



ADMINISTRATION COMMITTEE

Agenda Report

Headquarters
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File #: 2025-4636

Agenda Date: 12/10/2025

Agenda Item No: 9.

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

SUBJECT:

PAYMENT AGREEMENT FOR CHARGES AND FEES OWED BY COLOR FASHION DYE AND FINISHING, 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 Color Fashion Dye & Finishing, an Industrial Wastewater Discharge Permittee, in the amount of \$114,848.28, pending receipt of acceptable payment security.

BACKGROUND

Color Fashion Dye & Finishing, LLC 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 (Color Fashion Dye & Finishing) is delinquent and has a current total balance of \$114,848.28 for the 2024-25 Annual Reconciliation Invoice.

RELEVANT STANDARDS

- Comply with Resolution No. OC SAN 21-05

PROBLEM

Color Fashion Dye & Finishing is delinquent and currently owes \$114,848.28 for their 2024-25 Annual Reconciliation Invoice.

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, Color Fashion Dye & Finishing will begin accruing late penalties and finance charges, increasing the balance due on the account.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

Color Fashion Dye & Finishing is requesting a payment term of twelve months. Per Resolution No. OC SAN 21-05, the interest rate is calculated to be 10%. Staff are requiring a bond or other form of financial security as a part of any Payment Agreement.

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:

- Draft Payment Agreement, Color Fashion Dye & Finishing, LLC