



Capital Charge Public Hearing

January 12, 2022

Capital Charge

- Capital Charge is a Fee
- Covers maintenance, repair, and rehabilitation of Water System

Capital Charge Rationale

- Appropriate for the property owner to pay for long-term capital investments
- Provide a set revenue stream for necessary maintenance, repair and rehabilitation of the water system
- Stabilize revenue due to seasonal events such as rain or mandatory cutbacks

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Method & Timing of Collection

- Board has authority to set Capital Charge (CA H&S Code 5471)
- Capital Charge will be collected through the Orange County Treasurer-Tax Collector
- Capital Charge goes into effect January 2023
- First two assessments will be paid December 2022 & April 2023

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Fees via Property Tax Roll

Agency	Collects
Mesa Water District	No
Irvine Ranch Water District	Yes
Laguna Beach County Water District	Yes
Moulton Niguel Water District	Yes
Santa Margarita Water District	Yes
Serrano Water District	No
South Coast Water District	Yes
Trabuco Canyon Water District	Yes
Yorba Linda Water District	Yes

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Collection Method and Amount

	Proposed Rates Current Method	Proposed Rates With Capital Charge
Consumption Rate	\$116.40	\$116.40
Basic Charge/Fixed Fee	46.20	29.55
Capital Charge		16.65
Total	\$162.60	\$162.60

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Recommendations

1. Receive presentation on proposed Capital Charge
2. Open public hearing
3. Receive oral and written comments from the public
4. Close public hearing
5. Adopt Resolution No. 1560 for the Capital Charge and approve the Secretary's Report
6. Adopt Resolution No. 1560 for the Capital Charge and bring back the Secretary's report for further discussion.

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End of Presentation

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