



**NOTICE OF PUBLIC HEARING  
PROPOSED UTILITY RATES FOR FISCAL YEAR 2026/27  
WATER, WASTEWATER, SOLID WASTE AND RECYCLING SERVICES**

The Sunnyvale City Council will hold a public hearing about proposed changes to utility rates for City-provided water, wastewater, solid waste and recycling services on **Tuesday, June 16, 2026**, at 7 p.m. in the City Council Chambers located at 456 West Olive Avenue in Sunnyvale.

- In-person participation: You may provide public comment by filling out a speaker card (optional) and giving it to the City Clerk.
- Online participation: You may provide audio public comment by connecting to the meeting online or by telephone. Use the Raise Hand feature to request to speak (\*9 on a telephone):

Meeting online link: <https://sunnyvale-ca-gov.zoom.us/j/96111580540>

Meeting call-in telephone number: 833-548-0276 | Meeting ID: 961 1158 0540

(\*9 to request to speak | \*6 to unmute/mute)

We are sending you this notice because our records show that you are a City utility customer or own a property receiving City utility services. This notice describes the proposed rate changes and explains how to participate in the rate-setting process.

**PROPOSED RATE CHANGES**

Utility costs vary based on actual use or subscription level. The City is proposing increases of 7.5% for water, 7% for wastewater, and 3% for solid waste. A typical monthly single-family residential utility bill will increase by 6.2% (equal to \$12.43 per month or \$149.16 per year).

	Water	\$5.89
	Wastewater (standard monthly charge)	\$5.09
	Solid Waste and Recycling (medium garbage cart)	<u>\$1.45</u>
		\$12.43

We have enclosed a proposed rate schedule. To view a table comparing Sunnyvale's rates to surrounding communities, visit the City Clerk's Office and/or the City's website at [Sunnyvale.ca.gov](http://Sunnyvale.ca.gov) or call 408-730-7400.

**DEADLINE FOR PROTESTS: JUNE 16, 2026**

As required by California Proposition 218, should the City Council receive written protests from a majority of customers, the current rates will remain in place. To file a protest of the proposed service rate changes, the City must receive your written protest (**email protests will not be counted**) before the close of the public hearing on **June 16, 2026**. Staff will be available to receive protests at 456 W. Olive Ave through the end of the public hearing. Protests are limited to one per parcel and must include:

1. Original signature of the property owner or the utility customer of record
2. Address or Assessor's Parcel number of the property

Mail or deliver written protests to: Utility Service Rate Protest  
City of Sunnyvale, Department of Finance  
456 W. Olive Avenue  
Sunnyvale, CA 94086

For questions about the protest process or proposed rates, call 408-730-7400 or email [utilitybilling@sunnyvale.ca.gov](mailto:utilitybilling@sunnyvale.ca.gov).

## FACTORS AFFECTING PROPOSED RATE CHANGES

Sunnyvale bases its rates for utility services on the City's operating and maintenance costs. The City uses no tax revenues to pay for services. Each year, as part of the budgeting process, the City Council considers adjustments to utility rates. They also project rate adjustments needed over the next 20 years to ensure the sound financial condition of the City's utilities.

### Water Rates

Water rates pay for safe and reliable water delivery to all Sunnyvale residences and businesses. Customers are billed a flat service charge based on the size of the water meter and a variable charge per unit of water (\$/ccf<sup>1</sup>) consumed. The rates cover the City's costs to buy and deliver the water, maintain the infrastructure and administer the service. The City's 20-year long-term financial planning accounts for costs over the long term, keeping year-to-year rate increases more consistent through a rate stabilization reserve. This year Valley Water and San Francisco Public Utilities Commission (SFPUC), the City's two wholesale water suppliers, are increasing their wholesale water rates by 9.1% and 7.4%, respectively. The City's water distribution system is also aging, with some portions exceeding 50 years in age. Over the next 20 years, approximately \$133 million will be needed to replace water pipes, wells, and tank infrastructure.

The City's wholesale water suppliers could change their rates during the fiscal year. A pass-through provision to allow recovery of any mid-year increase in wholesale water rates is included. The following formula is used to calculate the pass-through adjustments: *Total expected cost increase for wholesale water purchases through the fiscal year end divided by the total budgeted expenditures for the purchase of wholesale water for the remainder of the fiscal year.* This percentage increase would be applied to utility bills for each unit of water used for the balance of the fiscal year that ends June 30, 2027.

### Wastewater Rates

Wastewater rates pay to maintain infrastructure and to collect and treat wastewater from all residences and businesses. The main driver of increases in wastewater rates is the significant effort to rehabilitate the City's aging wastewater treatment plant, which will cost approximately \$1.4 billion over the life of the project. The program, known as the Sunnyvale Cleanwater Program ([www.sunnyvalecleanwater.com](http://www.sunnyvalecleanwater.com)), renovates or rebuilds portions of the Sunnyvale Water Pollution Control Plant. This advanced wastewater treatment facility serves Sunnyvale residents, businesses, and industries. The plant, built in 1956, is one of the oldest wastewater treatment facilities on the West Coast and now requires significant upgrades to meet environmental and regulatory requirements, incorporate new technology, and repair infrastructure from over 60 years of wear and tear.

In addition to the Sunnyvale Cleanwater program, collection system operating, and regulatory compliance costs are increasing. Approximately \$104 million is planned over the next 20 years for improvements to aging wastewater collection infrastructure including sewer pipe replacement, pump stations, and other critical collection facilities.

### Solid Waste and Recycling Rates

Solid waste and recycling rates pay to remove, process, transfer and dispose of garbage, recyclables, yard and food waste weekly from all Sunnyvale residences and businesses. Rates also cover household hazardous waste services, street sweeping, and trash cans in public places. State and Federal mandates are a strong driver of rates. State and federal environmental protection regulations require monitoring and maintaining the closed Sunnyvale landfill. The State also mandates increasing our diversion of organics and other materials from landfill disposal, in alignment with SB1383 and the City's own Zero Waste Strategic Plan.

The 2026/27 Utility Rate Report to the City Council provides more details about the factors influencing rate changes. This report will be available in the City Clerk's Office and on the City's website at [Sunnyvale.ca.gov](http://Sunnyvale.ca.gov) by June 12, 2026.

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<sup>1</sup> One ccf is equal to 100 cubic feet of water, or 748 gallons.