

**RESOLUTION NO. 79132**

**A RESOLUTION OF THE COUNCIL OF THE  
CITY OF SAN JOSE SETTING SCHEDULES  
OF SANITARY SEWER SERVICE AND USE  
CHARGES FOR FISCAL YEAR 2019 – 2020,  
AND SUPERSEDING RESOLUTION NO.  
78616**

**WHEREAS**, Part 3 of Chapter 15.12 of Title 15 of the San José Municipal Code authorizes the setting of sanitary sewer service and use charges by resolution of the City and Council, and the collection of such charges for the purpose of deriving revenue for acquisition, construction, reconstruction, maintenance and operation of the sanitary sewer system of the City of San José, including the repayment of principal and interest on bonds and state and federal loans issued by, or made to, the City for construction or reconstruction of sanitary sewer facilities; and

**WHEREAS**, on June 14, 2011, the Council adopted Resolution No. 75857 setting schedules of Sanitary Sewer Service and Use Charges and Storm Sewer Service Charges for Fiscal Year 2011-2012; and

**WHEREAS**, on August 7, 2012, the Council adopted Resolution No. 76382, which Resolution maintained the same sanitary sewer service and use charges as adopted in Fiscal Year 2011-2012 for Fiscal Year 2012-2013, consistent with the notices that were provided to property owners; and

**WHEREAS**, on June 18, 2013, the Council adopted Resolution No. 76675, which Resolution maintained the same sanitary sewer service and use charges as adopted in Fiscal Years 2011-2012 and 2012-2013 for Fiscal Year 2013-2014, consistent with the notices that were provided to property owners; and

**WHEREAS**, on June 10, 2014, the Council adopted Resolution No. 77012, which Resolution maintained the same sanitary sewer service and use charges as adopted in

Fiscal Years 2011-2012, 2012-2013, and 2013-2014 for Fiscal Year 2014-2015, consistent with the notices that were provided to property owners; and

**WHEREAS**, between April 22, 2015 and May 5, 2015, public notices were mailed to property owners in the City advising them that on June 23, 2015, the San José City Council would be holding a public hearing to consider a sanitary sewer service and use charge rate increase for FY 2015-2016 and authorization for up to two additional rate increases in FY 2016-2017 and FY 2017-2018 on July 1, 2016 and July 1, 2017, respectively. There was no protest by a majority of affected property owners to the sanitary sewer service and use charge rate increase; and

**WHEREAS**, on June 23, 2015, the Council adopted Resolution No. 77462 to implement increases to the sanitary sewer service and use charges for Fiscal Year 2015-2016, consistent with the notices that were provided to property owners; and

**WHEREAS**, on June 14, 2016, the Council adopted Resolution No. 77778 to implement increases to the sanitary service and use charges for Fiscal Year 2016-2017, consistent with the notices that were provided to property owners; and

**WHEREAS**, on June 13, 2017, the Council adopted Resolution No. 78204 to implement increases to the sanitary service and use charges for Fiscal Year 2017-2018, consistent with the notices that were provided to property owners; and

**WHEREAS**, on April 17, 2018, public notices were mailed to property owners in the City advising them that on June 5, 2018, the San José City Council would be holding a public hearing to consider a sanitary sewer service and use charge rate increase for Fiscal Year 2018-2019 and authorization for up to two additional rate increases in Fiscal Year 2019-2020 and Fiscal Year 2020-2021 on July 1, 2019 and July 1, 2020, respectively. There was no protest by a majority of affected property owners to the sanitary sewer service and use charge rate increase; and

**WHEREAS**, on June 5, 2018, the Council adopted Resolution No. 78616 to implement increases to the sanitary service and use charges for Fiscal Year 2018-2019, consistent with the notices that were provided to property owners; and

**WHEREAS**, this Council wishes to implement increases to the sanitary sewer service and use charges for Fiscal Year 2019-2020, consistent with the notices that were provided to property owners;

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

**SECTION 1. Schedule of Sewer Service and Use Charges.**

The following sewer service and use charges are hereby established for Fiscal Year 2019-2020 for the premises listed below:

- |    |   |                   |
|----|---|-------------------|
| A. | Single-family residential, if connected to the system prior to July 1, 2019   | \$480.84 per year |
|    | Single-family residential, if connected to the system on or after July 1, 2019  | \$40.07 per month |
| B. | Two-family residential, multiple-family residential and residential condominiums, per unit, if connected to the system prior to July 1, 2019    | \$322.32 per year |
|    | Two-family residential, multiple-family residential and residential condominiums, per unit, if connected to the system on or after July 1, 2019 | \$26.86 per month |
| C. | Mobilehome park residential, per unit, if connected to the system prior to July 1, 2019   | \$363.12 per year |
|    | Mobilehome park residential, per unit, if connected to the system on or after July 1, 2019  | \$30.26 per month |

D. Commercial, industrial or miscellaneous premises and commercial, industrial or miscellaneous condominium premises.

For each one hundred cubic feet of sanitary sewage and industrial waste discharged from said premises into the sanitary sewer system, the charge for premises collected on the tax roll shall be calculated by annualizing the estimated monthly discharge using the months of January, February and March preceding the fiscal year for which the charge is being calculated; provided, however, that for those premises that first discharge into the sewer system in April or May preceding the current fiscal year, the charge for the current fiscal year shall be calculated by annualizing the estimated monthly discharge for said month(s). The charge for the particular types of premises listed below shall be calculated by multiplying the yearly discharge (calculated in hundreds of cubic feet [HCF]) by the following amounts: <sup>1</sup>

Meat Packers	\$5.28
Wholesale Bakeries	\$6.28
Soft Drink Bottlers	\$6.35
Wineries	\$10.45
Paper Pulp Mills	\$7.60
Plating Works	\$3.91
Electrical Equipment Manufacturers	\$4.35
Machinery Manufacturers	\$5.40
Film Service Laboratories	\$4.23

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<sup>1</sup> Calculated by annualizing the estimated monthly discharge using the months of January, February and March preceding the fiscal year for which the charge is being calculated. Charges for facilities first discharging into the sewer system in April or May preceding the current fiscal year are calculated by annualizing the average discharge for those months.

Soft Water Services	\$3.95
Car Washes	\$4.15
Automotive Steam Cleaners	\$6.93
Printing Plants	\$5.22
Restaurants-Delis	\$7.01
Hotels-Motels	\$4.44
Hospitals and Convalescent Homes	\$4.31
Public Schools, Colleges and Universities	\$5.07
Private Schools, Colleges and Universities	\$5.07
Repair Shops and Service Stations	\$4.50
Domestic Laundries	\$4.06
Business Offices/Condos	\$4.30
Government Agencies	\$4.30
Medical Centers/Clinics	\$4.39
Beauty Salons	\$4.48
Commercial and Department Stores	\$4.48
Storage/Warehouses	\$4.22
Health Care	\$4.33
Theatres	\$4.41

Association/Communities Services	\$4.30
Business Parks	\$4.42
Building Construction/Field Offices	\$4.41
Parking Lots	\$4.04
Gas Service Stations	\$4.38
Auto Showrooms, Body Shops & Detail, and Trucking	\$4.69
Manufacturing Paint Products	\$4.41
Concrete Companies	\$4.42
General Manufacturing Industries	\$4.41
Chemical Manufacturing	\$4.41
Pubs	\$4.58
Athletic/Fitness Clubs	\$4.22
Cemeteries	\$4.22
Country Clubs (Golf)	\$4.41
Lounges, Clubs, Billiards	\$4.41
Convenience Stores	\$4.22
Boarding/Rooming	\$4.49
Cleaners (Commercial Laundries)	\$5.19
Plazas/Malls	\$4.70

Nurseries (Growers)	\$4.95
Laboratories (Commercial and Industrial)	\$5.03
Cafés & Ice-creams	\$7.41
Donuts & Bakeries	\$7.41
Supermarket Groceries	\$6.78
Mortuaries (Embalming)	\$6.78
Catering	\$7.07
Commercial, Institutional, Industrial, or Miscellaneous premises other than mentioned above	\$4.30

The determination of the rate applicable to a mixed-use premise or other premises not expressly set forth hereinabove shall be that rate applicable to premises most nearly comparable thereto as determined by the City's Director of Environmental Services.

- E. Alternate charge for commercial, industrial or miscellaneous premises and commercial, industrial or miscellaneous condominium premises.

Notwithstanding the foregoing provisions, if more than twenty-five thousand (25,000) gallons of sewage per operating day are discharged into the sanitary sewer system from a commercial, industrial, or miscellaneous premises or commercial, industrial, or miscellaneous condominium premises during three consecutive calendar months, or if the strength, the amount, or the nature of sewage discharged daily into the sanitary sewer system is intermittent or irregular and if, in either of the above situations, the City Engineer deems it feasible from an economic and/or engineering standpoint to measure the amount

of biochemical oxygen demand, suspended solids, and ammonia discharged from the said premises into the sanitary sewer system, an alternate monthly charge shall be applied in lieu of that contained above which shall be computed and based on the following:

Capital Cost Recovery

\$412,546.00	Per year for each million gallons per day of sewage treatment plant capacity required to treat the sewage discharged <sup>2</sup> from said premises into the sanitary sewer system; plus
\$30,220.00	Per year for each thousand pounds per day of sewage treatment plant capacity required to remove the biochemical oxygen demand contained in sewage discharged from said premises into the sanitary sewer system; plus
\$7,910.00	Per year for each thousand pounds per day of sewage treatment plant capacity required to remove the suspended solids contained in the sewage discharged by said premises into the sanitary sewer system; plus
\$17,519.00	Per year for each thousand pounds per day of sewage treatment plant capacity required to remove ammonia contained in the sewage discharged by said premises into the sanitary sewer system.

Operating and Maintenance Cost Recovery

\$3,512.00	For each million gallons of sewage discharged from said premises into the sanitary sewer system (\$2.627 per HCF); plus
\$250.00	For each thousand pounds of biochemical oxygen demand discharged from said premises into the sanitary sewer system; plus
\$280.00	For each thousand pounds of suspended solids discharged from said premises into the sanitary sewer system; plus
\$2,086.00	For each thousand pounds of ammonia discharged from said premises into the sanitary sewer system.

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<sup>2</sup> Flow capacity, calculated on the basis of the amount required for dry seasonal peak during July, August and September, is used for this calculation during wet weather months when dry seasonal industries are not operating. Flow related capital cost recovery for the dual usage of capacity is shared between the two users. To apply appropriate credit for cost sharing to the dry seasonal users, flow related annual capital charges (\$412,546.00 per MGD) are reduced by one-half (\$206,273.00 per MGD).



The decision as to whether to apply the alternate charge provided for in this section within a given fiscal year shall be made on or before July 1st of the fiscal year for which the charge is to be applied.

**SECTION 2.** This Resolution shall supersede Resolution No. 78616.

**SECTION 3.** **Effective Date.**

This Resolution shall be effective July 1, 2019.

ADOPTED this 11<sup>th</sup> day of June, 2019, by the following vote:

AYES: ARENAS, CARRASCO, DAVIS, DIEP, ESPARZA,  
FOLEY, JONES, JIMENEZ, KHAMIS, PERALEZ;  
LICCARDO.

NOES: NONE.

ABSENT: NONE.

DISQUALIFIED: NONE.



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SAM LICCARDO  
Mayor

ATTEST:



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TONI J. TABER, CMC  
City Clerk