



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
www.Hayward-CA.gov

## Cover Memo

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**File #:** PH 19-065, **Version:** 1

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**DATE:** July 2, 2019

**TO:** Mayor and City Council

**FROM:** Director of Public Works

### **SUBJECT**

Adopt a Resolution Amending the Master Fee Schedule and Approving the Proposed Water and Sewer Service Rates and Connection Fees

### **RECOMMENDATION**

That Council adopts a resolution (Attachment II) amending the Master Fee Schedule and approving the proposed water and sewer service rates.

### **SUMMARY**

Staff has prepared cost of service analyses for providing water and sewer service to Hayward residents and businesses in order to calculate appropriate water and sewer rates and service charges for FY 2020 and FY 2021. The recommended water rate adjustments would include no change to the water usage fee that is based on consumption, and, for a typical single-family residential home with a 5/8" water meter, a \$2 per month increase in each year for the fixed bimonthly water service fee, which would result in about a 3.1% increase for a single family home with average water consumption. Similar percentage increases would apply to all other meter sizes. The recommended sewer rate adjustments would include an increase of 4.4%, or \$1.51 per month in standard residential rates in each of the two years and increases between 3.1% and 7.3% per year in non-residential rates. The recommended water and sewer rate adjustments would take effect on October 1, 2019 and October 1, 2020. No changes are recommended to the sewer and water connection fees. Furthermore, staff recommends a two-year extension of a temporary provision that reduces the sewer connection fee for some industrial and commercial businesses, which went into effect during the 2008 economic recession.

Proposition 218 Compliance: Staff implemented notification requirements of Proposition 218 for this rate increase, which mandates that written notice of proposed service rate increases be mailed to all affected property owners. While not legally required, in the interest of full transparency, notices were also mailed to bill payers of record and tenants who may be impacted by the increased rates. The notice, a copy of which is attached (Attachment VI), lists the current and proposed rates, and described the process for protesting the proposed rates. A total of over 61,000 notices were mailed out.

The language in Proposition 218 specified that the Council may not take action on the proposed rates if a

majority of property owners, or about 19,000, submit written protests. The City Clerk will tabulate the final number of protests at the end of the public hearing and certify the results. As of June 26, 2019, a total of ninety-four (94) written protests had been received by the City Clerk's Office.

## **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Water Bill Comparison
Attachment IV	Notice of Proposed Water and Sewer Rate Changes