



May 8, 2015

Dear Mobile Home Resident,

Below are proposed Sewer Service and Use Charge increases for the City of San José. The City issued a formal notice to the property owner on May 5, 2015, with updated dates for the public hearing. The notice can be found at [www.sjenvironment.org/ratenotices](http://www.sjenvironment.org/ratenotices).

The new date for the San José City Council public hearing and vote to set the exact rates for fiscal year 2015–2016 will be on:

**Tuesday, June 23, 2015 at 1:30 p.m.**  
 San José City Hall Council Chambers  
 200 East Santa Clara Street  
 San José, CA 95113

**City of San José – Sewer Service and Use Charge Increases**

Rates for fiscal year 2015-2016 will be effective July 1, 2015

	2014-15 CURRENT RATES		2015-16 PROPOSED RATES		MONTHLY CHANGE
	<u>Per Month</u>	<u>Per Year</u>	<u>Per Month</u>	<u>Per Year</u>	
Mobile Home (per unit)	\$19.39	\$232.68	\$25.48	\$305.76	\$6.09

The Sewer Service and Use Charge covers costs for the City’s wastewater collection and treatment systems including the San José/Santa Clara Regional Wastewater Facility and the City’s 2,200 mile sewage collection system. Sewer Service and Use Charges may also increase up to 7 percent in fiscal years 2016-2017, and 2017-2018. The proposed increases will enable the City to ensure reliable utility services and protect public health and safety.

**Cost Allocations** – The City established a policy to analyze sewer flows every 10 years and update cost allocations according to customer groups. This analysis was conducted in 2014 and rates are adjusted based on sewer flow, and water use data. The current study uses updated population estimates for a five-year period from the 2012 American Community Survey to update the average household size. On a Countywide basis, household sizes for both multi-family and mobile homes have increased substantially since 1975. Residential water consumption is based on the winter months of January, February, and March. The assumption is that water consumption during the winter months would be primarily indoor consumption and best approximates residential sewer discharges. Residential units comprise approximately 79 percent of system users (single-family 52 percent, multiple-family 24 percent, mobile homes 2 percent) and non-residential units comprise approximately 21 percent of the total systems users. Due to changes in average household size and estimated sewer flow, the costs allocated to multiple-family and mobile home dwelling units increased, while the allocation of costs to single family dwelling units decreased.

**Wastewater Facility Funding Needs** – The Wastewater Facility has successfully served the community for 57 years, working non-stop to protect our health, bay, and economy. A master plan adopted by the San José City

Council in November 2013 recommended over 120 capital improvement projects to be implemented over a 30-year planning period at an estimated investment level of approximately \$2.1 billion, with over \$1 billion to be invested in the next 10-15 years. Some of the objectives in the master plan include pursuing energy self-sufficiency through renewable energy generation and efficiency, resource recovery of recycled water, biogas production and biosolids reuse, and rigorous review of new technologies. This is balanced with maintaining cost-effective operations, enhancing and/or restoring natural habitat, while increasing the reliability of the wastewater treatment system. Aging pipes, pumps, concrete, and electrical systems need immediate and long-range attention in order to continue those successful operations well in the future. A capital improvement program of this size requires significant financial resources. The proposed rate increase will help fund these needed improvements to ensure the Wastewater Facility continues to perform its vital role while complying with current and future regulatory requirements.

***Sanitary Sewer System Funding Needs*** – The sanitary sewer collection system, like the Wastewater Facility, also needs additional resources to operate and maintain the system in a manner that complies with new, stricter state regulations. Additional staffing will be added to address ongoing maintenance issues, and new equipment will be purchased to improve the effectiveness of sewer line cleaning.

For more information about the proposed rate increases:

- [www.sanjoseca.gov/ratenotices](http://www.sanjoseca.gov/ratenotices)
- City of San José Customer Contact Center at (408) 535-3500

Thank you,  
City of San José - Environmental Services

La Ciudad de San José ha propuesto un aumento en las tarifas para los servicios y uso del alcantarillado. Para obtener una copia del aviso formal enviado a los dueños de propiedades en español, visite [www.sjenvironment.org/ratenotices](http://www.sjenvironment.org/ratenotices) o llame al (408) 535-3500.

Chính phủ Thành Phố San José đang đề nghị tăng giá Cước Phí Sử Dụng và Dịch Vụ hệ thống thoát Nước vệ sinh (Sewer Service and Use Charges). Để xin bản thông báo chính thức bằng tiếng Việt, xin viếng trang mạng [www.sjenvironment.org/ratenotices](http://www.sjenvironment.org/ratenotices), hoặc gọi (408) 535-3500.