

ORANGE COUNTY SANITATION DISTRICT

**NOTICE OF PROPOSED ENACTMENT OF
ORDINANCE NO. OCSD-50**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF
ORANGE COUNTY SANITATION DISTRICT ADOPTING
CAPITAL FACILITIES CAPACITY CHARGES AND
REPEALING ORDINANCE NO. OCSD-40 AND
ORDINANCE NO. OCSD-42**

Notice is hereby given that on March 28, 2018 at 6:00 p.m., at the District's Board Room located at 10844 Ellis Avenue, Fountain Valley, California the Board of Directors of the Orange County Sanitation District will consider enacting Ordinance No. OCSD-50 adopting Capital Facilities Capacity Charges. The Board will consider making findings of fact, which include, but are not limited to, the following:

- The Board is authorized to prescribe, revise, and collect fees or other charges for services and facilities furnished by the District in connection with its sewerage system;
- The Board has previously approved the Capital Improvement Program (CIP), which includes rehabilitation and refurbishment of existing facilities; and
- The Board intends to adopt the Capital Facilities Capacity charges to ensure that the District has sufficient revenues and reserves to meet the District's obligations and operations.

If adopted, the proposed Ordinance will establish updated Capital Facilities Capacity Charges for connection to the District's sewerage system facilities, and shall be required and collected at the time of issuance of a building permit. The Capital Facilities Capacity Charges and Supplemental Capital Facilities Capacity Charges established by this Ordinance do not exceed the estimated reasonable cost of providing the wastewater collection, treatment, disposal, and reuse services for which the fees are charged. The manner in which the costs are allocated to each payor bears a fair or reasonable relationship to the payor's burdens on, and benefits from, the District's system. The Capital Facilities Capacity Charges for the next five fiscal years for Non-Residential and Residential will be as follows:

**CAPITAL FACILITIES CAPACITY CHARGES (CFCC)
NON-RESIDENTIAL**

| <u>Use Category</u> | <u>Rate Basis</u> | <u>Base Charge</u> |
|---------------------|-----------------------|--------------------|
| Low Demand | Per 1,000 square feet | \$ 332.00 |
| Average Demand | Per 1,000 square feet | \$ 2,066.00 |
| High Demand | Per 1,000 square feet | \$ 4,908.00 |

Non-residential CFCC will be updated annually based upon the increase in the Engineering News-Record construction cost index for Los Angeles as of December of the prior year.

**CAPITAL FACILITIES CAPACITY CHARGES (CFCC)
RESIDENTIAL (PER UNIT)***

| | |
|------------------------------------|------------------------|
| Single Family Residential (SFR) | <u>Base Charge</u> |
| 5+ Bedrooms | \$5,877.00 |
| 4 Bedrooms | \$5,031.00 |
| 3 Bedrooms | \$4,228.00 |
| 2 Bedrooms | \$3,425.00 |
| 1 Bedroom | \$2,621.00 |
| Multi-Family Residential (MFR) | <u>Base Charge</u> |
| 4+ Bedrooms | \$4,566.00 |
| 3 Bedrooms | \$3,763.00 |
| 2 Bedrooms | \$2,960.00 |
| 1 Bedroom | \$2,114.00 |
| Studio | \$1,353.00 |

*The Base Rate for Residential CFCC is the 3 Bedroom SFR with all others having a rate that is a percentage of the base rate depending on the size of the unit. The schedule for the base rate shall be as follows:

| | | | | |
|----------------|----------------|----------------|----------------|----------------|
| <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> | <u>2022-23</u> |
| \$4,228 | \$4,601 | \$4,973 | \$5,346 | \$5,719 |

The sewer service charges will be used to (i) meet operating expenses, (ii) purchase or lease supplies, equipment, or materials, (iii) meet financial reserve needs and requirements, and (iv) obtain funds for capital projects necessary to maintain service within existing service areas. The adoption of the sewer services charges is exempt from the California Environmental Quality Act.

The District will hold a public hearing at its regular meeting of March 28, 2018 at 6:00 p.m. at the District's Headquarters, 10844 Ellis Avenue, Fountain Valley, CA 92708 for the purpose of considering adoption of proposed Ordinance No. OCSD-50. A copy of the full text of the proposed Ordinance No. OCSD-50 is on file with the Clerk of the Board and available for public review, and is attached to the Agenda and Staff report for the Board meeting at which it was introduced for first reading on February 28, 2018, which is posted at the District's website at www.ocsd.com.

For additional information, contact the Clerk of the Board at klore@ocsd.com or call (714) 593-7433.



 Kelly A. Lore, MMC
 Clerk of the Board

Published March 14, 2018