

April 8, 2024

The Honorable Nancy Skinner California State Senate 1021 O Street, Room 8630 Sacramento, CA 95814

Re: Senate Bill (SB) 1210 (Skinner) - Oppose

Dear Senator Skinner:

On behalf of the Orange County Sanitation District (OC San), that provides wastewater collection, treatment, and recycling for approximately 2.6 million people in central and northwest Orange County, I write to express our opposition to SB 1210.

As you are aware, SB 1210 would prohibit a connection fee or capacity charge for water, sewer, and electrical services from exceeding one percent of the reported building permit value for that housing unit. Capacity charges are assessed on the customer to cover the cost of maintaining or constructing infrastructure necessary to meet the additional sewer demand from connections, such as constructing a new wastewater treatment facility.

Capacity charges also fund the costs of developing new supply necessary to service additional demand. These fees are highly regulated under Proposition 26 and the Mitigation Fee Act. These laws require fees to be justified, reasonable, and proportionate to the services provided, and they mandate transparency, accountability, and public participation in the fee-setting process.

In its current state, this bill would result in a significant underfunding of infrastructure to provide essential sewer services for new homes in Orange County, and throughout the state. Additionally, this bill would result in higher sewer rates for existing customers who would be forced to subsidize the infrastructure needed to support new developments.

For the above reasons, we must respectfully oppose SB 1210, unless it is amended to address our concerns. We look forward to continuing our dialogue with your office and seeking amendments to resolve our concerns.

If you have any questions, please contact Jennifer Cabral, OC San Administration Manager, at (714) 593-7581 or via email at JCabral@ocsan.gov.

Sincerely,

Chad P. Wanke Board Chairman Serving:

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