



Sewer Participation Charge Nexus Study

South Placer Municipal Utility District

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ORGANIZATION OF THIS NEXUS STUDY

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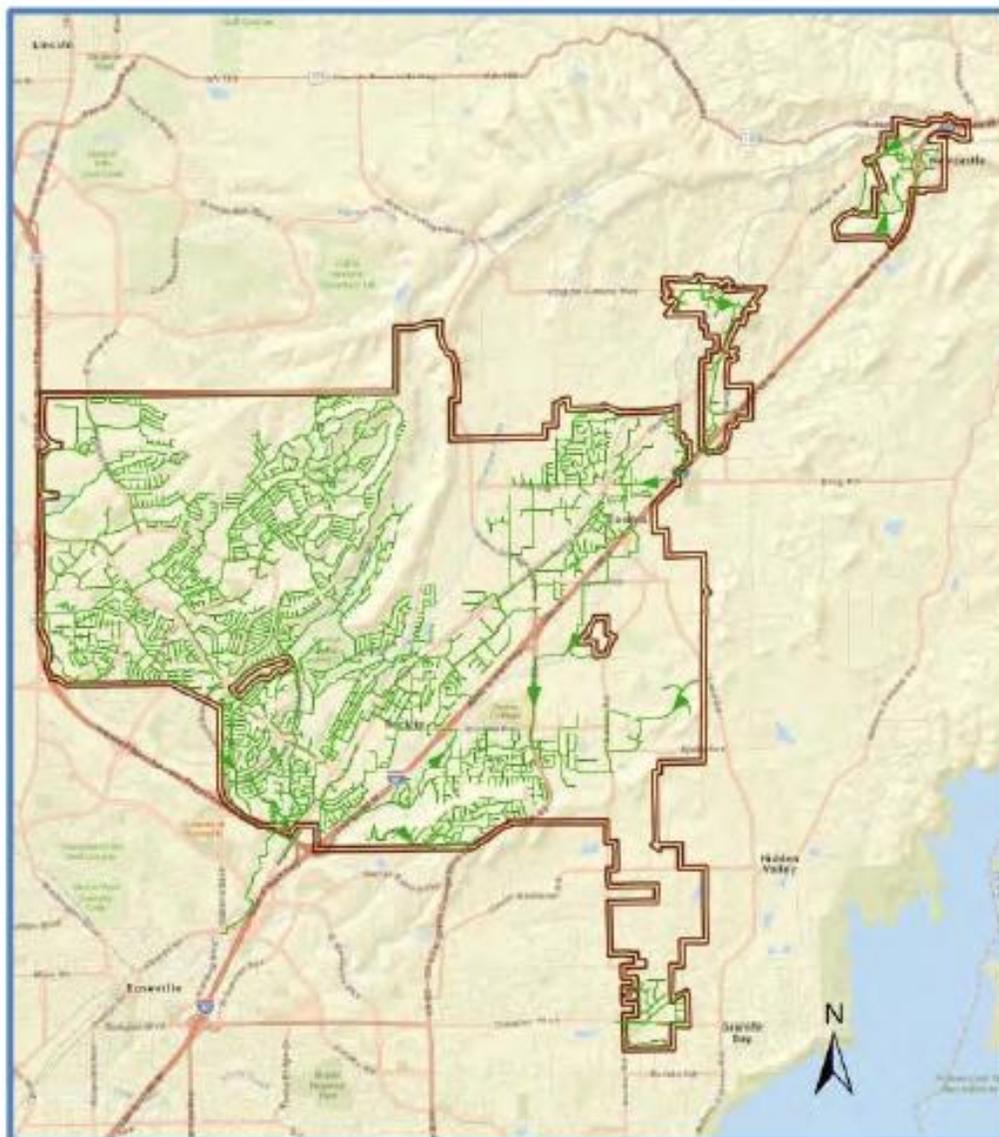
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SECTION I: INTRODUCTION

Background

South Placer Municipal Utility District (District) serves the communities of Rocklin, Loomis, Penryn, Newcastle, and portions of Granite Bay and unincorporated Placer County. The District owns, operates, and maintains a collection system, which consists of approximately 250 miles of mainline pipe (ranging from 4-inch to 42-inches in diameter), over 5000 manholes, thirteen lift stations, and ten permanent flow monitoring stations. Figure 1, shows a map of the District service area as well as the area evaluated with the hydraulic model as part of the Wastewater Collection System Evaluation and Capacity Assurance Plan (SECAP), included as Appendix A.

Figure 1 – South Placer Municipal Utility District Service Area Map



The purpose of the SECAP is to provide the District guidance in its efforts to assure capacity for existing customers and information on how to prepare and plan for future development. This document summarizes the District's compliance with provision D.13.viii – System Evaluation and Capacity Assurance Plan of the California State Water Resources Control Board (SWRCB) Order No. 2006-0003-DWQ, the Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (SSS WDR). It is included by reference to the District's Sewer System Management Plan (SSMP); is reviewed annually; and is updated as deemed necessary by District staff (at minimum every five years) to account for conditions affecting collection system capacity. The evaluation summarized herein utilized previous District master planning efforts as its foundation, but the results stand alone as the District's current SECAP and 5-year planning document related to capacity.

The SECAP area coincides with the study area identified in the South Placer Municipal Utility District Wastewater Collection System Master Plan (2009) and the District's urban growth area (UGA) identified in the South Placer Regional Wastewater and Recycled Water Systems Evaluation Updated Final Report (2009), which evaluated the combined systems of the regional partners discharging to the two regional wastewater treatment plants. It is important to note that the areas evaluated are the same, since one of the objectives of the SECAP is to build off of those previous planning studies to maintain consistency of analysis but replace the results with updated model simulation results.

Figure 1 also shows the areas that were not included in the SECAP and thus were not evaluated with the hydraulic model. The Rodgersdale community was not included in the hydraulic model for the same reasons it was not evaluated in the 2009 master plan (i.e., the entire community is built out with no room for future development and according to District records, there are no existing capacity related issues). Additionally, the District sphere of influence (SOI), which represents the full extent of the District's potential service range, was not included in the hydraulic model. This is consistent with the foundational assumptions related to growth potential made in the previous hydraulic evaluations (i.e. the extension of the collection system into this area is not likely based on current planning projections, even under long-term scenarios.)

The City of Rocklin and Town of Loomis are located in Placer County approximately 20 miles northeast of Sacramento, along Interstate 80. Increased population and employment in Rocklin and Loomis will lead to increased demand on public infrastructure and services and will ultimately impact infrastructure and the facilities required to provide such services. Where backbone infrastructure and capital facilities are inadequate, permitting development is contrary to the responsibility of local government to protect the public's health, safety, and welfare. Consequently, the District has planned for the construction of backbone infrastructure and capital facilities that will adequately serve its existing areas as well as its future development.

Purpose of Study

New backbone infrastructure and capital facilities will be required to meet the demands of

future development within the District's Service Area Boundaries, in addition to upsizing existing trunk sewers. The District has decided to implement a development impact fee program¹ for these sewer projects and collect fee revenues as development occurs to pay for the system expansion.

The Fee Program is compliant with the regulations set forth in the Mitigation Fee Act (also commonly referred to as AB 1600) and ensures that a rational nexus exists between future development area, and: 1) the use and need of the proposed infrastructure; and 2) the amount of the fee assigned to future development. This Nexus Study demonstrates that a reasonable relationship exists between the fee to be levied on each type of land use and the cost of the facilities attributable to that land use.

Impact Fee Nexus Requirements (AB1600)

Assembly Bill (AB) 1600, which was enacted by the State of California in 1987, created the Mitigation Fee Act – Section 66000 et seq. of the Government Code. The Mitigation Fee Act requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of approval of a development project:

1. Identify the purpose of the fee.
2. Identify the use to which the fee is to be put.
3. Determine how there is a reasonable relationship between:
4. The fee's use and the type of development project on which the fee is imposed.
5. The need for the public facility and the type of development project on which the fee is imposed.
6. The amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

As stated above, the purpose of this Nexus Study is to demonstrate that the proposed sewer project fee complies with the Mitigation Fee Act. The assumptions, methodologies, facility standards, costs, and cost allocation factors that were used to establish the nexus between the fees and the development on which the fees will be levied are summarized in subsequent sections of this study.

¹ For the purposes of this study, any use of the terms Fee, Fee Program, Connection Fee or Development Impact Fee, relates to the Sewer Participation Charge as contained in Section 3 of SPMUD Sewer Use Ordinance No. 09-02.

SECTION II: FEE (CHARGE) METHODOLOGY

When development impact fees are calculated, an analysis must be presented in enough detail to demonstrate that a logical, thorough consideration was applied in the process of determining how the fees relate to the impacts from new development. Findings must be made to ensure that there is a reasonable relationship between the fee and the development on which the impact fee will be levied. There are several generally accepted methods of determining impact fees for future development. Following is a discussion of the method used in this study to calculate the individual fees in the Fee Program.

The plan-based fee methodology utilized in this study is typically applied to infrastructure and capital facilities that must be designed based on future demand projections and/or the geographic location of anticipated growth. For example, the need for transportation improvements depends specifically on the future area that will be served. An analysis of existing facilities, geographic constraints, and current levels of service must be completed in order to identify future facility needs. This information is analyzed in conjunction with a projection of the amount and location of future development in order to determine the adequacy of existing facilities and the demand for new improvements that will be required.

The steps to calculate an impact fee under the plan-based fee methodology include the following:

Step 1 - Determine the future development anticipated to generate demand for new or upgraded infrastructure.

Step 2 - Identify the facilities needed to serve the anticipated growth and determine the cost of these facilities.

Step 3 - Subtract expected revenues that will be available from alternative funding sources, if any, to determine the net facilities cost that will be allocated to future development.

Step 4 - Select the applicable equivalent dwelling unit (EDU) factor that will be used to allocate facilities costs based on a reasonable relationship basis; apply EDU factors to each of the land uses based on their expected level of service demand.

Step 5 - Calculate the total EDUs that will be generated from future development for all land use categories by multiplying each land use type by its EDU factor and taking the sum of the EDUs.

Step 6 - Divide the total EDUs for each land use category by the total EDUs for all future land uses to determine each land use's percentage share of the total EDUs.

Step 7 - Multiply each land use's percentage share of the total EDUs by the applicable infrastructure or facilities cost to determine the cost attributable to each land use

category.

Step 8 - Divide the cost attributable to each land use category by the quantity (i.e., dwelling units or building square feet) of each land use type to determine the fee for each residential or non-residential land use category.

SECTION III: LAND USES AND EDUs

The Mitigation Fee Act requires that a reasonable relationship exists between the need for public facilities and the type of development on which an impact fee is imposed. The need for public facilities is related to the level of service demanded, which usually varies in proportion to the number of residents or employees generated by a particular land use type. Therefore, land use categories have been defined in order to distinguish between relative impacts on the proposed sewer infrastructure. Fees in the Fee Program have been calculated on an equivalent dwelling unit basis for residential land use categories and per 1,000 square feet of building space for non-residential land use categories. For a more detailed breakdown of EDU determine by land use and customer type please consult Appendix B or the District's Sewer use Ordinance 09-02.

The District applies a number of equivalent dwelling units (EDUs) to its customers as they connect to the collection system in accordance with the current District Ordinance. An EDU is a unit of measure that standardizes all land use types and represents a unit of flow (gallons per day), at a certain wastewater strength, from a single family residential unit. As an example how this could be applied to other types of land uses, a small business designed to discharge three times as much water as an average single-detached dwelling would be assigned three EDUs.

The number of EDUs for each customer was used to calculate flows from each parcel into the collection system. To maintain a foundational capacity evaluation criteria consistent with previous planning studies, 190 gpd/EDU was applied as the unit generation factor throughout all model simulations.

Existing Development

The parcels connected to the existing collection system and the usage type of each parcel were identified using District records. Three main categories for usage type were applied in the model (i.e., residential, commercial, and school). Diurnal patterns were developed for each of the usage types and applied to the flows generated from each parcel.

Model results from the existing dry weather simulation were used to compare against the recorded flow monitoring data to calibrate the model. This is a crucial step to assure that the model results accurately reflect the amount of flow observed in the system. The assumed flowrate per EDU used in the model matched well with the dry weather flows recorded by the flow monitors.

Near-Term Development

Parcels that are anticipated to be developed in the near-term were identified and assigned EDUs. The basis for identifying Near-Term Developments was the foundational research developed and presented in the 2009 master plan. The following sources for future land use were identified in the 2009 master plan and these remain applicable for the SECAP.

- City of Rocklin Draft General Plan Update (Quad Knopf, Inc., March 2005)
- Town of Loomis General Plan (Crawford Multari & Clark Associates, July 2001)

- Placer County General Plan (Placer County, August 1994)
- Horseshoe Bar / Penryn Community Plan (August 1994)
- Granite Bay Community Plan (May 1989)

The rate of development since the 2009 master plan has slowed dramatically due to the economic downturn that is generally agreed to have really hit the development community in late 2008. Most of the near-term developments that were identified in the 2009 master plan were anticipated to be in service by the year 2020, yet much of this development has yet to be constructed and only recently started to have potential to move forward out of planning and into construction. For this reason, the near-term developments from the 2009 master plan were carried forward into this near-term scenario for the SECAP (i.e. by the year 2030). The assigned near-term EDUs were used to calculate the hydraulic loading of the system for near-term scenarios.

Long-Term Development – Ultimate Build-Out (UBO)

The long-term hydraulic loading of the model was completed by including all of the developable parcels within the Urban Growth Area (UGA). This scenario models all parcels as contributing to the collection system and thus represents the ultimate build out (UBO) of the UGA. The general plans referenced above, along with Placer County zoning information were used to determine the use and assumed hydraulic loading of long-term developments.

Additionally, the general plan for downtown Rocklin identifies a densification of the area during future development. The densification resulted in an increase in the number of EDUs in the area and thus an increase in the calculated hydraulic loading to the system. Many of the parcels designated as connecting to the collection system under the long-term (UBO) scenario are located in rural areas of the UGA. Many of the parcels currently contain residences that have individual septic systems and are located on large areas of land. Because of the lack of detailed data about potential for densification of these parcels (to a level consistent with the currently approved general planning documents) as part of future development plans, it is difficult to definitively determine the eventual loading onto the system. To investigate the potential range of flows entering the collection system under the long-term (UBO) conditions, two scenarios were developed to investigate the upper and lower bound of anticipated Long-Term hydraulic loadings.

The **Long-Term Lower Bound** assumed that parcels that currently contain residences or businesses will not develop (e.g., subdivide) in the future. Those residences/businesses will abandon their individual septic systems and connect to the District collection system when the District expands service into those areas. Currently vacant or undeveloped parcels were assumed to develop according to the Placer County zoning requirements regarding minimum parcel size to determine the future hydraulic loading. For the purposes of quantifying future improvement costs, the lower bound scenario best represents the current potential for growth within the UGA.

As part of the District's periodic SECAP updates, this assumption will be evaluated and modifications made as necessary to match growth planning data available at such time.

The **Long-Term Upper Bound** assumed that all parcels not currently served by the District’s collection system will subdivide and/or develop according to the Placer County zoning requirements for minimum parcel size. This scenario may be unrealistic since many parcels that currently have residences will never subdivide. However, this upper bound represents the theoretical maximum hydraulic loading on the collection system within the UGA. The results from this upper bound scenario were not used as a basis for determining future improvement costs.

The results of the Long-Term upper bound scenario were retained as a source for comparison against the lower bound results. For example, the required upsize in pipe diameter to accommodate the upper bound flow may only be one pipe size larger than the required upsize to accommodate the lower bound flow. Construction of the larger diameter pipe may add only a small amount to the project cost while providing the capacity for the ultimate potential development. The District retains the right to require the larger of the two pipe sizes be built based on growth and development data available at the time the individual projects are submitted and approved.

The total EDUs for each scenario and their associated average dry weather flow are show in Table 1.

Table 1 – Summary of EDUs and ADWF by Modeled Growth Scenario

Sewer Trunk	Total EDUs	Additional EDUs from Existing	Total ASWF EDUx190 GPD/EDU (MGD)
Existing (2014)	30,696		5.8
Near Term (2030)	39,964	9,268	7.6
Long-Term Lower Bound (2060)	49,285	18,589	9.4
Long-Term Upper Bound (2060)	57,620	26,924	10.9

SECTION IV: TRUNK SEWER EXPANSION COSTS

The District utilized the results of this SECAP to identify, quantify and prioritize the recommended Capital Improvement Projects (CIPs) and the associated impacts on services charges to existing customers to rectify existing capacity deficiencies and participation charges to build capacity to serve future developments. These CIPs were established and prioritized to develop a schedule of completion for the planned capital improvements projects. The schedule for planning, design and construction of the identified improvements shall be based on the District's analysis of risk of failure, actual pace of development, and location. CIPs relieving existing system deficiencies are the highest priority improvements, while CIPs related to future development shall be addressed by the District in coordination with submitted, approved, and constructed developments.

Project Cost Assumptions

The identified CIPs are consistent with much of the foundational sizing, slope and alignment that was identified in previous planning studies. For all proposed improvements, the capital cost estimates were built off of previous estimates but updated to current construction costs. As such, a value of \$20 per inch/diameter-foot was used to estimate construction costs for the proposed improvements (2014 Dollars with an ENR 20 Cities Construction Cost Index of 9664). Additionally, a 30% planning contingency was applied to the construction costs and an additional 10% was used to account for the engineering design and administration costs. These values are consistent with percentages used to quantify costs in foundational planning work. All costs are rounded to the nearest \$10,000. These planning costs are used to define the District's short-term (5-year) and long-term financial liabilities related to capacity improvements. The District intends to maintain this method of generating project costs so that the potential impact on charges levied by the District can be evaluated by comparing the periodic SECAP updates and refining services and participation charges to fund CIPs associated with existing customers and future development customers.

Mitigation CIPs

Growth potential in the Loomis Basin is included in near-term scenario. Some of the CIPs required to serve this growth also provide relief of the existing condition capacity deficiencies. To take advantage of the cost efficiencies associated with accelerating the construction of these projects to mitigate existing capacity deficiencies as well as provide service for the proposed development, the District has planned a number of projects to mitigate the capacity deficiencies for existing and future users in the trunk sewers through the Loomis basin. The Sierra College Lift Station was one of the mitigation projects identified in previous planning studies and was completed in 2013. Table 2 contains a list of the remaining projected mitigation projects and their associated costs. This SECAP assumed that these mitigation improvement projects would be constructed to convey flows from near-term and long-term development, in lieu of constructing the identified existing condition CIPs. The mitigation improvement projects are displayed in all of the near-term and long-term figures in the SECAP, Appendix A.

Table 2 - Summary of Mitigation Infrastructure

Sewer Trunk	Existing Diameter(s)	Proposed Diameter(s)	Length (LF)	Cost (\$)
Boyington Diversion	-	12"	3,480	840,000
Lower Loomis Div. A	-	15"	4,710	1,420,000
Lower Loomis Div. B	-	18"	5,320	1,920,000
Contingency (30%)				1,260,000
Subtotal – Construction Costs				5,440,000
Design/Administration (10%)				550,000
Total Capital Costs				5,990,000

Near-Term CIPs

The improvement projects listed in Table 3 were developed to address the near-term wet weather capacity deficiencies described in the SECAP, Appendix A.

Table 3 - Summary of Near-Term System Improvements

Sewer Trunk	Existing Diameter(s)	Proposed Diameter(s)	Length (LF)	Cost (\$)
Clover Valley A	8"	15"	6,250	1,880,000
Clover Valley B	10"	18"	3,260	1,180,000
Foothill	12"	24"	2,275	1,100,000
Lower Clover Valley	18"	24"	3,115	1,500,000
Contingency (30%)				1,700,000
Subtotal – Construction Costs				7,360,000
Design/Administration (10%)				740,000
Total Capital Costs				8,100,000

Long-Term CIPs

As previously described, two scenarios were modeled to represent possible long-term conditions. One scenario represented the long-term, lower bound condition which assumes that existing residences and businesses within the UGA, not currently connected to the collection system, will connect once service is available, and undeveloped parcels will develop according to the documented general plans and current county zoning. The long-term, upper bound scenario assumes that all parcels not currently connected to the collection system will develop (e.g., subdivide) according to current county zoning. For the purposes of District UBO planning efforts, the lower bound scenario best represents the current potential for growth within the UGA. As part of the District’s periodic SECAP updates, this assumption will be evaluated and modifications made as necessary to match growth planning data available at such time.

In addition, the results of both scenarios indicate the need for significant, yet similar

improvements to the collection system, only the costs of the improvements to address the lower bound, long-term scenario will be considered. Table 4 contains the list of proposed improvements to provide sufficient capacity for long-term development.

Table 4 - Summary of Long-Term Lower Bound System Improvements

Sewer Trunk	Existing Diameter(s)	Proposed Diameter(s)	Length (LF)	Cost (\$)
Upper Antelope Creek East	8"	10"	1,980	400,000
Bankhead	8"-12"	15"	9,575	2,880,000
Fiberboard A	15"	18"	6,260	2,260,000
Fiberboard B	18"	21"	6,735	2,830,000
Lower Clover Valley A	18"	24"	3,730	1,800,000
Lower Clover Valley B	24"	27"	3,115	1,690,000
Lower Loomis Diversion	15"-18"	21"	11,945	5,020,000
Sierra College	15"	18"	2,400	870,000
Foothill A	10"	12"	5,300	1,280,000
Foothill B	15"	24"	2,720	1,310,000
Lower Secret Ravine A	24"	30"	4,680	2,810,000
Lower Secret Ravine B	24"-27"	36"	4,000	2,880,000
Woodside A	24"	30"	1,165	700,000
Woodside B	27"-30"	36"	1,150	830,000
Contingency (30%)				8,270,000
Subtotal – Construction Costs				35,830,000
Design/Administration (10%)				3,590,000
Total Capital Costs				39,420,000

New Sewer Trunks and Associated Improvements

Proposed new sewer trunks will need to be constructed to convey flow from future development. The alignments, sizes, and lengths of new sewer trunks were based on foundational data from the District’s 2009 and 1986 master plans, which remained generally consistent with the SECAP current planning effort. In addition, as part of the District’s recently completed Loomis Diversion Route Study (2014), future trunk lines to serve potential development east of Secret Ravine tributary to the Loomis Diversion line were identified. As part of that analysis it was determined that the majority of those trunk lines will flow by gravity to the Loomis Diversion line, but to serve potential future growth east of Secret Ravine within the Brace Road sewer shed will require a pump station to lift flow into the future Loomis Diversion line. As such, these improvements were added to those identified in previous planning studies. Table 5 lists the costs for these new trunk sewers and associated improvements.

Table 5 - Summary of New Sewer Trunks

Sewer Trunk⁽¹⁾	Proposed Diameter(s)	Length (LF)	Cost (\$)
Upper Clover Valley A	8"	8,130	1,310,000
Upper Clover Valley B	10"	7,040	1,410,000
Upper Antelope Creek East ⁽¹⁾	8"	1,800	290,000
Upper Antelope Creek West	8"	7,850	1,260,000
Upper Antelope Creek Middle A	8"	7,900	1,270,000
Upper Antelope Creek Middle B	10"	5,170	1,040,000
Upper Antelope Creek	15"	15,200	4,560,000
Loomis East	8"	11,600	1,860,000
Brace Road East	12"	27,500	6,600,000
Brace Road Pump Station			2,500,000
Croftwood East	8"	10,300	1,650,000
Contingency (30%)			7,130,000
Subtotal – Construction Costs			30,880,000
Design/Administration (10%)			3,090,000
Total Capital Costs			33,970,000

(1) The portion of the Upper Antelope Creek East New Trunk Sewer on Swetzer to Mareta was already constructed by the District in 2013 to eliminate the cost and risk of operating the Munoz Pump Station and as such only a small extension from that line to connect to the future Upper Antelope Creek Trunk was included.

SECTION V: TRUNKSEWER IMPACT FEE

This section of the study addresses the nexus requirements as they relate to the calculation of the trunk sewer fee. It also summarizes the required sewer facilities, estimated costs, and fee amounts.

Nexus Test

As discussed in the Section I of the Study, the Mitigation Fee Act - Section 66000 et seq. of the Government Code, requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of development:

1. *Identify the purpose of the fee.* The purpose of the fee is to fund the trunk sewer upgrades and expansion attributable to the impact from new development.
2. *Identify the use of the fee.* The sewer participation charge will be used to fund the fair share portion of the cost of construction of the trunk sewer upgrades and expansion facilities that have been identified by the District as necessary to serve certain new development within the District's service area boundaries. These facilities are identified in Table 2 through 5 and are more thoroughly discussed in the Districts SECAP, Appendix A.
3. *Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.* The fee to construct trunk sewer upgrades and expansion facilities that have been identified by the District as necessary to serve certain new development within the District's service area boundaries and will be used to ensure that such facilities are available and have the capacity to serve the identified new residential and non-residential development.
4. *Determine how there is a reasonable relationship between the need for the public facility and the type of development project for which the fee is imposed.* The trunk sewer upgrades and expansion facilities that have been identified by the District as necessary to serve certain new development within the District's service area boundaries and will be needed as new residential and non-residential development generate additional sewage and increase the demand placed on existing facilities. The District has identified the facilities incorporated into Table 2 through 5 and contained in the SECAP, Appendix A, as those that are necessary to serve certain future development within the District's service area boundaries.
5. *Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.* The trunk sewer upgrades and expansion facilities that have been identified by the District as necessary to serve certain new development within the District's service area boundaries. Facilities costs are allocated to future development based on EDUs that were developed by the District. The allocated costs translate into fees that are calculated on a fair-share basis to residential and non-residential development. Future fee revenue is anticipated to be sufficient to fully fund the construction of these

facilities.

Required Facilities and Estimated Costs

The total costs of the recommended Capital Improvement Projects (CIPs) that will be required to serve future development included in the Nexus Study is summarize Table 6. As shown in this table, the net cost of these facilities is approximately \$87,480,000.

Table 6 – Total Trunk Sewer Expansion Costs

Capital Improvement Projects	Costs (\$)
Table 2 - Summary of Mitigation Infrastructure	5,990,000
Table 3 - Summary of Near-Term System Improvements	8,100,000
Table 4 - Summary of Long-Term Lower Bound System improvements	39,420,000
Table 5 - Summary of New Sewer Trunks	33,970,000
Total Capital Improvement Projects	87,480,000

Calculation of Sewer Participation Charge (Fee)

In accordance with the SECAP, Appendix A, and as discussed in Section III, for the purposes of quantifying future improvement costs, the long-term lower bound scenario best represents the current potential for growth within the UGA. The number of additional customers anticipated from the long-term lower bound scenarios is 18,589 new EDUs.

Following the recommendations in the SECAP, Appendix A, the total construction costs of the improvement plan to meet the long-term build out of the UGA is shown in Table 6 as \$87,480,000. Table 7, below represents the calculation of the resulting Sewer Participation Charge

Table 7 – Sewer Participation Charge

a) Total Capital Improvement Projects	\$ 87,480,000
b) Existing CIP Fund Balance 2015(includes NSD debt)	<u>\$ 18,400,000</u>
c) CIP needing funds; Cash need to fund improvements (2014 dollars) [a-b]	\$ 69,080,000
d) Additional EDUs Long-Term, Lower Bound (2060)	<u>18,589</u>
e) Resulting Sewer Participation Charge [c/d]	\$3716/edu

SECTION VI: ONGOING ADMINISTRATION OF THE FEE PROGRAM

The Sewer Participation Charge was last adjusted on February 4, 2014. Per Resolution 14-02 the Sewer Participation Charge was lowered to \$2100/EDU. In order to raise the Fee, staff recommends implementing periodic increases over time until the Fee reaches the recommended amount. Please see the following schedule of increases:

<u>Implementation Date</u>	<u>Sewer Participation Charge</u>
10/1/2015	\$3000/EDU
10/1/2016	\$3750/EDU

Participation Charge Study Updates and Adjustments

The charges may be adjusted in future years to reflect revised facility design, revised costs, receipt of funding from alternative sources, or changes in proposed or actual land uses. It is recommended that the District consider updating the Charge Study if circumstances have been materially affected by events such as those listed above. If it is determined that a Charge Study update is not necessary, then the fees will be inflated each year by the change in the index describe under Inflation Adjustments, below

Fee Implementation

According to the California Government Code, prior to levying a new fee or increasing an existing fee, an agency must hold at least one open and public meeting. At least ten days prior to this meeting, the agency must make data on infrastructure costs and funding sources available to the public. Notice of the time and place of the meeting and a general explanation of the matter are to be published in accordance with Section 6062a of the Government Code, which states that publication of notice shall occur for ten days in a newspaper regularly published once a week or more. The District may then adopt the new charges at the second reading.

Inflation Adjustments

All fees calculated in this study are reflected in year 2014 dollars. In addition to the periodic adjustments mentioned earlier, the fees should be inflated each year by the change in the San Francisco Construction Cost Index (CCI) as reported in the *Engineering News Record*.

Fee Program Administrative Requirements

The Government Code requires the District to report every year, and every fifth year, certain financial information regarding the fees. The District must make available within 180 days after the last day of each fiscal year the following information from the prior fiscal year:

1. A brief description of the type of fee in the account or fund
2. The amount of the fee
3. The beginning and ending balance in the account or fund
4. The amount of the fee collected and the interest earned
5. An identification of each public improvement for which fees were expended

- and the amount of expenditures
6. An identification of an approximate date by which time construction on the improvement will commence if it is determined that sufficient funds exist to complete the project
 7. A description of each interfund transfer or loan made from the account and when it will be repaid
 8. Identification of any refunds made once it is determined that sufficient monies have been collected to fund all fee-related projects

The District must make this information available for public review and must also present it at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public.

For the fifth fiscal year following the first deposit into the account or fund, and every five years thereafter, the District must make the following findings with respect to any remaining funds in the fee account, regardless of whether those funds are committed or uncommitted:

1. Identify the purpose to which the fee is to be put
2. Demonstrate a reasonable relationship between the fee and the purpose for which it is charged
3. Identify all sources and amounts of funding anticipated to complete financing any unfinished improvements
4. Designate the approximate dates on which funding in item (3) above is expected to be deposited into the fee account

As with the annual disclosure, the five-year report must be made public within 180 days after the end of the fiscal year and must be reviewed at the next regularly scheduled public meeting. The District must make these findings; otherwise, the law requires that the District refund the money on a prorated basis to the then current record owners of the development area subject to the fee.

APENDIX A

South Placer Municipal Utility District

System Evaluation and Capacity Assurance Plan (SECAP)

APPENDIX B

Equivalent Dwelling Unit Determination by Land Use and Customer Type

Excerpt from Sewer Use Ordinance 09-02

Appendix B - Equivalent Dwelling Unit Determination by Land Use and Customer Type
 Excerpt from Sewer Use Ordinance 09-02

Commercial or Industrial Equivalent Dwelling Units.

1. Not Less than 1 EDU per building.
2. Where multiple uses, and/or tenants within the meaning of Ordinance 09-02, are contained or can be contained in the same structure, the General Manager, based on building permit data, applicable zoning, and plans of the developer, will allocate the respective square footage for the various uses and/or tenants, and determine a composite participation charge composed of the respective participation charges for each such use and/or tenant. Subsequent modifications to any structure may result in reclassification and the assessment of additional incremental participation charges.

Low Strength-Low Quantity Commercial or Industrial Users-

For commercial or industrial units having wastewater strength of less than 200 mg/1 B.O.D. and/or suspended solids, and a quantity of less than 25,000 gpd, an EDU shall be determined as follows:

Low Occupancy User Parking Garage (per every 5 Employees) Regional Distribution Facilities Storage Buildings	NOT Less than 1 EDU
Low-Density Users Church (w/o Kitchen)	$\frac{1}{6}$ EDU per 1,000 sq. ft.
Medium Density User Church (w/ Kitchen and Meeting Hall) School (w/o Cafeterias or Gymnasiums w/ Showers) Bowling/Entertainment Center (w/o Showers) Day Care Center (w/o Kitchen and/or Disposal Facilities) Sports/Fitness Center (w/o Showers) Retail Store Bank/Offices (Other than Medical/Dental) Chiropractor's Office Theatres Auditorium/Halls/Lodges	$\frac{1}{3}$ EDU per 1,000 sq. ft.
High Density User. Barber/Beauty Shop School (w/ Cafeterias or Gymnasiums w/ Showers) Bowling/Entertainment Center (w/ Kitchen) Day Care Center (w/ Kitchen and/or Disposal Facilities) Sports/Fitness Center (w/ Showers) Medical/Dental Office	$\frac{2}{3}$ EDU per 1,000 sq. ft

Service Station Pet Grooming Center Veterinary Clinic Bars	
Special Commercial User Car Wash (per Automatic Wash Stall) Car Wash (per Self-service Wash Stall) Laundromat Market/Mini-market (w/o Disposal) Market/Mini-market (w/ Disposal) FSE (FOG producing establishment) FSE (Non FOG Producing Establishment, w/ limited food preparation) FSE Outside/Overflow Dining Area w/ Covered Area w/o Covered Area, but fenced Mortuaries Hospital Rest Home/Convalescent Hospital Camping/Recreational Vehicle Site Recreational Vehicle Dump Site Hotel/Motel Unit (w/ Kitchen) Hotel/Motel Unit (w/o Kitchen)	8 EDU per Unit 2 EDU per Unit 2/3 EDU per Washer 2/3 EDU per 1,000 sq. ft. 2 EDU per 1,000 sq. ft. 2 EDU per 1,000 sq. ft. 1 EDU per 1,000 sq. ft. 2 EDU per 1,000 sq. ft. 1 EDU per 1,000 sq. ft. 2 EDU per 1,000 sq. ft. 1/2 EDU per Licensed Bed 1/3 EDU per Licensed Bed 1/2 EDU per Site 1 EDU per Site 1 EDU per Unit 1/2 EDU per Unit
Other Commercial/Industrial Users not listed	**Based on a Study done by the General Manager**

High Strength-High Quantity Commercial or Industrial Users

For commercial or industrial users having wastewater strength of greater than 200 mg/1 B.O.D. and/or suspended solids, and/or a quantity of greater than or equal to 25,000 gpd, and/or requiring either special handling or treatment, an EDU shall be determined as follows:

$$EDU's = \frac{gpd}{200} \left[0.61 + \frac{B.O.D. \text{ mg/L}}{300} (0.22) + \frac{suspended \text{ solids mg/L}}{200} (0.17) \right] *$$

*[Not less than a multiplier of one (1)]

Industrial Processing Plants and Similar Heavy or Unusual uses

EDUs for industrial processing plants and similar heavy or unusual uses not classified by the provisions of this Ordinance shall be determined by the General Manager.

Residential Equivalent Dwelling Units:

Determination of Residential Equivalent Dwelling Units. For purposes of this Ordinance, Residential EDU's shall be determined as follows: Dwelling units, including, but not limited to single family homes, duplexes, condominiums, mobile homes, secondary living units, and apartments shall be one (1) EDU per living unit.