

MEMORANDUM

To: CSWD Board Members
From: Daniel E. Keen, Secretary
Date: March 26, 2022
Re: Amendment of Connection Fee Policy for New Construction and Adoption of Remodel Surcharge Fee for Remodels in Excess of 400 Square Feet of Habitable Space.

The District currently charges a connection fee of \$850 for new connections to the District's sewer collection system. This is the fee charged when construction of a new home occurs on a vacant lot.

At this time, the District's connection fee policy does not charge a fee for construction on lots which have previously been developed with a habitable dwelling unit, even if the previous structure was substantially or completely destroyed, or the construction adds significant additional habitable space to the existing unit.

It is proposed that the connection fee policy be amended as follows:

Construction Type	Fee
New construction, vacant lot	\$850
New construction on previously developed lot where existing structure was removed, or at least 50% of former structure was destroyed.	\$850
Remodel or addition to existing unit which adds in excess of 400 square feet of habitable space.	\$425

The rationale for the amended fees is as follows:

- 1) New construction which connects to the District's sewer collection system requires excavation near the District's pipes and connection of a lateral to the pipes. The fee covers the expense of marking pipe locations prior to excavation, and inspection of the District's facilities before, during and after construction.

- 2) New construction on lots where a structure previously existed, even if previously connected to the District's system, requires excavation and inspection of the lateral connection to the system to ensure that it is functional and has not been damaged. The work required to conduct this inspection is essentially the same as what would be required for a new connection on a vacant lot; thus the same fee is charged.
- 3) New construction to an existing dwelling unit, such as a remodel which includes an addition or conversion of existing non-habitable space to habitable space, may increase effluent into the District's system. The District will inspect the existing lateral and connection to the system in order to ensure that it is adequately sized and functional. The fee partially compensates the District for the cost of this inspection.

Recommended Action: It is recommended that the District Board approve the amended connection fee policy set forth in this report.