

The Rate Setting Process

Presented by:
Ruth Zintzun, Finance Manager

Operations Committee
February 4, 2026

OC SAN
ORANGE COUNTY SANITATION DISTRICT

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Proposition 218

- “Right to Vote on Taxes Act” (1996)
- Protects California property owners from unfair or excessive local government fees, assessments, and taxes.
- Rates must be proportional to the service provided and cannot exceed the cost of service.



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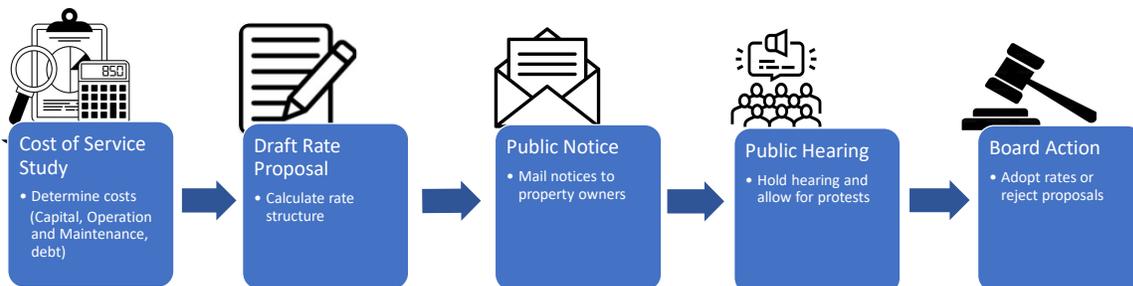
Legal Requirements Under Prop 218

- Cost-of-Service Basis
- Notice & Public Hearing
- Majority Protest
- Transparency

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Steps



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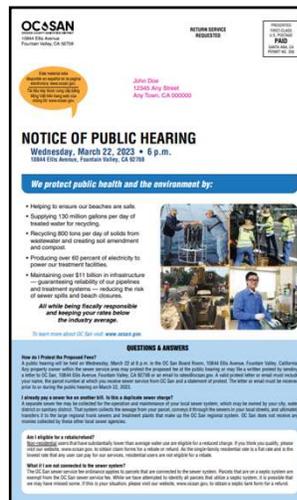
Cost of Service Study

-  Operations & Maintenance (O&M) Costs
-  Capital Improvement / Replacement Costs
-  Debt Service
-  Reserve Requirements
-  Proportionality to Water Usage or Wastewater Discharge Volume

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Public Transparency

- Publish Rate Study
- Mail Notices
- Public Outreach Before Hearings



OCSSAN
Orange County Sanitation Authority
Fountain Valley, CA 92708

WATER SERVICE
METERED

John Doe
12345 Any Street
Any Town, CA 90000

NOTICE OF PUBLIC HEARING
Wednesday, March 22, 2023 • 6 p.m.
1884 Ellis Avenue, Fountain Valley, CA 92708

We protect public health and the environment by:

- Helping to ensure our beaches are safe.
- Supplying 100-million gallons per day of treated water for recycling.
- Recycling 800 tons per day of solids from wastewater and creating soil amendment and compost.
- Producing over 60 percent of electricity to power our treatment facilities.
- Maintaining over \$1 billion in infrastructure and treatment systems — reducing the risk of water spills and beach closures.

All while being fiscally responsible and keeping your rates below the industry average.

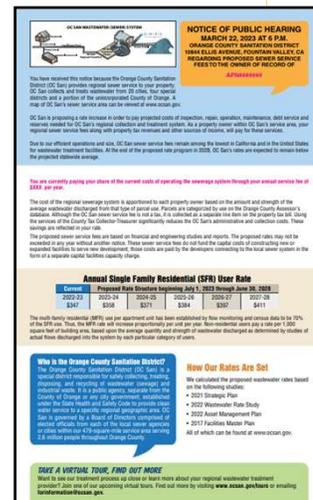
QUESTIONS & ANSWERS

How do I attend the Public Hearing?
A public hearing will be held on Wednesday, March 22 at 6 p.m. in the OC San Board Room, 1884 Ellis Avenue, Fountain Valley, California. An agenda will be mailed to your home. You may also register to attend the hearing by email. For more information, visit www.ocsan.gov or call 714-952-2200.

Why is this important?
The public hearing is an important part of the public process for the proposed rate study. It is an opportunity for you to voice your concerns and provide input on the proposed rates. Your input will be taken into consideration in the final rate study.

What if I cannot attend the hearing?
If you are unable to attend the hearing, you may submit written comments to the OC San Board. Comments should be submitted by the deadline of March 22, 2023.

What if I have questions about the rates?
If you have any questions about the proposed rates, please contact the OC San Board at 714-952-2200 or visit www.ocsan.gov.



NOTICE OF PUBLIC HEARING
MARCH 22, 2023 AT 6 P.M.
ORANGE COUNTY SANITATION AUTHORITY
1884 ELLIS AVENUE, FOUNTAIN VALLEY, CA
RECOMMENDED WASTEWATER SERVICE FEES TO THE OWNER OF RECORD OF

Annual Single Family Residential (SFR) User Rate

| Current | Proposed Rate Structure Beginning July 1, 2023 Through June 30, 2028 | | | | |
|---------|--|---------|---------|---------|---------|
| 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
| \$347 | \$358 | \$371 | \$384 | \$397 | \$411 |

Who is the Orange County Sanitation Authority?
The Orange County Sanitation Authority (OCSSAN) is a public agency responsible for providing wastewater treatment, recycling, and recycling of wastewater sludge for reuse. OCSSAN is a public agency owned and operated by the County of Orange as a public utility.

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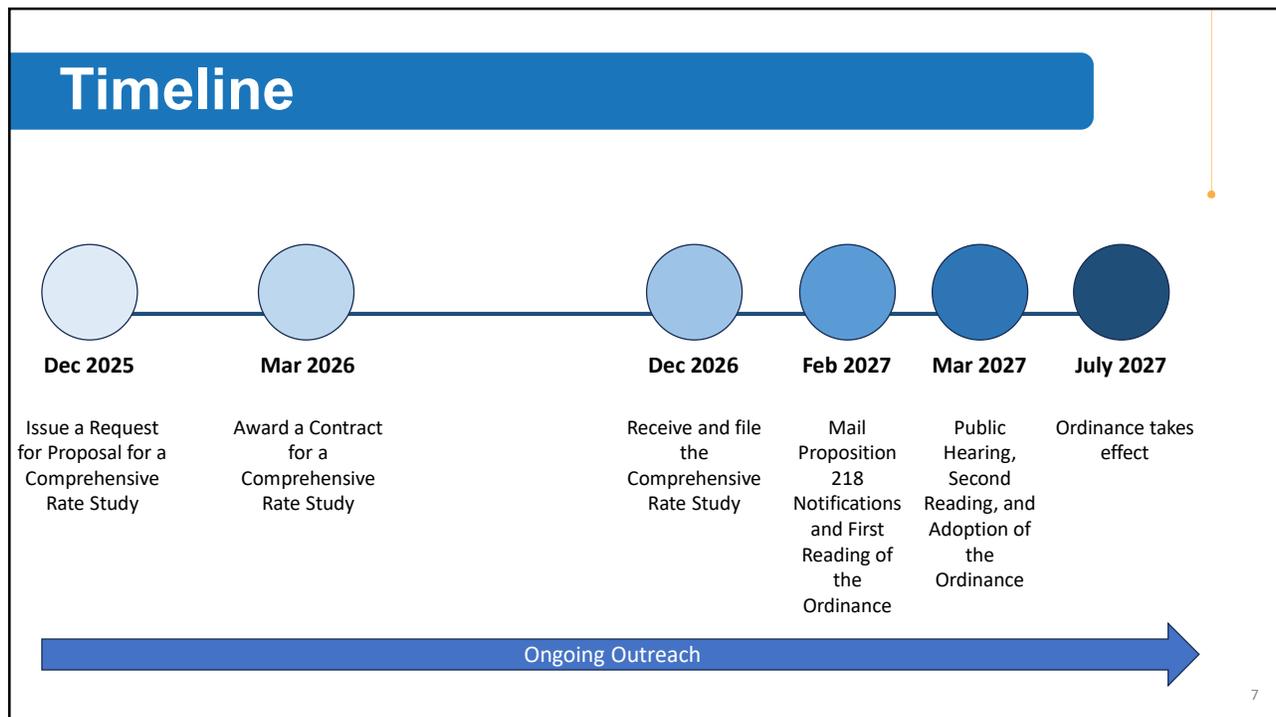
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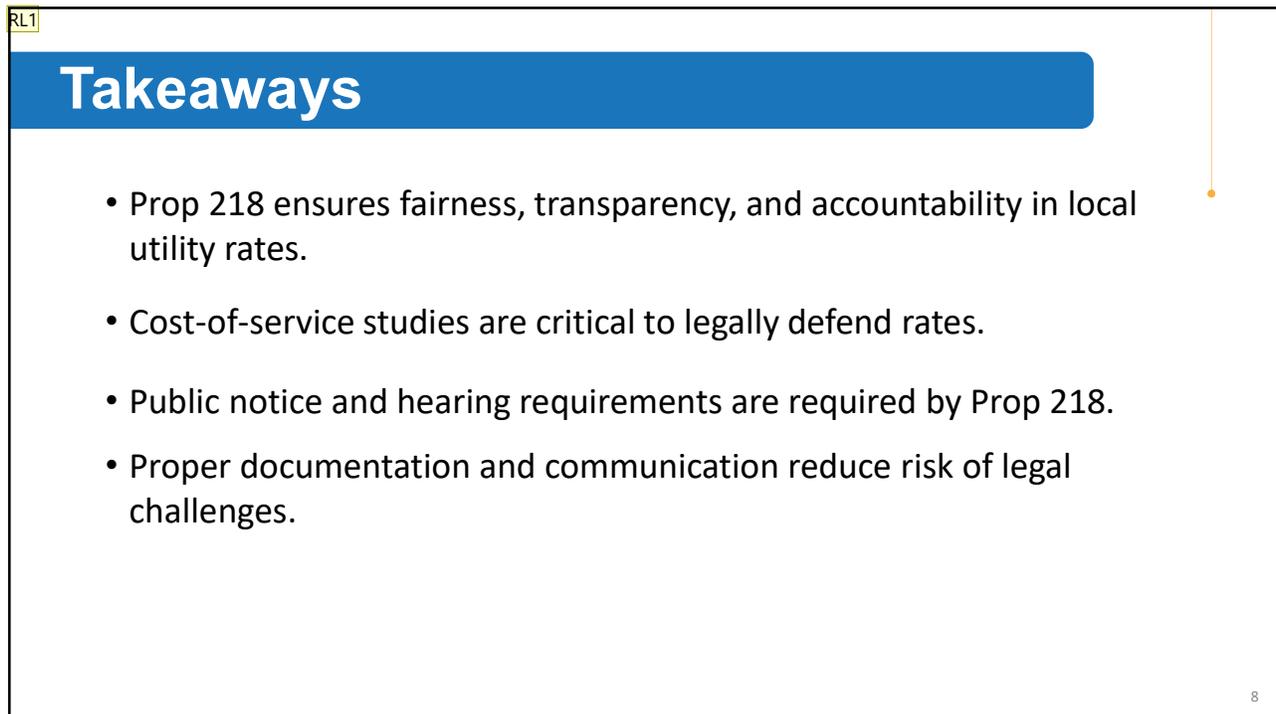
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Recommendation

Information item.