

Los Angeles County Waterworks Districts and Marina del Rey Water System Proposed System Capacity Charges

What are the proposed System Capacity Charges?

The proposed System Capacity Charges are one-time charges to be paid by new customers for the system capacity they require. They would also be assessed on existing customers who require increased system capacity. They would only take effect if approved by the Los Angeles County Board of Supervisors.

Why are proposed System Capacity Charges being considered?

The proposed System Capacity Charges are being considered to modernize the Districts' outdated, component based development charges and to ensure that new development pays its fair share of system wide capacity costs.

Would the proposed System Capacity Charges replace the Districts' existing development fees?

Yes. If approved by the Los Angeles County Board of Supervisors, the proposed System Capacity Charges would replace the current connection and capacity-related charges, which include the Capital Improvement Charges, Local System Improvement Charges, and Water Supply Reliability Charges, along with their various sub components.

To who and where would the proposed System Capacity Charges apply?

The proposed System Capacity Charges would apply to applicants for new water service and to existing customers who require increased system capacity in Los Angeles County Waterworks Districts 21, 29, 36, 37, and 40, and the Marina del Rey Water System. Separate charges are proposed for each District and the Marina del Rey System based on their unique infrastructure and demand characteristics.

Would the proposed System Capacity Charges apply to all future development?

The proposed System Capacity Charges would apply to developments requesting new water service and existing customers who require increased system capacity because of redevelopment. In areas with limited or no remaining capacity, a developer agreement may be required to address the development's impact on the water system.

How were the proposed System Capacity Charges determined?

The proposed System Capacity Charges were developed through a detailed Capacity Fee Study conducted by water finance experts for each District and the Marina del Rey Water System. The studies evaluated system assets and the capacity available to provide service. The proposed charges are based on the estimated reasonable cost of providing water system capacity and are proportional to the capacity requested.

What components make up the proposed System Capacity Charges?

The proposed System Capacity Charges consist of three components – Meter Component, Fire-Flow Component, and Water Supply Component. These reflect the system capacity needed to serve each customer's water and fire flow requirements.

What is the Fire-Flow Component of the proposed System Capacity Charges?

The Fire-Flow Component of the proposed System Capacity Charges reflects the cost of infrastructure needed to provide fire protection capacity, including portions of water storage and distribution mains. It would apply to new connections and redevelopments that require higher fire flow.