

Correct Version presented to council and adopted

ORDINANCE ADOPTING CAPACITY CHARGES AND FEES PERTAINING TO WASTEWATER (SANITARY SEWER) SERVICE 10-24-17

The City Council of the City of San Bruno does ordain as follows:

Section 1. The City Council of the City of San Bruno finds:

A. That increases in capacity charges for wastewater quality control (sanitary sewer service) are necessary because of deteriorating infrastructure and facilities; increasing county, state and federal regulatory controls; and other increasing costs, including labor, supplies and equipment;

B. That proposed charge increases for wastewater quality control (sanitary sewer service) were discussed at a public hearing held on October 10, 2017;

C. Article XI, Section 7 of the California Constitution, Government Code Section 54354.5, and San Bruno Municipal Code Chapter 10.12 (Water Quality Control) empowers the City of San Bruno, by and through its City Council, to prescribe, revise and collect fees, tolls, rates, rentals or other charges in connection with the wastewater system within the City of San Bruno;

D. That the City Council finds pursuant to Title 14 of the California Code of Regulations, Section 15273, this ordinance is statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) in that it deals with the establishment of rates and fees.

E. That the purposes of the charges are to recover costs for existing and future wastewater system facilities and assets benefiting new and expanded connections to the wastewater system.

Section 2. The following charges and fees shall be applicable to use of the sanitary sewer collection and disposal system of the City of San Bruno in accordance with Chapter 10.12 (Water Quality Control) of the San Bruno Municipal Code. Said charges and fees shall be effective on November 23, 2017, or as soon as practical thereafter.

I. Capacity Charges.

Capacity charges to reimburse existing rate payers for their prior investment in the facilities that provide available capacity for new connections or upgraded water meter sizes shall be one-time charges based on the number of dwelling units, or size of water meter at location to which sanitary sewer is to be connected, as reflected in the tables herein. Size of meter shall be determined by the Public Works Director. In the event that the City of San Bruno is requested to install a sewer connection, cost of labor and materials shall be charged in addition to the capacity charge. The following capacity charge for all new connections or upgraded water meter sizes shall be payable with the filing of any final map or parcel map, or prior to water meter connection for an existing parcel:

**Residential Wastewater Capacity Charges
Capacity charge per residential dwelling unit**

| | |
|---|----------|
| Single Family or Duplex | \$ 5,624 |
| Multi-Family (3 or more dwelling units) | \$ 4,499 |

**Non-Residential Wastewater Capacity Charges
Capacity Charge based on water meter size**

| <u>Meter Size:</u> | |
|--------------------|-----------|
| ¾-inch | \$ 5,624 |
| 1-inch | \$ 9,373 |
| 1-1/2-inch | \$ 18,747 |
| 2-inch | \$ 29,994 |
| 3-inch | \$ 56,240 |
| 4-inch | \$ 93,733 |
| 6-inch | \$187,465 |
| 8-inch | \$299,944 |

II. Service Charges, Fines, and Penalties.

A. Service Charges.

Service charges for engineering design and service location, security deposits, new accounts/transfers, returned checks, tapping, service connection or cross-connection inspections, and miscellaneous work, shall be fixed by Resolution adopted by the City Council.

B. Fines and Penalties.

1. Illegal connection - \$750.00 per occurrence.
2. Delinquent account - \$10.00 or 10% of unpaid balance, whichever is greater (For residential customers billed bimonthly, first payment is delinquent after 21 days, second payment is delinquent after 41 days. For all other customers, payment is delinquent after 30 days.)

III. Exemptions.

Metered water accounts which serve only agricultural and landscape irrigation are not subject to the provisions of this ordinance.

IV. Adjustments

The charges described in this ordinance shall be automatically adjusted annually to reflect the change in the Engineering News-Record Construction Cost Index (20-Cities Average). The City Council may implement a multi-year adjustment if any scheduled annual adjustments are deferred.

Section 3. Upon the effective date of this ordinance, Ordinance No. 1651, adopted by the City Council on October 23, 2001, shall be repealed.

Section 4. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, causes or phrases be declared invalid or unconstitutional.

Section 5. This Ordinance shall be published according to law and become effective thirty (30) days from and after its adoption.

This ordinance was introduced on October 10, 2017 and adopted at a regular meeting of the San Bruno City Council on October 24, 2017.

However in a clerical error the signatures were affixed to the incorrect ordinance so are therefore now a separate attachment.

This document serves as an attachment with signatures for Ordinance 1859

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN BRUNO
ADOPTING RATES, CHARGES, AND FEES, PERTAINING TO
WASTEWATER (SANITARY SEWER) SERVICE**

The City Council of the City of San Bruno does ordain as follows:

Section 1. The City Council of the City of San Bruno finds:

A. That increases in rates and charges for wastewater quality control (sanitary sewer service) are necessary because of deteriorating infrastructure and facilities; increasing county, state and federal regulatory controls; and other increasing costs, including labor, supplies and equipment.

B. Article XI, Section 7 of the California Constitution and Government Code Section 54354.5 empowers the City of San Bruno, by and through its City Council, to prescribe, revise and collect fees, tolls, rates, rentals or other charges in connection with garbage and refuse collection within the City of San Bruno.

C. Notice of the rates established herein was given pursuant to Article XIII D, Section 6 (Proposition 218), a public hearing was held at which protests were tabulated and it was determined that a majority protest did not exist under Article XIII D, Section 6(a)(2) the City Council found that the rates meet the requirements of Article XIII D, Section 6(b), and the low-income discount program is funded from late penalties and not from rates paid by other ratepayers.

D. That pursuant to Title 14 of the California Code of Regulations, Section 15273, this ordinance is statutorily exempt from the requirements of the California Environmental Quality Act in that it deals with the establishment of rates and fees.

F. That the purposes of the charges are to recover costs for existing and future wastewater system facilities and assets benefiting new and expanded connections to the wastewater system.

Section 2. The following rates, charges, and fees shall be applicable to use of the sewer system and disposal system of the City of San Bruno in accordance with Chapter 10.12 (Wastewater Quality Control) of the San Bruno Municipal Code. Said rates, charges, and fees shall be effective for all wastewater bills mailed from the City of San Bruno on or after July 1, 2017 and implemented effective July 1 of each subsequent fiscal year:

I. Sewer Rate.

The sewer rate consists of a uniform monthly service charge plus a quantity charge based on metered water use multiplied by the applicable classification rate per unit. All references to "unit" where applicable to measurement of water represent one hundred (100) cubic feet of water. All references to rates are by fiscal year commencing July 1 and terminating June 30, unless specified otherwise. Each charge is comprised of a base rate charge based on all normal functions of the wastewater program.

II. Monthly Service Charge.

A uniform monthly service charge shall be charged on each metered water account for which there is a sanitary sewer connection regardless of meter size, number of fixtures, or type of occupancy. The monthly service charge shall be in accordance with the schedule below.

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------------------------|---------|----------|----------|----------|----------|
| Single-Family Residential | \$27.88 | \$29.27 | \$30.73 | \$32.27 | \$33.88 |
| All Other Accounts | | | | | |
| Meter Size | | | | | |
| 3/4 " | \$27.88 | \$ 29.27 | \$ 30.73 | \$ 32.27 | \$ 33.88 |
| 1 " | 46.47 | 48.78 | 51.22 | 53.78 | 56.47 |
| 1-1/2 " | 92.93 | 97.57 | 102.43 | 107.57 | 112.93 |
| 2 " | 148.69 | 156.11 | 163.89 | 172.11 | 180.69 |
| 3 " | 278.80 | 292.70 | 307.30 | 322.70 | 338.80 |
| 4 " and above | 464.67 | 487.83 | 512.17 | 537.83 | 564.67 |

III. Quantity Charges.

A. Residential. A residential quantity charge is applicable to all single family, multiple family and trailer court customers and shall be based on the bi-monthly average of metered water consumed through two billing periods during the winter months (December to April), multiplied by the applicable classification rate per unit as follows:

| <u>Rate Code</u> | <u>All Residential Classifications</u> | <u>Base Rate Per Unit</u> |
|------------------|---|---|
| R-1 | Quantity Charge for each Hundred Cubic Feet (unit) of water | 2017/18 - \$10.69 2018/19 - \$11.22 2019/20 - \$11.78 2020/21 - \$12.37 2021/22 - \$12.99 |

1. New customer accounts shall be assigned a quantity charge based on the residential rate per unit multiplied by the city wide average of bi-monthly metered water consumed by the same type of occupancy during the most recent winter billing months (December to April).

B. Commercial. Commercial quantity charges shall be based on the quantity of water consumed each billing cycle multiplied by the applicable classification rate described below for the type of commercial activity most appropriate at the service location:

| <u>Rate Code</u> | <u>Business Classification</u> | <u>Base Rate Per Unit</u> |
|------------------|---|---|
| C-1 | Light Commercial: Laundry/Laundrette for public use, Barbershop, Bar/Tavern without cooking facilities, Car Wash, Hospital, Animal Hospital. | 2017/18 - \$ 9.93 2018/19 - \$10.43 2019/20 - \$10.95 2020/21 - \$11.50 2021/22 - \$12.08 |
| C-2 | Medium (General) Commercial: Beauty Shops, Hotel/Motels, Dry Cleaners and Commercial Laundries, Markets/Grocery Stores where the primary activity is retail sales of fresh, frozen and packaged foods, Professional and other Business Offices, Department Stores, Retail Stores, Service Stations and automotive repair (without steam cleaning), and other businesses that are not in another classification. | 2017/18 - \$10.69 2018/19 - \$11.22 2019/20 - \$11.78 2020/21 - \$12.37 2021/22 - \$12.99 |
| C-3 | Heavy Commercial: Restaurants, Bakeries, Fast Food Restaurants, Caterers, and Markets with food grinders, businesses engaged in cooking and preparation of food for consumption (whether consumed on or off the premises); and Mortuaries. | 2017/18 - \$15.21 2018/19 - \$15.97 2019/20 - \$16.77 2020/21 - \$17.61 2021/22 - \$18.49 |
| C-4 | Special Commercial: Automotive services or machinery repair businesses with steam cleaners; septage disposal. | 2017/18 - \$19.74 2018/19 - \$20.73 2019/20 - \$21.77 2020/21 - \$22.86 2021/22 - \$24.00 |

C. Institutional and Governmental Facilities. Institutional and Governmental Facility quantity charges shall be based on the quantity of metered water consumed each billing cycle multiplied by the following rate per unit providing the effluent load factors do not exceed those of residential classification:

| <u>Rate Code</u> | <u>Classification</u> | <u>Base Rate Per Unit</u> |
|------------------|--|---|
| G | Institutional and Governmental: Churches, Clubs, Lodges, Schools, Federal Facilities, other public facilities. | 2017/18 - \$10.69 2018/19 - \$11.22 2019/20 - \$11.78 2020/21 - \$12.37 2021/22 - \$12.99 |

Facilities producing effluent with load factors exceeding those of the residential classification shall be reclassified by the Public Services Director.

D. Industrial. Industrial quantity charges shall apply to any business using water for processing which does not qualify as a commercial, institutional, or governmental facility. Any determination of appropriate classification shall be made by the Public Services Director. Quantity charges shall be based on the quantity of metered water consumed each billing cycle multiplied by the following applicable classification rates:

| <u>Rate Code</u> | <u>Industrial Classification</u> | <u>Base Rate Per Unit</u> |
|------------------|--|---|
| I-1 | Light Industrial chemical oxygen demand (COD) not exceeding 574 mg/liter and suspended solids (SS) not exceeding 153 mg/liter. | 2017/18 - \$10.69 2018/19 - \$12.22 2019/20 - \$11.78 2020/21 - \$12.37 2021/22 - \$12.99 |
| I-2 | Significant Industrial User exceeds load factors of light industrial. Charges shall be calculated on rate per unit plus additional charges for COD and SS load factors as certified by the Public Services Director: | |
| | Rate per hundred cubic feet: | 2017/18 - \$ 7.68 2018/19 - \$ 8.06 2019/20 - \$ 8.46 2020/21 - \$ 8.88 2021/22 - \$ 9.32 |
| | Rate per pound of COD: | 2017/18 - \$ 0.59 2018/19 - \$ 0.62 2019/20 - \$ 0.65 2020/21 - \$ 0.68 2021/22 - \$ 0.71 |
| | Rate per pound of Suspended Solids: | 2017/18 - \$ 1.22 2018/19 - \$ 1.28 2019/20 - \$ 1.34 2020/21 - \$ 1.41 2021/22 - \$ 1.48 |

E. Use of Effluent Meters. Customers that use effluent meters shall be charged at a rate of 1.12 times the per unit rate that would otherwise apply to their classification.

F. Multiple Use Metered Accounts. Metered accounts which serve more than one classification shall be charged at the highest applicable classification rate.

IV. Adjustments

The charges described in this ordinance shall be automatically adjusted annually to reflect the change in the Engineering News-Record Construction Cost Index (20-Cities Average). The City Council may implement a multi-year adjustment if any scheduled annual adjustments are deferred.

V. Exemptions

Metered water accounts which serve only agricultural and landscape irrigation are not subject to the provisions of this ordinance.

VI. Reduction in Service Billing

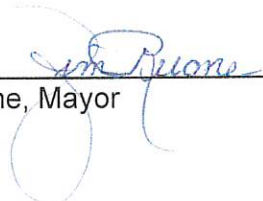
Wastewater customers meeting the definition of low income shall receive a reduction in their service billing in accordance with program guidelines as determined by City Council resolution. Program implementation shall be by administrative policy and procedure.

Section 3. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, causes or phrases be declared invalid or unconstitutional.

Section 4. Upon the effective date of this ordinance, all previous ordinances adopted by the City Council setting rates, charges and fees for wastewater (sanitary sewer) service shall be repealed.

Section 5. This Ordinance shall be published according to law and become effective thirty (30) days from and after its adoption.

ATTEST:



Jim Ruane, Mayor



Carol Bonner, City Clerk

APPROVED AS TO FORM:



Marc Zafferano, City Attorney

--oOo--

I hereby certify that foregoing **Ordinance No. 1859** was introduced at a regular meeting of the San Bruno City Council on October 10, 2017, and adopted by the San Bruno City Council at a regular meeting on October 24, 2017, by the following vote:

- AYES: Councilmembers: Ibarra, M. Medina, R. Medina, O'Connell, Mayor Ruane
- NOES: Councilmembers: None
- ABSENT: Councilmembers: None



Carol Bonner, City Clerk