

## COLMA ADMINISTRATIVE CODE

### CHAPTER ONE. ORGANIZATION, FUNCTIONS AND GENERAL PROVISIONS

#### Subchapter 1.14: Water Conservation Incentive Program

##### 1.14.010 Background and Findings

(a) In 2011, after holding a series of public meetings, the City Council determined that the subsidy for residential users served, and continues to serve, a valid public purpose – to help make the cost of living in the Town of Colma less expensive. However, because of the cost of the program, \$163,000 per year, and in light of anticipated future increases in sewer rates by both SSF and the District, the Council determined that the existing subsidy program was no longer affordable. The City Council decided to phase the existing subsidy program out over a fixed period of time, so that at the end of the phase-out period residents will be paying for the cost for service paid by the Town to the appropriate sewer service provider. At the same time, the Council directed the City Manager to study and propose a revised sewer subsidy program that would meet three goals: (a) be affordable, (b) promote water conservation, and (c) be fair and equitable for all sewer service customers in the Town of Colma. After studying other subsidy programs, on May 9, 2012, the City Council unanimously adopted a motion directing Staff to prepare the documents needed to establish the Water Conservation Incentive Program, described in the May 9, 2012 staff report.

(b) The City Council finds that the payments to be made under the Water Conservation Incentive Program serve a valid public purpose – to reduce and water consumption -- and that the program is fair and equitable to all users. The Council further finds that, because the amount of the subsidy is determined each year as part of the budget process, it will be affordable.

[History: Res 2012-28; 7/11/12]

##### 1.14.020 Definitions

As used in this subchapter, the following terms shall have the respective meanings shown, unless otherwise indicated:

“Authorized subsidy” shall mean the specific amount, calculated as prescribed by this Resolution, and set forth in the City Council’s budget for the upcoming fiscal year, that the Town will contribute to each eligible customer in that fiscal year.

“Eligible customer” shall mean a sewer service customer whose water usage in the prior year was the same as or less than the average water usage over the three previous years, as identified by Town staff.

“Annual cost of service” shall mean the Town’s total cost of paying the City of South San Francisco and the North San Mateo County Sanitation District for sewer services provided to the Town for the upcoming fiscal year.

[History: Res 2012-28; 7/11/12]

### **1.14.030 Water Conservation Incentive Program**

Each year, beginning in Fiscal Year 2014-15, the Town shall implement a Water Conservation Incentive Program as follows:

- (a) As part of the budget process, the City Council will approve an Authorized Subsidy, which shall be set forth in and approved as part of the budget.
- (b) The City Manager will calculate the amount by which each eligible customer's sewer service charge will be reduced in the upcoming fiscal year ("Individual Sewer Service Discount") by dividing the Authorized Subsidy by the Annual Cost of Service. The Individual Sewer Service Discount will be expressed as a percentage.
- (c) When calculating the sewer service charge that will apply, the City Manager shall reduce each eligible customers' sewer service charge by the Individual Sewer Service Discount.

*[History: Res 2012-28; 7/11/12]*

### **1.14.040 Termination of Water Conservation Incentive Policy.**

The City Council may, in its discretion, terminate the Water Conservation Incentive Policy at any time.

*[History: Res. 2012-28, 7/11/12]*