



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: 07-14-04

Approved

Date

7/21/04

CITY DISTRICT: City-wide

**SUBJECT: PLACEMENT OF SANITARY AND STORM SEWER CHARGES ON
FISCAL 2004/2005 COUNTY TAX ROLL**

RECOMMENDATION

Hold public hearing on the Sanitary Sewer Service and Use charges and Storm Sewer Service charges report filed by the Director of Finance with the City Clerk's Office and approve the placement of recommended Sanitary Sewer and Use charges and Storm Sewer Service charges on the 2004/2005 tax roll, with such modifications as Council may make based on public hearing testimony.

BACKGROUND

On June 22, 2004 the City Council adopted Resolution No. 72184 establishing Sanitary Sewer Service and Use charges and Storm Sewer Service charges, effective July 1, 2004. The recommended Sanitary Sewer Service and Use Charges and Storm Sewer Charges are based on the rates approved by City Council in Resolution #72184. In compliance with Proposition 218, public notices of these rates were mailed to San Jose property owners on May 10, 2002 (Storm Sewer) and May 7, 2004 (Sanitary Sewer).

Since 1960 and 1991 respectively, the collection of the majority of City of San Jose Sanitary Sewer Service and Use charges and Storm Sewer Services charges has been accomplished by placing the charges (with certain exceptions) on the County of Santa Clara property tax rolls. These charges appear as Item 800 on each separate property tax bill and are collected by the Santa Clara County Tax Collector. As outlined in San Jose Municipal Code Section 15.12.550 and 15.16.1410, on or before July 5th of each year, the Director of Finance is required to submit a written report to the City Clerk containing a description of each property receiving Sanitary Sewer Service and Storm Sewer Service and the amount of the Sanitary Sewer and Use charges and Storm Sewer Service charges for each parcel for the forthcoming fiscal year.

HONORABLE MAYOR AND CITY COUNCIL

Subject: Conduct a Public Hearing on the placement of Sanitary and Storm Sewer Charges on the 2004/2005 Tax Roll

07-14-04

Page 2

ANALYSIS

The Finance Director's report this year was submitted on July 2, 2004 and contained approximately 215,431 parcels. Thereafter, in compliance with Council Resolution #72185, pursuant to the Finance Director's recommendation, on June 22, 2004, the City Council approved setting a public hearing which the City Clerk has scheduled for August 3, 2004, at 1:30 p.m. or as soon as the matter may be heard, in the Council Chamber at City Hall. Notices will be published in accordance with San Jose Municipal Code Section 15.12.550 and 15.16.1430.

COST IMPLICATIONS

This action will result in Sanitary Sewer Service and Use charges of approximately \$67,313,000 and Storm Sewer Service charges of approximately \$14,244,000 placed on the County Property Tax Roll. Revenue from these charges has been allocated by the City Council to various allowable City functions as part of the adoption of the 2004/2005 budget.

PUBLIC OUTREACH

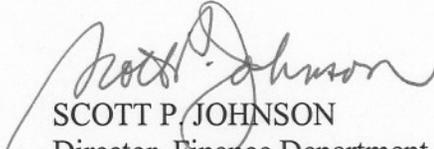
City Clerk's Office will publish notice of the time and place of the public hearing as required by San Jose Municipal Code 15.12.550C and 15.16.1430A1.

COORDINATION

This memo has been coordinated with the City Manager's Budget Office, the Environmental Services Department, the City Attorney's Office, and the City Clerk's Office.

CEQA

Not a project.


SCOTT P. JOHNSON
Director, Finance Department