

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

To: **BOARD OF SUPERVISORS**

Date: **DECEMBER 5, 2006**

From: **JAMES DURFEE / WILL DICKINSON**

Subject: **FEE ADJUSTMENTS FOR PLACER COUNTY SEWER MAINTENANCE
DISTRICTS AND COUNTY SERVICE AREAS**

ACTIONS REQUESTED:

1. Conduct a Public Hearing to receive public comment concerning proposed adjustments to Connection Fees, Annexation Fees, In-Lieu Fees, and Annexation Processing 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 2005 to reflect costs as of September of that year. In order to account for inflation, Section 13.12.270 of the County Code requires adjusting these fees in accordance with an index produced in the Engineering News Record. This index increased by 4.86% in the last 13 months.

Pursuant to our Memorandum of Understanding with the City of Roseville, we also collect and transmit regional connection fees from those districts that send wastewater to the Roseville Treatment Plant. 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 City of Roseville raised their connection fees by 49% as of December 1, 2006. 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. The chart shown in the attached Supplemental Background was developed to illustrate the proposed connection and annexation fee increases.

Section 13.12.400 of the County Code requires adjusting the Annexation Processing Fee in accordance with the Consumer Price Index for All Urban Customers - California, which increased by 4.2% from August 2005 to August 2006.

In order to adjust fees, your Board must conduct a Public Hearing and approve an Ordinance revision. Also included in the proposed ordinance is a minor correction to Section 13.12.410 of the County Code. The existing section references the Roseville Code in effect on January 1, 2005, and the revision proposes to reflect the code in effect on December 1, 2006.

ENVIRONMENTAL IMPACT: 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. Increasing the Annexation Processing Fees will help cover inflationary impacts on administrative expenses.

ATTACHMENTS: SUPPLEMENTAL BACKGROUND
 FEE ORDINANCE

cc: COUNTY EXECUTIVE OFFICE

JD:WD:kk

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**SEWER FEE ADJUSTMENTS
SUPPLEMENTAL BACKGROUND**

Description of Fees

Connection Fees are the fees paid at the time an application is made for connection to the sewage system of a district to provide for the impact of the connection on the existing capacity of the sewage treatment facilities of the district.

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.

The Annexation Processing Fee is charged per proposed annexation into a sewer district.

This fee pays for the labor involved in checking and processing the legal description and the cost of conducting a public hearing.

Recommended Fee Adjustments

DISTRICT	ROSEVILLE CONNECTION FEE (per EDU)	DISTRICT CONNECTION FEE (per EDU)	ANNEXATION FEE (per acre)
SMD 1 (North Auburn Area)			
Existing	NA	\$ 6,839	\$ 5,243
Proposed		\$ 7,170	\$ 5,500
% increase		4.8%	4.9%
SMD 2 (Granite Bay Area)			
Existing	\$ 3,690	\$ 1,610	NA
Proposed	\$ 5,500	\$ 1,690	
% increase	49.0%	4.9%	
SMD 3 (Auburn Folsom Rd.)			
Existing	\$ 3,690	\$ 1,610	\$ 3,670
Proposed	\$ 5,500	\$ 1,690	\$ 3,850
% increase	49.0%	4.9%	4.9%
CSA 2 (Sunset/Whitney)			
Existing	\$ 3,690	\$ 1,610	\$ 160
Proposed	\$ 5,500	\$ 1,690	\$ 168
% increase	49.0%	4.9%	4.9%
CSA 23 (Blue Canyon)			
Existing	NA	\$ 3,647	NA
Proposed		\$ 3,820	
% increase CONNECTION FEE (per edu)		4.7%	
CSA 173 (Dry Creek)			
Existing	\$ 3,690	\$ 1,610	NA
Proposed	\$ 5,500	\$ 1,690	
% increase	49.0%	4.9%	

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

In the matter of: AN ORDINANCE AMENDING
SUBSECTION 13.12.350, 13.12.360, 13.12.390 AND
13.12.410 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: _____
Second 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.

Bill Santucci, Chairman
Board of Supervisors

Attest:

Clerk of said Board

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 D and F of Section 13.12.240.

Sewer service charge	= \$59.51 per month per EDU.
Annexation fee	= \$5,243.00 <u>\$5,500.00</u> per acre.
Sewer connection fee	= \$6,839.00 <u>\$7,170.00</u> 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	= \$44.15 per month per EDU.
Annexation fee	= \$1,500.00 per acre.
Sewer connection fee	= \$5,300.00 <u>\$7,190.00</u> 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 D and F of Section 13.12.240.

Sewer service charge	= \$74.76 per month per EDU.
Annexation fee	= \$3,670.00 <u>\$3,850.00</u> per acre.
Sewer connection fee	= \$5,300.00 <u>\$7,190.00</u> 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	= \$24.60 per month per EDU.
Annexation fee	= \$160.00 <u>\$168.00</u> per acre.
Sewer connection fee	= \$5,300.00 <u>\$7,190.00</u> 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 D and F of Section 13.12.240.

Sewer service charge	= \$33.60 per month per EDU.
Sewer connection fee	= \$1,700.00 per EDU.
Water service charge	= \$21.60 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 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 D and H of Section 13.12.240.

Sewer service charge = \$20.00 per month per EDU.
Sewer connection fee = ~~\$3,647.00~~ \$3,820.00 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 D and F of Section 13.12.240.

Sewer service charge = \$61.16 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 = \$29.21 per month per EDU.
Sewer connection fee = \$9,500.00 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 = \$29.34 per month per EDU.
Sewer connection fee = ~~\$5,300.00~~ \$7,190.00 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 ~~thirty-nine dollars and sixty-three cents (\$39.63)~~ **forty one dollars and fifty five cents (\$41.55)** 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 ~~nineteen dollars and eighty-two cents (\$19.82)~~ **twenty dollars and seventy eight cents (\$20.78)** 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: Section 13.12.390 of Chapter 13 of the Placer County Code is hereby amended to read as follows:

13.12.390 Annexation processing fee schedule.

The fee for processing an annexation request into any sewer maintenance district or county service area providing sewer service shall be as follows:

Annexation processing fee = ~~\$481.00~~ **\$500.00**

The fee shall be payable for each noncontiguous parcel being annexed and shall be payable upon application. (Ord. 5387-B § 5, 2005: Ord. 5258-B § 4, 2003: Ord 5121-B § 2, 2001: Ord. 5059-B § 32, 2000)

Section 4: Section 13.12.410 of Chapter 13 of the Placer County Code is hereby amended to read as follows:

13.12.410 Applicability of city of Roseville sewer regulations.

A. In addition to all regulations set forth in this chapter, each user of the county sewer system within Placer County sewer maintenance district No. 2, county service area No. 28, Zone No. 2,A3, county service area No. 28, Zone No. 55 and county service area No. 28, Zone No. 173 shall comply with the following regulations of the Roseville City Code in effect as of December 1, 2006, and which are adopted and incorporated into this chapter by reference:

1. Section 14.12.050, Use of Public Sewers;
2. Chapter 14.17, Recycled Water Service.

B. For the purposes of interpretation of this section and where the meaning so requires, the following terms shall apply to the foregoing provisions of the Roseville City Code:

1. "City" means the county of Placer.
2. "City council" means the board of supervisors of Placer County.
3. "Director" means the director of the county department having jurisdiction over sewer maintenance districts and county service areas within Placer County.

C. Where the regulations promulgated under this section are in conflict with any other provision of this chapter, the more restrictive shall apply.

D. Copies of the provisions of the Roseville City Code referenced in subsection B of this section shall be kept available for public inspection in the office of the clerk of the board of supervisors and the director. (Ord. 5387-B § 6, 2005; Ord. 5258-B § 5, 2003; Ord. 5059-B § 36, 2000)

Section 5:

This ordinance shall take effect and be in full force and effect sixty (60) days after its passage. The Clerk is directed to publish it within fifteen (15) days in accordance with Government Code Section 25124.