

Resolution No. _____
Santa Rosa, CA
Date: _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SONOMA DECLARING ITS INTENTION TO GRANT A FRANCHISE TO CALIFORNIA-AMERICAN WATER COMPANY, SETTING A DATE FOR PUBLIC HEARING, AND AUTHORIZING AND DIRECTING PUBLICATION OF NOTICE

WHEREAS, the County of Sonoma has received an application for a franchise from California-American Water Company (Cal-Am) in connection with Cal-Am's operation of a water system in the Mark West-Larkfield-Wikiup area; and

WHEREAS, the application request the granting of a franchise under the terms of a franchise agreement, the form of which was previously approved by the Board on October 20, 2009; and

WHEREAS, the Board intends to pass through a portion of the franchise fees from Cal-Am to a new Community Services District in the Mark West-Larkfield-Wikiup area, subject to approval of the CSD by the Local Agency Formation Commission and voters in the area; and

WHEREAS, the Public Utilities Code contains formal requirements for the grant of a franchise;

NOW, THEREFORE, the Board of Supervisors of the County of Sonoma hereby finds and resolves as follows:

1. The foregoing recitals are true and correct.
2. The Board hereby declares declaring its intention to grant the franchise applied for by Cal-Am.
3. The character of the franchise is a franchise to use County streets to supply water to consumers in connection with the regulated water system owned and operated by Cal-Am in the Mark West-Larkfield-Wikiup area of unincorporated Sonoma County, as more particularly stated in the application submitted by Cal-Am and the franchise agreement accompanying that application.
4. Cal-Am and its successors and assigns will, during the life of its franchise, pay to the County the percentage specified in the application and

franchise agreement (two percent (2%) of the gross annual receipts of Cal-Am arising from the use, operation, or possession of the Franchise). The percentage will be paid annually from the date of the granting of the franchise, and in the event such payment is not made the franchise will be forfeited. The franchise will, if granted, be for a term of 20-years, and may be extended by mutual agreement.

5. The Board hereby provides notice that on December 8, 2009, at 9:30 a.m., in the Board's Chambers at 575 Administration Drive, Room 100, Santa Rosa, California, all persons having any objection to the granting of such franchise may appear before the Board and be heard thereon.

6. The Clerk of the Board is directed to publish the notice of the hearing and within fifteen (15) days after the passage of this resolution in a newspaper of general circulation within the County of Sonoma, in the form attached hereto as Exhibit A.

BROWN_____KERNS_____ZANE_____CARRILLO_____KELLEY_____

AYES_____NOES_____ABSTAIN_____ABSENT_____

SO ORDERED.

Exhibit A – Form of Notice

PLEASE TAKE NOTICE that the Sonoma County Board of Supervisors has adopted a resolution of intent to grant a franchise to California-American Water Company. The character of the franchise is as stated in the application submitted by Cal-Am and the franchise agreement accompanying that application, which are available for inspection at the Clerk of the Board at the address set forth below. Cal-Am and its successors and assigns will, during the life of its franchise, pay to the County the percentage specified in the application and franchise agreement. The percentage will be paid annually from the date of the granting of the franchise, and in the event such payment is not made the franchise will be forfeited. The franchise will, if granted, be for a term of 20-years, and may be extended by mutual agreement.

PLEASE TAKE FURTHER NOTICE THAT on December 8, 2009, at 9:30 a.m., or as soon thereafter as the matter may be heard, in the Board's Chambers at 575 Administration Drive, Room 100, Santa Rosa, California, all persons having any objection to the granting of such franchise may appear before the Board and be heard thereon.