

RECORDING REQUESTED BY:

Clearlake Oaks County Water Dist.

WHEN RECORDED MAIL TO:

CLOCWD

Attn.: Dianna Mann

P.O.. Box 709

Clearlake Oaks, CA 95423

Filed & Recorded in Official Records
County of Lake

Richard A. Ford
Assessor-Recorder

DOC # 2026008499 RESOLUTION

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CA SB2 Fee: \$0.00
Total: \$0.00



THIS SPACE FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT

Resolution No. 26-08

Exempt from Fee Pursuant to Government Code 27383

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEARLAKE
OAKS COUNTY WATER DISTRICT SETTING WATER AND SEWER
RATES**

CEQA NOTICE OF EXEMPTION

CLEARLAKE OAKS COUNTY WATER DISTRICT

RESOLUTION NO. 26-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEARLAKE OAKS COUNTY WATER DISTRICT SETTING WATER AND SEWER RATES

WHEREAS, Clearlake Oaks County Water District ("District") is required to maintain adequate levels of revenue to meet the District's financial commitments for the operation and maintenance for water and sewer facilities and the replacement of existing facilities in the future; and

WHEREAS, the County Water District Law authorizes the District to adopt rates and charges for water and sewer service; and

WHEREAS, the District retained Rural Community Assistance Corporation (RCAC) to evaluate water and sewer rates and charges and to develop a five-year financial plan, including estimated operating and maintenance costs, anticipated debt service obligations, and capital replacement program ("CRP") needs covering a period from fiscal year 2026-27 through fiscal year 2030-31, a copy of which is attached hereto as Attachment 1 for Water and Attachment 2 for Sewer, and incorporated herein by this reference ("Rate Study"); and

WHEREAS, written notice of the referenced public hearing, the proposed revised water and sewer rates and charges and proposed water and sewer rate and charge implementation schedule has been provided to District's customers as required under applicable State law and as further described herein, attached hereto as Attachment 3; and

WHEREAS, on August 4, 2026, the District conducted a duly noticed public hearing wherein the Board of Directors considered public comment in support and in opposition to the proposed rate increase and whether or not a majority protest to the proposed rate increase exists pursuant to Section 6 of Article XIII D of the California Constitution. A total of 2,157 water parcels and 1,785 sewer parcels are subject to the proposed rate increases; therefore, valid written protests as to 1,079 water parcels and 893 sewer parcels, respectively, are required to constitute a majority protest under Section 6(a)(2) of Article XIII D of the California Constitution. At the conclusion of the public hearing, the Board found that 452 written protests were received regarding the proposed water rate increase and 424 written protests were received regarding the proposed sewer rate increase, and that a majority protest did not exist as to either the proposed water rates or the proposed sewer rates. District staff verified protests against the parcel roll and customer records, and duplicative, untimely, or unqualified protests (including protests not submitted by an owner of record or customer of record of an identified parcel subject to the proposed rates) were excluded; and

WHEREAS, based on facts and analysis presented in and relied on by the Rate Study, written protests received prior to the close of the August 4, 2026, public hearing, the Staff Report, Presentation, and public testimony received, the Board of Directors finds:

1. The District identified the parcels upon which the new rates and charges will be imposed, calculated the amount of the rates, and mailed notices to all owners of record and customers of record of properties responsible for the water and sewer rates and charges, which notices were mailed not less than 45 days before the date set for the public hearing, as further described in Finding 2 below. The Rate Study allocates revenue requirements among customer classes based on cost causation, including allocation of operation and maintenance, debt service, and capital replacement by functional cost components, and designs fixed and variable charges to reflect the proportional cost of providing service to each parcel/class.
2. Pursuant to Section 6(a)(1) of Article XIII D of the California Constitution and Government Code Sections 53755 and 53756, District provided written notice by mailing of the proposed water and sewer rate, charge, and

fee changes and proposed implementation schedule for such revised rates and charges to District customers within District's service area. The mailed notice, Attachment 3, identified the date, time, and location of the public hearing, and provided instructions on submitting written protests. The mailed continuance, Attachment 4, revised that date and time as provided. The attachments are on file with the District Secretary, and has been presented to the Board as part of its proceedings. Such notice included the proposed maximum amount of the proposed rates and charges to be effective for District's customers, an identification of the reasons for the imposition of such proposed water and sewer rates and charges, a method of calculation for District's customers to determine the impact of such changed rates and charges upon existing District customer accounts and the proposed schedule for implementation of such water and sewer rate, charges, and fee changes. Such notice also included a statement of the date, time, and location of the public hearing to be conducted on such proposed rate, charge, and fee changes by the Board and the opportunity to present protests concerning such water and sewer rates, charges, and fee changes to the Board. Mailing of such written notice was completed more than forty-five (45) days prior to the date set for conducting the public hearing. In addition to the provision of such written notice to District customers within the District's service area, the District also provided notice of such proposed imposition of the proposed water and sewer rate and charge changes, and such public hearing as follows:

- a. Notice of the proposed changes of the water and sewer rates, charges, fees and the proposed implementation schedule, public hearing, availability of documentation therefor and the opportunity to present protests concerning such revised water and sewer rates was posted at the District office located at 12952 E. Highway 20, Clearlake Oaks, Lake County, California, on or about April 27, 2026.
- b. Notice concerning the proposed water and sewer rates, charges, fees and the date, time and place for the public hearing was posted at the United States Post Office located at 13280 CA-20, Clearlake Oaks, Lake County, California on or about April 27, 2026.
- c. Notice concerning the proposed water and sewer rates, charges, fees and the date, time and place for the public hearing was posted on the District website, clocwd.org, on or about April 27, 2026.
- d. Notice of the proposed changes of the water/sewer rates, charges, fees and the date, time and place of such public hearing and the opportunity to present protests concerning such revision of the water/sewer rates, charges, and fees was mailed to all owners of record and customers of record with the District on April 27, 2026, and June 18, 2026
- e. Notice of the proposed changes of the water/sewer rates, charges, fees and the date, time and place of such public hearing and the opportunity to present protests concerning such revision of the water/sewer rates, charges, and fees was published in the Record Bee on June 4, 2026, and June 11, 2026.

3. The rates and charges adopted by this Resolution:

- a. Are for the purposes of meeting operation, maintenance, and capital replacement expenses for providing water and sewer service for District customers
- b. Do not exceed the funds required to provide water/sewer to District customers.
- c. Do not exceed the proportional cost of services attributable to those parcels receiving water/sewer service.
- d. Are not imposed on any parcel for a service that is not actually used by, or immediately available to, the owner of the property in question.
- e. Are not imposed for general governmental services, including but not limited to police, fire, ambulance, or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.
- f. The revenues derived from the water/sewer rates and charges will not be used for any purpose other than that for which the charge is imposed.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED, by the Board of Directors of the District as follows:

1. Incorporation of Recitals

The Recitals, Attachment 1 (Water Rate Study) and Attachment 2 (Sewer Rate Study), including referenced exhibits (Exhibit F to the Water Rate Study; Exhibit D to the Sewer Rate Study), and Attachment 3 (Proposition 218 Notice), are incorporated into the record and findings of this Resolution.

2. Water and Sewer Rates

- a. Water Base Rate and Water CRP Rate are hereby adopted for fiscal years 2026-27 through 2030-31 per Attachment 1, Exhibit F of the Water Rate Study, with the maximum rates for each fiscal year as set forth therein.
- b. Sewer Base Rate and Sewer CRP Rate are hereby adopted for fiscal years 2026-27 through 2030-31 per Attachment 2, Exhibit D of the Sewer Rate Study, with the maximum rates for each fiscal year as set forth therein.
- c. The maximum rates for each fiscal year are as set forth in Attachment 1 (Water) and Attachment 2 (Sewer) to the Rate Study attached hereto.
- d. The rates and charges adopted in subsections a through c above are hereby imposed upon all parcels and customers receiving water, immediate available water, or sewer service from the District and shall be billed commencing with the first regular billing cycle beginning on or after the date the rates apply under Section 3 below.
- e. The five-year schedule of rates and charges adopted by this Resolution is adopted pursuant to Government Code Section 53756. The Board finds that the mailed notice specified each scheduled annual adjustment, the basis upon which the amount of each adjustment was calculated, and the reason for each adjustment, and that the schedule does not extend beyond five years from the date of the public hearing. The Board further finds that the rates and charges adopted herein comply with all substantive requirements of Article XIII D, Section 6 of the California Constitution, including that the revenues derived shall not exceed the funds required to provide water and sewer service, and the amount charged to any parcel does not exceed the proportional cost of service attributable to that parcel.
- f. Revenues derived from the Water CRP Rate and the Sewer CRP Rate shall be deposited in a separate, segregated fund and expended exclusively for repair and replacement of existing water and sewer facilities and associated costs consistent with the capital replacement program methodology described in the Rate Study.

3. Effective Date

This Resolution shall take effect immediately upon its adoption on August 4, 2026. The rates and charges adopted herein shall apply to water and sewer service rendered on and after September 4, 2026, consistent with the implementation schedule set forth in the mailed notice.

4. Repeal of Prior Resolutions

All prior resolutions and sections of resolutions establishing or setting water and sewer rates and charges that are inconsistent with the rates and charges adopted by this Resolution are hereby repealed to the extent of such inconsistency, subject to the effective date identified in Section 3 above.

5. Effect of Repeal on Past Actions and Obligations

This Resolution does not affect prosecutions for violations committed prior to the effective date of this Resolution, does not waive any fee or penalty due and unpaid on the effective date of this Resolution, and does not affect the validity of any bond or cash deposit posted, filed, or deposited pursuant to the requirements of any prior resolution or ordinance.

6. CEQA Findings

The Board of Directors of the District finds that the rates and charges adopted by this Resolution are exempt from the California Environmental Quality Act pursuant to Public Resources Code § 21080(b)(8) and CEQA Guidelines Section 15273. The Board finds that the rates and charges are for the purpose of meeting operating expenses, purchasing or leasing supplies, equipment, or materials, meeting financial reserve needs and requirements, and obtaining funds for capital projects necessary to maintain service within existing service areas, and that they do not fund expansion of service capacity. The District General Manager is directed to prepare and file a Notice of Exemption with the County Clerk of Lake County within five (5) business days of adoption of this Resolution.

7. Severance Clause

If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California, such decision shall not affect the validity of the remaining portions of this Resolution. The Board of Directors of the District hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California.

THE ABOVE RESOLUTION is hereby passed and adopted by the Board of Directors of the Clearlake Oaks County Water District at a special meeting thereof held on the 4th day of August 2026, by the following vote:

AYES: ARCHACKI/HERMAN/MCHUGH/WHITTIER/CROZIER

NOES:

ABSTAIN:

ABSENT:



CLEARLAKE OAKS COUNTY WATER DISTRICT

By: 
Stanley Archacki, President

ATTEST

By: 
Olivia Mann, Board Secretary

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: Lake

255 N. Forbes Street

Lakeport, CA 95453

From: (Public Agency): Clearlake Oaks County Water District
12952 California Highway 20
Clearlake Oaks, CA 95423

(Address)

Project Title: Setting Water and Sewer Rates

Project Applicant: Clearlake Oaks County Water District

Project Location - Specific:

12952 California Highway 20, Clearlake Oaks, CA 95423

Project Location - City: Clearlake Oaks Project Location - County: Lake

Description of Nature, Purpose and Beneficiaries of Project:

Water and Sewer rate increase to allow Clearlake Oaks County Water District to meet day to day operations and maintenance for service area

Name of Public Agency Approving Project: Clearlake Oaks County Water District

Name of Person or Agency Carrying Out Project: Clearlake Oaks County Water District

Exempt Status: **(check one):**

- ☒ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
- ☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ☐ Categorical Exemption. State type and section number: _____
- ☐ Statutory Exemptions. State code number: _____

Reasons why project is exempt:

The Board finds that the rates and charges are for the purpose of meeting operating expenses, purchasing or leasing supplies, equipment or materials, meeting financial reserve needs and requirements and obtaining funds for capital projects necessary to maintain service within existing service areas, and they do not fund expansion or service capacity

Lead Agency

Contact Person: Dianna Mann Area Code/Telephone/Extension: 707-338-3322

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: Dianna Mann Date: 8/11/2026 Title: General Manager

▪ Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____