ORANGE COUNTY SANITATION DISTRICT

NOTICE OF PROPOSED ENACTMENT OF ORDINANCE NO. OC SAN-58

AN ORDINANCE OF THE BOARD OF DIRECTORS OF ORANGE COUNTY SANITATION DISTRICT ADOPTING REGIONAL SEWER SERVICE CHARGES AND REPEALING ORDINANCE NO. OCSD-49

Notice is hereby given that on March 22, 2023, at 6:00 p.m. at the Orange County Sanitation District's (OC San) Board Room located at 10844 Ellis Avenue, Fountain Valley, California, the Board of Directors of OC San adopted Ordinance No. OC SAN-58. The Board made findings of fact, which include, but are not limited to, the following:

- The Board is authorized to prescribe, revise, and collect fees or other charges for services and facilities furnished by OC San in connection with its sewerage system;
- The Board has previously approved the Capital Improvement Program (CIP), which includes rehabilitation and refurbishment of existing facilities;
- The Board intends to adopt the regional sewer service charges to ensure that OC San has sufficient revenues and reserves to meet OC San's obligations and operations; and
- The Board is authorized to have the proposed regional sewer service charges collected on the tax roll.

The Ordinance establishes regional sewer service charges, which will be levied on each parcel receiving sewer service from OC San, to recover the reasonable costs to provide sewer service to individual properties which have been improved for different types of uses. The sewer service charges are reasonably related to, and do not exceed, the cost of providing sewer services. The basic sewer service charge for the next five fiscal years for Single Family and Multi Family residential users will be as follows:

| | PROPOSED RATE STRUCTURE BEGINNING JULY 1, 2023 THROUGH JUNE 30, 2028 | | | | |
|-----|---|----------|----------|----------|----------|
| FY | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
| SFR | \$358.00 | \$371.00 | \$384.00 | \$397.00 | \$411.00 |
| MFR | \$250.60 | \$259.70 | \$268.80 | \$277.90 | \$287.70 |

Sewer service charges for other uses shall be calculated based upon the percentage applicable to the property use classification multiplied by the Single Family Residential User Rate. The sewer service charges will be used to (i) meet operating expenses, (ii) purchase or lease supplies, equipment, or materials, (iii) meet financial reserve needs and requirements, and (iv) obtain funds for capital projects necessary to maintain service within existing service areas.

The Ordinance further provides that the charges will be collected on the County tax roll in the same manner, by the same persons, and at the same time as, together with, and not separately from, its general taxes. In certain circumstances, and upon conditions prescribed in the Ordinance, property owners may be entitled to either a rebate or a refund with respect to charges paid. The adoption of the sewer services charges is exempt from the California Environmental Quality Act.

A certified copy of the full text of the proposed Ordinance No. OC SAN-58 is on file with the Clerk of the Board and available for public review, is attached to the Agenda and Staff report for the Board meeting at which it was introduced for first reading on February 22, 2023, and adopted on March 22, 2023, and which are posted at OC San's website at <u>www.ocsan.gov</u>. The Ordinance shall take effect July 1, 2023.

PASSED AND ADOPTED by the Board of Directors of the Orange County Sanitation District at its Regular Board Meeting held on the 22nd day of March 2023 by the following vote:

AYES: Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate) Johnathan Ryan Hernandez
ABSENT: Farrah Khan and Bruce Whitaker
ABSTENTIONS: None

Kelly A. Lore. MMC Clerk of the Board Published OC Register 3/29/2023