

**NOTICE IS HEREBY GIVEN** that on **November 14, 2023, at 4:00 p.m.**, or soon thereafter as the matter shall be heard, a public hearing will be conducted in the City Council Chambers at 100 Civic Center Drive, Newport Beach. The City Council of the City of Newport Beach will consider the following:

**CHANGES TO WATER AND SEWER RATES –** City Council will consider the adoption of a resolution to change the water and sewer rates collected through the municipal services bill. These rates fund the operations, maintenance and replacement activities associated with the City's water and sewer systems.

The Utilities Department retained the consulting services of a specialty financial consultant to conduct a financial review and prepare rate studies for the City's water and sewer systems. The financial review analyzed operations/maintenance costs, current and future inflationary factors such as labor, materials, construction, and water supply costs, and future capital replacement needs of the systems. The studies concluded that water rate and sewer rate increases are recommended to ensure adequate funds are available to continue providing high quality water and sewer system services. Along with the publication of this notice, the City mailed written notice of the proposed water and sewer rate structure and adjustments to the record owners and customers of each identified parcel subject to the water and sewer rates.

**NOTICE IS HEREBY FURTHER GIVEN** The project is exempt under Section 15060(c)(2) of the State CEQA (California Environmental Quality Act) Guidelines because it will not result in a direct or reasonably foreseeable indirect physical change to the environment.

**NOTICE IS HEREBY FURTHER GIVEN** All property owners and active water and sewer customers subject to the City's water and sewer rates were properly noticed as required by California statutes including, but not limited to, Proposition 218. Under the Proposition 218 requirements, the rates will not be adjusted if a majority of the property owners subject to the water and sewer rates submit a valid written protest to the City Clerk by the close of the 45-day notice period. If the total number of protests is less than half of the number of properties served by the City, then the Clerk may advise the City Council of the absence of a majority protest without determining the validity of all protests.

NOTICE IS HEREBY FURTHER GIVEN – SENATE BILL 323: 120-Day Statute of Limitations for New or Increased Water and Sewer Rates: With the enactment of Senate Bill 323, customers must bring a civil action to new or increased water or sewer rates within 120 days of the effective date or date of final passage, adoption or approval of the resolution adopting the applicable water or sewer rate(s).

All interested parties may appear and present testimony in regard to this change. If you challenge this project in court, you may be limited to raising only those issues you raised at the public hearing or in written correspondence delivered to the City, at, or prior to, the public hearing. The change may be continued to a specific future meeting date, and if such an action occurs, additional public notice of the continuance will not be provided. Prior to the public hearing, the agenda, staff report, the 2023 water rate study, the 2023 sewer rate study and documents may be reviewed at the City Clerk's Office, at 100 Civic Center Drive, Newport Beach, California, 92660 or at the City of Newport Beach website at <a href="https://www.newportbeachca.gov">www.newportbeachca.gov</a>. Individuals not able to attend the meeting may contact the Utilities Department or access the City's website after the meeting to review the action on this item.

For questions regarding this public hearing item please contact Josh Rosenbaum, Utilities Department Senior Management Analyst, at 949-644-3011 or <a href="mailto:jrosenbaum@newportbeachca.gov">jrosenbaum@newportbeachca.gov</a>. or <a href="mailto:jrosenbaum@newportbeachca.gov">JtilitiesHelp@newportbeachca.gov</a>.

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/s/ Leilani I. Brown, MMC, City Clerk, City of Newport Beach