

Exhibit A

San Leandro Administrative Code

Title 12 Public Works

Chapter 5 Uniform Wastewater Discharge Regulations

Section 12.5.115 Capacity Fees

(a) Any person (whether a new or existing user) who installs new or additional fixtures, equipment, processes or devices, including provisions for future installation, which will add (either in fact or potential) wastewater load to the sanitary sewer system shall pay to the City a "Capacity Fee" as determined by the conditions and formula hereinafter enumerated. No plumbing permit shall be issued nor shall any connection be made to the sanitary sewer system until the applicable capacity fee has been paid.

(b) The capacity fee for residential dwelling units shall be the appropriate unit cost as listed in San Leandro Administrative Code §6.4.100.

The capacity fee for converting an existing apartment building to condominium units shall be as listed in San Leandro Administrative Code §6.4.100. Non-residential users shall be assessed capacity fees based on the estimated average day of their peak month discharge according to the unit cost schedule as listed in San Leandro Administrative Code §6.4.100, but in no case shall the fee for a new connection be less than the single-family Residential discharge equivalency.

(c) A capacity fee adjustment may be made at the end of one year of service for all non-residential users to reflect the actual wastewater discharge based on monitored wastewater discharged or metered water usage adjusted for volume not discharged to the sanitary sewer system. If the estimated wastewater discharge is low, an additional capacity fee shall be assessed. If the estimated wastewater discharge is high, the City shall issue a refund to the user.

(d) The City reserves the right to make an additional capacity fee assessment for an existing sewer connection if the peak month flow or strength of discharge is increased above that flow or strength upon which the original capacity fee was based.

(e) Capacity fee receipts shall be deposited into a separate reserve account to be used for future treatment facility expansion projects, or if no future expansion is required, these funds may be used to finance other treatment facility improvement projects or to retire the State Revolving Fund Loan.

(f) Each sewer permit issued as herein provided, and the right to a sewer connection pursuant to any such sewer permit so issued, shall run with the land, and shall not be

transferred to, or used for, any other property other than the property for which the sewer permit was originally issued.

(g) All sewer rates, charges, and fees as herein provided shall be non-refundable.

(h) The Sanitary Sewer Capacity Fee shall be modified each July 1st or on the date set by City Council by an amount less than or equal to the percentage change in the ENR 20 City Index as published by Engineering News-Record from the preceding one-year period. City Council may also change the fee to other amounts as appropriate.