

052-24


NOTICE OF EXEMPTION

44.02222024-057

TO: <input checked="" type="checkbox"/> Office of Planning and Research P. O. Box 3044, Room 113 Sacramento, CA 95812-3044	FROM: Soquel Creek Water District (Public Agency) 5180 Soquel Drive Soquel, CA 95073 (Lead Agency)
<input checked="" type="checkbox"/> Santa Cruz County Clerk 701 Ocean Street, Room 520 Santa Cruz, CA 95060	<div style="border: 1px solid black; padding: 5px; text-align: center;"> RECEIVED CLERK OF THE BOARD FEB 22 2024 </div>

1. Project Title:	Ordinance 24-01 Fixing Rates, Charges and Fees
2. Project Location:	Soquel Creek Water District's ("District") service area.
3. (a) Project Location – City:	The District's regional service area includes the cities of Aptos, La Selva Beach, Opal Cliffs, Rio Del Mar, Seascape, Soquel, and portions of Capitola
(b) Project Location – County:	Santa Cruz County
4. Description of nature, purpose, and beneficiaries of Project:	<p>On February 20, 2024, the Board of Directors of the Soquel Creek Water District adopted Ordinance 24-01 Fixing Rates, Charges and Fees ("Ordinance") authorizing rate adjustments to the water rates of the District.</p> <p>In April 2023, the District initiated a Water Rate Study to develop a finance plan and conduct a thorough review of the District's water rate structure to provide options for the development of new water rates. The study is based on District-specific data, including water usage and demand patterns and budgetary requirement and constraints. Based on the Water Rate Study, District meetings, and public hearings, the District proposed changes to its water rates.</p> <p>The water rates proposed by the Ordinance are designed to fund the District's operations over the next four years. District revenue needs are projected to increase 10% in year one, and 12% annually in years two through four. The revenue is needed to fund District operations, invest in capital infrastructure repairs and replacements, adjust for inflationary pressure, ensure repayment of debt, begin operation of the Pure Water Soquel Advanced Water Purification project, and actively restore the overdrafted groundwater basin to prevent seawater intrusion. As noted in the Ordinance, the proposed water rate modifications do not establish rate increases to fund capital projects for the expansion of the District system.</p>
5. Lead Agency/Public Agency approving project:	Soquel Creek Water District
6. Name of Person or Agency carrying out project:	Soquel Creek Water District
7. Exempt status: (check one)	
(a) <input type="checkbox"/> Ministerial project.	
(b) <input checked="" type="checkbox"/> Not a project.	State CEQA Guidelines § 15378(b)(4).
(c) <input type="checkbox"/> Emergency Project.	

THIS NOTICE HAS BEEN POSTED AT THE CLERK
 OF THE BOARD OF SUPERVISORS OFFICE AT A
 PERIOD BEGINNING 2/22/2024
 AND ENDING 3/28/2024

(d) <input type="checkbox"/> Categorical Exemption. State type and class number:	
(e) <input type="checkbox"/> Declared Emergency.	
(f) <input checked="" type="checkbox"/> Statutory Exemption. State Code section number:	Public Resources Code § 21080(b)(8); State CEQA Guidelines § 15273(a)
(g) <input type="checkbox"/> Other. Explanation:	
8. Reason why project was exempt:	<p>The adoption of the Ordinance is not a project within the meaning of CEQA pursuant to State CEQA Guidelines §15378(b)(4). Section 15378(b)(4) provides, in pertinent part, that a project does not include “the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.” Because the adoption of the Ordinance is based on the creation of a government funding mechanism but does not involve any commitment to a specific project, it is not a project under CEQA.</p> <p>To the extent that the adoption of the Ordinance is considered a “project” under CEQA, it is nevertheless exempt pursuant to Public Resources Code § 21080(b)(8) and State CEQA Guidelines § 15273(a). Sections 21080(b)(8) and 15273(a) provide that activities to establish, modify, structure, restructure, or approve of rates, tolls, fares, or other charges by public agencies for the purpose of meeting operating expenses (among other things) are exempt from CEQA. Given that adoption of the Ordinance establishes new rates and charges for water service expressly for the purpose of assisting the District with continuing to meet operational expenses, it is exempt from CEQA review pursuant to Public Resources Code § 21080(b)(8) and State CEQA Guidelines § 15273(a).</p>
9. Contact Person:	Melanie Mow Schumacher
Telephone:	(831) 475-8500x153
Date Received for Filing: _____	 _____ Signature (Lead Agency Representative)
(Clerk Stamp Here)	