

EXHIBIT A

How rates are calculated:

City of South San Francisco

Proposed Sewer Rate Increase

Residential Rates. Rates for residential properties are calculated by multiplying the number of dwelling units on each property by the annual rate. The dwelling unit rate for Single Residential assumes an "average" annual effluent flow of 8,400 cubic feet. The Multi-Unit Residential and Trailer Unit rate assumes an "average" annual effluent flow of 7,500 cubic feet.

Commercial and Institutional Rates. Restaurant, Institutional and Commercial Rates are calculated by: A) Measuring the annual water use at each property and multiplying this usage by the inflow rate; or by B) Measuring the annual sewer flow from each property and multiplying by the effluent rate.

Industrial Rates. Industrial Rates are calculated based on the annual amount of flow, chemical oxygen demand and total suspended solids from each property.

Separate sewer rates are calculated for each component and then added for the total sewer fee for each property. Annual measurement and testing are performed at each property to confirm the flow and loading.

Septage Rates. Septage rates are calculated by multiplying the gallons of flow discharged from the septic pumper by the septage rate.

Proposed Sewer Rate Increases over the next 5 years

User Group	Basis of Calculation	Maximum Rate FY2016-17 \$/Unit/Year	Proposed Maximum Rate FY2017-18 \$/Unit/Year	Proposed Maximum Rate FY2018-19 \$/Unit/Year	Proposed Maximum Rate FY2019-20 \$/Unit/Year	Proposed Maximum Rate FY2020-21 \$/Unit/Year	Proposed Maximum Rate FY2021-22 \$/Unit/Year
Single Unit Residential	Dwelling Unit	588	664	730	745	760	775
Multi-Unit Residential	Dwelling Unit	527	596	655	668	682	695
Trailer Unit Residential	Dwelling Unit	527	596	655	668	682	695
Light Strength Commercial	Minimum Charge	588	664	730	745	760	775
	Hundred Cubic Feet Inflow	7.5508	8.5324	9.3856	9.5734	9.7648	9.9601
	Or Effluent	8.3898	9.4805	10.4285	10.6371	10.8498	11.0668
	Minimum Charge	588	664	730	745	760	775
Moderate Strength Commercial	Hundred Cubic Feet Inflow	11.8166	13.3528	14.6880	14.9818	15.2814	15.5871
	Or Effluent	13.1295	14.8363	16.3200	16.6464	16.9793	17.3189
	Minimum Charge	588	664	730	745	760	775
	Hundred Cubic Feet Inflow	17.2646	19.5090	21.4599	21.8891	22.3269	22.7734
Restaurants	Or Effluent	19.1829	21.6767	23.8443	24.3212	24.8077	25.3038
	Minimum Charge	588	664	730	745	760	775
	Hundred Cubic Feet Inflow	4.5235	5.1116	5.6227	5.7352	5.8499	5.9669
	Or Effluent Chemical Oxygen	5.0261	5.6795	6.2474	6.3724	6.4998	6.6298
	Demand	0.4690	0.5300	0.5830	0.5946	0.6065	0.6186
Industrial	Pounds Total Suspended Solids	1.5185	1.7159	1.8875	1.9252	1.9638	2.0030
	Minimum Charge	588	664	730	745	760	775
	Hundred Cubic Feet Inflow	6.0906	6.8824	7.5706	7.7220	7.8765	8.0340
Institutions	Or Effluent	6.7673	7.6470	8.4118	8.5800	8.7516	8.9266
Septage Haulers	Gallons	0.3220	0.3639	0.4002	0.4083	0.4164	0.4247