

## ATTACHMENT 2

### RESOLUTION 2025-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANTECA, STATE OF CALIFORNIA, APPROVING THE WATER CAPACITY FEE NEXUS STUDY; SETTING CHARGES FOR THE WATER CAPACITY FEE, UPDATED WATER METER INSTALLATION FEE, AND INTERIM RESIDENTIAL NEW CONNECTION FEE; AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO TAKE ALL APPROPRIATE ACTIONS NECESSARY TO CARRY OUT THE PURPOSE AND INTENT OF THE RESOLUTION

WHEREAS, the Manteca Municipal Code (“MMC”) imposes on new and expanded water connections the requirement to pay a Water Capacity Fee and Water Meter Installation Fee (MMC Chapter 13.04); and

WHEREAS, MMC Sections 13.04.010 and 13.04.020 empower the City Council to establish the amount of the Water Capacity Fee, Water Meter Installation Fee, and Interim Residential New Connection Fee by resolution in accordance with a nexus study; and

WHEREAS, new and expanded water connections require increased capacity in the City’s water system and the City incurs costs associated with the installation of new water meters and the processing of applications for interim new residential water connections; and

WHEREAS, the City worked closely with its consultants at Raftelis to review its prior water capacity fees and meter installation fees to determine if they were adequate to cover the costs of existing and planned public improvements that provide capacity to serve new development; and

WHEREAS, Raftelis submitted a “City of Manteca Capacity Fee and Meter Installation Fee Study” (“Water Capacity Fee Nexus Study”), which recommended that the City adopt an updated and consolidated water capacity fee and calculated reasonable rates for the Water Capacity Fee and Water Meter Installation Fee; and

WHEREAS, the Water Capacity Fee Nexus Study is attached hereto as Exhibit A and hereby incorporated by reference; and

WHEREAS, the purpose of the Water Capacity Fees is to fund a proportionate share of the costs of existing and future water facilities and assets that are reasonably necessary to provide water capacity for new development. For the purpose of this Resolution, “new development” means all new building construction, conversion to a new use, or additional use within an existing building that creates a need for additional water capacity; and

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WHEREAS, the purpose of the Water Meter Installation Fee is to fund the City's actual costs related to water meter installation; and

WHEREAS, the City desires to adopt an interim residential new connection (IRNC) fee for the rare occasions where water service connection is needed for health and safety purposes. The City has elected not to impose Capacity Fees on IRNC customers, but they will be subject to the meter installation fee plus an administration fee as well as all other fees needed to physically make the water line connection. IRNC customers must meet each of the following criteria specified in Section 13.04.020(F) of the MMC and provided below:

- Must be an existing single family home built prior to March 2024
- Must be within City Limits
- Must not have had a prior water connection; and

WHEREAS, the Water Capacity Fees have an essential nexus to the City's purpose of providing adequate water system facilities to serve new development and the Water Capacity Fees are roughly proportional to the impacts of new or expanded water connections on the City's water system and do not exceed the costs of those impacts; and

WHEREAS, the Water Capacity Fees and Water Meter Installation Fees are "exempt charges", within the meaning of Section 1 of Article XIII C of the California Constitution because they are fees that are imposed as a condition of property development; and

WHEREAS, pursuant to Government Code sections 66013, 66016, and 66016.6, notice of the time and place of the meeting, including a general explanation of the matters to be considered and a statement that the required data is available was mailed at least 14 days prior to the meeting to those members of the public who filed a written request with the City, and the City made available information required by sections 66013 and 66016 at least 14 days prior to the meeting; and

WHEREAS, notice of the public hearing at which the fees were considered was published in accordance with Government Code section 66018; and

WHEREAS, the Water Capacity Fees are consistent with the City's General Plan because (1) they will help ensure that the City maintains appropriate growth measures to ensure that the City can provide facilities and infrastructure necessary to serve new development (Goal GM-1); and (2) they require new development to meet level of service standards for necessary water services and facilities (GM-1.1); and

WHEREAS, on February 4, 2025, the City Council considered the proposed Water Capacity Fees and Water Meter Installation Fees set forth in the Water Capacity Fee Nexus Study, at an open and public hearing, during which all interested persons were given an opportunity to comment.

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WHEREAS, the City Council has considered all information related to this matter, including any supporting reports by City Staff and any information provided by the public, prior to the close of the public hearing.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Manteca, as follows:

1. The City Council hereby finds and determines as follows:
  - a. The above recitals are correct and are material to this Resolution and are incorporated into this Resolution as findings of the City Council.
  - b. The Water Capacity Fees do not exceed the estimated reasonable cost of providing water capacity to new and expanded water connections in accordance with Government Code, section 66013.
2. The City Council hereby finds and determines that the Water Capacity Fee Nexus Study, demonstrates that the Water Capacity Fee and Water Meter Installation Fee are roughly proportionate to the City's costs of providing water capacity and for installing water meters, complies with California Government Code sections 66013 and 66016, and is consistent with the General Plan, and hereby approves and adopts the Water Fee Study, attached hereto as Exhibit A.
3. The Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA") and the CEQA Guidelines. The Resolution is not a project under Public Resources Code Section 21065 and California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(4) because the Resolution does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, as the Resolution only creates a government funding mechanisms which do not involve any commitment to any specific project. The Resolution is also exempt from CEQA as there is no possibility for causing a significant effect on the environment, per CEQA Guideline Section 15061(b)(3). No specific water projects are associated with this Resolution. The Resolution is policy-oriented and would create a funding mechanism for the development of future water facilities. When and if specific water projects are developed and proposed for implementation, the environmental impacts of such facilities would be evaluated in accordance with CEQA and City practice.
4. The City Council hereby adopts the rates for Water Capacity, Water Meter Installation, and Interim Residential New Connection Fees as shown in Exhibit B, attached hereto and incorporated by this reference. The Water Capacity, Water Meter Installation, and Interim Residential New Connection Fees shall be incorporated into the City's Master Fee Schedule.
5. Effective Date. This Resolution shall take effect immediately. In accordance with Government Code Section 66017, the fees, set forth in Exhibit B shall

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be in full force and effect on May 1, 2025, or 60 days after the adoption of this Resolution, whichever occurs later, and shall be published or posted as required by law.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Manteca at a public meeting of said City Council held on the 4th day of February, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MAYOR: \_\_\_\_\_  
GARY SINGH  
Mayor

ATTEST: \_\_\_\_\_  
CASSANDRA CANDINI-TILTON  
City Clerk