

Oldham County Environmental Authority Sanitary Sewer Capacity Fees

Background

Capacity fees are charged by sewer utilities to assure that customers that connect to their system pay the customer's share of sewers and treatment plants required to convey and treat their wastewater. Capacity fees defray the cost of expansions made to serve new customers and have new customers share the cost of repair or replacement of other system components needed to serve them.

Capacity Fee Calculation

The Oldham County Environmental Authority capacity fees are calculated approximately once per year in accordance with Appendix A. The capacity fees are listed in Appendix B, with amounts provided for the following types of structure or dwellings.

- **Single-family detached homes.** These are buildings usually occupied by just one household or family and consist of just one dwelling unit that does not share an inside wall with any other house or dwelling.
- **Multi-family units.** These are separate living units usually occupied by just one household or family and that share one or more inside walls with other similar units. These includes apartments and condominiums, whether they exist in structures as small as a duplex or large enough to contain dozens of units. They do not include a hotel, motel, nursing home, dormitory and other similar residential dwelling. A separate capacity fee is established for each of the following types of multi-family units: **One-Bedroom; Two Bedroom** and **Three or more Bedrooms.**
- **Other structures.** These are dwellings or structures that are not a single-family detached home or a multi-family unit. A capacity fee for these dwellings and structures is based the estimated average daily volume of wastewater that will be generated at the structure and discharged to the OCEA system. For these structures a capacity fee is due before initial construction and prior to any modification or expansion reasonably expected to increase by 10% or more the average daily volume of wastewater generated at the structure. Additional capacity fees are calculated by multiplying the anticipated volume increase by the capacity fee in effect at the time modification approval is requested.

In some situations where OCEA does not have capacity to serve new wastewater generating dwellings or structures it can work with developers to build system capacity to serve those dwellings or structures, but all costs of building that capacity must be borne by the developer.

Capacity Fee Payment

With the exception of dwellings or structures served by a private or public utility that OCEA purchases or acquires due to a change to its service area, or structures OCEA agrees to serve pursuant to a written wholesale treatment services agreement¹, no wastewater-generating structure may be connected to the OCEA sanitary sewer system for any reason without:

1. Full payment to OCEA of the required capacity fee; and
2. Construction of pipe and other equipment required to convey the wastewater to an existing OCEA sewer (i.e. property service connection) or construction of a New Sewer (defined below) and property service connections in compliance with OCEA regulations.

Requirements and Payment Timing for New Developments

Persons wishing to develop property for a use that generates wastewater must prepare detailed plans (“Plans”) for pipe, lift stations and other devices required to convey wastewater from planned structures to the OCEA system (collectively the “New Sewer”) that meet OCEA and Kentucky Division of Water (DOW) regulations, obtain written DOW and OCEA approval of New Sewer Plans, construct the New Sewer in accordance with New Sewer Plans and pass inspections required by OCEA regulations. Capacity charges for a new development are due when OCEA grants preliminary approval of New Sewer Plans. OCEA will not convey final approval of Plans to DOW required for its review until all capacity fees have been paid. The capacity fee for a connection that does not require New Sewer is due prior to OCEA locating or creating a tap or other point of connection.

Connection Rights Obtained With Payment of Capacity Fee

Authorization to connect to the OCEA sewer received by paying a capacity fee is not transferable to other property. Payment authorizes only the connection described in the request or New Sewer Plans submitted to OCEA with that fee and will not authorize the connection of different parcels or structures. Capacity fees are refundable (or partially refundable due to development plan amendments) only if a written refund request is

¹ At the time it acquires a private or public utility OCEA may assess owners of dwellings it begins to serve due to that acquisition a fee to fund needed improvements in the utility’s collection or treatment system or to convey wastewater from the utility’s collection system to OCEA treatment facilities. A written wholesale treatment service agreement will specific all payment obligations of the wholesale customer and may cover connection fees as a part of charges measured by flow.

received by OCEA within twelve months of the date the capacity fee is received and it contains evidence satisfactory to OCEA of the following:

1. The developer has withdrawn all plans submitted to the Oldham County Planning and Zoning Commission ("Commission") for the development; or
2. The developer has obtained preliminary approval from the Commission of an amended development plan for the same property and which depicts a development that requires a smaller capacity fee, and
3. DOW has approved all plans for sewers that will serve the development described in that amended development plan.

Twelve months after a capacity fee is paid it is no longer refundable, but it continues to authorize the connection for which it was paid until that authorization expires.

Authorization to connect to the OCEA sewer received by paying a capacity fee expires five years after the capacity fee is received. The owner of property subject to an expired authorization may not connect a dwelling or structure to the OCEA sewer without paying a capacity fee in the amount due at that time and without a credit or offset for the previously paid fee.

APPENDIX A

APPENDIX B

CAPACITY FEES

Category	Capacity Fee
Single-family detached home:	\$3,520/home
Multi-family unit	
Three or more bedrooms.	\$3,520/unit
Two bedrooms	\$2,640/unit
One bedroom	\$1,720/unit
Other structures	\$8.80/gal. estimated average daily volume of wastewater to be generated

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