

**RESOLUTION NO. 2010-861  
RESOLUTION OF THE GOVERNING BOARD  
OF THE MONTECITO SANITARY DISTRICT  
AMENDING SECTION VIII OF RESOLUTION 2004-816 AND  
REPEALING ALL PRIOR BOARD ACTIONS RELATED  
TO ESTABLISHING FEE SCHEDULES**

WHEREAS, RESOLUTION NO. 1961-44 of this DISTRICT dated May 29, 1961 adopted the “STANDARD REQUIREMENTS FOR THE DESIGN AND PROCESSING OF PRIVATE CONTRACT SEWER PLANS”; and

WHEREAS, these “STANDARD REQUIREMENTS” include a “SECTION VIII” entitled “FEES”; and

WHEREAS, these fees have been revised since its initial adoption by RESOLUTION NO. 1982-610, RESOLUTION NO. 1985-642, RESOLUTION NO. 1990-675 and RESOLUTION 2004-816 and by various Board actions as reflected in the Minutes; and

WHEREAS, the DISTRICT desires to amend “SECTION VIII” of RESOLUTION NO. 1961-44 and all amendments thereto; and

WHEREAS, the data establishing the basis for the District’s increased residential and non-residential sewer connection fee has been available to the public for at least 10 days prior to the October 11, 2010 meeting.

NOW, THEREFORE, the Governing Board of the Montecito Sanitary District hereby resolves as follows:

SECTION 1. SECTION VIII of RESOLUTION NO. 1961-44, and all subsequent amendments thereto, is hereby amended to read as follows:

**SECTION VIII – FEES**

1. **Sewer Main Extension – Design Review and Plan Checking Fees** – Montecito Sanitary District (District) costs of design review, plan check and site investigation, shall be reimbursed by any applicant requiring a sewer extension permit. Any applicant requiring these services shall make a deposit with the District. The deposit shall be made in the following amount, dependent on the length of sewer main to be constructed:

<u>Total Lineal Feet of Sewer Main Extension</u>	<u>Deposit Amount</u>
Less than 1,000 L.F.	\$1,500
1,000 L.F. to 3,000 L.F.	\$2,500
3,001 L.F. to 5,000 L.F.	\$3,500
Greater than 5,001 L.F.	\$4,500

Any amount of the deposit that is not used will be refunded to the applicant. The “Per-hour Rate” charged shall be based on the District’s current hourly rate for the staff member(s) assigned to the work. If the deposit is exceeded by actual District costs, the applicant will be required to pay the additional costs before the permit is issued.

2. **Administrative Review Fees** – Any applicant desiring a review of a property or properties for a District “Sewer Availability” or “Letter of Certification” required by the County of Santa Barbara Planning and Development Department, will pay the following administrative fees:

Administrative Review – No MSD permit(s) required	\$75
Administrative Review – MSD permit(s) required	\$150

3. **Engineering Review Fees** – Engineering Review Fees must be paid by any applicant requiring an Engineering Review. Engineering Reviews may be required by the District or of the District by the County of Santa Barbara, for projects such as lot line adjustments, condo conversions, subdivisions, development of commercial property, review of encroachments into District easements. The review fees are as follows:

Engineering Review – No MSD permit(s) required	\$150
Engineering Review – MSD permit(s) required	\$300

4. **Construction Inspection Fees** – Before granting a permit for the construction of a main line sewer and appurtenances, the District shall collect the following deposit from an applicant to cover the actual costs to provide field inspection of the proposed construction.

The amount of the deposit will be established based on the estimated days of construction multiplied by the daily cost to the District to provide full time inspection.

Any amount of the deposit that is not used will be refunded to the applicant. If the deposit is exceeded by actual District costs, the applicant will be required to pay the additional costs before the permit is issued.

5. **Sewer Easement Processing Fee** – A privately constructed sewer main to be dedicated to the District must be located within an easement dedicated to the District. Said dedication will require the payment of a Sewer Easement Processing Fee. The sewer easement processing fee is \$2,000 for the first parcel and \$1,000 for each additional parcel.

6. **Reimbursement Projects / Reimbursement Agreements Processing Fee** – Private construction of a sewer main to be dedicated to the District wherein the applicant is requesting a reimbursement agreement with the District will be subject to an administrative processing fee deposit of \$750 as well as adequate funds to cover the cost of the Reimbursement Analysis to be performed by an independent engineering firm.

7. **Agreement Processing Fees** – The District incurs various costs for processing customer agreements. The following administrative fees apply to the processing of agreements that are entered into between the District and the property owner:

Dedication Agreement for Sewer Facilities ( <i>for the construction of sewer mains</i> )	\$2,000
License Agreement ( <i>for encroachment into a District easement</i> )	\$5,000
Agreement for the Construction of Private Building Sewer Crossing Two Adjacent Properties	\$1,000
Agreement for Service to Condominiums	\$1,000
Residential Sewer Service Agreement for Private Pumping Station and Pressure Line Building Sewer	\$1000
Residential Sewer Service Agreement ( <i>For existing and new auxiliary structures/buildings</i> )	\$200
Termination of Residential Sewer Service Agreement ( <i>For existing structures that are converted into a 2<sup>nd</sup> residential unit</i> )	\$100

8. **Connection Fees** – Any connection of a parcel, building, or facility to the District’s sanitary sewer system (“System”) shall pay to the District a one-time connection fee based on the specifics of the connection, as defined in this section. The fee calculations are divided between new sewer connections and property improvements on connected parcels.

- 8.1 **New Sewer Connections** – Payments for new connections are required when a new connection to the System is established. The payment is based on the connecting customer type, and is divided between residential and non-residential customer classes. All connection fees are based on equivalent residential units (ERUs).

**The charge per 1.0 ERU is set at \$7,300 as calculated for calendar year 2011<sup>1</sup>.**

- 8.1.1 **Residential Sewer Connections** – A connection fee of 1.0 ERU is charged per residential dwelling unit of any type. A residential dwelling unit is defined as an independent living quarter with sleeping, bathroom, and cooking facilities, regardless of the number of bedrooms.

Auxiliary structures are buildings on single family dwelling parcels with indoor plumbing facilities, but without the capability of providing cooking facilities. An auxiliary structure is typically a guest house, pool cabana, art studio, workshop, gym, office etc. Auxiliary structures connected to the System shall pay a connection fee of 0.31 ERUs.

<sup>1</sup> CDM Memorandum dated May 3, 2010 “Montecito Sanitary District Updated Connection Fees”

In addition to a single family residence, residential dwellings also include multi-family dwellings such as apartments and condominium units. A single parcel may have both residential and non-residential uses. Connection fees for a parcel complex of multi-family dwellings and common areas are calculated as a combination of separate residential dwelling units, with each charged 1.0 ERU, plus non-residential common areas charged as described below.

**8.1.2 Non-Residential Sewer Connections** – The connection fee for all non-residential connections is calculated using a pro-rata 1.0 ERUs, as provided in the following section and accompanying tables.

Whereas the Montecito Water District (“MWD”) assigns a Water Base Allotment to each and every parcel in the District’s service area, the calculation of a connection fee shall be based on MWD’s Base Allotment<sup>2</sup> and the sewage strength classifications associated with the customer class specified in Table 1 of this section, plus an administrative facility fee per non-residential connection.

The connection fee for non-residential sewer connections equals the calculated ERUs for the parcel multiplied by the charge in dollars per ERU (\$7,300 per ERU in calendar year 2011). The calculated ERUs are determined using MWD’s Water Base Allotment in HCF per month or gallons per day multiplied by the appropriate figure from Table 2 per the customer sewage strength provided in Table 1.

**TABLE 1**  
Categorical Sewage Discharge Strengths

Billing Classification	Strength Class (a)
Residential Dwelling Unit (1.0 ERU)	
<b>Non-Residential</b>	
Church	Low
Clubs	Low
Offices	Low
Laboratory or Doctor’s Office	Med
Food Market	High
Barber and Beauty Shop	Low
Fire Station	Med
Other Commercial / Governmental	Low
Meeting / Convention Hall	Low
Hotel / Motel without Laundry	Low
Hotel / Motel with Laundry	Med
Park	Low
Food Serving Facility (restaurant, etc.)	High
School and Colleges without Residential Living	Low
Resident School Attendance (w/ living facilities)	Med
Auxiliary Structures	Varies
Service Station/Garage	Low
Water Treatment Process Wastewater	High

Med: Medium; Res: Residential; ERU: Equivalent Residential Unit  
 (a): The sewage strength assignments are based on California SWRCB guidelines  
 The District Engineer shall determine the sewage strength class for any parcel not provided in this Table.

<sup>2</sup> The Base Allotment defines the basic water supply allocation to each MWD account.

**TABLE 2**  
Wastewater Connection Fees per Unit of Water Demand

<b>Customer Sewage Strength</b>	<b>ERU per GPD of Water Allocation</b>	<b>ERU per HCF/month of Water Allocation</b>
Low Strength	0.0038	0.0941
Residential Strength	0.0047	0.1160
Medium Strength	0.0043	0.1049
High Strength	0.0047	0.1140
Administrative Facility Fee* (ERU per connection)		0.0064

ERU: Equivalent Residential Unit; GPD: Gallon Per Day; HCF: Hundred Cubic Feet.  
Fees are based on a water use return to sewer ratio typical of the commercial and multi-family dwelling sewer connections. There are 24.5 GPD to 1.0 HCF per month.  
\*\$7300 per ERU multiplied by 0.0064 ERU per connection equals \$46.72 in 2011.

8.2 **Connection Fees for Property Improvements on Connected Parcels** – Any connected parcel that has building or facility remodeling, improvements, tear-down and rebuild, construction, expansion or new facility, or changes in customer classification, is herein defined as a property improvement. Whereas the District’s service capacity is determined by the land uses within its service area, and the use of the District’s facilities may be affected by changes in existing customer property improvements, adjustments to the connection fee may be required upon property improvement to any connected parcel.

On any parcel connected to the System, any property improvement (1) resulting in at least one additional plumbing “fixture unit”<sup>3</sup>, and/or (2) an increase in bedrooms, and/or (3) an increase in the building area of more than 350 square feet, shall first obtain a connection permit from the District and shall pay to the District a connection fee as required by this section.

All building improvements requiring a connection permit shall pay a pro-rata connection fee equal to the fee for a new connection to the System of all existing and planned buildings and facilities on the parcel, less a credit for the amount in dollars of the sum of all previous connection fees paid to the District, based on District records.

8.3. **No Refund of Connection Fees** – Revoking of a Connection Permit by the District for failure to maintain Permit conditions or requirements shall not entitle the permittee to a refund or reimbursement of the fees paid. No credit or refund will be made for any reduction in the number or type of connected buildings or facilities on any parcel. No credit or refund will be made for any reduction in the strength of the discharged sewage.

9. **Inflationary Adjustments to Section VIII Fees** – The unit fees identified in Section VIII – Fees (excluding the annual sewer service charges) shall be adjusted for inflation from time to time. The adjustment shall be made by multiplying each fee by a ratio of the Construction Cost Indexes applicable to the City of Los Angeles, as reported by Engineering News-Record, a

<sup>3</sup> “Fixture Unit” as defined by the Uniform Plumbing Code (UPC) for Drainage Fixture Unit Values (DFU).

McGraw-Hill periodical. The ratio of Indexes shall be determined by the percentage increase in the ratio between the year of the enactment of the existing fee, and the current year.

The product shall be rounded to the nearest five dollar increment. Other adjustments in the fees necessary to recover the District’s costs shall be at the discretion of the Board of Directors.

- 10. **Inspection Fees** – For each connection in any category above, the applicant shall also pay an inspection fee as outlined below:

New Lateral Connection/Construction to District Mainline	\$550
Capping off and Reconnecting to Existing Lateral <i>(for demolition and reconstruction projects)</i>	\$300
Replacement of Existing Lateral <i>(from property line clean out to wye at the mainline)</i>	\$300
Pipe Bursting or Slip Lining of Existing Lateral <i>(District staff will inspect using a CCTV or other means to inspect the lateral before construction is signed off)</i>	\$500
New Property Line Clean Out to Existing Lateral	\$150

- 11. **Refundable Performance Deposits** – For work performed on a private lateral from the property line clean-out to the District’s mainline for any length of lateral:

New Lateral Construction	\$3,000
Replacement and/or Cap-off & Reconnection of Existing Lateral	\$2,000
Repairs to Existing Lateral <i>(Includes slip lining, pipe bursting and point repairs)</i>	\$1,000
Replacement of an Existing Property Line Clean Out Only	No Cost

(No Deposit required for any work performed within property from the clean-out to the residence)

- 12. **Annual Sewer Service Charges** – Annual Sewer Service Charges are pro-rated and based on current approved annual service charge amounts from July 1 to date of issuance of a District connection permit or as appropriate for the type of connection. See Sewer Service Charge Resolution No. 2009-851, as amended from time-to-time, for the most current sewer service charge rates.

The District will start collecting annual sewer service charges in accordance with Resolution 2009-851, or the most current version of the District’s sewer service charge resolution, when construction of a project is under way and District staff has made the tie-in inspection of the lateral connection to the District mainline.

13. **Illegal/Non-Permitted Connections to District System** – Any person who has made an illegal connection of private facilities to the System without obtaining a connection permit from the District shall be subject to payment of all applicable fees at a rate of 1 ½ times the current connection fee and 2 times the current inspection fee. These charges include the regular fee rates plus a penalty.

14. **Finalization of Connection Permits** – Any applicant failing to finalize a connection permit in accordance with District specifications will be subject to the following fees:

Final Inspection Not Performed <i>(District was not called out for final inspection)</i>	\$150
No Inspections Performed <i>(work completed without inspections by District staff)</i>	\$500

For permits that are 3 years old or older where the permit cannot be finalized due to “no-response” from the property owner or contractor, but the construction is completed; the owner shall forfeit the entire amount of the Refundable Performance Deposit. If the lateral tie-in is not up to District Standard Specifications, the District will hire a contractor to complete and/or repair the work. If the deposit is exceeded by actual District costs, the applicant will be required to pay the additional costs.

15. **Extension/Cancellation of Connection Permits** – District connection permits are valid for one year from date of issuance. The Permit will remain open during the time of the construction project. If no work has begun on a property after one year, the property owner can request in writing an extension or cancellation of the connection permit. The following fees will be deducted from the Refundable Performance Deposit for processing the request:

First request for a one-year extension of a connection permit:	\$100
Second and Final Request for a one-year extension of a connection permit:	\$200
Request for cancellation of connection permit	\$500

SECTION 2. Exemption.

Fee increases established by this Resolution have been determined to be exempt from the California Environmental Quality Act since they comply with the conditions of Public Resources Code section 21080 (b)(8).

SECTION 3.

Pursuant to Government Code sections 50076 and 66016, the Governing Board has determined that the fees as set forth in this resolution do not exceed the estimated reasonable costs of providing the service for which the fee was charged and the fee is not levied for general revenue purposes.

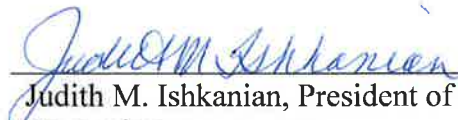
PASSED AND ADOPTED by the Governing Board of the Montecito Sanitary District this 11<sup>th</sup> day of **October 2010**; and to become effective on **January 1, 2011** by the following vote, to wit:

**AYES:** Arnold, Cannata, Ishkanian, Kerns


**NAYS:**

**ABSENT:** McAniff

**ABSTAIN:**

  
\_\_\_\_\_  
Judith M. Ishkanian, President of the  
Governing Board of the  
Montecito Sanitary District

ATTEST:

  
\_\_\_\_\_  
Charles C. Arnold, Secretary of the  
Governing Board of the  
Montecito Sanitary District