RESOLUTION NO. 17 (23-24)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN LORENZO VALLEY WATER DISTRICT SUBMITTING TO THE QUALIFIED VOTERS OF THE SAN LORENZO VALLEY WATER DISTRICT AN INITIATIVE MEASURE REPEALING CERTAIN FIXED RATES FOR WATER SERVICE AND LIMITING FUTURE INCREASES TO CERTAIN FIXED WATER SERVICE CHARGES, AT THE DISTRICT GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2024.

WHEREAS, on February 15, 2024, the District Board of Directors adopted Resolution No. 6 (23/24), setting current rates for water service to residents and customers of the District; and

WHEREAS, pursuant to authority provided by statute, a petition has been filed with the Board of Directors of the San Lorenzo Valley Water District, seeking to enact an initiative measure/ordinance which would repeal all fixed water charges adopted in Resolution No. 6 (23/24), except the regular Service Charge and Private Fire Service Charge, and limiting future increases to the regular Service Charge to two percent (2%) per calendar year (the "Measure" or "Ordinance"); and

WHEREAS, California Constitution Article XIIIC, Section 3 and California Elections Code Section 9310 provide that an initiative measure that repeals, reduces, or otherwise affects a local property-related fee (such as a water rate) may qualify for the ballot if a petition is filed with the District containing the signatures of at least five percent (5%) of the number of the District's registered voters; and

WHEREAS, the Santa Cruz County Registrar of Voters/County Clerk has certified that the form of the petition complies with California law and, based upon an examination of voter registration records, has ascertained that the petition is signed by the requisite number of voters to qualify the Measure for the ballot under Proposition 218; and

WHEREAS, the Board of Directors has not voted in favor of adoption of the Measure; and

WHEREAS, the Board of Directors is therefore authorized and required by California Elections Code Section 9310 to either (a) submit the proposed Measure to the voters at its "next regularly scheduled election occurring not less than 88 days after the date of the order of election" or (b) submit the proposed Measure to the voters at an earlier special election occurring between eighty-eight (88) and one hundred three (103) days after the date of the order of election; and

WHEREAS, the Board of Directors desires to place the Measure on the next "regularly scheduled election," which is the District's General Election to be held on Tuesday, November 5, 2024; and

WHEREAS, the specific terms of the Measure are attached hereto as Exhibit "A" and by this reference made an operative part hereof, and in accordance with all applicable laws.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SAN LORENZO VALLEY WATER DISTRICT DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

<u>SECTION 1. Recitals</u>. The Board of Directors of the District hereby finds and determines that the foregoing recitals are true and correct, are incorporated herein, and by this reference made an operative part hereof.

SECTION 2. Submission of Ballot Measure. The Board of Directors of the District, pursuant to its right and authority as contained in California Elections Code sections 1405 and 9310, hereby orders the Measure attached hereto as Exhibit "A" to be submitted to the qualified voters of the District at the District General Election to be held on Tuesday, November 5, 2024. The proposed Measure shall be in the form attached hereto as Exhibit "A" to this Resolution and is incorporated by this reference as if fully set forth herein.

SECTION 3. Ballot Ouestion. The Board of Directors, pursuant to its right and authority, does hereby order that the ballot question for the Measure shall be presented and printed upon the ballot submitted to the qualified voters in the manner and form set forth in this Section 3. On the ballot to be submitted to the qualified voters at the election to be held at the District General Election on Tuesday, November 5, 2024, in addition to any other matters required by law, there shall be printed substantially the following:

"Shall the measure repealing all fixed water charges adopted under District Resolution No. 2024-____ except the regular Service Charge and the Private Fire Service Charge, and limiting future increases to the regular Water Service Charge to 2% per calendar year until January 1, 2049, be adopted?"

SECTION 4. Election Procedures. The District Secretary, through the County Registrar of Voters/County Clerk, is authorized, instructed, and directed to procure and furnish, or cause to be procured and furnished, any and all official ballots, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct the election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding special district elections.

SECTION 5. Impartial Analysis. Pursuant to California Elections Code section 9314, the Board of Directors hereby directs the Elections Official to transmit a copy of the Measure as set forth herein to the District General Counsel's Office. The District General Counsel's Office shall prepare an impartial analysis of the Measure, subject to review and revision by the Santa Cruz County Counsel's Office, not to exceed five hundred (500) words in length, showing the effect of the Measure on the existing law and the operation of the Measure, and transmit such impartial analysis to the Registrar of Voters/County Clerk not later than the date set by the

Registrar of Voters/County Clerk, who shall cause the analysis to be published in the voter information guide along with the Measure as provided by law. The impartial analysis shall include a statement indicating whether the Measure was placed on the ballot by a petition signed by the requisite number of voters or by the Board of Directors. In the event the entire text of the Measure is not printed on the ballot, or in the voter information portion of the sample ballot, there shall be printed immediately below the impartial analysis, in no less than 10-font bold type, the following: **"The above statement is an impartial analysis of the Measure. If you desire a copy of the measure, please call the election official's office at 831-454-2060 and a copy will be mailed at no cost to you."**

SECTION 6. Notice of Election. Notice of the election is hereby given and the District Secretary is authorized, instructed, and directed to give further or additional notice of the election in time, form, and manner as required by law.

SECTION 7. Placement on the Ballot. The full text of the Measure may not be printed in the voter information guide, and in such case a statement shall be printed on the ballot pursuant to Elections Code section 9314 advising voters that they may obtain a copy of this Resolution and the Measure, at no cost, upon request made to the District Secretary.

SECTION 8. Filing with County. The District Secretary shall, not later than the 88th day prior to the District General Election to be held on Tuesday, November 5, 2024, file with the Board of Supervisors and the County Registrar of Voters/County Clerk of the County of Santa Cruz, State of California, a certified copy of this Resolution.

<u>SECTION 9. Public Examination</u>. Pursuant to Elections Code section 9312, a copy of this Measure will be available to any voter upon request prior to being submitted for printing in the voter information guide.

SECTION 10. CEOA. The Board of Directors hereby finds and determines that the ballot measure relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, section 15378(b)(5).

SECTION 11. Severability. The provisions of this Resolution are severable and if any provision of this Resolution is held invalid, that provision shall be severed from the Resolution and the remainder of this Resolution shall continue in full force and effect, and not be affected by such invalidity.

SECTION 12. Effective Date of Resolution. This Resolution shall become effective upon its adoption.

SECTION 13. Certification of Resolution. The District Secretary shall certify the adoption of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 13th day of June 2024, by the following vote of the members thereof:

AYES: Hill, Ackemann, Smolley, Fultz, Largay NOES: ABSENT: ABSTAIN:

Dennifer Vorves

Jennifer Torres, District Secretary San Lorenzo Valley Water District

EXHIBIT "A"

TEXT OF ORDINANCE INITIATIVE MEASURE/ORDINANCE REPEALING ALL FIXED RATES EXCEPT THE REGULAR SERVICE CHARGE AND THE PRIVATE FIRE SERVICE CHARGE, AND LIMITING FUTURE INCREASES TO THE REGULAR WATER SERVICE CHARGE TO 2% PER CALENDAR YEAR

[attached behind this page]

This should be the entire text of their initiative.

WHEREAS, the District is committed to equitable rates in its Mission Statement; and

WHEREAS, the sharply rising Service Charge and proliferation of additional fixed charges has shifted the primary cost burden onto low water users; and

WHEREAS, having a lower Service Charge supports affordable rates for low-income households; and

WHEREAS, the District has other options for people to pay their fair share with a lower Service Charge; and

WHEREAS, the District abandoned the goal of water conservation by reducing volume charges for most customers, which tilted the rate structure towards fixed charges; and

WHEREAS, a rate structure limiting fixed charges is a step towards affordability and equity;

THEREFORE, the people of the San Lorenzo Valley Water District do ordain as follows:

- 1. Title. This shall be known as the "Fixed Charge Limitation Ordinance."
- 2. **Definition.** "Fixed Charge" as used in this ordinance means any continuous, periodic charge not based on volume of water consumed.
- **3.** Effective Date. This ordinance shall go into effect ten (10) days after the date the vote is declared.
- 4. **Repeal of Fixed Charge.** All Fixed Charges are hereby repealed except the regular Service Charge (also known as the Base Charge, Basic Charge, or Ready-to-Serve Charge) and the Private Fire Service Charge.
- 5. Limitation of Fixed Charge. The regular Service Charge shall be limited to a two percent (2%) increase each calendar year.

- **6.** Termination Date. This ordinance shall terminate on January 1, 2049.
- 7. Severability. If any portions of this ordinance are deemed to be inconsistent with law by a court of competent jurisdiction, the remainder shall remain fully in effect.

ORDINANCE NO. <u>110</u>

AN ORDINANCE OF THE PEOPLE OF THE SAN LORENZO VALLEY WATER DISTRICT REPEALING ALL FIXED WATER CHARGES ADOPTED IN RESOLUTION NO. 17 (23-24) EXCEPT FOR THE REGULAR SERVICE CHARGE AND THE PRIVATE FIRE SERVICE CHARGE AND LIMITING FUTURE INCREASES TO THE REGULAR WATER SERVICE CHARGE TO 2% PER CALENDAR YEAR

THE PEOPLE OF THE SAN LORENZO VALLEY WATER DISTRICT DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1. TITLE. This shall become known as the "Fixed Charge Limitation Ordinance."

SECTION 2. DEFINITION. "Fixed Charge" as used in this ordinance means any continuous, periodic charge not based on volume of water consumed.

SECTION 3. EFFECTIVE DATE. This ordinance shall go into effect ten (10) days after the date the vote is declared.

SECTION 4. REPEAL OF FIXED CHARGES. All Fixed Charges are hereby repealed except the regular Service Charge (also known as the Base Charge, Basic Charge, or Ready-to-Serve Charge) and the Private Fire Service Charge.

SECTION 5. LIMITATION OF FIXED CHARGE. The regular Service Charge shall be limited to a two percent (2%) increase each calendar year.

SECTION 6. TERMINATION DATE. This ordinance shall terminate on January 1, 2049.

SECTION 7. SEVERABILITY. If any portions of this ordinance are deemed to be inconsistent with law by a court of competent jurisdiction, the remainder shall remain fully in effect.

I hereby certify that this Fixed Charge Limitation Ordinance was PASSED, APPROVED, AND ADOPTED by the People of the San Lorenzo Valley Water District on the 5th day of November 2024.

Dennifer Vorves

Jennifer Torres, District Secretary San Lorenzo Valley Water District

RESOLUTION NO. 18 (23-24)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN LORENZO VALLEY WATER DISTRICT PROVIDING FOR THE FILING OF PRIMARY AND REBUTTAL ARGUMENTS AND SETTING RULES FOR THE FILING OF WRITTEN ARGUMENTS REGARDING A DISTRICT INITIATIVE MEASURE TO BE SUBMITTED AT THE NOVEMBER 5, 2024, DISTRICT GENERAL ELECTION

WHEREAS, a District General Election is to be held in the San Lorenzo Valley Water District on November 5, 2024, at which there will be submitted to the voters the following measure:

I	"Shall the measure repealing all fixed water charges adopted under	
	District Resolution No. 2024 except the regular Service Charge	YES
	and the Private Fire Service Charge, and limiting future increases to	
	the regular Water Service Charge to 2% per calendar year until	
	January 1, 2049, be adopted?"	NO

NOW, THEREFORE, BE IT RESOLVED BY the Board of Directors of the San Lorenzo Valley Water as follows:

1. Primary Arguments. That the Board of Directors confirm the persons filing the initiative may file a written argument in favor of the District Measure, and the District Board may file an argument against the District Measure accompanied by the printed name(s) and signature(s) of the author(s) submitting it, in accordance with Article 1, Chapter 4, Division 9 of the Elections Code of the State of California, and to change the argument until and including the date fixed by the Registrar of Voters/Elections Official, after which no arguments for or against the District measure may be submitted to the Registrar of Voters/Elections Official.

The deadline to submit primary arguments for or against the District Measure pursuant to this Resolution shall be the date set by the Registrar of Voters/Elections Official. Each argument shall be filed with the County Registrar of Voters/Elections Official, signed, and include the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument.

2. **Rebuttal Arguments.** Pursuant to Section 9317 of the Elections Code of the State of California, when the Elections Official has selected the primary arguments for and against the District Measure(s) which will be printed and distributed to the voters, the Elections Official shall send copies of the primary argument in favor of the Measure(s) to the authors of the primary argument against, and copies of the primary argument against to the authors of the primary argument in favor. The authors or persons designated by them may prepare and submit rebuttal arguments not exceeding two hundred fifty (250) words. The rebuttal arguments shall be filed with the District's District Secretary and County Registrar of Voters/Elections Official not later than the date set by the elections official. Rebuttal arguments shall be printed in the same manner as the

primary arguments. Each rebuttal argument shall immediately follow the primary argument which it seeks to rebut.

3. November 5, 2024, Election. The provisions of Sections 1 and 2 shall apply only to the election to be held on November 5, 2024, and shall then be repealed.

4. Certification. The District Secretary shall certify the passage and adoption of this resolution and enter it into the book of original Resolutions.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 13th day of June 2024, by the following vote of the members thereof:

AYES: Hill, Ackemann, Smolley, Fultz, Largay NOES: ABSENT: ABSTAIN:

Dennifer Vorves

Jennifer Torres, District Secretary San Lorenzo Valley Water District