

2015 Wastewater Connection Fee Information Sheet



Inland Empire Utilities Agency (IEUA) is a regional wastewater treatment agency and wholesale distributor of imported water and recycled water. Through its member agencies, IEUA is responsible for serving approximately 830,000 people over 242 square miles in western San Bernardino County. IEUA is committed to investing in the region's water supply for today and tomorrow through fiscal responsibility, efficient business practices, prudent water supply management and environmental stewardship.

What is it?

- A one-time fee to support new connections to the regional wastewater system.

What does it cover?

- Regional wastewater construction projects.
- It does not cover costs to operate and maintain (O&M) the regional wastewater system.

What is the benefit?

- Ensures timely construction of regional wastewater facilities to support future growth and economic development in the region.

PROPOSED WASTEWATER CONNECTION FEE

Buy-In Portion – recovery of the capital costs related to IEUA's available wastewater capacity.

\$1,819/EDU



Incremental Portion – capital costs for building new capacity for future growth.

\$4,473/EDU

Connection Fee
\$6,289/EDU

WASTEWATER	EXISTING	PROPOSED CONNECTION FEE					
FY	2014/15	2015/16		2016/17	2017/18	2018/19	2019/20
Effective Date	7/1/14	7/1/15	1/1/16	7/1/16	7/1/17	7/1/18	7/1/19
Connection Fee, \$/EDU	5,107	5,107	6,289	6,477	6,671	6,871	7,077

EDU – an equivalent dwelling unit is the measure of a customer's impact on the wastewater system as a ratio to the impact of a typical single family residence.

WHY DOES THE WASTEWATER CONNECTION FEE NEED TO BE MODIFIED?

- Connection fees have not fully paid for capital expenditures for more than a decade.
 - **\$134 million deficit** has been subsidized by debt financing and property taxes over the last 10 years.
- With growth increasing, population is expected to reach **1.2 million within the next 20 years**.
 - **\$437million** in capital investments will be needed to expand regional wastewater treatment facilities to support growth.
- IEUA has a responsibility to ensure the regional wastewater system is financially sound.
 - *By not raising the fee, the regional wastewater system may see **another deficit of \$150million over the next 20 years.***
- **Proposition 26** mandates costs should be reasonable and appropriately allocated to payers based on the benefit received.
 - *Comprehensive rate study established proposed fee based on projected capital investments needed to meet expected growth of approximately 96,461 new EDU connections over the next 20 years.*