



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kerrie Romanow

**SUBJECT: SEWER SERVICE AND USE
CHARGES**

DATE: June 1, 2018

Approved

Date

6/1/18

SUPPLEMENTAL

REASON FOR SUPPLEMENTAL

This supplemental memorandum reports on the written protests received through June 1, 2018, in response to Public Notices mailed to property owners regarding proposed increases to Sewer Service and Use Charges (SSUC) for fiscal years 2018-2019, 2019-2020, and 2020-2021.

BACKGROUND

In April 2018, Public Notices were sent to approximately 235,000 residential and commercial SSUC ratepayers advising them of the proposed SSUC fund increases for the following three fiscal years. For residential customers, the Public Notices covered proposed SSUC increases of 3.0% for services beginning July 1, 2018, and up to 6.0% annually for SSUC services beginning July 1, 2019 and July 1, 2020. The Public Notices also informed non-residential customers of fund increases up to 16.0% annually for services beginning July 1, 2018, July 1, 2019, and July 1, 2020. Proposition 218 requires that a rate increase be denied upon receipt of written protests from at least 50% of affected property owners.

ANALYSIS

As of June 1, 2018, the City Clerk's Office had received 211 letters of protest from San José property owners in response to the Public Notices, which represents less than one-half of one percent of San José property owners. Written protests have been received by mail, fax, email, and hand delivery to the City Clerk's Office. An additional 2,194 Public Notices were returned by the U.S. Postal Service as undeliverable mail.

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Over 90% of the protest letters received simply indicated a wish to protest the rate increases without offering any specific reasons. The remainder of the protests included comments explaining the reasons for the protest, with the majority citing economic downturn/hardship.

Protest letters may be submitted through the close of the Public Hearing, and the City Clerk will provide to Council a count of additional protests received subsequent to this memo and after the Public Hearing is closed.

/s/

KERRIE ROMANOW

Director, Environmental Services

For questions please contact Allen Fong, Administrative Officer, at (408) 975-2619.