

Proposed Alexander Valley Water District Frequently Asked Questions

1. What Will the District Cost Me?

The proposed district will need adequate revenue to cover the administrative costs of operation including management, legal, and engineering activities as well as specific program costs. The costs of these activities are estimated in the range of \$400,000 to \$500,000 per year. This is supported by recent costs experienced in the recent creation of the San Antonio Basin Water District. (See attached Worksheet 3 – District Budget Estimate First Year of Operations)

To cover these costs, an initial assessment will be needed by the landowners. The assessment will vary as to land use and whether the land is irrigated. Currently under consideration, an annual assessment of \$20 per acre for irrigated parcels; \$1 per acre for non-irrigated agricultural parcels; \$400 per parcel for commercial and industrial designated parcels; \$50 per unit for single family residential parcels; and \$25 per unit for multi-family residential parcels. This would generate \$514k (See attached Worksheet 2 – Assessment Rates and Revenue).

Parcels that contain more than one land use would be assessed at the rates identified for each of the uses.

Ultimately, the assessment would be set by the elected Board of Directors subject to possible protest of the landowners. (See #6 Below)

2. What is the Boundary of the Proposed District?

The boundary follows the Alexander Valley Groundwater Basins, excluding the uplands in the Chalk Hill area, which corresponds with the valley floor. (Copy of Map Attached)

3. What Will the District Do For Me?

The largest benefit to the landowners in Alexander Valley is the creation of an entity that will have the legal standing to participate in any regulatory proceeding impacting water reliability in the Valley including, but not limited to, ongoing diversion of water from the Eel River into the Russian River through the diversion being decommissioned by PG&E. The district would also have the legal standing to acquire water supply from a new Eel River diversion for the specific benefit of Alexander Valley.

Additional benefits include the administration of the water sharing efforts during periods of water shortage; participation, influence and management of groundwater investigation and management associated with a Groundwater Sustainability Agency for Alexander Valley; and participation and management of groundwater recharge programs.

4. How Will I Be Impacted in the Absence of a Water District?

Significant regulatory decisions affecting the availability and cost of water in Alexander Valley are being considered now by federal, state, and local agencies that do not represent the Alexander Valley. Alexander Valley is facing a real risk that water rights and supply will be impaired. A new water district representing Alexander Valley is the only assurance that we will have a voice in the decision making.

5. How Will the District Protect My Current Water Rights?

The creation of a water district will not impact anyone's existing water rights. An express purpose of the district will be to protect and enhance landowner's existing water rights by improving the reliability of the existing water supply and, if needed, by obtaining additional water supply and water rights for lands in the District.

6. How Will the District be Governed?

The district will be formed and governed by the landowners in Alexander Valley. There are four significant steps to initiate the district:

- The first step is the petition process for LAFCO review that requires the owners of 50.1% of the acres within the boundary to sign petitions requesting an election to form the District.
- The second step is an election by mail to form the District. The ballot will be sent to all landowners within the district boundary District and the District will be formed if a majority of acres voting support formation.
- The third step is the election of the five-member Board of Directors that will be held by mail concurrently with the formation election and elected by a majority of the acres voting. Eligible directors include landowners and their legal representatives. Interested persons must submit nominations to be included on the ballot.
- The fourth is a Prop 218 Assessment that will be initiated by the new Board of Directors. An assessment is not approved if protested by owners of a majority of the land value.

Worksheet 1 -- Land Use Category Counts

Assessment Land Categories	Total Acres	Individual Parcels of Record	Assessors Parcel Data Land Valuation
Agricultural Lands			
Irrigated Agriculture lands	19,454		
Non-Irrigated lands	4,297		
Commercial & Industrial Lands			
	2973	191	
Retail & Service lands			
Industrial lands			
Winery lands			
Residential Lands			
Single Family Residential lands	1,983	889	
Multifamily Residential lands	16	9	
Exempt Lands			
Tribal Trust Land Holdings			
Public Owned Lands			
Other Tax Exempt Lands			
Total	28,723	1,089	

Source:

March 23, 2023 Assessors Parcel Record Pivot Tables

Worksheet 2 -- Assessment Rates and Revenue

Assessment Land Categories	Assessment Unit	Count of Units (from WS-1)	Proposed Unit Assessment	Estimated Assessment Revenue
Agricultural Lands				
Irrigated Agriculture lands	Acres	19,454	\$ 20	\$ 389,080
Non-Irrigated lands	Acres	4,297	\$ 1	\$ 4,297
Commercial & Industrial Lands				
Retail & Service lands	Parcel	191	\$ 400	\$ 76,400
Industrial lands	Parcel			
Winery lands	Parcel			
Residential Lands				
Single Family Residential lands	Unit	889	\$ 50	\$ 44,450
Multifamily Residential lands	Unit	9	\$ 25	\$ 225
Exempt Lands				
Tribal Trust Land Holdings	N/A		\$ -	
Public Owned Lands	N/A		\$ -	
Total				\$ 514,452

Worksheet 3 -- District Budget Estimate First Year of Operations

Functions	Cost Components and Calculation				Source(s)
	Unit Type	Units	Estimated Unit Cost Per Unit	Estimated Annual Cost	
General Administration Costs					
Board of Directors					
Stipend and Benefits	Per Director	5.0	\$600	\$3,000	KAS estimate
Meeting/Conference Costs	Per Director	5.0	\$1,000	\$5,000	KAS estimate
Staff					
Executive Director	FTE	1.0	\$90,000	\$90,000	KAS estimate
Administrative Assistant	FTE	1.0	\$30,000	\$30,000	KAS estimate
Employee Benefits	% Salary	\$ 120,000	40%	\$48,000	KAS estimate
Professional Services					
Legal Services	Annual Contract	1.0	\$25,000	\$25,000	KAS estimate
Accounting Services	Annual Contract	1.0	\$15,000	\$15,000	KAS estimate
Insurance	Annual Policies	1.0	\$20,000	\$20,000	KAS estimate
Office Rent	\$/Sq. Ft. (FSG)	1,000	\$12.00	\$12,000	KAS estimate
Office Supplies	Annual Costs	1.0	\$5,000	\$5,000	KAS estimate
Utilities	Sq. Ft.	1,000	\$1	\$1,000	KAS estimate
Phone, Internet, Website	Annual Contract	1.0	\$10,000	\$10,000	KAS estimate
Sub-Total Administration				\$264,000	
Water Management Program Development Direct Costs					
Staff					
Program Director	FTE	1.0	\$70,000	\$70,000	KAS estimate
Program Staff	FTE	-	\$0	\$0	KAS estimate
Benefits	% Salary	70,000.0	40%	\$28,000	KAS estimate
Program Personnel	FTE	-			KAS estimate
Consultant Services					
Water Sharing Program	Annual Contract	1.0	\$50,000	\$40,000	KAS estimate
Russian River Diversion Project	Annual Contract	1.0	\$50,000	\$40,000	KAS estimate
Groundwater Studies	Annual Contract	1.0	\$50,000	\$20,000	KAS estimate
Groundwater Recharge	Annual Contract	1.0	\$50,000	\$20,000	KAS estimate
				\$218,000	
Other					
Total Costs				\$ 482,000	

