



June 1, 2021

Dear Monterey One Water Board of Directors,

The ongoing COVID-19 pandemic has created the worst economic conditions in recent history. Nevertheless, in September of last year this board implemented a sewer rate increase, raising monthly rates by an average of 16%. We are now in receipt of your multi-year proposal and find it both egregious and unreasonable to again raise rates, this time in excess of 120% over the next four years.

Despite the 16% increase approved last year, your agency has not provided sufficient justification for raising rates for a second time in a single year. After reviewing minutes and presentations through 2020, we have yet to find any analysis that justifies the increases proposed. If this board approves the rate schedule starting July 1st of this year, you will have imposed what amounts to a 71% increase in monthly rates over the last twelve months.

The new rate schedule hits ratepayers hard just as they begin to recover from 15 months of reduced wages, at best, or unemployment, at worst. The same is true for thousands of small businesses who barely survived, many of whom took out loans they must soon begin to repay or are on the hook for months of back-rent and other unpaid expenses. Some beloved small businesses have closed entirely, while larger entities at every end of the economic spectrum also had to make painful business decisions to survive. Few have been untouched by the pandemic and while many businesses hope to swiftly recover from a very bad year, economists estimate it will take years to make up for the financial losses suffered since the current crisis began.

Lack of affordable housing is one of the biggest challenges residents in our community face. Under the proposed rate schedule, owners and managers of rental properties will have no choice but to pass these costs onto their tenants. Why strain the already tight budgets of ordinary people, retirees, veterans, the disabled, renters on the margin, fixed-income households, small businesses barely getting by, hospitals, and everyone else who will have no choice but pay more than double for the same service? While the increases will be challenging for everyone, they will be especially acute for residents of Salinas, Seaside, and Boronda. Given the broad swath of challenges facing property owners and their tenants, it is unacceptable to pile on these increases and further exacerbate the already precarious situation many renters face as they seek to find their footing.



We ask for more transparency on the necessity of these increases and strongly oppose the rate schedule as presented to the public. Further, we urge this board to immediately and indefinitely suspend the increase and Proposition 218 Protest Vote to give our community adequate time to recover from the pandemic that has cost us all so much.

Sincerely,  
*The undersigned:*



*Frank  
Geisler,  
President/  
CEO  
Monterey  
Peninsula  
Chamber of  
Commerce*

*Dan  
Limesand,  
Director,  
Business  
Developmen  
t &  
Contracting  
Montage  
Health*

*Paul  
Farmer,  
CEO  
Salinas  
Valley  
Chamber of  
Commerce*

*Mike  
Zimmerma  
n, COO  
Cannery  
Row  
Company*

*Moe  
Ammar,  
President  
Pacific  
Grove  
Chamber of  
Commerce*

*Suzanne  
Menendez  
-Herbst,  
President  
Monterey  
County  
Association  
of Realtors*

*Janine  
Chicourra  
t, Board  
Chair  
Monterey  
County  
Hospitality  
Association*

*Elizabeth  
Surio,  
President/  
CEO  
Carmel  
Valley  
Chamber of  
Commerce*

*Craig  
Coming,  
Owner  
Mangold  
Property  
Manageme  
nt*

*Mary Alice  
Cerrito  
Fettis,  
President,  
Fisherman's  
Wharf  
Association*

*Will  
Sterling,  
President*

*Geno  
Quiroz,*