



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: John Stufflebean

SUBJECT: SEE BELOW

DATE: 10-05-10

Approved 

Date 10/8/10

COUNCIL DISTRICTS: 7 & 8

**SUBJECT: APPROVAL OF AGREEMENTS TO PROVIDE SUBMETERING TO
MOBILE HOME PARK DWELLINGS**

RECOMMENDATION

1. Approve an agreement with Moss Creek Mobile Home Community, L.P. to submeter dwellings at Moss Creek Mobile Home Park, and
2. Approve an agreement with Brandenburg, Staedler and Moore-Woodbridge, L.P. to submeter dwellings at Woodbridge Mobile Home Park

OUTCOME

Approval of both agreements, allowing the mobile home park owners to install submeters at each dwelling unit to monitor water consumption and charge each resident for water usage.

BACKGROUND

Moss Creek Mobile Home Community, L.P. (MCMHC) owns and operates Moss Creek Mobile Home Park located at 29292 Aborn Rd., in San Jose. The park has 106 dwelling units. Brandenburg, Staedler and Moore-Woodbridge, L.P. (BSMW) owns and operates Woodbridge Mobile Home Park located at 3051 Towers Lane in San Jose. The park has 176 dwelling units. None of the dwelling units in either park has a water meter and currently water consumption at each of these dwellings cannot be measured. The City's Municipal Water System provides water to each of the parks through one master meter.

MCMHC and BSMW have expressed desire to install and maintain, at their own expense, a water meter immediately adjacent to each mobile home dwelling unit to monitor water consumption and charge each resident for usage.

ANALYSIS

The mobile home industry has recognized the need for submetering as a way to conserve water and reduce costs. Mobile home park owners have installed submeters in the San José Water Company service area, Sunnyvale and other cities throughout California. In the Municipal Water Service area, Oakcrest Estates Mobile Home Park in North San José is submetered. Water savings have ranged from 19.4% to 29.9% after submeters were installed.

Section 15.08.500, of the San José Municipal Code, reads as follows:

“15.08.500 Resale of Water Prohibited

Except by special agreement with the City upon such terms as the City elects, no person shall resell any of the water provided from the Municipal Water System.

Nor shall such water be transmitted to premises other than those specified in such person’s application for service.”

Section 2705.5, of the Public Utilities Code, allows customers with a master meter such as mobile home parks to submeter water. Section 2705.5 also stipulates that residents are to be charged at the same rate which would be applicable if the tenants were receiving water service directly from the water distributors. Staff has prepared an agreement that is in compliance with all applicable laws and regulations and assures the rights of tenants are protected at all times.

The main provisions of the agreement stipulate the following:

- The tenants of a mobile home dwelling shall pay no more for water service than they would if they were receiving water service from the City.
- The tenants will receive rent reductions calculated per applicable laws.
- Only water meters which have been certified for accuracy and meet the requirements of American Water Works Association specifications may be installed on the premises.
- The owners of the mobile home park shall maintain a system of records relating to tenants charges for at least 60 months. It is further agreed that the owners shall grant the City permission to examine said book of accounts.

- Owners shall be responsive to the complaints of tenants concerning water service to the extent that such complaints relate to water delivery facilities and meters are maintained by owners.
- Prior to any termination of water service to any mobile home unit, owners shall provide written notice informing tenant of the effective date on which the water service will be terminated, and the reasons for termination. The Notice shall advise the tenants that they have the right to a meeting prior to termination of service.
- The agreement shall be in effect for an initial term of twenty years and can thereafter be automatically renewed for additional terms of five years.

EVALUATION AND FOLLOW-UP

City staff will have permission to examine the mobile home parks' books to ensure that tenants are charged accurately. Council will be informed if any violations have been discovered and what corrective actions have been instituted.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

A total of four community meetings were held on August 24 & 26 and two meetings were held on September 7, 2010 at both Moss Creek and Woodbridge. Approximately 110 residents attended the meetings. The residents were advised of the intent to install water meters and were also provided an explanation of the rent reductions. Residents were also notified of today's Council consideration of the agreements.

COORDINATION

This agreement was coordinated with the City Attorney's Office and the Department of Housing.

HONORABLE MAYOR AND CITY COUNCIL

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COST SUMMARY/IMPLICATIONS

There are no costs associated with this agreement.

CEQA

Exempt: PP10-161

/s/

JOHN STUFFLEBEAN

Director, Environmental Services

For questions, please contact Mansour Nasser, Deputy Director, Environmental Services Department, at 408-277-4218.