



## CITY OF MOUNTAIN VIEW

## FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT

500 Castro Street • Post Office Box 7540 • Mountain View • California • 94039-7540  
650-903-6316 • Fax 650-968-1786

May 7, 2021

**NOTICE OF PUBLIC HEARING  
PROPOSED WATER, SEWER, AND  
TRASH/RECYCLING RATES EFFECTIVE JULY 1, 2021**

**City of Mountain View City Council Chambers  
500 Castro Street, Second Floor  
Tuesday, June 22, 2021, at 6:30 p.m.  
or as soon thereafter as the matter can be heard.**

The City of Mountain View (City) takes pride in providing water, wastewater (sewer), and solid waste (trash and recycling) services at the lowest rates possible. In general, the City's rates are comparable to or lower than those of our neighboring cities. The purpose of this letter is to alert our customers that there are proposed increases to utility rates to be considered and included at a public hearing on June 22, 2021.

Rate increases are generally necessary to pay for the higher costs the City will be charged by: the San Francisco Public Utilities Commission (SFPUC) and the Santa Clara Valley Water District (SCVWD) for the water they supply to the City; the Palo Alto Regional Water Quality Control Plant (Treatment Plant) for the treatment of the City's wastewater; Recology for trash and recycling collection services; and the Sunnyvale Materials and Recovery Transfer (SMaRT<sup>®</sup>) Station for processing trash and recyclables. This letter provides the details of the proposed rate increases for Fiscal Year 2021-22 beginning on July 1, 2021 (the City's fiscal year is from July 1 through June 30) as well as those projected through Fiscal Year 2023-24. The rates in this notice are monthly rates; the City bills customers on a bimonthly basis.

In summary, for a typical single-family residence, the Fiscal Year 2021-22 proposed rate increases are:

- Water—1.0 percent
- Sewer—6.0 percent
- Trash and Recycling—4.0 percent

## **WATER RATES**

**Effective July 1, 2021, a 1.0 percent increase is proposed for the average cost of water and meter rate (rounded up to the next penny and nickel, respectively), which consists of City cost increases up to the Consumer Price Index (CPI) inflation adjustment and wholesale supplier increase.**

**Effective July 1, 2021, the recycled water rate is proposed to increase by CPI (rounded down to 1.0 percent) from \$5.00/unit to \$5.05/unit (rounded up to the next penny) to cover the cost of the program.** This rate is not subject to Proposition 218 and is included as a courtesy for informational purposes only.

The SFPUC has notified the City of a proposed zero percent increase in wholesale rates effective July 1, 2021, and their public hearing is generally held in May to adopt rates. The SCVWD has notified the City of a proposed range of 8.5 percent to 9.6 percent increase in the well water rate for Fiscal Year 2021-22 and an increase to the treated water surcharge from \$100 per acre-foot to \$115 per acre-foot, which corresponds to a range of 9.0 percent to 10.0 percent increase in the treated water rate as it is based on the well water rate plus the surcharge. The SCVWD's public hearing process concludes April 27, 2021. The CPI for All Urban Consumers in the San Francisco Metropolitan Area for February 2021 is 1.6 percent. The combination of increases from the SCVWD (using the lower end of the range) and CPI increase for City costs results in an approximate 1.0 percent rate increase, and a 1.0 percent rate increase is proposed. See below for sample of proposed rates and Exhibit 1 for a complete list of proposed rates.

**SAMPLE PROPOSED WATER RATES**

	<b>CURRENT FY20-21</b>	<b>PROPOSED FY21-22</b>
Meter Charge*		
5/8" and 3/4"	\$15.55	\$15.75
1"	\$31.10	\$31.50
1.5"	\$62.20	\$63.00
All Single-Family**		
0-3 Units	\$5.26	\$5.32
>3-15 Units	\$7.01	\$7.09
>15 Units	\$11.22	\$11.34
All Nonresidential Uniform	\$7.01	\$7.09
Recycled Water (Uniform)	\$5.00	\$5.05

\* Meter rates are tied to capacity ratios published by the American Water Works Association (AWWA).

\*\* The Uniform and Tier 2 rates reflect the average cost of water. Tier 1 is set at 75.0 percent and Tier 3 is set at 160.0 percent of the average cost of water (or Tier 2).

One unit of water is 100 cubic feet (ccf) or 748 gallons. Water rates are per unit.

**WASTEWATER (SEWER) RATES**

**Effective July 1, 2021, a total 6.0 percent rate increase is proposed (rounded up to the next nickel for the residential flat rate and to the next penny for the per-unit rate), which consists of the Treatment Plant increase, CPI inflation adjustment, and a 2.0 percent increase (Year 8 of a 10-year phase-in period) to fund future major renovations at the Treatment Plant.**

The City of Palo Alto notified the City of a 7.0 percent proposed increase in its Treatment Plant budget for Fiscal Year 2021-22. Wastewater rates paid by Mountain View customers fund the cost of treating wastewater generated in the City at the Treatment Plant (approximately 60.0 percent of costs) and costs to operate the City’s sewer system (approximately 40.0 percent of costs). The CPI for All Urban Consumers in the San Francisco Metropolitan Area for February 2021 is 1.6 percent. The combination of the supplier and CPI increases result in an approximate 4.8 percent rate increase, and a 4.0 percent is proposed. For Fiscal Years 2021-22 through 2023-24, an additional 2.0 percent rate increase each year is proposed to phase in the costs attributable to future major renovations at the Treatment Plant (Years 8 through 10 of a 10-year phase-in period). See below for proposed rates.

**PROPOSED WASTEWATER RATES**

	<b>CURRENT FY20-21</b>	<b>PROPOSED FY21-22</b>	<b>FY22-23</b>	<b>FY23-24</b>
Residential (Flat Rate)	\$43.75	\$46.40	\$47.35	\$48.30
Base Commercial*	\$5.74	\$6.09	\$6.22	\$6.35
Industrial/Groundwater*	\$9.76**	\$10.35	\$10.58	\$10.80
Restaurants*	\$11.20***	\$11.88	\$12.13	\$12.39

\* Per unit of water with a minimum charge for seven units applies where applicable.

\*\* 1.7 x base rate.

\*\*\* 1.95 x base rate.

## TRASH AND RECYCLING RATES

Effective July 1, 2021, a 4.0 percent rate increase is proposed (rounded to the next nickel) for trash and recycling services, which consists of the SMaRT Station and Recology increases and CPI inflation adjustment.

The City's residential and commercial trash, yard trimmings, and recyclables are processed at the SMaRT Station under a Memorandum of Understanding (MOU) between the City of Mountain View, the City of Palo Alto, and the City of Sunnyvale through the end of 2021. This MOU is currently being updated with significant changes in processing and Palo Alto no longer participating in the MOU. The current and future MOU provides for the City to pay its proportional share of costs; the future MOU has been restructured, removing certain processing activity which will be done under other agreements with the City. Therefore, the City's share of SMaRT Station costs will be lower for Fiscal Year 2021-22 while City costs will increase, the net cost increase being 4.8 percent. Recology is the private company that provides trash and recyclables collection services in the City. The City's new contract with Recology provides for a 7.7 percent increase due to new agreed-upon service levels. The CPI for All Urban Consumers in the San Francisco Metropolitan Area for February 2021 is 1.6 percent. The combination of the supplier and CPI increases result in an approximate 5.8 percent rate increase, and a 4.0 percent increase is proposed. See below for sample proposed rates and Exhibit 1 for a complete list of proposed rates.

### SAMPLE PROPOSED TRASH AND RECYCLING RATES

	CURRENT FY20-21	PROPOSED FY21-22
Per 32-Gallon Cart	\$35.65	\$37.10
3-Yard Bin – 1x per week pick-up	\$326.70	\$339.80
– 3x per week pick-up	\$1,023.90	\$1,064.90
Bin for a Day	\$248.00	\$258.00
Compactor Per Yard	\$68.95	\$71.75
8-Yard Debris Box (rock box)	\$699.95	\$727.95
16-Yard Debris Box	\$734.85	\$764.25
20-Yard Debris Box	\$849.65	\$883.65

This is a sample calculation of proposed rates based upon the proposed rate increases above.

## INFLATIONARY AND THIRD-PARTY PASS-THROUGH RATE INCREASES

The water, wastewater, and trash and recycling rates stated in this notice, including Fiscal Years 2022-23 and 2023-24, will not be increased above the rates stated above without further written notice to the City's customers and a further protest hearing pursuant to Proposition 218 except as permitted by Government Code Section 53756 as follows:

(i) Inflation adjustment: The rates stated here may be adjusted for inflation as of July 1 of 2022, 2023, 2024, and 2025 to reflect the annual change in the February CPI for All Urban Consumers in the San Francisco Metropolitan Area as published by the U.S. Department of Labor, Bureau of Labor Statistics, or any successor to that index, of each year, provided that no such increase may establish rates which exceed the City's actual cost to provide service.

(ii) Third-party (supplier) pass-through costs: Any increase in the wholesale cost of water or treatment of wastewater provided to the City of Mountain View prior to July 1, 2025, including costs established by the third-party supplier (SFPUC, SCVWD, or Treatment Plant), may be passed through to customers of Mountain View's utilities as follows: the third-party cost as a percentage of the City's total operating costs multiplied by the rate increase received from the third-party supplier (SFPUC, SCVWD, or Treatment Plant).

## PROTESTS

Article XIII(D) of the California State Constitution, also known as Proposition 218, allows utility customers to submit written protests to the City regarding proposed rate increases. Utility customers objecting to any or all of the proposed utility rates described in this notice may file written protests with the City Clerk. No e-mail protests are accepted. Protests must be received before the close of the public hearing on June 22, 2021. Written notices should be addressed as follows:

City of Mountain View City Clerk  
Attn: Agenda 062221  
P.O. Box 7540  
Mountain View, CA 94039-7540

Protests may also be submitted in person at the City Clerk's Office at City Hall (500 Castro Street – 3rd Floor) or at the hearing on June 22, 2021. Pursuant to California Government Code Section 53755(a)(3)(b), only one written protest per parcel filed by a property owner or utility customer of the parcel who is responsible for paying the rates will be counted to determine whether or not there is a majority protest to the proposed rate increases. To be included in the protest count, a protest must be signed and include the address of the utility customer submitting the protest or, if submitted by a property owner who is not a utility customer, the service address; be timely; be submitted with respect to a property served by the City's utilities; and state that it is protesting one or more of the proposed rate increases.

You may also contact the City's Finance and Administrative Services Department at 650-903-6316 or e-mail [finance@mountainview.gov](mailto:finance@mountainview.gov) if you have questions about this notice or the proposed utility rate increases.

## UTILITY RATES

Title	Current FY20-21	Proposed FY21-22	FY22-23	FY23-24	Basis
<u>Trash and Recycling Service:</u>					
Bin for a Day	\$248.00	\$258.00			Fixed
Bin Rental – Compost and Trash:					
1 Cubic Yard	\$21.95	\$22.85			Container/Month
2 Cubic Yards	\$32.85	\$34.20			Container/Month
3 Cubic Yards	\$43.75	\$45.50			Container/Month
4 Cubic Yards	\$54.65	\$56.85			Container/Month
6 Cubic Yards	\$65.60	\$68.25			Container/Month
Bin Service:					
Compost:					
One Cubic Yard					
1 Time/Week	\$81.85	\$85.15			Container/Month
2 Times/Week	\$180.05	\$187.30			Container/Month
3 Times/Week	\$277.90	\$289.05			Container/Month
4 Times/Week	\$375.90	\$390.90			Container/Month
5 Times/Week	\$473.80	\$492.75			Container/Month
6 Times/Week	\$571.70	\$594.60			Container/Month
Two Cubic Yards					
1 Time/Week	\$163.40	\$169.95			Container/Month
2 Times/Week	\$343.35	\$357.15			Container/Month
3 Times/Week	\$523.05	\$544.00			Container/Month
4 Times/Week	\$702.60	\$730.75			Container/Month
5 Times/Week	\$882.25	\$917.55			Container/Month
6 Times/Week	\$1,061.95	\$1,104.45			Container/Month
Three Cubic Yards					
1 Time/Week	\$245.05	\$254.85			Container/Month
2 Times/Week	\$506.55	\$526.85			Container/Month
3 Times/Week	\$767.95	\$798.70			Container/Month
4 Times/Week	\$1,029.45	\$1,070.65			Container/Month
5 Times/Week	\$1,290.75	\$1,342.40			Container/Month
6 Times/Week	\$1,552.15	\$1,614.25			Container/Month
Four Cubic Yards					
1 Time/Week	\$326.70	\$339.75			Container/Month
2 Times/Week	\$670.10	\$696.90			Container/Month
3 Times/Week	\$1,012.95	\$1,053.50			Container/Month
4 Times/Week	\$1,356.10	\$1,410.35			Container/Month
5 Times/Week	\$1,699.15	\$1,767.15			Container/Month
6 Times/Week	\$2,042.10	\$2,123.80			Container/Month
Extra Pickup					
1 Cubic Yard	\$63.75	\$66.30			Pickup
2 Cubic Yards	\$79.80	\$83.05			Pickup
3 Cubic Yards	\$101.95	\$106.05			Pickup
4 Cubic Yards	\$139.45	\$145.05			Pickup
Trash:					
One Cubic Yard					
1 Time/Week	\$109.10	\$113.50			Container/Month
2 Times/Week	\$240.05	\$249.70			Container/Month
3 Times/Week	\$370.50	\$385.35			Container/Month
4 Times/Week	\$501.15	\$521.20			Container/Month
5 Times/Week	\$631.70	\$657.00			Container/Month
6 Times/Week	\$762.25	\$792.75			Container/Month
Two Cubic Yards					
1 Time/Week	\$217.85	\$226.60			Container/Month
2 Times/Week	\$457.80	\$476.15			Container/Month
3 Times/Week	\$697.40	\$725.30			Container/Month
4 Times/Week	\$936.80	\$974.30			Container/Month
5 Times/Week	\$1,176.30	\$1,223.40			Container/Month
6 Times/Week	\$1,415.90	\$1,472.55			Container/Month

Title	Current FY20-21	Proposed FY21-22	FY22-23	FY23-24	Basis
Three Cubic Yards					
1 Time/Week	\$326.70	\$339.80			Container/Month
2 Times/Week	\$675.40	\$702.45			Container/Month
3 Times/Week	\$1,023.90	\$1,064.90			Container/Month
4 Times/Week	\$1,372.55	\$1,427.50			Container/Month
5 Times/Week	\$1,721.00	\$1,789.85			Container/Month
6 Times/Week	\$2,069.50	\$2,152.30			Container/Month
Four Cubic Yards					
1 Time/Week	\$435.55	\$453.00			Container/Month
2 Times/Week	\$893.45	\$929.20			Container/Month
3 Times/Week	\$1,350.60	\$1,404.65			Container/Month
4 Times/Week	\$1,808.10	\$1,880.45			Container/Month
5 Times/Week	\$2,265.50	\$2,356.15			Container/Month
6 Times/Week	\$2,722.75	\$2,831.70			Container/Month
Six Cubic Yards					
1 Time/Week	\$653.30	\$679.45			Container/Month
2 Times/Week	\$1,328.80	\$1,382.00			Container/Month
3 Times/Week	\$2,004.40	\$2,084.60			Container/Month
4 Times/Week	\$2,679.60	\$2,786.80			Container/Month
5 Times/Week	\$3,354.65	\$3,488.85			Container/Month
6 Times/Week	\$4,029.85	\$4,191.05			Container/Month
Extra Pickup					
1 Cubic Yard	\$85.00	\$88.40			Pickup
2 Cubic Yards	\$106.40	\$110.70			Pickup
3 Cubic Yards	\$135.90	\$141.35			Pickup
4 Cubic Yards	\$185.90	\$193.35			Pickup
6 Cubic Yards	\$284.15	\$295.55			Pickup
Commercial Compost Service:					
32-Gallon					
1 Time/Week	\$13.05	\$13.60			Container/Month
2 Times/Week	\$28.70	\$29.85			Container/Month
3 Times/Week	\$44.25	\$46.05			Container/Month
4 Times/Week	\$59.85	\$62.25			Container/Month
5 Times/Week	\$75.45	\$78.45			Container/Month
6 Times/Week	\$91.05	\$94.70			Container/Month
Extra Pickup	\$10.15	\$10.60			Pickup
64-Gallon					
1 Time/Week	\$26.10	\$27.15			Container/Month
2 Times/Week	\$57.35	\$59.65			Container/Month
3 Times/Week	\$88.50	\$92.05			Container/Month
4 Times/Week	\$119.70	\$124.50			Container/Month
5 Times/Week	\$150.90	\$156.90			Container/Month
6 Times/Week	\$182.05	\$189.35			Container/Month
Extra Pickup	\$20.30	\$21.15			Pickup
96-Gallon					
1 Time/Week	\$39.10	\$40.70			Container/Month
2 Times/Week	\$86.00	\$89.50			Container/Month
3 Times/Week	\$132.75	\$138.10			Container/Month
4 Times/Week	\$179.55	\$186.70			Container/Month
5 Times/Week	\$226.30	\$235.35			Container/Month
6 Times/Week	\$273.10	\$284.00			Container/Month
Extra Pickup	\$30.45	\$31.70			Pickup
Cart Service – Trash:					
Mini-Can (residential only)	\$24.45	\$25.45			Container/Month
32-Gallon	\$35.65	\$37.10			Container/Month
64-Gallon	\$71.30	\$74.20			Container/Month
96-Gallon	\$106.95	\$111.30			Container/Month

Title	Current FY20-21	Proposed FY21-22	FY22-23	FY23-24	Basis
Compactor Service:					
Compost:					
Per Compacted Yard	\$51.75	\$53.85			Pickup (on-call and regular service)
10 Cubic Yards	\$517.15	\$538.15			Fixed
20 Cubic Yards	\$1,034.25	\$1,076.25			Fixed
25 Cubic Yards	\$1,292.85	\$1,345.35			Fixed
30 Cubic Yards	\$1,551.40	\$1,614.40			Fixed
35 Cubic Yards	\$1,809.95	\$1,883.45			Fixed
40 Cubic Yards	\$2,068.50	\$2,152.50			Fixed
Recycling (Cardboard or Mixed Container or Mixed Paper):					
Per Compacted Yard	\$17.25	\$17.95			Pickup (on-call and regular service)
10 Cubic Yards	\$172.40	\$179.40			Fixed
20 Cubic Yards	\$344.75	\$358.75			Fixed
25 Cubic Yards	\$430.95	\$448.45			Fixed
30 Cubic Yards	\$517.15	\$538.15			Fixed
35 Cubic Yards	\$603.35	\$627.85			Fixed
40 Cubic Yards	\$689.50	\$717.50			Fixed
Trash:					
Per Compacted Yard	\$68.95	\$71.75			Pickup (on-call and regular service)
10 Cubic Yards	\$689.50	\$717.50			Fixed
20 Cubic Yards	\$1,379.00	\$1,435.00			Fixed
25 Cubic Yards	\$1,723.75	\$1,793.75			Fixed
30 Cubic Yards	\$2,068.50	\$2,152.50			Fixed
35 Cubic Yards	\$2,413.25	\$2,511.25			Fixed
40 Cubic Yards	\$2,758.00	\$2,870.00			Fixed
Debris Box:					
Rental:					
Daily (after 7 days)	\$16.00	\$16.65			+7 Days
Monthly	\$486.70	\$506.45			Month
Service:					
Cardboard:					
16 Cubic Yards	\$183.75	\$191.10			Pickup (on-call and regular service)
20 Cubic Yards	\$212.45	\$220.95			Pickup (on-call and regular service)
25 Cubic Yards	\$241.10	\$250.75			Pickup (on-call and regular service)
30 Cubic Yards	\$272.60	\$283.50			Pickup (on-call and regular service)
40 Cubic Yards	\$322.95	\$335.90			Pickup (on-call and regular service)
Compost or Yard Trimmings:					
16 Cubic Yards	\$551.15	\$573.20			Pickup (on-call and regular service)
20 Cubic Yards	\$637.25	\$662.75			Pickup (on-call and regular service)
25 Cubic Yards	\$723.30	\$752.25			Pickup (on-call and regular service)
30 Cubic Yards	\$817.80	\$850.50			Pickup (on-call and regular service)
40 Cubic Yards	\$968.85	\$1,007.65			Pickup (on-call and regular service)
Trash:					
8 Cubic Yards (rock box only)	\$699.95	\$727.95			Pickup (on-call and regular service)
16 Cubic Yards	\$734.85	\$764.25			Pickup (on-call and regular service)
20 Cubic Yards	\$849.65	\$883.65			Pickup (on-call and regular service)
25 Cubic Yards	\$964.35	\$1,002.95			Pickup (on-call and regular service)
30 Cubic Yards	\$1,090.35	\$1,134.00			Pickup (on-call and regular service)
40 Cubic Yards	\$1,291.80	\$1,343.50			Pickup (on-call and regular service)
<u>Wastewater Service:</u>					
Base Commercial	\$5.74 (\$40.18 min.)	\$6.09 (\$42.63 min.)	\$6.22 (\$43.54 min.)	\$6.35 (\$44.45 min.)	Per unit (748 gallons) or fraction thereof of water consumed
Commercial/Industrial, Chemical, Groundwater, Liquid Waste	\$9.76 (1.7 x base) (\$68.32 min.)	\$10.35 (1.7 x base) (\$72.45 min.)	\$10.58 (1.7 x base) (\$74.06 min.)	\$10.80 (1.7 x base) (\$75.60 min.)	Per unit (748 gallons) or fraction thereof of water consumed
Restaurant	\$11.20 (1.95 x base) (\$78.40 min.)	\$11.88 (1.95 x base) (\$83.16 min.)	\$12.13 (1.95 x base) (\$84.91 min.)	\$12.39 (1.95 x base) (\$86.73 min.)	Per unit (748 gallons) or fraction thereof of water consumed

Title	Current FY20-21	Proposed FY21-22	FY22-23	FY23-24	Basis
Single-Family Residence, Duplex, Multiple Dwellings, Mobile Homes, and Trailer Courts	\$43.75	\$46.40	\$47.35	\$48.30	Dwelling Unit/Month
<u>Water Service:</u>					
Backflow Prevention Devices (Commercial, Industrial):					
5/8" to 1" Meter	\$32.70	\$33.05			Monthly
1.5" to 2" Meter	\$49.80	\$50.30			Monthly
3" Meter	\$58.60	\$59.20			Monthly
4" Meter	\$69.20	\$69.90			Monthly
6" Meter	\$84.00	\$84.85			Monthly
8" to 10" Meter	\$103.35	\$104.40			Monthly
Consumption: <sup>(1)</sup>					
Recycled Water	\$5.00	\$5.05			ccf/Month
Residential – Multi-Family					
Tier 1 0 to 2 ccf	\$5.26	\$5.32			ccf/Month/Dwelling
Tier 2 >2 to 7 ccf	\$7.01	\$7.09			ccf/Month/Dwelling
Tier 3 >7 ccf	\$11.22	\$11.34			ccf/Month/Dwelling
Residential – Single-Family					
Tier 1 0 to 3 ccf	\$5.26	\$5.32			ccf/Month
Tier 2 >3 to 15 ccf	\$7.01	\$7.09			ccf/Month
Tier 3 >15 ccf	\$11.22	\$11.34			ccf/Month
Uniform (Commercial and all other Nonresidential)	\$7.01	\$7.09			ccf/Month
Fire Service:					
Consumption – Uniform <sup>(1)</sup>	\$7.01	\$7.09			ccf/Month
Meter	\$13.10/inch diameter \$52.40 (min)	\$13.24/inch diameter \$52.96 (min)			Monthly
Meter: <sup>(2)</sup>					
Residential – Single-Family	\$15.55	\$15.75			Monthly
Residential – Multi-Family/ Commercial/Recycled Water/ All Other:					
5/8" and 3/4" Meters	\$15.55	\$15.75			Monthly
1" Meter (x2)	\$31.10	\$31.50			Monthly
1.5" Meter (x4)	\$62.20	\$63.00			Monthly
2" Meter (x6.4)	\$99.55	\$100.80			Monthly
3" Meter (x12)	\$186.60	\$189.00			Monthly
4" Meter (x20)	\$311.00	\$315.00			Monthly
6" Meter (x40)	\$622.00	\$630.00			Monthly
8" Meter (x64)	\$995.20	\$1,008.00			Monthly
10" Meter (x96)	\$1,492.80	\$1,512.00			Monthly

<sup>(1)</sup> The uniform and Tier 2 rates reflect the average cost of water. Tier 1 is set at 75.0 percent, and Tier 3 is set at 160.0 percent of the average cost of water (Tier 2).

<sup>(2)</sup> Meter rates are tied to capacity ratios published by the American Water Works Association (AWWA).