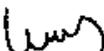


**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **AUGUST 28, 2007**

From: **J.D. JAMES DURFEE / WILL DICKINSON** 

Subject: **CONNECTION FEE INCREASES FOR SEWER DISTRICTS UTILIZING ROSEVILLE TREATMENT PLANTS**

ACTIONS REQUESTED:

1. Conduct a Public Hearing to receive comments concerning a proposed adjustment to the regional portion of the connection fee for SMD No. 2 (Granite Bay area), SMD No. 3 (Auburn Folsom area), County Service Area No. 28, Zone No. 2A3 (Sunset Whitney) and County Service Area No. 28, Zone No. 173 (Dry Creek).
2. Adopt the attached Ordinance adjusting connection fees enumerated in Section 13.12.350 of the Placer County Code.
3. Make a finding pursuant to Section 21080(b)(8), of the Public Resource Code, that the higher fee is derived directly from the cost of providing service and is necessary to meet operating expenses required for maintenance of service, and is therefore exempt from environmental review.

BACKGROUND: The current connection fee in SMD No. 2, SMD No. 3, CSA 2A3 and CSA 173 is \$7,190 per Equivalent Dwelling Unit (EDU). Pursuant to our Memorandum of Understanding with the City of Roseville, the current regional connection fee in the amount of \$5,500 is collected and transmitted from the districts that send wastewater to the Roseville Treatment Plants. The remaining \$1,690 is placed in Reserves to be used for capital improvement projects for the respective sewer district.

On July 2, 2007, staff received the attached notice that the City of Roseville increased their regional connection fee by \$315 effective July 1, 2007. Staff recommends that the \$315 increase be passed directly through, increasing the connection fee in SMD No. 2 and the Dry Creek and Sunset Whitney sewer districts to \$7,505 per EDU. In accordance with past practice, we also recommend raising SMD 3 connection fees by the same amount in anticipation of sending wastewater from that district to the Roseville Treatment Plant within 3-5 years. This action will allow the SMDs and CSAs to continue to contribute to Reserves for future projects needed to accommodate growth in the system.

In order to adjust the fee, your Board must conduct a Public Hearing and approve an Ordinance implementing an ordinance change.

ENVIRONMENTAL IMPACT: The proposed rate adjustment is considered exempt from environmental review, pursuant to Section 21080(b)(8) of the Public Resource Code, provided your Board adopts the recommended findings specified in "Action Requested".

FISCAL IMPACT: Approval of the fee adjustment will result in additional revenues sufficient to offset the additional \$315 per EDU charged by the City of Roseville for new connections.

JD/WD/KK:kk

ATTACHMENT: FEE INCREASE LETTER FROM CITY OF ROSEVILLE
ORDINANCE ADJUSTING FEES

cc: County Executive Office

T/FAC/BSMEMO2007/SD-Ravi regional conn fee increase 07-08.DOC



GENERAL INFORMATION MEMORANDUM

TO: Mayor Jim Gray and Members of the City Council
FROM: Derrick H. Whitehead, Environmental Utilities Director *DHW*
PREPARED BY: Janet L. Vargas, Administrative Analyst II
DATE: June 19, 2007
SUBJECT: Increased Connection Fees for Water and Wastewater

Purpose

The purpose of this memorandum is to inform members of the City Council of annual connection fee increases. Roseville Municipal Code provides for the increase of water, wastewater, and special benefit area connection fees based on the Engineering News Record – Construction Cost Index (CCI).

Summary

The City developed a factor to best represent local cost increases and started using this annual fee escalation around 1989/90. It is based on changing costs across the country, and, more specifically, the twenty cities and San Francisco cost indexes that most accurately reflect the Sacramento Region's changing costs. To calculate the annual increase, the CCI for twenty cities and for San Francisco are averaged and applied to prior year fees. The factor used for 2007 is approximately 1.05715 and the fee is rounded up to the nearest \$5. This standard method of fee escalation is used city wide and by many other jurisdictions with the region.

The following table outlines the fee increases. Calculated fees are based on either number of units or parcel size.

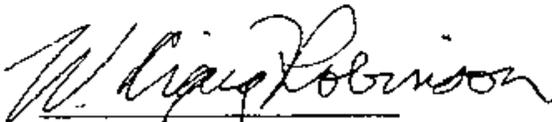
Water	July 2006	July 2007 (new)
Connection Fee (per unit)	4,420.00	4,675.00
Special Benefit Area Fees:		
Water Pressure Zone 2	Based on water demand (a)	
Water Pressure Zone 4	Based on water demand (a)	
North Roseville Urban Reserve Waterline	Based on water demand (a)	
North Industrial Waterline	Based on water demand (a)	
Doctor's Ranch (per unit)	793.17	838.50
Foothills Business Park (per parcel)	26,116.22	27,608.95
WRSP Water Meter Retrofit (per unit)	125.00	135.00

<u>Wastewater</u>	<u>July 2006</u>	<u>July 2007 (new)</u>
Regional Connection Fee (per unit)	5,500.00	5,815.00
Local Connection Fee (per unit)	285.00	305.00
<u>Special Benefit Area Fees:</u>		
SSBA3 (per unit)	380.00	405.00
SSBA4 (per unit)	3,945.00	4,175.00

(a) When the fees were first established in each of these special benefit areas, the estimated project costs were based upon estimated parcel water demand at that time. For example, in Pressure Zone 4, the estimated cost of the pump station was allocated to parcels based on the average day water demand. In this example, the average day water demand for parcel 5 was 49,400 gallons. Based on an estimated cost of \$.2944 per gallon for the entire zone, the fee for parcel 5 was calculated at \$14,543. This fee and all fees in all of the special benefit areas were increased annually by the fee escalation factor.

The above fees will become effective on July 1, 2007. If you have any questions, please feel free to give me a call.

APPROVED:



W. Craig Robinson
City Manager

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

**In the matter of: AN ORDINANCE AMENDING
SECTION 13.12.350 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.

Chairman, Board of Supervisors

Attest:

Clerk of said Board

**THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES
HEREBY ORDAIN as follows:**

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.

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	= \$7,190.00 \$7,505.00 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	= \$99.43 per month per EDU.
Annexation fee	= \$3,850.00 per acre.
Sewer connection fee	= \$7,190.00 \$7,505.00 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	= \$29.52 per month per EDU.
Annexation fee	= \$168.00 per acre.
Sewer connection fee	= \$7,190.00 \$7,505.00 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	= \$38.14 per month per EDU.
Sewer connection fee	= \$7,190.00 \$7,505.00 per EDU.

AVAILABLE FOR REVIEW
Not an attachment

NOTICE OF PUBLIC HEARING
PLACER COUNTY BOARD OF SUPERVISORS

WHERE: Board of Supervisors Hearing Room,
175 Fulweiler Avenue,
Auburn, CA 95603

WHEN: Tuesday, August 28, 2007 – 9:30 AM

SUBJECT: Public hearing to consider sewer connection fee increases for Placer County Sewer Maintenance District No. 2 and No. 3, plus County Service Area No. 28, Zones No. 2A3 and No. 173.

The Board of Supervisors will consider adoption of an ordinance amending Chapter 13 of the County Code increasing connection fees for Placer County Sewer Maintenance District No. 2 (Granite Bay), SMD No.3 (Folsom Lake at Horseshoe Bar Rd.), County Service Area No. 28, Zone No. 2,A3 (Sunset Whitney) and Zone #173 (Dry Creek).

Interested persons are invited to attend the hearing or submit their written comments to the Clerk of the Board of Supervisors, 175 Fulweiler Avenue, Room 101, Auburn, CA 95603 prior to the hearing date.

Ann Holman
Clerk of the Board of Supervisors

T:\fac\specdist(new)\2701\AllDistricts