

To: Sebastopol Climate Committee  
RE: Status Update on Proposal to Reauthorize the Sebastopol Utility Users Tax For Funding Local Climate Action  
From: Funding Subcommittee  
Date: 08/03/2021

This memo is an update on the [Proposal for the Sebastopol Utility Users Tax](#) the Funding Subcommittee shared at our May 10 SCAC meeting. At the time of that meeting, the subcommittee had some questions that it wanted to pose to city staff.

The Funding Subcommittee received a response from Ana Kwong, Administrative Services Director, on July 28th regarding some questions we have on the UUT.

From the UUT revenue amount attributed to PG&E, we have developed a potential revenue amount that could be used for local climate action.

According to Ana Kwong, the UUT in fiscal year 2019/2020 generated \$296,879 from PG&E customers. At a rate of 3.75% that means the amount subject to the UUT was \$7,916,773.

If the UUT were increased from 3.75% to 4.75%, then the amount raised would be \$376,047. There would be an estimated \$79,168 increase in funds per year that could be available for local climate action.

We don't yet have the detailed numbers from staff to more accurately assess the UUT impact on average customers. Based on current available rates and published average consumption data, we estimate that the current average UUT for residential is \$7.81 per month and with the one percent rate increase it would be \$9.89 which makes the net impact \$2.08 per month.

For commercial customers, we estimate that the current UUT costs the average customer \$27.21 per month, and the new amount would be \$34.47 with a net increase of \$7.26 per month.

We are trying to set up a meeting with Ana Kwong to help us answer some of our remaining questions. We are sharing this update at this time given that we have some initial new information and the fact that the city is in the process of securing a consultant to review funding options, including reauthorization of the UUT. The subcommittee invites comments and suggestions from the full Committee.

The Funding Subcommittee  
Lisa Pierce, Woody Hastings & Steve Pierce