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

CITY TO HOST CITY COUNCIL STUDY SESSION ON WATER AND SEWER SYSTEM REVENUE NEEDS AND CAPITAL PROJECTS

PUBLIC INPUT ENCOURAGED AT MARCH 10 CITY COUNCIL STUDY SESSION

SEAL BEACH, CA – The City of Seal Beach water and sewer utility enterprise funds have been negatively impacted by years of higher than average inflation, lower water use, increase in wholesale water costs, and aging infrastructure. Utility systems must keep up with rising costs and be able to implement critical capital projects that are mandated or necessary.

The City is considering adjustments to water and 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 that began in 2023, the Seal Beach City Council will participate in a **Study Session** at **5 p.m. Monday, March 10, 2025**, in the City Council Chambers, 211 8th Street, to discuss the financial status of each utility and capital needs required to ensure long-term system reliability.

During the Study Session, the City Council will receive information about rate adjustment options, much-needed capital repairs and replacement projects, and consider public input. During a separate meeting, the City Council will consider proposed rate changes and initiating Proposition 218 Public Hearing before any formal action is taken. All members of the public are invited to participate in the study session and upcoming series of public meetings and community informational sessions.

The City Council considered proposed rate adjustments in early 2024 but ultimately voted to pause and review planned capital projects and allow more time to gather public input. The majority of funds required to operate and invest in our systems come directly from the rates customers pay for water and sewer service. Unfortunately, revenues from current rates are no longer adequate to support operations and fund the much-needed system improvements and maintenance planned over the next 10 years.

Rate adjustments are necessary to proactively maintain the water production and distribution and sewer collection systems, helping to prevent higher costs in the future. By investing in

local water supplies, the City is working to provide long-term savings for customers, reducing reliance on more costly imported water.

The City of Seal Beach is committed to transparency and public involvement. The City Council meetings and community information sessions ensure residents and businesses have several opportunities to learn about the proposed rate changes and voice their opinions before the Council considers any formal action. Ways to participate include:

- Attend the City Council Study Session and future meetings: 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 via email to <u>utilityrates@sealbeachca.gov</u>.
- Attend a community information session with staff and subject matter experts.

For questions, the public may also call the Public Works Department at (562) 342-7389.

ABOUT CITY WATER AND SEWER SERVICES

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.

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