FOR IMMEDIATE RELASE December 15, 2023

Assistant City Manager, Patrick Gallegos (562) 431-2527 Ext. 1308 pgallegos@sealbeachca.gov

THE CITY OF SEAL BEACH ANNOUNCES PUBLIC HEARING TO CONSIDER PROPOSED RATES FOR WATER AND WASTEWATER (SEWER) SERVICES Hearing Scheduled for 7 p.m. Monday, February 12, 2024

SEAL BEACH, Calif. - To keep pace with inflation and rising costs of providing safe, reliable water and wastewater (sewer) collection services, the City of Seal Beach is considering rate adjustments over the next five years. The City's last water and sewer rate study was conducted in 2019 but not adopted until early 2021. The Seal Beach City Council will conduct a Public Hearing at 7 p.m. Monday, February 12, 2024, to consider proposed rates for water and wastewater sewer services.

The City Council will hear and consider oral testimony and written materials submitted regarding proposed rate increases at the Public Hearing date noted above at the Seal Beach City Council Chambers, 211 8th Street, Seal Beach, 90740. The City Council has the authority to make adjustments to proposed rate increases in response to oral testimony and written materials submitted for consideration.

In compliance with California Proposition 218, the City is mailing an official Notice in the coming weeks to inform Seal Beach property owners that proposed rate adjustments are being considered at the Public Hearing and of their right to participate and to protest rate increases. The public is encouraged to read the mailed Notice or access the digital copy and related information on the website at www.2023utilityratestudy.sealbeachca.gov. The public can also request information via email at utilityrates@sealbeachca.gov or call the Public Works Department at (562) 342-7389.

The City of Seal Beach owns and operates water and sewer systems serving a population of approximately 24,000 people. About 85% of our water use is drawn from local groundwater supplies, while the rest is imported from Northern California and the Colorado River. The City's water system consists of four wells, two reservoirs, two booster stations, nearly 75 miles of water mains, and approximately 5,350 service connections. The City's wastewater collection system consists of 34 miles of sewer lines, six pump stations, and 800 manholes.

The City does not own or operate wastewater treatment facilities but transports the wastewater to Orange County Sanitation District to be treated.

Per state law, revenues generated from water and sewer service rates must only be used to fund the actual costs to operate and maintain the system including infrastructure projects and the cost of debt to finance capital improvement projects. Through the Water and Wastewater Utility Enterprise Funds – separate from the City's General Fund – customer rates fund the complex water and wastewater systems.

With help from independent financial consultants, a rate study was conducted to assess the revenue needs for each utility to fund operations and maintenance expenses, large capital projects to repair/replace pipes and treatment plant processing equipment, debt service to pay back loans, and reserve funding.

Rate recommendations were presented to the Seal Beach City Council during a regular meeting of the City Council on December 11, 2023. The agenda and a video of the City Council meeting can be found on the City's website at www.sealbeachca.gov

How to Protest Water and Wastewater Rate Increases

At the Public Hearing, the City Council will accept and consider all written protests and hear all oral comments on the proposed rate changes. Oral comments will not be counted as protests unless accompanied by a written protest. At the conclusion of the public hearing, the City Council will consider adoption of the proposed changes as follows:

- (1) If less than a majority of record property owners file a protest, the City Council will consider increasing water and wastewater rates, effective April 1, 2024.
- (2) If a majority of affected record property owners protest the increase before the conclusion of a required public hearing, the City is prohibited by law from increasing water and wastewater rates.

Written protests must be received by the City Clerk prior to the conclusion of the Public Hearing on February 12, 2024. The Clerk will not accept or consider any protest received after the conclusion of the Hearing. Only one written protest per affected property will be counted. Telephone, e-mail, and fax protests will not be accepted. For more information about the process, please visit the website at www.2023utilityratestudy.sealbeachca.gov.

The detailed final Rate Study Report will also be available on the website and available from the City Clerk's office. The agenda packet for the Public Hearing will be posted and available similar to all other City Council meetings.

###