

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO ESTABLISH AND IMPLEMENT A FINANCIAL ASSISTANCE PILOT PROGRAM TO SUPPORT LOW-INCOME AND/OR VULNERABLE CUSTOMERS OF THE MUNICIPAL WATER SYSTEM**

**WHEREAS**, the San José Municipal Water System (“SJMWS”) is a rate-funded utility, intended to operate at full cost recovery, which provides water to approximately 26,000 customer accounts, serving a population of over 140,000 people in the North San José, Alviso, Evergreen, Edenvale, and Coyote Valley areas; and

**WHEREAS**, the City of San José (“City”) recognizes that many families and individuals in the community face ongoing economic hardship and understands the stress that unpaid water bills and shut-off notices can cause; and

**WHEREAS**, in 2022, the City received funding from the California Water and Wastewater Arrearages Payment Program (Arrearages Program) to assist customers with delinquent water bills; over 1,000 customers received approximately \$541,000 in Arrearages Program funding and an additional \$356,000 waived in late payment charges; and

**WHEREAS**, in Fiscal Year 2023-2024, the City received additional funding from the State for an Extended Arrearages Program during which an additional \$976,000 in Extended Arrearages Program funding was distributed to approximately 1,300 customers with an additional \$569,000 waived in late payment charges; and

**WHEREAS**, from April 1, 2025, through September 30, 2025, the City implemented a utility billing amnesty program that provided financial relief to eligible water and garbage utility customers; approximately 2,100 water customers benefited from the program,

which resulted in the waiver of \$1.2 million in late payment charges and the collection of over \$1 million in delinquent water service charges; and

**WHEREAS**, a one-year pilot program is being developed that would provide additional financial support to low-income or vulnerable customers whose water service has been disconnected due to nonpayment; and

**WHEREAS**, actual costs to fund the pilot will be dependent upon program implementation and customer need; City estimates show implementation could decrease revenue by approximately \$20,000 in the Water Utility Fund; and

**WHEREAS**, the one-year pilot program will be managed and tracked to allow for evaluation of program effectiveness and cost to implement, and may include a one-time credit of up to \$500 per year to support eligible low-income or vulnerable customer accounts in the collection process; and

**NOW, THEREFORE**, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager or their designee is hereby authorized to establish and implement a financial assistance pilot program to support low-income and/or vulnerable customers of the Municipal Water System.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2026, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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MATT MAHAN  
Mayor

ATTEST:

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TONI J. TABER, MMC  
City Clerk