



## PUBLIC HEARING & PROTEST PROCEEDINGS

Pursuant to State law, protests may be provided by any City customer or property owner subject to the proposed rate changes, against any or all of the proposed rate changes described in this Notice. Written protests may be submitted in person to the City Council at either Public Hearing. They may also be submitted by mail addressed to:

**City of Malibu**  
**City Clerk's Office**  
**23825 Stuart Ranch Road**  
**Malibu, CA 90265**

Both in person and mailed written protests must be received prior to the close of each public hearing. Each written protest must clearly identify the property or account, reference the proposed rates, and must include the signature of the property owner or tenant, as applicable. Due to the inability to verify the authenticity of each individual protest, protests received by telephone, electronic mail (e-mail), or via social media sites, including, but not limited to, Facebook or Twitter shall NOT be accepted. All interested parties are invited to attend the public hearing and present written protests and/or oral comments on the proposed rate increases referenced herein. Only one protest notice is allowed per parcel. If you choose to protest, you must submit a signed written protest to the City Clerk on or before the close of the hearing. The written protest must contain your full name and signature, the address of the service and the rate change being protested. Oral comments made at the public hearing will qualify as formal protests of the proposed rate increases if accompanied by a written protest setting forth the required information (as set forth above). If written protests are submitted by a majority of the affected property owners or customers, the proposed rates will not be imposed.



## PROJECT SCHEDULE

The City set an ongoing schedule of meetings providing several opportunities for input on the proposed rates. This included multiple public information meetings to allow parcel owners the opportunity to ask questions and provide informal comments prior to the hearing and second reading. Please see the schedule below for past events and a listing of the remaining milestones.

<b>APRIL</b> 2017	<b>APRIL 26, 2017</b> 1st Public Information Meeting / 8:30 a.m. 1st Public Works Commission Meeting / 3:30 p.m.
<b>MAY</b> 2017	<b>MAY 18, 2017</b> 2nd Public Information Meeting / 8:30 a.m.
	<b>MAY 24, 2017</b> 2nd Public Works Commission Meeting / 3:30 p.m.
<b>JUNE</b> 2017	<b>JUNE 26, 2017</b> City Council Meeting (Authorizing Prop. 218 Notice) / 6:30 p.m.
<b>SEP</b> 2017	<b>SEPTEMBER 11, 2017</b> 1st Public Hearing
<b>OCT</b> 2017	<b>OCTOBER 23, 2017</b> 2nd Public Hearing
<b>JAN</b> 2018	<b>JANUARY 1, 2018</b> Rate Effective Date

# PUBLIC HEARING

## FOR WASTEWATER & RECYCLED WATER RATES

Notice is hereby given to consider proposed wastewater and recycled water rates for (Civic Center Wastewater Treatment Facility - Phase 1)

**MONDAY, SEPTEMBER 11, 2017**  
**AT 6:30 P.M.**

**CITY OF MALIBU COUNCIL CHAMBERS**  
**23825 STUART RANCH ROAD**

A second reading will occur  
**MONDAY, OCTOBER 23, 2017**  
**AT 6:30 P.M.**

**Proposed rates effective**  
for services provided on or after

**JANUARY 1, 2018**

**If approved by City Council**

CITY OF  
**Malibu**  
CALIFORNIA



## ABOUT THE PROPOSED RATES

In 2011, the City of Malibu (City) reached an agreement with the Regional Water Quality Control Board, Los Angeles Region and the State Water Resources Control Board to phase out the use of onsite wastewater disposal systems in the Civic Center Area of the City. In their place, the City is building a wastewater collection and treatment system as well as a recycled water production, distribution, and aquifer injection system.

The City is developing this project in three phases, and currently completing Phase 1. This phase encompasses the construction of the treatment plant and the collection and distribution systems to nearby parcels. Phase 1 consists of 57 parcels in the central core of the Civic Center. Approximately half of the parcels are developed and consist primarily of commercial properties with a few residential parcels. The City will begin charging the proposed rates once service is provided to the customer.

The City of Malibu is subject to Proposition 218 and therefore required by law to charge its customers only what is necessary to provide recycled water and wastewater services.



## HOW RATES ARE CALCULATED

Wastewater service costs fall into three groups:

- **Contract Costs:** General operation and maintenance expenses quoted by the Operator to the City (\$1,156,066)
- **Pass-through Costs:** Operator expenses not under general management that are billed to the City (\$123,274)
- **Other Direct Costs:** Additional expenses not quoted in contract but will be incurred by the City, calculated by reviewing the budgets of peer agencies (\$171,263)

The total annual cost to operate the wastewater system is \$1,450,603. The City developed a per Equivalent Dwelling Unit (EDU) rate to create parity across different customers. For the development of the City's rates, an EDU is defined as the equivalent of a single-family home in terms of wastewater flow and strength. Monthly wastewater rates per EDU for the fiscal years of 2018, 2019, and 2020 are shown in the next panel.

## ADDITIONAL INFORMATION

The utility rate study, which details the Wastewater and Recycled Water Systems' budget and rate derivations, is available on the City's website at [www.malibucity.org](http://www.malibucity.org).

## PROPOSED MONTHLY WASTEWATER RATES

	FY 2018-2020
Per EDU	\$400.34

Each developed parcel's monthly charge will be calculated by multiplying the per EDU rate above by the total EDUs assigned to that parcel based on its relative flow and strength compared to a single-family home.

The proposed rate will remain static with no rate increase for fiscal years 2018-2020.

## PROPOSED RECYCLED WATER RATES

All Assessment District customers will receive a monthly recycled water allocation based on their estimated wastewater flow, minus 5% to account for water lost during wastewater collection and treatment to produce recycled water.

The recycled water rates intend to recover any additional burden on the system due to customers' usage over their allocations as well as customers outside of the Assessment District that connect to the recycled water system.

The proposed recycled water rate will also remain static with no rate increase for fiscal years 2018-2020.

	FY 2018-2020
<b>Inside District</b>	
Tier 1 – Usage Within Allocation	\$0.00 per HCF
Tier 2 – Usage Above Allocation	\$2.04 per HCF
<b>Outside District</b>	\$5.70 per HCF