

RECLAMATION DISTRICT 2035

RESOLUTION 2025-003

**OF THE BOARD OF TRUSTEES
ESTABLISHING INCREASED WATER SERVICE RATES CONTINGENT
UPON THE OUTCOME OF THE PROPOSITION 218 PROTEST HEARING**

WHEREAS, the Reclamation District 2035 (District) owns and operates a public water system providing water to irrigate parcels within the District.

WHEREAS, the District needs to increase water rates to fund operations, maintenance, repairs, and a reserve fund in response to increasing costs since the District's last rate adoption in 2020; and

WHEREAS, California law requires that increases to water service rates occur in accordance with procedures outlined in Article XIII D, Section 6, of the California Constitution, commonly referred to as "Proposition 218."

WHEREAS, the District prepared a water service Rate Study that recommends the adoption of the rates, fees and charges specified in Exhibit A to this Resolution, which Exhibit is incorporated herein as if set forth in full; and

WHEREAS, the District's Board considered the Rate Study and a Public Hearing Notice during its March 18, 2025, public meeting and authorized and directed staff to initiate a Proposition 218 rate update proceeding; and

WHEREAS, in compliance with Article XIII D, Section 6, of the California Constitution, the District published the Rate Study and Proposition 218 Public Hearing Notice on its website on March 19, 2025, and mailed the Public Hearing Notice to property owners of record within the District's service area on March 19, 2025, (49 days prior to the Proposition 218 Protest Hearing), which complies with Proposition 218's minimum 45-day notice requirements; and

WHEREAS, the Public Hearing Notice described how District property owners may submit written protests against the rates described in the Public Hearing Notice and detailed in the Rate Study; and

WHEREAS, the amount of the proposed water service rates will not exceed the proportionate cost of the service attributable to each parcel upon which they are proposed for imposition, and the revenue resulting from the proposed rates will only be used to provide water service to property within the District that is entitled receive such service; and

WHEREAS, the District's Board held a public hearing on May 7, 2025, to consider the results of the protest proceeding conducted in accordance with California Constitution Article XIII D, section 6; and

WHEREAS, the General Manager has counted the protests, and the Board has determined that there is not a majority protest.

NOW, THEREFORE, BE IT RESOLVED that the District's Board of Trustees does hereby find and approve as follows:

SECTION 1. Recitals. The foregoing recitals are true and correct.

SECTION 2. Proposition 218 Compliance. The District has complied with the procedural requirements of Article XIII D and, based upon the Exhibit A water service Rate Study, the water service rates proposed in the Rate Study comply with Article XIII D, section 6, subsections (b)(1) through (5).

SECTION 3. Levy of Charges. Subject to the contingency provided in Section 5 below, the Board of Trustees hereby approves and adopts, pursuant to the Water Code Section 50911, the increased water service rates attached hereto as **Exhibit A**, effective immediately and subject to the Board's future decisions on whether to approve an annual inflationary increase in the cost of service, as described in the Rate Study and Exhibit A.

SECTION 4. CEQA Exemption. The Board of Trustees hereby finds that the levy of the proposed water service rates as supported by a water rate study (which is incorporated herein by reference) is exempt from California Environmental Quality Act ("CEQA") review under Public Resources Code section 21080(b)(8) and CEQA Guidelines section 15273, because the proposed water service rates are necessary and reasonable to fund the administration, operation, maintenance, and improvements of the District's water system, are necessary to maintain service within the District's existing service area, and will not result in expansion of the system. The Board of Trustees further finds that the action entails the creation of a government funding mechanism that is exempt from CEQA as not being a "project" pursuant to CEQA guidelines section 15378. The Board of Trustees authorizes the General Manager to file a Notice of Exemption with the County Clerk to that effect.

SECTION 5. General Authorization. The General Manager is hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver any and all documents, to do any and all things and take any and all actions that may be necessary or advisable, in his discretion, in order to effect the purposes of this Resolution. All actions heretofore taken by officers, employees, and agents of the District that are in conformity with the purposes and intent of this Resolution are hereby approved, confirmed, and ratified.

SECTION 6. Effective Date. This Resolution shall only take effect immediately in the event that it is determined, as a result of the May 7, 2025, public hearing, that there is not a majority of property owners receiving water service within the District protesting the increased rates described in Exhibit A.

APPROVED, PASSED AND ADOPTED by the Board of Trustees of Reclamation District 2035 on May 7, 2025, by the following vote:

AYES	_____
NOES	_____
ABSENT	_____
ABSTAIN	_____

Kyriakos Tsakopoulos, President, Board of Trustees
Reclamation District 2035

ATTEST:

Denise Costa, Secretary, Board of Trustees
Reclamation District 2035

EXHIBIT A