

PROPOSITION 218 / LAND ASSESSMENT SUMMARY

The East Kaweah Groundwater Sustainability Agency (EKGSA) is asking landowners within its boundaries to consider a land tax/assessment to fund the costs of complying with the State of California’s Sustainable Groundwater Management Act (SGMA). Landowners will receive a ballot that asks them to allow the EKGSA to collect these assessments.

Purpose: In 2014 the State of California passed a law that requires basins to regulate the extraction of groundwater in a way that is sustainable (per SGMA). Several factors of sustainability measurement were mandated, and a plan was required to be developed and submitted to the State of California Department of Water Resources by this past January. The plan was submitted. Effective January 1 of this year, monitoring, regulating and reporting are required as part of that plan and by SGMA. This land based assessment will fund those required activities.

Budget: Total assessment budget for the next five years is based on the cost of administration and the cost of repaying lenders for FY2020 monitoring network development.

In 2021 the cost of administration will be approximately \$719,000. After calendar year 2021, there is an escalation of 3% built into the cost of the administration budget in each following year. In addition to this administration costs, EKGSA is required to repay loans borrowed from member agencies in calendar year 2020 to cover the costs of installing monitoring networks. These loans will be paid back over five years (2021-2025). After 2025, this amount will drop off the budget and will no longer be collected (see schedule below).

	2021	2022	2023	2024	2025	2026
GSP Admin. Implementation	\$ 719,000	\$ 737,570	\$ 756,697	\$ 776,398	\$ 796,690	\$ 817,591
Monitoring Networks	\$ 246,000	\$ 246,000	\$ 246,000	\$ 246,000	\$ 246,000	\$ 0
Total	\$ 965,000	\$ 983,570	\$ 1,002,697	\$ 1,022,398	\$ 1,042,690	\$ 817,591

Acreage: There are a total of 117,250 acres in the EKGSA and 13,000 parcels. The EKGSA will however only be assessing 109,818 acres (those lands more than 2 acres, not federal, state or local government property, and not residing in the City of Lindsay) and approximately 6,000 parcels. The City of Lindsay will be paying an amount equivalent to their acreage, but their residents will not be assessed.

Rate of Assessment: The proposed rates of assessment per acre are shown in the table below. Total budget shown above divided by total acres (109,818 plus the City 1,443) is shown below.

	2021	2022	2023	2024	2025	2026
GSP Admin. Implementation	\$ 6.46	\$ 6.63	\$ 6.80	\$ 6.98	\$ 7.16	\$ 7.35
Monitoring Networks	\$ 2.21	\$ 2.21	\$ 2.21	\$ 2.21	\$ 2.21	\$ 0
Total	\$ 8.67	\$ 8.84	\$ 9.01	\$ 9.19	\$ 9.37	\$ 7.35