

# TUSCAN WATER DISTRICT NOTICE OF PUBLIC HEARING ON A BALLOT PROCEEDING FOR A SPECIAL BENEFIT ASSESSMENT

Ballot is Enclosed

The purpose of this Notice is to provide you with information about the assessment ballot proceeding being conducted by the Tuscan Water District (District) and its effect on real property that you own within the District's boundary. This Notice is being sent to you in accordance with section 53753 of the California Government Code, and section 4(c), Article XIIID of the California Constitution. This ballot election is being held in accordance with Proposition 218, which is a Constitutional Initiative approved by the voters of California in November 1996 and which requires that new or increased assessments be approved by affected landowners.

# PUBLIC HEARING INFORMATION

The District's Board of Directors (Board) will hold a public hearing at 9:00 a.m. on Wednesday, January 15, 2025 at Chico State University Farm, Room 104, 311 Nicholas C Schouten Lane, Chico, CA 95928 to consider protests, tabulate assessment ballots, and consider the adoption of an assessment to cover the cost of District operations. If you wish to comment on this matter, you are invited to do so at this public hearing.

# PURPOSE OF THE ASSESSMENT

The District was formed on February 1, 2024 and does not currently generate any revenue. The District proposes to levy an annual assessment on parcels within its boundaries to cover its fixed costs. These costs include: general and administrative expenses (e.g., staffing and office expenses), litigation support, technical support, lobbying and advocacy, and generating reserve fund dedicated to unforeseen increased costs. If approved, the proposed assessment will be levied in February 2025 and each year thereafter until the District seeks landowner approval to revise the assessment. Further explanation of the need for the proposed assessment, the methodology of its calculation, and how the funds generated will be used can be found in the District Engineer's Report prepared by Provost & Pritchard Consulting Group. The Engineer's Report is available on the District's website at <a href="https://www.tuscanwaterditrict.org/">https://www.tuscanwaterditrict.org/</a>.

# CALCUATION OF THE ASSESSMENT

With the formation of the District, each parcel within the District receives specific and direct special benefits. The District has identified these benefits as follows:

- Local Control: District landowners are governed by a locally managed special district with exclusive authority to pursue and implement surface water projects, groundwater recharge initiatives, and demand reductions strategies aimed at achieving long-term groundwater sustainability for the Vina and Butte Subbasins.
- **Representation:** District landowners are represented in collaboration with Butte County; the Vina, Butte, and Rock Creek Reclamation District Groundwater Sustainability Agencies; and other state and local entities in the administration of groundwater sustainability plans.
- Funding Advocacy: District landowners are the beneficiaries of the District's efforts to advocate for and secure grants and other funding from local, state, or federal sources to support surface water projects, groundwater recharge initiatives, demand reduction efforts, and other mitigation strategies ultimately reducing the overall cost of Sustainable Groundwater Management Act (SGMA) compliance.
- **Protection of Groundwater Rights**: District landowners and their access to groundwater are defended by the District against external threats, such as regulatory challenges and potential encroachments on groundwater rights.

The proposed assessment levied on each parcel will vary upon the acreage of the parcel. The proposed maximum assessment amount for Year 1 is \$620,600 District-wide or approximately **\$6.46 per acre** based on the District's current assessable acreage of 96,071 acres. The amount proposed to be assessed on each parcel is provided to the record owner of the parcel on the ballot enclosed with this Notice. Your maximum assessment can be calculated as follows:

\$RATE PER ACRE x YOUR TOTAL ACREAGE IN DISTRICT = \$YOUR PROPOSED MAXIMUM ASSESSMENT

The Board will levy the proposed assessment on an annual basis up to the maximum amount specified in the Engineer's Report. The Board retains discretion to set the assessment below the maximum amount authorized based on total fixed costs. The District calculated the assessment amount using information from its projected budgets over the next five years to 2029, which can be found in Table 1 of the Engineer's Report. As described in the Engineer's Report, if approved, the maximum assessment amount may increase annually to meet an anticipated 3.5% inflation increase in the District's General and Administrative Expenses.

Maximum Assessment Rate Schedule				
			Assessable	Assessment
Year	Fixe	ed Expenses	Acres	Rate
Year 1	\$	620,600	96,071	\$6.46
Year 2	\$	686,196	96,071	\$7.14
Year 3	\$	702,338	96,071	\$7.31
Year 4	\$	719,045	96,071	\$7.48
Year 5	\$	736,336	96,071	\$7.66

# ASSESSMENT BALLOT PROCEDURES

Enclosed with this Notice, you will find an Assessment Ballot (Ballot). Please follow the directions listed below and on the Ballot to vote on the proposed assessment. The Ballot may be: (a) returned by mail to the District at C/O MK Election Services, PO Box 118, Chico, CA 95973, in the self-addressed, return envelope provided; or (b) hand delivered 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 set for 9:00 a.m. on Wednesday, January 15, 2025 at the Chico State University Farm, Room 104, 311 Nicholas C Schouten Lane, Chico, CA 95928.

Note, if your parcel(s) has more than one ownership interest, the various owners may each submit their own ballot. If this is the case, please contact the District to request additional ballots. The District may request documentation to support the authority of any record owner to cast the ballot of any parcel. In the event that all of the separate owners fail to submit their own ballots, the District will tabulate the submitted ballots proportionally to reflect a one hundred percent (100%) vote. For example, if a parcel(s) has five ownership interests and only one ballot is submitted, that ballot will be counted as the vote for all five ownership interests. On the other hand, if the District receives two ballots on the property, one YES and one NO, the District will apportion fifty percent (50%) of that parcel(s)'s vote to YES and fifty percent (50%) to NO.

You may change your vote at any time prior to the conclusion of the public hearing, mentioned above. However, Ballots must remain sealed until the tabulation begins. As a result, regardless of your method of delivery, we ask that you please seal your Ballot in the enclosed return envelope and include your name and address on the envelope so that we can identify your Ballot if needed prior to the close of the public hearing.

A Ballot WILL NOT be accepted or tabulated if it: (1) is unsigned; (2) does not have an original signature; (3) lacks an identifiable "yes" or "no" vote; (4) is not received prior to the close of the public hearing; or (4) appears to have been tampered with or is otherwise deemed invalid based upon its appearance or method of delivery. The District's consultants will begin tabulating Ballots, including those received during the public hearing, immediately following the close of the public hearing. If necessary, the Board may continue the tabulation and announcement of the results at a different time and/or location. The time and location of any continuance will be announced at the public hearing. Final results will be posted in the District's office and on the District's website as soon as practical after the hearing.

The District will not levy the proposed assessment if a majority protest exists. A majority protest exists if, upon the conclusion of the public hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. Ballots will be weighted according to the proportional financial obligation of the affected parcel as reflected in the amount of the proposed assessment for that parcel. The amount of the proposed assessment for the affected parcel is then multiplied by 100 to produce whole number values for ease of ballot counting. For instance, if a parcel of 10 acres has a financial obligation of \$64.60, then its ballot will be weighted to equal 6,460.

Notice is further given that a copy of the preliminary assessment roll is available for public inspection. Objections to the assessment roll or charges established for the respective parcels of land in accordance with the assessment methodology described above will also be heard at the public hearing on January 15, 2025. No assessment payments are due at this time. If the assessment is approved, bills will be included on the property tax roll or mailed to landowners at a later date. If you would like to view a copy of the preliminary assessment roll or have any questions, please call or write to: Tovey Giezentanner, General Manager, at (530) 487-0139 or info@tuscanwaterdistrict.org.

Dated: October 30, 2024

Rich McGowan, President