



## NOTICE OF PUBLIC HEARING

### PROPOSED UTILITY RATES FOR FISCAL YEAR 2020/21

#### WATER, WASTEWATER (SEWER), SOLID WASTE (GARBAGE) AND RECYCLING SERVICES

The Sunnyvale City Council will hold a public hearing and accept oral and written testimony regarding proposed changes to utility rates for City-provided water, wastewater, solid waste and recycling services on **Tuesday, June 23, 2020, at 7 p.m.** in the City Council Chambers located at 456 W. Olive Avenue in Sunnyvale.

#### PROPOSED RATE CHANGES

Wastewater rates are the only proposed rate changes for Fiscal Year 2020/21. To help the Sunnyvale community address the significant economic impact of the COVID-19 Pandemic, the City Council has chosen to draw on reserves to hold rates for water and solid waste (garbage) utilities flat for the coming year. The City holds reserves in each fund to address both emergencies and unanticipated economic impacts. Due to the large capital project (the Sunnyvale Clean Water Program) underway to renovate the City's aging sewer treatment plant, a rate increase is still needed to maintain the financial condition of the wastewater utility. Individual utility costs will vary based on actual use or subscription level; however, a typical monthly single-family residential water, wastewater (sewer), and solid waste (garbage) utility bill will increase by 1.31% (equal to \$2.05 per month or \$24.60 per year). The proposed monthly rate changes for 2020/21 for a typical single-family customer are:

Water	+\$0.00
Wastewater (standard monthly charge)	+\$2.05
Solid Waste and Recycling	+\$0.00
	+\$2.05

A proposed Wastewater Rate Table is provided on the following page; a comparison between Sunnyvale's rates and those of surrounding communities is available in the City Clerk's Office and on the City's website at [Sunnyvale.ca.gov](http://Sunnyvale.ca.gov) or by calling 408-730-7400, TDD 408-730-7501.

#### DEADLINE FOR PROTESTS: JUNE 23, 2020

As required by California Proposition 218, should the City Council receive **written** protests from a majority of customers, the proposed rates will not become effective and the current rates will remain in place. If you wish to file a protest of the proposed service rate changes, the City must receive your written protest (**email** protests will **not** be counted) prior to the close of the public hearing on **June 23, 2020**. Protests are limited to one per parcel and must include:

1. Original signature of the property owner or the utility customer of record;
2. Address(es) or Assessor's Parcel number(s) of the property(ies).

Mail or deliver written protests to: Utility Service Rate Protest  
City of Sunnyvale, Department of Finance  
650 W. Olive Avenue  
Sunnyvale, CA 94086-7637

For questions about the protest process or proposed rates, please call 408-730-7400, TDD 408-730-7501 or email [utilitybilling@sunnyvale.ca.gov](mailto:utilitybilling@sunnyvale.ca.gov).



## REASONS FOR THE PROPOSED RATE CHANGES

### Water Rates

Water rates pay for the safe and reliable delivery of water to all Sunnyvale residences and businesses. The current water rate, combined with the use of reserve funds, is projected to be sufficient to maintain the water fund in a sustainable financial position with no change to the water rates. However, if the rates charged by the City's wholesale water suppliers change during the fiscal year, a pass-through provision is proposed to allow recovery of any mid-year increase in wholesale water rates.

The formula used to calculate the pass-through adjustments, if needed, is as follows: Total expected cost increase for wholesale water purchases through the fiscal year end divided by the total budgeted expenditures for the purchase of wholesale water for the remainder of the fiscal year. The resulting percentage will be applied to utility bills for each unit of water used for the balance of the fiscal year that ends June 30, 2021.

### Wastewater Rates

Wastewater rates pay for the collection and treatment of wastewater from all residences and businesses in Sunnyvale. The proposed 4% increase reflects needed improvements to the City's aging wastewater collection and treatment infrastructure and increases in operating and regulatory compliance costs. Specifically, a significant effort to rehabilitate the aging wastewater treatment plant is underway. This project, anticipated to cost approximately \$813 million, is being phased in over fifteen to twenty years.

### Solid Waste and Recycling Rates

Solid waste and recycling rates pay for weekly removal, processing, transfer and disposal of solid waste, recyclables, and food waste from all Sunnyvale residences and businesses, along with household hazardous waste services. Rates also include costs of monitoring and maintaining the closed Sunnyvale landfill and compliance with state mandates to increase diversion of organics and other materials from landfill disposal. The current solid waste and recycling rates, combined with the use of reserve funds, are projected to collect enough revenue in fiscal year 2020/21 to maintain the solid waste fund in a sustainable financial position with no change to the solid waste and recycling rates.

Additional details regarding factors influencing rate changes will be available in the 2020/21 Utility Rate Report to Council. This report will be available in the City Clerk's Office and on the City's website at [Sunnyvale.ca.gov](http://Sunnyvale.ca.gov).

<b>Wastewater Rate Table</b>				
<b>Customer Class</b>	<b>Current (FY2019/20)</b>		<b>Proposed (FY2020/21)</b>	
	Per Dwelling Unit		Per Dwelling Unit	
	Monthly	Bi-Monthly	Monthly	Bi-Monthly
Single Family	\$51.33	\$102.66	\$53.38	\$106.76
All Other Residential	\$35.54	\$71.08	\$36.96	\$73.92
<b>Commercial</b>				
	Per 100 cubic feet		Per 100 cubic feet	
Low Strength	\$4.93		\$5.13	
Standard Strength	\$5.45		\$5.67	
High Strength	\$9.42		\$9.80	
<b>Significant Industrial Users Sewer Charges</b>			<b>Current (FY2019/20)</b>	<b>Proposed (FY2020/21)</b>
<b>Wastewater Characteristics</b>				
Per 1,000,000 gallons of sewage discharged			\$5,126.69	\$5,331.76
Per 1,000 pounds of suspended solids discharged			\$1,847.56	\$1,921.46
Per 1,000 pounds of total organic carbon discharged			\$2,433.35	\$2,530.68
Per 1,000 pounds of ammonia nitrogen discharged			\$7,318.31	\$7,611.04