

## **WHAT IS PROPOSITION 218?**

Proposition 218 is an article of the California Constitution that was passed by California voters in November 1996. It establishes the process by which public agencies can raise fees for public services. It was designed to provide greater ratepayer involvement in the entire rate setting process.

## **WHAT DOES PROPOSITION 218 REQUIRE OF GOVERNMENTAL ENTITIES?**

Proposition 218 requires cities to mail a public hearing notice to every Water Utility account holder regarding proposed rate changes 45 days prior to holding a public hearing during which the City Council considers whether or not to adopt the changes. It also establishes a protest process for account holders to follow if they wish to oppose the proposed rates.

## **WHO RECEIVES A PUBLIC HEARING NOTICE?**

Every account holder receives a public hearing notice. An account holder may be the property's landowner or it may be a tenant. The name that appears on the utility account, and in turn, on the utility bill, is the account holder.

## **WHAT ARE THE REQUIREMENTS FOR SUBMITTING A PROTEST OF THE RATES?**

Only one protest can be filed by an account holder per parcel (or **service address**) in order to count as a valid protest vote. While a protest card was provided with the mailing of each public hearing notice, the card is not required for the protest to be counted. The protest can be drafted on any type paper or pad but must include:

1. the water utility account number
2. the service address **or** parcel number
3. the account holder name as it appears on the bill or on the account
4. a valid signature and date

Since all written protests must be received by the end of the public hearing, protests being sent by mail should allow sufficient time for delivery as they will not be counted if they are not received and processed by the City Clerk's office prior to the close of the public hearing on November 6, 2019.

## **WHAT HAPPENS WHEN I SEND IN MY WRITTEN PROTEST?**

Written protests, whether submitted on the provided protest card or on a separate piece of paper, must include all information satisfying the four requirements enumerated above, and are counted and kept on file with the City Clerk. If a majority of the account holders file written protests opposing the rates **before the end of the public hearing on November 6, 2019**, the City is prohibited by Proposition 218 from implementing the rate changes.

## **WHAT CONSTITUTES THE MAJORITY NEEDED TO PROTEST THE PROPOSED RATES?**

A majority of the account holders means more than one-half of the accounts in the City of Oceanside's service area. Currently the City has 44,230 active accounts of which 22,116 or more protests would constitute a majority.

## **WHAT HAPPENS IF THE CITY RECEIVES A MAJORITY OF PROTESTS?**

In the event that a majority of account holders protest the rate changes, City Council are provided copies of the ratepayer protests for their review and may choose to either request that staff go back and make changes to be reintroduced through another 218 process before consideration of an adoption is entertained, or, withhold adoption of the proposed rate changes altogether.

## **WHAT HAPPENS IF THE CITY DOES NOT RECEIVE A MAJORITY OF PROTESTS?**

Without a majority protest, the City Council has the legal authority to adopt the proposed rate changes as dictated by Proposition 218. However, should a majority protest not be met, City Council is not automatically required to adopt the changes. Council may choose to withhold adoption or may request staff to go back and make changes, requiring the proposal to be reintroduced through a new and separate Proposition 218 rate hearing process before consideration of adoption is entertained.

## **WHERE CAN I OBTAIN A PROTEST CARD?**

Protest cards were mailed to all account holders along with the Proposition 218 Notice of Public Hearing between August 21, 2019, and September 20, 2019. Protest cards are also available at the Oceanside Civic Center in the City Clerk's Office (City Hall North, 2<sup>nd</sup> floor), the Water Utilities Office (City Hall South, 1<sup>st</sup> floor) and the Utility Billing and Cashiering Office (City Hall East, 1<sup>st</sup> floor, where you pay your utility bill, parking ticket, business license, or ambulance bill).

## **A FEW ITEMS WORTH REPEATING FOR CLARIFICATION:**

\*\*\*An important distinction is the requirement that there be **no more than one protest per account**. Multiple dwellings for which there are more than one home, apartment, mobile home, etc., receive only one protest from the account holder (name on the account). This does not include submeters that are billed by a third party rather than the City of Oceanside.

The signature that is required in order for a protest to be valid and counted must be handwritten. The City uses this to verify that a protest is not reproduced or submitted by someone other than the account holder. The protest can then be scanned for submission but the scan **must include a handwritten (not typed) signature**.