



Riverside Drive Apartments Capacity Charge Credits

Napa Sanitation District
Board of Directors Meeting
April 6, 2016



Background

- Gas manufacturing plant until 1920's
- 40-unit apartment site built in 1960's
- Resolution 11-003 (April 6, 2011) extended capacity charge credit until April 15, 2016
- PG&E letter (March 1, 2016) requests extension until April 2021



NSD Code

5.02.050 Demolition Credits

Upon request for demolition permit, applicant must make an election regarding the treatment of the credit for the capacity from the to-be-demolished structure or structures. Once the permit is issued, the election is irrevocable. **The applicant shall elect one of the following methods** of treatment:

- **Method 1** – **Capacity charge credits would be valid for a period of two years** from the date the demolition permit is issued by the District, and would remain with the parcel from which they were established. The property owner must obtain a City or County building permit within the two-year time frame in order to utilize the capacity charge credits. If a building permit is not obtained within two years, the capacity charge credit will expire. During the period between issuance of the demolition permit and issuance of a building permit, **no sewer service charges would be assessed**.
- **Method 2** – **Capacity charge credits would not expire** provided the applicant agrees to **remain subject to sewer service charges** after issuance of the demolition permit, acknowledging that the District would be assessing sewer service charges to the parcel during periods of no sewer flow from the parcel.

The value of the capacity allocation credits shall be based on the capacity, as measured by Equivalent Dwelling Unit, that have been previously purchased for or allocated to that building.



Method 2

Estimated sewer service charges

Year	Units	SSC (0.6) Rate	SSC Payment
16/17	40	\$332.93	\$13,317.12
17/18	40	\$382.87	\$15,314.64
18/19	40	\$405.83	\$16,233.36
19/20	40	\$426.13	\$17,045.04
20/21	40	\$443.17	\$17,726.88
Total			\$79,637.04



Options

- Confirm Method 2 in Section 5.02.025 applies, charge sewer service charges after April 15, 2016
- Relief on application and extend capacity charge credits as requested by PG&E based on special circumstances