



**RESOURCE  
MANAGEMENT AGENCY  
COUNTY OF TULARE  
AGENDA ITEM**

**BOARD OF SUPERVISORS**

KUYLER CROCKER  
District One

PETE VANDER POEL  
District Two

AMY SHUKLIAN  
District Three

EDDIE VALERO  
District Four

DENNIS TOWNSEND  
District Five

**AGENDA DATE:** June 4, 2019

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
CONTACT PERSON: Celeste Perez PHONE: (559) 624-7010				

**SUBJECT:** Temporary Receivership of Seville Water Company

**REQUEST(S):**

That the Board of Supervisors:

1. Authorize continuance of the temporary receivership for the Seville Water Company through June 30, 2021, subject to the same terms and conditions enumerated as items 1 through 11 inclusive in the Order Granting Petition for Appointment of Receiver dated May 26, 2017.

**SUMMARY:**

On April 28, 2009, the Board approved accepting temporary receivership for the Seville Water Company through Resolution No. 2009-0312. The Superior Court for Tulare County granted temporary receivership to Tulare County for the Seville Water Company on June 11, 2009. Temporary receivership was granted for two (2) years and expired on June 10, 2011. The Board approved 2 year continuances of the temporary receivership beginning on April 21, 2011 and most recently extending receivership through June 30, 2019 (Resolution No. 2017-0388). The Superior Court for Tulare County extended temporary receivership to Tulare County in each case including on May 26, 2017 with receivership expiring for the Seville Water Company on June 30, 2019 (Attachment C).

The purpose of the County assuming temporary receivership for the Seville Water Company was to apply for and receive state and/or federal grants and/or loans to rehabilitate the system. Procurement of grant funding has allowed the County to successfully add a second well to the water system, install a 15,000-gallon storage tank, acquire right of way for an additional well site and begin the construction of a

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**DATE:** June 4, 2019

new distribution system (Phase 1 construction of the Seville & Yettem Water System). Staff recommends extending receivership of Seville Water Company an additional two (2) years to allow time for construction of the new Seville Distribution System.

Staff expects that after the completion of the Phase 1 project, and fulfillment of Tulare County LAFCO conditions, ownership and maintenance of the Seville water system will transfer to the recently established Yettem and Seville Community Services District. This transfer is scheduled to occur prior to the date of the extension requested under this receivership extension. However, due to processing requirements with the court system and to allow for unexpected issues to be remedied, it is suggested that the full two-year receivership extension be sought.

**FISCAL IMPACT/FINANCING:**

Seville Water Company has required a loan from the Revolving Fund, which is serviced by the General Fund, during the past two (2) years. Continuing ownership, operation and maintenance of the Seville Water Company may impact the General Fund.

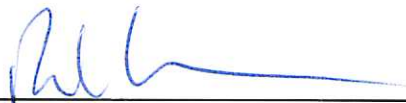
**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

The County's five-year strategic plan includes a Quality of Life initiative to promote public health and improve environmental quality. Infrastructure improvements will assist the Seville and Yettem water systems in meeting safe drinking water standards for its domestic water supply and decreases the contamination risk to human health, as well as the environment.

**ADMINISTRATIVE SIGN-OFF:**



\_\_\_\_\_  
Sherman C. Dix Date  
Assistant Director – Fiscal Services



\_\_\_\_\_  
Reed Schenke Date  
Director

cc: County Administrative Office

Attachment(s): Attachment A - Vicinity Map  
Attachment B - Seville Zone of Benefit Boundary Map  
Attachment C - Order Granting Petition for Appointment of Receiver  
5/26/17

**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF TEMPORARY                    )  
RECEIVERSHIP OF SEVILLE WATER         ) Resolution No. \_\_\_\_\_  
COMPANY   )

UPON MOTION OF SUPERVISOR \_\_\_\_\_, SECONDED BY  
SUPERVISOR \_\_\_\_\_, THE FOLLOWING WAS ADOPTED BY THE BOARD  
OF SUPERVISORS, AT AN OFFICIAL MEETING HELD   JUNE 4, 2019  , BY THE  
FOLLOWING VOTE:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST: JASON T. BRITT  
          COUNTY ADMINISTRATIVE OFFICER/  
          CLERK, BOARD OF SUPERVISORS

BY: \_\_\_\_\_  
                                  Deputy Clerk

\*\*\*\*\*

1. Authorized continuance of the temporary receivership for the Seville Water Company through June 30, 2021, subject to the same terms and conditions enumerated as items 1 through 11 inclusive in the Order Granting Petition for Appointment of Receiver dated May 26, 2017.

ATTACHMENT A

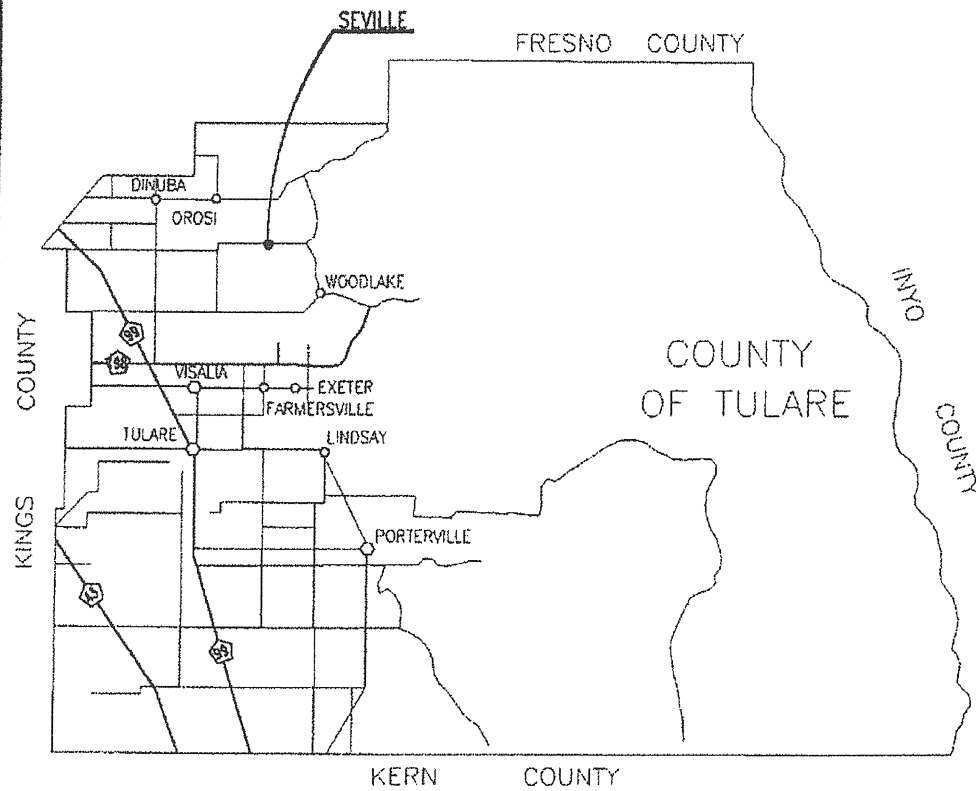
VICINITY MAP

ATTACHMENT A

VICINITY MAP

COUNTY OF TULARE

SEVILLE



SITE LOCATION MAP



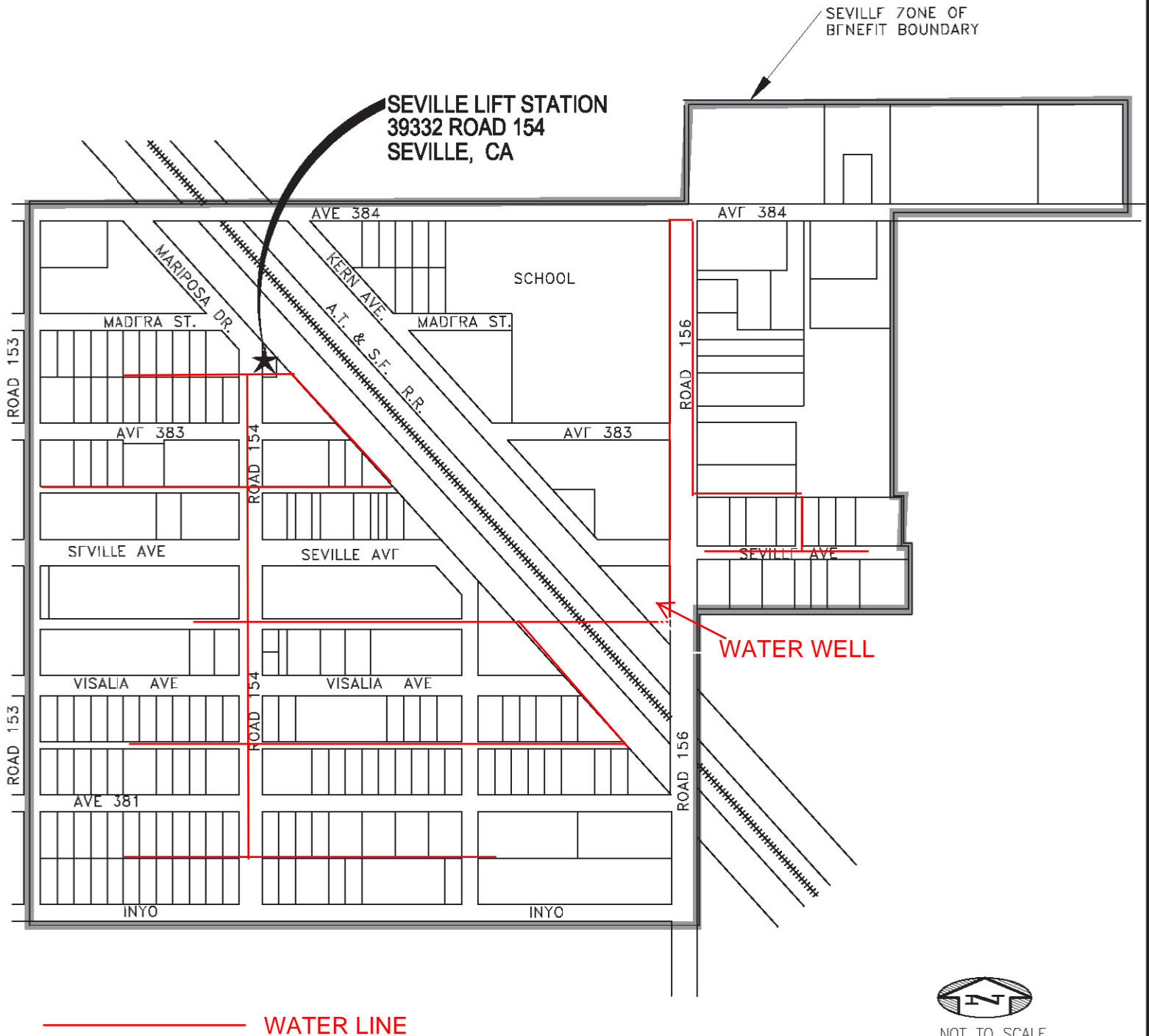
NOT TO SCALE

ATTACHMENT B

SEVILLE ZONE OF BENEFIT BOUNDARY MAP

ATTACHMENT B  
SEVILLE ZONE OF BENEFIT BOUNDARY MAP

SEVILLE



SEVILLE ZONE OF BENEFIT BOUNDARY

SEVILLE LIFT STATION  
39332 ROAD 154  
SEVILLE, CA

WATER WELL

WATER LINE



NOT TO SCALE

# Attachment C

Order Granting Petition for Appointment of Receiver 5/26/17



1 KAMALA D. HARRIS  
 Attorney General of California  
 2 TRACY L. WINSOR  
 Supervising Deputy Attorney General  
 3 MATTHEW J. GOLDMAN  
 Deputy Attorney General  
 4 State Bar No. 113330  
 1300 I Street, Suite 125  
 5 P.O. Box 944255  
 Sacramento, CA 94244-2550  
 6 Telephone: (916) 324-4223  
 Fax: (916) 327-2319  
 7 E-mail: Matthew.Goldman@doj.ca.gov  
 Attorneys for Petitioner California State Water  
 8 Resources Control Board

FILED  
 TULARE COUNTY SUPERIOR COURT  
 VISALIA DIVISION

MAY 26 2017

LARAYNE CLEEK, CLERK  
 BY: Ara

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF TULARE

11  
 12  
 13 IN THE MATTER OF  
 14 PETITION OF STATE WATER  
 15 RESOURCES CONTROL BOARD,  
 16 Petitioner,  
 17 FOR ORDER FURTHER EXTENDING  
 18 APPOINTMENT OF TULARE COUNTY  
 AS RECEIVER OF  
 19 SEVILLE WATER COMPANY,  
 20 Respondent.

WMR  
 [Proposed] ORDER GRANTING  
 PETITION FOR ORDER FURTHER  
 EXTENDING APPOINTMENT OF  
 TULARE COUNTY AS RECEIVER OF  
 SEVILLE WATER COMPANY

5-26-17  
 Date: ~~June 9, 2017~~  
 Time: 8:30 a.m.  
 Dept: 1  
 Judge: Hon. Melinda M. Reed

21  
 22  
 23 Petitioner California State Water Resources Control Board's ("State Board") Petition for  
 24 Order Further Extending Appointment of Tulare County as Receiver of Seville Water Company  
 25 came regularly before this Court on June 9, 2017, Hon. Melinda M. Reed presiding. Petitioner  
 26 State Board was represented by Deputy Attorney General Matthew J. Goldman, who appeared  
 27 telephonically. No individual or entity purporting to have an ownership interest in the Seville  
 28

1 Water Company has made appearance in this matter.

2 Having considered the moving papers, supporting declaration, and those matters of which  
3 the Court took judicial notice, the Court finds there is good cause for a further extension of the  
4 receivership.

5 IT IS THEREFORE ORDERED AND ADJUDGED that the State Board's Petition for  
6 Order Further Extending Appointment of Tulare County as Receiver for the Seville Water  
7 Company is hereby GRANTED.

8 IT IS FURTHER ORDERED:

9 1. That Tulare County continue as appointed receiver of the Seville Water Company for  
10 an additional 24 months, until June 30, 2019;

11 2. That, in accordance with Health and Safety Code section 116665, no personal  
12 liability shall be born by the receiver for any good faith, reasonable effort to assume possession  
13 of, and to operate, the Seville Water Company in compliance with the Court's order, and no  
14 liability will be borne by the receiver associated with the past operation of the Seville Water  
15 Company;

16 3. That no bond need be posted by the receiver;

17 4. That the receiver shall be compensated at the rate of \$60 dollars per month, or at the  
18 current and existing rate, whichever is greater, for each existing residential connection to the  
19 Seville Water Company water system, and for non-residential connections, at a rate to be  
20 calculated based on the equivalent residential rate;

21 5. That the receiver shall establish a rate schedule and policy regarding termination of  
22 water service, and shall submit all rate changes to the State Board for review and approval before  
23 they are imposed on the customers of the Seville Water Company water system;

24 6. That the receiver may apply to the State Board for approval to recover extraordinary  
25 expenses it may incur in operating the Seville Water Company;

26 7. That the receiver is authorized to bill customers of the Seville Water Company  
27 retroactively to the last date(s) bills for service were sent to said customers. In addition, the  
28 receiver is authorized, as provided for by Government Code section 54346.4, subdivision (a) to

1 collect any unpaid water bills by adding the unpaid amount of the bill to the property owner's  
2 property tax assessments;

3 8. That the receiver is authorized to accept and administer any grants or loan funding  
4 that may be made available from the State of California or the Federal government for the  
5 purpose of upgrading the existing water system to comply with current water works standards and  
6 correct existing serious deficiencies of the physical system facilities;

7 9. That Tulare County may apply for, accept and administer any grants or loan funding  
8 that may be made available from the State of California or the federal government to construct,  
9 own and operate improvements and/or replacement facilities, including, but not limited to,  
10 construction, ownership and operation of a complete replacement public drinking water system  
11 for the Seville community; and that such actions on the part of Tulare County be consistent with  
12 and not in conflict with its position as the appointed and duly acting receiver for the Seville Water  
13 Company's water system;

14 10. That the receiver shall have no liability arising from or associated with acts or  
15 activities concerning the operation of the Seville Water Company prior to appointment of the  
16 receiver; and

17 11. That the receivership shall be temporary in nature and will last until June 30, 2019  
18 without further court order.

19

20 **IT IS SO ORDERED**

21

22 Dated:

5.26.17

**Melinda M. Reed**

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Hon. Melinda M. Reed  
Judge of the Superior Court

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