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April 12, 2021

The Honorable Jesse Gabriel
 California State Assembly
 State Capitol, Room 4117
 Sacramento, CA 95814

RE: Orange County Sanitation District Oppose for Assembly Bill 59 (Gabriel)

Dear Assembly Member Gabriel:

The Orange County Sanitation District (OC San) opposes Assembly Bill (AB) 59 related to statute of limitations for fee protests. OC San provides wastewater collection, treatment, and recycling for approximately 2.6 million people in central and northwest Orange County, CA. OC San’s primary mission is to protect public health and the environment through its services.

AB 59 would make it more difficult for OC San to sustainably plan for future infrastructure and public service projects due to the increase in potential liability and legal costs that would emerge. AB 59 would make it easier for interested parties to file actions against OC San, make it harder for OC San to defend itself in those actions, and potentially expose OC San to more liability in actions stemming from fees and rate schedules that are adopted in accordance with current law.

AB 59 would repeal section 66022 of the Government Code, which establishes a 120-day statute of limitations for legal challenges to new or increased connection fees or capacity charges. AB 59 also requires a protest to be filed within 90 days after the imposition of the connection fee or capacity charge on the applicant and an action to attack, review, set aside, void, or annul the imposition of the fees to be filed within 180 days after delivery of a specified notice by the local agency.

These provisions are concerning for OC San’s planning of future critical infrastructure projects. Without a secure and stable source of revenue with reasonable expectations of its sustainability, OC San cannot provide the high-quality wastewater recovery and treatment services that our customers expect and deserve. If fee protests do not have a fair and sensible statute of limitations from the time they are officially adopted by the Board of Directors, frivolous and reckless lawsuits in the future can jeopardize OC San’s mission to protect public health and the environment.

For these reasons, the Orange County Sanitation District is opposed to AB 59. Please do not hesitate to contact Jennifer Cabral, OC San’s Administration Manager at (714) 593-7581 or via email at jcabral@ocsan.gov should you have any questions.

Sincerely,

David John Shawver
 Board Chairman

cc: Orange County Legislative Delegation

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