

RESOLUTION NO. 2025-01

RESOLUTION OF THE HOPLAND PUBLIC UTILITY DISTRICT APPROVING INCREASE IN WATER AND SEWER RATES

The Board of Directors of the Hopland Public Utility District (District) hereby finds as follows:

WHEREAS, pursuant to District Ordinance No. 99-1, Article 14-1, the Board of Directors of District may, as it deems necessary and appropriate, set water or sewer rate, charges and fees by resolution; and

WHEREAS, in order to adequately and responsibly support the cost of the District's operation and maintenance, improve water and sewer system facilities, work towards procuring new water supplies, and maintain financial stability for both utilities, the District is proposing an increase in water and sewer rates; and

WHEREAS, the District retained Hildebrand Consulting, LLC, to prepare the *Hopland Public Utility District – 2025 Water and Wastewater Financial Plan Study (2025 Rate Study)*, attached hereto as Exhibit A and incorporated by this reference, to determine the District's current and estimated future revenue needs and to ensure that the District is meeting its financial obligations for ongoing operations and maintenance and capital improvements while maintaining prudent financial reserves; and

WHEREAS, to meet projected revenue needs, as documented in the 2025 Rate Study, the District is proposing scheduled rate increases over a five-year period, with the initial increase to occur on November 1, 2025, and which will increase the overall level of water rate revenue by 40 percent, and sewer rate by 25 percent in the first year of the proposed five year rate table followed by adjustments each July 1, from 2026 through 2029; and.

WHEREAS, the water and sewer rates result in each ratepayer paying an equitable and proportionate share of the District's costs to provide the service; and

WHEREAS, pursuant to the requirements of Article XIII D, Section 6, of the California Constitution, the District provided mail notice of the proposed water

and sewer rates, attached hereto as Exhibit B and incorporated by this reference, to all property owners and customers who would be affected by said rates, advising them of a public hearing to be conducted by the District on August 14, 2025, and continued on October 9, 2025 and the opportunity to protest the proposed rates in writing, which each notice was mailed more than 45 days prior to the respective public hearing; and

WHEREAS, pursuant to Government Code section 66016(a), the District held a public hearing at its regularly scheduled August 14, 2025, and continued on October 9, 2025, Board of Directors meeting to consider adoption of the proposed water and sewer rate increase; and

WHEREAS, the District has determined and found that the water and sewer rates proposed for approval by the District in the notice provided to the public and as described and set forth in the 2025 Rate Study, are necessary in order to cover actual costs incurred by the District in providing water and sewer service to its customers, and will not produce revenues in excess of costs of such service; and

WHEREAS, California Environmental Quality Act (CEQA) Guidelines section 15273 states that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies and, therefore, the adoption of this resolution is categorically exempt from CEQA.

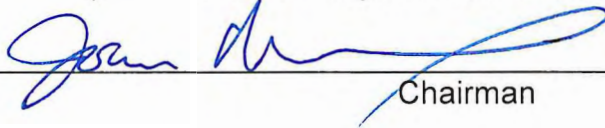
NOW, THEREFORE, BE IT RESOLVED, THAT: The Hopland Public Utility District in conformity with the California Water Code and District Ordinances hereby resolves and adopts the following:

1. That the Board of Directors of the District hereby declares that the foregoing recitals and findings are true and correct; and
2. The proposed water rate schedule set forth in Table 1 for water, is hereby adopted and approved, and
3. The proposed sewer rate schedule set forth in Table 2 for sewer rates is hereby adopted and approved, and
4. The initial change in water and sewer rates would be effective on November 1, 2025, followed by adjustments each July 1 from 2026 through 2029, are hereby adopted and approved; and
4. The General Manager or his designated representative is hereby authorized and directed to implement the policies and provisions of this resolution upon the effective date hereof or as soon as practical.

A motion was made by Director _____ to adopt this resolution. The motion was seconded by Director _____. Thereupon a vote was taken the results of which are recorded herein below:

AYES: Director: Rosetti; Director: Gunter-Hall; Director: Falleri; Chair:
Norry
NAYS: None.
ABSTAIN: None.
ABSENT: None.

Therefore, this resolution was PASSED AND ADOPTED by the Board of Directors of Hopland Public Utility District this 9th day of October 2025.

Date: 10/9/25  _____
Chairman

ATTEST:

Board Secretary

Table 1: Water Rate Schedule

Implementation Date:	Rate Revenue Increase:	40%	40%	15%	9%	7%
Date:	Current Rate	November, 2025	July, 2026	July, 2027	July, 2028	July, 2029
Water Usage Rates (per TGAL)						
Usage Rate:	\$1.90	\$2.66	\$3.72	\$4.28	\$4.67	\$5.00
Fixed Monthly Base Charges						
3/4"	\$15.00	\$21.00	\$29.40	\$33.81	\$36.85	\$39.43
1"	\$28.00	\$39.20	\$54.88	\$63.11	\$68.79	\$73.61
1.5"	\$55.00	\$77.00	\$107.80	\$123.97	\$135.13	\$144.59
2"	\$87.00	\$121.80	\$170.52	\$196.10	\$213.75	\$228.71
3"	\$170.00	\$238.00	\$333.20	\$383.18	\$417.67	\$446.91
4"	\$265.00	\$371.00	\$519.40	\$597.31	\$651.07	\$696.64
6"	\$545.00	\$763.00	\$1,068.20	\$1,228.43	\$1,338.99	\$1,432.72

Table 2: Sewer Rate Schedule

Implementation Date:	Rate Revenue Increase:	25%	15%	6%	5%	5%
Date:	Current Rate	November, 2025	July, 2026	July, 2027	July, 2028	July, 2029
Sewer Monthly Fixed Charge						
Per REU*	\$60.00	\$75.00	\$86.25	\$91.43	\$96.00	\$100.80

* REU = Residential Equivalent Unit