



**Proposition 218 Notification  
NOTICE TO PROPERTY OWNERS OF PUBLIC HEARING  
ON HILLSIDE ZONE ADDITIONAL SEWER RATE**

Name  
Address  
City, State, Zip

Regarding APN Number: APN #, Street, City

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**Hearing Date & Time: May 9, 2018, at 6:00 PM or as soon thereafter as possible  
Hearing Location: 70 North First Street, Campbell, CA 95008  
Questions or More Information: (408) 385-3050**

***Why Am I Receiving This Notice?***

The property listed above receives sewer service from **West Valley Sanitation District (District)**. The District collects from your property a service charge for sewer services, and the charge appears on your annual property tax bill from Santa Clara County. The District is proposing to increase its annual service rates. As a result, you are receiving this notice in accordance with Proposition 218, a state law that establishes procedural requirements for imposition of new and increased utility charges. The procedural requirements include providing mailed notice to each owner of a parcel subject to new or increased charges of the amount of the proposed charge, the basis for calculating the charge, the reasons for the charge, and the date, time and location of a public hearing on the proposed charge. Separately, the District has notified you of a proposed increase in the sewer charge for sewer services. This notice addresses an increase in the additional "Hillside Zone Rate" that the District charges to recover costs due to land subsidence and erosion.

***What Services Does West Valley Sanitation District Provide?***

West Valley Sanitation District provides wastewater collection and disposal service to homes and businesses in the cities of Campbell, Monte Sereno, Los Gatos, parts of Saratoga, and some unincorporated areas of the County. The wastewater is collected through a network of sewer mains and conveyed to the regional wastewater treatment plant in San Jose where it is treated to the highest state standards. The District continuously operates and maintains a safe and reliable sewer system 24 hours a day, 7 days a week.

***Why is the Hillside Zone Additional Rate Needed?***

The Hillside Zone Rate recovers the additional costs to serve parcels within the zone located in the hillside of the District service area. Sanitary sewers in the hillside zone are subject to failure due to land subsidence or erosion and have a shorter life cycle than the pipelines outside of the hillside zone. The Hillside Zone Additional Sewer Rate is being increased to recover the costs of \$4.5 million in projected hillside improvements to maintain a safe and reliable sewer service to the 1570 hillside parcels. To minimize the impact on property owners within the hillside zone, the District is proposing to recover the costs of improvements within the zone over a 30-year period. As additional projects are required to replace or relocate pipelines, project cost will be added to the principal balance and then divided by the total number of parcels in the hillside zone and the useful life of the project to determine the new rate. The cumulative projects will result in replacing all pipelines by the end of their life cycle. The proposed rate methodology equitably allocates project costs across all hillside parcels while maintaining level of services due to decreased pipeline service life.

***Basis of Proposed Rates***

Article XIIIID of the California Constitution (also known as Proposition 218) requires that providers of public utility services levy service charges that are clearly linked to the cost of providing the service. The cost of service calculation includes expenses such as labor, energy, chemicals and other supplies, and the cost of providing required maintenance of the system. The rates proposed herein are designed to meet all legal requirements and fairly and equitably recover the required revenue from all customer classes. The rates were developed by Bartle Wells Associates, an independent consultant retained by the District. The District worked with the consultant to conduct a complete and thorough rate study, and the final findings of that report, which include the detailed calculations showing the basis for these fees, are available from the District upon request.

**Proposed Rate**

As noted on Page 1, the District is separately proposing to increase sewer service charges. The parcel listed on Page 1 of this notice is located in the Hillside Zone and is subject to the additional "Hillside Zone Rate" listed on the schedule below:

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Rate Effective Date	Current	July, 1 2018	July, 1 2019	July, 1 2020	July, 1 2021	July, 1 2022
<b>ZONE SPECIFIC ADDITIONAL RATE</b>	<u>Monthly</u>	<u>Monthly</u> <u>Change</u>				
Hillside Zone Rate (per parcel)	\$4.17	\$8.33 100%	\$8.33 0%	\$8.33 0%	\$8.33 0%	\$8.33 0%

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**Proposition 218 Hearing Process**

**PLEASE CONTACT US:** If you have questions or comments about the proposed rate increases, you may address the Board of Directors and/or submit written comments concerning the proposed rate changes at the following public hearing:

West Valley Sanitation District Board of Directors will consider the proposed rate increases at a public hearing at

**6:00 pm, Wednesday, May 9, 2018  
70 North First Street,  
Campbell, California, 95008**

Under Proposition 218, if you are the owner of record of a parcel or parcels subject to the proposed rate increase, or a tenant directly liable for payment of the fees subject to the proposed rate increase, you may file a written protest. Written protests must be submitted in accordance with Resolution No.13.03.04 Adopting Guidelines for the Submission and Tabulation of Protests Pursuant to Article XIII D of the California Constitution (Proposition 218), attached hereto to this Notice and must meet all requirements in Section 3 of the attached Resolution. Signed, written protests must be mailed in a sealed envelope to the following address:

Secretary of the Board  
West Valley Sanitation District  
100 East Sunnyoaks Avenue  
Campbell, CA 95008

**\*\*All written protests must be received prior to the close of the public hearing on May 9, 2018.\*\***

If written protests are submitted by a majority of the affected parcel owners, the rate increase will not be imposed.

RESOLUTION NO. 13.03.04

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF WEST VALLEY SANITATION DISTRICT ADOPTING GUIDELINES FOR  
THE SUBMISSION AND TABULATION OF PROTESTS PURSUANT TO ARTICLE XIII D  
OF THE CALIFORNIA CONSTITUTION (PROPOSITION 218)

WHEREAS, West Valley Sanitation District (District) levies charges for utility services, such as an annual sewer service and use charge for properties within the District's jurisdiction and connected to the District's sewer system, pursuant to the authority granted by state law; and

WHEREAS, the purpose of this annual charge is to reimburse the District for the costs it incurs in operating, maintaining and improving its sewer system, and the administrative services and maintaining adequate reserves, as well as to reimburse the District's share of operation and maintenance of the San Jose/Santa Clara Water Pollution Control Plant.

WHEREAS, Section 6 of Articles XIII D of the California Constitution and Government Code Section 53755 impose certain notice, hearing, and protest procedures that are applicable to rate increases for property-related services, such as water and sewer services; and

WHEREAS, the Board of Directors desires to establish a uniform set of procedures applicable to the submission and tabulation of protests submitted against future utility rate increase proposals; and

WHEREAS, it is the Board of Directors' intent in adopting this resolution to adopt fee modification proceedings which are consistent and in compliance with, Articles XIII C and XIII D of the California Constitution and with the Proposition 218 Omnibus Implementation Act.

NOW THEREFORE, the Board of Directors of the West Valley Sanitation District does hereby resolve as follows:

**Guidelines for the Submission and Tabulation of Protests.** The Board of Directors of the West Valley Sanitation District (District) adopts the following guidelines to govern the submission and tabulation of protests against proposed utility rate increases.

**SECTION 1. Definitions.**

Unless the context clearly indicates another meaning was intended, the following definitions shall apply:

1. "Fee" or "Charge" means any levy, other than an ad valorem tax, a special tax or an assessment, imposed by an agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service.
2. "Parcel" means a County Assessor's parcel, the owner or occupant of which is subject to the proposed utility charge that is the subject of the hearing.

3. "Record Owner" means the owner of a Parcel whose name and address appears on the County Assessor's last equalized secured property tax assessment roll, or in the case of any public entity, the State of California, or the United States, means the representative of that public entity at the address of that entity known to the District.
4. "Tenant" means either: (a) a utility customer to whom the District sends utility bills for the Parcel in question as reflected in the billing records of the District at the time the notice of a public hearing with respect to a utility rate increase has been given; or (b) any person who provides evidence, satisfactory to the Secretary to the Board, that he or she is a Tenant of the Parcel in question. Evidence that a person is a Tenant may include, but shall not be limited to, a driver's license indicating that the person's address is the same as that of the Parcel in question, any utility bill showing that the person resides at the Parcel in question, or a copy of lease agreement relating to the Parcel in question that is signed by that Person. The Secretary to the Board's determination as to the sufficiency of any such evidence shall constitute a final action of the District and shall not be subject to any appeal.

## **SECTION 2. Written Notification of Proposed Modified Fee or Charge.**

1. The District shall provide written notice by mail of the proposed increase in Fee or Charge to the Record Owner of each identified Parcel upon which the modified fee is proposed for imposition. Such notice shall include the amount of the modified Fee or Charge proposed, the reason for the proposed Fee or Charge, the basis upon which the amount of the proposed Fee or Charge is calculated, and the date, time, and location of a public hearing on the proposed Fee or Charge (Notice of Public Hearing).
2. Failure of any person to receive a Notice of Public Hearing shall not invalidate the proceedings conducted hereunder and Section 6, Article XIII D of the California Constitution.

## **SECTION 3. Submission of Protests.**

1. Any Record Owner or Tenant may submit a written protest to the Secretary to the Board, either by delivery to the Secretary to the Board of the West Valley Sanitation District at 100 East Sunnyside Avenue, Campbell, California 95008, or by submitting the written protest to the Secretary to the Board at the public hearing. Preferably, mailed protests will note on the envelope "Service Charge Protest."
2. To be valid, each protest shall:
  - a. Be in writing;
  - b. Identify the affected Parcel (by assessor's parcel number or street address) for the Secretary to the Board to verify that such Parcel is within the District's jurisdiction and is connected to the District's sewer system;
  - c. Identify the Record Owner or Tenant making the protest, and if a Tenant, include sufficient evidence that he or she is a Tenant of the Parcel in question;
  - d. Clearly state its opposition to the proposed Fees or Charges;
  - e. Be signed and bear the original signature of the Record Owner or Tenant submitting the protest; and
  - f. Be sealed in an envelope.

3. The following protests will not be accepted or considered by the District Board of Directors in its tabulation of protests:
  - a. Protests submitted by e-mail or facsimile;
  - b. Verbal protests;
  - c. Any protests received after the public hearing; and
  - d. Any protests that appear tampered with or otherwise invalid based upon their appearance, method of delivery, or other circumstances.
4. Each Record Owner or Tenant may submit a protest, but only one protest will be counted per Parcel. Any one protest submitted in accordance with these rules will be sufficient to count as a protest for that Parcel.
5. Any person who submits a protest may withdraw it by submitting to the Secretary to the Board a written request that the protest be withdrawn. The withdrawal of the protest shall contain sufficient information to identify the affected Parcel and the name of the Record Owner or Tenant who submitted the protest and the request that it be withdrawn. To effectively be withdrawn, the request to withdraw must be received prior to the close of the public hearing.
6. To ensure transparency and accountability in the tabulation of protests, protests will be maintained in confidence until tabulation begins following the public hearing.
7. Once a protest is opened during tabulation, it becomes a disclosable public record, as required by state law.
8. A fee protest proceeding is not an election.

#### **SECTION 4. Public Hearing.**

1. Not less than forty-five (45) days after mailing the notice of the proposed Fee or Charge modification to the Record Owners of each identified Parcel upon which the fee is proposed for modification, the Board of Directors shall conduct a public hearing upon the proposed Fee or Charge modification. At the public hearing, the Board of Directors shall consider all written protests against the proposed modification that meet the requirements of Section 3 above.
2. Although verbal comments at the public hearing will not qualify as a formal protest unless accompanied by a written protest, the Board of Directors welcomes input from the community during the public hearing on the proposed Fees or Charges. At the public hearing, the Board of Directors shall hear all public testimony regarding the proposed modification and accept written protests until the close of the public hearing.
3. The Board of Directors may impose reasonable time limits on both the length of the entire hearing and the length of each speaker's testimony.
4. If additional time is necessary for public testimony, the Board of Directors may continue the public hearing to a later date.

**SECTION 5. Tabulation of Protests**

1. At the conclusion of the public hearing, the Secretary to the Board shall complete tabulation of all the written protests, including those received during the public hearing.
2. The Secretary to the Board shall determine the validity of all protests received in accordance with Section 3. The Secretary to the Board's decision, after consultation with legal counsel, that a protest is not valid, shall constitute a final action of the District and shall not be subject to any appeal.
3. The Secretary to the Board shall report the results of the tabulation to the Board of Directors upon completion. If review of the protests demonstrates that the number received is manifestly less than one-half of the Parcels served by the District with respect to the Fee or Charge that is the subject of the protest, then the Secretary to the Board may advise the Board of Directors of the absence of a majority protest without determining the validity of all protests.
4. If, at the conclusion of the public hearing, the Secretary to the Board determines that additional time to tabulate the protests will be required, the Secretary to the Board shall advise the Board of Directors, which may adjourn the meeting to allow for the tabulation to be completed. The Board of Directors shall then declare the time and place of tabulation, which shall be conducted in a place where interested members of the public may observe the tabulation, and the Board of Directors shall declare the time at which the meeting shall be resumed to receive and act on the tabulation report of the Secretary to the Board.

**SECTION 6. Majority Protest.**

A majority protest exists if written protests are timely submitted and not withdrawn by the Record Owners or Tenants representing a majority (50% plus one) of the total number of Parcels subject to the proposed modification of Fee or Charge.

PASSED AND ADOPTED this 13<sup>th</sup> day of March, 2013, by the following vote:

AYES: Anstandig, Leonardis, Low, Page, Yeager

NOES: None

ABSENT: None

ABSTAIN:

S/Ken Yeager  
 CHAIRPERSON OF THE BOARD OF DIRECTORS

ATTEST: S/Lesha Luu

APPROVED AS TO FORM: S/Sarah Olinger