

**PINEDALE COUNTY WATER DISTRICT NOTICE OF PUBLIC HEARING  
ON PROPOSED RATE INCREASE FOR SEWER SERVICE**

**NOTICE IS HEREBY GIVEN** that on October 17, 2023, at 5:00 p.m., or as soon thereafter as the matter may be heard, the Board of Directors of Pinedale County Water District (PCWD) will conduct a public hearing to consider increasing rates for sewer service provided to residences and businesses in PCWD. The public hearing will be held in the District office located at 480 W. Birch Avenue, Fresno, California. Persons interested in participating in the October 17, 2023, public hearing concerning the proposed increases to sewer service rates should appear at the PCWD office on October 17, 2023, at 5:00 p.m.

**INFORMATION ABOUT THE PUBLIC HEARING**

The public hearing on October 17, 2023, is set in conformity with the requirements of California Constitution Article XIII(D), Section 6, commonly known as Proposition 218. At the time and place of the public meeting the Board of Directors will hear and consider all objections and protests, if any, and verify all written protests to the proposed sewer service rate increases and will consider all objections and challenges, if any, to the proposed rate increase (the "Rate Increases"). The Board may continue the public hearing from time to time. The Board will not consider written protest submitted after the conclusion of the public hearing.

Both the owner of the parcel to which sewer service is provided and the person receiving the service for which the fee is charged may submit a written protest. Only one protest per parcel is counted. The written protest must include: (1) your original signature; (2) identification of the parcel by Parcel Number or a street address; (3) identification as the owner of the parcel or the person receiving the service for which the fee is charged; and (4) your statement that protests the proposed Rate Increases. Written protests may be mailed to PCWD at 480 W. Birch Avenue, Fresno, CA 93650 to the attention of the Board Secretary. Written protests are not accepted by email or facsimile and must be either mailed to the address above or presented to the Clerk in person at that location.

If sufficient written protests against the Rate Increases are presented and not withdrawn by a majority of the record owners or persons receiving service for the parcels subject to the increased rates, PCWD may not impose the Rate Increases. If at the close of the public hearing, there is no majority protest as described above, the Board may approve the Rate Increases.

Any person wishing to preserve the opportunity to file a lawsuit or other legal challenge to the Rate Increases must file a written protest with PCWD, stating the specific grounds for the protest. Any grounds not stated in the written protest filed with PCWD, before the close of the public hearing on October 17, 2023, will be deemed waived and may not be raised in any subsequent lawsuit, legal challenge or action.

## **INFORMATION ABOUT THE RATE INCREASES**

PCWD provides, among other things, sewer service to residences and businesses and other property within the District. The rates are set pursuant to a resolution adopted by the Board of Directors following a public hearing in accordance with Proposition 218 and the current rates are a flat rate of \$25.75 per month:

## **WHY SEWER RATES ARE INCREASING**

Prior to 1975 PCWD maintained a Waste Water Treatment Facility (WWTF). That year the State Water Resources Control Board required, and the District ceased operation of its WWTF. By agreement made in 1976, the sewage collection system was redirected to flow to an interceptor line which now transports all sewage collected throughout the District to the City of Fresno WWTF. The prior agreement expired and a new agreement with the City of Fresno was made on January 1, 2007. The 1976 and 2007 Agreements contained an identical provision allowing the City of Fresno to conduct audits relating to operation and fees charged and collected for sewer service. The City never demanded any audit during the entire term of the 1976 Agreement.

Within a year after executing the new agreement, Fresno demanded an audit. It subsequently filed suit in 2008 and sought and received an order requiring the District to submit to an audit, not only of records relating to the sewage collection system, fees or operation, but also with respect to the District's overall operations and finances. The court also entered an award of attorney's fees to the City totaling \$127,515.84. Thereafter, City officials renounced the judgment they had sought and agreed that no such audit would be sought. They also agreed to submit to the City Council a request that the judgment be deemed satisfied or paid in full, given that the lawsuit was filed to compel an audit that the City of Fresno governance never sought and which was sought entirely by City staff. Although Fresno honored the agreement not to enforce the court order requiring an audit, the request for elimination of the \$127,515.84 attorney's fee award was apparently never submitted to the City Council.

In 2018, ten years after it filed suit against the District, the City of Fresno, solely on the authorization of their former City Attorney, Douglas Sloan, filed a new lawsuit to compel the District to pay the \$127,515.84 judgment. A court granted that request. Further, it granted an additional request, on an unknown basis, for a further award of attorney's fees of \$92,201.00.

Although it expressly renounced and agreed not to enforce the judgment compelling the audit, City of Fresno is actively enforcing the now approximate \$237,796.84 judgment, even though all of it is for attorney's fees unnecessarily incurred by the City of Fresno in seeking an order compelling an audit it never wanted to conduct, and never has conducted.

The District does not have adequate funds to pay that amount and must look to its sewer customers to fund payment of this unnecessarily incurred judgment. The District is required to pay the judgment and has adopted a Resolution to do so, with interest, over the course of ten years. Because interest rates vary and because the City seeks additional attorney's fees which will have to be paid, although no City Council Member or Mayor has ever authorized the pursuit of these collection activities orchestrated by the former City Attorney Douglas Sloan, the only manner in which the judgment can be paid as required is to assess that amount as an additional surcharge or fee on sewer rates. The precise amount that the District will need to pay to the City of Fresno is undeterminable because interest rates fluctuate, but the District estimates, based on submissions the City of Fresno makes in court, that the total amount owed will be less than \$300,000. Using \$300,000 as the amount required to be collected from sewer customers of PCWD, as necessary to pay the full judgment over the course of ten years, sewer rates for each and every customer within the District, a total of 1,746 sewer connections, would increase by \$1.43 per month.

The District regrets being required to increase fees for sewer service, but it has been forced to do so by the actions of the City of Fresno. You should direct any complaints or comments about the unnecessary surcharge on your sewer rates to cover unnecessarily incurred attorney's fees in filing and pursuing an unnecessary lawsuit to one or more of the following people:

Jerry Dyer, Mayor of the City of Fresno at 2600 Fresno Street, Room 2075  
Fresno, CA 93721

Garry Bredefeld, Fresno City Council Member, District 6 at 2600 Fresno Street,  
Room 2097, Fresno, CA 93721

Mike Karbassi, Fresno City Council Member, District 2 at 2600 Fresno Street,  
Room 2097, Fresno, CA 93721

Telephone numbers and email addresses for the City of Fresno elected officials are available on their website, [Fresno.gov](http://Fresno.gov). For further information concerning the rate increases and your right to protest, you may direct any questions to Pinedale County Water District's Board Secretary, JoAnn Vierra, at (559) 439-2362.