# SUMMARY OF AND RESPONSE TO WRITTEN OBJECTIONS RECEIVED PURSUANT TO ASSEMBLY BILL 2257 (2025), REQUIRING WOULD-BE LEGAL CHALLENGERS TO EXHAUST ADMINISTRATIVE REMEDIES REGARDING PROPOSED WATER AND WASTEWATER RATES BY TIMELY FILING WRITTEN OBJECTIONS PRIOR TO INITIATING LITIGATION CHALLENGING PROPOSED WATER AND WASTEWATER RATES

Santa Rosa City Council
April 1, 2025

Jennifer Burke, Director – Santa Rosa Water



### Exhaustion of Administrative Remedies

- AB 2257 allows local agencies to require would-be challengers to submit timely written objections prior to initiating litigation that challenges water or sewer rates
- This is separate from the Proposition 218 protest procedure:
  - <u>Protests</u> A written protest stating not supportive of proposed rate change
  - Objections A detailed written objection stating factual and legal reasons why the proposed rates do not meet legal requirements
- The Proposition 218 Notices explained the Objection process, including the submission requirements and deadline – March 5, 2025 at 5PM
- Substantially reduces legal risk and costs for Santa Rosa Water



## Response to Written Objections

Under Government Code section 53759.1(c)(5), the City Council must:

- 1. Respond in writing to each timely submitted written objection;
- 2. Explain the substantive basis for retaining or altering the proposed fee; and
- 3. Present written responses to the City Council for consideration prior to the protest hearing

Under Government Code section 53759.1(d), the City has 4 options in responding to written objections received:

- 1. Provide clarification
- 2. Reduce the proposed rates
- 3. Table the proposed rate change for further consideration; and/or
- 4. Proceed to the Protest Hearing



## Summary of Written Objections Received

- 10 Objections Timely Received
- Exhibit B to the Resolution contains recommended written responses to each Objection
  - Many objections raise policy arguments in opposition to the proposed rate changes without accompanying legal citation or legal argument and do not satisfy requirements for exhausting administrative remedies
  - Some of the objections raise substantive legal arguments in opposition to the proposed rate change. The written responses clarify the City's compliance with Proposition 218, but do not recommend changing the proposed rates
- As to all objections, recommendation is to adopt resolution and proceed to protest hearing under Proposition 218

#### Recommendation

• It is recommended by the Water Department that the City Council, by resolution, respond to all 10 timely received written objections to the proposed water and wastewater rate schedules for fiscal years beginning July 1, 2025 through 2029 by explaining the grounds for which the objections are not resulting in amendments to the proposed rates, and proceeding with the Proposition 218 public protest hearing pursuant to the requirements of Government Code Section 53759.1.

