



February 22, 2024

The Honorable Lori Wilson
State Assembly
1021 O Street, Suite 8110
Sacramento, CA 95814

Re: SUPPORT: Assembly Bill 2257 (Wilson)—Local government: property-related water or sewer fees and assessments: remedies

Dear Assemblymember Wilson:

On behalf of the City of Santa Rosa, I am writing to express our support for your bill, Assembly Bill 2257 (AB 2257), which would strengthen the current procedural ratemaking requirements of Proposition 218 by creating a robust administrative procedure that will provide a meaningful opportunity for public agencies to address or resolve ratepayer objections to a proposed new or amended property-related fee or charge, or special assessment before resorting to costly litigation.

NATALIE ROGERS
Mayor

MARK STAPP
Vice Mayor

EDDIE ALVAREZ

VICTORIA FLEMING

DIANNA MACDONALD

JEFF OKREPKIE

CHRIS ROGERS

The City of Santa Rosa Water Department (Santa Rosa Water) delivers approximately six billion gallons of drinking water each year to over 54,000 customer accounts and maintains the sanitary sewer system for over 49,000 customer accounts in Santa Rosa, serving a population of approximately 178,000 residents. Additionally, Santa Rosa Water operates the Santa Rosa Regional Water Reuse System, which serves approximately 230,000 residents in Santa Rosa, Rohnert Park, Cotati, Sebastopol, and unincorporated portions of Sonoma County. The hub of the Water Reuse System is the Laguna Treatment Plant, which cleans and recycles approximately 7 billion gallons of wastewater each year from homes, businesses, and industry in the region.

Reliable long-term financial planning is paramount in providing essential government services, such as water and sewer. Like other public water and sewer utilities, Santa Rosa Water is largely funded by revenue collected through service rates. These rates provide the funding necessary to supply safe and reliable drinking water, maintain and repair aging infrastructure, and protect public health and the environment. While public water and sewer providers require financial stability to meet these needs, existing law allows ratepayers who do not lodge an objection (or otherwise participate) during the public agency's ratemaking process to pursue costly lawsuits that seek refund of revenues collected years after the challenged rates have been adopted.

AB 2257 would create an exhaustion of administrative remedies procedure whereby a ratepayer must submit a timely written objection to the proposed new or amended property-related fee or charge, or special assessment during the ratemaking process as a prerequisite to pursuing litigation after the new or amended rate or special assessment is approved. Public agencies that adopt the AB 2257 procedures would be required to consider and provide written responses to each objection before the governing body approves the proposed new or amended property-related fee or charge, or special assessment.



Thus, the governing board of a public agency would have an opportunity to clarify why the fee or assessment is necessary and compliant, adjust the proposed fee or assessment, or conduct further review before having to defend adoption of such fee, charge, or special assessment in litigation. Furthermore, if a public agency complies with the specified procedures contained in AB 2257, judicial review of that agency's adoption of a rate or assessment would be generally limited to the record of proceedings that was before the agency when said rate or assessment was adopted.

For the above reasons, the City of Santa Rosa supports adoption of AB 2257. Thank you for your leadership in Santa Rosa and supporting public water providers. If you, or members of your staff, have any questions please feel free to contact Nick Harvey, Interim Deputy Director of Administration, at 707-543-3469 or NHarvey@srcity.org.

Sincerely,

NATALIE ROGERS
Mayor

MARK STAPP
Vice Mayor

Natalie Rogers
Mayor

EDDIE ALVAREZ

VICTORIA FLEMING

DIANNA MACDONALD

JEFF OKREPKE

CHRIS ROGERS

cc: Association of California Water Agencies

Office of the Mayor

100 Santa Rosa Avenue - Room 10 • Santa Rosa, CA 95404

Phone: (707) 543-3010 • Fax: (707) 543-3030

www.srcity.org