

RESOLUTION NO. 2025-1

A RESOLUTION OF THE FLORIN COUNTY WATER DISTRICT
ESTABLISHING A PROCEDURE FOR RATEPAYER AND PROPERTY OWNER
OBJECTIONS TO PROPOSED UTILITY FEES OR SPECIAL ASSESSMENTS

- A. The FLORIN COUNTY WATER DISTRICT ("DISTRICT"), is a California county water district, formed and existing under California law.
- B. California law requires that certain changes to fees for property related services or special assessments must be adopted or approved in accordance with procedures outlined in Article XIII D, of the California Constitution, commonly referred to as "Proposition 218."
- C. Article XIII D, Section 4, establishes certain procedural requirements and substantive limitations a local public agency must follow to adopt a special benefit assessment, and Section 6 establishes certain procedural requirements and substantive limitations a local public agency must follow to adopt a property related fee.
- D. The DISTRICT is within the scope of a "local public agency" as used in Article XIII D.
- E. The purpose of this Resolution is to provide a meaningful opportunity for a ratepayer or property owner to present an objection to proposed new or amended water or sewer fees ("utility fees") or special assessments before resorting to litigation after the DISTRICT approves new or amended utility fees or special assessments.
- F. This Resolution is intended to provide a procedure for ratepayers or property owners to bring an objection regarding new or amended utility fees or special assessments to the DISTRICT's attention early in the fee or assessment consideration process, and to provide an opportunity for the DISTRICT to address or resolve any objections before the Board makes a final decision on whether to adopt the proposed utility fees or special assessments pursuant to Proposition 218.
- G. This procedure will generally require the DISTRICT to make available the proposed utility fees or special assessments, post the written basis for the proposed utility fees or special assessments on its internet website, provide at least 45 days for a ratepayer or property owner to review the proposed utility fees or special assessments and timely submit to the DISTRICT a written objection to the utility fees or special assessments that specifies the grounds for alleging noncompliance with applicable laws, and require the DISTRICT to consider and respond in writing to timely submitted objections prior to the close of the protest hearing or ballot tabulation hearing required under Sections 4 or 6, of Article XIII D, of the California Constitution.
- H. For purposes of the proposed utility fees or special assessments adopted by the DISTRICT pursuant to Sections 4 or 6, of Article XIII D, of the California Constitution, a person or entity shall be prohibited from bringing a judicial action or proceeding alleging noncompliance with Article XIII D of the California Constitution for any new, increased,

or extended utility fee or special assessment, unless that person or entity has timely submitted to the DISTRICT a written objection to the proposed utility fees or special assessments that specifies the grounds for alleging noncompliance.


- I. The Board hereby intends to adopt the exhaustion of administrative remedies procedure as outlined in Government Code section 53759.1, and the administrative record principles contained in Government Code section 53759.2, as subsequently supplemented or amended.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIN COUNTY WATER DISTRICT, as follows:

1. The Board hereby adopts the exhaustion of administrative remedies procedure contained in Government Code section 53759.1, subdivision (c), as subsequently amended or supplemented.
2. For purposes of any proposed utility fees or special assessments adopted by the DISTRICT pursuant to Section 4 or 6, of Article XIII D, of the California Constitution, a person or entity shall be prohibited from bringing a judicial action or proceeding alleging noncompliance with Article XIII D of the California Constitution for any new, increased, or extended utility fees or special assessments, unless that person or entity has timely submitted to the DISTRICT a written objection to the utility fees or special assessments that specifies the grounds for alleging noncompliance, in accordance with Government Code section 53759.1, as subsequently amended or supplemented.
3. The Board hereby adopts the administrative record principles contained in Government Code section 53759.2, as subsequently amended or supplemented.
4. This Resolution will take effect upon its adoption by the Board and will apply to any proposed new or amended utility fees or special assessments of which notice is provided pursuant to Proposition 218 and the procedures specified herein.
5. The Board authorizes the General Manager, or his or her designee, to take such other and additional actions as may be reasonably necessary to implement the purpose of this Resolution and implement the exhaustion of administrative remedies procedures adopted herein.

PASSED AND ADOPTED this 11th day of August, 2025. I, Judi Johnson, of the Florin County Water District, hereby certify the foregoing resolution was introduced and passed at a regular meeting of Florin County Water District by the following roll call vote:

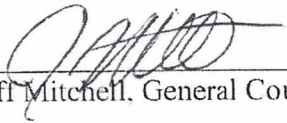
AYES: 3
NOES:
ABSTAIN:
ABSENT: 1


Board President Judi Johnson

ATTEST:

By: 
XXX

APPROVED AS TO FORM:

By: 
Jeff Mitchell, General Counsel

Article XIII D Exhaustion Procedures

1. Overview of Exhaustion Procedure

The exhaustion procedure shall include the following chronological steps and may run concurrently with the Proposition 218 approval process (further detail provided below):

1. District staff to send notice of the start of the exhaustion process to record owners and/or ratepayers, and post a written basis for the proposed water or sewer fees (collectively "utility fees") or special assessments on the DISTRICT's website.
2. Owners/Ratepayers have no less than 45 calendar days to submit to the DISTRICT written objections to the proposed rate.
3. DISTRICT staff will review timely submitted written objections and draft a written response to the written objections. DISTRICT staff will then present its findings and written responses to the Board for review and to determine whether action is needed in response to the written objections and staff responses or findings.
4. A summary of written objections and staff responses will be presented prior to the start of a Proposition 218 protest hearing and prior to a final determination by the Board regarding whether to approve the proposed utility fees or special assessments.

2. Initiating Exhaustion Procedure

Once District staff have presented proposed utility fees or special assessments to the Board, the Board shall also direct DISTRICT staff to compile and transmit to ratepayers or property owners an exhaustion procedure timeline with specific deadlines for each step of the exhaustion procedure specified below, in compliance with the DISTRICT's adopted procedures. District staff must also post a written basis for the utility fees or special assessments on the District's website. The exhaustion procedure must conclude before the Proposition 218 protest hearing, but may conclude on the same day as the Proposition 218 protest hearing.

3. Exhaustion Notice

The exhaustion notice shall include an overview of the exhaustion procedures, specify how ratepayers or property owners can submit written objections, provide the date and time by which those objections must be received by the DISTRICT, specify when DISTRICT staff will present written responses to the public, identify the point of contact to whom the ratepayer or property owner must send the written objections, include a link to the DISTRICT's website containing the utility fees or special assessments information, and notify the ratepayer or property owner that the failure to timely object in writing bars any right to challenge the utility fees or special assessments through legal proceedings. The exhaustion notice must notify ratepayers or property owners of the following or substantially similar statement:

“This exhaustion procedure is separate from the Proposition 218 protest hearing. To participate in this exhaustion procedure, a written objection must indicate it is submitted as an objection in accordance with the exhaustion resolution. Ratepayers or property owners who wish to submit a written protest for the Proposition 218 protest hearing must follow separate directions provided in the Proposition 218 notice letter.”

4. Written Objections

Ratepayers and property owners shall have no less than 45 days, starting on the date the exhaustion notice is mailed, to submit written objections to the DISTRICT regarding the proposed utility fees or special assessments.

As stated above, to avoid confusion with written protests for the Proposition 218 process, a written objection must specify that it is submitted as part of the exhaustion procedure or in accordance with the exhaustion resolution. All written objections shall state the specific grounds for concern with a proposed utility fees or special assessments and include a desired resolution or outcome. If the nature of the dispute is vague or unclear, the Board may, but is not obligated to, request clarification. Objections shall include the name, phone number, street address, and e-mail address (if applicable) and preferred method of communication with the objecting ratepayer or property owner.

Any protest must be received by the DISTRICT before the close of business on the stated deadline date, and a postmark is not sufficient. Written objections that are not received by the deadline specified in the exhaustion notice may be considered by the Board with an offer of proof of extraordinary circumstances. The Board has sole discretion to determine whether to consider those late objections.

5. Staff Response

At the close of the written objection period, DISTRICT staff shall review timely submitted and otherwise compliant written objections in accordance with the requirements above and shall draft written responses to the written objections.

DISTRICT staff shall present the findings to the Board at a regular or special meeting that was specified in the exhaustion notice. The Board, in exercising its discretion, shall determine whether further review is needed, whether the input gathered from written objections and the staff responses warrant amendments to the proposed utility fees or special assessments, and whether to proceed to the Proposition 218 protest hearing.

6. Conclusion of Exhaustion Procedure

Once the Board has made its final determination as to any objection, it may proceed to the Proposition 218 protest hearing (as previously noticed in accordance with Proposition 218).

7. Rate Challenger Must Exhaust Administrative Remedies

No claim, suit for damages, suit for injunctive relief, petition for writ of mandamus, or administrative or judicial proceeding shall be brought against the DISTRICT, the Board, or its employees, officers, or designees, regarding a challenge to a proposed utility fees or special assessments, or modification thereof, unless the challenging party first exhausts the administrative remedies by complying with the exhaustion procedure specified above.