## ORDINANCE NO. 2682

AN ORDINANCE OF THE CITY OF REDLANDS AMENDING CHAPTERS 3.44, 3.48, 13.12 AND 13.44 OF THE REDLANDS MUNICIPAL CODE TO INCREASE WATER AND WASTEWATER DEVELOPMENT IMPACT FEES

WHEREAS, pursuant to the State's Mitigation Fee Act, contained in Government Code Sections 66000 through 66025, the City Council of the City of Redlands (this City Council) is authorized to impose development impact fees to ensure that new development pays the capital costs of public facilities necessary to serve new growth; and

WHEREAS, this City Council has commissioned a comprehensive study, entitled 'The City of Redlands Water and Wastewater Rate Study and Development Impact Fee Study' (the 'Fee Study') to determine the maximum justified water and wastewater fee levels to impose on new development to maintain the City's water and wastewater facilities' standards; and

WHERAS, this City Council has since been presented with the Fee Study which contains an analysis of the City's water and wastewater facilities fee program for the categories of water and wastewater capital improvement fees, water and wastewater frontage fees and water source acquisition application fees;

WHEREAS, the General Plan of the City of Redlands requires that public services and facilities be constructed, provided and made available concurrent with the community's needs for such services and facilities; and

WHEREAS, at a duly noticed public meeting of the City Council of the City of Redlands ('this City Council') verbal and written testimony was presented to this City Council by the Utilities Advisory Committee, a committee appointed by the City Council, and City staff relating to the proposed revisions in the City's development impact fees for water and wastewater facilities; and

WHEREAS, based upon such testimony, this City Council has determined that revisions to the City's water and wastewater capital improvement fees, frontage fees and water source acquisition fees are necessary to recover the reasonable costs the City incurs by providing water and wastewater service to its customers; and

WHEREAS, in accordance with Government Code sections 66013 and 66017, prior to levying the increased fees described in this Ordinance, the City has held at least one noticed, open and public, regularly scheduled meeting at which the fees were discussed, and has mailed, at least 14 days prior to the meeting, notice to interested persons; and

WHEREAS, at least 10 days prior to the meeting, the City has made available to the public data indicating the City's cost required to provide the services for which the increased fees will be levied, and the anticipated revenue to provide such services; and

WHEREAS, after a careful review of the Fee Study this City Council specifically finds that:

- A. The Fee Study complies with California Government Code section 66001 by establishing the basis for imposition of fees on new development, and that the Fee Study:
  - 1. Identifies the purpose of each of the fees, which is to maintain existing facility standards as the City grows into the future;
  - 2. Identifies the uses to which the fees will be put by identifying needed facilities contained in the City's master plans;
  - Shows a reasonable relationship between the fees' use and the type of development projects on which the fees are imposed, by assessing the extent to which current assets are serving the current service population and calculating fees accordingly;
  - 4. Shows a reasonable relationship between the need for the public facilities to be financed by the fees and the type of development projects on which the fees are imposed by showing how existing facilities are serving existing services populations; and
  - 5. Shows a reasonable relationship between the amount of the fees and the cost of the public facilities, or portion of the public facilities, attributable to the development projects on which the fees are imposed.
- B. The fees collected pursuant to this Ordinance shall be used to finance the water and wastewater facilities described or identified in the Fee Study and water and wastewater master plans as may be, from time to time, adopted by this City Council.
- C. After considering the cost estimates identified in the Fee Study, this City Council approves such cost estimates, and finds them reasonable as a basis for calculating and imposing the water and wastewater fees;
- D. The facilities and fee methodology identified in the Fee Study are consistent with the City's General Plan; and

WHEREAS, the City shall deposit the funds received pursuant to this Ordinance in separate capital facility accounts and shall account for the funds in a manner to avoid commingling with any other monies, except for investments, and shall expend the funds collected pursuant to this ordinance solely for the purposes they were collected;

WHEREAS, the City recognizes and promotes the environmental and economic benefits from Leadership in Energy and Environmental Design (LEED) projects that result in development projects that reduce demand for water and wastewater services;

WHEREAS, LEED certified development represents the next generation of development consistent with the Municipal Utilities Department's commitment to sustainable policies and operating practices;

WHEREAS, approval of the Fee Study, and the adoption of this Ordinance, are categorically exempt from environmental review pursuant to California Environmental Quality Act (CEQA') Guidelines section 15061(b) (3), because CEQA applies only to projects which have the potential for causing a significant effect on the environment, and this City Council has determined it can be seen with certainty that there is no possibility that the approval of the Fee Study and the adoption of this Ordinance may have a significant effect on the environment, and as such are not subject to CEQA;

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

<u>Section 1.</u> The City of Redlands Fee Study prepared by Raftelis Financial Consultants, Inc, dated November, 2007, is hereby approved and adopted.

<u>Section 2</u>. Section 3.44.040 of the Redlands Municipal Code relating to the City's sewer capital improvement change is hereby amended to read as follows:

'3.44.040 Amounts of Charges.

A. The sewer capital improvement charges shall be as follows:

## Residential Development:

Single-family dwelling unit

\$4,370/dwelling unit

Single-family dwelling unit if building permit issued prior to November 1, 1961.

\$350/dwelling unit

Multiple-family dwelling unit

\$3,490/dwelling unit

Nonresidential Development:

\$2,150/100 gallons per day estimated flow

B. Adjustment of charges. Within thirty (30) days of the effective date of City of Redlands Ordinance No. 2682, and subsequently on January 1, 2010, and every two years thereafter, the City's Finance Director, in coordination with the City's Municipal Utilities Director, shall make annual adjustments to the specific amounts of the sewer capital improvement charges established by this section by a percentage equal to the percentage change in the Engineering News Record's Construction Cost Index – twenty cities annual average for the preceding twelve (12) month period. The purpose of this adjustment is to offset the effects of inflation–related construction cost increases or any deflation related decreases. If this index should cease publication, the Finance Director shall use any appropriate official index published by the Bureau of Labor Statistics, or similar agency as may then exist or may then be most nearly equivalent thereto."

Section 3.48.040 of the Redlands Municipal Code relating to the City's water capital improvement charge is hereby amended to read as follows:

'3.48.040 Amounts of charges.

A. The water capital improvement charges shall be as follows:

## Residential Development:

Single-family dwelling unit:

<11,000 sq. ft. \$5,210/dwelling unit
11,000-21,000 sq. ft. \$6,730/dwelling unit
>21,000 sq. ft. \$8,250/dwelling unit
>1 acre \$11,280/dwelling unit

Multiple-family dwelling unit \$2,610/dwelling unit

Nonresidential Development:

\$216.90/100 cubic feet per month estimated demand

B. Adjustment of charges. Within thirty (30) days of the effective date of City of Redlands Ordinance No. 2682, and subsequently on January 1, 2010, and every two years thereafter, the City's Finance Director, in coordination with the City's Municipal Utilities Director, shall make annual adjustments to the specific amounts of the water capital improvement charges established by this section by a percentage equal to the percentage change in the Engineering News Record's Construction Cost Index—twenty cities annual average for the preceding twelve (12) month period. The purpose of this adjustment is to offset the effects of inflation—related construction cost increases or any deflation related decreases. If this index should cease publication, the Finance Director shall use any appropriate official index published by the Bureau of Labor Statistics, or similar agency as may then exist or may then be most nearly equivalent thereto."

Section 4. Section 13.12.010 D of the Redlands Municipal Code relating to water main frontage charges is hereby amended to read as follows:

## 'D. Water main frontage charge per foot shall be:

6'non potable water main	\$23.00
8'potable water main	\$30.00
12'potable water main	\$46.00'

Section 5. Section 13.44.120 D of the Redlands Municipal Code relating to sewer main frontage charges is hereby amended to read as follows:

'Sewer Main frontage charge per foot shall be thirty dollars (\$30.00)."

<u>Section 6.</u> Severability. If any portion of this Ordinance is found to be unconstitutional or invalid, the City Council hereby declares that it would have enacted the remainder of this Ordinance regardless of the absence of any such invalid part.

Section 7. Effective Date. This Ordinance shall be in force and take effect as provided by law.

Section 8. The City Council hereby determines that the adoption of this Ordinance is exempt pursuant to the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15061 (b)(3).

Section 9. Certification. The City Clerk shall certify to the adoption of this ordinance and cause it to be published once in the Redlands Daily Facts, a newspaper of general circulation printed and published in this City.

ATTEST:

I, Lorrie Poyzer, City Clerk of the City of Redlands, hereby certify that the forgoing ordinance was duly adopted by the City Council at a regular meeting thereof held on the 4th day of December, 2007 by the following vote:

AYES:

Councilmembers Gilbreath, Gallagher, Aguilar, Bean; Mayor Harrison

NOES:

None

ABSENT:

None

ABSTAIN: None

Lorrie Poyzer, City