

#### IV. DEPOSITS AND FEES (EFFECTIVE JULY 1, 2024)

The following may or may not apply to your specific development, depending upon the type of application to the Planning, Building and Engineering Divisions, proximity of the property to existing street and utility improvements, or its possible inclusion in one of the local improvement districts in Milpitas. These deposits and fees are the most recent at the time of publication of this document and are subject to change. For guidance, contact the Land Development Section of the Engineering Division, at (408) 586-3329.

##### A. PLAN CHECK AND INSPECTION DEPOSITS

1. The plan check and inspection deposit shall be made into a private job account prior to any plan check or clearance for public improvement construction or permit issuance by the Engineering Division/ Building Division as appropriate. The previously established private job account will be utilized for plan check and inspection, provided the minimum balance is maintained. An estimate of the charges during public improvement construction is determined as follows:

FEE NAME	PROJECT TYPE EXAMPLES	FEE
Minor Encroachment Permit	Driveway approach, sidewalk, public water meter installation, soil boring, potholing, traffic control only, etc.	\$1,255 (Fee)

PLAN REVIEW	PROJECT TYPE EXAMPLES	INITIAL DEPOSIT TO A PJ ACCOUNT
Up to \$50,000 Construction Cost Estimate	Major development projects associated with planning or building permit applications.	\$5,864
\$50,001 - \$200,000		\$11,728
\$200,001 - \$500,000		\$17,591
Over \$500,001		\$23,455
INSPECTION		DEPOSIT TO A PJ ACCOUNT
Up to \$50,000 Construction Cost Estimate		\$5,864
Greater than \$50,000 Construction Cost Estimate		10% of Construction Cost Estimate
Automation Fee - % of Permit		3.80%

2. APPLICATION AND PLAN CHECK FEE

Applicants for projects (listed below) subject to approval by the City of Milpitas must pay the non-refundable application and plan check fee, as follows.

a. Application and plan check fees<sup>1</sup> as set forth by staff are required for:

1. Encroachment Permits (Small Projects are typically driveway replacement, sanitary sewer clean out, water meter, minor sidewalk repair, etc.):
  - Small Projects.....\$1,255
2. Lot Line Adjustment.....\$3,703<sup>2</sup>
3. Lot Combination/Merger.....\$3,703<sup>1</sup>
4. Vacation for Right-of-Way or Street/Alley Easements.....\$2,690
5. FEMA Flood Zone Designation Letter.....\$106
6. Engineering Research Fee.....\$230/hr
7. Permitting Automation Fee.....3.8% of total permit fee

3. PRIVATE JOB ACCOUNT PROCEDURE

Applicants for projects (listed below) subject to approval by the City of Milpitas must maintain a Private Job (PJ) account. This procedure is in addition to the usual non-refundable application fees for zoning and subdivision actions, encroachment permit, building and grading permit fees; as established by resolution of the City Council.

a. A PJ Account with an initial deposit as set forth by staff is required for:

1. Encroachment Permits (not Small Projects)
  - All Projects (not Small Projects) :.....Private Job Account
  - Certificate of Deposit Requirements: The City of Milpitas requires a cash deposit, bond or a Certificate of Deposit (CD) as a guarantee of work to be completed. The amount shall be equal to the value of the construction cost estimate. All CDs shall be made payable to the depositor with the City Of Milpitas listed as for the benefit of, it must be automatically renewable, CD must be submitted to the City of Milpitas with the permit application, CD must be drawn on a branch of the Bay Area financial institution, interest payments must be made to the depositor. The terms of CD shall be to the satisfaction of the City Engineer.

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<sup>1</sup> An Application and Plan Check Fee will be required for any permits without an open Private Job Account with the City.

<sup>2</sup> Fee includes Planning and Engineering review.

2. Permitting Automation Fee.....3.8% of total permit fee
3. Zoning Code Text Amendment
4. Annexations
5. Traffic Impact Assessment and Mitigation
6. Zone Change
7. Development Agreement
8. Development Agreement Amendment
9. General Plan Amendments
10. Planned Unit Development
11. Site Development Permits (S Zone: New multi-family or nonresidential building/site development, major building or site modifications to existing development, new hillside homes, building additions, minor building or site modifications, to existing development, and building & freestanding signs under 6 feet in height)
12. Planned Signage Program
13. Tentative Map or Final Map
14. Tentative Parcel Map, Parcel Map
15. Environmental Initial Study & Negative Declaration
16. Environmental Impact Report
17. Variance
18. Amendments/Modifications to Previous Approvals

b. The PJ Account System

In accordance with Milpitas Municipal Code (Title IV, Chapter 3) a PJ account shall be established and maintained by a developer (applicant) or agent for the purpose of securing the performance of any act or acts as may be required by an ordinance, resolution, agreement, or minute action by the Milpitas Planning Commission or City Council. All PJ accounts are established for permit fees to reflect 100% cost recovery for the services provided within the Planning and Public Works/Engineering Division. A minimum initial deposit amount will be established by staff and must be submitted with a Private Development Authorization application to establish a PJ Account prior to the commencement of work requiring the services of City Planning, Engineering, and Public Works personnel. Some planning applications.

The PJ funds are used for processing the applicant's project by the City at a rate based on the employee's adjusted hourly wage (for employee's labor & benefit expenses plus overhead charges by a factor of 1.55 to cover overhead charges). Also it may be necessary to utilize contract employees for inspection of your project or for other services. In that event, you will be charged no more than what you would have been charged for the City's Senior Public Works Inspector performed the Inspection. Any vender charges incurred are charged to the PJ account without an overhead charge. Public improvements on private development projects will require additional PJ deposits based upon the estimated cost of the work to be performed. This additional deposit will be required at the

plan checking stage and prior to execution of development agreements. Additional deposits will be required by the City when a \$2,000 or more deficit balance appears on the account report. Please be advised that City processing of private development projects will cease when a \$2,000 or more deficit balance accrues, until the requested deposit is submitted to the City.

**NOTE:** The applicant must notify the Engineering Division by letter if the PJ account is assigned to a new property owner / applicant and must also instruct the City to either (1) release rights of the PJ account to the new property owner, or (2) refund the surplus balance after the new property owner has made a required minimum deposit.

If you have any questions regarding this procedure or your PJ account status, please call (408) 586-3329.

**B. STREET FEES - PAYMENT IN LIEU OF IMPROVEMENTS**

1. Payment in lieu of improvements: The Developer shall construct street improvements per City Standards. If the City Council determines that improvement should be deferred, said payment shall be made for City's 100% recovery cost:
2. Reimbursement: If the City has acquired right-of-way and constructed improvements across a property frontage prior to development of the property, any subsequent Developer may be required to reimburse the City for its cost of right-of-way and construction. Right-of-way reimbursement to be based on actual cost to City and construction reimbursement to be based on the Resolution setting Cost of Improvement that was in effect at the time of the improvement or actual cost, if available.
3. Traffic impact fee: Contractor/Permitee shall pay the City of Milpitas a construction impact fees in the amount of \$400 per vehicle trip for roadways with PCI of 75 or better, a 10% reduction for road segments with PCI from 65-75, and 10% reduction of fee for decrease in PCI in increments of 10. The construction traffic impact fee is established for construction activity impacting City of Milpitas local roads. Applicant shall submit projected construction trips for the duration of the project for any vehicles that exceed three tons in gross weight traveling in any local roadway.

**C. SANITARY SEWER FEES**

Each developer shall design and install all sanitary sewers necessary to serve his development, sized in accordance with the City's Sewer Master Plan. In addition, the Developer is required to pay all sewer related fees including connection fees and treatment plant fees. Developer may receive reimbursement for excess cost under certain circumstances. Values used for reimbursement are set forth in Milpitas Sanitary Code (Ordinance 208). Key provisions of the ordinance are summarized below:

1. Sewer Connection fee:
  - a. Residential:
    - \$1,908 per single family residence (Single Family/Duplex)
    - \$1,406 per unit for multi-family developments
  - b. Non-residential:
    - \$8.52 per gallon of estimated average daily wastewater Discharge.
2. The Treatment Plant Fee (TPF) can constitute a significant portion of fees to be Collected by the City (part of Building Permit application). It is based on the amount & content of the sewage discharge. Estimates of TPF amounts can be determined by the following:

**Commercial-Industrial**

Electronic R&D, Assembly	\$0.63	per square foot		
Electronic Manufacturing	\$19.00	"	"	"
Laundromat	\$14.15	"	"	"
Motels	\$0.73	"	"	"
Office	\$0.35	"	"	"
Restaurant (Fast Food, Deli)	\$3.37	"	"	"
Restaurant (Full Service)	\$5.84	"	"	"
Retail commercial	\$0.25	"	"	"
Repair Shops, Service Station	\$1.74	"	"	"
Warehouse, storage	\$0.18	"	"	"

These fees are typical estimates only. Exact fees will be contingent upon specific sewage discharge and sewage strengths for the facilities. Further questions may be directed to the Utilities Section of the Engineering Division at (408) 586-3329.

**Note:** The treatment plant fee for commercial and industrial developments must be paid prior to building permit issuance. This fee is not applicable for project in the Transit Area Specific Plan.

### **Residential**

Single Family or Duplex - \$880 per dwelling unit

Multiple Family - \$690 per dwelling unit

Mobile Home Park - \$440 per dwelling unit/space.

**Note:** The treatment plant fee for residential development must be paid prior to final inspection (occupancy) by the Building Division.

## **D. WATER FEES**

Each Developer shall install all water mains necessary to serve his development, sized in accordance with the City's current Water Master Plan. In addition, the Developer is required to pay all water-related fees including connection fees and may receive reimbursement for excess cost under certain circumstances. The ordinance is summarized below:

1. Water Connection Fee:
  - a. Residential:
    - \$1,910 per single family residence (Single Family/Duplex)
    - \$1,164 per dwelling unit for multi-family developments
  - b. Non residential:
    - \$5.97 per gallon of estimated average daily water use.
2. A \$2,000 deposit shall be made to the City of Milpitas and a construction water meter shall be obtained for incidental water used during grading and roadway construction. Water meter shall be installed for incidental water

use during building (s) construction and pressure test of water line within the building (s);

3. A Water Service Agreement (Water Meter Connection Fee) shall be paid prior to building permit issuance. The City coordinates all connections to existing water lines. Refer to water requirement / specification for separate domestic water meter, irrigation meter and fire bypass meter per building/parcel/lot. All individual services will be installed by Developer after executing a Water Service Agreement. The Water Service Agreement includes payment based upon City's cost plus a \$184 per meter handling charge. City will set meters (2" and smaller) upon execution of the Water Service Agreement, payment of fee by Developer and inspection of the water service installation. Larger meters will be made available to the Developer's contractor for meter set upon satisfaction of the above conditions. On High-Density developments and Hard-to-Read locations or as required by the City Engineer a Remote read Transmission System will be required with the meters. Costs of meters are shown below:

a. Water Meter Prices (including meter handling charge):

Size	Type	Remote Read
Low Flow (Disc/Turbo)		
5/8"	\$227/-	\$205.68
3/4"	\$252/-	\$205.68
1"	\$333/-	\$205.68
1 ½"	\$509.50/\$782.00	\$205.68
2"	\$636/\$871.00	\$205.68
Irrigation		
3/4"	\$252.50 (Disc)	\$205.68
1"	\$333 (Disc)	\$205.68
1 ½"	\$782 (Turbo)	\$205.68
2"	\$871 (Turbo)	\$205.68
3"	\$1,006 (Turbo)	\$205.68
Recycled (Disc/Turbo)		
1 ½"	\$522.25 (Disc)	\$205.68

\$836.25(Turbo)

2"	\$698.75 (Disc) \$925.25 (Turbo)	\$404.86
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Type (Turbo/High Flow Compound)		
2"	\$871/\$1,896	\$404.86
3"	\$1,006/\$2,225.50	\$404.86
4"	\$1,380.50/\$3,310	\$404.86
6"	\$3,274/\$4,673.50	\$404.86
8"	\$3,627.50/\$6,770.25	\$404.86

**Note:** Backflow prevention devices, when required by City, must be supplied and installed by a licensed plumber at the expense of the Developer. All backflow prevention devices shall be tested after installation and certifications sent to the Utility Section of the Engineering Division. Water Meter charge subject to annual adjustment based on actual cost per Resolution No. 7940.

**E. STORM DRAINAGE CONNECTION FEE (EFFECTIVE 04/20/2024)**

Each Developer shall install all storm drains necessary to serve his development, sized in accordance with the City's current Storm Master Plan. In addition, the Developer is required to pay all storm-related fees including connection fees as set forth in ordinance 239.8. The ordinance is summarized below:

Storm Drainage Impact Fees			
	Milpitas Metro Specific Plan Area	Gateway-Main Street Specific Plan Area	Remaining Urban Service Area
Impact Fee per Runoff Acre	\$ 0.00	\$48,768.00	\$240,000.00
Impact Fee per 100 sf of Runoff Surface	\$0.00	\$112.00	\$551.00

**F. PARK SITE FEES**

Contact the Planning Division at (408) 586-3279 for specific details.

**G. OTHER FEES AND DEPOSITS**



1. The Developer is responsible for the cost of any and all mitigation measures recommended on the approved environmental reports or related documents which may evolve into a fee.
2. City time will be charged to the agency fund account for plan checking of any (amended) (re) assessment diagrams.
3. The City has no signing & striping fee. Traffic control devices, traffic signing and striping shall be installed by the Developer's contractor.
4. The City has no street tree fees. Residential projects require one tree per lot per street. Commercial projects require trees in street wells in conjunction with on-site landscaping. Industrial projects require appropriate lawn, ground cover, and street trees in City Street right-of-way in conjunction with on-site landscaping. The Developer furnishes and plants minimum 24" box size tree with a caliper of 2" measure 6" above root-ball per City Standard Drawings and **City approved Street Tree List**.
5. School Fees  
The School District collects the school impact fees and certifies to the City that they have been satisfied. If you have questions about the process and how it may or may not apply to your specific project, contact the Director of Business and Administrative Services, Milpitas Unified School District, at (408) 635-2600, Ext. 6022 attention Bessy Louie.

The foregoing fees and deposits relate directly or indirectly to the requirements of the Engineering Division. The Planning and Building Divisions, Finance Department and Fire Department also have various fee schedules which may or may not apply to your development and may be ascertained by contacting them. All fees and deposits administered by the Engineering Division must be paid prior to recordation of a final map or adoption (second reading) of a zone change or clearance for construction or prior to final inspection as appropriate.