

Assessment Increase Proposal

Fresno Irrigation District faces a crucial problem: How to maintain uninterrupted water deliveries supported by user rates that have not changed since 2010. Under provisions of Proposition 218, FID is holding an election by the District's landowners. Here are FID's answers to the most frequently asked questions the District is receiving on this important issue:

Frequently Asked Questions

What is a Proposition 218?

- Proposition 218 is the Constitutional Initiative approved by the voters of California in November 1996, which requires new or increased assessments to be approved by affected landowners.

What am I going to be asked to do?

- You will be asked in a special mail election to approve an assessment increase to help fund the District's present and future needs. Ballots will be mailed out in mid-April.

Why is the District going through this process?

- FID is faced with maintaining uninterrupted water deliveries supported by user assessments of \$40.38 per acre that have not changed since 2010, during which the District has been hit by greatly increased actual costs and faces needed future investment in facilities.
- FID, like any other business or agency, faces new fees and higher costs to maintain its water rights, cover inflation and continue to provide its core services including operations and maintenance of district facilities.
- FID is facing unavoidable higher maintenance and repair costs created by an aging water delivery system.
- FID is facing a dramatic increase in regulatory fees including: Sustainable Groundwater Management Act (SGMA), San Joaquin River settlement, Fish & Wildlife, CEQA/NEPA, California Air Resources Board, San Joaquin Valley Air Pollution Control District, and other federal/state/local regulatory fees.

Has the District reduced its expenses?

- The District has trimmed costs by utilizing more effective repair methods, revamping health care coverage, changing workers' compensation insurance carriers, and by transferring assessment and collection responsibilities to Fresno County.
- FID regularly reviews staffing levels, rotating operations staff into construction and maintenance during the non-irrigation season, and changes job duties to fit the current needs.

Has the District generated revenues through other means?

- Yes. The District has adjusted developer fees to cover the District's engineering costs resulting from urban growth.
- FID has generated revenue through the sale of a portion of its water supplies to neighboring districts.

How much would assessments increase?

- The per acre increases for the six years for each rate classification are as follows:

Rate Classification Increase by Year				
Year	Water Service	Under-ground	Pump from Ditch	Lift Pump by District
2018	\$6.00	\$4.32	\$5.25	\$6.92
2019	\$1.39	\$1.01	\$1.22	\$1.61
2020	\$1.43	\$1.03	\$1.26	\$1.65
2021	\$1.48	\$1.07	\$1.29	\$1.71
2022	\$1.52	\$1.09	\$1.33	\$1.75
2023	\$1.56	\$1.13	\$1.37	\$1.81

- With the increase, the maximum rate in 2023 for the water service rate will be \$53.76 per acre. On average, FID's entitlement is 2.5 Acre-Feet/per acre, which at \$53.76 per acre equates to approximately \$21.50/Acre-Feet.

Does the assessment keep increasing after 2023?

- No. Landowners would need to approve future increases before property assessments could be increased beyond the 2023 level.

How will FID's water users benefit if water sales to neighboring districts are reduced?

- Utilizing its water supplies within the District's service area is crucial to sustaining the current level of farming and development activities within the District. For several years, the District has been forced to sell water to meet budget expenses. The proposed rate increase will significantly reduce the amount of water sales required, however even with this increase, the District will continue to sell some water to pay for infrastructure improvement projects and other capital expenses.
- Maintaining groundwater levels to minimize groundwater overdraft is the primary goal of FID and other participants in the planned Regional Groundwater Management Plan and SGMA. Keeping pumping costs at a minimum is important to the District and its water users.

Will my water service change?

- FID's goal is to maintain and improve services. Improved maintenance and facility upgrades will result in greater reliability in the conveyance system for making uninterrupted water deliveries.

Will the urban areas have to pay more as well?

- Yes. Fees paid by the Cities of Fresno and Clovis under agreements with the District are directly tied to the rates charged to the agricultural users.

Why would properties within underground areas pay an increased assessment?

- Because the District's surface water supplies directly affect groundwater supplies; the surface water brought into the District directly benefits lands within the Underground Service areas.

Has anyone reviewed the proposed assessment increases?

- Yes. A detailed independent engineering study, required by Proposition 218 and adopted by FID's Board, has evaluated the proposed assessments and supports the rate increases and its benefits to the District and landowners.

Who should I contact with questions?

- Questions should be directed to the District's Assistant General Manager, Bill Stretch at (559) 233-7161.

Will I have another chance to comment?

- Yes. There will be three town hall meetings (refer to post-card or website for location and time) and a public hearing on the proposed assessment increase will be held Thursday, June 8, 2017, at 4 p.m. at the Fresno Irrigation District office, 2907 South Maple Avenue, Fresno.

How and when do I cast my ballot?

- Ballots are being mailed during the week of April 21 to the most recent addresses on file with Fresno County. Ballots will be mailed for each assessor's parcel number (APN). Ballots will be weighted based on the amount of increase for the specific rate for each parcel. If ballots are hand delivered to the FID office or sent by mail, they must be received prior to the conclusion of the public hearing that begins at 4 p.m. June 8, 2017.

Do these rates cover Sustainable Groundwater Management Act (SGMA) Costs?

Fresno Irrigation District is a member of the North Kings Groundwater Sustainability Agency (NKGSA). The NKGSA is just initiating development of the Groundwater Sustainability Plan (GSP) that will identify the programs and projects and their associated costs for implementation. These proposed assessment increases by FID include the participation in the development of the GSP but not the implementation of it.