

**SAUSALITO-MARIN CITY SANITARY DISTRICT**

**ORDINANCE NO. 103  
ORDINANCE ADOPTING SEWER CONNECTION CHARGES,  
AMENDING DISTRICT CODE SECTION 3.10.040**

WHEREAS, in adopting this Ordinance, the Board of Directors ("Board") of the Sausalito-Marín City Sanitary District, Marin County, California ("District") finds that:

- A. The District provides wastewater collection, conveyance, and treatment services within the District's service area which includes the City of Sausalito and adjacent unincorporated areas including Marin City and the Tamalpais Community Services District ("TCSO"); and
- B. The District is authorized by Government Code Sections 66013 and 54999, and Health and Safety Code Section 6520.2, by two-thirds vote of the District Board of Directors ("Board"), to establish charges to be imposed on proposed new development within the District's service area to pay for the proportionate cost of providing capacity within the District's system of wastewater public facilities; and
- C. The District has previously established Sewer Connection Charges as codified in District Code Chapter 3.10, and those Sewer Connection Charges are within the definition of a "capacity charge" as that term is defined by Government Code Sections 66013 and 54999.1; and
- D. The District's Sewer Connection Charges were last studied and updated by the Board in 2006, and in June 2025 the District hired HF&H Consultants to evaluate the District's proportionate costs of providing capacity in the District's wastewater public facilities, and results of HF&H's evaluation is documented in the Sausalito-Marín City Sanitary District Connection Fee Study dated December 19, 2025 ("Fee Study"); and
- E. The Fee Study documents that the Sewer Connection Charges established by this ordinance are in accordance with the requirements of Government Code Sections 66013 and 54999, and Health and Safety Code Section 6520.2, since the Charges do not exceed the estimated reasonable cost of providing capacity in the District's wastewater public facilities, proportionate to the new development being charged, and that capacity includes public facilities in existence at the time these charges are established and new public facilities to be acquired or constructed in the future; and
- F. The Fee Study documents that the Sewer Connection Charges established by this ordinance are within the authority of the Board to adopt, and they are not a "tax" as defined by Proposition 26 (California Constitution Article XIII C, Section 1(e)) since the Charges are imposed as a condition of property development and the amount of the Charges are no more than necessary to cover the District's reasonable costs of providing capacity in the wastewater public facilities, and the costs are allocated to each payor in a manner that is fair and reasonable based on each payor's burdens on, or benefits received from, the capacity; and
- G. Consistent with the requirements of Government Code Section 66016, information in support of the Sewer Connection Charges (including the Fee Study) were made available to the public at least 14 days prior to the Board meeting at which adoption of this ordinance was considered, and the Board considered approval of this ordinance at a noticed public meeting on January 6, 2026, ; and
- H. The action authorized by this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080(b)(8), and California Code of Regulations Title 14, Division 6, Chapter 3, Section 15273.

NOW, THEREFORE, IT IS ORDAINED by the Board of the Sausalito-Marín City Sanitary District as follows:

**Section 1. Recitals.** The Board of the Sausalito-Marín City Sanitary District does hereby find that the above-referenced recitals are true and correct and material to the adoption of this Ordinance.

**Section 2. Amended.** Section 3.10.040 of the District Code, pertaining to “Schedule/determination of charges” for Sewer Connection Charges, is hereby amended by repealing the existing text and replacing it with the following:

### **3.10.040**

#### **Schedule/determination of charges.**

- A. The applicable sewer connection charge for new connections and increased discharges to the district’s system shall be as set forth in the schedule set forth in subsections 3.10.040(A) and 3.10.040(B). Each equivalent dwelling unit (“EDU”) is equal to each of: (i) one “equivalent residential unit,” or (ii) the “base charge (aggregate)”; or (iii) 200 gallons per day of wastewater volume.
- 1) Connection Charge for City of Sausalito. Any project located within the jurisdictional boundaries of the City of Sausalito shall pay the connection charge per EDU of \$27,140, or a connection charge per gallon per day (“gpd”) of \$135.70.
  - 2) Connection Charge for TCSD. Any project located within the jurisdictional boundaries of the Tamalpais Community Services District (“TCSD”) shall pay a connection charge per EDU of \$13,658, or a connection charge per gpd of \$68.29.
  - 3) Connection Charge for Unincorporated Area. Any project located outside the jurisdictional boundaries of the City of Sausalito and outside the jurisdictional boundaries of TCSD shall pay a connection charge per EDU of \$18,643, or a connection charge per gpd of \$93.22.
- B. Scheduled Adjustments to Connection Charge Amounts – Upon the effective date of the sewer connection charges established pursuant to this Section 3.10.040, initially effective on March 7, 2026, the charges shall continue in effect until further action of the Board. Provided, however, the maximum amount of the connection charges imposed pursuant to this chapter shall be subject to an increase effective no earlier than July 1, 2027, and scheduled annual increases each July 1 thereafter through July 1, 2031, in an amount equal to the percentage increase established using the criteria for adjusting regional construction costs based on annual inflationary impacts as set forth in the “Construction Cost Index” for the San Francisco Bay Area, as reported in the Engineering News Record. The Board shall review scheduled annual adjustments for each fiscal year. No annual adjustment shall be effective prior to the action taken by the Board, in its discretion, to either:
- 1) Reduce the connection charge amounts to be imposed pursuant to this chapter; or
  - 2) Increase the connection charge amounts to be imposed pursuant to this chapter in an amount that does not exceed the maximum amount authorized by this subsection 3.20.040(B).
  - 3) If the Board determines that an increase is warranted to a connection charge in an amount in excess of the maximum amount authorized by this Section 3.10.040, the Board may direct staff to follow the procedures of the Mitigation Fee Act (including Government Code Sections 66013 and 66016) to notice a public meeting of the Board to consider the proposed increase.

**Section 3. Publication:** Upon adoption of this Ordinance it shall be entered in the minutes of the Board and it shall be published one time in a newspaper of general circulation in the District.

