

April 23, 2015

**NOTICE OF PUBLIC HEARING
PROPOSED RECYCLED WATER RATES**

The San José City Council is scheduled to conduct a public hearing on a proposed increase to the San Jose Municipal Water System recycled water rates on:

Tuesday, June 9, 2015 at 1:30 p.m.
San José City Hall Council Chambers
200 East Santa Clara Street
San José, CA 95113

Please refer to the San José City Council website at www.sanjoseca.gov/CouncilAgenda for the final agenda, which will be posted close to the hearing date.

At the hearing, the City of San José Environmental Services Department will be proposing an increase to the monthly meter charge of up to 29.0 percent for fiscal year 2015-16 (July 1, 2015 to June 30, 2016). The City Council will set the exact rate based on refinements in the calculations, but it will not be higher than the estimate specified. By resolution of the City Council, recycled quantity charge rates are set to increase up to \$0.337 per hundred cubic feet (HCF*) of water for irrigation use, and up to \$0.590 per HCF of water for industrial and agricultural use, to recover increases in wholesale recycled water rates. If you have questions about this notice, please call the Customer Contact Center at (408) 535-3500.
(*1 HCF = 748 gallons)

Reason for the Proposed Increase

The San Jose Municipal Water System purchases and delivers on average three million gallons of recycled water per day to institutional, industrial, and commercial customers. The water system includes pipelines, pump stations, storage reservoirs, and water meters as well as facilities and processes required to comply with all state and federal water standards. Water rates are set at a level to generate enough revenue to cover the costs of operating and maintaining the system. The primary reason for this proposed rate change is to fund an increase in the cost of wholesale water that the San Jose Municipal Water System purchases from South Bay Water Recycling.

Requesting this Notice in Other Formats

In accordance with the Americans with Disabilities Act, this letter can be made available upon request in alternative formats such as Braille, large print, audiotape, or computer disk. Requests can be made by calling (408) 535-3500 (voice) or (800) 735-2929 (California Relay System).

PROPOSED RECYCLED WATER RATE INCREASES

The following tables show the current and proposed recycled water rates and charges:

Table 1: Monthly Meter Charge

MONTHLY METER CHARGE All Customers		
Meter Size	2014-15 Current Charges	2015-16 Proposed Charges
5/8-inch	\$12.510	\$16.130
3/4-inch	\$12.774	\$16.470
1-inch	\$22.227	\$28.670
1.5-inch	\$44.456	\$57.340
2-inch	\$68.518	\$88.380
3-inch	\$129.644	\$167.240
4-inch	\$198.163	\$255.630
6-inch	\$259.287	\$334.480
8-inch	\$370.415	\$477.830
10-inch	\$463.039	\$597.320

Table 2: Quantity Charge

RECYCLED WATER RATES Quantity Charge		
Use Type	2014-15 Current Charge per HCF	2015-16 Proposed Charge per HCF
Irrigation	\$2.107	\$2.444
Industrial	\$1.873	\$2.463
Agriculture	\$1.827	\$2.417
Irrigation Former Well	\$1.467	\$1.804
Industrial Former Well	\$1.537	\$2.127
Agriculture Former Well	\$1.537	\$2.127

Note: 1 HCF = 748 gallons

Deadline to Submit Written Protests: June 9, 2015

If you wish to file a protest of the proposed increase to the recycled water rates, you must follow these rules for your protest to be included in the official tally presented to the City Council:

- Protests must be in writing and received by the City prior to the close of the public hearing on June 9, 2015.
- *You must indicate your name and the service address(es)* of the property(ies) you own or rent that are subject to the proposed rate adjustment.
- Submit *written* protests to the Office of the City Clerk in the form of a letter, fax, or e-mail as shown below:

Mail (or hand-deliver)	Fax	E-mail
San Jose Municipal Water System Rate Increase City of San José – Office of the City Clerk 200 E. Santa Clara St., 2 nd Fl. Wing San José, CA 95113-1905	(408) 292-6207 San Jose Municipal Water System Rate Increase	WaterRateProtest@sanjoseca.gov