UNION SANITARY DISTRICT ORDINANCE NO. 31.41

AN ORDINANCE ESTABLISHING SEWER SERVICE CHARGES FOR FISCAL YEARS 2026 THROUGH 2030 FOR SERVICES AND FACILITIES FURNISHED BY DISTRICT'S WASTEWATER SYSTEM, COLLECTION PROCEDURES, PENALTIES FOR DELINQUENCY, AND RESTRICTION ON USE OF REVENUE DERIVED FROM THE CHARGES

WHEREAS, by November 26, 2024, the Union Sanitary District ("District") provided a "Notice of Public Hearing" to be conducted on January 27, 2025, to consider the proposed establishment of sewer service charges for fiscal years 2026 through 2030, in accordance with the requirements of "Proposition 218" (California Constitution Article XIII D, Section 6) as well as the requirements of "AB 2257" (California Government Code Sections 53759.1 and 53759.2); and

WHEREAS, during the public meeting on January 27, 2025, prior to opening the public hearing identified in the previous recital, the District Board of Directors ("Board") (a) considered all timely written objections (received by the deadline of January 10, 2025) from property owners served by the District, and (b) considered all written responses prepared by the District; and

WHEREAS, during the public hearing on January 27, 2025, the Board considered all documents, testimony, and evidence presented, including the written objections, written responses, written protests.

NOW, THEREFORE, the Board of Directors of the UNION SANITARY DISTRICT does ordain as follows:

ARTICLE I

SECTION 1 PURPOSE

(a) The purpose of the sewer service charge is to raise revenue for the cost of providing "District Sewer Service" which includes capital projects, maintenance and operation of the UNION SANITARY DISTRICT wastewater facilities used for the collection, conveyance, treatment, and disposal of wastewater. Wastewater includes domestic wastewater, wastewater from residential, non-residential (commercial or institutional) uses, industrial wastewater, and industrial waste. The cost of providing the District Sewer Service includes the payment of principal and interest on bonds or other debt service, and cost recovery in accordance with law, as may be guided by Federal and State Revenue Program guidelines.

- (b) The amount of the sewer service charge set forth in this ordinance is determined by the District Board of Directors in a manner that proportionately allocates costs to each customer based on their respective impacts on and benefits from the District Sewer Service, as analyzed in the technical analysis set forth in the "Wastewater Rate and Cost of Service Study" dated November 15, 2024 (hereinafter "Study"), and in accordance with all applicable legal requirements including "Proposition 218" (California Constitution Article XIII Section 6) and California Health and Safety Code Division 5, Part 3, Chapter 6, Article 4 (Sections 5400 5474.10).
- (c) The estimated demand for commercial and industrial dischargers is based on the relevant wastewater flow and constituents loadings from each customer. Quantity of wastewater flow is an important factor in the cost of collection, transport and treatment of industrial and commercial wastewater discharge. Therefore, the quantity of wastewater discharge is calculated based on water use reports from the Alameda County Water District for water flow to each customer from the prior year. These flows may vary widely over time and from customer to customer. The District charges industrial and commercial users the following year for what is in essence the previous year's discharge.
- (d) The revenue derived from the sewer service charge shall be used for only those purposes provided for in California Health and Safety Code Division 5, Part 3, Chapter 6, Article 4 (Sections 5470 5474.10).

ARTICLE II DEFINITIONS

The terms identified in the title of each Section of this Article shall be used and interpreted in this ordinance as set forth herein.

SECTION 1 RESIDENTIAL CLASSIFICATION

Each living unit is a single unit in a residential building providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation. A living unit shall not include any transient occupancy use (such as a hotel) or any other property use identified herein as commercial or institutional. Each living unit shall be categorized as a single-family dwelling or a multiple family dwelling, as follows:

- (a) A single-family dwelling is a separate residential building containing one living unit. Provided, however, (i) an accessory dwelling unit within a single-family dwelling does not modify the categorization of the primary living unit as a single-family dwelling; and (ii) an accessory dwelling unit separate from a single-family dwelling is categorized as a multiple family dwelling.
- (b) A Multiple family dwelling is a residential building containing two or more living units, including but not limited to duplex, triplex, fourplex, townhouse or condominium, apartment house, or mobile home park. Provided, however, a multiple family dwelling shall also specifically include any accessory dwelling unit (including any junior accessory dwelling unit).

SECTION 2. DOMESTIC WASTEWATER

Wastewater of a quality essentially similar to that of an average single-family dwelling.

SECTION 3. NON-RESIDENTIAL CLASSIFICATION

Any parcel or portion thereof discharging non-domestic wastewater (provided that "non-residential" uses shall not include "industrial" uses). The non-residential classification shall include the following:

- (a) Parcels used for commercial or business purposes.
- (b) Hotel, auto court, motel and similar transient occupancy facilities.
- (c) Schools, churches, hospitals, convalescent homes, parks, public office and service buildings, public transportation facilities, or other types of public facilities or publicly owned facilities available for public use.

SECTION 4. INDUSTRIAL

Any parcel or portion thereof used for manufacturing, processing or other operations which discharges non-domestic wastewater by reason of manufacturing, processing or other operations involved.

SECTION 5. OWNER

Each person or entity which owns real property within the jurisdictional boundaries of the UNION SANITARY DISTRICT from which wastewater flows to the District's wastewater collection system. Property ownership shall be as reflected on the Alameda County Assessor's Roll unless an owner provides alternative documentation to the District establishing property ownership to the satisfaction of the District General Manager. The entity of an owner may include an individual person, sole proprietor, corporation, limited liability company, general partnership, limited partnership, limited liability partnership, any public agency (including the United States of America, the State of California, any local governmental agency, and any subdivisions or districts thereof), and any other legal entity.

SECTION 6. FAST FOOD RESTAURANTS

Restaurants that serve food on disposable plates, cups and utensils.

SECTION 7. FULL-SERVICE RESTAURANTS

Restaurants with sit down service that utilize washable plates, cups or utensils.

ARTICLE III SEWER SERVICE CHARGE

SECTION 1. CLASSIFICATION

Each owner shall pay a sewer service charge in the amounts set forth in the row for the relevant Customer Classification of the parcel owned by the owner, as hereinafter set forth in Article III, Section 2.

SECTION 2. RATES FOR FISCAL YEARS 2026 THROUGH 2030

- (a) The below table summarizes the sewer service charges for each customer classification for FYs 2026-2030. The sewer service charges for each fiscal year shall be effective each July 1 at the beginning of the relevant fiscal year. As an example, the column "FY26" applies to the sewer service charges in effect for fiscal year 2025-2026, and it shall be effective on July 1, 2025.
- (b) Sewer Service Charge Table

	FY 26	FY 27	FY 28	FY 29	FY 30
Customer Classification (\$/Dwelling Unit)					
Single Family Dwelling	\$636.03	\$661.15	\$686.27	\$712.35	\$739.42
Multiple Family Dwelling	\$559.55	\$581.65	\$603.75	\$626.69	\$650.50
Non- Residential (\$/1,000 gals)					
Strong	\$15.26	\$15.86	\$16.46	\$17.09	\$17.74
Moderate	\$9.45	\$9.82	\$10.19	\$10.58	\$10.98
Weak	\$6.93	\$7.20	\$7.47	\$7.75	\$8.04
Fast-Food Restaurant	\$15.46	\$16.07	\$16.68	\$17.31	\$17.97
Full-Service Restaurant	\$18.77	\$19.51	\$20.25	\$21.02	\$21.82

Industrial					
Volume (\$/1,000 gals)	\$4.44	\$4.62	\$4.80	\$4.98	\$5.17
COD (\$/1,000 lbs)	\$477.37	\$496.23	\$515.09	\$534.66	\$554.98
Suspended Solids (\$/1,000 lbs)	\$1,154.33	\$1,199.9 3	\$1,245.5 3	\$1,292.8 6	\$1,341.99
Minimum Charge Per Account for Non- Residential Customers	\$559.55	\$581.65	\$603.75	\$626.69	\$650.50

- (c) Each residential classification defined in Section 1 of Article II is subject to the rates shown in Section 2(b) of Article III.
- (d) Each non-residential parcel of land from which wastewater flows to the District's wastewater collection system is subject to a minimum charge equal to one multiple family dwelling unit as listed in subsection (b) above. Additionally, the sewer service charge for each such parcel shall be calculated in accordance with the rate corresponding to the relevant customer classification shown in subsection (b) above, and in accordance with the following subsections, and the owner of the parcel shall pay the amount by which the calculated sewer service charge exceeds the minimum charge.
- (e) Rates for non-residential uses as defined in Section 3 of Article II, or wastewater discharged from industrial uses as defined in Section 4 of Article II that are not sampled by the District, shall be determined by classifying the wastewater flowing from that parcel into one of three strength classifications: strong, moderate or weak (examples for each are set forth below). Unit rates for the volume of wastewater discharged for each of the strength classifications (strong, moderate or weak) are as shown in Section 2(b) of Article III.

Strong Classification: Examples of establishments assigned to the strong user classification group include but are not limited to the following: auto steam cleaners, bakeries, markets with a bakery or deli, mortuaries, bowling alleys with dining facilities. The strong strength category is based on an average wastewater strength for the group of 495 milligrams per liter of suspended solids, and 1,999 milligrams per liter of chemical oxygen demand.

Moderate Classification: Examples of establishments assigned to the moderate user classification group include but are not limited to the following: car washes, service stations, bars, dining and reception halls, hotels and motels without dining facilities, hospitals, convalescent homes, mixed multitenant retail (unless a more specific rate applies), cold storage facilities, theaters, medical offices, and miscellaneous commercial and industrial. The moderate strength category is based on an average wastewater strength for the group of 220 milligrams per liter of suspended solids, and 519 milligrams per liter of chemical oxygen demand.

<u>Weak Classification</u>: Examples of establishments assigned to the weak user classification group include but are not limited to the following: gardens/nurseries, libraries, retail stores, schools, churches, spas and health clubs, professional offices, and soft water processing. The weak strength category is based on an average wastewater strength for the group of 186 milligrams per liter of suspended solids, and 343 milligrams per liter of chemical oxygen demand.

- (f) Restaurants shall pay either the rate for Fast Food Restaurants or Full-Service Restaurants as defined in Sections 6 and 7 of Article II. Unit rates for the volume of wastewater discharged are as shown in Section 2(b) of Article III.
- (g) Segregation of Charges for Multi-Tenant Parcels Sewer service charges for parcels of land with multiple occupancies shall be determined by assigning the parcel into one of three strength categories, strong, moderate, or weak as defined by this Ordinance. This determination shall be made by the District.
- (h) Rates for industrial use as defined in Section 4 of Article II and uses that have wastewater sampled by the District shall be based on the total volume, chemical oxygen demand and suspended solids discharged to the District's sewer system. The charges for these three components shall be calculated and added to arrive at the total sewer service charge. The unit rates for each of the three components are as shown in Section 2(b) of Article III.

SECTION 3. ADJUSTMENTS

The owner of any parcel subject to the sewer service charges set forth in Section 2 above may submit a written appeal to the office of the District General Manager if the owner provides documentation that the charges were not properly calculated or imposed in accordance with this ordinance or relevant law. Any such appeal must be received by the District no later than ninety (90) days after the owner receives the bill for the service charge. In response to any such appeal, the General Manager (or duly authorized designee) is authorized to adjust the amount of the service charge to the extent necessary to correct the quantity of non-domestic wastewater actually

discharged to the sewer system, but no adjustment will be made related to strength of discharge or category of discharger. District staff will have forty-five (45) days to act on any request for adjustment or the request will be deemed denied. After a decision on the adjustment request, the owner will have fifteen (15) days to appeal to the Board of Directors, in writing. The Board of Directors shall act on such appeal at a noticed hearing within sixty (60) days. The determination of an appeal by the Board of Directors of Union Sanitary District shall constitute a final determination of the District regarding any requested adjustment and shall be subject to judicial review pursuant to California Code of Civil Procedure section 1094.5.

SECTION 4. OPTIONAL SERVICES

- (a) Segregation of Charges for Multi-Tenant Parcels As an optional service, an owner may request in writing that the District segregate the annual sewer service charges by considering the flow from each water meter on a property as a separate calculation. The flow from each water meter would be assigned in accordance with Section 2(e) of Article III. The charge for each water meter shall be totaled and the entire amount billed to the parcel with the property tax bill. When the charges are segregated, a written breakdown of the District's strength assignments and calculations will be provided to the owner by October 1 of each year. To request the start or stop of this optional service, an owner or his or her authorized representative shall give written notice by June 1 for the upcoming fiscal year starting July 1. Upon receipt of written request for this optional service, the District will continue to segregate the charges each year until it is given a written notice to discontinue the service.
- (b) Qualification for Segregation of Charges In order to qualify for and receive this optional service, an owner must provide documentation acceptable to the District (such as a site plan or plumbing plan) showing which water meters serve which tenants. Insufficient documentation, as determined by the District, will be grounds to deny this optional service to an owner.
- (c) Owners who request this optional service shall pay an annual service charge, which shall be added to the total sewer service charges and collected with the property tax bill. Annual service charges shall be as follows:

\$50.00 Per year per water meter, for the first year the service is started or restarted;

\$25.00 Per year per water meter, for the second and succeeding years the service is provided.

ARTICLE IV BILLING AND COLLECTING

SECTION 1. PLACEMENT ON THE COUNTY PROPERTY TAX ROLL

Sewer Service Charges are placed on the Alameda County's property tax rolls for collection. Except as provided elsewhere in this Ordinance, the District shall ascertain the amount of each sewer service charge applicable to each parcel in the District and shall request that the County mail to the owner thereof a bill for the first installment on or before November 1 of each year, and a bill for the second installment on or before the following February 1 of each year. Each bill so mailed contains a statement that a delinquency in payment for sixty (60) days shall constitute a lien against the parcel against which the charge is imposed, and that when recorded shall have the force, effect and priority of a judgment lien for three years unless sooner released or otherwise discharged. Failure of the County to mail any such bill or failure of an owner to receive any such bill shall not excuse an owner of any parcel from the obligation to pay any sewer service charge for any parcel he, she or it owns.

SECTION 2. DUE DATES OF CHARGES

All sewer service charges shall become due and payable in the following installments. One-half thereof on November 1 of each year and one-half thereof on the following February 1 of each year.

SECTION 3. DELINQUENCY DATES

The first installment due on November 1 of each year is delinquent if not paid by 5:00 P.M. on December 10 of each year. The second installment due February 1 of each year is delinquent if not paid by 5:00 P.M. on the following April 10 of each year.

(a) Government and Other Non-Taxable Parcels. For all government or public parcels or for any parcel which is not subject to property taxation or otherwise not on the tax roll, the sewer service charge shall become due and payable on January 1 of each year and is delinquent if not paid by 5:00 P.M. on February 15 of each year, or in alignment with the fee delinquency practices of the Alameda County Tax Collector.

SECTION 4. PENALTIES FOR NON-PAYMENT, LIEN

Except as otherwise provided by ordinance, resolution, or regulation of the District for collection of sewer service charges or by law, whenever a delinquency shall occur for non-payment, a penalty shall be paid in accordance with the requirements of the Alameda County Tax Collector. After delinquency for sixty (60) days, such unpaid charge and penalty shall constitute a lien upon the parcel of land against which the charge was levied.

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SECTION 5. TIMING OF SEWER SERVICE CHARGE CALCULATIONS

- (a) The amount of each sewer service charge is calculated based on water use and pollutant strength records for the period March to February in the fiscal year preceding each due date and delinquent date identified in this Article IV. As an example, for a first installment bill sent on or before November 1, 2025, the charge is calculated based on use and strength records from March 2024 to February 2025.
- (b) An owner of property served by Union Sanitary District is responsible for the payment of sewer service charges regardless of whether or not that owner actually conducts any business or utilizes any services for wastewater disposal on the premises. Each sewer service charge made in accordance with this Ordinance is for services provided in the prior fiscal year ending each June 30 immediately prior to the due date and delinquent date.
- (c) In the event a non-residential property receives a new connection from the Alameda County Water District after March of a given year, a minimum charge will be imposed per Section 2(b) of Article III; and, the following year, the sewer service charge imposed will be calculated on the basis of water usage for the previous fiscal year. Residential parcels will be charged per Section 2(b) of Article III.

SECTION 6. RESPONSIBILITY TO PAY

In the event of a sale or transfer of real property, the owner of record when the annual sewer service charge bill is due (one-half each on November 1 and February 1 of each year) is responsible for the payment of charges. It is understood that the current owner will be assessed sewer service charges based on flows as calculated in Section 2(b) of Article III and Section 5 of Article IV. It shall be the responsibility of the prior and new owners to account for the payment of upcoming sewer service charges in their real property transfer agreements. Notwithstanding such accounting, the owner of record at the time the annual sewer service charge is payable is responsible for payment to the District.

ARTICLE V ENFORCEMENT

SECTION 1. FAILURE TO PAY

In the event of the failure of any owner to pay when due any sewer service charges, applicable to a parcel he, she or it owns, the District may enforce payment of such delinquent charges in any of the following manners:

- (a) The District may have such parcel disconnected from the sanitary sewer system. In the event such disconnection should create a public hazard or nuisance, the District General Manager or the Manager's representatives may enter upon the parcel for the purpose of doing such things as may be reasonably necessary to alleviate or remove such hazard or menace.
- (b) The owner of such parcel shall have a duty to reimburse the District for all expenses incurred by the District in disconnecting any such parcel, or in doing other things authorized by this Section; and no reconnection shall be made until all charges due the District are paid.
- (c) During the period of non-connection or disconnection, habitation of such parcel by human beings may constitute a public nuisance, whereupon the Board of Directors may cause proceedings to be brought for the abatement of the occupancy of said parcel by the human beings. In such event, and as a condition of connection or reconnection, there shall be paid to the District reasonable attorney's fees and costs of suit arising in said action.
- (d) The District may institute action in any court of competent jurisdiction to collect any charges, penalties and interest which may be due and payable in the same manner as any other debts owing to the District may be collected, in which event the District shall seek judgment for the costs of suit and reasonable attorney's fees.
- (e) Any and all delinquent payments may be placed on the tax roll, and collected with property taxes, as provided in this Ordinance.
- (f) Such other action may be taken as may be authorized by law and the District Board.

SECTION 2. AUTHORITY

All powers authorized by this Article for the enforcement and collection of said sewer service charges, penalties and interest are cumulative and may be pursued alternatively or collectively as the District determines.

ARTICLE VI MISCELANEOUS

SECTION 1. VACANCY

No credit, adjustment or refund will be made to any owner because the structure or any portion thereof on a parcel is vacant or the wastewater facilities are not being utilized.

SECTION 2. AMENDMENT AND REPLACEMENT OF ORDINANCE NO. 31.40

This Ordinance No. 31.41 amends and replaces Ordinance No. 31.40 in its entirety, including as to all sewer service charges commencing FY 2026.

SECTION 3. SEVERABILITY

If any section, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, unconstitutional, or unenforceable; such decision shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors of the UNION SANITARY DISTRICT hereby declares that it would have passed the provisions of this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases may be declared invalid, unconstitutional or unenforceable.

SECTION 4. PUBLICATION AND MINUTE ENTRY

This Ordinance shall take effect and be in force as of July 1, 2025, and at least one week prior to said date a summary of the Ordinance shall be published in Tri-City Voice, a newspaper of general circulation published in the UNION SANITARY DISTRICT service area. This Ordinance shall be entered in the minutes of the District.

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Passed and adopted by the Board of Directors of UNION SANITARY DISTRICT on this 27th day of January 2025, by the following vote:

AYES: Fernandez, Kite, Kludjian, Lathi, Toy

NOES: None

ABSENT: None

ABSTAIN: None

JENNIFER TOY

President, Board of Directors UNION SANITARY DISTRICT

ATTEST:

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DocuSigned by:

ANJALI LATHI

Secretary, Board of Directors UNION SANITARY DISTRICT



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Anjali Lathi

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Envelope Summary Events	Status	Timestamps		
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