

Q: What happens if the proposed rate fails?

A: If the proposed rate fails, the DRCD Board would have to reevaluate the level of services provided on all projects, including ditch maintenance. The Board would have to evaluate what level of fees that the landowners are willing to pay in order to decide what services can be provided. A new Prop 218 process would have to be initiated with a new rate study, Hearing and election process.

Q: How much does a Prop 218 process like this cost?

A: While it is hard to know the exact cost now, it is estimated that the Rate setting process will cost approximately \$42,000 in staff time, legal counsel, outside engineering, and mailing costs.

Q: If I disagree with the rate increase, what are my next steps?

A: If you disagree with the proposed increase, you may choose to protest the vote on the enclosed form. DRCD recommends that you come to the Hearing to voice your opinions in person so that the concerns may be addressed and considered. If you still disagree with the proposed rate increase after the Hearing and the Board chooses to go to an election, you may vote “no” on the ballot you receive.

Q: If I agree with the rate increase, what are my next steps?

A: If you agree with the proposed increase, ignore the attached protest form. DRCD recommends that you come to the Hearing to voice your opinions in person. If the Board chooses to go to an election after the Hearing, you may vote “yes” on the ballot you receive.

Q: Shouldn't the reserve levels be equal to the annual budget?

A: The reserves are twofold. Two hundred thousand (\$200,000) is used to maintain the annual cash flow. This prevents the District from having to obtain a loan at the beginning of every year until the tax revenues come in. Three hundred twenty thousand (\$320,000) is specifically allocated for capital improvements such as replacing the District vehicle or IT infrastructure and replacing aging ditch infrastructure, such as culverts.

Q: What is the capital improvements money is being saved for?

A: There are three major capital improvement projects identified for future repair. None of them are imminent but money needs to be saved in case an unanticipated failure happens. One of the largest projects is the replacement of the Tremont 1 outlet culvert through an US Army Corp of Engineers (ACOE) controlled levee. The ACOE has substantially changed its design requirements for such projects to make a culvert replacement a more complicated project. The current estimate for this project is ~\$1000/linear foot. The culvert is 80 feet long.

Q: What other services does DRCD provide for its landowners?

A: DRCD assists landowners and tenants with any resource concerns, whether it is habitat planting or understanding new regulations for groundwater supply and water quality. DRCD partners with other agencies, such as Solano RCD and USDA-NRCS, to help customers achieve the resource goals for their land.

Q: If the new rate is approved, what will my rate be in 2022 and beyond?

A: \$4/ac unless a new rate setting process is initiated.

Q: If the new rate is approved, will the District still pursue Professional Services to help offset costs in the future?

A: Yes, the DRCD Board will continue to look at every avenue possible to keep the Ditch Maintenance fee as low as possible. The Board is hoping that this rate increase, if approved, will last much longer than the 5 years projected in the rate study. If the Board doesn't have to change the rate for another 25 years, the Directors will be very happy.