

MRWPCA CODIFIED ORDINANCE

FOR

SEWER SERVICE

USER FEE RATES

AND

CAPACITY CHARGES

August 1, 2010

ORDINANCE 2010-02

AMENDING ORDINANCE NO. 2001-01, IN PART, TO CHANGE THE SEWER SERVICE USER FEE RATES AND CAPACITY CHARGES

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The BOARD OF DIRECTORS OF THE MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY DOES ORDAIN, AS FOLLOWS:

1. **Definitions.** The following words and phrases shall be defined as follows in connection with the interpretation and construction of this ordinance:
 - A. “Business/Government” shall mean all businesses, offices, governmental agency offices and any other similar user not otherwise included in another category herein, including grocery stores not defined as “supermarkets” hereinbelow. For governmental facilities and other businesses, a unit shall be charged for each 1 to 10 employees (i.e., 1-10 employees=1 unit; 11-20 employees=2 units; 21-30 employees=3 units, etc.).
 - B. “Residential” shall refer to all living or dwelling units (as defined by the Uniform Building Code) of a permanent, rather than a transient nature, including single-family residences, apartments, mobile homes, townhouses, and condominiums. A living unit shall be defined as any structure containing sleeping, eating, cooking, and sanitation facilities.
 - C. “Transient Occupancy Residential” shall refer to all living or dwelling units (as defined by the Uniform Building Code) located in a hotel, motel or other visitor-serving structure, which contain facilities for cooking and eating, but which are limited by zoning ordinance, use permit or other restrictions of the member jurisdiction where located to transient occupancy. Such units will be subject to residential user fees and capacity charges, but for all other purposes shall be treated as commercial, hotel/motel uses.
 - D. “Hotel/Motel” shall mean all living units of a transient nature including hotel and motel rental room units, and also living units of a permanent nature, which do not contain any kitchen facilities. Excluded from the category are major, full-service hotels, which are defined as a special user hereinbelow.
 - E. “Bed and Breakfast Inn” shall mean hotel/motel facilities that use less than sixty-seven (67) gpd (gallons per day), per room. This is a residential living

unit(s) where the establishment is primarily engaged in renting rooms, with or without meals, on a fee basis.

- F.** “Supermarket” shall mean all businesses whose principal activity involves the retail sale of all sorts of canned foods and dry goods, such as tea, coffee, spices, sugar, and flour; fresh fruits and vegetables; and fresh meats, fish, seafood, and/or poultry, which are prepared on-premise. This category also contains fish, seafood, and/or meat markets primarily engaged in preparing fresh and raw or cooked fish, seafood or meat for resale.
 - (1)** “Grocery store” shall mean all businesses whose principal activity involves the retail sale of groceries that are prepackaged and where there is no on-premise bakery, produce, fish, seafood, poultry, or meat preparation. A grocery store shall be charged as a general commercial user as defined in Section 1.a. of this ordinance.
- G.** “Medical Offices” shall be defined as all offices of physicians, surgeons, optometrists, chiropractors and other similar professionals practicing in the medical field.
- H.** “Dental Offices” shall mean all offices of dentists.
- I.** “Rest Home (7 or more beds)/Convalescent Hospital” shall mean all health care facilities which provide in-patient bed facilities, but do not perform surgeries or other major medical services, and hospitals with less than 150 gpd, per bed.
- J.** “General Hospital” shall be defined as a health care facility, which provides in-patient bed facilities and surgical services or other major medical services with flows of more than 150 gpd per bed.
- K.** “Animal Hospital” shall mean all animal care facilities, including veterinary offices, animal boarding facilities and hospitals.
- L.** “Restaurant” shall mean all establishments whose principal activity involves on-premise preparation and service of meals and food, including coffee shops and cafes. Includes restaurants serving one, two, or three meals per day.
- M.** “Restaurant with a Bar” shall mean any retail establishment selling food prepared on-premise and with a full-service bar on-premise.

- N.** “Bar” shall mean all bars and taverns, which are, separate from or do not include restaurant facilities, and which may or may not include entertainment. Water consumption shall not exceed 634 gpd.
- O.** “Nightclub” shall mean all bars and taverns, which are, separate from or do not include restaurant facilities, and which may or may not include entertainment. Water consumption must exceed 634 gpd.
- P.** “Take-out Food Business” shall be defined as all drive-ins, sandwich shops, fast-food outlets and similar businesses whose principal activity involves food service, but which do not provide on-premise eating facilities or which provide only disposable eating implements (paper plates, plastic utensils, etc.). A small take-out food business shall be one with one (1) cash register or check-out line, a medium business shall have two (2) or three (3) cash registers or check-out lines, and a large business shall be one with four (4) or more cash registers or check-out lines.
- Q.** “Bakery” shall mean all businesses whose principal activity involves the production of baked goods on-premise for resale.
- R.** “Theater” shall mean all facilities whose principal activity involves the showing of movies or moving pictures, or the presentation of plays or other forms of entertainment.
- S.** “Bowling Center” shall mean a business whose principal activity is to provide facilities for bowling, even though incidental food and beverage services are also provided.
- T.** “Mortuary” shall mean all establishments principally involved in preparing the dead for burial and cremating the dead.
- U.** “School” shall mean an educational facility in which instruction takes place, including public, private and religious schools and colleges.
- V.** “Service Station/Repair” shall mean all facilities who are primarily engaged in performing repair work on automobiles, boats, recreational vehicles, motor cycles, etc. Can include gasoline service stations who sell gas and perform repair work.
- W.** “Dry Cleaners” shall mean a business where dry cleaning services are performed on-premise, and laundry services are not provided.

- X.** “Laundromats” shall be defined as all self-service clothes washing establishments.
- Y.** “Laundry” shall mean all laundries or combination laundries/dry cleaners that are considered special users. An “Industrial Laundry” is one which is primarily engaged in supplying businesses or industries with laundered or dry-cleaned work uniforms, wiping towels, table linens, bed linens and similar items on a contract basis. A “Commercial Laundry” is one, which is primarily engaged in supplying residences or businesses with laundered shirts, pants, household linen and similar items on an over-the-counter basis.
- Z.** “Car Wash” shall be defined as a business, whose principal activity involves motor vehicle washing, including automatic and self-service washing. This category is considered a special user.
- AA.** “Major Hotel” shall mean a full-service facility having rooms, restaurant(s), and/or bar, and which provide room service. This category is considered to be a special user.
- BB.** “Special User” shall mean any establishment, which cannot be classified in any other category, based on their individual flow and strength characteristics. The special user charge is determined based on applying the formula contained hereinbelow. Actual water usage is ordinarily the basis for the special user’s average daily sewage flow.
- CC.** “Business/Commercial/Residential-Vacant” shall mean all commercial units, which are unoccupied, and residences, which are unoccupied for more than two (2) months out of the year.
- DD.** Residential housing units that are subject to special user capacity charges, but for all other purposes shall be treated as residential, shall mean:
 - (1)** “Residential Care Housing” which is defined as a cooperative residential care housing facility sponsored or finance, in part, by the U.S. Department of Housing and Urban Development (“HUD”) as a Section 202, Home Funds or Low-Income Housing Tax Credit project for elderly, low-income individuals, or a Section 811 project for physically disabled low-income individuals, with one-bedroom living units to be occupied by single residents only, with in-house counselor management and support services; or
 - (2)** “Low- to Extremely-Low Income Housing” which is defined as housing units for persons of incomes defined by HUD as described in Title 25, Section 6932 of the California Code of Regulations (CCR) with each unit containing

one (1) bedroom or less, no more than 550 sf., less than twelve (12) plumbing fixture units, and no more than two (2) persons per unit. Any such housing units shall require that an applicant requesting a waiver have an agreement with the applicable member entity restricting units to low-income housing for no less than twenty (20) years.

Such housing units will be subject to special user capacity charges, restricting units to low-income housing using flow as 126 GPD, BOD as 265, SS as 265.

- EE.** “Biochemical Oxygen Demand” shall mean the measure of the biologically decomposable material in wastewater, as determined by the procedures specified in the most current edition of “Standard Methods for the Examination of Water and Wastewater”, or any successor publication which establishes the industry standard.
- FF.** “Flow” shall mean the amount of wastewater discharged by the customer.
- GG.** “Flow Rate” shall mean the volume of wastewater flow over a specified period of time, expressed as: gallons per day (gpd), etc.
- HH.** “HCF” shall mean one hundred cubic feet or 748 gallons and is the standard unit for measure for municipal water service. Also sometimes referred to as a billing unit or CCF.
- II.** “Strength” shall mean the measurement of SS and BOD within the wastewater.
- JJ.** “Suspended Solids” (SS) shall mean the insoluble solid matter in wastewater that is separable by laboratory filtration, as determined by the procedures specified in the most current edition of “Standard Methods for the Examination of Water and Wastewater,” or any successor publication which establishes the industry standard.

Paragraph 2 Amended. Paragraph 2 is hereby repealed in its entirety and replaced with a new paragraph to read, as follows:

- 2. User Classifications and Charges.** Pursuant to Article 5, Sections 5.01-5.05 of MRWPCA Ordinance No. 79-2, and as amended by MRWPCA Ordinance No. 81-1, the following user classifications or categories are hereby established. The charges levied are for the use, rent, and availability of sewage facilities and services furnished. In certain circumstances a user may be placed in more than one category and assessed more than one user charge where multiple businesses as defined by this ordinance are conducted on the same parcel.

A. User Category Average Flow, BOD, SS and Charges

Section 1 Reference	User Category	DESCRIPTION	GPD AVG FLOW	BOD	SS	Monthly Rate Per Unit	UNIT
A.	001	Business/Government	146	150	150	\$8.30	Location/each business
B.	102, 105, 107, 109	Residential	189	265	265	\$12.00	Each living unit
C.	102	Transient Occupancy Residential	189	265	265	\$12.00	Each living unit
D.	221	Hotel/Motel	82	310	120	\$4.95	Each room
E.	222	Bed & Breakfast Inn	54	310	120	\$3.30	Each room
F.	231	Supermarket	797	800	800	\$78.35	Location
G.	241	Medical Office	195	130	80	\$10.70	Each licensed physician
H.	242	Dental Office	269	130	80	\$14.45	Each licensed dentist
I.	243	Rest Home/Convalescent	54	250	100	\$3.10	Each bed of licensed capacity
J.	244	General Hospital	320	250	100	\$18.35	Each bed of licensed capacity
K.	245	Animal Hospital	365	250	100	\$21.50	Location/each business
L.	261	Restaurant–One Meal	7	1,000	600	\$.75	Each restaurant seat
	262	Restaurant–Two Meals	11	1,000	600	\$1.15	Each restaurant seat
	263	Restaurant–Three Meals	21	1,000	600	\$2.15	Each restaurant seat
M.	264	Restaurant w/Bar	21	1,000	600	\$2.15	Each restaurant seat
N.	265	Bar	317	200	200	\$18.75	Location/each business
O.	266	Nightclub	950	200	200	\$54.65	Location/each business
P.	267	Takeout Food–Small	354	500	300	\$26.50	Location/each business
	268	Takeout Food–Medium	871	500	300	\$64.10	Location/each business
	269	Takeout Food–Large	1,588	500	300	\$116.30	Location/each business
Q.	270	Bakery	287	1,000	600	\$30.10	Location/each business
R.	281	Theater	471	150	150	\$25.35	Per screen at each location
S.	282	Bowling Center	1,433	150	150	\$77.20	Location/each business
T.	290	Mortuary	387	800	800	\$38.40	Location/each business
U.	291	School (Minimum)	146	150	150	\$8.30	Each business
	292	School (0-6)	2	130	100	\$.10	School population
	293	School (7-College)	4	130	100	\$.20	School population
	294	Boarding School	40	233	165	\$2.40	School population
V.	331	Service Station/Repair	140	180	280	\$8.80	Location/each business

Section 1 Reference	User Category	DESCRIPTION	GPD AVG FLOW	BOD	SS	Monthly Rate Per Unit	UNIT
W.	353	Dry Cleaners	483	150	150	\$26.50	Location/each business
X.	354	Laundromats	127	150	110	\$6.70	Each washing machine
Y.	351	Laundry: Industrial	Usage	Sample	Sample	Based on "Special User Formula"	
	352	Commercial	Usage	450	240	Based on "Special User Formula"	
Z.	366	Car Wash	Usage	20	150	Based on "Special User Formula"	
AA.	361	Major Hotel	Usage	500	600	Based on "Special User Formula"	
BB.	367	Truck Wash	Usage	180	270	Based on "Special User Formula"	
	401	Misc. Special User	Usage	Sample	Sample	Based on "Special User Formula"	
	402	Plastics	Usage	Sample	Sample	Based on "Special User Formula"	
	403	Chemicals	Usage	Sample	Sample	Based on "Special User Formula"	
	404	Etching	Usage	Sample	Sample	Based on "Special User Formula"	
	405	Water Softener	Usage	Sample	Sample	Based on "Special User Formula"	
	406	Food Processing	Usage	Sample	Sample	Based on "Special User Formula"	
	407	Rec/Sports Center	Usage	150	150	Based on "Special User Formula"	
	408	Inedible Render	Usage	Sample	Sample	Based on "Special User Formula"	
	409	Electronics	Usage	Sample	Sample	Based on "Special User Formula"	
	410	Groundwater	Usage	Sample	Sample	Based on "Special User Formula"	
	416	Mobile Washers	34	20	150	\$25 per year	
CC.	101	Vacant Residence	---	---	---	\$7.20	Each living unit
	211	Vacant Business	---	---	---	\$6.35	Each location/each business

*** SPECIAL USER CHARGE FORMULA
(Annual Rate)**

"Special User" shall mean any establishment, which cannot be classified in any other category, based on their individual flow and strength characteristics. The special user charge is determined based on applying the formula contained hereinbelow. Actual water usage is ordinarily the basis for the special user's average daily sewage flow.

$$K = (520,638.32 \times V) + (554.61 \times V \times B) + (256.74 \times V \times S) + 5.33$$

Where:

K = Annual User Charge for Each User

V = Average Daily Sewage Flow in Million Gallons per Day (MGD)

B = Average Sewage BOD Concentration in mg/l

S = Average Sewage SS Concentration in mg/l

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SAMPLE SPECIAL USER CHARGE CALCULATION

IN THE CASE OF A TYPICAL MAJOR HOTEL(CATEGORY 361):	
FLOW (MGD)	V = 0.040 MGD
BOD (milligrams per liter)	B = 500
SS (milligrams per liter)	S = 600

SAMPLE USER FEE CHARGES:			
Flow	V x 520,638.32	=	\$20,825.53
BOD	V x 554.61 x B	=	\$11,092.20
SS	V x 256.74 x S	=	\$6,161.76
	Annual User Charge		\$38,079.49
	Annual Customer Charge		\$5.33
	Total Annual Charge		\$38,084.82
	Monthly Charge		\$3,173.75

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B. User Fee Based Minimum Charge. The basic charge for single occupant residential users shall constitute the basic minimum charge for all users, and no user shall be charged less than this amount.

C. Commercial Fee Variance. Any non-residential, commercial user may apply for and be granted an annual variance from the applicable general user rate, as set forth in Paragraph 1, hereinabove, upon establishing to the satisfaction of the General Manager, or his designated agent, that the actual flow of wastewater into the MRWPCA’s system from such user is more than twenty percent (20%) less than the average gallons-per-day flow as determined and used by the MRWPCA for such user category, and if such is confirmed, then a rate reduction shall be allowed for the exact percentage the said user’s flow is below the MRWPCA-established average. An application for a fee variance shall be made upon such forms and shall be accompanied by such information and data as specified by the MRWPCA, and shall be accompanied by a non-refundable variance application fee of one hundred dollars (\$100). Any fee variance granted shall be valid only for the one-year period specified in the variance document and a variance shall not be

granted to, nor continue to be valid to any user whose account is delinquent in payment of required fees.

- D. Payment of Charges; Delinquencies.** All charges and fees made pursuant to the provisions of this ordinance or any subsequent ordinance of the MRWPCA, or any amendment thereto, shall be due and payable upon receipt of notice thereof, or upon any other due date specified therein, or, with regard to connection fees, prior to the issuance of a building permit by the particular local jurisdiction which is a member entity of the MRWPCA. All such charges and fees shall become delinquent thirty (30) days after mailing or delivery of notice thereof, or after the due date if specified therein. Any charge or fee that becomes delinquent shall have added to it a basic penalty charge equal to ten percent (10%) of the charge or fee that became delinquent. In addition a penalty of one and one-half percent (1 ½%) per month for non-payment of the delinquent charge or fee and the basic penalty shall be assessed. All user fee payments, when received, shall be applied to an account in the following sequence: a) to MRWPCA lien amounts not yet recorded by the County, b) to non-MRWPCA lien amounts, c) to MRWPCA penalty charges, d) to any MRWPCA prior balance, e) then, to MRWPCA current fees, and f) then, in order, to any non-MRWPCA penalties, prior balances and current fees charged or collected on the MRWPCA billing.
- E. User Charge Billing.** All sewer service user charges may be billed in advance, either monthly, bimonthly or quarterly, as determined by the General Manager. The billing statement may be combined with statements for other services, and may be combined with billings for other utilities. All billings for sewer service user charges shall be either in the name of the owner of the property being served, as reflected on the last equalized assessment roll for the County, or as reflected in any deed or other satisfactory evidence of change of ownership, recorded with the County Recorder since the date of the last equalized assessment roll, upon presentation of such evidence to the General Manager for such purposes, or if a billing service of some other utility is used, in the name of the respective customer-addressee of such other utility. In either event, the record owner of the property served shall be the party ultimately responsible for the payment of such sewer user charges.
- F. Delinquent Charges as Debt to MRWPCA; Court Action.** Any charges or fees established or set by this ordinance or any subsequent ordinances enacted by the MRWPCA, and all amendments thereto, which become delinquent pursuant to the terms of the ordinance establishing same, and all penalties or delinquent charges accrued thereon, shall constitute a debt due to the MRWPCA, for which the MRWPCA may sue the party responsible therefore, be it the owner and/or the occupant or user of the property or premises being served, in any competent civil court for collection of same. If the MRWPCA prevails in such civil action, it shall be

awarded a reasonable attorney's fees, to be fixed by the court, in addition to any other relief granted or other costs awarded.

- G. Delinquent Charges to Constitute Lien.** Any charges or fees established or set by this ordinance or any subsequent ordinances enacted by the MRWPCA, and all amendments thereto, which become delinquent pursuant to the terms of the ordinance establishing same, and all penalties or delinquent charges accrued thereon, shall constitute a lien upon the real property served (except publicly-owned property), and such lien shall continue until the charge or fee and all penalties thereon are fully paid, or until the property is sold therefore.
- H. Collection of Delinquent Charges on Tax Roll.** Pursuant to the provisions of Sections 5470 through 5474.10 of the California Health and Safety Code, the MRWPCA hereby elects, as an alternative procedure for the collection of delinquent charges or fees established by this ordinance or any subsequent ordinance of the MRWPCA, or any amendments thereto, to have all such delinquent charges or fees for each fiscal year from and after July 1, 1979, collected on the tax roll in the same manner, by the same persons, and at the same time as, and together with and not separately from, the collection of general property taxes. The MRWPCA shall prepare and file the written report on the parcels of real property for which there are delinquent charges or fees, and give notice and hold the public hearing thereon, all pursuant to the aforesaid provisions of Health and Safety Code.
- I. Lien Transfer Fee.** For each sewer service account which has a delinquent user fee or charge balance that is transferred into the MRWPCA's processing system for the establishment of same as a lien to be collected upon the tax rolls, there is hereby levied thereon a lien transfer fee, in such an amount as shall be set from time to time by resolution of the Board of Directors, to be added to the delinquent account balance to reimburse the MRWPCA for the actual cost of the data processing, accounting, public notice and control procedures related to the lien processing system; provided, however, that no lien transfer fee shall be levied on any delinquent account unless and until a thirty (30) days' prior written notice of the intent to levy such fee is given to the delinquent user in question, in the form of either a separate mailing or a notice on or with the usual billing statement.
- J. Court Action to Enforce Lien.** As a separate, distinct and cumulative remedy for collection of said delinquent charges or fees, and any penalties thereon, an action may be brought in the MRWPCA's name in any court of competent jurisdiction to enforce or foreclose the lien provided for in Section F, hereinabove. If the MRWPCA prevails in any such civil action, it shall be awarded a reasonable attorney's fees, to be fixed by the court, in addition to any other relief granted or other costs awarded.

K. Disconnection of Sewer Line. Any person, firm or corporation who is the owner, occupant or user of property receiving sewer services from the MRWPCA, who fails or refuses to pay any charge or fee as provided by MRWPCA ordinance within the time limit prescribed for the payment thereof, shall be subject to having their sewer line disconnected, and thereafter, no such sewer service which has been disconnected for non-payment of such charge or fee shall be reconnected until the owner, occupant or user of such property shall have paid all delinquent charges or fees owed the MRWPCA and all actual expenses incurred by the MRWPCA in causing such disconnection and reconnection.

Paragraph 3 Amended. Paragraph 3 is hereby repealed in its entirety and replaced with a new paragraph to read, as follows:

3. Capacity Charges. Pursuant to the provisions of Article 5, Sections 5.01 through 5.05 of MRWPCA Ordinance No. 79-2, and as amended by MRWPCA Ordinance No. 81-1, thereby is hereby established and levied upon all persons, firms, or corporations making connections to a community sewer system within the MRWPCA, a sewer capacity charge, as follows:

A. Specified Uses.

<u>Use</u>	<u>Fee</u>
Single-family dwelling and apartments	\$ 2,923.24 per unit

B. Other Uses. For all other uses not listed in Subparagraph “(a)” hereinabove, MRWPCA shall determine the sewer capacity charge to be the sum of the following per equivalent dwelling unit (EDU):

Per gpd	\$ 10.58
Per lb/day BOD	\$ 1,141.26
Per lb/day SS	\$ 1,057.62

This is based on the “User’s Category Average Flow, BOD, and SS,” effective July 1, 2007.

C. Other Determination. Whenever, in the opinion of MRWPCA, the application of the above-described methods of determining sewer capacity charges is grossly unreasonable and inappropriate, MRWPCA may calculate an appropriate sewer capacity charge. This charge will take into account anticipated wastewater flow based upon projected HCF of water usage and strength characteristics for the building in question. The projected water usage and resulting fee calculation will be

reviewed twelve (12) to eighteen (18) months after the first user fee billing cycle to determine the actual flow rate, BOD, and/or SS of the user. Should the review show increased usage above that for which the capacity charge was paid, an additional capacity charge would be assessed pursuant to Section 3-L. of this ordinance.

D. Annual Increase in Capacity Charge. Commencing with Fiscal Year 2001/02, the sewer capacity charge as determined hereinabove for a single-family residence and other uses shall increase on the first day of each fiscal year, that is, on July 1 of each year, by the same percent as the annual change in the December Construction Cost Index (CCI) for San Francisco of the prior year, published in the "Engineering News Record." If said annual change is less than two percent (2%), the change shall be deferred and combined with the increase for the next fiscal year.

E. Demolished Premises. Whenever enclosed building space is or has been demolished after July 1, 1977, any construction of enclosed building space which takes place on the same parcel shall be exempt from sewer capacity charges fees to the extent current capacity charge value of the structure which was removed from the parcel as a result of said demolition work. Provided, however, that the foregoing exemption or credit for demolished premises shall not apply to any person, firm or corporation that received a sewer connection permit for the demolished premises at no cost or at a discounted rate (i.e., less than the current fee at the time the permit was obtained) for abandoning a septic tank and connecting to a sanitary sewer collector system, unless and until said premises have actually been connected to and received and paid for services from the MRWPCA's facilities for at least twelve (12) months prior to demolishing the premises and seeking an exemption from or credit towards a new connection fee. Provided further, however, that if such a discounted or no-fee connector demolishes the premises in question prior to the expiration of said twelve (12) month period, they will only be credited with, in obtaining a new connection permit, the exact dollar amount actually paid for the prior permit for the demolished premises.

F. Existing Premises. Buildings or occupied mobile home pads which were connected to the community sewer of entity being serviced by the MRWPCA at the time said entity was annexed to the MRWPCA shall be exempt from these sewer capacity charges to the extent of their existing use and EDU's at such time of annexation. Any proposed building for which a building permit application had been accepted by the entity having building permit issuance authority prior to the date of annexation of said entity to the MRWPCA shall be considered to have been connected to the entity's community sewer as of the time of annexation. If, however, such building permit lapses and a new building permit becomes required,

the proposed building will become subject to the full collection of sewer capacity fees.

G. Expiration of Capacity Permit. Any sewer capacity permit obtained pursuant to this section shall expire at the end of twelve (12) months after the date of issuance, unless the building or project for which it was issued is under actual construction. Within two (2) weeks after a permit expires, the owner of same may apply for one twelve (12) month extension of the permit, upon payment of any additional amount by which the connection fee has increased since the permit was obtained. If the permit is not so extended, the original permit fee, less a processing fee of fifty dollars (\$50) will be refunded to the party who had obtained same. If the permit expires after the one allowed extension for twelve (12) months, a refund will then be issued for the total amount paid, less the above-mentioned processing fee.

H. No Capacity Permit If Delinquent. Notwithstanding any other provision of this ordinance, no sewer capacity permit shall be issued to any person, firm, partnership or corporation, or the agent or representative of same, which is delinquent in the payment of user, connection or other fees and charges established by ordinance or resolution and due and owing to the MRWPCA. A firm, partnership or corporation shall be considered to be delinquent in the payment of fees if an ownership interest therein of ten percent (10%) or more is held by a person or entity which is delinquent.

I. Credit or Permit Transfers. An owner of a commercial capacity permit shall be allowed to transfer that permit to, or to obtain a new permit using a portion of existing EDU credits transferred to another parcel of real property owned by the same owner. In addition, if the owner of the permit is a public entity or non-profit corporation, then a transfer may be made to another public entity or non-profit corporation. In all such transfers, the parcel receiving the transfer must be located within the same member entity jurisdiction as the parcel or parcels from which the transfer is made. Provided further that, and upon the following conditions:

(1) That within sixty (60) days of occupying the premises to which a permit or credits are transferred, pursuant to a new capacity charge issued hereunder, the owner or tenant will plug up or demolish fixtures at the original parcel, in a manner satisfactory to the MRWPCA, with such work to be certified by a licensed contractor or building inspector. Such action to plug up or demolish fixtures, as mentioned herein, shall run with the land and be set forth in a covenant and agreement to be recorded in the Official Records of Monterey County for said affected property;

(2) That the owner-applicant shall pay the MRWPCA its costs involved with assuring compliance with the terms and conditions of the permit issued

pursuant hereto. Such costs shall be due and payable to the MRWPCA not later than thirty (30) days after notice thereof and, if not paid, shall constitute a lien against the affected property. Costs shall include, but not be limited to, cost of investigation, court costs, attorney's fees, and costs of monitoring compliance;

- (3) That the owner-applicant shall agree to provide the MRWPCA, upon request, with all pertinent and current employment and water-use records from the parcels involved in the transfer permit;
- (4) That for purposes of this section, a transfer may be made only to a parcel or building with the same owners of record as the parcel or building from which the permit or credits were transferred, with ownership to be determined as of the date of application for a permit hereunder. The person requesting a transfer hereunder shall present documentary evidence of such ownership acceptable to the MRWPCA; and,
- (5) Any connection made pursuant to a permit issued under this subsection may only be made in accordance with the current wastewater flow allocation plan as has been or may be specified for said member entity by the MRWPCA Board of Directors.

J. Industrial Credit or Permit Transfers. The provisions of Section "I" shall also be applicable to permit or credit transfers by the owner of an industrial capacity permit (defined as a permit for which the user and capacity charges are calculated by individual determinations based upon flow and strength characteristics), provided that:

- (1) The owners of the parcels involved approve the transfer and provide documentary evidence of same acceptable to the MRWPCA, and
- (2) The owner of the parcel from which the permit or credits are transferred takes the action to plug up or demolish the fixtures and executes the covenant and agreement, as specified in Section 3-I (1).

K. Groundwater Dischargers. As a result of state legislation for gas station sites to clean up groundwater contaminated from aged gasoline tanks, the MRWPCA has agreed to allow temporary connections of these groundwater dischargers. Inasmuch as these particular connections are of a temporary nature, a capacity charge will not be assessed unless a user discharges for more than ten years. This procedure will include all previously permitted groundwater dischargers whether currently connected or disconnected.

L. Increase Capacity – Existing Facilities: Any residential, or commercial parcel which increases its flow, BOD, and/or SS above that for which it originally paid a capacity charge shall pay an additional capacity charge for that portion of its usage above the amount for which it originally paid. The additional charge shall be based on the rates in effect at the time the increased usage is identified by MRWPCA.

4. Effective Date. This ordinance, upon adoption, shall become effective on August 1, 2010.

The foregoing ordinance was passed and adopted at a Regular Meeting of the Board of Directors of the Monterey Regional Water Pollution Control Agency held on July 26, 2010, by the following vote:

AYES: Cortez, Stefani, Calcagno, Allion, Nishi, Downey. Orman, Garcia, De La Rosa, Pendergrass and Rubio

NOES: None

ABSTAIN: None

ABSENT: None

/s/ Louis R. Calcagno

Louis R. Calcagno, Chair
MRWPCA Board of Directors

ATTEST:

/s/Keith Israel

Keith Israel, General Manager
Secretary MRWPCA Board of Directors