



PRESS RELEASE

FOR IMMEDIATE RELEASE

March 13, 2024

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THE CITY OF SEAL BEACH TO HOST CITY COUNCIL STUDY SESSION ON POTENTIAL WATER AND WASTEWATER (SEWER) RATE ADJUSTMENTS *Public Input Encouraged at the March 20th City Council Study Session*

SEAL BEACH, Calif. – The City of Seal Beach is considering adjustments to water and wastewater (sewer) collection service rates over the next five years to keep pace with inflation and rising operational costs. As part of the ongoing rate study process, the Seal Beach City Council will conduct a **Special Study Session at 5 p.m. Wednesday, March 20, 2024**, in the City Council Chambers, 211 8th Street. The purpose of this special meeting as directed by Council is to specifically review the critical water/sewer CIP projects that must be financed through the updated rates.

During the Study Session, the City Council will receive information and consider public input. City staff also is announcing two additional community meetings for the public to learn more about potential water and wastewater rate adjustments. These dates are tentatively set for:

- 6 p.m. Thursday, April 11, City Council Chambers, 211 8th Street
- 10:30 a.m. Saturday, April 13, City Council Chambers, 211 8th Street

Why Consider Rate Adjustments?

The City's last water and sewer rate study was conducted in 2019 and implemented in early 2021. Rising costs of maintaining and operating the water and wastewater systems necessitate rate adjustments. These systems serve a population of roughly 25,000 residents and require ongoing infrastructure projects and maintenance.

Transparency and Public Participation

The City of Seal Beach is committed to transparency and public involvement. This Study Session ensures residents have a chance to learn about the process and voice their opinion before the Council considers any formal action. Two ways to participate in the City Council Study Session on March 20th are:

- **Attend the Study Session:** Public opinion can be voiced directly to the City Council during the public comment period.
- **Submit Written Comments:** For those who cannot attend, written comments may be sent to the City Clerk's Office.

Background and Rate Study Process

The City of Seal Beach owns and operates water and sewer systems that serve a population of about 25,000 people. About 85 percent 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 and charges may only be used to fund the actual costs to operate and maintain the utility including infrastructure projects and the cost of debt to finance capital improvement projects. These revenues 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.

Also, per state law (Proposition 218), property owners have the right to protest proposed increases for a "property-related service," such as water and sewer rates and charges. While the Study Session on March 20 will focus on gathering public input, it's important to understand the protest process for potential future actions.

With help from independent financial consultants, a rate study was initiated in mid-2023 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. The detailed Rate Study Report is available on the City's website (www.2023utilityratestudy.sealbeachca.gov) and available at the City Clerk's office.

The completed rate study, five-year financial plan, and proposed rates were presented at a regular meeting of the City Council on December 11, 2023. At this meeting, the City Council directed staff to set a Public Hearing on February 12, 2024, to consider proposed rates and public input. On February 12, the Council opened the Public Hearing and voted to continue the Hearing to February 26 to provide more time for the public to review, consider, and submit comments or protest the proposed rates.

At the continuance on February 26, the Council considered public comment and written protests and voted to continue the Public Hearing to a future date to allow more time to conduct a study session of the Council (hence scheduled for 4 p.m. Wednesday, March 20) and host additional community meetings in April (referenced above). Protests received thus far will be carried over until the Public Hearing is closed.

Once a date has been set for the Public Hearing to continue, a new Proposition 218 Notice of Public Hearing to Consider Proposed Water and Wastewater Rates will be mailed to recorded property owners, water and wastewater customers of record, and Leisure World shareholders no less than 45 days before the Hearing per the Proposition 218 procedures presented to the City Council on February 26.

Public Information

- **Website:** To keep the public informed, the City created a dedicated website at www.2023utilityratestudy.sealbeachca.gov with details on the proposed rate adjustments, the public hearing process, and how to protest potential increases (once a formal proposal is presented).
- **Public Works Department:** For further information, contact the Public Works Department at (562) 342-7389.
- **Previous City Council Meetings:**
 - **December 11, 2023:** City Council meeting where initial rate recommendations were presented can be accessed online, including the agenda and video recording [Link](#)
 - **February 12, 2024 Public Hearing** [Link](#)
 - **February 26, 2024 Public Hearing Continued** [Link](#)
- **Public Informational Webinar:**
 - **Nov. 30, 2023** [Link](#)

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