

**RESOLUTION NO. 529**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
SUNNYSLOPE COUNTY WATER DISTRICT**

**DISSOLVING THE JOINT EXERCISE OF POWERS AGREEMENT  
WITH THE CITY OF HOLLISTER AND DISSOLVING THE  
HOLLISTER – SUNNYSLOPE WATER TREATMENT AGENCY**

**WHEREAS**, Sunnyslope County Water District (SSCWD) and the City of Hollister (City) signed a Joint Exercise of Powers Agreement creating the Hollister – Sunnyslope Water Treatment Agency (WTA) for Water Treatment and Transmission Facilities in the Hollister Area on November 19, 2002; and,

**WHEREAS**, the WTA has operated and maintained the Lessalt Water Treatment Plant treating and delivering potable water to the SSCWD and the City from 2002 until September 2013; and,

**WHEREAS**, in September of 2013 the Lessalt Water Treatment Plant and property ownership was transferred from the WTA to the San Benito County Water District; and,

**WHEREAS**, San Benito County Water District, the City, and SSCWD entered into the Water Supply and Treatment Agreement in June of 2013 for the purpose of financing and constructing water facilities in the Hollister Urban Area including the upgrade to the Lessalt Water Treatment Plant, the construction of the West Hills Water Treatment Plant, and the construction of various pumping and pipeline facilities to deliver treated water to the City and SSCWD; and,

**WHEREAS**, the upgraded Lessalt Water Treatment Plant and the West Hills Water Treatment Plant will be owned by San Benito County Water District and the responsibility of operation and maintenance of these facilities shall be pursuant to the Agreement for Operations and Maintenance Services approved and executed in August of 2013 between San Benito County Water District and SSCWD; and,

**WHEREAS**, the WTA no longer owns or operates water facilities and is no longer necessary; and,

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED**, the Sunnyslope County Water District Board of Directors hereby makes the following findings and orders as follows:

Section One. **Environmental Impact.** The dissolution of the WTA is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

Section Two. **Findings.** The WTA no longer has a purpose and is no longer necessary for the operation of water treatment and transmission facilities and is hereby dissolved.

Section Three. **Assets.** The remaining assets of the WTA shall be split equally between the City and SSCWD upon dissolution. As of December 31, 2013, there is approximately \$1,124,620 in accounts held by the WTA. These funds will be transferred to the City and the SSCWD upon dissolution equally. There are no other assets held by the WTA.

Section Four. **Future Expenditures, Obligations, and Liabilities.** There may be future expenditures, obligations, and liabilities after dissolution of the WTA. Any future expenditures, obligations, and liabilities of the WTA shall be shared equally between the City and SSCWD. SSCWD shall be the successor agency to handle any future obligations and liabilities and shall invoice the City for 50% of the cost. The annual audit for Fiscal Year 2013/2014 is the only future liability of the WTA anticipated.

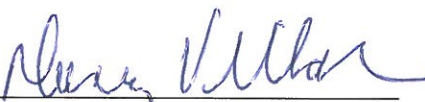
Section Five. **Effective Date.** This Resolution shall take effect on February 28, 2014.

Section Six. **Severability.** If any subdivision, paragraph, sentence, clause or phrase of this Resolution is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or enforcement of the remaining portions of this Resolution. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

**THE FOREGOING RESOLUTION** on a motion by Director Meraz and second by Director Clapham is duly adopted this 11<sup>th</sup> day of February, 2014, by the following vote:


AYES: DIRECTORS Clapham, Hill, Johnson, Meraz, and Villalon  
NOES: DIRECTORS None  
ABSTAIN: DIRECTORS None  
ABSENT: DIRECTORS None

SUNNYSLOPE COUNTY WATER DISTRICT

BY:   
Daniel Villalon, President

(S E A L)


ATTEST:

  
Donald G. Ridenhour, General Manager

#### CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of Directors of Sunnyslope County Water District hereby certifies that the foregoing is a full, true and correct copy of the resolution adopted on February 11, 2014 as Resolution No. 529.

Dated: February 11, 2014

  
Donald G. Ridenhour, Secretary