

SANTA YNEZ COMMUNITY SERVICES DISTRICT
INFORMATION ITEM

CAPACITY FEES

The District's current capacity fees, including (i) basic capacity fees, (ii) capacity fees for accessory dwelling units (ADUs), (iii) the Highway 246 capacity fee, and (iv) the Horizon Drive capacity fee, were approved on December 15, 2021, by Ordinance No O-21-04. In addition, Ordinance No O-21-04 sets forth the following adjustment provisions:

- Basic Capacity Fees: Adjust as of the first day of January of each year, commencing January 1, 2023, by an amount equal to the percentage change in the Engineering News Record Construction Cost Index National Average published for the immediately preceding October as compared to the index for October of the previous year.
- ADU Capacity Fees: Automatically adjust when annual adjustments are made to the basic capacity fees.
- Highway 246 Capacity Fee: Adjusts as of the first day of January of each year, commencing January 1, 2023, by an amount equal to the percentage change in the Engineering News Record Construction Cost Index National Average published for the immediately preceding October as compared to the index for October of the previous year.
- Horizon Drive Capacity Fee: Increases as of the first day of January of each year, commencing January 1, 2023, by three percent (3%).

The capacity fee increases don't require Board approval, but I will report to the Board on the increased fees once they have been calculated, with help from legal counsel.

SERVICE CHARGES

The District's current sewer service charges were approved on May 19, 2021, by Ordinance No O-21-01. That Ordinance provides that services charges increase annually by 4.25% on July 1 in 2023, 2024, and 2025. The increases don't require Board approval.

ANNEXATION CHARGES

Annexation charges are governed by Sections 805 and 806 of the District's Sewer Service Code. This fee shall be in addition to other fixed connection, permit, and inspection charges and the administration charges outlined in Section 805.

Previously, the Administrative Assistant would calculate the current annexation fee according to Section 806 on an annual basis before the start of each new fiscal year (July 1). For the fiscal year ending June 30, 2022, the annexation fee was \$1,644.78. I will confirm that it has been recalculated for the current fiscal year. The current annexation administrative charge is \$350. The annexation fee increases don't require Board approval, but it seems appropriate to report and memorialize the increases each year at a board meeting.