FOR IMMEDIATE RELEASE January 31, 2024

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## THE CITY OF SEAL BEACH PUBLIC HEARING TO CONSIDER PROPOSED RATES FOR WATER AND WASTEWATER (SEWER) SERVICES

Public Hearing 7 p.m., Monday, February 12
Staff will Recommend Public Hearing Continuance for 7 p.m., Monday February 26

**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. on Monday, February 12, 2024, to consider proposed rates for water and wastewater sewer services.

At the Public Hearing on February 12, the City Council will hear and consider oral testimony and written materials submitted regarding proposed rate increases. The Public Hearing will take place at the Seal Beach City Council Chambers, 211 8th Street, Seal Beach, 90740. Note that public testimony will be considered at the Hearing on February 12, however, City staff will make a recommendation during the Hearing to continue it to Monday, February 26, 2024, to provide more time for the public to review, consider, and submit comments or protest the proposed rates, as outlined in the Notice that was mailed to property owners. 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 mailed an official Notice 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 <a href="www.2023utilityratestudy.sealbeachca.gov">www.2023utilityratestudy.sealbeachca.gov</a>. The public can also request information via email at <a href="utilityrates@sealbeachca.gov">utilityrates@sealbeachca.gov</a> 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 25,000 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, and may not be used to augment the City's General Fund. 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 pump stations, 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 <a href="https://example.com/here/">here</a>.

## 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 or water/sewer customers 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 or water/sewer customers 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 from record property owners or water/sewer customers must be received by the City Clerk prior to the conclusion of the Public Hearing. Record property owner is generally defined as the person(s) listed on the property's recorded grant deed. A

Water/Sewer customer is generally defined as the individual responsible for the water and/or sewer utility charges (i.e., listed as the responsible party on the property's utility bill). 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 <a href="https://www.2023utilityratestudy.sealbeachca.gov">www.2023utilityratestudy.sealbeachca.gov</a>.

The detailed 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.

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