

Understanding City Charges for Privately Engineered Projects



This fact sheet has been prepared by the City of Eugene Public Works Department to explain the charges related to City staff review and inspection of privately constructed public improvements. This fact sheet also contains information about the invoice sent by the Eugene Public Works Department and the billing statement sent by the City’s Administrative Services Department.

General Requirements

Most residential subdivisions and commercial developments in the Eugene area are built by private developers. These developments typically include public streets, wastewater facilities, storm drainage facilities, and other types of improvements that are privately engineered and constructed. The newly constructed public improvements are inspected and accepted by the City of Eugene and are maintained by the City’s Public Works Department. The engineering and construction of privately built public improvements must conform to requirements and regulations established by the Eugene City Code and the Public Works Department to ensure the new assets meet city standards and the needs of the community. These requirements and regulations are detailed in the City’s “Public Improvement Design Standards Manual.” The following are some of the requirements for privately constructed public improvements:

- ◆ The private developer must sign an [engineering and construction agreement](#) with the City of Eugene acknowledging that all applicable requirements and regulations will be followed. The developer also agrees to pay all fees and charges related to the design review and construction inspection of the project in conformance with section 7.130 of the municipal code.
- ◆ Privately engineered plans for public improvements must meet certain specifications for accuracy and completeness as outlined in the PIDS manual and section 7.140 of the municipal code. The plans must be reviewed and approved by the City before improvements are constructed.
- ◆ The City inspects all privately constructed public improvements. The developer or property owner must obtain final inspection approval before improvements can be transferred to the City for perpetual maintenance.

These agreements, reviews, and inspections ensure City standards are followed and quality improvements are constructed. This benefits the public by keeping tax supported maintenance costs as low as possible and ensures the improvement will last for many years.

Costs Associated with Review and Inspection of Privately Constructed Public Improvements:

Typically, the private developer hires a private engineer to do design work and a private contractor to install public improvements. The City of Eugene is not involved and assumes no responsibility for any payment arrangements between the private developer and the private engineer and/or contractor. The City of Eugene charges the private developer the cost of reviewing plans, testing, and inspecting the construction of privately engineered public improvements.

◆ **Testing Fees.** Testing fees are set by local testing laboratories and charged directly to the project based on the number of tests. Examples of tests include subgrade and backfill compaction, paving density, and concrete strength analysis. If a test does not yield an approved result, the material or application must be corrected, and retested, and additional fees are charged.

◆ **Plan Review and Inspection Fees.** The cost of reviewing construction plans and inspecting privately engineered public improvements is based on the actual amount of time spent by City staff. Public improvements may include wastewater, storm drainage, curb, gutter, pavement, and street lights. The City inspector is available from 7:00 am until 3:00 pm. If the developer’s contractor elects to work extended hours, weekends, or holidays, City charges to the developer shall include all City inspector overtime costs associated with an overtime inspection and normal travel time to and from the jobsite. Hourly rates are set by administrative order at the start of each fiscal year to recover the full cost of engineering services, including all overhead costs (as required by Section 7.130(1) of the Eugene City Code). For more information on fees, see Chapter 4 of the PIDS manual.

◆ **As-Constructs & Warranty Inspection Fees.** These fees are to directly recover the costs of reviewing as construct drawings and warranty inspections which include the 11-month inspection and additional warranty inspection responsibilities for stormwater facilities.

As-Constructs & Warranty Inspection Fees		
Small	Up to 25,000	\$500.00
Medium	50K-100K	\$1,000.00
Large	100K-500K	\$1,500.00
X-Large	>500k	.3% X Construction Costs

This fee will be charged to the project when the Public Improvement Permit is issued

Estimating Your Charges

Because each privately engineered and constructed improvement project is different, charges vary depending on the size of the project, the type and number of improvements, and the quality of the private engineering and construction. For a typical subdivision with street, wastewater collection, and storm drainage, actual City costs charged for private engineering and construction would be in these appropriate ranges:

Subdivision Size	Value	Charges
Small	>\$25,000	\$3000-\$5000
Medium	\$25,000-\$100,000	\$5,000-\$11,000
Large	\$100,000-\$250,000	\$7,000-\$15,000
X-Large	\$250,000-\$500,000	\$10,000-\$20,000
XX Large	\$500,000 >	2%-6% of development Cost

Typically, testing fees range from \$200 to \$2,000, depending on the number and type of tests being done. Remember, these estimates are for actual costs for the total project charges, not for a single month's billing.

Because plan review and inspection charges are based on hourly rates, the less time spent by City staff, the lower those charges will be. The following are examples of ways to keep your charges as low as possible:

- ◆ Submit accurate and complete private engineering plans for review by following guidelines in the manual.
- ◆ Follow all construction specifications and use approved materials and methods.
- ◆ Provide accurate information about the construction schedule to the City inspector to eliminate unnecessary trips to the construction site.
- ◆ Complete the project in a timely manner to avoid the need for reinspections and extended project administration services.
- ◆ As the owner/developer, be aware of the review comments made by the City, and personally observe work performed by the engineer and the contractor.

The Billing Process

The Public Works Engineering Division sends an invoice for engineering and inspection charges before the Finance Division sends a billing statement. The Public Works Engineering Division mails monthly invoices of project charges to the individual or company that signed the improvement agreement with the City. The invoice provides summary information on plan review and project administration fees, inspection and construction related activities, and lab testing charges. Testing fees are invoiced when the City receives a statement from the testing laboratory. All payments are due within 30 days of the date on the invoice.

Sample Invoice

Key:

1. Name and address of person or company being invoiced, city job number, project name, and period covered by invoice.
2. Date of invoice and invoice number.
3. Plan review summary (number of hours and total amount),
4. inspection summary (number of hours and total amount).
5. Testing fee (if applicable)

INVOICE	
2 Page: 1 Invoice No: PWP-00000 Invoice Date: 07/30/2007 Customer Number: 00000 Payment Terms: 30 Days Due Date: 08/9/2007	
AMOUNT DUE: 460.00 USD	
1 OWNER NAME/COMPANY NAME JOB # AND JOB NAME ADDRESS CITY, STATE ZIP	
Use: All	PO: Net Amount
3 1 Communications billing for the month of June 2007.	460.00
4 SUBTOTAL:	460.00
5 TOTAL AMOUNT DUE:	460.00
FOR QUESTIONS RE: RIGHT OF WAY PERMITS OR ANNUAL FEES, CALL CITY OF EUGENE AT 541-682-0000 / FOR QUESTIONS RE: EROSION PERMITS, CALL EROSION STAFF AT 541-682-0000.	
MAKE ALL CHECKS PAYABLE TO: City of Eugene Financial Services PO Box 1967 Eugene, OR 97440 541-682-5035	

The City shall not issue final a acceptance letter nor authorize release of the bond until all invoices are paid in full. The sample invoice illustrates how these charges are displayed.

If you have questions about your invoice call Public Works at the number below.

For More Information

If you have questions about plan review or inspection of privately engineered and constructed public improvements, private development standards call 541-682-5291. The PIDS manual is available online at www.eugene-or.gov/443/Public-Improvement-Design-Standards