

**ORDINANCE NO. 87**

**ORDER OF THE GOVERNING BOARD OF THE GOLETA SANITARY DISTRICT  
ADOPTING AN ORDINANCE AND GENERAL REGULATION REPEALING  
ORDINANCE NO. 58 AND APPROVING REVISED CAPACITY FEE PROVISIONS**

**WHEREAS**, on September 23, 2002, the Governing Board (the “Board”) of the Goleta Sanitary District (the “District”) adopted Ordinance No. 58 setting forth fees for the privilege of connecting to the District’s sewer facilities, which fees are referred to in Ordinance No. 58 as “Connection Fees”.

**WHEREAS**, Section 4 of Ordinance No. 58 provides that revenues derived from the collection of Connection Fees shall be for the purpose of financing the expansion of the sanitation and sewerage facilities of the District to accommodate the demand for additional capacity.

**WHEREAS**, under Government Code Section 65852.2, as amended by Senate Bill 229, effective as of January 1, 2018 capacity fees for certain auxiliary dwelling units (“ADUs”) must be calculated based on either the size of the ADU or the number of plumbing fixtures.

**WHEREAS**, under Section 3 of Ordinance No. 58 and Table 1 attached thereto, the Connection Fee for ADUs is calculated by multiplying the Connection Fee applicable to single-family residences by 0.70. Said method of calculation is not based on the size of the ADU or the number of plumbing fixtures and therefore does not comply with Government Code Section 65852.2, as amended by Senate Bill 229.

**WHEREAS**, the Connection Fees provided for under Ordinance No. 58 have not been adjusted since they were adopted in 2002 and have therefore not kept pace with inflation or other cost increases incurred by the District.

**WHEREAS**, the Board desires to repeal Ordinance No. 58 and replace it with this Ordinance in order to (i) substitute the term “Capacity Fee” for the term “Connection Fee”, (ii) include additional definitions, (iii) address the purposes and permitted uses of Connection Fees and Capacity Fees, (iv) approve a new Capacity Fee for ADUs which is calculated based on the number of plumbing fixtures, (v) provide for the annual adjustment to the Capacity Fees based on the Engineering News Record Construction Cost Index Los Angeles Average, and (vi) make other revisions to the provisions applicable to Connection Fees and Capacity Fees, as more particularly set forth herein.

**NOW, THEREFORE**, the Governing Board of the Goleta Sanitary District ordains as follows:

- 1. Repeal of Ordinance No. 58.** Ordinance No. 58 is hereby repealed in its entirety and is replaced and superseded by this Ordinance.

2. **Definitions.** Unless the context herein specifically indicates otherwise, the meaning of terms used in this Ordinance shall be as follows:

(a) **“ADU”** shall mean an auxiliary dwelling unit that is (i) added onto an existing single-family residence or onto an existing accessory structure located on the same lot as a single-family residence, or (ii) constructed as a detached structure on the same lot as a single-family residence, as described in Government Code Sections 65852.2(f)(2)(B) and 65852.2(i)(4), as said sections may be amended, replaced, or superseded in the future.

(b) **“Base Charge”** shall mean the Capacity Fee payable by a single-family residence, as said Base Charge may be adjusted annually as provided herein. As of the Effective Date of this Ordinance, the Base Charge is Two Thousand Fifty-eight Dollars (\$2,058.00).

(c) **“Capacity Fee”** shall mean a fee for District Facilities (as defined below) that are in existence at the time the fee is imposed or fees for new District Facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the District involving capital expenses relating to the use of existing or new District Facilities.

(d) **“Capacity Project”** shall mean a Capital Project (as defined below) that will accommodate the demand for additional capacity by increasing the capacity of District Facilities to collect, convey, treat, and/or dispose of wastewater, including Capital Projects that address hydraulic flow (i.e., volume), strength, loadings, operational requirements, and applicable legal and regulatory requirements. A Capacity Project may relate to any component, facility, equipment, process, or constituent associated with the collection, conveyance, treatment, or disposal of wastewater.

(e) **“Capital Project”** shall mean a construction project or a purchase associated with new or existing District Facilities, but excluding construction projects and purchases that relate solely to the operation, maintenance, repair, and/or replacement of existing District Facilities. Capital Projects include, but are not limited to, Capacity Projects.

(f) **“District Facilities”** shall mean (i) wastewater collection, conveyance, treatment, and disposal facilities, (ii) facilities that improve efficiency, employ new technologies, facilitate conservation, resource recovery, reuse, recycling, and sustainability, and/or are required to comply with applicable legal and regulatory requirements, and (iii) administrative and other facilities used in connection with the provision by the District of services to its customers. District Facilities include buildings, structures, and other improvements, as well as capital equipment and assets that are incorporated into and/or used in conjunction with District Facilities.

(g) **“DFU”** shall mean the number of drainage fixture units for each type of appliance, appurtenance or fixture, as set forth in the then current California Plumbing Code.

(h) “**Dwelling Unit**” shall mean a building or portion thereof which provides complete independent living facilities for one or more persons and includes permanent provisions for living, sleeping, eating, cooking, and sanitation.

(i) “**ERU**” shall mean the equivalent of a single-family residential dwelling unit, assuming (i) a hydraulic flow rate of 203 gallons per day, and (ii) loadings and strength factors that are typical for a single-family residence within the District.

(j) “**Person**” shall mean (i) an individual or trust, (ii) a legal entity such as a corporation, partnership, or Limited Liability Company, (iii) an association, organization, group, or society, or (iv) the United States of America, the State of California, or a political subdivision, governmental agency or other public or municipal corporation.

**3. Capacity Fees.**

(a) Except as otherwise specifically provided herein, a Person desiring to connect to the District’s sewer system shall pay to the District a Capacity Fee for such connection determined by multiplying the applicable Capacity Unit of Benefit Factor, as set forth in Table 1 attached hereto and incorporated herein by this reference, by the then current Base Charge.

(b) Notwithstanding Section 3(a) above, the Capacity Fee for ADUs shall be calculated as set forth in Table 2 attached hereto and incorporated herein by this reference.

(c) Notwithstanding Section 3(a) above, in cases where a property is connected to the District’s sewer system pursuant to a written contract with the District, the Capacity Fee shall be calculated in accordance with the terms of such contract.

(d) Capacity Fees shall be in addition to (i) permit, inspection, and annexation fees, and (ii) any amount paid or to be paid for the costs of a specific sewer line or lines previously constructed or to be constructed for the purpose of connecting the property in question to the District’s sewer system. The applicable Capacity Fee shall be paid prior to the issuance by the District of a connection permit.

**4. Base Charge Adjustments.** The Base Charge shall be adjusted effective as of the first day of July of each year, commencing July 1, 2018, by the percentage change in the Engineering News Record Construction Cost Index for Los Angeles Average published for the immediately preceding April as compared to such index for April of the previous year.

**5. Use of Existing Connection Fee Revenues.** Revenues that were derived from the collection of Connection Fees pursuant to Ordinance No. 58 or other District ordinances that were in effect prior to the Effective Date (as defined below) and were placed in the District’s Capital Reserve Fund shall be only for the purpose of financing Capacity Projects.

**6. Use of Future Capacity Fee Revenues.** Revenues that are derived from the collection of Capacity Fees pursuant to this Ordinance on or after the Effective Date shall be

placed in the District's Capital Reserve Fund. Said Capacity Fee revenues shall be for the purpose of financing Capital Projects, including but not limited to Capacity Projects.

7. **Readily Convertible Units.** For the purpose of Table 1 attached hereto, the number of Dwelling Units shall be determined by the District and the District's decision in this regard shall be final and conclusive on all parties. If the District determines that expanded, remodeled or newly constructed premises or auxiliary structures are readily convertible into one or more separate Dwelling Units ("Readily Convertible Units"), the owner of the property shall pay to the District a Capacity Fee as calculated hereunder for each such Readily Convertible Unit. In lieu of paying said Capacity Fee, the Owner may execute a document setting forth the owner's acknowledgment that the Readily Convertible Unit may not be converted into or used as a separate Dwelling Unit without the prior approval of the District and the payment to the District of the then applicable Capacity Fees, permit fees and inspection fees. Said acknowledgement shall be in a form approved by the District, shall be binding on the owner's successors in interest and shall be recorded with the Santa Barbara County Recorder's Office. The acknowledgment shall be signed by all owners of record. The District's decision with regard to the number of Readily Convertible Units on the property shall be final and conclusive on all parties.

8. **General Findings.** The Board hereby finds that (i) in compliance with Article XIII A, Section 4 of the California Constitution and Section 50076 of the Government Code, the fees set forth in this Ordinance do not constitute a special tax requiring voter approval, (ii) based on the studies commissioned by the District, the approved budget, and revenue and cost projections of the District, the revenues forecast to be generated by the fees set forth in this Ordinance do not exceed the estimated reasonable cost of providing sewer service to the customers of the District and to the users within each of the categories established in Table 1, (iii) the revenues derived from the fees will not be used for any purpose other than that for which the fees are imposed, (iv) the amount of the fees will not exceed the proportional cost of the service provided to any parcel, and (v) the fees will be imposed only where service is actually used by, or immediately available to, the owner of the property in question.

9. **Partial Invalidity.** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, ineffective, or in any manner in conflict with the laws of the United States, or the State of California, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, and phrase, hereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California.

10. **Publication.** The District's Secretary is hereby directed to cause this Ordinance to be published once in a newspaper published in the District.

11. **Effective Date.** This Ordinance shall be effective upon the expiration of one (1) week following the date of publication (the "Effective Date").

**PASSED AND ADOPTED** this 15th day of January, 2018, by the following vote of the Governing Board of the Goleta Sanitary District:

**AYES:** Majoewsky, Emerson, Rose, Wageneck, Smith

**NOES:** None

**ABSENT:** None

**ABSTAIN:** None

By:   
Steven T. Majoewsky,  
President of the Governing Board

**COUNTERSIGNED:**

By:   
Robert O. Mangus, Jr.,  
Secretary of the Governing Board

<b>TABLE 1</b> <b>Calculation of Capacity Fee Under Section 3(a)</b>	
<b><u>TYPE OF CONNECTION BEING MADE</u></b>	<b><u>CAPACITY UNIT OF BENEFIT FACTOR</u></b>
Single-family residence	1.00
Multiple-family residence, condominium or apartment (excluding ADUs), per Dwelling Unit	0.70
Mobile home park, per unit	0.70
<p>Commercial, industrial and institutional uses, per ERU, with a minimum of 1.00 per connection</p> <p>Commercial and industrial facilities shall pay not less than their proportionate share of the cost of capacity in the District's trunk, interceptor and outfall sewers and treatment facilities, considering the amount of flow generated by the facility and the strength, composition and cost to treat the sewage generated by the facility based on available information. The District's decision in this regard shall be final and conclusive on all Persons.</p>	1.00

<b>TABLE 2</b> <b>Calculation of Capacity Fee for ADUs Under Section 3(b)</b>	
<b><u>NUMBER OF DFUs</u></b>	<b><u>CAPACITY FEE CALCULATION</u></b>
ADUs with 15 or fewer DFUs	Base Charge x 0.70
ADUs with more than 15 DFUs	Base Charge x 0.70 <b>PLUS</b> Additional fixture charge calculated as follows: (DFUs in excess of 15 divided by 20) x Base Charge