



Public Hearing and Protests 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 by mail addressed to:

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

Protests may also be submitted in person to the City Clerk's office at **23825 Stuart Ranch Road, Malibu, CA 90265**. Mailed protests must be received by the City Clerk's office no later than 5:00 p.m. on April 22, 2024. Protests submitted in person must be received prior to the close of the public hearing. Each written protest must clearly identify the property or account (by address, account number, or APN), reference which of the proposed rates is being protested, and must include the name and signature of the property owner or tenant, as applicable. Protests submitted by email can be sent to **cityclerk@malibucity.org**, provided the email includes a scanned copy or image of the property owner's signature as well as the same information that is otherwise required for the protest. Protests received by telephone or via social media sites, including, but not limited to, Facebook or X 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. Oral comments made at the public hearing will not qualify as formal protests of the proposed rate increases unless 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. Pursuant to Government Code Section 53759, there is a 120-day statute of limitations for any judicial action or proceeding challenging any new, increased, or extended recycled water or wastewater fee or charge



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**.

PUBLIC HEARING



MONDAY, APRIL 22 — 6:30 P.M

Notice is hereby given a public hearing will be held. You may access the virtual meeting by visiting **www.malibucity.org**. Should the City determine to also hold an in-person meeting, information about the in-person meeting will be posted on the City's website and included in the agenda for the public hearing.

If approved by City Council, the proposed rate increases will be effective for services provided on or after July 1, 2024.





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 Phase 1 was completed in October 2018. This phase encompasses the construction of the treatment plant, the collection system, and distribution systems to serve nearby parcels. Approximately 60% of the Phase 1 parcels in the central core of the Civic Center are developed. These parcels 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's wastewater and recycled water rates are subject to Proposition 218 and Malibu is therefore required by law to charge its customers only what is necessary to provide recycled water and wastewater services.



How Rates are Calculated

Wastewater Rates

Wastewater service costs fall into four groups:

- **Contract Costs:** Actual costs for the operation and maintenance identified in the City's contract with Integrated Performance Consultants, Inc., the City's contracted operator for the CCWTF.
- **Pass-through Costs:** Reimbursable expenses by the CCWTF operator and not included in the Contract Costs. These items include chemicals, electricity, and replacement of equipment, fuel for the backup generators, and the biosolids removal and disposal.
- **Direct Costs:** Additional expenses the City will incur operating and maintaining the CCWTF including utilities, insurance, operating supplies, and water quality monitoring.

The total annual cost to operate the wastewater system in fiscal year 2024 is anticipated to be \$2,064,976. 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 commencing July 1, 2024, through and including June 30, 2028, are shown in the next panel.

Proposed Monthly Wastewater Rates

The proposed wastewater rates will take effect each July 1, commencing July 1, 2024, through and including June 30, 2028

	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
Wastewater Rate (\$/EDU)	\$516.57	\$526.91	\$537.45	\$548.20

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.

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 and customers outside of the Assessment District that connect to the recycled water system.

The proposed recycled water rates will take effect on July 1, 2024, and will increase each July 1 thereafter through and including 2028.

Proposed Recycled Water Rates

	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
Inside District				
Tier 1	\$0.00	\$0.00	\$0.00	\$0.00
Tier 2	\$2.47	\$2.83	\$2.88	\$2.93
Outside District	\$6.13	\$6.49	\$6.54	\$6.59