

**MEMORANDUM  
DEPARTMENT OF FACILITY SERVICES  
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **AUGUST 4, 2009**

From: *JD* **JAMES DURFEE / WILL DICKINSON** *W.D.*

Subject: **SEWER CONNECTION, ANNEXATION AND IN-LIEU FEE INCREASES**

**ACTION REQUESTED / RECOMMENDATION:**

1. Conduct a Public Hearing to receive public comment concerning proposed adjustments to Connection Fees, Annexation Fees and In-Lieu Fees as described in the attached Ordinance.
2. Adopt the attached Ordinance adjusting the fees.
3. Make a finding pursuant to Section 21080(b)(8), of the Public Resource Code, that the higher fees are derived directly from the cost of providing service and are necessary to meet operating expenses required for maintenance of service, and are therefore exempt from environmental review.

**BACKGROUND:** The County collects various fees in conjunction with the operation of public sewer systems, including connection, annexation and in-lieu fees. These fees were last adjusted in December 2006 to reflect costs as of October of that year. In order to account for inflation, Section 13.12.270 of the County Code requires adjusting these fees in accordance with the Construction Code Index produced in the Engineering News Record. This index increased by 8.4% from November 2006 to June 2009.

Pursuant to our Memorandum of Understanding with the South Placer Wastewater Authority (SPWA), we also collect and transmit regional connection fees from those districts that send wastewater to one of the two Roseville treatment plants. This applies to Sewer Maintenance District No. 2 (Granite Bay), CSA No. 28, Zone No. 2, A3 (Sunset/Whitney), and CSA No. 28, Zone No. 173 (Dry Creek). The SPWA raised their connection fees by 5.7% in 2007 and 1.5% in 2008. As of July 1, 2009, SPWA raised their connection fee by 5.8%, to \$6,247. In accordance with past practice, we also recommend raising SMD 3 (Auburn Folsom area) connection fees by the same amount in anticipation of sending wastewater from that district to the Roseville Treatment Plant within five years.

Additionally, for CSA No. 28, Zone 55 (Livoti) we collect and transmit regional connection fees to the Sacramento Regional County Sewer District (SRCSD). In 2008 the SRCSD raised the connection fee by 11.0%. They are not requesting an increase this year, but the County portion of the fee has not been increased since 2006. The chart shown in the attached Supplemental Background was developed to illustrate the proposed connection and annexation fee increases.

In order to adjust fees, your Board must conduct a Public Hearing, approve an Ordinance revision and make a finding that the higher fees are derived directly from the cost of providing service and are necessary to meet operating expenses required for maintenance of service.

**ENVIRONMENTAL CLEARANCE:** The proposed rate adjustments are considered exempt from environmental review, pursuant to Section 21080(b)(8), of the Public Resource Code, provided your Board adopts findings at the time the rates are approved that the rates are derived directly from the cost of providing service.

**FISCAL IMPACT:** The proposed increases in sewer connection fees, annexation fees and in-lieu fees will provide funds necessary for infrastructure associated with new connections. The revenue generated from these fees comes from new development, so the fiscal impact of these increases is entirely dependent on the amount of new development in the affected communities.

ATTACHMENTS: SUPPLEMENTAL BACKGROUND  
FEE ORDINANCE

JD:WD.KK

CC: COUNTY EXECUTIVE OFFICE

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**SEWER FEE ADJUSTMENTS  
 SUPPLEMENTAL BACKGROUND**

**Description of Fees**

Connection Fees are paid upon application for connection to the sewage system of a district. They provide funding for improvements needed to create additional capacity in the sewage collection and treatment system.

Annexation Fees are fees paid at the time property is annexed to a district for the privilege of utilizing the existing public sewer facilities that have been previously constructed, installed and paid for by other property owners within the district.

"in-lieu fee" means the amount paid by a property owner as reimbursement for the property owner's share of the cost of construction of a previously constructed collecting sewer system across the boundary frontage of a property that provides sewer service to the property.

**Recommended Fee Adjustments**

DISTRICT	SPWA CONNECTION FEE (per EDU)	DISTRICT CONNECTION FEE (per EDU)	ANNEXATION FEE (per acre)
<b>SMD 1 (North Auburn Area)</b>			
Existing	NA	\$ 7,170	\$ 5,500
Proposed		\$ 7,772	\$ 5,962
% increase		8.4%	8.4%
<b>SMD 2 (Granite Bay Area)</b>			
Existing	\$ 5,905	\$ 1,600	NA
Proposed	\$ 6,247	\$ 1,734	
% increase	5.8%	8.4%	
<b>SMD 3 (Auburn Folsom Rd.)</b>			
Existing	\$ 5,905	\$ 1,600	\$ 3,850
Proposed	\$ 6,247	\$ 1,734	\$ 4,173
% increase	5.8%	8.4%	8.4%
<b>CSA 2 (Sunset/Whitney)</b>			
Existing	\$ 5,905	\$ 1,600	\$ 168
Proposed	\$ 6,247	\$ 1,734	\$ 182
% increase	5.8%	8.4%	8.4%
<b>CSA 23 (Blue Canyon)</b>			
Existing	NA	\$ 3,820	NA
Proposed		\$ 4,141	
% increase		8.4%	
<b>CSA 173 (Dry Creek)</b>			
Existing	\$ 5,905	\$ 1,600	NA
Proposed	\$ 6,247	\$ 1,734	
% increase	5.8%	8.4%	

	<b>SACRAMENTO CONNECTION FEE (per EDU)</b>	<b>DISTRICT CONNECTION FEE (per EDU)</b>	<b>ANNEXATION FEE (per acre)</b>
<b>CSA 55 (Livoti)</b>			
Existing	\$9,950	\$650	NA
Proposed	\$9,950	\$705	
% increase	0%	8.4%	

# Before the Board of Supervisors County of Placer, State of California

In the matter of: AN ORDINANCE AMENDING  
SUBSECTION 13.12.350, and 13.12.360  
OF CHAPTER 13 OF THE PLACER  
COUNTY CODE RELATING TO CHARGES AND  
FEES FOR PLACER COUNTY SEWER MAINTENANCE  
DISTRICTS AND COUNTY SERVICE AREAS

Ord. No.: \_\_\_\_\_  
First Reading: \_\_\_\_\_

The following ORDINANCE was duly passed by the Board of Supervisors of the  
County of Placer at a regular meeting held \_\_\_\_\_, by the following vote  
on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chairman,  
Board of Supervisors

Attest:

\_\_\_\_\_  
Clerk of said Board

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THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF  
CALIFORNIA, DOES HEREBY ORDAIN THAT:

Section 1: Section 13.12.350 of Chapter 13 of the Placer County Code is hereby  
amended to read as follows:

**13.12.350 Fee schedules.**

- A. Sewer Maintenance District No. 1. The following schedule of charges and fees shall apply to property within Placer County sewer maintenance district No. 1 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedules set forth in subsections E and F of Section 13.12.240.

Sewer service charge	= \$82.00 per month per EDU.
Annexation fee	= <del>\$5,500.00</del> <b>\$5,962.00</b> per acre.
Sewer connection fee	= <del>\$7,170.00</del> <b>\$7,772.00</b> per EDU.

- B. Sewer Maintenance District No. 2. The following schedule of charges and fees shall apply to property within Placer County sewer maintenance district No. 2 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedule set forth in subsection H of Section 13.12.240.

Sewer service charge	= \$48.12 per month per EDU.
Annexation fee	= \$1,500.00 per acre.
Sewer connection fee	= <del>\$7,505.00</del> <b>\$7,981.00</b> per EDU.

- C. Sewer Maintenance District No. 3. The following schedule of charges and fees shall apply to property within Placer County sewer maintenance district No. 3 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedule set forth in subsections E and F of Section 13.12.240.

Sewer service charge	= \$105.40 per month per EDU. = \$111.72 per month per EDU.
Effective July 1, 2009 Effective July 1, 2010	
Annexation fee	= <del>\$3,850.00</del> <b>\$4,173.00</b> per acre.
Sewer connection fee	= <del>\$7,505.00</del> <b>\$7,981.00</b> per EDU.

- D. County Service Area No. 28, Zone No. 2, A3 (Sunset). The following schedule of charges and fees shall apply to property within county service area No. 28, Zone 2, A3 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedule set forth in subsection H of Section 13.12.240.

Sewer service charge	= \$33.06 per month per EDU.
Annexation fee	= <del>\$168.00</del> <b>\$182.00</b> per acre.
Sewer connection fee	= <del>\$7,505.00</del> <b>\$7,981.00</b> per EDU.

- E. County Service Area No. 28, Zone No. 6 (Sheridan). The following schedule of charges and fees shall apply to property within county service area No. 28, Zone 6 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedule set forth in subsections E and F of Section 13.12.240.

Sewer service charge	= \$64.58 per month per EDU. = \$77.50 per month per EDU. = \$89.12 per month per EDU.
Effective July 1, 2009	
Effective July 1, 2010	
Effective July 1, 2011	= \$89.12 per month per EDU.
Sewer connection fee	= \$1,700.00 per EDU.

Water service charge	
Effective July 1, 2009	= \$38.34 per month per EDU.
Effective July 1, 2010	= \$46.00 per month per EDU.
Effective July 1, 2011	= \$52.91 per month per EDU.

- F. County Service Area No. 28, Zone No. 23 (Blue Canyon). The following schedule of charges and fees shall apply to property within county service area No. 28, Zone 23 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedule set forth in subsections E and H of Section 13.12.240.

Sewer service charge	
Effective July 1, 2009	= \$43.20 per month per EDU.
Effective July 1, 2010	= \$51.84 per month per EDU.
Sewer connection fee	= <del>\$3,820.00</del> <b>\$4,141.00</b> per EDU.

- G. County Service Area No. 28, Zone No. 24 (Applegate). The following schedule of charges and fees shall apply to property within county service area No. 28, Zone 24 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedule set forth in subsection E and F of Section 13.12.240.

Sewer service charge	= \$82.00 per month per EDU.
Sewer connection fee	= \$1,500.00 per EDU.

- H. County Service Area No. 28, Zone No. 55 (Livoti). The following schedule of charges and fees shall apply to property within county service area No. 28, Zone 55 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedule set forth in subsection H of Section 13.12.240.

Sewer service charge	
Effective July 1, 2009	= \$36.80 per month per EDU.
Effective July 1, 2010	= \$38.64 per month per EDU.
Sewer connection fee	= <del>\$40,600.00</del> <b>\$10,655.00</b> per EDU.

- I. County Service Area No. 28, Zone No. 173 (Dry Creek Sewers). The following schedule of charges and fees shall apply to property within county service area No. 28, Zone No. 173 and are based upon a flow rate of one equivalent dwelling unit (EDU). Calculation of a charge and fee for a use that is billed at a rate other than one equivalent dwelling unit shall be based upon the schedule set forth in subsection (H) of Section 13.12.240.

Sewer service charge	= \$38.14 per month per EDU.
Sewer connection fee	= <del>\$7,505.00</del> <b>\$7,981.00</b> per EDU.

- J. Sewer connection fees charged pursuant to this section, as such fees may be changed from time to time shall be reduced by two hundred dollars (\$200.00) per EDU

effective November 8, 2011. The purpose of this reduction is to sunset the "shop fee" component of sewer connection fees enacted on September 9, 2003. (Ord. 5387-B § 1, 2005; Ord. 5353-B (part), 2005; Ord 5302-B § 1, 2004; Ord. 5258-B § 1, 2003; Ord. 5248-B § 1, 2003; Ord. 5157-B, 2002; Ord. 5156-B, 2002; Ord. 5120-B § 1, 2001; Ord. 5116-B § 1, 2001; Ord. 5059-B § 27, 2000; Ord. 4965-B § 1, 1999; prior code § 18.50)

**Section 2:** Section 13.12.360 of Chapter 13 of the Placer County Code is hereby amended to read as follows:

**13.12.360 In-lieu fees and fee schedule.**

A. For any property owner who is required to pay an in-lieu fee pursuant to Section 13.12.280(A), the in-lieu fee shall be ~~forty one dollars and fifty five cents (\$41.55)~~ **forty five dollars and four cents (\$45.04)** per foot of frontage; provided, however, if the parcel is an area specifically designated to be served by a low pressure style collection system, the in-lieu fee shall be ~~twenty dollars and seventy eight cents (\$20.78)~~ **twenty two dollars and fifty-three cents (\$22.53)** per foot of frontage.

B. For any property owner who is required to pay an in-lieu fee pursuant to Section 13.12.280(B), the in-lieu fee shall be:

1. When there is no reimbursement agreement in place which affects the property, the amount set forth in subsection A of this section.

2. Where there is a reimbursement agreement in place which concerns the collecting system sewer constructed on the property, the equitable amount of the actual construction costs, as determined by the county to be proportionate to the extent of the improvements constructed on the property.

C. For any property owner who is required to pay an additional in-lieu fee pursuant to Section 13.12.280(C), the additional in-lieu fee shall be an amount determined by the county to be proportionate to the benefit received from the construction of the improvements. Proportionality of benefit shall be determined on a case-by-case basis.

D. For good cause shown and upon application by the property owner, the county may modify the calculation of the in-lieu fee to be paid under this subsection D on a case-by-case basis in order to provide that the fee being charged properly reflects the share of the costs of the construction of the connecting system sewer or other improvements which is proportionate to the benefits received. (Ord. 5387-B § 2, 2005; Ord. 5258-B § 2, 2003; Ord. 5120-B § 2, 2001; Ord. 5059-B § 28, 2000)

**Section 3:**

This ordinance shall take effect and be in full force and effect thirty (30) days after its passage. The Clerk is directed to publish it within fifteen (15) days in accordance with Government Code Section 25124.