Central San Joaquin Water Conservation District

PROPOSITION 218 NOTICE OF PROPOSED AGRICULTURAL WATER RATE INCREASE

NOTICE OF PUBLIC HEARING

A public hearing for the proposed increase of agricultural water rates will be held on:

DATE:

Thursday, October 6, 2016 12:00 p.m., Noon

LOCATION:

Farmington Fire Station, 25474 CA HWY 4, Farmington, California

The Board of Directors will hold a public hearing to consider the adoption of an increase to agricultural water rates. The District believes that you are a property owner whose real property is estimated, but not guaranteed, to be currently capable of receiving water services from the District. If adopted, the proposed new rates would be the maximum_allowable per-acre-foot rates for each year designated below. Each year the Board of Directors will determine the actual rates to be charged based upon water availability, the District's budget, and other factors. The actual rates cannot exceed the rates adopted pursuant to this notice.

The Central San Joaquin Water Conservation District (District) proposes to increase the District's agricultural groundwater extraction fee and the agricultural supplemental surface water charge in order to be able to continue to operate and maintain the District's supplemental surface water supply project. This notice only pertains to the rates set forth herein. Existing rates for domestic and livestock groundwater extraction are not proposed to be increased and shall continue in effect.

REASON FOR INCREASE: The District is a water conservation district formed to manage a portion of the Eastern San Joaquin Valley Groundwater Basin. The Basin is in a condition of critical overdraft. To address and manage the overdraft, the District purchases supplemental surface water from the Bureau of Reclamation and conveys such water through a distribution system for delivery throughout the District. The District has delivered water since 1996 and has an established groundwater extraction fee and surface water charge to pay for the costs of service.

The District revenue from the fees and charges must adequately fund its operation and maintenance and District administration costs. The cost of service for this project has increased. The proposed increases are needed to cover the District's costs in providing supplemental surface water for basin management.

HOW THE NEW FEES & CHARGES WERE CALCULATED: A rate study has been conducted by Water Sadler, P.E. (civil). That study concluded that the proposed new rates will provide funds for the District to cover the cost of operation and maintenance and administration and to seek alternative financing options. All rates are calculated based on the cost to provide water service and on the expected amount of water to be delivered. The District Consultant's Rate Study may be viewed at www.csjwcd.com or at the District's office at 11 S. San Joaquin St Ste 306, Stockton, CA 95202. The District has also placed a copy of the Rate Study for viewing at the Escalon Public Library.

PROPOSED INCREASED WATER RATES PER ACRE-FOOT

Year	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Surface Water Rate AF	\$47	\$47	\$47	\$47	\$47
Groundwater	\$12.50	\$12.50	\$12.50	\$12.50	
Extraction Fee AF(Acre)	(\$35)	(\$35)	(\$35)	(\$35)	\$12.50 (\$35)

If approved by the Board after the public hearing on the proposed rates, the above rates would be the **maximum** allowable per acre-foot rates for each year designated. The Board has the right to set a rate that is less than the maximum should District financial conditions dictate.

PROPOSITON 218 PROCESS

Proposition 218 requires local districts to notify property owners of any proposed new or increased rates, fees, and charges for water service. The District Board of Directors will consider increased rates for agricultural water during the public hearing listed above. The notice also provides information on the reason for the increases and what the District plans on doing with additional revenue generated.

HOW TO PROTEST PROPOSED INCREASED WATER RATES, FEES, & CHARGES

Under Proposition 218, the owner of record for a parcel that is subject to the proposed increases can submit a written protest against the proposed increases to the District at or before the time set for the public hearing. Each parcel is only entitled to submit one valid protest without regard to parcel size or value. If a majority of the affected property owners submit written protests, the proposed increase will not go into effect. A valid protest must: (1) be in writing; (2) state opposition to the proposed water rates; (3) state the location of the owner's parcel by County Assessor's Parcel Number (APN) or by the parcel's street address; (4) list the owner(s) names; (5) have an original signature; and (6) be received at or before the time of the above public hearing.

If the party signing the protest is not shown on the last equalized secured property tax assessment roll of San Joaquin County as the owner of the parcel, then the protest must include written evidence that such party is the owner of the parcel.

Protests may be 1) mailed to Central San Joaquin Water Conservation District, 11 S. San Joaquin St Ste 306, Stockton, CA 95202 or 2) personally delivered to the District's office at 11 S. San Joaquin St Ste 306, Stockton, CA 95202 or personally delivered to the Board at a Board meeting. All protests must be actually received no later that the time set for the public hearing. All protests received after the time set for the public hearing shall be automatically rejected.

In rental situations where the tenant pays the irrigation water bills, the property owner is responsible for supplying the tenant with this notice. Tenants may submit a written protest by the deadline specified in this notice, but only <u>one protest per parcel</u> shall be accepted.

If you have any questions please contact the District at (209) 466-7952.

Dated: August 15, 2016