

EXHIBIT H

County Reso 2018-51 Rejecting a Standby Charge

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF IMPERIAL DETERMINING THAT THERE WAS A WEIGHTED MAJORITY VOTE REJECTING THE PROPOSED SEWER STANDBY CHARGES TO BE LEVIED ON THE UNDEVELOPED PARCELS LOCATED WITHIN THE PROPOSED BOUNDARY OF THE NILAND COUNTY SANITATION DISTRICT AND REJECTING SAID CHARGES

RESOLUTION NO. 2018-51

WHEREAS, on March 22, 2018, the Imperial County Local Area Formation Commission conditionally approved the dissolution of the Niland Sanitary District, and the formation of the Niland County Sanitation District (“NCS D”), contingent upon the adoption of new sewer fees and sewer standby charges in accordance with the requirements of Proposition 218; and

WHEREAS, in accordance with Section 5471 of the California Health and Safety Code and Section 54984.1 of the California Government Code, the NCS D, if formed, would be authorized to impose sewer standby charges on properties located within or without its territorial limits; and

WHEREAS, in accordance with Section 4730 of the California Health and Safety Code, the Board of Directors for NCS D, if formed, would be the Imperial County Board of Supervisors (“Board”); and

WHEREAS, in April of 2018, the County of Imperial (“County”) tasked the Holt Group to prepare and Engineer’s Report (“Report”), attached hereto as **Exhibit “A,”** to determine whether the current rate structures adopted by NCS D’s predecessor, or the new rate structure and fees proposed by the County, would adequately provide for the maintenance, operation, and replacement/rehabilitation of its sewer system; and

WHEREAS, the County determined that both the current and future rate structures and fees will not adequately support the current and future costs of the system, and therefore, there is a need to adopt and establish new sewer standby charges (“Charges”), as specified in the attached **Exhibit “B;”** and

WHEREAS, the County held a series of publicly noticed town hall meetings within the proposed service area of the NCS D on November 6, 2017, January 31, 2018, February 26, 2018, and May 23, 2018. During these meetings, the County discussed the need for the proposed Charges, the criteria used to established the proposed Charges, the consequences that may result if the proposed Charges are not implemented, and the process by which record property owners may vote for or against the proposed Charges in accordance with Section 4 of Article XIII D of the California Constitution and Section 53753 of the California Government Code; and

WHEREAS, on April 24, 2018, the Board adopted Resolution 2018-38, initiating proceedings to fix the Charges on undeveloped parcels within the proposed boundary of the NCS D, in accordance with Section 4 of Article XIII D of the California Constitution and Sections 53753 and 53753.5 of the California Government Code for the establishment of said Charges; and

WHEREAS, the County scheduled a noticed public hearing for June 12, 2018, to consider the proposed Charges. Notice of the public hearing was issued in compliance with Section 4 of Article XIII D of the California Constitution, Section 53753 of the California Government Code, and all other applicable laws. At least forty-five (45) days in advance of the scheduled public hearing, notice of the proposed Charges was mailed to each record property owner owning undeveloped parcels located within the proposed boundary of the NCSD. A notice of the public hearing was also published in a local newspaper in accordance with applicable laws. A copy of the notice of public hearing is attached hereto as **Exhibit "B;"** and

WHEREAS, on June 12, 2018, the County held a properly noticed public hearing on the proposed Charges. During the public hearing, public input and questions were received, and the public was provided with the opportunity to submit written ballots voting either for or against the Charges; and

WHEREAS, at the conclusion of the public hearing, the Clerk of the Board tabulated the number of ballots submitted, and reported that based on the weighting of the ballots received, the majority of record property owners had voted to reject the Charges; and

WHEREAS, this resolution shall become effective immediately upon adoption.

NOW, THEREFORE, THE IMPERIAL COUNTY BOARD OF SUPERVISORS FINDS AS FOLLOWS:

1. The above recitals are true and correct.
2. The NCSD, if formed would be authorized to impose the Charges, and the Board would act as the Board of Directors of the NCSD.
3. The existing rate structure and proposed rate structure and increased fees are inadequate to fully support the current and future costs of the sewer system serving the residents within the boundary of the proposed NCSD, and therefore, there is a need to adopt a new Charges.
4. The undeveloped parcels located within the proposed boundary of the NCSD receive a special benefit over and above the benefits conferred on the public at large, and it is in the best interest of the County to adopt the proposed Charges set forth in **Exhibit "B."**
5. The purposes of the Charges established pursuant to this Resolution are to:
 - a. Secure the financial stability of the sewer system.
 - b. Ensure continuing and high quality sewer services.
 - c. Provide a sound financial plan that meets existing and ongoing operations, maintenance, and debt service obligations, which will assist in funding capital improvement projects.

6. Adoption of the Charges is not a "project" within the meaning of the California Environmental Quality Act.
7. The proceedings related to the proposed Charges have been duly noticed in compliance with Section 4 of Article XIII D of the California Constitution, Section 53753 of the California Government Code, and all other applicable laws. At least forty-five (45) days in advance of the public hearing at which this Resolution was considered, notice of the public hearing was mailed to all record property owners owning undeveloped parcels located within the proposed boundary of the NCSD.
8. A notice of the public hearing was also published in a local newspaper in accordance with applicable laws.
9. Based on the weighting of the ballots received, the majority of record property owners owning undeveloped parcels within the proposed boundary of the NCSD have voted to reject the Charges. Consequently, the proposed Charges must be rejected pursuant to Section 4 of Article XIII D of the California Constitution and Section 53753 of the California Government Code.

WHEREFORE, BASED UPON THE FACTS AND FINDINGS ABOVE, THE IMPERIAL COUNTY BOARD OF SUPERVISORS RESOLVES AS FOLLOWS:

1. The proposed Charges are rejected.
2. This Resolution is effective upon its adoption.

PASSED AND ADOPTED by the Board of Supervisors, County of Imperial, State of California, this 12th day of June, 2018 by the following roll call vote:

Renison, M. Kelley, R. Kelley, Castillo



Raymond R. Castillo,
Chairman of the Board of Supervisors

ATTEST:



Blanca Acosta,
Clerk of the Board of Supervisors

