

LCBPU Policies and Procedures Manual

Subject: Capacity Fee
Area: Customer Policies
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BACKGROUND AND PURPOSE

A capacity fee is imposed on new customers for the new infrastructure that must be built or increased due to new property development. The purpose of the water capacity fee is to allow the Lincoln County Board of Public Utilities to recover the costs associated with providing a new connection to the system with the required capacity in the water system. The fee is set to recover the costs of constructing capital improvements required by the new connection, as well as future capital projects required to provide that new connection with sufficient water supply and distribution capacity in the system.

PUBLIC NOTICE

A copy of this policy shall be available in the business office of the utility for customer inspection during regular business hours or official meetings of the utility. This policy may also be viewed on our web site at lincolncountybopu.com

POLICY:

All new service tap connections to the LCBPU water system will require payment of a capacity fee that is proportional to the flow potential of the meter that is to be installed. This fee is in addition to the tap fee and any other required fees or charges. Developers that install new piping will pay all fees at the time the infrastructure is turned over to LCBPU.

The standard meter for the LCBPU water system is a 5/8" x 3/4" meter and in this case the flow potential shall be nominally 25 GPM. The flow potential of the larger meters shall be determined by the manufacturer's advertised maximum continuous operation flow rate. The LCBPU shall make all determinations and decisions in regard to the flow potential of the various meters and may at its discretion install a meter with higher flow potential than what is required. The LCBPU may elect to downsize any meter in the distribution system if it is determined to be oversized, based on the consumption history, without providing reimbursement of fees. Alternatively, at the discretion of the LCBPU, a meter that has been downsized may once again be increased to its original size if the consumption requires it.

Any service requiring a capacity increase over the original meter capacity will require the payment of a capacity fee to cover the difference. For example; changing a 5/8" x 3/4" meter to a 1" meter would require payment of the difference in the fees at the time of the increase. This will be the case even if the original meter was installed prior to this policy.

CAPACITY FEE SCHEDULE			2016-17
METER	FLOW	EMU	CAP FEE
5/8 x 3/4 PD	up to 25	1	\$500
1 PD	50	2	\$1,000
1.5 PD	120	4.8	\$2,400
1.5 Turbine	160	6.4	\$3,200
2 PD	170	6.8	\$3,400
2 Turbine	200	8	\$4,000

EMU=Equivalent Meter Unit
PD=Positive Displacement

RECORD KEEPING

The Capacity Fees collected under this policy shall be utilized for the purpose of improving capacity within the LCBPU water system. All fees shall be tracked and utilized for this purpose.

REVIEW BY MANAGER AND STAFF

The Board of Utilities is the sole policy making body for the utility. The Board authorizes the manager to handle routine determinations in the application of this policy. The manager may designate appropriate office personnel to handle routine determinations. Any unusual issues shall be referred to the Board.

If the policy issue is one which the manager is not empowered to settle or if the action of the manager is unacceptable to the customer, the customer shall have the right to take such complaint to the Board.

The manager or his designee shall inform the customer of his right to have the issue reviewed by the Board of Utilities, and shall schedule the customer for consideration at the Board's next regularly scheduled meeting and shall inform the customer of the time and place of the meeting. If the information regarding the issue has not previously been reduced to writing, the manager shall make and file a written notice of the substance of the issue and of his action and decision on the issue.

REVIEW BY THE BOARD

When a customer or other complaining party appears at a Board meeting regarding this policy without previously submitting the facts regarding the issue to the manager or office staff, the Board may delay hearing or ruling on the case until the next regular meeting to allow the Manager, staff, attorney or others to locate and prepare materials concerning the issue.

OMISSIONS

In the absence of specific rules or policies, the determinations in conducting this policy shall be made by the Board of Utilities in accordance with its usual and customary practices.