[SEWER SERVICE CHARGE]

ADOPTING AND IMPOSING SCHEDULES OF SEWER SERVICE CHARGES TO BE PAID BY USERS FOR FISCAL YEAR 2000-2001 PURSUANT TO PART II, CHAPTER X, ARTICLES 4.1 AND 4.2 OF THE SAN FRANCISCO MUNICIPAL CODE (PUBLIC WORKS CODE).

Be it ordained by the People of the City and County of San Francisco:

Section 1. In order to qualify for federal and state grant assistance and in accordance with the provisions of Board of Supervisors Resolution No. 656-92, adopted August 4, 1992, as amended, providing for the issuance of sewer revenue bonds, the City and County must establish sewer service charges that will provide sufficient revenue to meet the cost of operation and maintenance, replacement of equipment and structures, and debt service of the sewerage system. The General Manager of Utilities has prepared a report titled "Report on Sewer Rates for Fiscal Year 2000-2001 (on file with the Clerk of the Board of Supervisors in File No. 000838) explaining the method of deriving such charges.

The Mayor and the General Manager of Utilities recommend, with the concurrence of the Controller, schedules of the sewer service charges to be paid by users pursuant to Part II, Chapter X, Article 4.2 of the San Francisco Municipal Code (Public Works Code).

Section 2. Federal laws that require each sewer system discharger to pay charges proportionately to his or her use of the system provide an exception to this requirement that would allow the City to charge reduced rates for residences designated as low income. The Board of Supervisors desires to provide reduced sewer service charge rates for boarding houses, motels and hotels that are participating in the Community House Program as certified and operated by the Department of Social Services for the benefit of low income general assistance recipients and homeless persons.

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BOARD OF SUPERVISORS
Section 3. The Certificate of Determination of Exemption/Exclusion From Environmental Review on file in Board of Supervisors File No. 000838 states that the adoption of the sewer service charge schedules, as stated herein, is exempt from environmental review requirements in accordance with California Public Resources Code Section 21080(b)(8).

Section 4. All income related to the Clean Water Public Service Enterprise Fund, including, but not limited to, investment income on sewer service charge collections, Water Quality Improvements Trust Fund balances and unexpended balances of proceeds resulting from the issuance of general obligation and revenue bonds, shall be credited on a quarterly basis to the Clean Water Public Service Enterprise Fund. All monies remaining in the Clean Water Public Service Enterprise Fund at the end of each fiscal year shall be set aside in a fund entitled Surplus Revenue Fund and shall be used to reduce the requirements of the sewer service charge during the next succeeding year.

Section 5. The following schedules of sewer service charges to be paid by all dischargers to San Francisco’s sewerage system are hereby adopted and imposed pursuant to Part II, Chapter X, Article 4.2 of the San Francisco Municipal Code (Public Works Code):

SCHEDULE A. This schedule shall apply to users connected to an individual or a common water meter whose sewage discharge contains more than fifty percent (50%) wastewater originating from the result of human habitation in dwelling units, defined herein to be a room or suite of two (2) or more rooms that is designed for, or is occupied by, one (1) family doing its own cooking therein and having only one (1) kitchen; or provided, however, that dwelling unit shall not include a boarding house, motel or hotel as defined in the City Planning Code. The rates under this schedule are based upon the typical strengths (parameter loadings) of residential wastewater as determined by the General Manager of Utilities and upon the parameter costs as follows:

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BOARD OF SUPERVISORS

Page 2 of 7
5/01/00
1 Parameter                      Unit Cost
2 Volume of wastewater discharged $3.9171 per 100 cubic feet (1 unit)
3 PLUS
4 Suspended Solids discharged    $0.4311 per lb.
5 PLUS
6 Grease/Oil discharged          $0.5940 per lb.
7 PLUS
8 Chemical oxygen demand discharged $0.0909 per lb.

Based upon the above parameters and unit costs, all residential users who have not had their flow factor percentage (percentage of water consumption discharged to the sewer) reduced as a result of the Residential Users Appeals Procedure shall be charged on the basis of water consumption in accordance with the schedule of rates which includes a flow factor of ninety percent (90%), as follows:

LIFELINE RATE

The first 300 cubic feet of water consumption per residential dwelling unit per month shall be charged at the lifeline rate of $1.8623 per 100 cubic feet of water consumption.

EXCESS OF LIFELINE RATE

All water consumption in excess of 300 cubic feet per residential dwelling unit per month shall be charged at the rate of $4.8334 per 100 cubic feet of water consumption.

Residential users whose flow factor percentages have been reduced as result of the Residential Users Appeals Procedure shall be charged on the basis of water consumption in accordance with the above unit rates, except that the flow factor shall be that determined by the appeals procedure instead of ninety percent (90%).

PUBLIC UTILITIES COMMISSION
BOARD OF SUPERVISORS
SCHEDULE B. Users, other those users charged under Schedule A of this ordinance, whose parameter loadings are established by the General Manager of Utilities in accordance with the provisions of Part II, Chapter X, Articles 4.1 and 4.2, of the San Francisco Municipal Code (Public Works Code) shall be charged the cost for each parameter according to the following:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Unit Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume of wastewater discharged determined in accordance with Part II, Chapter X, Articles 4.1 and 4.2 of the San Francisco Municipal Code (Public Works Code)</td>
<td>$4.1054 per cubic feet (1 unit)</td>
</tr>
<tr>
<td>PLUS</td>
<td></td>
</tr>
<tr>
<td>Suspended Solids discharged</td>
<td>$0.5537 per lb.</td>
</tr>
<tr>
<td>PLUS</td>
<td></td>
</tr>
<tr>
<td>Grease/Oil discharged</td>
<td>$0.7512 per lb.</td>
</tr>
<tr>
<td>PLUS</td>
<td></td>
</tr>
<tr>
<td>Chemical oxygen demand discharged</td>
<td>$0.1113 per lb.</td>
</tr>
</tbody>
</table>

Those users who are charged under Schedule B of this ordinance and who are determined by the General Manager of Utilities as being engaged in manufacturing, as defined by Division D of the Standard Industrial Classifications published by the Office of the President of the United States Office of Management and Budget (1972), shall be charged for wet weather debt service at such unit costs as are determined by the General Manager of Utilities on the basis of such user's sanitary waste, excluding any sewer discharge resulting from a manufacturing process, in accordance with such procedures for application and determination as established by the General Manager of Utilities.

SCHEDULE C. Users, other than those users charged under Schedule A of this ordinance and whose parameter loadings are not established by the General Manager of Utilities, other than those users charged under Schedule A of this ordinance and whose parameter loadings are not established by the General Manager of Utilities.
Utilities in accordance with Schedule B of this ordinance, shall be charged at the rate of
$5.3483 per 100 cubic feet of water consumption. The rate under this schedule is based on
the a ninety percent (90%) flow factor and parameter loadings and parameter costs as
follows:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Unit Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume of wastewater discharged</td>
<td>$4.1054 per 100 cubic feet (1 unit)</td>
</tr>
<tr>
<td>PLUS</td>
<td></td>
</tr>
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<td></td>
</tr>
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<td>Chemical oxygen demand discharged</td>
<td>$0.1113 per lb.</td>
</tr>
</tbody>
</table>

Section 6. For purposes of calculating and imposing sewer service charges in
accordance with Part II, Chapter X, Articles 4.1 and 4.2 of the San Francisco Municipal Code
(Public Works Code), sewer service rates set forth in Schedule B and in Schedule C
applicable to water consumption for each certified tenant unit, as calculated by the General
Manager of Utilities, in boarding houses, motels and hotels that are participating in the
Community House Program certified and operated by the Department of Social Services for
the benefit of homeless and low income general assistance recipients shall be reduced by a
factor of fifty percent (50%).

Section 7. The sewer service charge schedules set forth in this ordinance will not
apply to special agreements executed by the City and a discharger; provided that such
agreements may be negotiated only when justified by special circumstances not generally
applicable to other discharges, that such agreements shall provide schedules of sewer service
charges and other terms and conditions that may be required as the result of any outstanding

PUBLIC UTILITIES COMMISSION
BOARD OF SUPERVISORS
bonded indebtedness or loan agreements and the requirements of local, state and federal laws and regulations, and that such agreements shall be approved by the Board of Supervisors.

Section 8. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance or any part hereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this ordinance or any part hereof. The Board of Supervisors hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more section, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective.

Section 9. This ordinance shall take effect immediately upon adoption by the Board of Supervisors and signature by the Mayor. The rates adopted pursuant to this ordinance shall be used in conjunction with meter readings made on or after July 1, 2000, or as soon thereafter as possible.

Recommended:

By: Willie E. Brown, Jr.
Mayor

By: John P. Mullaney, Jr.
General Manager of Utilities
Public Utilities Commission
Approved as to Form:

Louise H. Renne
City Attorney

Concurred:

Edward Harrington
Controller

By:

Deputy City Attorney
Ordinance approving and imposing schedules of sewer service charges to be paid by users for fiscal year 2000-2001 pursuant to Part II, Chapter X, Articles 4.1 and 4.2 of the San Francisco Municipal Code (Public Works Code).

July 10, 2000 Board of Supervisors — PASSED, ON FIRST READING
Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

July 17, 2000 Board of Supervisors — FINALLY PASSED
Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee
I hereby certify that the foregoing Ordinance was FINALLY PASSED on July 17, 2000 by the Board of Supervisors of the City and County of San Francisco.

Jean Lum
Acting Clerk of the Board

JUL 28 2000
Date Approved

Mayor Willie L. Brown Jr.