

AGENDA

**ENGINEERING COMMITTEE MEETING
LEUCADIA WASTEWATER DISTRICT**

Tuesday, February 3, 2026 – 1:30 p.m.
1960 La Costa Avenue, Carlsbad, CA 92009

1. Call to Order

Teleconference with President Brown at the following location:
Moulton Nigel Water District
26161 Gordon Road
Laguna Hills, CA 92653

Teleconference with Director Roesink at the following location:
7509 Solano Street
Carlsbad, CA 92009

2. Roll Call

3. Public Comment

4. A Proposal to Adopt Ordinance No. 151 to Amend Equivalent Dwelling Unit Factors Capacity Fee Schedule

Adopt Ordinance No. 151 – An Ordinance of the Board of Directors of the Leucadia Wastewater District Establishing the District's Capacity Fee and Amending the EDU Factors Capacity Fee Schedule. (Pages 2-8)

5. Information Items

L1 Force Main Condition Assessment (verbal).

6. Directors' Comments

7. General Manager's Comments

8. Adjournment

MEMORANDUM

Ref: 26-9373

DATE: January 29, 2026
TO: Engineering Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Proposed Ordinance No. 151 - Amend Equivalent Dwelling Unit (EDU) Factors Capacity Fee Schedule**

RECOMMENDATION:

Staff requests that the Engineering Committee recommend that the Board of Directors:

1. Adopt Ordinance No. 151 – An Ordinance of the Board of Directors of the Leucadia Wastewater District (District) Establishing the District's Capacity Fee and Amending the EDU Factors Capacity Fee Schedule.
2. Discuss and take other action as appropriate.

BACKGROUND:

Since 2017, the State of California has passed several housing laws in an effort to alleviate the state's ongoing housing and housing affordability crisis. One tool the state uses to resolve this issue is the promotion of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) which property owners can construct on the same parcel as a single-family or multi-family residence. These laws are not always straightforward when implementing at the agency level.

Existing Ordinance:

ADUs and JADUs are subject to two types of sewer charges: sewer capacity fees and sewer service fees. Sewer capacity fees recover the costs associated with providing wastewater facility capacity to new users or existing users requiring additional capacity and are one-time charges. Sewer service fees cover the operational costs to collect, transport, and treat the wastewater.

An ADU is defined as an attached or detached residential dwelling unit with an individual kitchen and bathroom, has a maximum size of 1,200 square feet, and does not require property owner occupancy. An ADU that is constructed outside of an existing structure remains subject to sewer capacity fees. However, an ADU that is constructed within an existing structure on the property, such as a garage or portion of the primary residence, is exempt from sewer capacity fees.

A JADU is defined as a unit created *within the walls* of a proposed or existing single-family residence with an individual kitchen and typically its own bathroom, has a maximum size of 500 square feet, and requires property owner occupancy. A JADU that is constructed within the walls of a *new* single-family residence is subject to sewer capacity fees. However, similar to an ADU, a JADU that is constructed within the walls of an *existing* single-family residence is exempt from sewer capacity fees.

Both ADUs and JADUs are subject to sewer service fees even if they qualify for a capacity fee exemption.

DISCUSSION:

Based on a recent proposed JADU, staff researched a March 2024 legislative update and found that LWD's current fee structure for JADUs is not in conformance. Under the new laws, all JADUs are now exempt from both sewer capacity and sewer service fees. Fortunately, the assessment process for ADUs remains unchanged. To comply with the new legislation, staff recommends to update the Wastewater Use Category fee schedule as displayed in the following table:

| WASTEWATER USE CATEGORY | EDU FACTOR |
|-------------------------------------|------------|
| ADU & JADU | |
| 500 square feet or smaller (Small) | 0.25 |
| 501-1,000 square feet (Medium) | 0.50 |
| 1,001 square feet or larger (Large) | 0.75 |

Overall, JADUs will be removed from the Wastewater Use Category and exempt from sewer capacity and sewer service fees.

Attached please find a copy of Ordinance No. 151 for your review. Staff will present an overview of the changes at the upcoming meeting.

FISCAL IMPACT:

If approved, the fiscal impact of Ordinance No. 151 will be a reduction of approximately \$3,500 per year in sewer service revenues and a one-time capacity fee refund of about \$1,600. These changes are not expected to significantly impact LWD's annual revenues or operations.

ier:PJB

Attachment

ORDINANCE NO. 151

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE LEUCADIA WASTEWATER DISTRICT CONFIRMING THE DISTRICT'S CAPACITY FEE AND AMENDING THE EQUIVALENT DWELLING UNIT FACTORS CAPACITY FEE SCHEDULE

WHEREAS, the Leucadia Wastewater District (LWD) is a county water district that operates as a special district in accordance with Government Code Section 56036; and,

WHEREAS, LWD charges a capacity fee that is based on equivalent dwelling unit (EDU) factors for various Wastewater Use Categories; and

WHEREAS, the current LWD wastewater capacity fee (Capacity Fee) was set by Ordinance No. 146 at \$6,240 per EDU; and,

WHEREAS, the LWD Board of Directors has determined that the EDU Factors Capacity Fee Schedule should be amended to exempt Junior Accessory Dwelling Units (JADUs) from capacity and sewer service fees; and

WHEREAS, a public hearing to exempt JADUs from capacity fees and sewer service fees was duly noticed and held in accordance with Government Code Section 66016 on the date hereof,

NOW, THEREFORE, BE IT ORDAINED:

1. That the existing Capacity Fee of \$6,240 per EDU is reconfirmed and shall remain unchanged.
2. That the capacity fee charges shall be assessed in accordance with the EDU Factors established by the District and incorporated herein as "Exhibit A".
3. That the revised capacity fee charges and sewer service fees resulting from the new EDU Factors set forth on Exhibit A shall be prospective only and take effect on July 1, 2026.
4. That the provisions of this ordinance shall be effective immediately after its adoption, and thereafter, Ordinance No. 146 shall be void and of no further force and effect.

PASSED AND ADOPTED this 11th day of February 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Matthew S. Brown
President

ATTEST:

Paul J. Bushee
Board Secretary

EXHIBIT A
LEUCADIA WASTEWATER DISTRICT
EDU FACTORS CAPACITY FEE SCHEDULE

| | WASTEWATER USE CATEGORIES | |
|-----|---|-------------|
| NO. | DESCRIPTION | EDU FACTORS |
| 1 | <u>Single-Family Residence</u> | 1.0 |
| 2 | <u>Accessory Dwelling Unit & Junior Accessory Dwelling Unit</u> | |
| a | 500 square feet or smaller | 0.25 |
| b | 501-1000 square feet or larger | 0.50 |
| c | 1,001 square feet or larger | 0.75 |
| | Capacity Fees do not apply to Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) that are exempt from such fees under State Law (generally new units contained within the existing space of a single-family residence or accessory structure). Sewer Service Fees still apply and they are determined by the applicable EDU Factor for the ADU and JADU . * | |
| | *Junior Accessory Dwelling Units (JADUs) are exempt from capacity and sewer service fees. Only JADUs with an individual kitchen and bathroom will be independently assessed an EDU factor. JADUs that do not have independent kitchen and bath facilities will be covered by the EDU already assessed to the primary property. | |
| 3 | <u>Multiple Dwelling</u> (apartments, duplexes, condominiums and townhouses) Each living unit | 1.0 |
| 4 | <u>Mobile Home or Trailer Park</u> Each mobile home or trailer space | 1.0 |
| 5 | <u>Motel or Hotel</u> | |
| a | Each unit without a kitchen | 0.33 |
| b | Each unit with a kitchen | 0.55 |
| 6 | <u>Medical Care or Elder Care</u> (hospitals, skilled nursing homes, convalescent homes, retirement homes, assisted living homes and similar facilities) Each plumbed facility must have a 1.0 EDU base minimum. If the EDU calculation below is less than 1.0, the base minimum of 1.0 will apply | 1.0 min. |
| a | Multiple dwellings without individual kitchen & with on-site community eating facilities, per individual bed | 0.4 |
| b | Multiple dwellings with individual kitchen and on-site community eating facilities, per living unit | 0.8 |
| c | Multiple dwellings with individual kitchen and no on-site community eating facility, per living unit | 1.0 |
| d | Single dwellings with individual kitchen regardless of community facilities, per living unit | 1.0 |

| | | |
|----|---|-------------------|
| 7 | <u>Churches, Theaters, and Auditoriums</u> Each unit of 115 persons or fraction thereof | 1.0 |
| 8 | <u>Schools</u> | |
| a | Each Elementary School per 60 pupils or fraction thereof | 1.0 |
| b | Each Junior High School per 50 pupils or fraction thereof | 1.0 |
| c | Each High School per 30 pupils or fraction thereof | 1.0 |
| d | Each Trade, Vocational, University or College per 30 pupils or fraction thereof | 1.0 |
| 9 | <u>Laundries - Self Service</u> Per each washer | 0.75 |
| 10 | <u>Food Services Establishments</u> | |
| a | <i>Limited Food Preparation Establishments.</i> Facilities that only engage in the reheating, hot-holding or assembly of ready to eat products and the incidental sale of beverages. Seating includes indoor and outdoor. See "Other Commercial or Industrial Users" | (See Category 15) |
| b | <i>Low Food Preparation Establishments.</i> Facilities that prepare food, but have equipment and/or uses deemed to have a low risk of FOG ¹ , BOD ² or TSS ³ discharge (microwave, toaster, toaster oven, bread oven, combi-oven, steamers, freezers for serving frozen products, and other similar equipment) ⁴ . Includes facilities for which the preparation and sale of specialized beverages, such as coffees and smoothies, is an incidental part of the business. Minimum allows for up to 14 seats with multi-use utensils or up to 30 seats with single-use utensils | 2.0 min. |
| 1) | Additional for each unit of 7 seats or portion thereof with multi-use utensils that exceeds minimum seating | 1.0 |
| 2) | Additional for each unit of 15 seats or portion thereof with single-use utensils that exceeds minimum seating | 1.0 |
| c | <i>High Food Preparation Establishments.</i> Facilities that prepare food and have equipment and/or uses deemed to have a high risk of FOG ¹ , BOD ² or TSS ³ discharge (char-broiler, griddle, grill, stove (range), oven (range), deep fryer, kettle, rotisserie, smoker, tilt skillet, pizza oven and other similar equipment) ⁴ . Includes facilities for which the preparation and sale of specialized beverages, such as coffees, is the primary focus of the business. Minimum allows for up to 21 seats with multi-use utensils or up to 45 seats with single-use utensils | 3.0 min. |
| 1) | Additional for each unit of 7 seats or portion thereof with multi-use utensils that exceeds minimum seating | 1.0 |
| 2) | Additional for each unit of 15 seats or portion thereof with single-use utensils that exceeds minimum seating | 1.0 |

1 Fats, Oils, and Grease

2 Biochemical Oxygen Demand, 5 day

3 Total Suspended Solids

4 The type of equipment alone is not dispositive. A final determination regarding a facility's classification is made after considering its specific equipment and use characteristics.

| | | |
|---|--|-------------------|
| 11 | <u>Commercial Facilities With Food Preparation</u> | |
| a | For Food Preparation Area, See "Food Services Establishments" | (See Category 10) |
| b | For Commercial Area, See "Other Commercial or Industrial Users" | (See Category 15) |
| 12 | <u>Ballrooms, Banquet Facilities and Convention Facilities</u> Per block of 40 seats | 1.0 |
| 13 | <u>Automobile Service Stations</u> | |
| a | Not more than four (4) gasoline pumps | 2.0 |
| b | More than four (4) gasoline pumps | 3.0 |
| c | Additional for each washing rack, pit or floor drain (Drains subject to collecting toxic, hazardous, or potentially explosive waste are not allowed to be connected to sewer) | 2.0 |
| d | Car washes shall be individually evaluated by LWD District Engineer based on peak net discharge rate of specific equipment to be used with internal water recycling required | (Per Review) |
| 14 | <u>Banks and Savings and Loan Associations</u> Each 3,000 square feet or portion thereof | 1.0 |
| 15 | <u>Other Commercial or Industrial Users</u> | |
| a | Up to 1,000 square feet | 1.0 |
| b | Plus for each additional 1,000 square feet or portion thereof up to 5,000 square feet | 0.6 |
| c | Plus for each additional 1,000 square feet or portion thereof over 5,000 square feet | 0.4 |
| d | The Capacity Fees for establishments with unusual sewer characteristics or for any commercial use not described in the categories above shall be fixed by the Board of Directors by motion, resolution, or ordinance when each specific application is submitted | (Per Case) |
| At any time the District may review the current standards of practice of any commercial or industrial customer with regard to sewer use during the previous year. If such use is not within the limits of the previous classification, the service may be reclassified accordingly and any additional capacity charges shall become due and payable immediately on request. | | |