



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 North Fork Kings Groundwater Sustainability Agency (NFKGSA or Agency) and its effect on real property that you own. This notice is being sent to you in accordance with Section 53753 of the California Government Code, and Article XIID, Section 4, 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 1996 which requires new or increased assessments to be approved by affected landowners. The Agency has made the decision to follow the provisions of Proposition 218 in part because its procedures act to fully inform the Agency's landowners while simultaneously giving them a direct say in the matter.

Please be advised that a public hearing is set for 5:30 p.m. on June 26, 2024, at the Riverdale Memorial Hall, 3085 W. Mt. Whitney Avenue, Riverdale CA 93656 to consider establishing an assessment. If you wish to comment on this matter you are invited to do so at the Public Hearing.

The NFKGSA is a local agency charged with implementing policies and programs to halt groundwater overdraft in the area and achieve balanced levels of groundwater pumping in compliance with the Sustainable Groundwater Management Act (SGMA). SGMA is an unfunded mandate from the State, meaning the NFKGSA must generate its own funding to implement the law. The Groundwater Sustainability Plan (GSP) prepared by the NFKGSA was approved by the California Department of Water Resources (DWR) in August 2023, along with the other GSPs prepared by the six other GSAs in the Kings Subbasin. While approval of the GSP was received, DWR noted a number of corrective actions that each GSA needs to address in their GSP updates that must be submitted in January 2025. The updated 2025 GSP, as well as all required annual reporting and subsequent five-year updates, must demonstrate progress being made in attaining groundwater sustainability to maintain the approved status and avoid probation and subsequent intervention by the State Water Resources Control Board (SWRCB). Should State intervention occur, the State will regulate how much groundwater a landowner can pump and will collect fees to recover its costs to intervene without providing benefits to help achieve groundwater sustainability.

In 2018, the newly formed Agency proposed, and landowners approved, a land-based assessment rate that was sufficient to fund Agency operations and required activities pursuant to SGMA for a five-year period that began in Fiscal Year 2018-2019 and ended in Fiscal Year 2022-2023. During this period a reserve fund was developed that allowed the Agency to waive an assessment for the current Fiscal Year 2023-2024.

Based on the Agency's current and projected funding needs, the NFKGSA Board has determined that re-instituting a land-based assessment is the most equitable way to collect revenue. The proposed Agency's activities are considered special benefits to the assessable parcels within the Agency (defined as those parcels within the boundaries of the Agency that are included on the County of Fresno or County of Kings tax rolls) established for a specific purpose, namely sustainable management of shared groundwater resources.

There are 163,522.73 assessable acres in the Agency's boundaries subject to the proposed assessment, and the NFKGSA Board proposes a maximum special assessment of \$18.00 per acre per year over the next five (5) years on all assessable lands within the Agency's boundaries. The actual assessment rate will be set annually by the Board, based on the budget needs, but will not exceed the proposed annual maximum rate. A portion of the existing reserve fund is proposed to be used for the next three years to offset costs and allow the assessment to incrementally increase to the proposed annual maximum rate of \$18.00 per acre.

Your maximum assessment over the next five (5) years can be calculated as follows:

$$\$18.00/\text{acre} \times \text{your total acreage in NFKGSA} = \$ \text{your proposed maximum assessment}$$

NORTH FORK KINGS GSA
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This Proposition 218 election is not limited to a five-year period since a similar level of annual costs is expected to occur every year into the future. Assessments will continue beyond Fiscal Year 2028-29 with an annual escalation factor added to the maximum assessment rate each year to account for anticipated inflation. If approved, the annual assessment would be forwarded to the applicable Fresno County or Kings County Tax Collector/Assessor's office, and the County would then apply the assessment to the property tax bill of the parcels within the GSA for collection and following collection the funds will subsequently be dispersed to the GSA. These revenues, if approved, are anticipated to be levied in the fall of 2024 and payable with County taxes in December 2024 and April 2025 and each subsequent December and April thereafter.

Under the Proposition 218 process, once the Board of Directors determines the need to establish or increase assessments, it is necessary to evaluate whether or not the maximum assessments are in line with the benefits provided by the Agency and to allocate the assessments to affected lands. An Engineer's Report was prepared by a registered professional engineer to determine the proposed assessment rate based on anticipated expenses, and the benefits that are conveyed to landowners within the Agency. The benefits to all landowners within the GSA were identified as the benefits that are conferred upon those parcels in the GSA that use, or have the potential to use, groundwater for either domestic or agricultural use, or both. Therefore, the Engineer's Report concluded that your property will receive a financial benefit from the GSA's operations commensurate with the proposed assessment. The Engineer's Report is available for review on the North Fork Kings GSA website, NorthForkKings.org/Prop218election.

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 annual assessment. You may mail your ballot in the enclosed postage paid envelope to North Fork Kings GSA, c/o MK Election Services, P.O. Box 157, Riverdale, CA 93656-9901. Sealed ballots may also be hand-delivered and deposited in the secure ballot box located at the Riverdale Education Center (3160 W. Mt. Whitney Avenue, Riverdale, CA 93656) between the hours of 8:00 am and 4:00 pm. 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 5:30 p.m. on June 26, 2024 or it will not be counted in the final tabulation of ballots. You may change your vote at any time prior to the conclusion of the Public Hearing. 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 upon request.

The number of votes you can cast with respect to your property will correspond to the potential financial obligation imposed on your property. Assessment votes are weighted according to each voter's parcel acreage and proposed assessment rate. A majority vote approval of the ballots received is necessary for the Agency to implement the assessments. If a majority vote supports the Proposition 218 election, the Agency Board will have the authority to implement the assessments annually at its discretion for all assessable parcels within the territory of the Agency, not to exceed the maximum annual assessment rate of \$18.00/acre over the next 5-years and the annual rate of \$18.00/acre with an escalation factor after 5-years.

After the hearing, MK Elections will tabulate the ballots 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 maximum assessment rate), the Board will not impose the proposed assessment. Without a new assessment however, the NFKGSA will not have a funding source to continue compliance activities and would likely become subject to State intervention.

More information about the proposed assessment can be found at the NFKGSA website, www.NorthForkKings.org/218election. You may also email jmendes@NorthForkKings.org or call (559) 632-7032.