CITY OF SAN JUAN BAUTISTA NOTICE OF PUBLIC HEARING ON PROPOSED SEWER RATES

Este informe contiene información muy importante sobre la necesidad de aumentar sus tarifas de alcantarillado y sus derechos a protestar. Traducción al español disponible en el sitio web de la ciudad, o llame al Ayuntamiento para hablar con alguien que lo entienda bien.

www.san-juan-bautista.ca.us

December 14, 2021 at 6:00 PM City Council Chambers San Juan Bautista City Hall 311 Second Street San Juan Bautista, CA 95045

Public Participation by Remote Access Only

Via zoom.us, the Zoom App or by calling (669) 900-6833 Use webinar ID 810 1400 4800 Please click the link below to join the webinar: https://us02web.zoom.us/j/81014004800

You are receiving this notice because you are shown on our records as a customer of the City's wastewater collection and treatment services. The City of San Juan Bautista funds these services by charging its customers a sewer rate on their monthly municipal utility bill. Sewer rates collected by the City can only be used to fund these services, and cannot be used by the City for any other purpose.

As you may be aware, the City's existing wastewater treatment plant was not designed to meet current environmental standards. This has caused the City to be in violation of the permit that allows it to discharge treated sewer effluent from its plant. The City has entered into an Administrative Order on Consent with the United States Environmental Protection Agency that requires that the City take steps to remedy its permit violation.

Between April 2020 and October 2021, the City Council held five Town Hall meetings to discuss its options to remedy its wastewater issues. San Juan Bautista has received approval from the EPA to partner with the City of Hollister to eliminate the City's reliance on its existing treatment plant. As part of this partnership, San Juan Bautista will construct a new force main to transport sewage from the San Juan Bautista wastewater collection system to the Hollister treatment plant.

Construction of the force main will allow the City to decommission the existing San Juan Bautista wastewater treatment plant. The City has determined that this approach is a better and more cost-effective option than upgrading or replacing the existing plant.

Unfortunately, the City's current sewer rates are not sufficient to fund the force main project and the ongoing costs associated with the City's use of Hollister's treatment services. The City is currently applying for a number of federal and state loans and grants to assist with construction costs; however, the City cannot qualify for these loans and grants unless it has a stream of ratepayer revenue that will fund its operating, maintenance, and debt service costs once the connection to the Hollister system is in place. Therefore, the City Council has proposed a sewer rate increase.

The Proposed Rates

The City is proposing a five-year schedule of rate increases. The "initial" rates will be considered by the City Council on December 14, 2021 and can be approved and made effective as soon as that date. Subsequent rate increases will be effective no earlier than the dates shown on the rate chart in this notice.

Residential users pay a fixed monthly rate per dwelling unit (ie per single family home, apartment unit, or condominium unit). Commercial users pay a "volumetric" rate based on their metered water consumption, subject to a minimum rate (ie each month they pay the higher of the calculated volumetric charge or the minimum rate).

These rates were designed by the City's consultant, Bartle Wells Associates, to ensure that each wastewater customer pays a rate that does not exceed the City's anticipated costs of collecting and treating that customer's wastewater (including costs associated with system capital improvements, maintenance, operations and debt service). The consultant's report can be found online at: https://www.san-juan-bautista.ca.us/alert_detail.php

Proposed Rates	Existing	Proposed (Initial)	<i>Effective</i> 7/1/2022	<i>Effective</i> 7/1/2023	<i>Effective</i> 7/1/2024	<i>Effective</i> 7/1/2025
Residential Sewer Rates						
Monthly Fixed Rate	\$83.61	\$95.62	\$109.01	\$124.27	\$141.67	\$148.75
Commercial Sewer Rates						
Min. Monthly Rate	1	\$95.62	\$109.01	\$124.27	\$141.67	\$148.75
Volumetric Rates (\$/1,000 Gal)	1	\$14.51	\$16.54	\$18.86	\$21.50	\$22.57

Once the new force main is operating, Hollister will be charging the City a treatment charge for the wastewater treatment services it provides to the City. The City will automatically "pass through" to its customers increases or decreases in this Hollister treatment charge.¹

The Hearing

On December 14, 2021 at 6:00 PM in the City Council Chambers located at 311 Second Street San Juan Bautista, CA 95045, the San Juan Bautista City Council will hold a public hearing on the proposed schedule of rates. Due to the ongoing COVID-19 emergency, this meeting will be held electronically and members of the public will only be able to participate in the hearing remotely - via Zoom. Use webinar ID 810 1400 4800 on zoom.us, on a Zoon App or by calling (669) 900-6833. Foot note 2

¹ Hollister's charge is stated as a rate per EDU of sewage received by Hollister from the City. An EDU is the monthly volume of sewage generated by a flow of 161 gallons of sewage per day. The rates shown in the table above assume that this treatment charge will be \$52.48 in Fiscal Year 2023-24, \$54.58 in FY 2024-25 and \$56.76 in FY 2025-26. If Hollister charges treatment charges that are different from these assumed amounts, the City will "pass through" the rate change as follows: For every \$0.10 the Hollister charge per EDU is greater or less than the assumed amount the monthly residential rate and the minimum commercial rate as shown in the rate table will increase or decrease by \$0.0797 while the volumetric commercial rate per 1,000 gallons will increase or decrease by \$0.0181. For example, if Hollister charges \$54.68 per EDU per month in FY 2024-25 the monthly residential rate will be \$141.74 and the commercial volumetric rate will be \$21.52.

² You can also:

⁽i) click this address below to join the webinar: https://us02web.zoom.us/j/81014004800

⁽ii) use one tap mobile: US: +16699006833,,81014004800# or +12532158782,,81014004800#

You are invited to provide oral or written testimony at the public hearing. Written protests against the change, may be submitted to the City Clerk by any of the following methods:

- (i) Delivery to the Office of the City Clerk located at 311 Second Street, San Juan Bautista, CA 95045 during published business hours; or
- (ii) Mail to the City Clerk at the following address: City Clerk, City of San Juan Bautista, PO Box 1420, San Juan Bautista, CA 95045; or
- (iii) Personally submitting the protest at the public hearing.

Because it will not be possible for members of the public to attend the hearing in person, the City Council will set aside a time prior to the close of the public testimony portion of the public hearing during which the City Clerk will accept an oral protest that will be treated as a written protest so long as all information (aside from signature) required of a written protest is provided orally.

The City cannot accept protests via fax or email. Written protests, including those submitted by mail, must be *received* by the City no later than the close of the public testimony portion of the public hearing.

A written protest must include:

- (i) A statement that it is a protest against the proposed increase to the sewer charges.
- (ii) The name of the Parcel Owner or Customer that is submitting the protest.
- (iii) Identification of assessor's parcel number, street address, or utility account number of the parcel or account with respect to which the protest is made.
- (iv) Original signature and legibly printed name of the person submitting the protest.

A majority protest exists if written protests are timely submitted and not withdrawn with respect to either (i) a majority (50% plus one) of the parcels or (ii) a majority (50% plus one) of the accounts subject to the proposed charge. For the Parcel-Based count, only one protest will be counted per parcel. For the Account-Based Count, only one protest will be counted per account. If a person submitting a protest is both a parcel owner³ and a customer, that person's protest will be counted as both a protest for their parcel and a protest for their account.

The City Council will not adopt the proposed increase if there is a majority protest. If there is no majority protest, then the City Council may adopt the proposed rate schedule (including the pass-through). In that event no additional protest hearings will be necessary for the City to implement the noticed rates (including the four annual adjustments and the pass through). The City Council cannot not increase any rate above what is shown on this notice unless it holds an additional, properly-noticed, protest hearing. The rates shown in the table are maximum rates—the Council can set rates lower than the noticed rates.

This notice summarizes the rules regarding protests. The complete rules for tabulation and acceptance of protests were adopted by the City Council by its Resolution No. 2021-53 and can be found online at https://www.san-juan-bautista.ca.us/alert_detail.php. You can also call the City Clerk at (831) 623-4661 and request that a copy be mailed or emailed to you.

Questions? If you have any questions about this notice or about the proposed rates, please contact us at (831) 623-4661.

⁽iii) dial(for higher quality, dial a number based on your current location): US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 312 626 6799 or +1 929 205 6099 or +1 301 715 8592

Webinar ID: 810 1400 4800International numbers available: https://us02web.zoom.us/u/kTWhdfKLI
³ For purposes of this process, a "Parcel Owner" include, but is not limited to, a tenant of a parcel who is entitled to submit a protest pursuant to Section 53755 of the Government Code or is described in Article XIII D, Section 2(g) of the California Constitution. Such a person may also be a customer.