



# WATER AGENCY

Proposed Municipal and Industrial Water Connection Fees  
for Calendar Year 2025

Zone 7 Finance Committee Meeting  
September 12, 2024

# Strategic Plan

## Goal G

Fiscal Responsibility:  
Operate the Agency in a  
fiscally responsible manner

## Initiative 24

Continue to effectively  
manage financial resources  
for the Agency

# Water Connection Fees - Background

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Zone 7 established the Municipal & Industrial (M&I) Connection Fee Program in 1972.

Per Board policy the fee is updated annually based on the Engineering News Record Construction Cost Index (Construction Cost Index) to keep current with inflation.

The last comprehensive connection fee study was completed in FY 2016-17. An update is underway and is planned for completion by Spring 2025.

In June 2023, the Board adopted the FY 2024-25 Five-Year Water System CIP (Resolution No. 23-50). The Five-Year Expansion CIP totals \$191M, which will be funded by water connection fee revenue. The upcoming 10-Year CIP will inform the connection fee study.

# Proposed CY 2025 Water Connection Fees

- Adjustment is based on the change in the Construction Cost Index from September 2023 to September 2024 of +1.1% for a standard 5/8-inch meter.

	<b>Current Fee</b>	<b>Proposed Fee</b>
Alameda County	\$34,530	\$34,910
Dougherty Valley	\$33,130	\$33,490

- With the Finance Committee’s concurrence, staff will bring forward this recommendation for adoption at the October Board meeting.



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Questions?