

TODAY'S ACTION

- a. Hold a **public hearing** to consider approving and adopting Fiscal Year (FY) **2024-25** rates with a cost-of-living adjustment (**COLA**) **increase of 2.4%** for **Zones 2B, 2Y and 2Z assessments** and the **water service charge assessment**; and
- b. **Adopt a resolution** approving the **FY 2024-25 COLA increase of 2.4%** to **assessments of Zones 2B, 2Y and 2Z** for the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), **to the water delivery charge** for the CSIP and SVRP, and water service charge of Zone 2B for the Salinas River Diversion Facility (SRDF); and
- c. **Adopt a resolution** approving the **FY 2024-25 Zone 2B water delivery charge of \$45.24** per acre-foot of water delivered.



Prior Actions

- Reviewed Financial Impacts of COLA increases at MCWRA Board of Directors (BoD) Budget Workshop on 3/18/2024
- Public Hearing by BoD on 4/15/2024
- Approved and Recommended by BoD on 4/15/2024

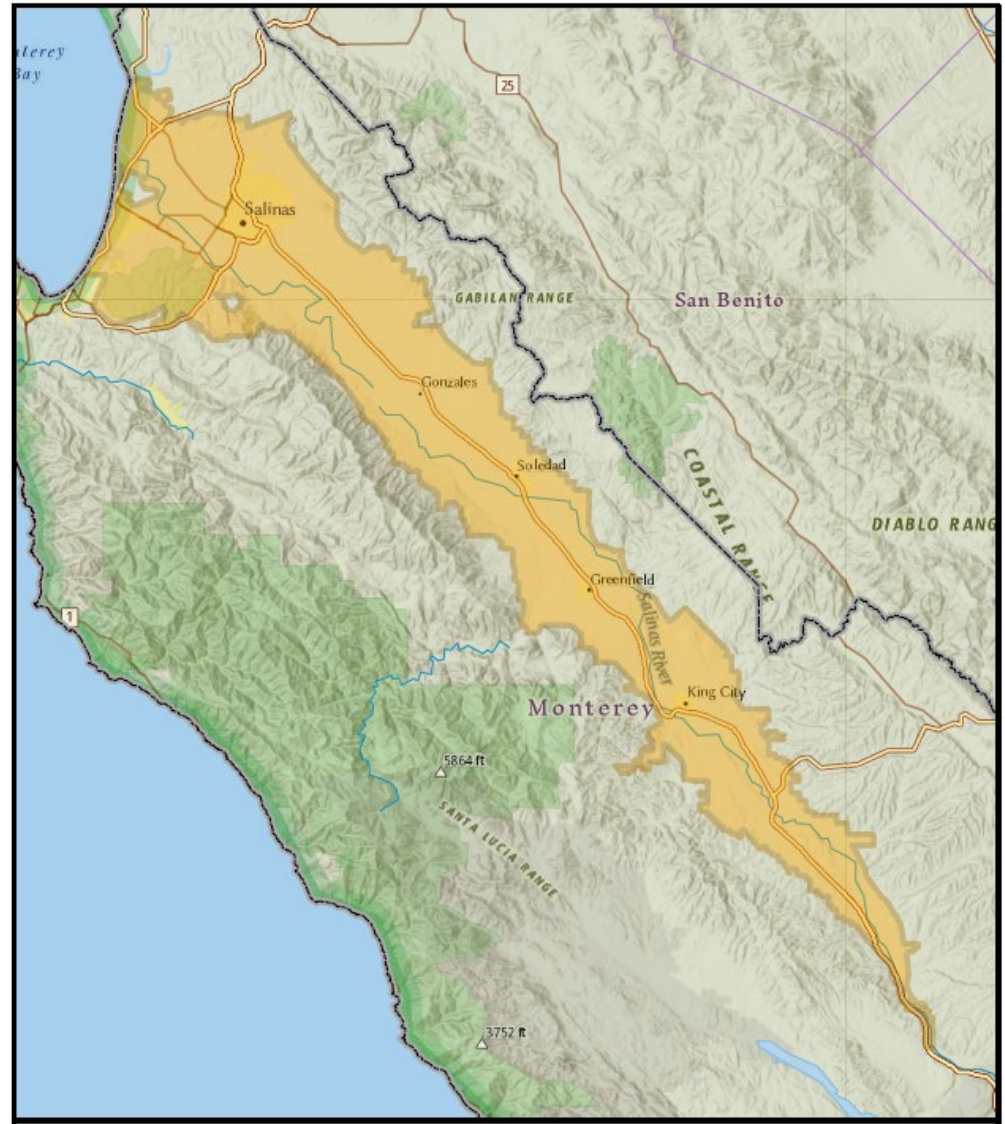


Discussion

- Ordinance Nos. **3635** and **3636**:
 - **Assessments in Zones 2B, 2Y and 2Z** provide funding to operate and maintain the **CSIP** and **SVRP** as well as the funding necessary to make debt payments to the U.S. Bureau of Reclamation for the loans that funded these projects.
- **Resolution 10-188**:
 - **Water Service charge** provides the funding to operate the Salinas River Diversion Facility (**SRDF**).
- Annual a cost-of-living adjustment (**COLA**) by the Consumer Price Index (**CPI**) of the **San Francisco Bay Area** measured from **March 1 of each year to March 1** of the next year is allowed by the Ordinances and the Resolution.
- On **March 12, 2024**, the U.S. Bureau of Labor Statistics released the February 2024 Consumer Price Index which increased **2.4%** from last year.



Zone 2Y Boundary

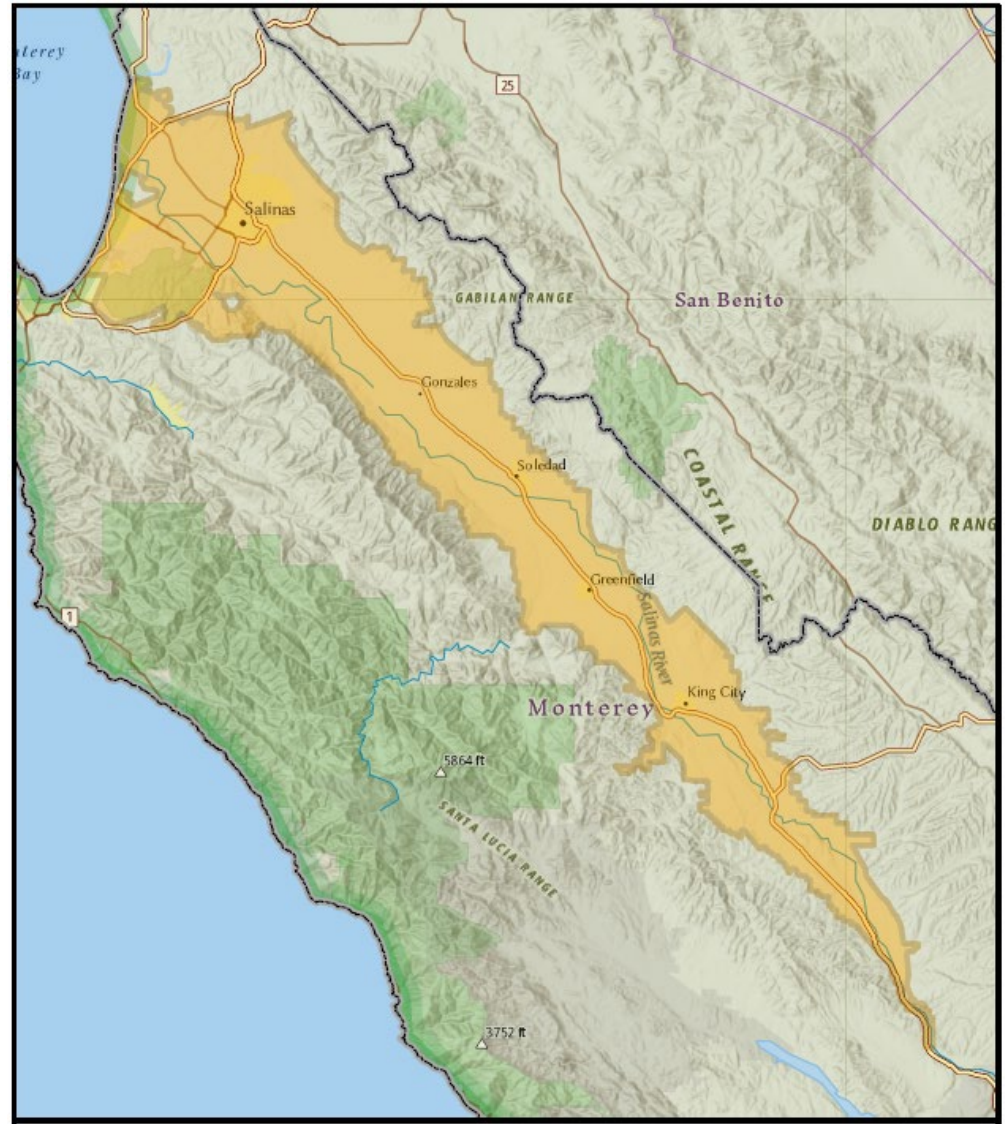


FY25 Rate : Zone 2Y

ZONE 2Y BENEFIT ASSESSMENTS				
Fiscal Year	2023-2024		2024-2025	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	51,397	\$ 4.00	52,195	\$ 4.09
B	4,629	\$ 34.99	4,632	\$ 35.83
C	4,379	\$ 0.42	3,668	\$ 0.43
D	266	\$ -	265	\$ -
H	1,113	\$ 1.73	1,110	\$ 1.78
Total:	61,366		61,870	
<p>A = Irrigated Agricultural (North Valley), Residential (1-4 units) B = Industrial, Apartments (over 4 units), Commercial, Institutional C = Dry Farm, Grazing, Vacant D = River Channels and Lands Subject to Frequent Flooding H = Irrigated Agricultural (South Valley)</p>				



Zone 2Y/2Z Boundary

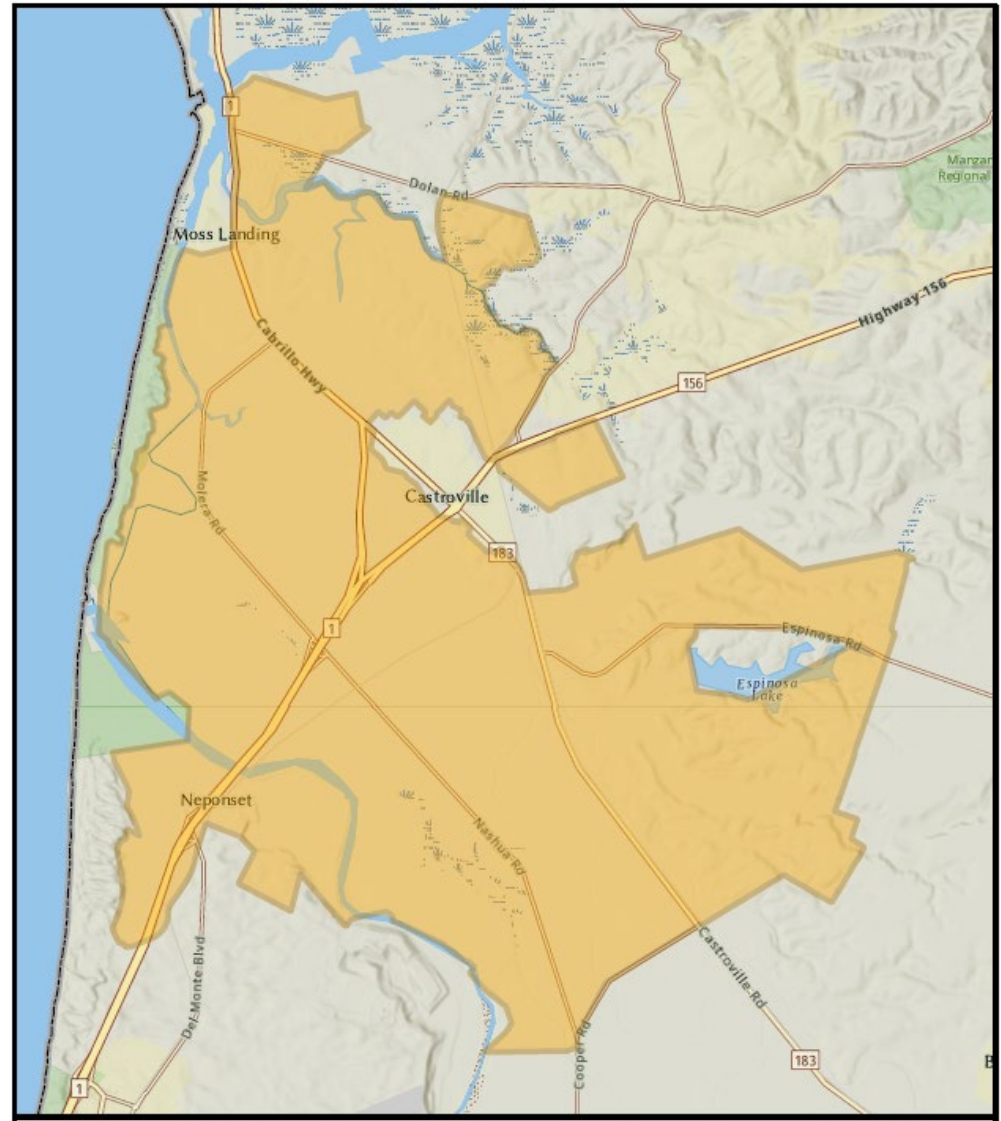


FY25 Rate : Zone 2Z

ZONE 2Z BENEFIT ASSESSMENTS				
Fiscal Year	2023-2024		2024-2025	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	51,396	\$ 12.18	52,194	\$ 12.47
B	4,627	\$ 106.09	4,630	\$ 108.64
C	4,381	\$ 1.31	3,670	\$ 1.34
D	266	\$ -	265	\$ -
H	1,113	\$ 5.45	1,110	\$ 5.58
Total:	61,783		61,869	
<p>A = Irrigated Agricultural (North Valley), Residential (1-4 units) B = Industrial, Apartments (over 4 units), Commercial, Institutional C = Dry Farm, Grazing, Vacant D = River Channels and Lands Subject to Frequent Flooding H = Irrigated Agricultural (South Valley)</p>				



Zone 2B Boundary



FY25 Rate : Zone 2B

ZONE 2B BENEFIT ASSESSMENTS				
Fiscal Year	2023-2024		2024-2025	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	195	\$ 347.11	195	\$ 355.44
B	0	\$ -	0	\$ -
C	0	\$ -	0	\$ -
D	0	\$ -	0	\$ -
H	0	\$ -	0	\$ -
Total:	195		195	
<p>A = Net Irrigated Agricultural (vicinity of Castroville) B = Industrial, Apartments (over 4 units), Commercial, Institutional C = Dry Farm, Grazing, Vacant D = River Channels and Lands Subject to Frequent Flooding H = Irrigated Agricultural (South Valley)</p>				



FY25 Rate :

Water Delivery & Service Charge

WATER DELIVERY & SERVICE CHARGES		
Fiscal Year	2023-2024	2024-2025
Water Delivery Charge	\$37.24	\$45.24
Water Service Charge	\$84.22	\$86.24
Total:	\$121.46	\$131.48



FY25 Revenue Estimates

- Zone 2B (\$4,321,601)
 - 77% to Fund 131 CSIP
 - 23% to Fund 132 SVRP
- Zone 2Y (\$1,400,027) to Fund 131 (CSIP)
- Zone 2Z (\$3,996,119) to Fund 132 (SVRP)
- Water Delivery Charges @45.24/AF
 - 224,800 to Fund 131 (CSIP)
 - 680,000 to Fund 132 (SVRP)
- Water Service Charges (\$1,724,826) to Fund 134 (SRDF)



FY25 Recommended Budget

	Fund 131 CSIP	Fund 132 SVRP	Fund 134 SRDF
EXPENDITURES:	7,133,033	6,187,071	3,717,282
REVENUES:	6,163,072	5,726,571	3,595,965
S&B	543,639.0	-	459,281.0
GL & Pollution Insurances	194,310	66,543	105,906
County Cost Allocation Plan	33,272	-	26,733
Contractors/Consultants	1,800,000	-	1,750,000
Monterey One Water Contract	2,780,599	5,096,293	1,286,141
County Department Charges	33,246	-	26,702
Other Services & Supplies	79,967	8,235	62,519
TOTAL EXPENDITURES:	7,133,033	6,187,071	3,717,282
CSIP-SVRP ASSESSMENTS	4,747,107	4,970,640	-
GRANTS	205,000	-	1,810,000
Federal Aid (FEMA, etc)	900,000	-	-
RENT & INTEREST REVENUE	86,165	75,931	61,139
WATER DELIVERY & SERVICE FEES	224,800	680,000	1,724,826
TOTAL REVENUES:	6,163,072	5,726,571	3,595,965
Impact to Fund Balance (Use)	(969,961)	(460,500)	(121,317)
EST. BEGINNING FUND BALANCE:	2,866,769	2,508,534	2,022,995
EST. ENDING FUND BALANCE:	1,896,808	2,048,034	1,901,678



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