

ORDINANCE NO. 123

AN ORDINANCE OF THE CUPERTINO SANITARY DISTRICT AMENDING CHAPTER VII, "PERMITS, FEES, AND SERVICE CHARGES" OF THE CUPERTINO SANITARY DISTRICT OPERATIONS CODE RELATING TO PERMITS AND FEE CHARGES

WHEREAS, District has completed an analysis of the permits, connection, and treatment plant capacity fees it imposes and has produced a study titled, "District Connection and Capacity Fees Study" dated November 1, 2018; and

WHEREAS, the Board desires to add new system connection fees, treatment plant capacity fees, and pump zone fee based on the Fee Study; and

WHEREAS, this ordinance provides for four separate fee categories; Article 1 covers Administrative Connection and Disconnection Fees, Article 2 covers System Connection Fees, Article 3 covers Treatment Plant Capacity Fees, and Article 4 covers Pump Zone Fee.

NOW, THEREFORE, The Sanitary Board of the Cupertino Sanitary District, Santa Clara County, California, hereby ordains as follows:

SECTION 1: Article 1: Connection Permit and Article 2: Connection Fees of Chapter VII, "Permits, Fees and Service Charges" of the Operations Code are rescinded and a new Article 1 and Article 2 are added to the Operations Code to read as follows:

ARTICLE 1: ADMINISTRATIVE CONNECTION & DISCONNECTION FEES

7100. FEE TO CONNECT TO DISTRICT SEWER SYSTEM:

No one shall connect to the District sewer system without obtaining a sewer connection permit from the District Manager-Engineer. The fee for a connection permit is as follows:

| | |
|--|-----------------------------|
| All connection fees regardless of classification or uses | \$600.00 per new connection |
|--|-----------------------------|

7101. FEE TO DISCONNECT FROM DISTRICT SEWER SYSTEM:

No one shall disconnect from the District sewer system without obtaining a sewer disconnection permit from the District Manager-Engineer. The fee for a disconnection permit is \$250.00 for each lateral.

7102. DISTRICT ADMINISTRATION, ENGINEERING, AND INSPECTION FEES:

There will be separate charges for administration, engineering, and inspection as follows:

| Uses/Categories | Amount |
|---|--|
| 1) Any owner-initiated project where sewer main is proposed within public street or public utility/sewer easement and/or as determined by the District that the Installers' Agreement is required for the project. | As specified in the Installer's Agreement |
| 2) Plan Check Fee 3.1 Lateral Plan Check 3.2 Grease Control Device Plan Check | \$300 \$800 |
| 3) Inspection Fees 4.1 Lateral connection to existing lateral with new cleanout with CCTV included (2 inspection visits) 4.2 Lateral connection to existing lateral with existing cleanout to District Standard with CCTV included (1 inspection visit) 4.3 New lateral installation with CCTV included (3 inspection visits) 4.4 Grease Trap inspection (1 inspection visit) 4.5 Grease Interceptor/Oil Separator inspection (2 inspection visits) 4.6 Re-inspection beyond above inspection visits: Re-inspection fee must be paid prior to final approval. | \$400 \$300 \$800 \$300 \$600 \$200/visit |

For other uses/categories not included above, District Manager-Engineer will estimate the fee based on level of effort required for full cost recovery. All administration, engineering, and inspection fees are non-refundable, unless an installers' agreement specified the terms of the administration, engineering, and inspection fees.

7103. TIME LIMITATION ON CONNECTION PERMIT:

In the event connection to the sewer is not made within six (6) months for an existing building and one (1) year for new construction from the date the connection permit is issued, said permit may become void and, if voided, the total amount paid for said permit and any sewer service charges collected will be forfeited to the District, and a new permit will be required before connection is made.

7104. PERMIT ISSUANCE:

The District Manager-Engineer shall issue all permits under this Chapter. However, the District Manager-Engineer shall not issue any permit, which, in the District’s opinion, will cause the District to exceed its ability to convey or treat adequately the wastewater that would result from the issuance of such a permit. Any refusal to issue any permit under this Chapter is subject to the Appeals Procedure provided for in Chapter IX of the District Operations Code.

7105. SUSPENSION OR REVOCATION OF PERMITS:

If the permit holder fails or refuses to comply with any provision or condition of the permit, this Code, the rules and regulations of the District and orders of the District Manager-Engineer, or the rules and regulations of a municipal, county, state or federal agency, the District Manager-Engineer shall have the authority to suspend the permit by giving written notice of the suspension to the permit holder, stating that the permit is suspended, the reasons for the suspension, and the effective date of suspension. The suspension continues until the permit holder removes the grounds for suspension, but in no event shall the suspension be in effect for longer than 6 months from its effective date. All orders of suspension are subject to the appeals procedures provided for in Chapter IX of the District Operations Code.

If any of the grounds for a suspension continue during the period of the suspension, and, in the opinion of the District Manager-Engineer, are likely to continue past the termination date of the suspension; he may give written notice to the permit holder specifying the time and place of a hearing before the Sanitary Board to consider revocation of the permit. Said notice shall be given at least ten (10) days prior to said hearing, served in the manner prescribed in Section 1006 of the Operations Code and shall include the grounds for the proposed revocation.

Upon a finding that any of the grounds specified in the notice are true, the Sanitary Board may revoke the permit.

ARTICLE 2: SYSTEM CONNECTION FEES

7200. PURPOSE:

The purpose of the sewer connection fee is to allow the District to recover the costs associated with providing sewer collection lines in the District, excluding pump station costs. The fee is payable at the time of application for connection and/or as stipulated in the Installers’ Agreement.

7201. RESIDENTIAL CONNECTIONS:

The connection fee to connect a residential property to the sewer system shall be as follows:

| | |
|--|-----------------------|
| Single-Family Residence..... | \$11,034.00/residence |
| Townhouse/Condominium | \$9,847.00/unit |
| Multiple Dwelling & Accessory Dwelling Unit..... | \$8,173.00/unit |

The above fee is applicable for all new residential developments without consideration for existing use, except for a single-family residence. Demolishing an existing residence and reconstruction with a new single-family residence is exempt from payment of this fee.

If a townhouse/condominium and multiple dwelling has common area (recreation room, library, classroom, auditorium, lobby/offices, etc.) and food service facility, there will be additional charges equivalent to “Office” and “Food Service” classifications as outlined in Sections 7202 and 7302.

7202. NON-RESIDENTIAL CONNECTIONS:

The connection fee to connect non-residential property to the sewer system for all new developments, redevelopments, or change in classification (use) shall be as follows:

| Classification | Connection Fee | Unit |
|--|-----------------------|-----------------|
| Hotel/Motel | \$3,544.00 | Per Room |
| Hospital | \$4,354.00 | Per Bed |
| Convalescent Home | \$1,620.00 | Per Bed |
| Office | \$1.27 | Per Square Foot |
| Commercial Retail Store (Greater than 5,000 SF) | \$1.27 | Per Square Foot |
| Commercial Retail Store (less than 5,000 SF) | \$1.52 | Per Square Foot |
| Commercial Market – Grocery | \$2.17 | Per Square Foot |
| Commercial Gas Station with Car Washer | \$5.59 | Per Square Foot |
| Commercial School/Day Care Centers | \$17.00 | Per Square Foot |
| Commercial Laundromat | \$19.97 | Per Square Foot |
| Full Service Restaurant | \$19.49 | Per Square Foot |
| Cafeteria (in Office Complex) | \$15.34 | Per Square Foot |
| Fast Food Restaurant & Food Service in Grocery Store and Residential Development | \$8.35 | Per Square Foot |

Office as classified above also includes multiple uses from residential developments as described in Section 7201. If a residential development, hotel, hospital, convalescent home, and/or office includes food service, there will be an additional connection fee as listed above.

Square foot costs as shown above are calculated based on gross square feet. For a new development or redevelopment, gross square feet are determined by outside

dimensions of the building. For tenant improvements, area is calculated by adding four inches (4”) to the interior dimension for a common wall and adding eight inches (8”) for non-common wall thickness. Area for cafeteria and food service in a grocery store is based on total square foot of kitchen/cooking area, cooking food storage area, sit-down eating area, 50% of the sit-down eating area located outside the building and associated/connection service/hallway/lobby area. District Manager-Engineer will determine the area and calculate connection fees.

For other classifications not listed above, The District Manager-Engineer shall, based on standard engineering practices and methods, estimate the average daily wastewater flows (in gallons per day) for the new connection, and multiply those flows by the following unit cost to arrive at the total connection fee:

\$19.88 PER GALLON PER DAY

If, as a direct result of a new connection, the District is required to upgrade the hydraulic capacity of any sewer collection line serving that connection, the installer will be responsible for all direct and actual costs associated with that upgrade, in addition to its connection fee as calculated above.

7203. DEMOLITION/RENOVATION:

If, in the judgment of the District Manager-Engineer, the use of a non-residential connection is substantially altered in size through demolition, reconstruction and/or renovation, the District will assess another connection fee to that property as described in Section 7202, less credit for any connection fee previously paid by that connection.

SECTION 2: Article 3: Sewer Service Charges of Chapter VII “Permits, Fees, and Service Charges” of the Operations Code is re-designated as Article 6 and sections 7300 – 7304 re-designated as sections 7600 – 7604 respectively. Article 4: Payment of Sewer Service Charges of Chapter VII “Permits, Fees, and Service Charges” of the Operations Code is re-designated as Article 7 and sections 7400 through 7404 re-designated as sections 7700 – 7704 respectively. Article 5: Other Fees and Permits of Chapter VII “Permits, Fees, and Service Charges” of the Operations Code is re-designated as Article 8 and sections 7501 – 7506 re-designated as 7801 – 7806.

SECTION 3. A new Article 3: Treatment Plant Capacity Fee; Article 4: Pump Fee; and Article 5: Equalization Charges are added to Chapter VII, “Permits, Fees, and Service Charges” of the Operations Code to read as follows:

ARTICLE 3: TREATMENT PLANT CAPACITY FEES

7300. PURPOSE:

The purpose of the treatment plant capacity fee is to allow the District to recover its reasonable and actual costs of purchasing treatment capacity at the San Jose-Santa Clara Regional Wastewater Facility. The fee is payable at the time of application for connection and/or as stipulated in the Installers’ Agreement.

7301. RESIDENTIAL CAPACITY FEE:

The capacity fee to connect a residential property shall be as follows:

| | |
|--|-----------------|
| Single Family Residence | \$2,712.00/unit |
| Townhouse/Condominium | \$2,497.00/unit |
| Multiple Dwelling & Accessory Dwelling Unit..... | \$2,009.00/unit |

The treatment plant capacity fee applies to the use made of the treatment plant at the time the connection is made. If the use of the connection is changed and the change results in use of additional treatment plant capacity, an additional fee shall be imposed for the change in use.

7302. NON-RESIDENTIAL CAPACITY FEE:

New non-residential capacity fees, including redevelopments and/or change in classifications (use) shall pay a one-time treatment plant capacity fee as follows:

| Classification | Capacity/ Treatment Plant Fee | Unit |
|---|--|-----------------|
| Hotel/Motel | \$1,329.30 | Per Room |
| Hospital | \$4,349.04 | Per Bed |
| Convalescent Home | \$2,174.52 | Per Bed |
| Office | \$0.89 | Per Square Foot |
| Commercial Retail Store (Greater than 5,000 SF) | \$0.81 | Per Square Foot |
| Commercial Retail Store (less than 5,000 SF) | \$0.97 | Per Square Foot |
| Commercial Market – Grocery | \$0.89 | Per Square Foot |
| Commercial Gas Station with Car Washer | \$4.34 | Per Square Foot |
| Commercial School/Day Care Centers | \$0.97 | Per Square Foot |
| Commercial Laundromat | \$7.13 | Per Square Foot |
| Full Service Restaurant | \$15.51 | Per Square Foot |
| Cafeteria (in Office Complex) | \$15.51 | Per Square Foot |
| Fast Food Restaurant & Food Service in Grocery Store and Residential Developments | \$14.10 | Per Square Foot |

Office as classified above also includes multiple uses from residential developments as described in Section 7201. If a residential development, hotel, hospital, convalescent home, and/or office includes food service, there will be an additional connection fee as listed above.

Square foot cost as shown above is calculated based on gross area. For a new or redevelopment, gross area is determined by outside dimensions of the building. For tenant improvements, area is calculated by adding four inches (4") to the interior dimension for a common wall and adding eight inches (8") for non-common wall thickness. Area for cafeteria and food service in grocery store is based on total square feet of kitchen/cooking area, cooking food storage area, sit-down eating area, 50% of the sit-down eating area located outside the building and associated/connecting service/hallway/lobby area. The District Manager-Engineer will determine the square feet and calculate capacity fees.

For other classifications not listed above, The District Manager-Engineer shall, based on standard engineering practices and methods, estimate the average daily wastewater flows (in gallons per day), pounds of biochemical oxygen demand, pounds of suspended solids, and pounds of ammonia to be discharged for the purpose of computing treatment plant capacity fee. These discharge parameters will be multiplied by unit cost parameters to arrive at the total treatment plant capacity fee as follows:

| | |
|---------------------------------|------------|
| Flow (per gallon per day) | \$7.12 |
| BOD (per pound per day) | \$403.70 |
| SS (per pound per day) | \$272.04 |
| NH3 (per pound per day)..... | \$1,468.66 |

7303. DEMOLITION/RENOVATION:

If, in the judgment of the District Manager-Engineer, the use of a non-residential capacity fee is substantially altered in capacity through demolition, reconstruction, and/or renovation, the District will assess another capacity fee to that property as described in Section 7302, less credit for any capacity fee previously paid by that connection.

ARTICLE 4: PUMP ZONE FEE

7400. PURPOSE:

The purpose of the pump zone fee is to allow the District to recover costs associated with the District's owned seventeen pump stations. Pump Zone Fee is in addition to the fees imposed under Article 1: Permit Fee, Article 2: Connection Fee, and Article 3: Capacity Fee. The fee is payable at the time of application for connection and/or stipulated in the Installers' Agreement.

7401. PUMP STATION ZONE FEE:

The pump station zone fee shall be as follows:

| Classification | Additional Fee in Pump Station Zones | Unit |
|--|---|-----------------|
| Single-Family Residence | \$2,500.00 | Per Unit |
| Townhouse/Condominium | \$2,245.07 | Per Unit |
| Multiple Dwelling | \$1,851.85 | Per Unit |
| Hotel/Motel | \$886.35 | Per Room |
| Hospital | \$1,582.89 | Per Bed |
| Convalescent Home | \$690.14 | Per Bed |
| Office | \$0.39 | Per Square Foot |
| Commercial Retail Store (Greater than 5,000 SF) | \$0.38 | Per Square Foot |
| Commercial Retail Store (less than 5,000 SF) | \$0.45 | Per Square Foot |
| Commercial Market – Grocery | \$0.56 | Per Square Foot |
| Commercial Gas Station with Car Washer | \$1.81 | Per Square Foot |
| Commercial School/Day Center Centers | \$3.27 | Per Square Foot |
| Commercial Laundromat | \$4.93 | Per Square Foot |
| Full Service Restaurant | \$6.37 | Per Square Foot |
| Cafeteria (in Office Complex) | \$5.61 | Per Square Foot |
| Fast Food Restaurant & Food Service in Grocery Store and Residential Development | \$4.08 | Per Square Foot |

Method of calculating square foot shall be as specified in section 7202.

7402. DEMOLITION/RENOVATION:

If, in the judgment of the District Manager-Engineer, the land use is substantially altered in capacity through demolition, reconstruction and/or renovation, the District will assess another pump fee to that property as described in Section 7401, less credit for any pump fee previously paid by that connection.

ARTICLE 5: EQUALIZATION CHARGES

7501. SPECIAL EQUALIZATION CHARGES:

Except as otherwise provided for in the reimbursement of excess costs in Chapter 5, Article 4 hereof, in addition to any other rates or charges established by the ordinances, rules and regulations of the District, there shall be collected, prior to the

issuance of a permit for connection to the sanitary sewerage system of the District, such Special Equalization Charges may be specified by resolution of the District Board in order to establish conditions of equality between the installers of sewerage facilities and those benefiting from, but not participating in, the cost of such facilities. When Special Equalization Charges are deemed necessary and appropriate by the District Board, a Special Benefit Zone shall be established which shall define the area of properties that may reasonably be expected to benefit from the construction of specific sewerage facilities which have been or are to be constructed. The boundaries of each Special Benefit Zone and the amount of Special Equalization Charges to be levied therein shall be established by resolution of the District Board.

SECTION 4: Upon adoption, this Ordinance shall be entered in the minutes of the Sanitary Board and a summary of this Ordinance prepared by the District Counsel shall be published once in the Cupertino Courier and the Saratoga News, being newspapers of general circulation in the District. A certified copy of the full text of this Ordinance shall be posted in the office of the District Clerk.

SECTION 5: This Ordinance shall become effective upon expiration of the week of publication.

PASSED AND ADOPTED at a regular meeting of the Sanitary Board of the Cupertino Sanitary District held on the 5th day of December 2018 by the following vote:



President of the Sanitary Board

AYES: Directors Kwok, Bosworth, Chen, Saadati, and Gatto

NOES: None

ABSTAIN: None


ABSENT: None

ATTEST: None



Secretary

APPROVED AS TO FORM:



District Counsel