

CORNING WATER DISTRICT – NOTICE OF PUBLIC HEARING ON A BALLOT PROCEEDING FOR A SPECIAL BENEFIT ASSESSMENT

Ballot Is Enclosed

The purpose of this Notice is to provide you with information about the assessment ballot proceeding being conducted by the Corning Water District (District) and its effect on real property that you own within the District's boundary. This Notice is being sent to you in accordance with section 53753 of the California Government Code, and section 4(c), Article XIIIID of the California Constitution. This ballot election is being held in accordance with Proposition 218, which is a Constitutional Initiative approved by the voters of California in November 1996 and which requires that new or increased assessments be approved by affected landowners.

PUBLIC HEARING INFORMATION

The District's Board of Directors (Board) will hold a public hearing at **10:00 AM on July 22, 2026 at the Rolling Hills Casino, Carlino's Room, 2655 Everett Freeman Way, Corning, CA, 96021** to consider protests, tabulate assessment ballots, and consider the adoption of an increase to the existing assessment to cover the cost of District operations. If you wish to comment on this matter, you are invited to do so at this public hearing.

PURPOSE OF THE ASSESSMENT

The District originally established its O&M Assessment rate at \$10.41 per acre, and it has since remained unchanged. The District proposes to increase its existing annual assessment on parcels within its boundaries to cover its fixed operating costs. These costs include: payroll and other staffing costs, system maintenance, fixed field operations, and the District's administrative and governance costs. If approved, the proposed assessment will be levied in 2026 and each year thereafter until the District seeks landowner approval to revise the assessment. Further explanation of the need for the proposed assessment, the methodology of its calculation, and how the funds generated will be used can be found in the District Engineer's Report prepared by Provost & Pritchard Consulting Group. The Engineer's Report is available on the District's website at <https://www.corningagwaterdistrict.org/>.

CALCULATION OF THE ASSESSMENT

Each parcel within the District receives specific and direct special benefits, which determines the calculation of the assessment. The District has identified these benefits as the preservation of the District's Central Valley Project Contract surface water entitlements as well as the District's physical diversion and conveyance capacity and groundwater recharge reliability. Without the District's surface supplies, there would be a higher reliance on groundwater, of which the State could mandate a reduction in groundwater pumping. These benefits also include the value of the District's distribution system, infrastructure, and the ability of the District to deliver surface water. The special benefit of being within the District is further discussed in the Engineer's Report.

The proposed assessment levied on each parcel will vary based upon the acreage of the parcel. The proposed maximum assessment amount for Year 1 is \$416,938 District-wide or approximately **\$38.13 per acre** based on the District's current assessable

Tax Year	Annual O&M Costs	Assessable Acres	Assessment Rate (per acre)
2026-2027	\$416,938	10,933.98	\$38.13
2027-2028	\$427,361	10,933.98	\$39.09
2028-2029	\$438,045	10,933.98	\$40.06
2029-2030	\$448,997	10,933.98	\$41.06
2030-2031	\$460,222	10,933.98	\$42.09

acreage of 10,933.98 acres. The amount proposed to be assessed on each parcel is provided to the record owner of the parcel on the ballot enclosed with this Notice. Your maximum assessment can be calculated as follows:

$$\text{\$RATE PER ACRE} \times \text{YOUR TOTAL ACREAGE IN DISTRICT} = \text{\$YOUR PROPOSED MAXIMUM ASSESSMENT}$$

The Board will levy the proposed assessment on an annual basis up to the maximum amount specified in the Engineer's Report. The Board retains discretion to set the assessment below the maximum amount authorized based on total fixed costs. The District calculated the assessment amount using information from its 2026 approved budget as well as additional information gathered from the past five years' budgets. As described in the Engineer's Report, if approved, the maximum assessment amount will increase annually to meet an anticipated increase in the District's operating expenses based on whichever is less of the Consumer Price Index (CPI) as published by the U.S. Bureau of Labor Statistics or a 2.5% inflation.

WRITTEN OBJECTIONS

CWD will be implementing Government Code § 53759.1 related to the proposed increased assessments. Landowners may

submit a written objection to the proposed increased assessments that specifies the grounds for alleging noncompliance with Proposition 218. Written Objections must be clearly labeled on the outside of an envelope and contain the landowner's full name and identification of the parcel(s) by county and assessor's parcel number(s). If the outside of the envelope is not clearly labeled as an objection to the proposed assessment, it is not properly submitted and does not constitute a timely-submitted written objection. To be considered timely, all written objections must be mailed or delivered during business hours to the District at 22240 Gallagher Avenue, Corning, CA 96021 and received by 4:30 PM on July 8, 2026.

The option to submit a written objection does not impact your ability to also submit a ballot and is a separate process. Ballots will not be opened until the tabulation portion of the public hearing on July 22, 2026; therefore, a written objection cannot be combined with a ballot and must be submitted separately, if desired. Failure to timely object in writing bars any right to challenge the proposed increased assessments through a legal proceeding. Staff will review timely-submitted written objections, prepare written responses, and present any timely-received written objections and written responses to the CWD Board before the close of the public hearing described herein on July 22, 2026.

ASSESSMENT BALLOT PROCEDURES

Enclosed with this Notice, you will find an Assessment Ballot (Ballot). Please follow the directions listed below and on the Ballot to vote on the proposed assessment. The Ballot may be: (a) returned by mail to the District at **C/O MK Election Services, P.O. Box 258, Corning, CA 96021-9837**, in the self-addressed, return envelope provided; or (b) hand delivered at the public hearing. Regardless of whether you choose to mail or hand deliver your Ballot, it **MUST** be received no later than the conclusion of the public hearing set for **10:00 AM on July 22, 2026, at the Rolling Hills Casino, Carlinos Room, 2655 Everett Freeman Way, Corning, CA, 96021**. Mailed ballots must be received by the District prior to the Close of the Public hearing to be counted.

Note, if your parcel(s) has more than one ownership interest, the various owners may each submit their own ballot. If this is the case, please contact the District to request additional ballots. The District may request documentation to support the authority of any record owner to cast the ballot of any parcel. In the event that all of the separate owners fail to submit their own ballots, the District will tabulate the submitted ballots proportionally to reflect a one hundred percent (100%) vote. For example, if a parcel(s) has five ownership interests and only one ballot is submitted, that ballot will be counted as the vote for all five ownership interests. On the other hand, if the District receives two ballots on the property, one YES and one NO, the District will apportion fifty percent (50%) of that parcel(s)'s vote to YES and fifty percent (50%) to NO.

You may change your vote at any time prior to the conclusion of the public hearing, mentioned above. However, Ballots must remain sealed until the tabulation begins. As a result, regardless of your method of delivery, we ask that you please seal your Ballot in the enclosed return envelope and include your name and address on the envelope so that we can identify your Ballot if needed prior to the close of the public hearing.

A Ballot WILL NOT be accepted or tabulated if it: (1) is unsigned; (2) does not have an original signature; (3) lacks an identifiable "yes" or "no" vote; (4) is not received prior to the close of the public hearing; or (5) appears to have been tampered with or is otherwise deemed invalid based upon its appearance or method of delivery. The District's consultants will begin tabulating Ballots, including those received during the public hearing, immediately following the close of the public hearing. If necessary, the Board may continue the tabulation and announcement of the results at a different time and/or location. The time and location of any continuance will be announced at the public hearing. Final results will be posted in the District's office and on the District's website as soon as practical after the hearing.

The District will not levy the proposed assessment if a majority protest occurs. A majority protest exists if, upon the conclusion of the public hearing, ballots submitted (and not withdrawn prior to the close of the public hearing) in opposition to the assessment exceed the ballots submitted in favor of the assessment. Ballots will be weighted according to the proportional financial obligation of the affected parcel as reflected in the amount of the proposed assessment for that parcel. The amount of the proposed assessment for the affected parcel is then multiplied by 100 to produce whole number values for ease of ballot counting. For instance, if a parcel of one assessable acre has a financial obligation of \$38.13, then its ballot will be weighted to equal 3,813.

Notice is further given that a copy of the preliminary assessment roll is available for public inspection. Objections to the assessment roll or charges established for the respective parcels of land in accordance with the assessment methodology described above will also be heard at the public hearing on **July 22, 2026**. No assessment payments are due at this time. If the assessment is approved, bills will be included on the property tax roll or mailed to landowners at a later date. If you would like to view a copy of the preliminary assessment roll or have any questions, please call or write to: Barb Lindauer, General Manager, at (530) 824-2914 or corningwd@shasta.com.

Dated: May 22, 2026


Barb Lindauer, General Manager