### ORDINANCE O2025-XX

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MANTECA, STATE OF CALIFORNIA, REPEALING AND REPLACING CHAPTER 13.12 SEWER CONNECTION CHARGES

WHEREAS, Chapter 13.12 of the Manteca Municipal Code sets forth two Sewer Connection Charges: an Additional Connection Charge and a WQCF Phase 3 Completion Charge, to be paid by those requesting a new or expanded connection to the City's sewer system; and

WHEREAS, the City desires to replace the Additional Connection Charge and the WQCF Phase 3 Completion Charge with one, comprehensive, citywide Sewer Capacity Fee; and

WHEREAS, the purposes of the Sewer Capacity Fee include the purposes of the former Additional Connection Charge and the former WQCF Phase 3 Completion Charge; and

WHEREAS, the City desires to update its Sewer Capacity Fee program in order to comply with recent changes in the law governing impact and capacity fees and to streamline future fee updates; and

WHEREAS, the City Council has considered all information related to this matter, as presented at the public meeting of the City Council identified herein, including any supporting reports by City Staff, and any information provided during public meetings.

THE CITY COUNCIL OF THE CITY OF MANTECA DOES ORDAIN AS FOLLOWS:

**SECTION 1:** The above findings are true and correct, are material to the adoption of this Ordinance, and are incorporated herein by reference.

SECTION 2: Environmental Review. The City Council finds that the adoption of the amendments to the Sewer Capacity Fees are not considered a project under Public Resources Code Section 21065 and CEQA Guidelines Section 15378 because the amendments do 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, and the amendments create government funding mechanisms which do not involve any commitment to any specific project. They are also exempt from CEQA as there is no possibility for causing a significant effect on the environment, per Section 15061(b)(3).

No specific projects are associated with these amendments to the Sewer Capacity Fees. The proposed project is policy-oriented and would establish a funding mechanism for future facilities. When and if specific projects are developed and proposed for implementation, the environmental impacts of such facilities would be evaluated in accordance with CEQA

and City practice.

**SECTION 3:** Amendment. Section 13.12 is hereby amended as follows:

Delete in its entirety.

Replace with:

"13.12 SEWER CONNECTION CHARGES

13.12.010 Sewer Capacity Fees

- A. Except as otherwise provided in this Section, persons applying for new or expanded sewer service shall pay a sewer capacity fee in an amount established by ordinance or resolution of the City Council in accordance with a nexus study that demonstrates that the fees do not exceed the estimated reasonable costs of providing the services and/or facilities for which the fees are imposed. Unless otherwise required by law, said fee shall be collected at the time an application for installation of a new or expanded sewer service is filed with the City.
- B. Purpose. The purpose of the sewer capacity fee is to fund a proportionate share of the costs of existing and future sewer system facilities and assets that are reasonably necessary to provide sewer capacity for new development. For the purposes of this section, "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 sewer capacity. The purposes of the sewer capacity fee include the purposes of the former Additional Connection Charge and the former WQCF Phase 3 Completion Charge.
- C. Determination of Required Fees.
  - 1. Sewer Capacity Fee. Prior to connection of a new sewer service line, the applicant shall pay a sewer capacity fee based on their water meter size.
  - 2. The Public Works Director, or the Director's designee, shall be responsible for determining the fees required by this section. If new development changes or intensifies the existing use on the project site, thereby requiring the payment of a new or additional sewer capacity fee, the then current fee amount associated with the existing use on the project site shall be credited against the new total fee due, as determined by the Public Works Director; provided, however, that in no event shall the city refund the fees previously paid. The determination of required fees shall be made at the time of application for new or increased sewer service. However, the Public Works Director has the right to reassess actual sewer usage at any time after connection is made to the City's system.

If the sewer capacity fee associated with the consumer's actual sewer usage exceeds the sewer capacity fee imposed for the connection, the City may determine the difference between the original fee and the fee associated with the consumer's actual usage,

at the rates in effect at the time the application for installation of a new or expanded sewer service was made, and impose the difference between the two fee amounts on the consumer that made the connection.

3. All fees shall be modified automatically on an annual basis, each July 1, in accordance with the change in the Twenty-City U.S. Average Engineering News Record Official July Construction Costs Index. This adjustment shall not require any action of the city council.

## 13.12.020 Sewer Capacity Fund

The revenues from the sewer capacity fee shall be deposited in a segregated sewer capacity fee fund for the purpose of funding public facilities reasonably necessary to provide sewer capacity service to new or expanded connections to the City's sewer system.

# 13.12.030 Fee Adjustments

- A. Any person subject to the sewer capacity fee may apply to the Public Works Director or the Public Works Director's designee, for a reduction, adjustment or waiver of that fee based upon the applicant's contention that (1) the amount of the fee is not reasonably related to the costs of providing sewer capacity to the new or expanded sewer connection; (2) the fee is not roughly proportionate to the sewer connection's impacts on the City's sewer system; or (3) the fee requires the person to pay more than is necessary to address the impacts of the new or expanded sewer connection on the City's sewer system.
- B. Application. An applicant shall file a written request to adjust fees with the Public Works Director not later than 10 days after the city notifies the applicant of the amount of the fee to be charged. Additional time, as determined by the Public Works Director, will be allowed when significant additional information is required of the applicant. The application shall provide evidence illustrating that the payment of the fee authorized by this chapter and imposed by implementing resolution bears no reasonable relationship and/or is not roughly proportionate to the impacts of the connection on the City's sewer system and shall state in detail the factual basis for the request for reduction, adjustment or waiver. If an applicant desires to receive a sewer connection prior to the city's issuance of a final determination on the adjustment application, the applicant shall deposit the fee with the application. Such fee or portion thereof will be refunded if the application is successful.
- C. Decision of the Public Works Director. The Public Works Director shall issue a decision on the application within 30 days after the application is filed. The Public Works Director shall consider evidence from the applicant, from other city departments imposing the fee or charge, and from other persons who may have personal knowledge of relevant information concerning the fee or charge. The Public Works Director's decision shall state his or her determination regarding the amount of the sewer capacity fee that may reasonably be imposed on the new development and include a brief description of the

basis for the decision. The decision of the Public Works Director is final.

## 13.12.040 Exemptions

The following sewer connection types shall be exempt from paying the Sewer Capacity Fee.

- 1. Accessory dwelling units.
- 2. Interim Residential New Connections. Residential dwelling units existing and law-fully occupied as of March 1, 2024, within the city limits, utilizing a sceptic system, that have never been connected to the City's sewer system."

However, Interim Residential New Connections shall pay a fee for the City's administration costs associated with the new connection, to be established by the City Council by ordinance or resolution.

<u>SECTION 4:</u> Severability. If any section, sub-section, subdivision, paragraph, clause or phrase in this Ordinance, or any part thereof, is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, sub-section, subdivision, paragraph, sentence, clause or phrase of this Ordinance, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

**SECTION 5:** Effective Date. This Ordinance shall become effective thirty (30) days following adoption.

City of	Manteca, a municipal corporation
MAYOR:	
	GARY SINGH
ATTEST:	
	CASSANDRA CANDINI-TILTON CITY CLERK

CASSANDRA CANDINI-TILTON

City Clerk

STATE OF CALIFORNIA
COUNTY OF SAN JOAQUIN SS:
CITY OF MANTECA
I, Cassandra Candini-Tilton, City Clerk of the City of Manteca, do hereby certify that the foregoing Ordinance had its first reading and was introduced during the public meeting of the City Council on the day of, 2025, and had its second reading and was adopted and passed during the public meeting of the City Council on the day of, 2025, by the following vote:
AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST: \_