

TRANQUILLITY IRRIGATION DISTRICT

NOTICE OF PUBLIC HEARING REGARDING PROPOSED AGRICULTURAL WATER RATES

Overview

Historically, the Tranquillity Irrigation District (the "District") has levied volumetric water charges sufficient to recover the District's expenses related to providing agricultural water service. These water charges are more particularly described in the "Water Rate Fee Study for Tranquillity Irrigation District: Proposition 218 Procedures for Benefit Assessment" dated November 16, 2021, and prepared by Provost & Pritchard Consulting Group for the District. Copies of this Fee Study are available upon request and on the District's website: <http://trqid.com/wp/reports/>.

Under the current rate structure, the District charges a rate of \$58/acre-foot ("AF") for irrigation water, regardless of source of supply. This rate alone is insufficient to meet to cost of service without the support of outside water sales and utilizing District reserves. Furthermore, the single rate neglects the fact that groundwater costs the District significantly more to supply than surface water. Therefore, agricultural water service customers are being requested to approve a new rate structure that recovers the costs related to providing agricultural water service at a surface water rate of \$98/AF and a groundwater rate of \$200/AF.

Classification	Current Rate	Proposed Maximum Rate
Irrigation Water	\$58/acre-foot	
Irrigation - Surface Water		\$98/acre-foot
Irrigation -Groundwater		\$200/acre-foot

Public Notice and Majority Protest Process

In 1996, California voters adopted Proposition 218. Among other things, Proposition 218 requires a specific process for public agencies to impose or increase certain types of fees, including water rates and charges. In particular, the provisions of Proposition 218 set forth in Article XIII D, Section 6 of the California Constitution provide that certain types of "Property Related Fees" are subject to a "majority protest" process. If protests are filed on behalf of a majority of the parcels subject to the rates and charges at issue prior to the close of the January 19, 2022, public hearing, the District cannot adopt the proposed water rates. If a majority of the parcels do not protest the proposed rates, the District has the authority to adopt the proposed rates. The proposed rates, if enacted, will take effect no earlier than February 1, 2022.

Any property owner may submit a written protest to the proposed rates; provided, however, that only one protest will be counted per identified parcel. Any written protest must: 1) state that the identified property owner is in opposition to the proposed water rate increases; 2) provide the location of the identified parcel (by assessor's parcel number or street address); and 3) include the name and signature of the property owner submitting the protest.

Written protests may be submitted by mail to the Tranquillity Irrigation District Secretary at P.O. Box 487, Tranquillity, California 93668 or may be delivered in person to 25390 W. Silveira Street, Tranquillity, California 93668. Written protests may also be submitted at the public hearing, so long as they are received prior to the conclusion of the public hearing. Any protest submitted via e-mail or other electronic means will not be accepted.

Notice of a Public Hearing on Proposed Agricultural Water Rates

Pursuant to Article 13D of the California Constitution, the Tranquillity Irrigation District Board of Directors will hold a Public Hearing on the proposed agricultural water rates on **January 19, 2022 beginning at 8:30 a.m.** at the Tranquillity Irrigation District office located at 25390 W. Silveira Street, Tranquillity, California 93668.