From:

To: <u>Downstream Distribution Group</u>

Subject: Refund request

Date: Thursday, January 30, 2025 9:49:16 AM

Attachments: 20250130.docx

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Hi CAWD,

Please consider this my request for a refund of \$2,858.46 which is the amount I have paid to CAWD for what I believe is a fee that has not complied with Proposition 218. My reasoning was given today in the board meeting - that speech is also attached.

If you have an official claim form, please send it to me and I can fill that out. Please don't hesitate to reach out if you have any questions as well,

My best,

Hunter Leighton 3603 Eastfield Rd Carmel CA 93923

Hello Board,

I am here today to again address the district's ADU policy following a motion at the last board meeting to continue with the current ADU fee policy structure. As a property owner with an ADU, I have concerns regarding the fairness and more importantly the legality of this policy.

From the outset, it has been troubling to me that my ADU, which generates just 25% of our household wastewater, is charged a full parcel fee.

Despite raising this issue several times, both in writing and in person, no changes have been made Thus, I have continued my research, and I have concluded that this districts ADU policy is, in many ways, a violation of the law – specifically Proposition 218.

The district is charging parcels with ADUs twice the rate of parcels with one residence, yet has no research to prove that a house with an ADU generates twice the waste. Especially because the district knows ADUs have size limitations - imposed by the City of Carmel and Monterey County – that legally restrict the size of an ADU as compared to a primary residence or lot coverage – the cost to service a parcel with an ADU will never be twice the cost to service a parcel with just one residence. The fee the district charge parcels with ADUs must be accurate and verifiable – and must represent the costs the district incurs - which it is not. This is in violation of Prop 218.

This ADU fee was voted and adopted as policy in April 2022. However, no proper notice was given for this new fee on parcels. Any special district proposing to adopt a new, or increase an existing, property-related fee or charge must comply with the proper procedural requirements. The district did not. This is in violation of Prop 218.

The district has chosen to exclude attached ADUs from an additional user fee. An attached ADU at 500sf has the same potential to generate sewer waste as a detached 500sf ADU. Under Prop 218, all fees imposed by local agencies must be proportional to the cost of service provided. Can the district produce data that shows a parcel with an attached ADU will not produce more sewage than a parcel with a detached ADU? Or produce the same sewage as a parcel without an ADU? It cannot. Charging certain customers more than their

proportional share of the cost of service to reduce the cost for other customers is strictly is in violation of Prop 218.

The ADU list that the district has compiled shows the size for about 9 ADUs. The average size about 436sf. Far under the average size residence in this area.

While I understand for purposes of assessing sewer fees for ADUs, the total square footage of the proposed ADU is not totally relevant – let's talk drainage fixture units. My ADU DFUs is roughly 48% of the DFU's of the primary residence – yet the district charges a full parcel fee for this? That's over a 100% markup. So, the ADU fee the district is charging parcels FAR exceeds the cost of service provided and thus what it has done is create a special tax which is subject to two-thirds vote of the electorate. The district did not take this to voters as required, and thus is in violation of Prop 218.

Given these concerns, I am formally requesting a refund of the \$2,858.46 I have paid for my ADU under this unjust fee structure and request you request the district study the true cost of ADUs and charge accordingly. Until that time this policy should be eliminated.

If changes are not made, the district risks legal challenges due to multiple violations of Proposition 218. I trust this is not the outcome anyone desires.

I will be following up with an official written request to the district management for a refund and I certainly hope you make some changes.

Thank you for your time and consideration.