

## ATTACHMENT 5

### ORDINANCE O2025-XX

#### ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MANTECA, STATE OF CALIFORNIA, REPEALING AND REPLACING CHAPTERS 13.04.010 METERS REQUIRED AND 13.04.020 RULES AND REGULATIONS

WHEREAS, Chapters 13.04.010 and 13.04.020 of the Manteca Municipal Code set forth water capacity and water meter installation fees to be paid by those requesting a new or expanded connection to the City's water system; and

WHEREAS, the City currently imposes two water capacity fees a Surface Water Debt Service Fee and a Surface Water Capital Fee, which the City desires to replace with one, comprehensive, citywide Water Capacity Fee; and

WHEREAS, the purposes of the water capacity fee include the purposes of the former Surface Water Debt Service Fee and Surface Water Capital Fee; and

WHEREAS, the City desires to update its Water Capacity Fee and Water Meter Installation Fee programs 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 Water Capacity and Water Meter Installation Fee Programs 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 Water Capacity and Water Meter Installation Fee Programs. The proposed project is policy-oriented and would establish a funding mechanism for future government building facilities. When and if specific projects are developed and proposed for implementation, the environmental

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impacts of such facilities would be evaluated in accordance with CEQA and City practice.

**SECTION 3:** Amendment. Section 13.04.010 is hereby amended as follows:

**Delete in its entirety.**

**Replace with:**

“13.04.010 Meters and Water Meter Installation Fee Required

- A. All water supplied by the city waterworks to its consumers shall be measured by means of a suitable water meter sized based on the peak demand of the new connection without the use of booster pumps and a cubic foot shall be the unit of measurement.
- B. Prior to the connection of a new water meter, the applicant shall pay a water meter installation fee to be established by the City Council by ordinance or resolution. The water meter installation fee shall not exceed the City’s estimated reasonable costs of installing the water meter.
- C. When water demands of an existing connection exceed the capacity of the water service line or meter in use, the City may require the installation of a larger service line and/or meter and consumer shall pay all upsizing fees (water capacity charges, water meter installation fees, etc.).”

**SECTION 4:** Amendment. Section 13.04.020 is hereby amended as follows:

**Delete in its entirety.**

**Replace with:**

“13.04.020 Water Capacity and Meter Installation Fees

- A. Except as otherwise provided in this Section, persons applying for a new or expanded water service shall pay a water 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 water service meter is filed with the City.
- B. Purpose. The purpose of the water capacity fee is to fund a proportionate share of the costs of existing and future water system facilities and assets that are reasonably necessary to provide water 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 addi-

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tional water capacity. The purposes of the water capacity fee include the purposes of the former Surface Water Debt Service fee and the former Surface Water Capital Fee.

### C. Determination of Required Fees.

1. The Public Work's Director or the Director's designee shall be responsible for determining the fees required by this section. This determination shall be made at the time of application for new or increased water service.

2. If new development changes or intensifies the existing use on the project site, thereby requiring the payment of a new or additional water 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.

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.

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

### E. Fee Adjustments.

1. Any person subject to the water capacity fee may apply to the Public Works Director or the 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 water capacity to the new or expanded water connection; (2) the fee is not roughly proportionate to the water connection's impacts on the City's water system; or (3) the fee requires the person to pay more than is necessary to address the impacts of the new or expanded water connection on the City's water system.

2. 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 water system and shall state in detail the factual basis for the request for reduction, adjustment or waiver. If an applicant desires to receive a water connection prior to the city's issuance of a final determination on the adjust-

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ment application, the applicant shall deposit the fee with the application. Such fee or portion thereof will be refunded if the application is successful.

3. 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 Director's decision shall state his or her determination regarding the amount of the water 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.

F. Exemptions. The following water connection types shall be exempt from paying the Water Capacity Fee.

1. Accessory dwelling units.

2. Interim Residential New Connections. Residential dwelling units existing and lawfully occupied as of March 1, 2024, within the city limits, utilizing a well system, that have never been connected to the City's water system.

However, Interim Residential New Connections shall pay a fee to cover the City's administrative costs of processing the connection, to be established by the City Council by ordinance or resolution."

**SECTION 5: 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, sub-sections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

**SECTION 6: Effective Date.** This Ordinance shall become effective thirty (30) days following adoption.

City of Manteca, a municipal corporation

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

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