



Sewer Participation Fee Nexus Study

South Placer Municipal Utility District

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ORGANIZATION OF THE NEXUS STUDY

This study has been organized into the following sections:

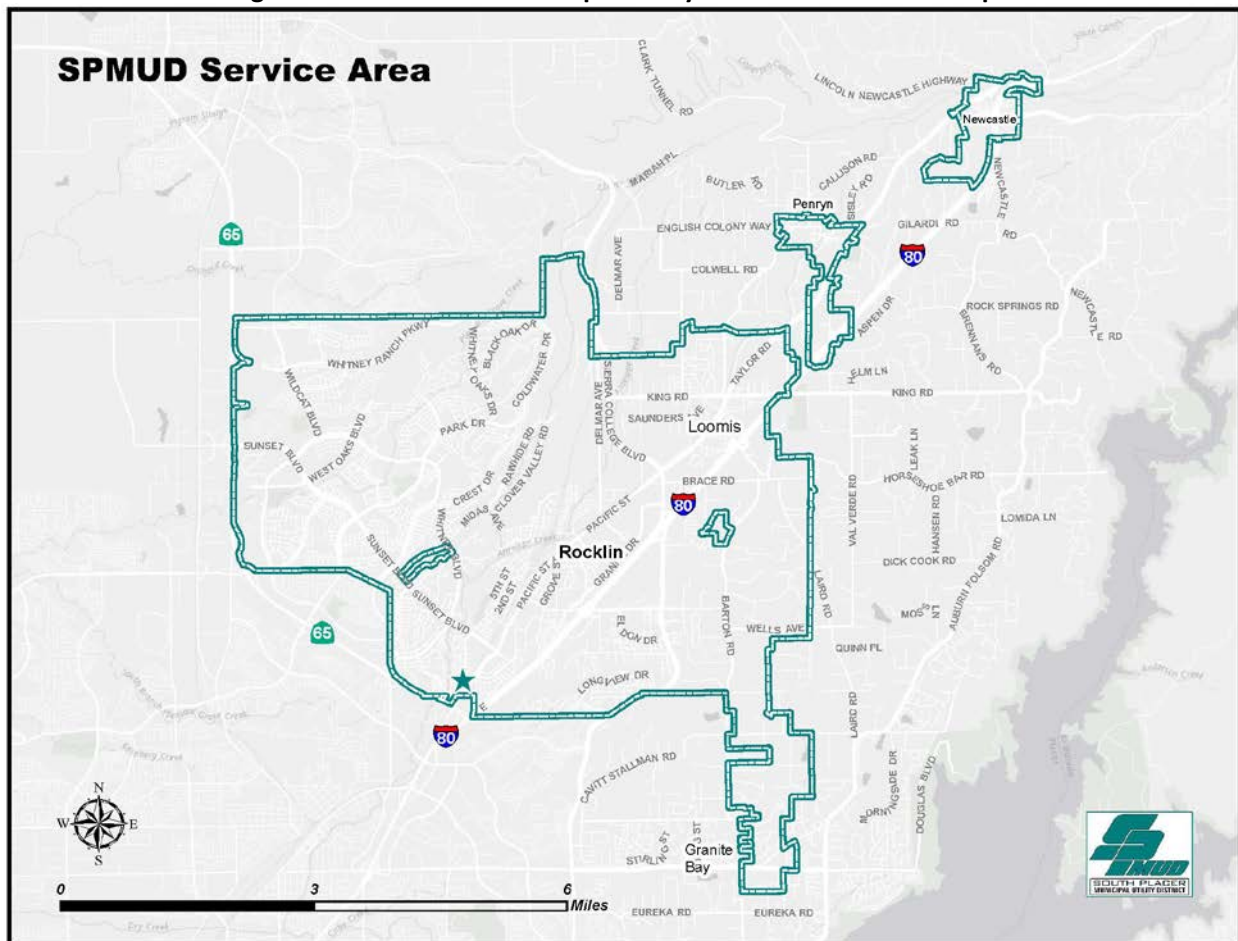
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SECTION I: INTRODUCTION

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 280 miles of mainline pipe (ranging from 4-inch to 54-inches in diameter), over 6000 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 2020 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 2015 SECAP and the District's urban growth area (UGA). The UGA is identified in the South Placer Wastewater Authority (SPWA) Wastewater Systems Evaluation Project, 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.

The Rodgersdale community was not included in the hydraulic model for the same reasons it was not evaluated in the 2009 master plan or 2015 SECAP (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 program 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:
 - a. The fee's use and the type of development project on which the fee is imposed.
 - b. The need for the public facility and the type of development project on which the fee is imposed.
 - c. 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.



SECTION II: FEE METHODOLOGY

During the development of the 2020 System Evaluation and Capacity Assurance Plan and this Nexus Study, it was determined that the District will continue to utilize the incremental cost methodology to determine the local Participation Fee capacity charge calculation.

Incremental Cost Methodology

The incremental cost methodology is a common approach for impact fee calculation, particularly for utilities continuing to experience new growth. The cost of growth-related future facilities is allocated to the new development to be served by the facilities. An allowance is made for existing capacity that may also serve new connections. Under this approach, new customers pay for the incremental investment necessary for system expansion. The incremental approach is applied when extensive new facilities are required to provide capacity for new development. The method is less attractive in situations where most of the collection system is in place, and limited capacity expansion is required.

The incremental cost methodology requires a more detailed analysis in order to satisfy nexus requirements than other methods. First, the capacity requirements for new development must be defined. Service level standards are most often expressed in the case of wastewater, loading characteristics. Second, the amount of capacity to be provided by new facilities must be determined. Third, existing system deficiencies must be considered. To the extent that existing capacity does provide the specified level of service to current customers, new facilities must first be used to correct these deficiencies before it can be applied to meeting growth needs. As a result, it is common for only a fraction of new capital facility costs to be included in connection fee calculations. More detailed determinations are avoided with the system buy-in method which is simply seeking to estimate the relative investment in the wastewater system on a per customer basis.

Because the incremental cost methodology relies on capacity analyses of the existing and planned wastewater system, a recent master plan must be available when using this methodology. The District's recently prepared 2020 System Evaluation and Capacity Assurance Plan (SECAP) adequately serves this purpose. The incremental cost methodology has the following benefits:

- The incremental cost methodology is directly linked to the SECAP providing important support for the fee calculations
- The incremental cost methodology results in connection fees that are directly related to planned new facilities needed to serve new development
- The incremental cost methodology can more clearly demonstrate that new development will pay a proportionate share of future facility costs and is therefore often a preferred approach from a rate payer perspective.



The steps to calculate an impact fee under the incremental cost 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 alternative funding sources, if any, (in this case replacement or rehabilitation funds made available from Fund 400) 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 cost of the needed facilities to serve the anticipated growth by the quantity of equivalent dwelling units to determine the fee for each residential or non-residential equivalent dwelling unit.



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 Code.

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 Sewer Code. 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 similarly characterized wastewater 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 criterion consistent with previous planning studies, 190 gpd/EDU was applied as the unit flow 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 mixed use). 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 information from District records about specific development projects in the entitlement process or from designated land uses.



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., October 2012)
- 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)

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

The long-term hydraulic loading of the model was completed by including all 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 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.

Many of the parcels designated as connecting to the collection system under the long-term scenario are 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 information about these parcels with respect to future development plans, it is difficult to definitively determine the eventual loading onto the system.

The modeled system 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.

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

Table 1 – Summary of EDUs and Average Flowrates by Modeled Growth Scenario

Scenario	Total EDUs	Additional EDUS from Previous Scenario	ADWF (mgd)	AWWF (mgd)
Existing (2020)	34,530	-	4.62	8.67
Near-Term (2025)	37,315	2,785	5.15	9.70
Long-Term (2060)	46,850	9,535	6.95	15.99



SECTION IV: TRUNK SEWER EXPANSION COSTS

The District utilized the results of the 2020 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. District Resolution 18-22 established a schedule of values to be used for the valuation of sewer system assets. The schedule of values includes a baseline construction cost for open cut construction and options for trenchless construction methods. The schedule of values also includes additional costs for items such as extraordinary dewatering, hard rock conditions, productivity factors, and surface restoration. Project costs were developed for each proposed capital improvement project using this schedule of values.

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. 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.

Current CIPs

The Foothill Trunk Sewer Replacement Project corrects a restriction in capacity within the District's system that has existed for some time. The project will replace a section of 12" diameter pipeline situated between a section of 15" diameter and 24" diameter pipelines. The lack of sufficient capacity in this portion of the system is due partly to the smaller diameter pipe segments and the fact that many of the pipe segments of this trunk were constructed with minimum slopes. Design for this construction project began in October 2014. Challenges with permitting delayed construction. Permits were issued in late 2019 and the project was advertised for bids. A contractor is currently under contract to complete the Foothill Trunk Sewer Replacement Project by the end of 2020.



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 Foothill Trunk Project is displayed in the figures in the SECAP, Appendix A.

Table 2 - Summary of Current Improvements

Trunk Sewer	Existing Diameter(s)	Proposed Diameter(s)	Length (LF)	SECAP Cost (\$)	R&R Cost (\$)	Total Cost (\$)
Foothill	12"	24"	2275	2,861,250	953,750	3,815,000
Atherton Trunk	20"	24"	800	NA	NA	NA
Total Costs				2,861,250	953,750	3,815,000

The Atherton Trunk Sewer Replacement Project is included in Table 2 for reference. The costs for this project are not included in this analysis because this project will be completed by the City of Rocklin. In accordance with City of Rocklin Resolution 2014-15 "Resolution of the City Council of the City of Rocklin Approving and Authorizing the City Manager to Execute an Agreement with South Placer Municipal Utility District for the Funding and Construction of the Atherton Sewer Trunk Upgrade Project" the City adopted a development impact fee to fund this improvement. Per the agreement, the City is responsible to construct this replacement project when a specified number of EDUs connect to the system upstream. The City has begun design of this project and intends to construct it in 2020. The modeled system assumed the proposed diameter of 24 inches for all simulations.

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

Trunk Sewer	Existing Diameter	Proposed Diameter	Length (LF)	SECAP Cost (\$)	R&R Cost (\$)	Total Cost (\$)
Boyington Diversion	-	12"	3,240	1,390,293	-	1,390,293
Total Costs				1,390,293	-	1,390,293

The Boyington Diversion Trunk extends from the upstream end of the Loomis Diversion to Boyington Road. The trunk sewer will allow from the abandonment of two sewer lift stations (i.e., Boyington Lift Station and Silver Ranch Lift Station). This trunk sewer is expected to be located in a proposed frontage road along Interstate 80. This trunk sewer will likely be constructed with the development of the property on which it will be located. However, if



needed, the District may elect to construct this facility prior to development of the property to realize the benefit of abandoning two lift stations.

Long-Term CIPs

The results of the model simulation of the long-term scenario indicate the need for significant improvements to the collection system. Table 6 contains the list of proposed improvements to provide capacity for long-term development. The names of the projects have been revised from previous SECAP documents to better represent the project location. This includes removing references to businesses no longer in operation and using creeks and street names where possible. The ID in the table below corresponds to the number for each project shown in Exhibit 7 in Appendix A. Exhibit 7 shows the extent of the required improvements to address deficiencies identified during the model simulation of the long-term scenario and the result those improvements have on the capacity of the system after they have been implemented.

Table 4 - Summary of Long-Term System Improvements

Trunk Sewer	Existing Diameter	Proposed Diameter	Length (LF)	SECAP Cost (\$)	R&R Cost (\$)	Total Cost (\$)
Springview Drive	24"	30"	1,170	320,432	569,656	890,008
SPMUD Corp Yard	30"	36"	930	89,603	115,204	763,556
Woodside	27"	36"	1,150	1,359,111	1,747,428	204,807
Lower Secret Ravine A	27"	36"	2,750	709,985	567,988	3,106,539
Lower Secret Ravine B	24"	36"	1,260	1,533,569	2,726,344	1,277,974
Lower Secret Ravine C	24"	30"	4,680	753,375	602,700	4,259,913
Lower Secret Ravine D	18"	27"	1,530	506,247	1,401,915	1,356,075
Schriber / Black Willow	18"	21"	7,950	811,647	1,844,653	1,908,162
Sucker Ravine B	15"	18"	4,800	1,396,757	2,483,123	2,656,301
Bankhead A	12"	15"	8,290	453,224	180,164	3,879,880
Bankhead B	8"	15"	1,290	1,619,546	1,295,637	633,388
Upper Antelope Creek East A	8"	12"	7,220	89,603	115,204	2,915,182
Aguilar Creek B	10"	12"	5,300	1,160,944	2,638,509	3,799,452
Antelope Creek A	18"	27"	3,120	3,043,333	2,434,667	5,478,000
Antelope Creek B	18"	24"	3,730	1,375,418	1,768,395	3,143,813
Antelope Creek C	10"	15"	3,260	1,052,818	842,254	1,895,072
Clover Valley	8"	15"	6,250	3,047,101	1,211,270	4,258,371
Total Costs				19,466,418	22,960,153	42,426,571

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. Table 5 lists the costs for these new trunk sewers and associated improvements.

Table 5 - Summary of New Sewer Trunks

Trunk Sewer	Proposed Diameter	Length (LF)	SECAP Cost (\$)	R&R Cost (\$)	Total Cost (\$)
Sierra College Trunk	24"	6,660	4,795,200	-	4,795,200
Cameo Trunk	15"	2,600	1,170,000	-	1,170,000
Upper Clover Valley A	10"	6,000	1,800,000	-	1,800,000
Upper Antelope Creek	15"	13,700	6,165,000	-	6,165,000
Upper Antelope Creek West	8"	7,700	1,848,000	-	1,848,000
Upper Antelope Creek Middle A	10"	5,370	1,611,000	-	1,611,000
Upper Antelope Creek Middle B	8"	7,600	1,824,000	-	1,824,000
Loomis East	8"	11,600	2,784,000	-	2,784,000
Brace Road Pump Station		EA	3,000,000	-	3,000,000
Brace Road East	12"	7,840	2,822,400	-	2,822,400
Horseshoe Bar Road East	10"	9,210	2,763,000	-	2,763,000
Total Costs			30,582,600	-	30,582,600



SECTION V: TRUNK SEWER 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 fee 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 District's SECAP.
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 has 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. The fee shall not be collected for general revenue purposes.
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 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.* 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 in Table 6. As shown in this table, the net cost of these facilities is approximately \$76,020,785.

Table 6 – Total Trunk Sewer Expansion Costs

Capital Improvement Projects	Costs (\$)
Table 2 - Summary of Current Improvements	2,861,250
Table 3 - Summary of Near-Term System Improvements	1,390,293
Table 4 - Summary of Long-Term System improvements	19,466,418
Table 5 - Summary of New Sewer Trunks	30,582,600
Subtotal – Construction Costs	54,300,560
Contingency (30%)	16,290,168
Design/Administration (10%)	5,430,056
Total Capital Improvement Projects	76,020,785

Calculation of Sewer Participation Fee

In accordance with the SECAP (see Appendix A), and as discussed in Section III, for the purposes of quantifying future improvement costs, the long-term scenario best represents the current potential for growth within the UGA. The number of additional customers anticipated from future growth is 12,320 new EDUs.

Following the recommendations in the SECAP, the total construction costs of the improvement plan to meet the long-term build out of the UGA is shown in Table 6 as \$76,020,785. Table 7 below represents the calculation of the resulting Sewer Participation Fee.

Table 7 – Calculation of Sewer Participation Fee

a) Total Capital Improvement Projects		\$ 76,020,785
b) Existing CIP Fund Balance 2019		\$ 26,407,335
c) CIP needing funds; Cash need to fund improvements (2019 dollars) [a-b]		\$ 49,613,450
d) Additional EDUs Long-Term (2060)		12,320
e) Resulting Sewer Participation Fee	[c/d]	\$ 4027/edu



SECTION VI: ONGOING ADMINISTRATION OF THE FEE PROGRAM

Fee Study Updates and Fee Adjustments

The fees 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 Fee Study if circumstances have been materially affected by events such as those listed above. If it is determined that a Fee 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 fees at the second reading.

Inflation Adjustments

All fees calculated in this study are reflected in year 2019 dollars. In addition to the periodic adjustments mentioned earlier, the fees should be adjusted each year in accordance with District Ordinance 17-03. Ordinance 17-03 states that the sewer participation fee shall be adjusted on July 1 of each year by the change in the average of the Construction Cost Index (20-City) and the Construction Cost Index (San Francisco, CA) as reported in the Engineering New Record for the preceding 12-month period ending in May.

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.