CLASS ACTION NOTICE

If you are or were a San Diego Public Utility Department ("SDPUD") customer who paid bills for wastewater services provided to a residential or commercial/industrial account at an address within the City of San Diego and not subject to IWCP permitting, on or after July 1, 2014 and until June 7, 2024, a class-action lawsuit may affect your rights.

A court authorized this Notice. This is not a solicitation from a lawyer.

A lawsuit has been filed against the City of San Diego ("Defendant") alleging that it misused wastewater fees to subsidize the Industrial Wastewater Control Program ("IWCP"). Defendant denies these allegations. The court has not yet decided whether the Plaintiffs or the Defendant are correct. Defendant has not been ordered to pay any money. There has been no settlement.

The Court has allowed the lawsuit to proceed as a class action on behalf of:

All San Diego Public Utility Department ("SDPUD") customers who paid bills for wastewater services provided to a residential or commercial/industrial account at an address within the City of San Diego and not subject to IWCP permitting, on or after July 1, 2014 and until June 7, 2024, excluding Defendant and Defendant's officers, directors, employees, agents, and affiliates, and the Court and its staff.

The sole purpose of this Notice is to inform you of the lawsuit so that you can make an informed decision as to whether you should remain in or opt out of this Class Action. There is no money available now and no guarantee that there will be. However, your legal rights are affected, and you have a choice to make now:

Your Legal Rights and Options in This Lawsuit	
	Stay in this lawsuit. Await the outcome. Give up certain rights.
Do Nothing	By doing nothing, you keep the possibility of sharing in any recovery (monetary or otherwise) that may come from a trial or a settlement. But you give up any right you may have to sue the Defendant separately about the same legal claims in this lawsuit, and you will be bound by the outcome of this case.
Ask To Be Excluded	Get out of this lawsuit. Get no benefits from it. Keep rights. If you ask to be excluded you will not be bound by what the Court does in this case and will keep any right you might have to sue the Defendant separately about the same legal claims in this lawsuit. If a recovery is later awarded in this case, you would not share in that recovery.

Your options are explained in detail in this Notice. To be excluded, you must act before March 18, 2025.

1. What is this lawsuit about?

The lawsuit claims that Defendant the City of San Diego violated Proposition 218 and state laws by appropriating a portion of the wastewater fees collected from the City's wastewater customers and used those monies to subsidize the IWCP.

The Court has not yet decided whether the Plaintiffs or Defendant is correct.

The Court in charge of the case is the Superior Court of California, County of San Diego, and the case is known as *Allred, et al. v. City of San Diego*, Case No. 37-2021-00030939-CU-WM-CTL. The persons who sued are called the Plaintiffs, and the City of San Diego is called the Defendant.

2. Why is this a class action?

Individuals who paid wastewater fees to the City of San Diego have sued Defendant to recover monetary and injunctive relief for themselves and all other people who paid wastewater fees to Defendant that were misused to subsidize the IWCP. On June 7, 2024, the Court allowed the case to proceed as a class action for all SDPUD customers not subject to IWCP permitting between the dates noted above. All these people are a Class or Class Members. The Court will resolve the issues in the case for all Class Members. The Honorable Robert Longstreth of the Superior Court of California, County of San Diego is presiding over this Class Action.

More information about why the Court is allowing this lawsuit to be a class action is in the Order Granting Plaintiffs' Motion for Class Certification available at <u>www.SanDiegoWastewaterFees.com</u>.

3. Who is included in the Class?

The Court decided that everyone who fits the following description is a Class Member:

All San Diego Public Utility Department ("SDPUD") customers who paid bills for wastewater services provided to a residential or commercial/industrial account at an address within the City of San Diego and not subject to IWCP permitting, on or after July 1, 2014 and until June 7, 2024, excluding Defendant and Defendant's officers, directors, employees, agents, and affiliates, and the Court and its staff.

If you are still not sure whether you are included in the Class, you can get more information at <u>www.SanDiegoWastewaterFees.com</u>, or get free help by calling or writing the lawyers in this case, at the phone number or address listed below.

4. What Are Plaintiffs asking for?

Plaintiffs seek to recover monetary and injunctive relief for themselves and the Class based on Plaintiffs' allegations that Defendant used customers' wastewater rate revenue to subsidize the IWCP. Defendant claims that Plaintiffs should recover no money, or any other form of relief. Defendant further claims that any monetary relief awarded to Plaintiffs will be paid out from current and future wastewater rate revenue. Plaintiffs believe any funds paid to class members should be reimbursed by those customers who benefitted from the undercharges.

5. Is there any money available now?

No money is available now because the Court has not yet decided whether Defendant has done anything wrong, and the two sides have not settled the case. There is no guarantee that any money will ever be available. If it is, you will be notified about your rights regarding any recovery.

6. What happens if I do nothing at all?

If you do not do anything now you will remain a member of the Class. If you stay in the Class and the Plaintiffs obtain benefits, either as a result of a trial or a settlement, you will be notified about how to seek a share of those benefits. If you do nothing, you will be bound by the Court's orders and will lose any right you may have to sue Defendant over the claims in this case. You will also be legally bound by all of the Orders the Court issues and judgments the Court makes in the Class Action, including any judgment against Plaintiffs and in favor of Defendant.

7. Why would I ask to be excluded?

If you would like to pursue your own lawsuit or claim against Defendant for the claims in this case, do not want to be bound by what the Court does in this case, or if you simply do not want to be part of the Class pursuing claims against Defendant, you need to ask to be excluded from the Class. If you exclude yourself from the Class – which also means to remove yourself from the Class, and is sometimes called "opting-out" of the Class – you will not be legally bound by the Court's judgments in this Class Action, and will keep any right you may have to later sue Defendant for the claims being made in the case. If you exclude yourself, you also will not get any benefits from this lawsuit if there are any. Any class member who does not request exclusion may, if the member so desires, enter an appearance through counsel.

8. How do I ask the Court to exclude me from the class?

To ask to be excluded, you must send an "Exclusion Request" in the form of a letter sent by mail to City of San Diego Wastewater Litigation, c/o Law Offices of Ronald A. Marron, 651 Arroyo Drive, San Diego, CA 92103. Your "Exclusion Request" should include your name and address. To be valid, your letter asking to be excluded from the Class must be signed and postmarked no later than March 18, 2025. You can also ask to be excluded online by visiting www.SanDiegoWastewaterFees.com.

9. Do I have a lawyer in this case?

The Court has appointed the Law Offices of Ronald A. Marron and the Elliot Law Office, PC as Class Counsel in this case. The Court has determined that the Law Offices of Ronald A. Marron and Elliot Law Office, PC are qualified to represent you and all other Class Members. You will not be charged for these lawyers. The lawyers handling the case are experienced in handling similar cases.

10. How will the lawyers be paid?

If Class Counsel recovers monetary and/or injunctive relief for the Class, they will ask the Court for payment of their fees and reimbursement of their litigation costs. You will not have to pay these fees and expenses out of your own pocket. If the Court grants Class Counsel's request, the fees and expenses will be paid separately by Defendant.

11. Can I Appear in this Lawsuit?

If you want yourself or your own lawyer (instead of Class Counsel) to participate or speak for you in this lawsuit, you must file a motion to intervene in the lawsuit. The motion to intervene must contain the title of the lawsuit, provide a basis for your request to intervene, and the signature of you or your lawyer.

12. Where can I get more information?

If you want more detailed information, you may visit the website <u>www.SanDiegoWastewaterFees.com</u>, where you will find the Court's Order Granting Plaintiff's Motion for Class Certification and other case-related documents.

Class Counsel

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