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PRESS RELEASE

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COURT UPHOLDS GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT WATER RATES

The Superior Court of California, El Dorado County, denied the lawsuit filed by Georgetown Divide Taxpayers Association, Steven Proe, and Michele Turney against the District. The Court concluded that the District's new water rates are supported by substantial evidence and the District complied with Proposition 218.

In its ruling the Court determined, "After independently reviewing the evidence, the court concludes that the District's new water rates are supported by substantial evidence, and the District met its burden of showing compliance with Proposition 218's procedural and substantive requirements. The petition for writ of mandate is denied."

The plaintiff's filed their suit against the District in May 2018 asserting several arguments in an attempt to invalidate the District's water rates adopted in late 2017. The Court rejected all the arguments against the rate study; including the assertion that the Capital Replacement Program (CRP) developed in part for setting the rates was artificially inflated, exaggerated the number of components in the system, and relied upon inaccurate and flawed information. In rejecting this claim, the Court stated, "Accordingly, the court finds that the information relied on for the CRP and rate study is reasonably dependable and adequate..."

This decision will allow the District to maintain the new rate structure and continue the hard work necessary to begin replacing and rehabilitating aging infrastructure that has not been addressed for many years.

The complete statement of decision is located on the District website at: <u>http://www.gd-pud.org/studies-and-reports.</u> For more information, contact General Manager Steven Palmer at (530) 333-4356.
