## CITY OF ENCINITAS PUBLIC NOTICE OF ORDINANCE ADOPTION ORDINANCE NO. 2024-07

NOTICE IS HEREBY GIVEN that the City Council of the City of Encinitas has adopted Ordinance No. 2024-07 titled "An Ordinance of the City Council of the City of Encinitas, California, Setting Capacity Fees and Escalator for Cardiff Sanitary Division (CSD) and Encinitas Sanitary Division (ESD) and to Amend Encinitas Municipal Code Section 18.08.025."

Capacity fees are one-time fees typically paid when applying for new or increased service and are imposed on development projects by local agencies. The purpose of a capacity fee is to ensure that growth in the number of customers served will pay for itself, without excessive burdens on existing customers. These fees represent equitable cost sharing with other system users who previously paid to establish and expand the system and/or will in the future. Capacity fees are assessed per served structure based on assigned EDUs: a unit of measure that approximates the sewer use of an average single-family residence. Currently, there are 21 customer billing classifications, each with a unique EDU capacity value. Updated capacity fees are based solely on system facilities values and system capacity (based on the current Sewer Master Plan). Sewer capacity fees thus represent a capital buy-in of sorts that replenishes cash used to purchase and maintain system assets and provides funding toward full system buildout.

Proposed Ordinance No. 2024-07 updates the sewer capacity fees and escalator for both CSD and ESD and amends Encinitas Municipal Code Section 18.08.025 as recommended by Ardurra, the City's sewer rate consultant, to include the following language:

"C. Exceptions. The City Engineer shall exercise their professional judgement and discretion to determine and assign EDUs for Wastewater Discharge Permits, or modifications thereto, to assess the Sewer Connection/Capacity Fee for structures, and/or uses, and/or combinations thereof not otherwise specified in §18.08.025."

Ordinance 2024-07 was introduced at the Regular City Council meeting held on May 8, 2024, and adopted at the Regular City Council meeting held on May 22, 2024, by the following vote: AYES: Blackwell, Ehlers, Hinze, Kranz, Lyndes; NAYS: None; ABSTAIN: None. ABSENT: None. The Ordinance is on file in the office of the City Clerk, 505 South Vulcan Avenue and may be viewed between the hours of 8:00 a.m. and 5:00 p.m.

In compliance with the Americans with Disabilities Act/Section 504 Rehabilitation Act of 1973 and Title VI, this agency is an equal opportunity public entity and does not discriminate on the basis of race, color, ethnic origin, national origin, sex, religion, veteran status or physical or mental disability in employment or the provision of service. /Kathy Hollywood, City Clerk