | \$172 | \$172   | \$387   |
|                 | b) Underground   | 0.25              | 1.00        | 1.00       | 2.25  | x           | \$172             | =           | \$43       | \$172 | \$172   | \$387   |
| 11              | Water Flow Test  | 0.25              | 0.00        | 2.00       | 2.25  | x           | \$172             | =           | \$43       | \$0   | \$344   | \$387   |
| 12              | Fire Sprinkler System – TI/Modification                                    |                   |             |            |       |             |                   |             |            |       |         |         |
|                 | a) 1 - 20 Heads  | 0.25              | 1.00        | 2.00       | 3.25  | x           | \$172             | =           | \$43       | \$172 | \$344   | \$559   |
|                 | b) 21 - 100 Heads  | 0.25              | 1.00        | 3.00       | 4.25  | x           | \$172             | =           | \$43       | \$172 | \$516   | \$731   |
| 13              | Fire Sprinkler System NFPA 13 Full   |                   |             |            |       |             |                   |             |            |       |         |         |
|                 | a) 1-50 Heads  | 0.25              | 1.00        | 4.00       | 5.25  | x           | \$172             | =           | \$43       | \$172 | \$688   | \$903   |
|                 | b) 51-100 Heads  | 0.25              | 2.00        | 4.00       | 6.25  | x           | \$172             | =           | \$43       | \$344 | \$688   | \$1,075 |
|                 | c) 101-200 Heads   | 0.25              | 3.00        | 6.00       | 9.25  | x           | \$172             | =           | \$43       | \$516 | \$1,032 | \$1,591 |
|                 | d) More Than 200 Heads (i + ii + iii)                                      |                   |             |            |       |             |                   |             |            |       |         |         |
|                 | i) Base Fee for Up to 200 Heads  | 0.25              | 3.00        | 6.00       | 9.25  | x           | \$172             | =           | \$43       | \$516 | \$1,032 | \$1,591 |
|                 | ii) Plus, Plan Review Fee  |                   | 3.00        |            | 3.00  | x           | \$172             | =           | \$0        | \$516 | \$0     | \$516   |
|                 | ii) Plus, Inspection Fee for Each Additional 200 Heads or Fraction Thereof |                   |             | 6.00       | 6.00  | x           | \$172             | =           | \$0        | \$0   | \$1,032 | \$1,032 |
| 14              | Fire Sprinkler System NFPA 13D or CRC                                      | 0.25              | 1.00        | 2.00       | 3.25  | x           | \$172             | =           | \$43       | \$172 | \$344   | \$559   |
| 15              | Fire Sprinkler System NFPA 13R   |                   |             |            |       |             |                   |             |            |       |         |         |
|                 | a) 1-50 Heads  | 0.25              | 1.00        | 4.00       | 5.25  | x           | \$172             | =           | \$43       | \$172 | \$688   | \$903   |
|                 | b) 51-100 Heads  | 0.25              | 2.00        | 4.00       | 6.25  | x           | \$172             | =           | \$43       | \$344 | \$688   | \$1,075 |
|                 | c) 101-200 Heads   | 0.25              | 3.00        | 6.00       | 9.25  | x           | \$172             | =           | \$43       | \$516 | \$1,032 | \$1,591 |
|                 | d) More Than 200 Heads (i + ii + iii)                                      |                   |             |            |       |             |                   |             |            |       |         |         |
|                 | i) Base Fee for Up to 200 Heads  | 0.25              | 3.00        | 6.00       | 9.25  | x           | \$172             | =           | \$43       | \$516 | \$1,032 | \$1,591 |
|                 | ii) Plus, Plan Review Fee  |                   | 3.00        |            | 3.00  | x           | \$172             | =           | \$0        | \$516 | \$0     | \$516   |
|                 | ii) Plus, Inspection Fee for Each Additional 200 Heads or Fraction Thereof |                   |             | 6.00       | 6.00  | x           | \$172             | =           | \$0        | \$0   | \$1,032 | \$1,032 |

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Current Fee       |             |            |            |                       | Proposed Fee      |             |            |         |                        |
|--|-------------------|-------------|------------|------------|-----------------------|-------------------|-------------|------------|---------|------------------------|
|  | Permit Processing | Plan Review | Inspection | Total      | Current Cost Recovery | Permit Processing | Plan Review | Inspection | Total   | Proposed Cost Recovery |
| 10 Tank Removal  |                   |             |            |            |                       |                   |             |            |         |                        |
| a) Aboveground   | \$10.75           | \$129.01    | \$129.01   | \$268.77   | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| b) Underground   | \$10.75           | \$129.01    | \$129.01   | \$268.77   | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| 11 Water Flow Test   | \$10.75           | \$0.00      | \$258.02   | \$268.77   | 69%                   | \$43              | \$0         | \$344      | \$387   | 100%                   |
| 12 Fire Sprinkler System – TI/Modification                                 |                   |             |            |            |                       |                   |             |            |         |                        |
| a) 1 - 20 Heads  | \$10.75           | \$129.01    | \$258.02   | \$397.79   | 71%                   | \$43              | \$172       | \$344      | \$559   | 100%                   |
| b) 21 - 100 Heads  | \$10.75           | \$129.01    | \$387.03   | \$526.80   | 72%                   | \$43              | \$172       | \$516      | \$731   | 100%                   |
| 13 Fire Sprinkler System NFPA 13 Full                                      |                   |             |            |            |                       |                   |             |            |         |                        |
| a) 1-50 Heads  | \$10.75           | \$129.01    | \$516.05   | \$655.81   | 73%                   | \$43              | \$172       | \$688      | \$903   | 100%                   |
| b) 51-100 Heads  | \$10.75           | \$258.02    | \$516.05   | \$784.82   | 73%                   | \$43              | \$344       | \$688      | \$1,075 | 100%                   |
| c) 101-200 Heads   | \$10.75           | \$387.03    | \$774.07   | \$1,171.85 | 74%                   | \$43              | \$516       | \$1,032    | \$1,591 | 100%                   |
| d) More Than 200 Heads (i + ii + iii)                                      |                   |             |            |            |                       |                   |             |            |         |                        |
| i) Base Fee for Up to 200 Heads  | \$10.75           | \$387.03    | \$774.07   | \$1,171.85 | 74%                   | \$43              | \$516       | \$1,032    | \$1,591 | 100%                   |
| ii) Plus, Plan Review Fee  |                   | \$387.03    |            | \$387.03   | 75%                   | \$0               | \$516       | \$0        | \$516   | 100%                   |
| ii) Plus, Inspection Fee for Each Additional 200 Heads or Fraction Thereof |                   |             | \$773.04   | \$773.04   | 75%                   | \$0               | \$0         | \$1,032    | \$1,032 | 100%                   |
| 14 Fire Sprinkler System NFPA 13D or CRC                                   | \$10.75           | \$129.01    | \$258.02   | \$397.79   | 71%                   | \$43              | \$172       | \$344      | \$559   | 100%                   |
| 15 Fire Sprinkler System NFPA 13R  |                   |             |            |            |                       |                   |             |            |         |                        |
| a) 1-50 Heads  | \$10.75           | \$129.01    | \$516.05   | \$655.81   | 73%                   | \$43              | \$172       | \$688      | \$903   | 100%                   |
| b) 51-100 Heads  | \$10.75           | \$258.02    | \$516.05   | \$784.82   | 73%                   | \$43              | \$344       | \$688      | \$1,075 | 100%                   |
| c) 101-200 Heads   | \$10.75           | \$387.03    | \$774.07   | \$1,171.85 | 74%                   | \$43              | \$516       | \$1,032    | \$1,591 | 100%                   |
| d) More Than 200 Heads (i + ii + iii)                                      |                   |             |            |            |                       |                   |             |            |         |                        |
| i) Base Fee for Up to 200 Heads  | \$10.75           | \$387.03    | \$774.07   | \$1,171.85 | 74%                   | \$43              | \$516       | \$1,032    | \$1,591 | 100%                   |
| ii) Plus, Plan Review Fee  |                   | \$387.03    |            | \$387.03   | 75%                   | \$0               | \$516       | \$0        | \$516   | 100%                   |
| ii) Plus, Inspection Fee for Each Additional 200 Heads or Fraction Thereof |                   |             | \$773.04   | \$773.04   | 75%                   | \$0               | \$0         | \$1,032    | \$1,032 | 100%                   |

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |  | Fee Change        |             |            |       | Unit     | Note |
|-----------------|--|-------------------|-------------|------------|-------|----------|------|
|                 |  | Permit Processing | Plan Review | Inspection | Total |          |      |
| 10              | Tank Removal   |                   |             |            |       |          |      |
|                 | a) Aboveground   | \$32              | \$43        | \$43       | \$118 | per tank |      |
|                 | b) Underground   | \$32              | \$43        | \$43       | \$118 | per tank |      |
| 11              | Water Flow Test  | \$32              | \$0         | \$86       | \$118 |          |      |
| 12              | Fire Sprinkler System – TI/Modification                                    |                   |             |            |       |          |      |
|                 | a) 1 - 20 Heads  | \$32              | \$43        | \$86       | \$161 |          |      |
|                 | b) 21 - 100 Heads  | \$32              | \$43        | \$129      | \$204 |          |      |
| 13              | Fire Sprinkler System NFPA 13 Full   |                   |             |            |       |          |      |
|                 | a) 1-50 Heads  | \$32              | \$43        | \$172      | \$247 |          |      |
|                 | b) 51-100 Heads  | \$32              | \$86        | \$172      | \$290 |          |      |
|                 | c) 101-200 Heads   | \$32              | \$129       | \$258      | \$419 |          |      |
|                 | d) More Than 200 Heads (i + ii + iii)                                      |                   |             |            |       |          |      |
|                 | i) Base Fee for Up to 200 Heads  | \$32              | \$129       | \$258      | \$419 |          |      |
|                 | ii) Plus, Plan Review Fee  | \$0               | \$129       | \$0        | \$129 |          |      |
|                 | ii) Plus, Inspection Fee for Each Additional 200 Heads or Fraction Thereof | \$0               | \$0         | \$259      | \$259 |          |      |
| 14              | Fire Sprinkler System NFPA 13D or CRC                                      | \$32              | \$43        | \$86       | \$161 |          |      |
| 15              | Fire Sprinkler System NFPA 13R   |                   |             |            |       |          |      |
|                 | a) 1-50 Heads  | \$32              | \$43        | \$172      | \$247 |          |      |
|                 | b) 51-100 Heads  | \$32              | \$86        | \$172      | \$290 |          |      |
|                 | c) 101-200 Heads   | \$32              | \$129       | \$258      | \$419 |          |      |
|                 | d) More Than 200 Heads (i + ii + iii)                                      |                   |             |            |       |          |      |
|                 | i) Base Fee for Up to 200 Heads  | \$32              | \$129       | \$258      | \$419 |          |      |
|                 | ii) Plus, Plan Review Fee  | \$0               | \$129       | \$0        | \$129 |          |      |
|                 | ii) Plus, Inspection Fee for Each Additional 200 Heads or Fraction Thereof | \$0               | \$0         | \$259      | \$259 |          |      |

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Service Time      |             |            |       | Hourly Rate | Cost of Service   |             |            |       |       |         |
|--|-------------------|-------------|------------|-------|-------------|-------------------|-------------|------------|-------|-------|---------|
|  | Permit Processing | Plan Review | Inspection | Total |             | Permit Processing | Plan Review | Inspection | Total |       |         |
| 16 Fire Suppression Monitoring System  |                   |             |            |       |             |                   |             |            |       |       |         |
| a) 1 - 10 Devices  | 0.25              | 1.00        | 1.00       | 2.25  | x           | \$172             | =           | \$43       | \$172 | \$172 | \$387   |
| b) 11 - 50 Devices   | 0.25              | 1.00        | 2.00       | 3.25  | x           | \$172             | =           | \$43       | \$172 | \$344 | \$559   |
| c) 51 - 100 Devices  | 0.25              | 2.00        | 3.00       | 5.25  | x           | \$172             | =           | \$43       | \$344 | \$516 | \$903   |
| d) 101 - 200 Devices   | 0.25              | 3.00        | 4.00       | 7.25  | x           | \$172             | =           | \$43       | \$516 | \$688 | \$1,247 |
| e) More Than 200 Devices (i + ii + iii)                                      |                   |             |            |       |             |                   |             |            |       |       |         |
| i) Base Fee for Up to 200 Devices  | 0.25              | 3.00        | 4.00       | 7.25  | x           | \$172             | =           | \$43       | \$516 | \$688 | \$1,247 |
| ii) Plus, Plan Review Fee  |                   | 3.00        |            | 3.00  | x           | \$172             | =           | \$0        | \$516 | \$0   | \$516   |
| ii) Plus, Inspection Fee for Each Additional 100 Devices or Fraction Thereof |                   |             | 2.50       | 2.50  | x           | \$172             | =           | \$0        | \$0   | \$430 | \$430   |
| 17 Technology Fee (% of Permit Fee)  |                   |             |            |       |             |                   |             |            |       |       | 5%      |
| 18 Services Not Otherwise Listed or Services in Excess of Standard           |                   |             |            |       |             |                   |             |            |       |       |         |
| a) Plan Review   | 0.00              | 1.00        | 0.00       | 1.00  | x           | \$172             | =           | \$0        | \$172 | \$0   | \$172   |
| b) Inspection  | 0.00              | 0.00        | 1.00       | 1.00  | x           | \$172             | =           | \$0        | \$0   | \$172 | \$172   |

[a] The Chief Building Official shall have the authority to increase the fee in any individual case, not to exceed the actual cost to process the permit.

[b] The amount of the fees shall be adjusted annually, at the beginning of each calendar year, to account for inflation by using the Consumer Price Index (CPI) for the region closest to the City of Merced. In no event shall the fees in any year be less than in the preceding year.

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description  | Current Fee       |             |            |           |                       | Proposed Fee      |             |            |         |                        |
|--|-------------------|-------------|------------|-----------|-----------------------|-------------------|-------------|------------|---------|------------------------|
|  | Permit Processing | Plan Review | Inspection | Total     | Current Cost Recovery | Permit Processing | Plan Review | Inspection | Total   | Proposed Cost Recovery |
| 16 Fire Suppression Monitoring System  |                   |             |            |           |                       |                   |             |            |         |                        |
| a) 1 - 10 Devices  | \$10.75           | \$129.01    | \$129.01   | \$268.77  | 69%                   | \$43              | \$172       | \$172      | \$387   | 100%                   |
| b) 11 - 50 Devices   | \$10.75           | \$129.01    | \$258.02   | \$397.79  | 71%                   | \$43              | \$172       | \$344      | \$559   | 100%                   |
| c) 51 - 100 Devices  | \$10.75           | \$258.02    | \$387.03   | \$655.81  | 73%                   | \$43              | \$344       | \$516      | \$903   | 100%                   |
| d) 101 - 200 Devices   | \$10.75           | \$387.03    | \$516.05   | \$913.83  | 73%                   | \$43              | \$516       | \$688      | \$1,247 | 100%                   |
| e) More Than 200 Devices (i + ii + iii)                                      |                   |             |            |           |                       |                   |             |            |         |                        |
| i) Base Fee for Up to 200 Devices  | \$10.75           | \$387.03    | \$516.05   | \$913.83  | 73%                   | \$43              | \$516       | \$688      | \$1,247 | 100%                   |
| ii) Plus, Plan Review Fee  |                   | \$387.03    |            | \$387.03  | 75%                   | \$0               | \$516       | \$0        | \$516   | 100%                   |
| ii) Plus, Inspection Fee for Each Additional 100 Devices or Fraction Thereof |                   |             | \$309.22   | \$309.22  | 72%                   | \$0               | \$0         | \$430      | \$430   | 100%                   |
| 17 Technology Fee (% of Permit Fee)  |                   |             |            | n/a - new |                       |                   |             |            | 5%      | 94%                    |
| 18 Services Not Otherwise Listed or Services in Excess of Standard           |                   |             |            |           |                       |                   |             |            |         |                        |
| a) Plan Review   | \$0.00            | \$129.01    | \$0.00     | \$129.01  | 75%                   | \$0               | \$172       | \$0        | \$172   | 100%                   |
| b) Inspection  | \$0.00            | \$0.00      | \$129.01   | \$129.01  | 75%                   | \$0               | \$0         | \$172      | \$172   | 100%                   |

[a] The Chief Building Official shall have the authority to increase the fee in any individual case, not to exceed the actual cost to process the permit.

[b] The amount of the fees shall be adjusted annually, at the beginning of each calendar year, to account for inflation by using the Consumer Price Index (CPI) for the region closest to the City of Merced. In no event shall the fees in any year be less than in the preceding year.

City of Merced  
 User and Regulatory Fee Study  
 Fire Permit Fees  
 Cost of Service Calculation - At Fully-Burdened Hourly Rate

| Fee Description |  | Fee Change        |             |            |           | Unit               | Note |
|-----------------|--|-------------------|-------------|------------|-----------|--------------------|------|
|                 |  | Permit Processing | Plan Review | Inspection | Total     |                    |      |
| 16              | Fire Suppression Monitoring System   |                   |             |            |           |                    |      |
|                 | a) 1 - 10 Devices  | \$32              | \$43        | \$43       | \$118     |                    |      |
|                 | b) 11 - 50 Devices   | \$32              | \$43        | \$86       | \$161     |                    |      |
|                 | c) 51 - 100 Devices  | \$32              | \$86        | \$129      | \$247     |                    |      |
|                 | d) 101 - 200 Devices   | \$32              | \$129       | \$172      | \$333     |                    |      |
|                 | e) More Than 200 Devices (i + ii + iii)                                      |                   |             |            |           |                    |      |
|                 | i) Base Fee for Up to 200 Devices  | \$32              | \$129       | \$172      | \$333     |                    |      |
|                 | ii) Plus, Plan Review Fee  | \$0               | \$129       | \$0        | \$129     |                    |      |
|                 | ii) Plus, Inspection Fee for Each Additional 100 Devices or Fraction Thereof | \$0               | \$0         | \$121      | \$121     |                    |      |
| 17              | Technology Fee (% of Permit Fee)   |                   |             |            | n/a - new | % of permit fee    |      |
| 18              | Services Not Otherwise Listed or Services in Excess of Standard              |                   |             |            |           |                    |      |
|                 | a) Plan Review   | \$0               | \$43        | \$0        | \$43      | per hour, 1 hr min |      |
|                 | b) Inspection  | \$0               | \$0         | \$43       | \$43      | per hour, 1 hr min |      |

[a] The Chief Building Official shall have the authority to increase the fee in any individual case, not to exceed the actual cost to process the permit.

[b] The amount of the fees shall be adjusted annually, at the beginning of each calendar year, to account for inflation by using the Consumer Price Index (CPI) for the region closest to the City of Merced. In no event shall the fees in any year be less than in the preceding year.



**User and Regulatory Fees**

*Cost of Service Calculations*

*Development Specific Technology Enhancements / Land Management Tracking Fee*

City of Merced  
 User and Regulatory Fee Study  
 Cost of Service Calculation - Technology Enhancement Fee

**Estimated Expenditures**

| Description                        | Total            | Amortization /<br>Update Frequency | Annual Cost      | Note |
|------------------------------------|------------------|------------------------------------|------------------|------|
| Annual Software and Licensing      | \$50,000         | 1                                  | \$50,000         | [a]  |
| One Time Hardware Upgrades         | \$100,000        | 10                                 | \$10,000         | [a]  |
| One Time Implementation            | \$500,000        | 10                                 | \$50,000         | [a]  |
| Annual IT Labor/Consulting Support | \$50,000         | 1                                  | \$50,000         | [a]  |
| <b>Total</b>                       | <b>\$700,000</b> |                                    | <b>\$160,000</b> |      |

**Allocation Base**

| Description                | Total              | Note |
|----------------------------|--------------------|------|
| Construction Permits       | \$1,800,000        | [b]  |
| Encroachment Permits       | \$350,000          |      |
| Fire Permits               | \$409,309          |      |
| Planning Permits & Reviews | \$461,374          | [b]  |
| <b>Total</b>               | <b>\$3,020,683</b> |      |

**Calculation of Fee at Full Cost Recovery**

| Description                               | Total       |
|---|-------------|
| Annual Revenue Requirement                | \$160,000   |
| Permit Fees                               | \$3,020,683 |
| Technology Fee as a Percent of Permit Fee | 5%          |

**Cost Recovery Analysis**

| Description                | Current Fee | Fee at Full Cost<br>Recovery | Proposed Fee | Notes |
|----------------------------|-------------|------------------------------|--------------|-------|
| Technology Enhancement Fee | 0%          | 5%                           | 5%           |       |

| Description                | Current Revenue | Revenue at Full<br>Cost Recovery | Revenue at<br>Targeted Fee | GF Subsidy at<br>Current Fee | GF Subsidy at<br>Proposed Fee |
|----------------------------|-----------------|----------------------------------|----------------------------|------------------------------|-------------------------------|
| Technology Enhancement Fee | \$0             | \$160,000                        | \$151,034                  | \$160,000                    | \$8,966                       |
| Cost Recovery %            |                 |                                  | 94%                        |                              |                               |

[a] Useful life and ongoing licensing costs, and annual revenues estimated by ClearSource. Amounts are intended to represent reasonable estimates.

[b] Source: FY 25/26 adopted budget.



**User and Regulatory Fees**

*Cost of Service Calculations*

*General Plan/Zoning Code Update Fee*

**Estimated Expenditures**

| Description          | Total              | Amortization /<br>Update Frequency | Annual Cost      | Notes |
|----------------------|--------------------|------------------------------------|------------------|-------|
| General Plan Update  | \$2,000,000        | 20                                 | \$100,000        | [a]   |
| Housing Element      | \$200,000          | 4                                  | \$50,000         | [a]   |
| Zoning Code          | \$50,000           | 1                                  | \$50,000         | [a]   |
| In-House Maintenance | \$289,682          | 1                                  | \$289,682        | [a]   |
| <b>Total</b>         | <b>\$2,539,682</b> |                                    | <b>\$489,682</b> |       |

**Allocation Base**

| Description          | Total              | Note |
|----------------------|--------------------|------|
| Construction Permits | \$1,800,000        | [b]  |
| <b>Total</b>         | <b>\$1,800,000</b> |      |

**Calculation of Fee at Full Cost Recovery**

| Description  | Total       |
|--|-------------|
| Annual Revenue Requirement                         | \$489,682   |
| Permit Fees  | \$1,800,000 |
| General Plan Update Fee as a Percent of Permit Fee | 27%         |

**Cost Recovery Analysis**

| Description             | Current Fee | Fee at Full Cost<br>Recovery | Proposed Fee | Notes |
|-------------------------|-------------|------------------------------|--------------|-------|
| General Plan Update Fee | 0%          | 27%                          | 5%           |       |

| Description             | Current Revenue | Revenue at Full<br>Cost Recovery | Revenue at<br>Targeted Fee | GF Subsidy at<br>Current Fee | GF Subsidy at<br>Proposed Fee |
|-------------------------|-----------------|----------------------------------|----------------------------|------------------------------|-------------------------------|
| General Plan Update Fee | \$0             | \$489,682                        | \$ 90,000                  | \$ 489,682                   | \$399,682                     |
| Cost Recovery %         |                 |                                  | 18%                        |                              |                               |

[a] Source: Conservative estimates of update costs. Amounts will likely be higher.

[b] Source: FY 25/26 adopted budget.



**User and Regulatory Fees**

*Fiscal Impact of Proposed Fee Adjustments*

City of Merced  
 User and Regulatory Fee Study  
 Fiscal Impact Analysis of Proposed Fee Changes

Revenue Impact

| #                 | Account   | Description                    | FY 25/26<br>Adopted<br>Budget | Anticipated<br>Adjustment to<br>Revenues from<br>Fee Changes | Forecast After<br>Fee Changes | Revenue<br>Impact |
|-------------------|-----------|--------------------------------|-------------------------------|--|-------------------------------|-------------------|
| 1                 | 3000-5010 | Cannabis Application Fees      | \$ 56,833                     | 0%   | \$ 57,000                     | \$ 167            |
| 2                 | 3000-5010 | Cannabis Regulatory Fees       | \$ 83,649                     | 0%   | \$ 84,000                     | \$ 351            |
| 3                 | 3000-5010 | Annexations & Prezoning        | \$ 61,254                     | 0%   | \$ 61,000                     | \$ (254)          |
| 4                 | 3000-5010 | Application Filing Fees        | \$ 3,556                      | 25%  | \$ 4,000                      | \$ 444            |
| 5                 | 3000-5010 | Building Permit Plan Checking  | \$ 36,590                     | 25%  | \$ 46,000                     | \$ 9,410          |
| 6                 | 3000-5010 | Conditional Use Permits        | \$ 28,740                     | 50%  | \$ 43,000                     | \$ 14,260         |
| 7                 | 3000-5010 | Design Rev & Hist Pres Permits | \$ 1,238                      | 150%   | \$ 3,000                      | \$ 1,762          |
| 8                 | 3000-5010 | Env Imp Report (EIR) Mgmt Fee  | \$ 40,000                     | 0%   | \$ 40,000                     | \$ -              |
| 9                 | 3000-5010 | Env Rev-Cat Exempt/Neg Decl    | \$ 7,745                      | 100%   | \$ 15,000                     | \$ 7,255          |
| 10                | 3000-5010 | Env Rev-Mitigated Neg Decl     | \$ 15,454                     | 17%  | \$ 18,000                     | \$ 2,546          |
| 11                | 3000-5010 | General Plan Amendments        | \$ 18,604                     | 0%   | \$ 19,000                     | \$ 396            |
| 12                | 3000-5010 | Home Business Occupation Prmit | \$ 9,750                      | 150%   | \$ 24,000                     | \$ 14,250         |
| 13                | 3000-5010 | Minor Subdivisions             | \$ 11,124                     | 300%   | \$ 44,000                     | \$ 32,876         |
| 14                | 3000-5010 | Site Plan Review Permits       | \$ 21,321                     | 75%  | \$ 37,000                     | \$ 15,679         |
| 15                | 3000-5010 | Site Util Plan (SUP) Establ    | \$ 7,676                      | 65%  | \$ 13,000                     | \$ 5,324          |
| 16                | 3000-5010 | Site Util (SUP) Revisions      | \$ 3,078                      | 65%  | \$ 5,000                      | \$ 1,922          |
| 17                | 3000-5010 | Subdivision Maps-Tentative     | \$ 38,635                     | 80%  | \$ 70,000                     | \$ 31,365         |
| 18                | 3000-5010 | Zone Changes                   | \$ 10,792                     | 0%   | \$ 11,000                     | \$ 208            |
| 19                | 3000-5010 | Zoning Letters                 | \$ 1,160                      | 100%   | \$ 2,000                      | \$ 840            |
| 20                | 413303    | Encroachment Permits           | \$ 350,000                    | 50%  | \$ 525,000                    | \$ 175,000        |
| 21                | 415012    | Inspection Fees                | \$ 409,309                    | 25%  | \$ 512,000                    | \$ 102,691        |
| 22                | 415112    | Plan Checking Fees-Plans       | \$ 152,327                    | 50%  | \$ 228,000                    | \$ 75,673         |
| 23                | 431006    | Personnel Time Charged         | \$ 835,000                    | 0%   | \$ 835,000                    | \$ -              |
| 24                | 3000-5010 | Subdivision Maps-Final         | \$ -                          | 0%   | \$ -                          | \$ -              |
| 25                | 417001    | Sale of Plans, Maps, Ords&Pubs | \$ 2,000                      | 0%   | \$ 2,000                      | \$ -              |
| 26                | 3000-5010 | Strt Closure&Temp Encroachment | \$ 4,175                      | 0%   | \$ 4,000                      | \$ (175)          |
| 27                | 483000    | Interdept DSC-Dev Svcs         | \$ 182,919                    | 0%   | \$ 183,000                    | \$ 81             |
| 28                | 483001    | Interdept DSC-Strt&Lght Maint  | \$ 87,654                     | 0%   | \$ 88,000                     | \$ 346            |
| 29                | 486000    | Interdept DSC-WWtr System      | \$ 328,548                    | 0%   | \$ 329,000                    | \$ 452            |
| 30                | 486001    | Interdept DSC-Water System     | \$ 395,035                    | 0%   | \$ 395,000                    | \$ (35)           |
| 31                | 486002    | Interdept DSC-Refuse Ops       | \$ 25,922                     | 0%   | \$ 26,000                     | \$ 78             |
| 32                | 487000    | Interdept DSC-PublicWorks Adm  | \$ 3,409                      | 0%   | \$ 3,000                      | \$ (409)          |
| 33                | 3000-5010 | Construction Permits           | \$ 1,800,000                  | 19%  | \$ 2,142,000                  | \$ 342,000        |
| 34                | 3000-5010 | Plan Checking Fees-Plans       | \$ 640,000                    | 19%  | \$ 762,000                    | \$ 122,000        |
| 35                |           | Technology Fee                 | \$ -                          |  | \$ 113,000                    | \$ 113,000        |
| 36                |           | General Plan Update Fee        | \$ -                          |  | \$ 90,000                     | \$ 90,000         |
|                   |           |                                | \$ 5,673,497                  |  | \$ 6,833,000                  | \$ 1,159,503      |
| Fiscal Impact     |           |                                |                               |  |                               | \$ 1,150,000      |
| Percentage Change |           |                                |                               |  |                               | 20%               |