



SOUTH SAN JOAQUIN IRRIGATION DISTRICT

NOTICE OF PUBLIC HEARING REGARDING PROPOSED CHANGES TO YOUR IRRIGATION RATES

A Public Hearing on the proposed rate increases to irrigation water will be held by the South San Joaquin Irrigation District Board of Directors on:

DATE: Tuesday, July 25, 2023
TIME: 9:00 a.m.
LOCATION: SSJID Board Room
11011 E. Highway 120
Manteca, CA 95336

NOTICE IS HEREBY GIVEN THAT the South San Joaquin Irrigation District (SSJID) Board of Directors will conduct a Public Hearing on July 25, 2023, at 9:00 a.m. to consider a five-year schedule of changes to irrigation rates as explained in this notice. The proposed changes are based on an independent Cost-of-Service Analysis that was adopted by the Board of Directors May 23, 2023.

A copy of the Cost-of-Service Analysis is available at www.ssjid.com/rates and at SSJID's headquarters located at 11011 E. Highway 120, Manteca, CA 95336.

The Public Hearing will be conducted per California Constitution Article XIII D, Section 6 (also known as "Proposition 218"). This notice is being sent to the legal owner of record, and tenant if applicable, of each parcel within SSJID's territory which would be affected by the proposed irrigation rates. All members of the public are invited to attend the Public Hearing. Under California State Law, all legal owners of record and tenants of parcels within SSJID's territory which would be affected by the proposed irrigation rates may submit a written protest to the proposed rate changes. Only one written protest per affected parcel shall be counted toward the majority protest. Please refer to the "How To Participate" section of this document for instructions on submitting a formal written protest of the proposed action. You may also appear at the Public Hearing at the date and time specified above.

Irrigation Services Provided by SSJID

SSJID provides a variety of Irrigation Services including: (i) agricultural irrigation water deliveries; (ii) agricultural irrigation drainage; (iii) implementation of the District's Capital Improvement Plan; and (iv) protection of the District's property rights including real property interests and water rights.

Proposed Irrigation Water Rates

Irrigation rates are calculated based on the cost of providing services. The District hired Provost & Prichard, independent Consultants, to provide a Cost-of-Service Analysis. Based on the findings, and recommendations of the analysis, a rate increase is necessary to recover sufficient revenues to operate and maintain Irrigation Services. The recommended irrigation rates include a Flat Rate charge to reflect the fixed costs of operation and maintenance, and a Volumetric Rate based on variable cost of water consumption.

Under the proposed changes, rates and fees would increase as outlined in the table below.

Rate Category	Current	2024	2025	2026	2027	2028
Flat - per acre	\$ 24.00	\$ 38.00	\$ 52.00	\$ 60.00	\$ 65.00	\$ 70.00
Volumetric - Tier 1 (<= 48") - per acre-feet	\$ 3.00	\$ 5.00	\$ 7.50	\$ 10.00	\$ 10.75	\$ 11.75
Volumetric - Tier 2 (> 48") - per acre-feet	\$ 10.00	\$ 12.50	\$ 15.00	\$ 17.50	\$ 18.25	\$ 20.00
Minimum Charge	\$ 50.00	\$ 50.00	\$ 52.00	\$ 60.00	\$ 65.00	\$ 70.00
Blended Charge per acre	\$ 31.47	\$ 50.17	\$ 70.13	\$ 84.17	\$ 90.98	\$ 98.40

The blended rate combines the Flat Rate and Volumetric Rate to reflect the estimated total charge per acre, based on delivering 2.41 acre-feet of water to 1 acre of farmland. The blended charge assumes a District-wide average of 29" of water delivered per acre annually. As shown above, the proposed blended charge would increase by \$18.70 per acre in 2024, \$19.96 in 2025, \$14.04 in 2026, \$6.81 in 2027 and \$7.42 in 2028. The blended charge of \$98.40 per acre in 2028 remains well below the actual blended cost of service, which is estimated at \$330.78 per acre.

If adopted as proposed, the 2024 Flat Rate collection would begin on the 2023-2024 San Joaquin County Property Tax Bill and the 2024 Volumetric Rate would be billed during the 2024 irrigation season. The subsequent increases will be annually in the same time periods.

The above-noted components to the proposed irrigation rates are intended to provide rate stability while continuing to promote affordability to our growers.

Impact on irrigation customer bills

Fixed Rate: Parcels within the District’s boundaries that receive irrigation service are charged a flat acreage rate. The current Fixed Rate is \$24 per acre (\$50 minimum). The proposed increase in 2024 is \$38 per acre (\$50 minimum).

Revenue from this rate is used to serve irrigation customers, including costs associated with operations and maintenance, such as energy, regulatory fees, materials and facility and equipment inspections and repairs. Administrative costs for the professionals that ensure high-quality service, such as operators who monitor and control water conveyance systems and technicians who maintain water measurement and flow control instrumentation, are covered by this rate.

Volumetric Rates: Irrigation customers are billed a variable rate per acre-foot based on the amount of water used. SSJID’s Volumetric Rate structure contains two tiers: Tier 1 – Up to 48 inches, currently billed at \$3.00 per acre-foot, and Tier 2 – Above 48 inches, currently billed at \$10.00 per acre-foot. The 2024 proposed increase for the Tier 1 rates is \$5.00 per acre-foot, and \$12.50 per acre-foot for the Tier 2 rate.

Revenue from these charges pays for services associated with the delivery of irrigation water to customers, including, but not limited to, division managers, utility expenses, and costs associated with water rights fees.

By law, a rate increase schedule is only applicable for five years. Any additional rate increases after five years would be subject to another Proposition 218 process.

How to Participate

The SSJID Board welcomes the public's and irrigation customers' participation as it considers the changes explained in this notice. If you have questions or comments about the proposed rates, you can:

Call or Visit

The Cost-of-Service Analysis and other information on the proposed changes are available for review at www.ssjid.com/rates and at SSJID's headquarters. Staff are also available to answer questions. You can call (209) 249-4600 or email info@ssjid.com.

Attend an Informational Meeting

SSJID will host informational meetings to help irrigation customers understand the proposed changes and have an opportunity to provide feedback. Dates, times, and locations of our informational meetings include:

- June 26, 2023 – 9 a.m. – Escalon Community Center – 1055 Escalon Ave., Escalon
- July 13, 2023 – 1 p.m. – Manteca Transit Center – 220 Moffat Blvd., Manteca
- July 13, 2023 – 5:30 p.m. – Ripon Council Chamber – 259 N. Wilma Ave., Ripon

Write

Legal owners of record and tenants of parcels affected by the proposed rate changes, including customers paying irrigation rates, may file a written protest against the proposed irrigation rate increases; however, only one written protest per affected parcel shall be counted in calculating the majority protest as explained below ("Public Hearing Process"). A separate protest form must be submitted for each parcel, single forms with multiple APNs will not be counted. Each protest must be:

- In writing and delivered via U.S. Mail to P.O. Box 367 Ripon, CA 95366, or in person to SSJID, **Attention: Prop 218**, 11011 E. Highway 120, Manteca, CA 95336. Protests will not be received by e-mail or facsimile.
- Received before the close of the Public Hearing on July 25, 2023
- Submitted **only** by legal owners of record and/or tenants of the affected parcels

All protests must be in writing. You may use the attached protest form, or send in a written protest letter **in a sealed envelope, with the return address and APN printed on the outside**, which must include:

1. Legible printed name of legal owner of record or tenant;
2. Clear indication that the document is a protest;
3. Parcel number (APN) of identified parcel;
4. Address of the property; and
5. Signature of legal owner of record owner or tenant submitting the protest – in original ink. Photocopied or scanned signatures will not be accepted.

Attend the Public Hearing

Members of the public are welcome to attend the Public Hearing regarding the proposed rate changes.

Tuesday, July 25, 2023, at 9 a.m.
South San Joaquin Irrigation District Board Room
11011 E. Highway 120, Manteca, CA 95336

Public Hearing Process

At the Public Hearing, the SSJID Board of Directors will hear and consider all oral comments regarding the proposed rate increases and conduct the written protest procedures under Proposition 218. Oral comments do not qualify as a formal protest unless accompanied by a written protest conforming with the requirements set forth above. Protests submitted by fax, email, or other electronic means do not count as formal written protests. Upon conclusion of the Public Hearing, the Board of Directors will consider, evaluate, and count any written protests received prior to the close of the Public Hearing. The Board of Directors is authorized to adopt proposed rates if written protests, as outlined above, do not represent a majority of the identified parcels affected by the proposed irrigation rates. Pursuant to Government Code section 53755(b), one written protest per parcel shall be counted.

If adopted as proposed, the 2024 Flat Rate collection would begin on the 2023-2024 San Joaquin County Property Tax Bill and the 2024 Volumetric Rate would be billed during the 2024 irrigation season. Annual rate increases through 2028 must be confirmed by the Board of Directors annually prior to taking effect.

For more detailed information about the proposed changes please see the enclosed FAQ or visit www.ssjid.com

I understand that I am submitting this form **TO PROTEST** the proposed irrigation water rate increases for South San Joaquin Irrigation District.

Assessor's Parcel Number: _____

Property Address: _____

Owner/Tenant Print Name: _____

Owner/Tenant Original Signature: _____

*photocopied or scanned signatures will not be accepted

*printed name must be legible to be accepted

If you want to protest the proposed rate increases, you must sign and return this form by the close of the Public Hearing on July 25, 2023. Additional instructions are included above.

If you **DO NOT** want to protest the proposed rate increases, **do not** return this form.