



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Maria Öberg

SUBJECT: SEE BELOW

DATE: May 27, 2025

Approved

Date

6/4/25

COUNCIL DISTRICT: Citywide

SUBJECT: Set a Public Hearing for the Fiscal Year 2025-2026 Sanitary Sewer Service and Use Charge and Storm Sewer Service Charge Assessments

RECOMMENDATION

Adopt a resolution to:

- (a) Set a Public Hearing for Tuesday, August 12, 2025, at 1:30 p.m., or as soon thereafter as the matter may be heard to approve the placement of the 2025-2026 annual Sanitary Sewer Service and Use Charge and Storm Sewer Service Charge assessments on the 2025-2026 Santa Clara County Secured Property Tax Roll based upon the annual Sanitary Sewer Service and Use Charge and Storm Sewer Service Charge reports of the Director of Finance;
- (b) Direct the Director of Finance to file the Fiscal Year 2025-2026 annual Sanitary Sewer Service and Use Charge report with the City Clerk on or before July 15, 2025, instead of July 5, 2025; and
- (c) Direct the City Clerk to publish notice of the filing of the Director of Finance Reports, and the time and place of the Public Hearing.

SUMMARY AND OUTCOME

Adoption of the proposed resolution will facilitate the scheduling and public notification of a public hearing to be conducted by the City Council on Tuesday, August 12, 2025, whereby the Sanitary Sewer Service and Use Charges (SSSUC) and Storm Sewer Service Charges (SSSC) assessments may be approved for placement on the 2025-2026 Annual Santa Clara County (County) Secured Property Tax Roll, and allow

additional time necessary to provide the most complete and current listing for compiling the 2025-2026 SSSUC report to be approved.

BACKGROUND

Section 15.12.550 of the San José Municipal Code requires the Director of Finance to file a written report with the City Clerk on or before the fifth day of July of each year, or such other date or dates as the City Council may specify by resolution, regarding the assessment of annual SSSUC. Section 15.16.1410 of the San José Municipal Code requires the Director of Finance to file a written report each year with the City Clerk, at least 15 days in advance of the Public Hearing on the assessment. These reports provide a list of all parcels located within the City subject to SSSUC and SSSC including the annual service and use charges to be placed on the County Secured Property Tax Roll for the respective fiscal year. Sections 15.12.550 and 15.16.1430 of the San José Municipal Code require the City Clerk to cause notice of the filing of the Director's reports, and the time and place of the Public Hearing on the assessments to be published in a newspaper of general circulation within the City.

ANALYSIS

Staff recommends the filing date for the SSSUC assessment report be moved from July 5, 2025, to July 15, 2025, to accommodate the City Customer Information System billing process and to allow staff additional time to prepare the most complete and current SSSUC listing. The SSSC assessment report will also be filed on or about July 15, 2025, prior to publication by the City Clerk.

The Finance Department requests that the Public Hearing regarding the placement of the 2025-2026 SSSUC and SSSC assessments on the County Secured Property Tax Roll be set for Tuesday, August 12, 2025, at 1:30 p.m., or as soon thereafter as the matter may be heard. The final report of the 2025-2026 SSSUC and SSSC assessments is due to the County Tax Assessor no later than August 22, 2025, to ensure placement on the 2025-2026 County Secured Property Tax Roll.

EVALUATION AND FOLLOW-UP

The Director of Finance will file both the Fiscal Year 2025-2026 annual SSSUC and SSSC reports with the City Clerk on or before July 15, 2025. The Finance Department will prepare a memorandum for the August 12, 2025 Council Meeting recommending City Council conduct a Public Hearing and approve the Fiscal Year 2025-2026 annual SSSUC and SSSC assessments, as presented in the reports for purpose of placement

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on the 2025-2026 annual County Secured Property Tax Roll, with any modifications City Council may make based on public testimony heard on August 12, 2025.

COST SUMMARY/IMPLICATIONS

This action will result in the placement of approximately \$239 million of SSSUC and SSSC assessments on the 2025-2026 County Secured Property Tax Roll. The annual SSSUC and SSSC reports of the Director of Finance will be published on or before July 15, 2025 and include a more precise revenue estimate. The combined assessments for SSSUC and SSSC placed on the County Secured Property Tax Roll is most of the revenue collected for those utility funds. However, additional SSSUC revenue is collected through direct billing to the largest industrial sanitary sewer customers.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, City Clerk's Office, City Manager's Budget Office, and Environmental Services Department.

PUBLIC OUTREACH

The City Clerk will publish a notice regarding the filing of the reports, and the time and place of the Public Hearing, as required by Sections 15.12.550C and 15.16.1430A of the San José Municipal Code, respectively. The Public Hearing date is scheduled for Tuesday, August 12, 2025, at 1:30 p.m., or as soon thereafter as the matter may be heard. In addition, this memorandum will be posted on the City's Council Agenda website for the June 17, 2025 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment.

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PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

Maria Öberg
Director of Finance

For questions, please contact John Kachmanian, Deputy Director of Finance, via email at john.kachmanian@sanjoseca.gov or via phone at (408) 535-7034.

