

Lateral Extension Process Fees

As part of the Lateral Extension approval process, various fees may be applicable. These may include: Reservation of Capacity Charge, Capacity Charges, Recapture Charges, Telemetry Costs, and Quality Charges. This section is added to provided a general description of typical fees associated with extending a sewer. The amounts are subject to change. For a more detailed description and current amounts please check **MSD Rates Rentals and Charges Bulletin**.

Capacity Charges

A) Jefferson County

Capacity charges are required as part of the Wastewater Facilities Lateral Extension Contract and must be paid or a letter of Credit arranged prior to the Notice to Proceed being issued. Should a letter of Credit be used, the Capacity charges must be paid before the sewers can be released. The current rate for properties located within Jefferson County is **\$1486.40 (effective 9/1/04)** per single family equivalent, or **\$3.54** per Gallon Per Day (GPD), with a minimum charge of \$1486.40 for a single project. The charges are calculated on a capacity charge worksheet by MSD, which breaks down the charges applicable, based on information provided by the developer's engineer. These charges apply to all properties within proposed new developments unless they are exempted by one of the following:

- Property was previously served by a non-MSD system or on-site disposal
- Property does not require a connection or extension of MSD's system
- Property is located within the Enterprise Zone
- Property is owned by the City, County or joint agencies
- Property is located within the City, 1947 boundaries
- Property is to be served by a new treatment plant to be owned by MSD but constructed and financed jointly by an agreement between MSD and one or more developers, provided the plant is constructed as a permanent, long-term facility
- Property is exempted due to a previous agreement, such as a treatment plant takeover where the previous owner has identified specific properties
- Property has been annexed into MSD's wastewater service area prior to January 1, 1987 and has a connection that was installed prior to January 1, 1993

The charges are calculated by the number of lots in a proposed subdivision, estimated gallons per day flow from a proposed structure, estimated flow based on the number of employees, or flow based on actual water records of a similar type of facility, with the minimum being 420 GPD.

Capacity Charges are a one time up front cost to assure system capacity for a development.

B) Oldham County Capacity Charges

a) Oldham County Sanitation District

For developments located within Oldham County Sanitation District's service area, and shall be collected by Oldham County Sanitation District with proof of Payment to MSD:

| Meter Size | Capacity Charge | Meter Size | Capacity Charge |
|-----------------|-----------------|------------|-----------------|
| 5/8 & 3/4- inch | \$3,520 | 3- inch | \$56,320 |
| 1- inch | \$8,800 | 4- inch | \$88,000 |
| 1 1/2- inch | \$17,600 | 6- inch | \$281,600 |
| 2- inch | \$28,160 | 8- inch | \$616,000 |

Reservation of Capacity

If a developer is not sure that they want to proceed with development but wants to confirm capacity remains while they go through the decision making process, they can pay a reservation of capacity. This reserves capacity until such time as a decision is made. This is a non refundable amount and does not apply

or offset Capacity Charge amounts. The reservation of capacity is processed by agreement which requires executing a reservation of the capacity agreement in the early stages of the process. MSD prepares this agreement. In these cases, payment is deferred until the Lateral Extension Contract is executed. However, a monthly fee is to be paid equivalent to the average wastewater service charge for the development, for up to two (2) years. The current amount is **\$22.36 (effective 8/01/04)** per single family unit per month. The applicant is responsible for paying this monthly fee. MSD will not bill.

Telemetry Costs

Telemetry Costs typically only pertain to projects that involve a proposed pump station, and are also included in the Wastewater Facilities Lateral Extension Contract. This cost is paid by the developer to MSD for the reimbursement to MSD of the purchase and installation of the radio telemetry system. The current rate is **\$12,700**, and is due before the issuing of the Notice to Proceed.

Recapture Fees

In certain locations in MSD sewer service area, Developers have constructed Master Sewer Plan Facilities. Any new development that directly or indirectly makes use of these facilities will be required to pay a Recapture fee. The amounts of these fees are different for each Recapture Area. If your project falls into one of these Recapture Areas you will need to contact MSD Customer Service Department or Development Team to obtain the specific amount.

Quality Charges

Any commercial, institutional or industrial customers who are required by MSD to provide certification of the strengths of its BOD (biochemical oxygen demand) or SS (suspended solids) wastewater discharges are also subject to Quality Charges. These charges are calculated at \$0.2189 per pound of BOD loading in excess of 250 mg/liter (or \$0.001826 per mg/liter per 1,000 gallons); and \$0.0902 per pound of SS loading in excess of 270 mg/liter (or \$0.0007522 per mg/liter per 1,000 gallons). Each certification is subject to approval by MSD and must be based on MSD acceptable analytical sampling and testing procedures. If the certification is not approved by MSD, the billings will be based on BOD and SS loadings determined appropriate by MSD until an acceptable certification is approved by MSD. Any business subject to significant fluctuations in their wastewater loadings due to the seasonal nature of their activities, or other reasons, must provide certifications representative of their typical annual loadings. MSD may also establish standard BOD and SS loadings for a specific customer class which shall be used to determine applicable quality charges, using the quality charges, using the quality charge rates approved herein, for each customer within that classification as determined by MSD.