

MID-KINGS RIVER GSA
NOTICE OF PUBLIC HEARING
REGARDING THE ADOPTION OF A SPECIAL BENEFIT ASSESSMENT

The purpose of this Notice is to provide you with information about the assessment ballot proceeding being conducted by the Mid-Kings River Groundwater Sustainability Agency (MKRGSA or Agency) and its effect on real property that you own. This notice is being sent to you in accordance with Section 65000 of the California Government Code, and Article XIII D of the California Constitution. This election is being held in accordance with Proposition 218, which is a Constitutional Initiative approved by the voters of California in November 1996 which requires new or increased assessments to be approved by affected landowners.

Please be advised that a public hearing is set for 1:00 p.m. on April 23, 2024, at the Koinonia Church, 12536 Hanford Armona Rd, Hanford, CA 93230, to consider establishing an assessment. If you wish to comment on this matter you are invited to do so at the Public Hearing.

The MKRGSA formed as a Groundwater Sustainability Agency (GSA) in 2016 with the primary purpose of achieving compliance with the Sustainable Groundwater Management Act (SGMA) for landowners within the MKRGSA. SGMA is a State law that was adopted in 2014 and requires improved management and balance of groundwater supplies. SGMA is an unfunded mandate from the State, meaning the costs to comply with the law will be borne by local landowners. The MKRGSA proposes to implement an assessment rate structure that is sufficient to fund MKRGSA Administration, Groundwater Sustainability Plan (GSP) Administrative Implementation activities (i.e., monitoring and reporting), and reimbursement to member agencies that have funded activities to this point.

Based on the MKRGSA's needs, the MKRGSA Board of Directors is requesting landowner approval to levy assessments to generate sufficient revenue to fund expenses associated with MKRGSA Administration, GSP Administrative Implementation activities, and member agency reimbursement. GSP Administrative Implementation expenses include GSP revisions, preparation of annual reports, monitoring activities as well as installation of additional monitoring sites and the efforts related to the required annual monitoring and reporting, data gaps, and preparing for the GSP 5-Year Updates requirements. Included on most of these tasks is an estimated annual inflation factor of three percent (3%) based on the task, as laid out in the Engineer's Report. The escalation is not applied to the member agency reimbursement.

The activities considered under this proposal are viewed as special benefits to the assessable parcels within the MKRGSA (defined as those parcels that are included on the Kings County tax rolls) established for a specific purpose, namely sustainable management of shared groundwater resources.

There are approximately 84,352 assessable acres in the Agency's boundaries subject to the proposed assessment, and the MKRGSA Board proposes a maximum special assessment of \$25.00 per acre on the subject properties. It will be up to the Board of Directors to set the annual assessment rate and the Board may choose to set the annual rate lower than the maximum rate proposed.

Your maximum assessment can be calculated as follows:

$$\$25.00/\text{acre} \times \text{your total acreage in MKRGSA} = \$ \text{your proposed maximum assessment}$$

Local Control Versus State Control

If MKRGSA is unable to fund the activities required to comply with the SGMA regulations, then it will have fewer resources to implement SGMA at the local level. If the MKRGSA fails to implement its GSP, such failure could result in intervention by the State Water Resources Control Board (SWRCB). Should that happen, the SWRCB is anticipated to regulate how much groundwater a landowner can pump and will collect fees to recover its costs to intervene. The cost of State intervention is presently stated at a well registration of \$300/well and a probationary rate of \$40/acre foot for water pumped. Extractors in probationary basins where the SWRCB determines an interim plan is required will be charged at \$55/ acre foot. This intervention will likely be done without the benefit of developing local projects or programs to help achieve sustainability.

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An Engineer's Report was prepared by a registered professional engineer to determine the proposed assessment rate. The Engineer's Report's calculations were based upon a review of the annual budget, anticipated expenses, and the benefits that are conveyed to landowners within the MKRGSA. The benefits to all landowners within the MKRGSA were identified as the benefits that are conferred upon those parcels in the MKRGSA that use, or have the potential to use, groundwater. Therefore, the Engineer's Report concluded that under this new assessment your property will receive a financial benefit from the MKRGSA's activities commensurate with the proposed assessment. The Engineer's Report is available for review on the MKRGSA website, www.midkingsrivergsa.org. Objections to the assessment roll or rate established for the respective parcels of land in accordance with said preliminary roll will be heard at said Public Hearing on April 23, 2024.

If approved, the assessment will be collected through the Kings County tax rolls beginning in the County Fiscal Year 2024-25. The MKRGSA Board will consider how much to assess each year and depending on the funds projected to be needed for the year, assessments may be approved up to the maximum proposed rate each year as laid out in the Engineer's Report. The funds raised by this assessment will be used to cover the MKRGSA Administration, GSP Administrative Implementation activities as identified previously, and member agency reimbursement. The Board adopts an annual budget and reviews and authorizes payment of expenses at regular public meetings. Annual audits of the MKRGSA are performed by an independent accounting firm.

Enclosed with this notice, you will find an assessment ballot.

Please follow the directions listed on the assessment ballot to express your view on the proposed maximum assessment. You may **mail your ballot in the enclosed postage paid envelope to Mid-Kings River GSA, c/o MK Election Services, P.O. Box 1598 Hanford, CA 93232-9912**. Sealed ballots may also be hand-delivered to the MKRGSA office (c/o Kings County Water District, 200 Campus Drive, Hanford, CA 93230) during normal business hours. Hand-delivered ballots will also be accepted at the Public Hearing. Regardless of whether you choose to mail or hand-deliver your ballot, it **MUST** be received no later than the conclusion of the Public Hearing, which starts at 1:00 p.m. on April 23, 2024 or it will not be counted in the final tabulation of ballots.

The number of votes you can cast with respect to your property will correspond to the potential financial obligation imposed on your property. You may change your vote at any time prior to the conclusion of the Public Hearing on this matter. However, because the ballots must remain sealed until the tabulation begins, regardless of your method of delivery, you will be provided a replacement ballot to provide your new vote.

After the Hearing, MK Elections will tabulate the ballots weighted according to the proposed assessment to you for your parcel(s) and will post the results as soon as practical. If the number of votes submitted in opposition to the proposed assessment rate exceed the number of votes submitted in favor (weighted according to the parcel acreage and proposed assessment rate), the MKRGSA will not impose the assessment.

More information about the proposed assessment can be found at the MKRGSA website, www.midkingsrivergsa.org. You may also email kcwdh2o@sbcglobal.net or call (559) 584-6412.

Dated: 2/20/24


Barry McCutcheon, Board President