

STEERING COMMITTEE

Agenda Report

Headquarters
18480 Bandilier Circle
Fountain Valley, CA 92708
(714) 593-7433

File #: 2025-4236

Agenda Date: 4/23/2025

Agenda Item No: 4.

FROM: Robert Thompson, General Manager
Originator: Wally Ritchie, Director of Finance

SUBJECT:

PAYMENT AGREEMENT FOR CHARGES AND FEES OWED BY MBV-CA, LLC INDUSTRIAL WASTEWATER DISCHARGE PERMITTEE

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve the Payment Agreement for charges owed for user fees with MBV-CA, LLC, an Industrial Wastewater Discharge Permittee, in the amount of \$560,308.71.

BACKGROUND

MBV-CA, LLC (MBV) is the holder of an industrial wastewater discharge permit issued by the Orange County Sanitation District (OC San) that requires payment of user fees for the cost of conveying, treating, and disposing of wastewater discharged. Based on the terms of the permit, the permittee is required to pay estimated quarterly sewer service charges that are reconciled annually with actual discharge flows and strength. The permittee (MBV) is delinquent and has a current balance of \$560,308.71 in total for the 2023-24 Annual Reconciliation Invoice along with the first and second quarter estimated invoices for 2024-25.

RELEVANT STANDARDS

- Comply with Resolution No. OC SAN 21-05

PROBLEM

MBV is delinquent and currently owes \$560,308.71 for their 2023-24 Annual Reconciliation Invoice along with the first and second quarter estimated invoices for 2024-25 and has requested a payment agreement.

PROPOSED SOLUTION

Resolution No. OC SAN 21-05 allows for a payment agreement to allow a permittee to pay the amounts owed while continuing to conduct their business with a valid industrial wastewater discharge permit.

TIMING CONCERNS

N/A

RAMIFICATIONS OF NOT TAKING ACTION

If no action is taken, MBV will begin accruing late penalties and finance charges, increasing the balance due on the account.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

MBV is requesting a payment term of eight months. Per Resolution No. OC SAN 21-05, the interest rate is calculated to be 10%.

CEQA

N/A

FINANCIAL CONSIDERATIONS

N/A

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Payment Agreement, MBV-CA, LLC