

13.20.045 - Connection fees.

A. Connection Fee Rates. Except as otherwise provided in this section, persons connecting to the public sanitary sewer system shall pay the following connection fee:

1. Residential:

Water Meter Size	Amount
5/8", 3/4", or 1"	\$4,066.00 <u>4,228.64</u>

2. Commercial/Industrial/Multi-family:

Water Meter Size	Amount
5/8" or 3/4"	\$4,066.00 <u>4,228.64</u>
1"	\$8,480.00 <u>8,819.20</u>
1 1/2"	\$27,030.00 <u>28,111.20</u>
2"	\$69,790.00 <u>72,581.60</u>
3"	\$162,510.00 <u>169,010.40</u>
4"	\$363,690.00 <u>378,237.60</u>

Connection fees for commercial/industrial dischargers with water meters greater than four inches in size will be calculated on a case-by-case basis using the following formula where "C" represents the cost of capacity factor of sixteen dollars and ~~two~~sixty-six cents per gallon to convey and treat wastewater, "G" represents the estimated number of gallons of wastewater produced during a peak flow day, and "I" represents a system inflow and infiltration rate factor of 1.175.

$$\text{Connection fee in dollars} = C \times G \times I$$

B. Connection fee discount; schedule of values for construction of sewer improvements.

1. The construction of a qualifying public sewer improvement shall, as provided in this subsection B, qualify the developer for a discount against the connection fee otherwise due per residential unit or per commercial/industrial/multi-family facility. Except as provided in this subsection B, the amount of the discount from each such eligible residential connection fee shall be one thousand one hundred dollars for the construction of a qualifying public sewer collection or conveyance improvement and two hundred fifty dollars for the construction of a qualifying public sewer treatment improvement. For residential projects, one dwelling unit will be granted connection fee

discount status for each twenty-five feet of qualifying public sanitary sewer line installed by the developer. For commercial/industrial/multi-family projects, each project shall be granted cumulative connection fee discounts for each twenty-five feet of qualifying public sanitary sewer installed by the developer.

2. Once the aggregate connection fee discounts received for an area under development exceed the net construction cost of the qualifying public sewer conveyance improvement constructed by a developer of the area under development, no further connections within the area under development shall receive connection fee discounts based on the construction of that qualifying public sewer improvement. Notice of this event need not be provided to the developer. For purposes of this subsection B, net construction cost shall mean the difference between the actual construction cost paid by a developer and any credits granted for the construction pursuant to Section 13.20.050(A).
3. The department shall maintain a schedule of values for the construction of sewer improvements to the public sewerage system to be used in determining the cost of construction of qualifying public sewer improvements in connection with a parcel's eligibility for connection fee discounts. The department may update the schedule of values once per year or as directed to do so by the county administrator.
4. If the developer demonstrates, in a form and manner acceptable to the department, that the schedule of values undervalues by twenty-five percent or more the aggregate cost of the constructed qualifying public sewer improvement, the determination of eligibility for a connection fee discount will be based on the actual construction cost.
5. Any lot qualifying for a "participating" connection fee rate under an executed agreement with the county shall qualify for a connection fee discount subject to the provisions of this subsection. Under these same agreements, the difference between what the developer has paid in "participating" connection fees versus what the connection fees would have been paid had the county assessed "non-participating" connection fees for all fixture units connected by the developer within the area under development shall be considered connection fee discounts for purposes of this subsection B.

C. Qualifying Public Sewer Improvement.

1. Only residential and commercial/industrial/multi-family facilities directly tributary to the qualifying public sewer improvements listed in this subsection that are being or have been constructed by the applicant or a previous developer of the property shall qualify for the connection fee discount. The connection fee discount status shall run with the property and may not be transferred to another property.
2. Property for which connection fee discount status is requested shall be clearly identified on the tentative plat, development plan and/or public sanitary sewage conveyance system facility construction plans when they are presented for review. The eligibility for a connection fee discount shall be confirmed in writing by the director or the director's designee. The connection fee discount may apply to:
 - a. A portion, or portions, of the development (including portions of individual buildings); or
 - b. Structures tributary to a segment of sewer; or
 - c. An individual sewage drainage basin within the overall development; or
 - d. The entire development.
3. The qualifying sanitary sewer shall have a minimum length of twenty-five feet as measured from the point of connection to the existing public sewerage system to the closest edge of the area under development for any dwelling units or commercial/industrial/multi-family projects to be granted the connection fee discount. For the purpose of computing sewer length for connection fee discount status, the length of the qualifying sewer over twenty-five feet in length may be rounded to the next appropriate multiple of twenty-five.

4. The types of public sewerage system improvements installed by the applicant or any previous developer that may qualify a property for the connection fee discount status are as follows:
 - a. Off-site, down gradient, gravity flow public sanitary sewers that serve other properties in addition to the area under development; or
 - b. A new fully accessible, public gravity flow sanitary sewer that replaces an existing inaccessible public sanitary sewer when the replacement is requested by the department and the sewer's inaccessibility is not the result of applicant's or any previous developer's or property owner's activities; or
 - c. Augmentation of an existing down-gradient, gravity flow public sanitary sewer of a size that provides sufficient capacity to serve the area under development. The augmentation sewer may also qualify for a credit or rebate pursuant to Section 13.20.050 if the augmentation is of a pipe size larger than that needed to serve the area under development.
 - d. Improvement in treatment capacity at the publicly owned treatment works serving the area under development or a portion of the area under development. The portion of the development qualifying for connection fee discount status shall be based on the design flows projected to be received from the area under development in relation to the amount of treatment capacity expansion provided.
 5. The types of public sanitary sewers installed by the applicant or any previous developer that shall not qualify a property for the connection fee discount status are as follows:
 - a. Off-site public gravity sewer lines installed by the developer which cannot be used by any properties down gradient from the property under development; or
 - b. Off-site and on-site public sewers that do not serve the area under development that provide flowthrough from up-gradient properties; or
 - c. A public sanitary sewage pumping station and off-site force main.
 6. For projects in which only a portion of the project is eligible for the connection fee discount, the connection fee discount status shall be given to the most down-gradient dwelling units of the proposed development which are directly tributary to the qualifying public sanitary sewer.
- D. Special Facilities. If the property necessitates the construction of special facilities, and the department approves the construction of special facilities, the applicant shall provide these special facilities at its own expense. The cost to the applicant to provide any special facilities shall be in addition to connection fees established for the property, and the cost to operate the special facilities may be subject to special operating fees in accordance with Section 13.24.035.
- E. Model Unit Fees. The permit fee charged for a "model" permit, issued at the request of an applicant prior to the recording of a final plat, shall include an additional two hundred dollar fee to cover the administrative costs associated with tracking the final lot designation or a final approved assigned address or both. A model permit will only be issued on the condition that the applicant, in writing, accepts full responsibility if the public sewer to which the "model" is to be connected is not available for service when "model" construction is complete.
- F. Prevailing Rate. The connection fee charged shall be calculated using the rate prevailing at the time of payment, except when the development services department has approved a sewer connection fee application within its computerized permitting system up to thirty days prior to the effective date of the new rate, and no changes have been made to the plans that change the number of fixture unit equivalents. In such situations, the older rate will be honored for a period not to exceed sixty days after the effective date of the new rate.
1. The connection right shall continue for the life of the structure, for the use originally permitted; however, if a conversion, meter replacement, or change of use occurs which results in a change in meter size or a shift in use from residential to commercial/industrial/non-residential, the difference in connection fees is due and immediately payable upon conversion or change of use. Conversions shall be reviewed for compliance with industrial waste ordinance requirements.

- G. Prepaid Connection Fees. Prepaid connection fees are deducted from the prevailing rate fee calculation.
- H. Connection Fee Surcharge. The board of supervisors may, by resolution, institute a connection fee surcharge for a specific area to recover the costs of required facilities in that area.
- I. Payment of Connection Fees.
 - 1. The connection fee payment is due at the time of issuance of a plumbing or building permit. Fees are first applied to any unpaid fees owed by the applicant to the department. The total fees due may be rounded to the nearest dollar.
 - 2. If no building or plumbing permit is issued, the connection fee is due prior to physically connecting or being able to discharge to the system.
 - 3. Connection fee payment is due immediately upon receipt of the department's notification to the property owner that a discovery reveals that the property improvements were connected to the public sanitary sewerage system without payment of connection fees.
 - 4. Interest charges shall be added to any unpaid connection fee and calculated at the rate of ten percent per year on the unpaid connection fee balance compounded daily. If the unpaid connection fee and any interest charges are not paid by the property owner within ten working days from the date of a notice of delinquency, the director may add to the amount due any legal or collection costs incurred.
- J. Connection Fee Refunds. Upon written application to the department, a connection fee may be refunded if the physical connection for which the fee was paid has not been made. Connection fee refunds shall not be processed for payment for sixty days following receipt of the application for the refund to give the department the opportunity to verify the facts associated with the original connection fee application and the refund application. An administrative fee of one hundred twenty-five dollars shall be assessed for each connection fee refund authorized. The director shall have the authority to waive the payment of a refund administrative fee or to direct early payment of a connection fee refund in situations involving a structural addition to or the remodeling of an existing owner-occupied single-family residence where, for reasons beyond the owner's control, the owner is not able to construct the addition to or start the remodeling of the residence.
- K. Physical Connections. An applicant for public sewer service shall not make physical connection to the public sanitary sewerage system without prior written authorization from the county. In cases where the applicant is connecting to an existing public sanitary sewer, the connection permit issued upon payment of connection fees is deemed written authorization. In cases where the applicant is connecting to a new public sanitary sewer, written authorization is the connection permit issued upon payment of connection fees and notification to the applicant by the county that the county has received approval from Arizona Department of Environmental Quality to place the public sanitary sewer in service. An applicant who makes, or causes to be made, a physical connection to the public sanitary sewerage system without first obtaining written authorization from the county shall pay investigation and administration fees of two thousand five hundred dollars plus any additional costs to the department up to five thousand dollars in addition to the standard plan services and connection fees required by this chapter.
- L. Connection Fee Payment Plan. As an alternative to payment in full of connection fees prior to the issuance of a building permit, applicant may enter into a connection fee payment agreement with Pima County. No building permit will be issued unless connection fees have been paid in full or unless applicant has entered into a payment plan with the county and conditions 1, 2, and 7, below, have been met. Such agreement will use a form approved by the director and will, at a minimum, include the following provisions:
 - 1. Applicant must make, prior to issuance of the building permit, an initial payment of twenty-five percent of the outstanding connection fee balance;
 - 2. Property owner must agree to a lien on the property in the amount of the outstanding connection fees;

3. The payment period will not exceed twelve months;
4. Interest on the outstanding connection fee balance will be one percent higher than the prime rate published at the time of agreement;
5. Applicant and property owner are jointly and severally liable for any lien enforcement costs;
6. County may, as an alternative to lien enforcement, withdraw sewerage service and capacity allocation to the property; and
7. Applicant pays an administrative fee of five hundred dollars to cover the cost of drafting and administering the agreement.

M. Retroactive Applicability of Fee Changes.

1. The connection fee rates of subsection A, above, are retroactively effective to May 15, 2012.
2. The director will develop and implement procedures for refunding connection overpayments made by applicants made from May 15, 2012 through June 30, 2012.
3. Refund applications must be submitted no later than December 31, 2012.
4. Unless specifically extended by action of the board of supervisors, this subsection will cease to have effect on December 31, 2012.

N. Credit Program for Certain Connection Fee Payments.

1. The director will develop and implement procedures for issuing connection fee credits to applicants who paid connection fees during the period starting on January 1, 2012 and ending May 14, 2012.
2. The department is authorized to issue non-transferable credits to these applicants in an amount equal to fifty percent of the connection fee actually paid less the connection fee due under the current fee system.

Credit = 0.5 * (Fee actually paid—Fee due under current system)

3. Connection fee credit applications must be submitted by eligible applicants no later than November 20, 2012 and no earlier than the date the department posts credit applications and procedures on the county web site.
4. Connection fee credits issued to residential applicants will be useable for twelve months following credit agreement approval.
5. Connection fee credits issued to commercial/industrial/multi-family applicants will be useable for eighteen months following credit agreement approval.
6. All credit agreements issued pursuant to this subsection must be approved by action of the board of supervisors.
7. Credits may be applied to connection fees paid from July 1, 2012 to the date of credit agreement approval. The applicant must submit a letter to the department requesting use of the credits in this period. Credits will be recovered in the form of a refund.
8. Connection fee credits issued pursuant to this subsection are not transferable once issued. If applicant was acting as an agent for a principal when paying connection fees, applicant may, when applying for connection fee credits under this subsection, designate said principal as proper recipient of the credits.
9. Unless specifically extended by action of the board of supervisors, this subsection will cease to have effect on December 31, 2012 provided, however, that connection fee credits issued under this subsection will, in accordance with an approved credit agreement, survive the termination of this subsection.