

## NOTICE OF PUBLIC HEARING: PROPOSED SEWER SERVICE AND USE CHARGE RATE INCREASE

On **May 19, 2021, at 7:00 PM**, the Cupertino Sanitary District Board is scheduled to conduct a teleconference public hearing on proposed increases to the Sewer Service and Use Charges in accordance with Executive Order N-33-20 (Call-In Number: 1-866-899-4679 Access Code: 251566821). These charges are paid by residential, commercial, institutional, and industrial users of the sanitary sewer system.

At the hearing, staff will be proposing a rate increase for single family residential and some commercial users in accordance with the rate schedule below.

<b><u>Type of Service:</u></b>	<b><u>Current Rates</u></b> <b><u>FY 2020-2021:</u></b>	<b><u>New Rates</u></b> <b><u>FY 2021-2022:</u></b>
<b>Residential:</b>		
Single Family Residential – per unit (annual)	\$638.86	\$666.25
Single Family Residential in Pump Station Zone– per unit (annual)	\$638.86	\$732.50
Multi Family Residential – per unit (annual)	\$638.86	\$506.39
Multi Family Residential in Pump Station Zone– per unit (monthly)	\$638.86	\$556.07
Accessory Dwelling Unit – per unit (annual)	\$638.86	\$491.77
Accessory Dwelling Unit in Pump Station Zone– per unit (annual)	\$638.86	\$541.45
<b>Commercial:</b>		
Fixed charge:	\$8.46	\$8.88
Plus additional charge per Hundred Cubic Feet (HCF) of sewage discharged:		
Auto Repair Shops & Service Stations	\$5.23	\$5.76
Auto Repair Shops & Service Stations in Pump Station Zone	\$5.23	\$6.33
Car Washes	\$4.36	\$4.67
Car Washes in Pump Station Zone	\$4.36	N/A
Domestic Laundry	\$4.69	\$5.05
Domestic Laundry in Pump Station Zone	\$4.69	\$5.54
Machinery Manufacturers	\$7.67	\$8.86
Machinery Manufactures in Pump Station Zone (None)	\$7.67	N/A
Motels/Hotels without Food Service	\$5.34	\$5.92
Motels/Hotels without Food Service in Pump Station Zone (None)	\$5.34	N/A
Motels/Hotels with Food Service	\$8.94	\$9.78
Motels/Hotels with Food Service in Pump Station Zone (None)	\$8.94	N/A
Retirement Homes with Common Dining	\$10.08	\$9.77
Retirement Homes with Common Dinning in Pump Station Zone	\$10.08	\$10.81
Convalescent Hospitals	\$5.04	\$5.39
Convalescent Hospitals in Pump Station Zone	\$5.04	\$5.94
Printing Plants	\$9.02	\$8.13
Printing Plants in Pump Station Zone (None)	\$9.02	N/A
Restaurants	\$10.90	\$11.91
Restaurants in Pump Station Zone	\$10.90	\$13.06
Retail or Professional Office	\$4.80	\$5.26
Retails or Professional Office in Pump Station Zone	\$4.80	\$5.77
Schools, Colleges, Day Care Facilities	\$6.79	\$6.23
Schools, Colleges, Day Care Facilities in Pump Station Zone	\$6.79	\$6.84
Hand Billing School	\$6.79	\$6.36
Hand Billing School in Pump Station Zone (None)	\$6.79	N/A
Hand Billing Retail	\$4.80	\$6.13
Hand Billing Retail in Pump Station Zone (None)	\$4.80	N/A
<b>Capital Cost Recovery:</b>		
Infiltration/Inflow (I/I)	\$9.66 per user / yr	\$9.66 per user / yr
Flow	\$417,157.33 per 1,000 MG/Day	\$417,157.33 per 1,000 MG/Day
Biochemical Oxygen Demand (BOD)	\$60,915.55 per 1,000 lbs /day	\$60,915.55 per 1,000 lbs /day
Suspended Solids (SS)	\$56,313.37 per 1,000 lbs /day	\$56,313.37 per 1,000 lbs /day
Ammonia (NH3)	\$184,850.16 per 1,000 lbs /day	\$184,850.16 per 1,000 lbs /day
Flow	\$3,631.91 per MG /year	\$3,631.91 per MG /year
Biochemical Oxygen Demand (BOD)	\$413.50 per 1,000 lbs /year	\$413.50 per 1,000 lbs /year
Suspended Solids (SS)	\$539.92 per 1,000 lbs /year	\$539.92 per 1,000 lbs /year
Ammonia (NH3)	\$4,457.95 per 1,000 lbs /year	\$4,457.95 per 1,000 lbs /year

While the District has made every effort to control and lower its operating and maintenance costs, the City of San Jose wastewater treatment costs continue to rise due to San Jose-Santa Clara Regional Wastewater Facility funding needs. The Plant Master Plan identifies \$1.6 billion to \$2.2 billion of critical improvements to rebuild the aging plant infrastructure and meet stricter regulations. The District's share of the cost for these upgrades and improvements is estimated to be \$27.8 million over the next five years. In addition, the District will be required to pay an additional \$37.5 million for the operations and maintenance of the treatment plant.

The District has recently conducted a comprehensive rate study to evaluate the cost of service for various types of users that contribute wastewater to the collection system and that must be treated at the treatment plant. This analysis accounted for the amount of wastewater generated and the wastewater strength produced by commercial and institutional users. The increased cost of conveying the wastewater from users that reside in pump stations zones was also incorporated into the cost of serving these users.

To cover the District's normal operating and capital improvement costs, the District's share of the cost to operate, maintain, and upgrade and the wastewater treatment facilities, and to recover the appropriate service fee from the various service types, the Sanitary Board will consider sewer service charges as shown above. The Board may also determine that a smaller increase is necessary to meet current and future needs.

Protests must be in writing and received by the District prior to the close of the public hearing on **May 19, 2021**. Indicate the Assessor's Parcel Number(s) of the property(ies) you own that are subject to the proposed rate adjustment. Submit written protest to the District Clerk in the form of a letter, fax, or e-mail at: