



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jeffrey Provenzano, P.E.

SUBJECT: See Below

DATE: June 1, 2026

Approved

Date:

6/1/26

SUPPLEMENTAL

SUBJECT: Public Hearing on San José Municipal Water System Potable (Drinking) and Recycled Water Rates and Charges

REASON FOR SUPPLEMENTAL

This supplemental memorandum reports on the written protests received in response to public notices regarding proposed Municipal Water System rates, effective July 1, 2026.

ANALYSIS

In early April, public notices were mailed to 26,891 potable water customers and 271 recycled water customers advising them that a public hearing would be held on June 2, 2026, regarding City Council consideration of Municipal Water System rates proposed to take effect July 1, 2026. In accordance with Proposition 218, customers were given at least 45 days to file written protests of the proposed rate increase.

As of Friday, May 29, 2026, the City Clerk's Office has received 193 protests in response to the potable water public notice, which represents less than one percent of all customers impacted by the change in water retail rates. The City Clerk's Office has not received any protests from recycled water customers in response to the public notice. Protest letters may be submitted through the close of the Public Hearing, at which point the City Clerk will provide a count of all protests received during the protest period.

In compliance with California Assembly Bill 2257 'Local government: property-related water and sewer fees and assessments: remedies', the City issued responses to property owners submitting protests (see Attachment). Inclusion of this notice herein serves as the City's response to any written protests received at the time of the hearing.

HONORABLE MAYOR AND CITY COUNCIL

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/s/

Jeffrey Provenzano, P.E.

Director, Environmental Services

For questions, please contact John Tang, Deputy Director, Environmental Services Department, at John.Tang@sanjoseca.gov or (408) 277-3288.

ATTACHMENT: Response to Municipal Water Protests Received

**ATTACHMENT
RESPONSE TO MUNICIPAL WATER PROTESTS RECEIVED**

Dear San José Property Owner/Customer:

This message is to acknowledge receipt of your written protest to the City of San José's proposed Potable/Drinking Water utility rate increase proposal. We understand that this proposed increase is an additional cost to you. Here is some additional information about the need for it.

As stated in the rate notice you received, the proposed rate increase is required for San José Municipal Water System (SJMWS) to continue to deliver clean drinking water at full cost recovery to its customers. The proposed rate changes will cover the increased cost of wholesale water from Valley Water and San Francisco Public Utilities Commission (SFPUC), energy, and operations and maintenance expenses, amongst other costs.

Compared to other water retailers, SJMWS has historically provided water at some of the lowest rates in Santa Clara County. To view historical water rates, visit the [City Council June 3, 2025 meeting agenda item 6.3](#). City San José makes every effort to reduce the need for rate adjustments and to keep costs low.

We value your rate proposal protest concern on this important matter impacting you and other San José residents. For more program information and utility cost savings, please find:

- [Environmental Services Department's Proposed Operating Budget](#), which will be available online on or about May 1
- [Frequently Asked Questions on proposed utility rate increases](#)
- [Annual Water Quality Report](#)
- View [Muni Water's Spring Water Efficiency Postcard](#) to see where your water dollar goes and [water-saving tips](#)

Should you wish to voice your concerns directly with San José City Council, a public hearing is scheduled at San José City Hall on Tuesday, June 2 at 1:30pm. Discussion on utility rates will occur as soon as the matter can be heard after the start of the meeting.

If you have additional specific questions that have not been addressed, please email SJEnvironment@sanjoseca.gov or call the City of San José Environmental Services Department at (408) 535-8550.

Thank you for your consideration.

Sincerely,
City of San José