

County of Monterey

Government Center - Board Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901



Meeting Agenda - Final

Tuesday, April 22, 2025

9:00 AM

**Join via Zoom at <https://montereycty.zoom.us/j/224397747> or in person at the
address listed above**

Board of Supervisors of the Monterey County Water Resources Agency

Chair Supervisor Chris Lopez - District 3

Vice Chair Supervisor Wendy Root Askew - District 4

Supervisor Kate Daniels- District 5

Supervisor Luis A. Alejo - District 1

Supervisor Glenn Church - District 2

Participation in meetings

While the Board chambers remain open, members of the public may participate in Board meetings in 2 ways:

1. You may attend the meeting in person; or,
2. You may observe the live stream of the Board of Supervisors meetings at <https://monterey.legistar.com/Calendar.aspx>, <http://www.mgtvonline.com/>, www.youtube.com/c/MontereyCountyTV or <https://www.facebook.com/MontereyCoInfo/>

If you choose not to attend the Board of Supervisors meeting but desire to make general public comment, or comment on a specific item on the agenda, you may do so in 2 ways:

a. submit your comment via email by 5:00 p.m. on the Monday prior to the Board meeting. Please submit your comment to the Clerk of the Board at cob@co.monterey.ca.us. In an effort to assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Board of Supervisors Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Board meeting.

b. you may participate through ZOOM. For ZOOM participation please join by computer audio at: <https://montereycty.zoom.us/j/224397747>

OR to participate by phone call any of these numbers below:

+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 224397747 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.

You will be placed in the meeting as an attendee; when you are ready to make a public comment if joined by computer audio please Raise your Hand; and by phone please push *9 on your keypad.

PLEASE NOTE: IF ALL BOARD MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

Participación en reuniones

Mientras las cámaras de la Junta permanezcan abiertas, los miembros del público pueden participar en las reuniones de la Junta de 2 maneras:

1. Podrá asistir personalmente a la reunión; o,
2. Puede observar la transmisión en vivo de las reuniones de la Junta de Supervisores en <https://monterey.legistar.com/Calendar.aspx>, <http://www.mgtvonline.com/>, www.youtube.com/c/MontereyCountyTV o <https://www.facebook.com/MontereyCoInfo/>

Si elige no asistir a la reunión de la Junta de Supervisores pero desea hacer comentarios del público en general o comentar un tema específico de la agenda, puede hacerlo de 2 maneras:

a. envíe su comentario por correo electrónico antes de las 5:00 p.m. el lunes anterior a la reunión de la Junta. Envíe su comentario al Secretario de la Junta a cob@co.monterey.ca.us. En un esfuerzo por ayudar al secretario a identificar el tema de la agenda relacionado con su comentario público, indique en la línea de asunto el cuerpo de la reunión (es decir, la agenda de la Junta de Supervisores) y el número de artículo (es decir, el artículo n.º 10). Su comentario se colocará en el registro en la reunión de la Junta.

b. puedes participar a través de ZOOM. Para participar en ZOOM, únase por audio de computadora en: <https://montereycty.zoom.us/j/224397747>

O para participar por teléfono llame a cualquiera de estos números a continuación:

+1 669 900 6833 EE. UU. (San José)
+1 346 248 7799 EE. UU. (Houston)
+1 312 626 6799 EE. UU. (Chicago)
+1 929 205 6099 EE. UU. (Nueva York)
+1 253 215 8782 EE. UU.
+1 301 715 8592 EE. UU.

Ingrese este número de ID de reunión: 224397747 cuando se le solicite. Tenga en cuenta que no hay un código de participante, simplemente presione # nuevamente después de que la grabación lo solicite.

Se le colocará en la reunión como asistente; cuando esté listo para hacer un comentario público si se une al audio de la computadora, levante la mano; y por teléfono, presione *9 en su teclado.

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DE LA JUNTA ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN DEL PÚBLICO POR ZOOM ES ÚNICAMENTE POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI LA ALIMENTACIÓN DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN PUEDE PAUSARSE MIENTRAS SE INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

NOTE: All agenda titles related to numbered agenda items are live web links. Click on the title to be directed to the corresponding Board Report.

PUBLIC COMMENTS: Members of the public may address comments to the Board concerning each agenda item. The timing of public comment shall be at the discretion of the Chair.

9:00 A.M. - Call to Order

Roll Call

Additions and Corrections for Closed Session by County Counsel

County Counsel will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code. The public may comment on Closed Session items prior to the Board's recess to Closed Session.

Closed Session

1. Closed Session under Government Code section 54950, relating to the following items:
 - a. Pursuant to Government Code section 54957(b)(1), the Board will provide a performance evaluation for the Monterey County Water Resources Agency General Manager.

Public Comments for Closed Session

The Board Recesses for Closed Session Agenda Items

Closed Session may be held at the conclusion of the Board's Regular Agenda, or at any other time during the course of the meeting, before or after the scheduled time, announced by the Chairperson of the Board. The public may comment on Closed Session items prior to the Board's recess to Closed Session.

10:30 A.M. - Reconvene on Public Agenda Items

Roll Call

Additions and Corrections by Clerk

The Clerk of the Board will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.

General Public Comments

This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board of Supervisors. Board members may respond briefly to the statement made or questions posed. They may ask a question for clarification; make a referral to staff for factual information or request staff to report back to the Board at a future meeting.

Consent Calendar

2. a. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the Fiscal Year 2026 (FY26) cost-of-living adjustment (COLA) increase of 2.7% to the assessment charges of Zones 1, 1A, 2B, 2C, 2Y, 2Z, 8, 9, 12, and 17; and
- b. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 cost-of-living adjustment (COLA) increase of 2.7% to the Zone 2B water service charge for the Salinas River Diversion Facility Project; and
- c. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 Zone 2B water delivery fee of \$85.24 per acre-foot of water delivered (AF) for the Castroville Seawater Intrusion Project and the Salinas Valley Reclamation Project; and
- d. Direct the Clerk of the Board of Supervisors to publish a hearing notice once a week for two consecutive weeks prior to the date set for the hearing.

Attachments: [Board Report](#)
[Summary - FY26 WRA Assessment Charges & Fees](#)
[Notices of Public Hearing Flood Zones](#)
[Notices of Public Hearing for Zone 2C](#)
[Notice of Pubic Hearing for Zones 2BYZ WDF & WSC](#)

12:00 P.M. - Recess to Lunch

1:30 P.M. - Reconvene

Roll Call

Scheduled Matters

3. Receive a presentation on the Groundwater Monitoring Program Fee Study; and provide direction to staff as appropriate.

Attachments: [Board Report](#)
[Map of FY 2025-2026 GMP Regulatory Fee Area](#)
[Draft GMP Fee Study](#)
[Summary Table of FY2025-2026 GMP Regulatory Fees](#)

Read Out from Closed Session

Read out by County Counsel will only occur if there is reportable action(s).

Adjournment



County of Monterey

Item No.1

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: CS 25-017

April 22, 2025

Introduced: 4/14/2025

Current Status: Agenda Ready

Version: 1

Matter Type: Closed Session

Closed Session under Government Code section 54950, relating to the following items:

- a. Pursuant to Government Code section 54957(b)(1), the Board will provide a performance evaluation for the Monterey County Water Resources Agency General Manager.



County of Monterey

Item No.2

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 25-043

April 22, 2025

Introduced: 4/2/2025

Current Status: Agenda Ready

Version: 1

Matter Type: WR General Agenda

- a. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the Fiscal Year 2026 (FY26) cost-of-living adjustment (COLA) increase of 2.7% to the assessment charges of Zones 1, 1A, 2B, 2C, 2Y, 2Z, 8, 9, 12, and 17; and
- b. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 cost-of-living adjustment (COLA) increase of 2.7% to the Zone 2B water service charge for the Salinas River Diversion Facility Project; and
- c. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 Zone 2B water delivery fee of \$85.24 per acre-foot of water delivered (AF) for the Castroville Seawater Intrusion Project and the Salinas Valley Reclamation Project; and
- d. Direct the Clerk of the Board of Supervisors to publish a hearing notice once a week for two consecutive weeks prior to the date set for the hearing.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors:

- a. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the Fiscal Year 2026 (FY26) cost-of-living adjustment (COLA) increase of 2.7% to the assessment charges of Zones 1, 1A, 2B, 2C, 2Y, 2Z, 8, 9, 12, and 17; and
- b. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 cost-of-living adjustment (COLA) increase of 2.7% to the Zone 2B water service charge for the Salinas River Diversion Facility Project; and
- c. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 Zone 2B water delivery fee of \$85.24 per acre-foot of water delivered (AF) for the Castroville Seawater Intrusion Project and the Salinas Valley Reclamation Project; and
- d. Direct the Clerk of the Board of Supervisors to publish a hearing notice once a week for two consecutive weeks prior to the date set for the hearing.

SUMMARY/DISCUSSION:

Assessments of Flood Zones: The Monterey County Water Resource Agency ("Agency") ordinances governing Agency flood zones - Ordinance Nos. 2626, 2974, 3878, and 3881 - were adopted to protect life and property and to minimize the impacts of flooding in Zones 1, 1A, 8, 9, 12 and 17. These ordinances specify that assessment rates for these zones are subject to an annual cost-of-living adjustment (COLA), based on the Consumer Price Index (CPI) for the San Francisco Bay Area, measured February- February of the next year.

Assessments & Water Service Charges of Zones 2B, 2Y & 2Z: Zones 2B, 2Y, and 2Z were

established to fund the construction, operation, and maintenance of the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), which includes loan payments to the U.S. Bureau of Reclamation that funded the construction of the projects. Ordinances Nos. 3635 and 3636, as well as the MCWRA Agency Act (California Water Code, Appendix § 52) require the Agency Board of Supervisors to adopt annual resolutions to continue the assessments for the CSIP and SVRP. Additionally, Resolution 10-188 established the Water Services Charge to support operations and maintenance of the Salinas River Diversion Facility SRDF. These ordinances and the resolution also require annual COLA adjustment to assessment rates of Zones 2B, 2Y and Water Service Charge, based February CPI for the San Francisco Bay Area measured February- February of the next year.

Water Delivery Fee of SVRP and CSIP: Agency Act (California Water Code, Appendix § 52) and Ordinance No. 3789 require a public hearing by the Agency Board of Directors to consider a recommendation on a proposed water delivery fee for each new fiscal year. Following the public hearing the Board of Directors would make recommendations to the Agency Board of Supervisors concerning the adoption of resolutions to establish the water delivery fee of Zone 2B. Agency Ordinance No. 3798 and Resolution 00-172 establish that the water delivery charges may vary according to the financial needs of CSIP and SVRP.

The Agency recommends that the FY26 water delivery fee of Zone 2B be \$85.24/AF, increased from \$45.24 AF in FY25. The recommended water delivery fee of \$85.24 is to pay for increased cost in chemicals, utilities and MIW staffing as well as to fund deferred well maintenance and cathodic protection maintenance, and fund overdue facility condition assessments while still using Fund Balances to cover existing funding gap of CSIP and SVRP operations in FY26.

Assessments of Zone 2C: Ordinance No. 4203 governs Zone 2C assessments to support the Salinas Valley Water Project (SVWP). The assessments provide funding of operations and maintenance at Nacimiento Dam and San Antonio Dam. Ordinance 4203 stipulates that Operation & Maintenance & Administrative components of the SVWP assessments are also subject to annual COLA adjustments, based on the February CPI for the San Francisco, Oakland and San Jose urban area.

The CPI of the San Francisco Bay Area measured February 2024 through February 2025 indicates a 2.7% increase. Accordingly, MCWRA requests a 2.7% COLA adjustment for FY26 to flood control assessments, special benefit zones, and water service charges for the following:

- Zones 1 & 1A - Pajaro River Fund 112
- Zone 8 - Soledad Storm Drain Fund 121
- Zone 9 - Reclamation Ditch Fund 122
- Zone 12 - San Lorenzo Creek Fund 124
- Zone 17 - Moro Cojo Slough Fund 127
- Zone 2B - CSIP Fund 131 & SVRP Fund 132
- Zone 2Y - CSIP Fund 131
- Zone 2Z - SVRP Fund 132
- Water Service Charge - SRDF Fund 134

- Zone 2C - Dam Operations Fund 116 (Operation & Maintenance & Administrative components of the SVWP assessments only)

The attached summary chart details Agency's FY26 assessment rates, water delivery and service charges comparing to those of FY25.

It is requested that the Monterey County Water Resources Agency Board of Supervisors set and hold a public hearing at 9:00 a.m. on May 28, 2025 to consider approving and adopting the rates as set forth in the Notice of Public Hearing relating to rate changes of Agency's Zones, the water delivery charge, and water service charge/fee in Fiscal Year 2025-26, all identified in the Public Notice. Notices will be published once a week for two consecutive weeks prior to the date set for this hearing.

OTHER AGENCY INVOLVEMENT:

At the April 21, 2025 meeting, the Monterey County Water Resources Agency Board of Directors will consider recommending that the Monterey County Water Resources Agency Board of Supervisors approve and adopt the FY26 assessment rates, water delivery and service charges as requested.

FINANCING:

As revenues from current rates of assessments and charges are no longer sufficient to fund increased operational costs, deferred maintenance, and the required capital improvement projects, it is critical to have the COLA increases and the proposed water delivery rate being approved.

Financial impacts of the requested increases to the FY2025-26 water delivery fee was reviewed during the Agency Board of Directors' Budget Workshop, held on March 17, 2025.

Total assessment revenue and water service charge revenue with 2.7% COLA increase are estimated at \$17,782,840 and \$1,682,801, respectively in FY26. Total revenue from water delivery charge of \$84.21/AF is estimated at \$594,891 for CSIP Fund 131 and \$1,024,670 for SVRP Fund 132, based on an average of 19,000 AF of water delivered per year.

Prepared by: Nan Kyung Kim, Finance Manager III (831) 755-4860

Approved by: _____
Ara Azhderian, General Manager (831) 755-4860

Attachments:

1. Summary - FY26 WRA Assessment Charges & Fees
2. Notices of Public Hearing for Flood Zones
3. Notices of Public Hearing for Zone 2C
4. Notices of Public Hearing for Zone 2B, 2Y, 2Z, Water Delivery Fee & Water Service Charge



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 25-043

April 22, 2025

Introduced: 4/2/2025

Current Status: Agenda Ready

Version: 1

Matter Type: WR General Agenda

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- Zone 2C - Dam Operations Fund 116 (Operation & Maintenance & Administrative components of the SVWP assessments only)

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Prepared by: Nan Kyung Kim, Finance Manager III (831) 755-4860

DocuSigned by:

Approved by:

Ara Azhderian

Ara Azhderian, General Manager (831) 755-4860

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Attachments:

1. Summary - FY26 WRA Assessment Charges & Fees
2. Notices of Public Hearing for Flood Zones
3. Notices of Public Hearing for Zone 2C
4. Notices of Public Hearing for Zone 2B, 2Y, 2Z, Water Delivery Fee & Water Service Charge

WRA FY2025-26 ASSESSMENTS & Fees - Flood Zones

WRA Zones	Fiscal Year	Land Factor							
		A	B	C	E	F	G	H	I
1	2024-25	\$375.18	\$375.18	\$93.81	\$93.81	\$7.62			
	2025-26	\$385.31	\$385.31	\$96.35	\$96.35	\$7.83			
1A	2024-25	\$183.15	\$178.86	\$44.73	\$44.73	\$3.73			
	2025-26	\$188.10	\$183.69	\$45.93	\$45.93	\$3.83			
8	2024-25	\$ 73.66	\$ 53.96	\$ 9.00	\$18.02	\$9.00	\$0.90	\$ -	\$ -
	2025-26	\$ 75.65	\$ 55.41	\$ 9.24	\$18.50	\$9.24	\$0.92	\$ -	\$ -
9	2024-25	\$ 77.90	\$ 57.05	\$ 9.52	\$19.02	\$9.52	\$0.95	\$ -	\$ -
	2025-26	\$ 80.00	\$ 58.59	\$ 9.78	\$19.54	\$9.78	\$0.98	\$ -	\$ -
12	2024-25	\$ 27.68	\$ 20.28	\$ 3.38	\$ 6.76	\$3.38	\$0.35	\$ -	\$ -
	2025-26	\$ 28.43	\$ 20.83	\$ 3.47	\$ 6.94	\$3.47	\$0.36	\$ -	\$ -
17	2024-25	\$ 26.69	\$ 19.55	\$26.07	\$13.05	\$6.52	\$0.35	\$ -	\$ -
	2025-26	\$ 27.41	\$ 20.08	\$26.77	\$13.40	\$6.69	\$0.36	\$ -	\$ -

Land Factors:

A = Commercial and Industrial

B = Institutional (churches, schools, hospitals, apartments, multi-family)

C = Single Family Residence

E = Vacant, Agricultural, or open-space

F = Vacant, Undisturbed, Natural State

G = Undisturbed, natural state, grazing or vacant, slope greater than 35%

H = Wetlands and marshlands, undisturbed, periodically flooded

I = Land receiving no charge

WRA FY2025-26 ASSESSMENTS & Fees - Zone 2B, 2Y & 2Z

WRA Zones	Fiscal Year	Land Factors				
		A	B	C	D	H
2B	2023-24	\$355.44				
	2024-25	\$365.04				
2Y	2023-24	\$4.09	\$35.83	\$0.43		\$1.78
	2024-25	\$4.20	\$36.79	\$0.45		\$1.82
2Z	2023-24	\$12.48	\$108.63	\$1.34		\$5.58
	2024-25	\$12.81	\$111.57	\$1.38		\$5.73
Water Delivery	2023-24	\$45.24				
	2024-25	\$85.24				
Water Service	2023-24	\$86.24				
	2024-25	\$88.57				

Land Factor of Zone 2B only:

A = Net Irrigated Agricultural (vicinity of Castroville)

Land Factors of Zone 2Y & 2Z:

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)

WRA FY2025-26 BENEFIT ASSESSMENTS - Zone 2C									
Sub Areas	Assessment Components	Land Factor							
		A		B		C		D	
		FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26
Ext. Upper Valley Above Dam	O&M	\$12.27	\$12.60	\$12.27	\$12.60	\$1.19	\$1.22	\$0.12	\$0.13
	Admin	\$1.80	\$1.85	\$1.80	\$1.85	\$0.14	\$0.15		
	Spill Way	\$1.82	\$1.82	\$1.82	\$1.82	\$0.18	\$0.18	\$0.02	\$0.02
	Div Facility								
Ext. Upper Valley Below Dam	O&M	\$13.18	\$13.53	\$13.17	\$13.52	\$1.33	\$1.37	\$0.16	\$0.17
	Admin	\$1.80	\$1.85	\$1.80	\$1.85	\$0.14	\$0.15		
	Spill Way	\$1.28	\$1.28	\$1.28	\$1.28	\$0.12	\$0.12		
	Div Facility								
Upper Valley	O&M	\$11.84	\$12.16	\$11.84	\$12.16	\$1.17	\$1.20	\$0.12	\$0.13
	Admin	\$1.80	\$1.85	\$1.80	\$1.85	\$0.14	\$0.15		
	Spill Way	\$1.04	\$1.04	\$1.04	\$1.04	\$0.10	\$0.10		
	Div Facility								
Forebay	O&M	\$12.29	\$12.62	\$12.29	\$12.62	\$1.19	\$1.22	\$0.12	\$0.13
	Admin	\$1.80	\$1.85	\$1.80	\$1.85	\$0.14	\$0.15		
	Spill Way	\$1.14	\$1.14	\$1.14	\$1.14	\$0.10	\$0.10		
	Div Facility								
Pressure	O&M	\$25.95	\$26.65	\$25.95	\$26.65	\$2.54	\$2.61	\$0.24	\$0.24
	Admin	\$1.80	\$1.85	\$1.80	\$1.85	\$0.14	\$0.15		
	Spill Way	\$2.86	\$2.86	\$2.86	\$2.86	\$0.28	\$0.28	\$0.02	\$0.02
	Div Facility	\$6.18	\$6.18	\$6.18	\$6.18	\$0.62	\$0.62	\$0.06	\$0.06
East Side	O&M	\$14.09	\$14.47	\$14.09	\$14.47	\$1.42	\$1.46	\$0.16	\$0.17
	Admin	\$1.80	\$1.85	\$1.80	\$1.85	\$0.14	\$0.15		
	Spill Way	\$2.18	\$2.18	\$2.18	\$2.18	\$0.22	\$0.22	\$0.02	\$0.02
	Div Facility	\$5.14	\$5.14	\$5.14	\$5.14	\$0.52	\$0.52	\$0.04	\$0.04
Arroyo Seco	O&M	\$4.53	\$4.65	\$4.53	\$4.65	\$0.45	\$0.46	\$0.05	\$0.05
	Admin	\$1.80	\$1.85	\$1.80	\$1.85	\$0.14	\$0.15		
	Spill Way	\$0.46	\$0.46	\$0.46	\$0.46	\$0.04	\$0.04		
	Div Facility								

Land Factors:

A = Irrigated Agriculture

B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land

C = Dry Farming, Grazing, Vacant Lot

D = River Channels and Lands with Frequent Flooding

NOTICE OF PUBLIC HEARING
MONTEREY COUNTY WATER RESOURCES AGENCY
Zones 1, 1A, 8, 9, 12 & 17

NOTICE IS HEREBY GIVEN that pursuant to Monterey County Water Resources Agency Ordinance Nos. 2626, 2974, 3878 and 3881, the Board of Supervisors of the Monterey County Water Resources Agency has elected to collect benefit assessments to cover costs not otherwise offset by other revenue for the Fiscal Year 2025-26 on the tax roll in the same manner as general taxes, and has caused to be filed with its Clerk a written report containing a description of each parcel of real property in the Zones listed below, and the amount of such benefit assessment on each property for Fiscal Year 2025-26 for each such parcel. This notice is made pursuant to California Government Code section 6066.

Flood Zones	Fiscal Year	Land Factor							
		A	B	C	E	F	G	H	I
1	2024-25	\$375.18	\$375.18	\$93.81	\$93.81	\$7.62			
	2025-26	\$385.31	\$385.31	\$96.35	\$96.35	\$7.83			
1A	2024-25	\$183.15	\$178.86	\$44.73	\$44.73	\$3.73			
	2025-26	\$188.10	\$183.69	\$45.93	\$45.93	\$3.83			
8	2024-25	\$ 73.66	\$ 53.96	\$ 9.00	\$18.02	\$9.00	\$0.90	\$ -	\$ -
	2025-26	\$ 75.65	\$ 55.41	\$ 9.24	\$18.50	\$9.24	\$0.92	\$ -	\$ -
9	2024-25	\$ 77.90	\$ 57.05	\$ 9.52	\$19.02	\$9.52	\$0.95	\$ -	\$ -
	2025-26	\$ 80.00	\$ 58.59	\$ 9.78	\$19.54	\$9.78	\$0.98	\$ -	\$ -
12	2024-25	\$ 27.68	\$ 20.28	\$ 3.38	\$ 6.76	\$3.38	\$0.35	\$ -	\$ -
	2025-26	\$ 28.43	\$ 20.83	\$ 3.47	\$ 6.94	\$3.47	\$0.36	\$ -	\$ -
17	2024-25	\$ 26.69	\$ 19.55	\$26.07	\$13.05	\$6.52	\$0.35	\$ -	\$ -
	2025-26	\$ 27.41	\$ 20.08	\$26.77	\$13.40	\$6.69	\$0.36	\$ -	\$ -

Land Factors:

A = Commercial and Industrial

B = Institutional (churches, schools, hospitals, apartments, multi-family)

C = Single Family Residence

E = Vacant, Agricultural, or open-space

F = Vacant, Undisturbed, Natural State

G = Undisturbed, natural state, grazing or vacant, slope greater than 35%

H = Wetlands and marshlands, undisturbed, periodically flooded

I = Land receiving no charge

NOTICE IS FURTHER GIVEN that on **Wednesday, the 28th day of May 2025, at the hour of 9:00 a.m.** at the **Board of Supervisors Chamber**, 168 West Alisal Street, Salinas, California, said Board will hear and consider all protests and objections to said report, and consider the matter of adopting benefit assessments.

By order of the Board of Supervisors of the Monterey County Water Resources Agency.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors,
County of Monterey, State of California.

By _____
Deputy

NOTICE OF PUBLIC HEARING
MONTEREY COUNTY WATER RESOURCES AGENCY
ZONE 2C ASSESSMENTS
FOR THE SALINAS VALLEY WATER PROJECT

NOTICE IS HEREBY GIVEN that the Board Supervisors of the Monterey County Water Resources Agency will consider the establishment of the following cost of living increases to assessments for Zone 2C for Fiscal Year 2025-26 to be assessed on all land in the zone in support of the Salinas Valley Water Project. This notice is made pursuant to California Government Code section 6066.

ZONE 2C BENEFIT ASSESSMENTS							
O&M of Nacimiento and San Antonio Dams							
Fiscal Year	2025-2026						
Subarea	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor	Charge Per Acre						
A	12.60	13.53	12.16	12.62	26.65	14.47	4.65
B	12.60	13.52	12.16	12.62	26.65	14.47	4.65
C	1.22	1.37	1.20	1.22	2.61	1.46	0.46
D	0.13	0.17	0.13	0.13	0.24	0.17	0.05
I	-	-	-	-	-	-	-
A = Irrigated Agriculture							
B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land							
C = Dry Farming, Grazing, Vacant Lot							
D = River Channels and Lands with Frequent Flooding							
I = Land receiving no charge							

ZONE 2C BENEFIT ASSESSMENTS							
Administration							
Fiscal Year	2025-2026						
Subarea	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor	Charge Per Acre						
A	1.85	1.85	1.85	1.85	1.85	1.85	1.85
B	1.85	1.85	1.85	1.85	1.85	1.85	1.85
C	0.15	0.15	0.15	0.15	0.15	0.15	0.15
D	-	-	-	-	-	-	-
I	-	-	-	-	-	-	-
A = Irrigated Agriculture							
B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land							
C = Dry Farming, Grazing, Vacant Lot							
D = River Channels and Lands with Frequent Flooding							
I = Land receiving no charge							

ZONE 2C BENEFIT ASSESSMENTS							
Nacimiento Spillway Modification (NO COLA)							
Fiscal Year	2025-2026						
Subarea	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor	Charge Per Acre						
A	1.82	1.28	1.04	1.14	2.86	2.18	0.46
B	1.82	1.28	1.04	1.14	2.86	2.18	0.46
C	0.18	0.12	0.10	0.10	0.28	0.22	0.04
D	0.02	-	-	-	0.02	0.02	-
A = Irrigated Agriculture							
B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land							
C = Dry Farming, Grazing, Vacant Lot							
D = River Channels and Lands with Frequent Flooding							

ZONE 2C BENEFIT ASSESSMENTS							
Diversion Facility Construction (NO COLA)							
Fiscal Year	2025-2026						
Subarea	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor	Charge Per Acre						
A	-	-	-	-	6.18	5.14	-
B	-	-	-	-	6.18	5.14	-
C	-	-	-	-	0.62	0.52	-
D	-	-	-	-	0.06	0.04	-
A = Irrigated Agriculture							
B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land							
C = Dry Farming, Grazing, Vacant Lot							
D = River Channels and Lands with Frequent Flooding							

NOTICE IS FURTHER GIVEN that on **Wednesday, the 28th day of May 2025, at the hour of 9:00 a.m.** at **Board of Supervisors Chamber**, 168 West Alisal Street, Salinas, California, said Board will hear and consider all protests and objections to said report, and consider the matter of adopting benefit assessments.

By order of the Board of Supervisors of the Monterey County Water Resources Agency.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors,
County of Monterey, State of California.

By _____
Deputy

**NOTICE OF PUBLIC HEARING
MONTEREY COUNTY WATER RESOURCES AGENCY
ASSESSMENTS, WATER DELIVERY AND SERVICE CHARGES FOR ZONE 2B AND
ASSESSMENTS FOR ZONES 2Y AND 2Z**

**FOR THE CASTROVILLE SEAWATER INTRUSION PROJECT, THE SALINAS
VALLEY RECLAMATION PROJECT, AND THE SALINAS RIVER DIVERSION
FACILITY PROJECT**

NOTICE IS HEREBY GIVEN that the Board Supervisors of the Monterey County Water Resources Agency will consider the establishment of the following rate increases in benefit assessments of Zone 2B, Zones 2Y and 2Z, benefit assessment of the Zone 2B water service charge, and the fee of the Zone 2B water delivery charge for Fiscal Year 2025-26 to be levied on all property in the categories described below located in the zones in support of the Castroville Seawater Intrusion Project, the Salinas Valley Reclamation Project, and the Salinas River Diversion Facility Project. This notice is made pursuant to California Government Code section 6066.

The dividing line between north valley and south valley, for the purposes of determining assessments for irrigated agricultural uses, generally follows the centerlines of Gloria Road, U.S. Highway 101, and the Gonzales River Road, between the eastern and western boundaries of Zone 2A, and is more particularly described in Resolution No. 92-364, adopted by the Board of Supervisors on July 21, 1992. A map of the dividing line is on file in the office of the Clerk to the Board of Supervisors.

ZONE 2B BENEFIT ASSESSMENTS				
Fiscal Year	2024-2025		2025-2026	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	195	\$ 355.44	194	\$ 365.04
B	0	\$ -	0	\$ -
C	0	\$ -	0	\$ -
D	0	\$ -	0	\$ -
H	0	\$ -	0	\$ -
Total:	195		194	
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)				

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WATER DELIVERY & SERVICE CHARGES		
Fiscal Year	2024-2025	2025-2026
Water Delivery Charge	\$45.24	\$85.24
Water Service Charge	\$86.24	\$88.57
Total:	\$131.48	\$173.81

ZONE 2Y BENEFIT ASSESSMENTS				
Fiscal Year	2024-2025		2025-2026	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	52,195	\$ 4.09	52,370	\$ 4.20
B	4,632	\$ 35.83	4,641	\$ 36.79
C	3,668	\$ 0.43	3,013	\$ 0.45
D	265	\$ -	266	\$ -
H	1,110	\$ 1.78	1,111	\$ 1.82
Total:	61,366		61,401	
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)				

ZONE 2Z BENEFIT ASSESSMENTS				
Fiscal Year	2024-2025		2025-2026	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	52,194	\$ 12.48	52,369	\$ 12.81
B	4,630	\$ 108.63	4,639	\$ 111.57
C	3,670	\$ 1.34	3,015	\$ 1.38
D	265	\$ -	266	\$ -
H	1,110	\$ 5.58	1,111	\$ 5.73
Total:	61,869		61,400	
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)				

NOTICE IS FURTHER GIVEN that the Board of Supervisors will conduct a public hearing on **Wednesday, the 28th day of May 2025, at the hour of 9:00 a.m. at Board of Supervisors Chamber, 168 West Alisal Street, Salinas, California**, at which time the Board shall hear and consider all objections and protests, if any, to said assessments and the fee; and may revise, change, reduce or modify any assessment and fee over and above the charges stated. All interested persons may appear and object to, or protest, any of said assessments and/or water delivery/service charges.

By order of the Board of Supervisors of the Monterey County Water Resources Agency.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors,
County of Monterey, State of California.

By _____
Deputy



County of Monterey

Item No.3

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 25-044

April 22, 2025

Introduced: 4/7/2025

Current Status: Agenda Ready

Version: 1

Matter Type: WR General Agenda

Receive a presentation on the Groundwater Monitoring Program Fee Study; and provide direction to staff as appropriate.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors:

Receive a presentation on the Groundwater Monitoring Program Fee Study; and provide direction to staff as appropriate.

SUMMARY/DISCUSSION:

Historically, the Monterey County Water Resources Agency (“Agency”) conducted groundwater monitoring across portions of the Salinas Valley in a discretionary manner as funding allowed. However, with passage of the Sustainable Groundwater Management Act (“SGMA”) in 2014 came the establishment of local Groundwater Sustainability Agencies (“GSAs”) and a need for consistent, reliable collection of groundwater and well data to develop, implement, and monitor progress of Groundwater Sustainability Plans (“GSPs”). In the interest of improving operational efficiency and reducing costs, some local GSAs have chosen to leverage the data collection, analysis, management, and reporting expertise of the Agency rather than creating a separate, parallel, monitoring program. This approach was solidified through approval and adoption of Agency Ordinance No. 5426 and the Groundwater Monitoring Program Manual by the Board of Supervisors in October 2024. The Agency’s Groundwater Monitoring Program (“GMP”) comprises four data collection and monitoring programs that, collectively, produce the data necessary to meet the rigorous reporting requirements mandated by SGMA and maintain local governance and oversight of water resources.

The geographic extent of the reconceived GMP is expanding to cover areas within the Salinas Valley Groundwater Basin that are within the jurisdiction of the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”) (Attachment 1). Well registration and groundwater extraction reporting requirements will for most well owners within the historically monitored area will remain largely the same. New well registration and reporting requirements will apply to well owners in the new geographic areas. The most widespread difference for all well owners will be the proposed new annual GMP Regulatory Fee to ensure program reliability, which will be billed directly by the Agency on an annual basis. Unlike other unrelated Agency assessments, this new fee will not be included on property tax bills.

The Agency Act (California Water Code, Appendix §52) and Ordinance No. 5426 authorize the Agency to “...recover costs associated with the development, implementation, enforcement, and

perpetuation of a regulatory groundwater monitoring program on a per-well basis, not based on extraction data, within Monterey County.” The Agency worked with Lechowicz & Tseng Municipal Consultants to establish a schedule of cost-based fees for the GMP (Attachment 2).

The Groundwater Monitoring Program Fee Study (“Study”) describes the regulatory functions covered by the GMP and associated costs for staff time to implement the monitoring programs, including data collection, analysis, and reporting; equipment, vehicles, and supplies; technological support for data collection and management applications; and indirect costs. The indirect cost rate is 21% which consists of Agency overhead (approximately 12%) and County of Monterey overhead (approximately 9%). The indirect cost rate covers salary and benefits of Agency Administrative staff, insurance, office furnishings and supplies, computer hardware and software, internet service, communications devices, and County services such as Facilities, Auditor Controller, Human Resources, Records Retention, and County Counsel.

The proposed GMP Regulatory Fees are Proposition 26 regulatory fees and are imposed for regulatory costs that do not exceed the reasonable cost of providing the monitoring service. Proposition 26 fees can be adopted at any time through the approval of the respective legislative body.

The proposed GMP Regulatory Fees will be charged on per-well basis, regardless of how much water a well extracts from the groundwater basin. For FY 2025-2026, the fees will apply to water production wells in the six subbasins within the jurisdiction of the SVBGSA, namely the 180/400-Foot Aquifer, Eastside, Forebay, Langleys, Monterey, and Upper Valley Subbasins (Attachments 3). Data collected and reported under programs funded by the GMP Regulatory Fees will be provided to the SVBGSA for use in implementing the GSPs for the aforementioned subbasins.

For FY 2025-2026, the recommended GMP Regulatory Fees, by category, are as follows: Initial Well Registration Fee of \$160.19 per well; Annual Well Registration Renewal Fee of \$21.90 per well; Groundwater Extraction Monitoring Fee of \$64.82 per well; Groundwater Level Monitoring Fee of \$117.63 per well; and Groundwater Quality Monitoring Fee of \$73.90 per well. Additional information about each fee is available in the Study (Attachment 2) and on the summary table (Attachment 3).

The Agency’s Finance Committee received presentations on the Study in March and April 2025, and the Agency also hosted a stakeholder workshop about the GMP Regulatory Fee on April 3, 2025. All of these meetings have informed refinements to the Study.

The FY 2025-2026 GMP Regulatory Fee will be considered by the Agency’s Board of Directors on April 21, 2025, and by the Agency’s Board of Supervisors on May 28, 2025.

OTHER AGENCY INVOLVEMENT:

The SVBGSA coordinated with Agency staff to identify the scope of data under the GMP that is required to satisfy their regulatory obligations for monitoring and reporting under SGMA.

FINANCING:

Financial impacts of the requested GMP Fees were reviewed during the Agency’s FY 2025-26

Budget Workshop, held on March 17, 2025. Total FY 2025-26 cost recovery for GMP is estimated at \$800,000.

Prepared by: Amy Woodrow, Senior Water Resources Hydrologist, (831) 755-4860

Approved by: _____
Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Map of FY 2025-2026 GMP Regulatory Fee Area
2. Draft GMP Fee Study
3. Summary Table of FY 2025-2026 GMP Regulatory Fees



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 25-044

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The FY 2025-2026 GMP Regulatory Fee will be considered by the Agency’s Board of Directors on April 21, 2025, and by the Agency’s Board of Supervisors on May 28, 2025.

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FINANCING:

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Legistar File Number: WRAG 25-044

estimated at \$800,000.

Prepared by: Amy Woodrow, Senior Water Resources Hydrologist, (831) 755-4860

DocuSigned by:
Approved by: Ara Azhderian 4/9/2025
Ara Azhderian, General Manager, (831) 755-4860
1F182FFB49A2435...

Attachments:

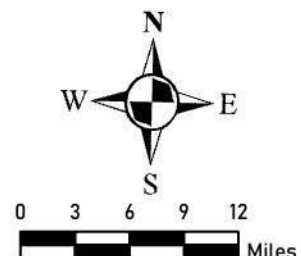
1. Map of FY 2025-2026 GMP Regulatory Fee Area
2. Draft GMP Fee Study
3. Summary Table of FY 2025-2026 GMP Regulatory Fees



Esri, CGIAR, USGS, California State Parks, Esri, TomTom, Garmin, SafeGraph, PAO, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USFWS

Groundwater Monitoring Program Regulatory Fee Area FY 2025-2026

- Legend**
- Groundwater Monitoring Program Area
 - Monterey County Boundary





Groundwater Monitoring Program Fee Study for the Monterey County Water Resources Agency

**Final Report
April 2025**



LECHOWICZ + TSENG
MUNICIPAL CONSULTANTS

909 Marina Village Parkway #135
Alameda, CA 94501
(510) 545-3182
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SECTION 1: INTRODUCTION AND EXECUTIVE SUMMARY

The Monterey County Water Resources Agency (“Agency” or “MCWRA”) or was formed under Chapter 699 of the Statutes of 1947 as the Monterey County Flood Control and Water Conservation District. In 1990, the State Legislature updated the Agency’s mandate through passage of the Monterey County Water Resources Agency Act: to provide for the control of flood and storm waters, conservation of such waters through storage and percolation, control of groundwater extraction, protection of water quality, reclamation of water, exchange of water, and the construction and operation of hydroelectric power facilities (California Water Code Appendix, Chapter 52 {“Agency Act”}). The Agency has jurisdiction over matters pertaining to water within the entire area of Monterey County, including both incorporated and unincorporated areas (Agency Act, Section 4).

In addition to the Agency’s responsibility for stream monitoring, flood management, and emergency flood-related preparedness, the Agency is authorized to conserve water in any manner; to buy, sell, and purvey water; and to prevent the waste or diminution of the water extractions which are determined to be harmful to the groundwater basin. Relevant here, the Agency Act authorizes the MCWRA Board of Supervisors to impose fees. (Agency Act, Section 70(c)). More specifically, as it relates to the establishment of this Groundwater Monitoring Program regulatory fee, under the Agency Act and Agency Ordinance No. 5426, the Agency has authority to carry on technical and other necessary investigations, make measurements, collect data, make analyses, studies, and inspections pertaining to water supply. Section 10 of Ordinance No. 5426 states, “[f]or the purposes of implementing this Ordinance, the Agency may allocate and recover costs associated with the development, implementation, enforcement, and perpetuation of a regulatory groundwater monitoring program on a per-Well basis, not based on extraction data, within Monterey County. Such regulatory fees shall be established by a resolution of the Board.”

Since 1947, the Agency has performed groundwater monitoring in the Salinas Valley, initially of groundwater levels and later expanded to include groundwater quality. In the 1990s, the Agency voluntarily created the Groundwater Extraction Monitoring System (“GEMS”) to monitor the use of groundwater throughout Agency Zones 2, 2A, and 2B of the Salinas Valley Groundwater Basin which necessitated well registration and reporting requirements. The purpose of GEMS and water quality/level monitoring was to investigate and produce the data necessary to perform a thorough review, or audit, of the hydrologic budget within the monitored area. Investigations conducted as part of the Agency’s previous programs furthered the purposes of the Agency, such as protection of water quality, and conservation of flood and storm waters. Data resulting from these programs facilitated implementation and enforcement of the Agency Act and supported management that allowed for continued well owner operations throughout the community.

In 2014, the State enacted the Sustainable Groundwater Management Act (“SGMA”), which established new regulatory requirements to achieve the sustainability of groundwater basins throughout California by 2040 or 2042, depending on subbasin. Subsequently, Groundwater Sustainability Agencies (“GSAs”)

including the Arroyo Seco GSA, County of Monterey GSA, Marina Coast Water District GSA, and Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”) were formed to achieve the State’s SGMA mandates within the Salinas Valley Groundwater Basin which substantially, but not entirely, overlaps with Agency Zones 2, 2A, and 2B.

To meet its SGMA regulatory obligations, each GSA needed to address the data gaps between its areas of responsibility and the Agency’s previous groundwater level, water quality, and groundwater extraction monitoring programs. In the interest of improving operational efficiency and reducing costs, rather than creating a separate, parallel monitoring program, the SVBGSA chose to leverage the data collection, analysis, management, and reporting expertise of the Agency. SVBGSA’s request to expand the Agency’s work resulted in the Agency’s Board of Supervisors repealing the three 1990s ordinances that established the original GEMS program and related well registration and reporting requirements, and the adoption of a new ordinance and Groundwater Monitoring Program Manual, on October 1, 2024, to support current regulatory mandates. The new ordinance, Ordinance No. 5426, also established a regulatory fee, which is the subject of this fee study, to sustain the new Groundwater Monitoring Program.

The Groundwater Monitoring Program (“GMP”) is comprised of four components and proposed fees: Well Registration, Groundwater Extraction Reporting, Groundwater Level Monitoring, and Groundwater Quality Monitoring. The purpose of the GMP is to continue the investigation and auditing of the hydrologic budget within the Salinas Valley Groundwater Basin. The GMP regulatory fees will cover the reasonable costs of identifying the location of wells and collecting data necessary to perform hydrologic investigations on a scale and schedule compatible with the needs of GSAs operating in the Salinas Valley Groundwater Basin. The proposed GMP regulatory fees currently only cover the Salinas Valley Groundwater Basin. However, Ordinance No. 5426 and the GMP Manual authorize the Agency to collect data anywhere within Monterey County. As such, the GMP regulatory fees may be modified in the future if other groundwater sustainability agencies request the Agency collect data.

The Well Registration component is necessary for obtaining data on the location, construction, and operation of wells in the Salinas Valley Groundwater Basin which, in turn, can be linked to data collected through other components of the Groundwater Monitoring Program. The Groundwater Extraction Monitoring component provides data on the location and volume of water extracted on an annual basis, which is a critical element of the hydrologic budget. Data collected from the Groundwater Level Monitoring component are the basis for the Agency’s evaluation of regional seasonal and long-term trends in groundwater levels. Groundwater level data are also used to investigate the following: changes in groundwater storage for the hydrologic budget; the regional direction of groundwater movement; mechanisms for seawater intrusion; quantification of short- and long-term impacts to the groundwater basin from public and private well extraction; conservation releases from the reservoirs; and operation of water projects like the Salinas Valley Water Project or Castroville Seawater Intrusion Project. The Groundwater Quality Monitoring component is conducted biannually to investigate changes to the extent of seawater intrusion in the Salinas Valley Groundwater Basin. Samples collected through Groundwater Quality Monitoring provide laboratory-derived chemistry data that is analyzed using a

suite of geochemical tools and paired with groundwater level and extraction data to evaluate the movement of seawater intrusion and accompanying change in usable groundwater storage. Coupling this analysis with data obtained through the Well Registration component allows for the identification of wells that may be experiencing adverse water quality impacts.

The GMP, as contemplated for this fee study, consists of well registration and monitoring of public and private wells within the 180/400-Foot Aquifer, Eastside Aquifer, Forebay Aquifer, Langley Area, Monterey, and Upper Valley Aquifer Subbasins of the Salinas Valley Groundwater Basin (Figure 1). As described above, the Groundwater Monitoring Program is accomplished via five regulatory functions or services:

- 1) Initial wellhead registration (“Reg”)
- 2) Annual wellhead registration renewal (“Renew”)
- 3) Groundwater extraction reporting (“Extract”)
- 4) Monitoring groundwater levels (“GWL”)
- 5) Monitoring water quality (“WQ”)

The goal of this study is to establish a schedule of cost-based fees for these regulatory functions. This study was conducted consistently with the Agency’s 2020 Strategic Plan to identify more targeted funding sources for regulatory programs and more fairly recover costs from regulated entities.

The GMP fees are not taxes and are exempt from voter approval under section 1(e)(3) of Article XIII C of the California Constitution (Proposition 26). The fees are imposed for the reasonable regulatory costs to the Agency for conducting the Groundwater Monitoring Program, and do not exceed the reasonable costs to the Agency of providing these services. The fees were calculated based on staff time and materials. A summary of the proposed fees is provided below in Table 1.

Figure 1: Groundwater Monitoring Program Area

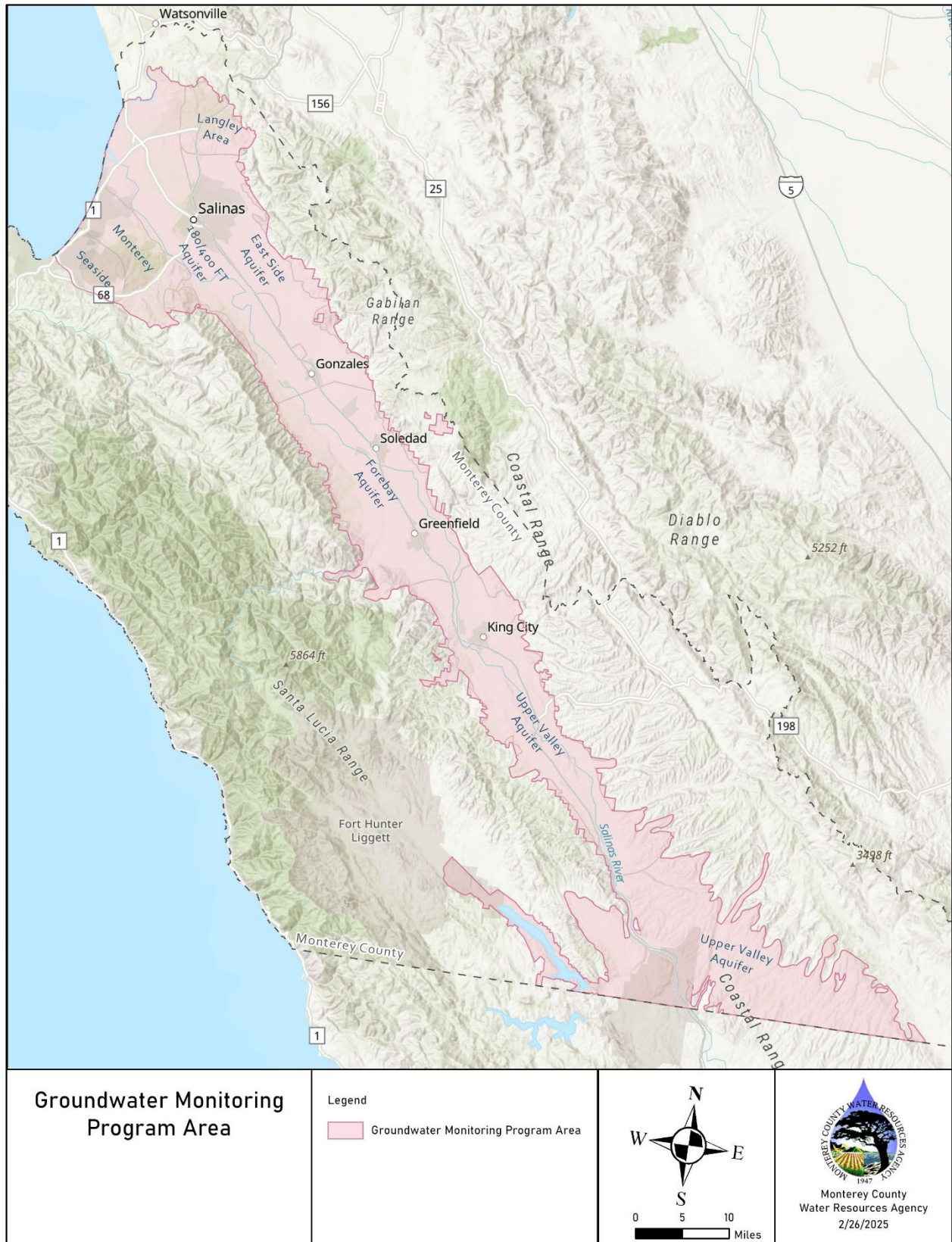


Table 1: Summary of Proposed Annual Fees for Fiscal Year 2025-2026 ("FY26")

Fee Category	Proposed FY26 Annual Fee per participating well
Initial wellhead registration	\$160.19
Annual wellhead registration renewal	\$21.90
Groundwater extraction reporting	\$64.82
Monitoring groundwater levels	\$117.63
Monitoring water quality	\$73.90

This fee study does not include delinquency or penalty fees for noncompliant well owners. Section 11 of Ordinance No. 5426 provides for the enforcement, penalties, and appeal process for the GMP.

Table 2 estimates the cost recovery for the Groundwater Monitoring Program resulting from the proposed fees for FY26. Cost recovery per fee type varies based on the amount of the fee and the number of annual services to which the fee applies. In total, the fees proposed in this report are estimated to cover about \$802,000 of Agency expenses. This revenue will be used to directly offset the cost of implementing the monitoring programs and will not be used for non-regulatory functions or programs.

Table 2: Estimated FY26 Cost Recovery from Fees

Fee Category	Abbreviation	Proposed FY26 Fee	Estimated Number of Annual Services	Total Annual Cost Recovery
Initial wellhead registration	Reg	\$160.19	50	\$8,010
Annual wellhead registration renewal	Renew	\$21.90	3,500	\$76,650
Groundwater extraction reporting	Extract	\$64.82	2,100	\$136,122
Monitoring groundwater levels	GWL	\$117.63	3,500	\$411,705
Monitoring water quality	WQ	\$73.90	2,300	<u>\$169,970</u>
				\$802,457

SECTION 2: Legal Requirements & Methodology

2.1 Legal Requirements

California voters enacted Proposition 26 in 2010 to define the term “tax” for purposes of Articles XIII A and XIII C of the California Constitution. Under Proposition 26, all levies, charges, and exactions “imposed” by local governments are considered taxes, unless they fit into one of the seven stated exceptions for local government:

- 1) A charge that is imposed for a special benefit or privilege provided to an individual, does not exceed the reasonable cost of service, and does not provide broad, general benefits to others in the community;
- 2) A charge imposed for a specific government service or product provided directly to the person paying the fee, that does not exceed the reasonable cost of providing service;
- 3) A charge imposed for reasonable regulatory costs (i.e. licenses, audits, inspections, permits) that does not exceed the reasonable cost of service;
- 4) A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property;
- 5) Fines or penalties imposed for violations of the law;
- 6) A charge imposed as a condition of property development; and
- 7) Assessments and property-related fees imposed under the provisions of Proposition 218, such as water and sewer service charges.

The fees proposed in this study are exempt from voting requirements as they are regulatory fees (exemption #3 listed above) that do not exceed the cost of the Agency’s regulatory action.

2.2 Methodology

To calculate the cost of service for each fee, the Agency estimated the number of staff hours needed to complete each groundwater monitoring service, the hourly rate for each staff member, and the cost of applicable materials, vehicles, and supplies. Table 3 provides a list of staff and hourly rates. The hourly rates represent the fully burdened rate of each staff member, including the cost of salary and benefits.

Table 3: Staff Hourly Rates for FY26

Staff Member	Fully Burdened Hourly Rate
Accountant II	\$88.10
Accounting Technician	\$77.17
Deputy General Manager	\$206.09
Finance Manager III	\$175.53
General Manager	\$224.87
Office Assistant III	\$63.69
Senior Water Resources Hydrologist	\$156.11
Water Resources Hydrologist	\$80.27
Water Resources Technician	\$67.07

Table sorted alphabetically

For all fees except initial wellhead registration, staff time and materials costs were determined on a programmatic level. Total costs to provide each regulatory function over the course of the year were divided by the estimated number of services provided each year to determine a fee (i.e. cost per service). Table 4 provides the total staff hours estimated for each regulatory service as well as the number of full-time equivalents (FTEs) based on 1,700 hours of productive time. The Groundwater Monitoring Program functions described in this report reflect a staff time of about 3.47 FTEs over the course of each fiscal year.

Table 4: Total Staffing by Fee Category

Staff Member	Reg	Renew	Extract	GWL	WQ	Total	FTE
Accountant II		120				120	0.07
Accounting Technician		200				200	0.12
Deputy General Manager			8	8	8	24	0.01
Finance Manager III		40				40	0.02
General Manager			8	8	8	24	0.01
Office Assistant III			24			24	0.01
Senior Water Hydrologist	7.5	3	150	120	75	364	0.21
Water Resources Hydrologist	25	10	300	700	100	1,135	0.67
Water Resources Technician	<u>50</u>	<u>20</u>	<u>650</u>	<u>2,500</u>	<u>750</u>	3,970	2.34
Total Hours	82.5	401	1,140	3,336	941	5,901	3.47
Total Full Time Equivalents	0.05	0.24	0.67	1.96	0.55	3.47	

The proposed fees also include the Agency's cost of supplies, materials, and vehicles needed to provide each regulatory function. The cost of materials or supplies for each fee is calculated as the total annual cost of materials for each service divided by the estimated number of annual regulatory functions the Agency will provide. As an example, tablets for data collection are used for both groundwater level monitoring and groundwater quality. Thus, the cost of tablets is divided by 5,800 wells, which is the sum of the number of wells in the groundwater level monitoring program (3,500) and the number of wells in the groundwater quality monitoring program (2,300).

Some materials and supplies are longer-lived assets that the Agency will use over multiple years. The annual cost of multi-year supplies is calculated as the purchase price of the supplies divided by the expected useful life, see Table 5. The cost of vehicles is based on prevailing hourly rental rates multiplied by the number of hours to perform each regulatory function. The supplies and materials listed in Table 5 are used by one or more of the monitoring programs to collect groundwater level measurements, collect groundwater samples, label wells using information obtained through well registration, and electronically store data gathered while in the field.

Each fee also includes an indirect cost rate of approximately 21% which is added to the cost of staff time, supplies, materials, and vehicles. The indirect cost rate was determined by the Agency and consists of approximately 12% of Administration/Agency overhead and 9% of County of Monterey overhead. The indirect cost rate for the Agency covers items such as computer hardware and software, internet service, communications devices, and rental costs of Agency buildings. The indirect cost rate for the County includes facilities, human resources, records, and county counsel. The calculations for each cost-based fee are provided in Section 3.

Table 5: Multi-year Supplies

Material or Supply	Cost Per Item	# Needed	Total Cost	Purchasing Frequency	Useful Life (years)	Annual Cost [1]	Applicable Program
Electronic sounder	\$760	3	\$2,280	1 every 3 years	9	\$253.33	GWL
Steel tape	\$1,000	3	\$3,000	1 every 2 years	6	\$500.00	GWL
Nylon-coated steel tape	\$200	2	\$400	1 every 2 years	4	\$100.00	GWL
Sonic water level meter	\$2,200	1	\$2,200	1 every 10 years	10	\$220.00	GWL
Well labeling equipment	\$400	1	\$400	1 every 5 years	5	\$80.00	GWL
Pump and Variable Frequency Drive	\$10,000	1	\$10,000	1 every 10 years	10	\$1,000.00	WQ
Generator for pump operation	\$1,500	1	\$1,500	1 every 10 years	10	\$150.00	WQ
Tablets for data collection	\$5,000	3	\$15,000	1 every 3 years	9	\$1,666.67	GWL and WQ

1 – total cost divided by useful life

SECTION 3: Proposed Cost-Based Fees

This section provides the calculation of each cost-based regulatory fee. The total cost of each fee includes the cost of staff time required to complete each regulatory function, the cost of materials, vehicles, and supplies, and an indirect cost rate of 20.91%.

3.1 Initial Registration

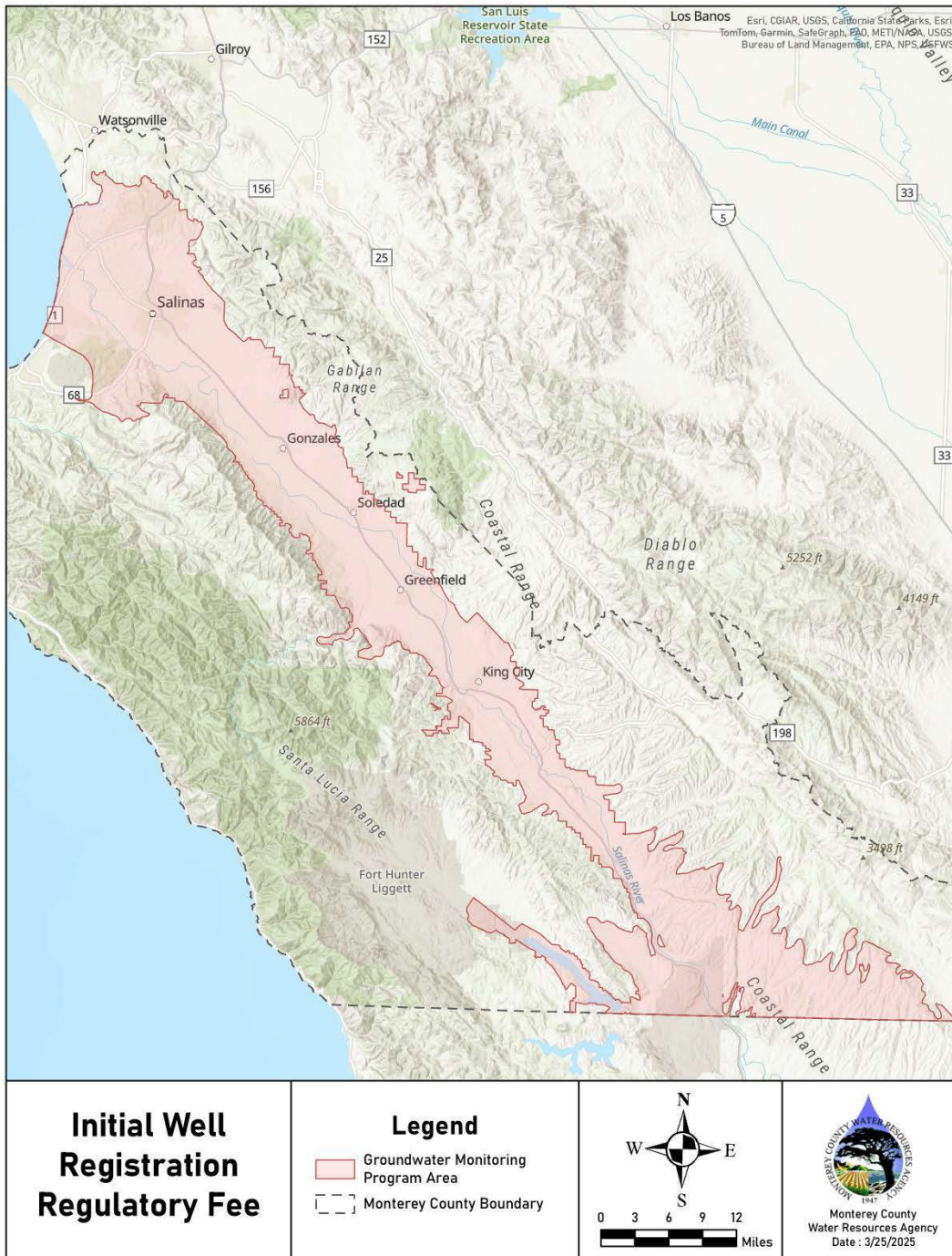
A well must be registered with the Agency if it is in one of the following six subbasins: 180/400-Foot Aquifer, Eastside Aquifer, Forebay Aquifer, Langley Area, Monterey, or Upper Valley Aquifer (see Figure 2). The initial registration of a well occurs once and is required within 30 days of completed construction or upon request from the Agency, per Ordinance No. 5426. Registration requires providing general information about the well's location, owner, operator, status, and construction specifications.

The initial wellhead registration fee amount per well is calculated in Table 6. The initial registration fee is calculated as \$160.19 and is proposed to be the same for all types and sizes of wells. In addition to the estimated staffing costs per well, the initial registration fee is proposed to recover portions of the Information Technology (IT) support required for the well registration software and supplies for printing notifications. IT support and printing charges are shared with the annual renewal fee and are divided by an estimated 3,500 renewals and registrations per year to calculate a fee per well.

Table 6: Initial Wellhead Registration or Registration Charge Proposed for FY26

Staffing	Hours	Hourly rate	Total Cost	Identifier	Calculation
Water Resources Technician	1	\$67.07	\$67.07		
Water Resources Hydrologist	0.5	\$80.27	\$40.14		
<u>Senior Water Resources Hydrologist</u>	0.15	\$156.11	<u>\$23.42</u>		
Subtotal Staffing			\$130.63	A	
Supplies, Materials, and Vehicles					
County IT support			\$5,000.00		
<u>Supplies for printing notifications</u>			<u>\$1,500.00</u>		
Subtotal Supplies, Materials and Vehicles			\$6,500.00		
# of annual renewals & new registrations			3,500		
Supplies, Materials and Vehicles			\$1.86	B	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$132.49	C	C = A + B
Indirect Cost Rate		20.91%	<u>\$27.70</u>	D	D = C x 20.91%
Total Fee			\$160.19		C + D

Figure 2: Initial Well Registration Regulatory Fee



3.2 Annual Renewal & Billing

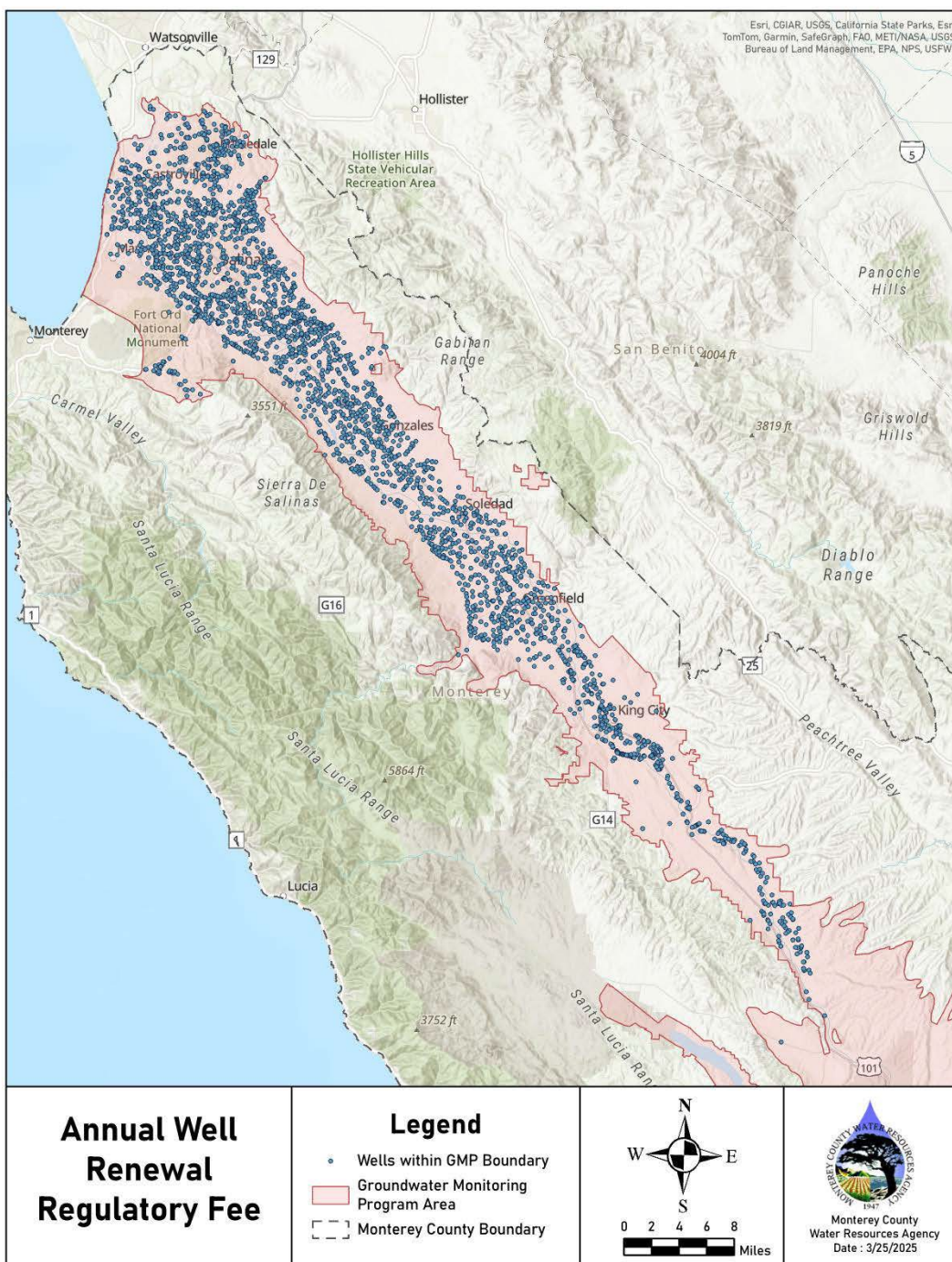
Following initial registration, all registered wells are required to annually renew their registration. Registered well owners will be asked to verify well registration data on file with the Agency and provide updates as applicable. Table 7 summarizes the proposed fee for annual wellhead registration renewal. The total fee amount per well is \$21.90 based on the estimated total annual costs for the program (staff time throughout the year and direct expenses) divided by an estimated 3,500 renewals and registrations per year. Costs for the registration renewal program include staffing costs and costs for software, IT support, and printing notifications.

Table 7: Annual Wellhead Registration Renewal

Staffing	Hours	Hourly rate	Total Cost	Identifier	Calculation
Accountant II	120	\$88.10	\$10,572.00		
Accounting Technician	200	\$77.17	\$15,434.00		
Finance Manager III	40	\$175.53	\$7,021.20		
Water Resources Technician	20	\$67.07	\$1,341.40		
Water Resources Hydrologist	10	\$80.27	\$802.70		
<u>Senior Water Resources Hydrologist</u>	11	\$156.11	<u>\$1,717.21</u>		
Subtotal Annual Staffing			\$36,888.51		
# of annual renewals			3,500		
Staffing cost per renewal			\$10.54	A	
Supplies, Materials, and Vehicles					
Well registration software [1]			\$20,000.00		
County IT support			\$5,000.00		
<u>Supplies for printing notifications</u>			<u>\$1,500.00</u>		
Subtotal Supplies, Materials and Vehicles			\$26,500.00		
# of annual renewals & new registrations			3,500		
Supplies, Materials and Vehicles			\$7.57	B	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$18.11	C	C = A + B
Indirect Cost Rate		20.91%	<u>\$3.79</u>	D	D = C x 20.91%
Total Fee			\$21.90		C + D

1 – Initial software cost of \$50,000 amortized over five years plus \$10,000 annual subscription cost.

Figure 3: Annual Well Renewal Regulatory Fee



3.3 Groundwater Extraction Reporting

In addition to well registration, the Agency's Groundwater Monitoring Program includes Groundwater Extraction Reporting. The Groundwater Extraction Reporting program requires all wells located within the area shown in Figure 1 that are extracting more than two acre-feet per year (i.e. non-de minimis users) to report extraction data to the Agency through the online reporting portal in accordance with the criteria specified in the Agency's Groundwater Monitoring Program Manual. SGMA defines "de minimis extractor" as a person who extracts, for domestic purposes, two acre-feet or less per year (California Water Code Section 10721) so the same threshold is being used by the Agency for the Groundwater Monitoring Program to ensure consistency with meeting the regulatory needs of the Agency and/or Requesting Entities. The Agency will be contacting well owners required to report groundwater extraction data by mail with instructions on how to register for the program and will also send at least one annual reminder notice.

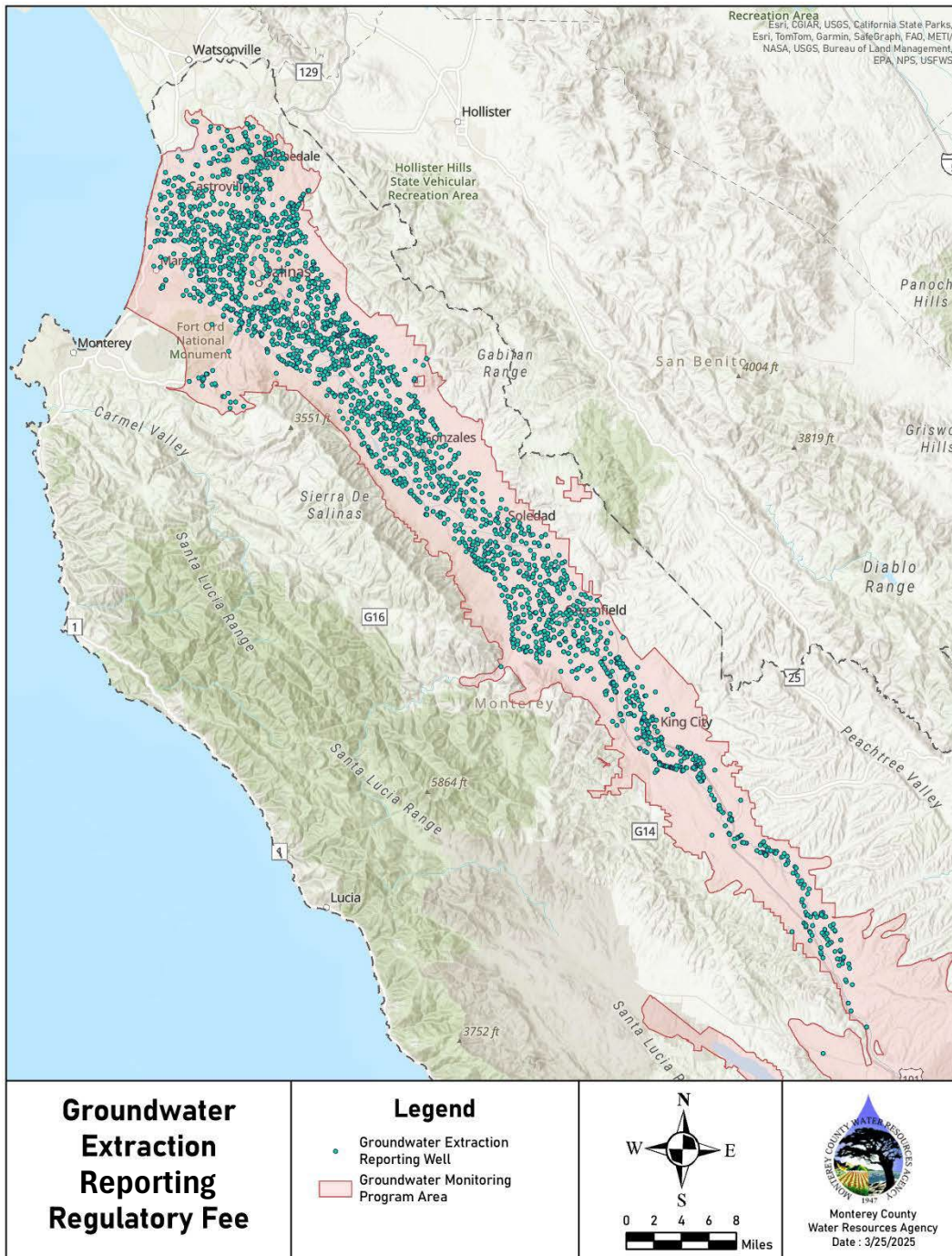
To comply with the GMP, extractors are required to purchase and install an approved measuring device at each well then use it to collect monthly data and report that data at least annually. Groundwater extraction data must be collected on a monthly basis for each Water Year (i.e. October 1 through September 30), and monthly totals of groundwater extracted must be self-reported to the Agency no later than November 1 for the prior Water Year. Agency staff then audit all data collected and produce an annual summary report.

The groundwater extraction reporting fee is intended to recover the cost of implementing this regulatory program and is proposed to be \$64.82 per well, as shown in Table 8. The Agency has an estimated 2,100 extractors who will share the annual staffing costs of about \$96,000 and materials costs of \$16,500 to run the program.

Table 8: Groundwater Extraction Reporting Fee Proposed for FY26

Staffing	Hours	Hourly rate	Total Cost	Identifier	Calculation
Water Resources Technician	650	\$67.07	\$43,595.50		
Water Resources Hydrologist	300	\$80.27	\$24,081.00		
Senior Water Resources Hydrologist	150	\$156.11	\$23,416.50		
Office Assistant III	24	\$63.69	\$1,528.56		
Deputy General Manager	8	\$206.09	\$1,648.72		
<u>General Manager</u>	8	\$224.87	<u>\$1,798.96</u>		
Subtotal Annual Staffing			\$96,069.24		
# of annual services			2,100		
Staffing cost per service			\$45.75	A	
Supplies, Materials, and Vehicles					
County IT support of GEMS application			\$5,000.00		
County IT app. development			\$10,000.00		
Supplies for printing mailouts			\$500.00		
<u>Postage for mailouts</u>			<u>\$1,000.00</u>		
Subtotal Supplies, Materials and Vehicles			\$16,500.00		
# of annual services			2,100		
Supplies, Materials and Vehicles			\$7.86	B	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$53.61	C	C = A + B
Indirect Cost Rate		20.91%	<u>\$11.21</u>	D	D = C x 20.91%
Total Fee			\$64.82		C + D

Figure 4: Groundwater Extraction Reporting Regulatory Fee



3.4 Monitoring Groundwater Levels

MCWRA monitors groundwater levels throughout Monterey County, primarily within the 180/400 Foot Aquifer, Eastside Aquifer, Forebay Aquifer, Langley Area, Monterey, and Upper Valley Aquifer Subbasins of the Salinas Valley Groundwater Basin. Wells that are part of the Agency's groundwater level monitoring program are required to be registered. The Agency measures groundwater levels on a monthly basis at some well sites and biannually, annually, or continuously at other well sites. Data collected from the Groundwater Level Monitoring program are the basis for the Agency's evaluation of regional seasonal and long-term trends in groundwater levels. Groundwater level data are also used to investigate changes in groundwater storage for the hydrologic budget, understand the regional direction of groundwater movement, evaluate mechanisms for seawater intrusion, and quantify short- and long-term impacts to the groundwater basin from public and private well extraction, conservation releases from the reservoirs, and operation of water projects like the Salinas Valley Water Project or Castroville Seawater Intrusion Project.

Agency staff use one of several standardized data collection methods to take measurements at each site, using either graduated steel tape, electric water level meters, sonic water level meters, or pressure transducers. Best efforts are made to ensure that wells have not recently been pumped when collecting a groundwater level data point.

Table 9 provides the calculation for the proposed groundwater level monitoring fee. Most costs for the program are divided between all 3,500 wells within the groundwater level monitoring program, with the exception of the costs for tablets for data collection which are shared between the program for monitoring groundwater levels and the program for testing groundwater quality. Total costs exclusive to monitoring groundwater levels include about \$246,000 for staff time and about \$94,000 for supplies, materials, and vehicles. The proposed fee per well for FY26 for the groundwater level monitoring program is \$117.63

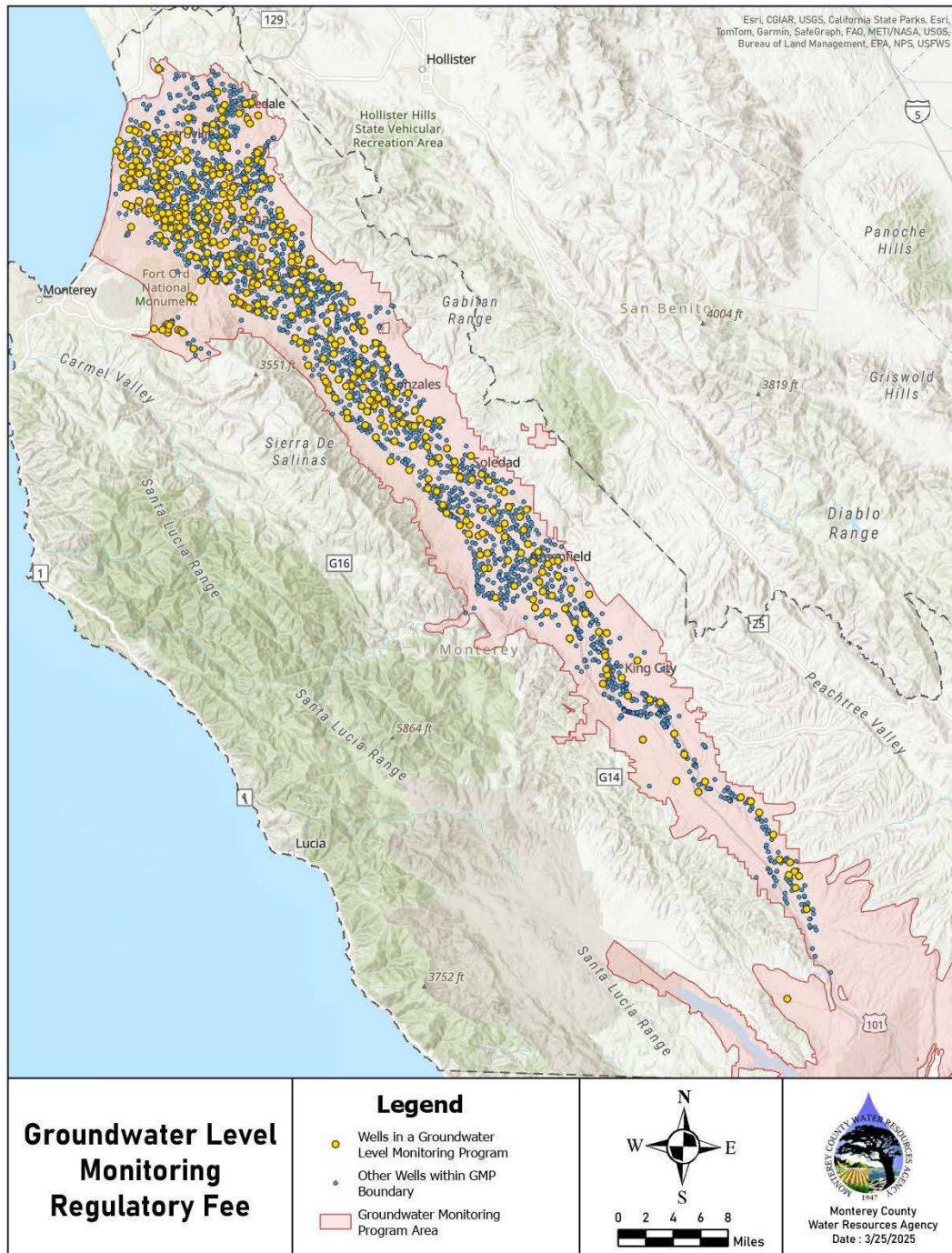
Table 9: Groundwater Level Monitoring Fee Proposed for FY26

Staff	Hours	Hourly rate	Total Cost	Identifier	Calculation
Water Resources Technician	2,500	\$67.02	\$167,550.00		
Water Resources Hydrologist	700	\$80.27	\$56,189.00		
Senior Water Resources Hydrologist	120	\$156.11	\$18,733.20		
Deputy General Manager	8	\$206.09	\$1,648.72		
<u>General Manager</u>	8	\$224.87	<u>\$1,798.96</u>		
Subtotal Annual Staffing			\$245,919.88		
# of annual services			3,500		
Staffing cost per service			\$70.26	A	
Supplies, Materials, and Vehicles					
Jeep or similar off-road capable truck (1 of 3)	600	\$37.19	\$22,314.00		
Jeep or similar off-road capable truck (2 of 3)	600	\$37.19	\$22,314.00		
Jeep or similar off-road capable truck (3 of 3)	600	\$37.19	\$22,314.00		
Monitoring well maintenance			\$20,000.00		
Equipment decontamination supplies and PPE			\$300.00		
Repair of sounders			\$2,000.00		
In-Situ Aqua Troll 200 Level Sensor [1]			\$1,995.00		
In-Situ Rugged Twist Lock cable (vented), 200 ft [1]			\$1,000.00		
In-Situ large desiccant [1]			\$85.00		
Toolbox with equipment and supplies			\$100.00		
Electronic sounder [2]			\$253.33		
Steel tape [2]			\$500.00		
Nylon-coated steel tape [2]			\$100.00		
Sonic water level meter [2]			\$220.00		
<u>Well labeling equipment [2]</u>			<u>\$80.00</u>		
Subtotal Supplies, Materials and Vehicles			\$93,575.33		
# of annual services			3,500		
Supplies, Materials and Vehicles			\$26.74	B	
Tablets for data collection [2]			\$1,666.67		
# of annual services (GW + WQ)			5,800		
Tablets divided by total annual services			\$0.29	C	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$97.29	D	D = A + B + C
Indirect Cost Rate		20.91%	<u>\$20.34</u>	E	E = D x 20.91%
Total			\$117.63		D + E

1 – One purchased per year

2 – See Table 5

Figure 5: Groundwater Level Monitoring Regulatory Fee



3.5 Groundwater Quality Monitoring

Groundwater quality is monitored in the coastal region of the Salinas Valley Groundwater Basin and at selected monitoring wells in the Forebay Aquifer and Upper Valley Aquifer Subbasins to inform an understanding of the groundwater quality in the 180/400-Foot Aquifer, Eastside Aquifer, Langley Area, and Monterey Subbasins. The Agency collects groundwater quality samples twice per year from wells in the groundwater quality monitoring program. Additional samples are occasionally collected for special projects or to meet the needs of a requesting entity. Wells in the program are required to be registered. Once groundwater samples are collected from each well, the sample containers are brought to the Monterey County Consolidated Chemistry Laboratory where they are analyzed by lab personnel. Data from the groundwater quality program are utilized for developing data products, such as seawater intrusion contour maps, and understanding regional changes in groundwater quality that are relevant to all well owners.

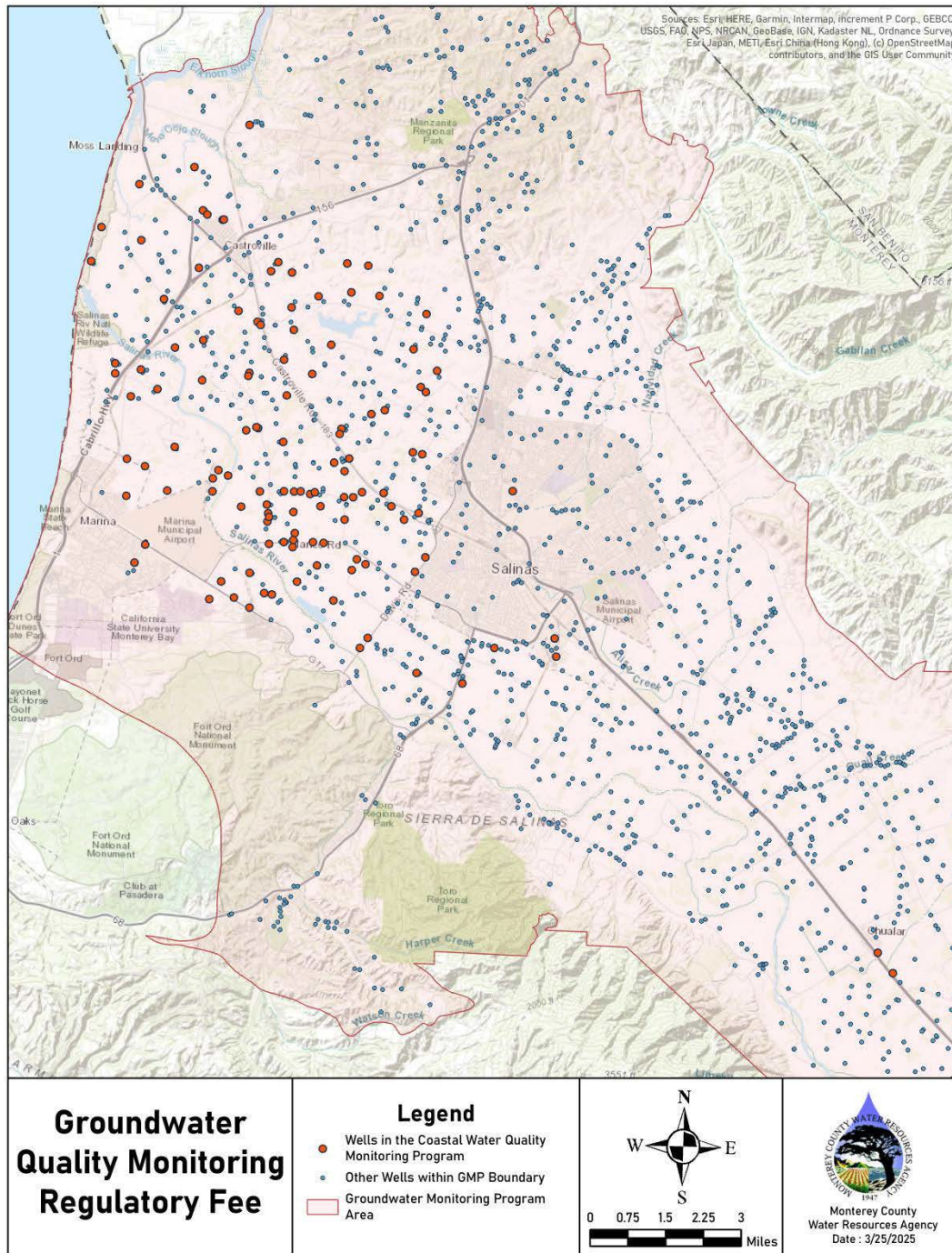
The annual cost of supplies for the groundwater quality monitoring program includes supplies, materials, and vehicles to collect, store, and transport samples as well as \$40,000 annually in laboratory costs. The total annual cost of supplies including laboratory costs is estimated at about \$66,000. The annual cost for staff time is about \$73,000. Both staffing and supplies costs are divided between 2,300 wells in the area where the water quality monitoring occurs to calculate the proposed fee as shown in Table 10. The cost of tablets for data collection is shared between 5,800 annual services since the tablets are used for both the groundwater level monitoring and groundwater quality monitoring programs. The proposed fee for testing groundwater quality is \$73.90 per well.

Table 10: Groundwater Quality Monitoring Fee Proposed for FY26

Staff	Hours	Hourly rate	Total Cost	Identifier	Calculation
Water Resources Technician	750	\$67.02	\$50,265.00		
Water Resources Hydrologist	100	\$80.27	\$8,027.00		
Senior Water Resources Hydrologist	75	\$156.11	\$11,708.25		
Deputy General Manager	8	\$206.09	\$1,648.72		
<u>General Manager</u>	8	\$224.87	<u>\$1,798.96</u>		
Subtotal Annual Staffing			\$73,447.93		
# of annual services			2,300		
Staffing cost per service			\$31.93	A	
Supplies, Materials, and Vehicles					
Bottles and lids			\$600.00		
Labels			\$100.00		
Ice			\$200.00		
Ice chests			\$100.00		
Jeep or similar off-road capable truck (1 of 3)	200	\$37.19	\$7,438.00		
Jeep or similar off-road capable truck (2 of 3)	200	\$37.19	\$7,438.00		
Jeep or similar off-road capable truck (3 of 3)	200	\$37.19	\$7,438.00		
Laboratory costs			\$40,000.00		
Pump supplies and generator fuel			\$2,000.00		
Pump and VFD for dedicated monitoring well sampling [1]			\$1,000.00		
<u>Generator for pump operation [1]</u>			<u>\$150.00</u>		
Subtotal Supplies, Materials and Vehicles			\$66,464.00		
# of annual services			2,300		
Supplies, Materials and Vehicles			\$28.90	B	
Tablets for data collection [1]			\$1,666.67		
# of annual services (GW + WQ)			5,800		
Tablets divided by total annual services			\$0.29	C	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$61.12	D	D = A + B + C
Indirect Cost Rate		20.91%	<u>\$12.78</u>	E	E = D x 20.91%
Total			\$73.90		D + E

1 – See Table 5

Figure 6: Groundwater Quality Monitoring Regulatory Fee



SECTION 4: Conclusions and Recommendations

The purpose of the Groundwater Monitoring Program is to gather data on wells, groundwater levels, groundwater quality, and groundwater extractions to complete the investigation of short- and long-term changes to the hydrologic budget and do analyses pertaining to water supply of the Salinas Valley Groundwater Basin. Fees for the Groundwater Monitoring Program are being proposed to cover the reasonable regulatory costs to the Agency conducting the Groundwater Monitoring Program, and do not exceed the reasonable costs to the Agency of providing these services.

It is proposed that after initial adoption of the Groundwater Monitoring Program regulatory fees as part of the Agency's FY26 budget, the Agency will evaluate and adopt the Groundwater Monitoring Program fees annually to continue implementation of the Groundwater Monitoring Program. The level of effort necessary to implement the program may increase or decrease based upon changes in the regulatory environment or utilization of technology, as example variables. The annual fees may go up or down depending on changes in the Groundwater Monitoring Program's level of effort, costs, or the number of wells subject to a specific regulatory function.

The Agency's annual fees and assessment of charges, including the Groundwater Monitoring Program fees, are subject to public engagement through multiple meetings of the Agency's committees, Board of Directors, and Board of Supervisors, including public workshops and hearings generally held in March and May, respectively. Final adoption of fees is performed by the Agency's Board of Supervisors in June of each year.

The Agency may therefore set fines and penalties, as described in Ordinance No. 5426, for noncompliant well owners at its discretion, provided, however, that the penalties are not "grossly disproportional" to each offense. Additionally, the Agency should ensure that it documents how and why the amount of each delinquency or penalty fee is related to the seriousness of the offense.

Summary of FY 25-26 Groundwater Monitoring Program Regulatory Fees

GMP Regulatory Fee per Category*	FY 25-26 Fee
Initial Well Registration (one-time)	\$ 160.19
Annual Well Registration Renewal	\$ 21.90
Groundwater Extraction Reporting	\$ 64.82
Groundwater Level Monitoring	\$ 117.63
Groundwater Quality Monitoring	\$ 73.90

*Annual fees subject to change reflective of actual program costs.

Subbasin Total Annual Fee per Well*	FY 25-26 Fee	Notes on Fee Components
Initial Well Registration (one-time)	\$ 160.19	
Upper Valley / Forebay de minimis wells	\$ 139.53	Annual Registration Renewal + Groundwater Level Monitoring
Upper Valley / Forebay	\$ 204.35	Annual Registration Renewal + Groundwater Level Monitoring + Extraction Reporting
180/400 / Eastside / Langley / Monterey de minimis wells	\$ 213.43	Annual Registration Renewal + Groundwater Level Monitoring + Groundwater Quality Monitoring
180/400 / Eastside / Langley / Monterey	\$ 278.25	Annual Registration Renewal + Groundwater Level Monitoring + Extraction Reporting + Groundwater Quality Monitoring

*Annual fees subject to change reflective of actual program costs.



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 25-044

April 22, 2025

Introduced: 4/7/2025

Current Status: Agenda Ready

Version: 1

Matter Type: WR General Agenda

Receive a presentation on the Groundwater Monitoring Program Fee Study; and provide direction to staff as appropriate.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors:

Receive a presentation on the Groundwater Monitoring Program Fee Study; and provide direction to staff as appropriate.

SUMMARY/DISCUSSION:

Historically, the Monterey County Water Resources Agency (“Agency”) conducted groundwater monitoring across portions of the Salinas Valley in a discretionary manner as funding allowed. However, with passage of the Sustainable Groundwater Management Act (“SGMA”) in 2014 came the establishment of local Groundwater Sustainability Agencies (“GSAs”) and a need for consistent, reliable collection of groundwater and well data to develop, implement, and monitor progress of Groundwater Sustainability Plans (“GSPs”). In the interest of improving operational efficiency and reducing costs, some local GSAs have chosen to leverage the data collection, analysis, management, and reporting expertise of the Agency rather than creating a separate, parallel, monitoring program. This approach was solidified through approval and adoption of Agency Ordinance No. 5426 and the Groundwater Monitoring Program Manual by the Board of Supervisors in October 2024. The Agency’s Groundwater Monitoring Program (“GMP”) comprises four data collection and monitoring programs that, collectively, produce the data necessary to meet the rigorous reporting requirements mandated by SGMA and maintain local governance and oversight of water resources.

The geographic extent of the reconceived GMP is expanding to cover areas within the Salinas Valley Groundwater Basin that are within the jurisdiction of the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”) (Attachment 1). Well registration and groundwater extraction reporting requirements will for most well owners within the historically monitored area will remain largely the same. New well registration and reporting requirements will apply to well owners in the new geographic areas. The most widespread difference for all well owners will be the proposed new annual GMP Regulatory Fee to ensure program reliability, which will be billed directly by the Agency on an annual basis. Unlike other unrelated Agency assessments, this new fee will not be included on property tax bills.

The Agency Act (California Water Code, Appendix §52) and Ordinance No. 5426 authorize the Agency to “...recover costs associated with the development, implementation, enforcement, and perpetuation of a regulatory groundwater monitoring program on a per-well basis, not based

on extraction data, within Monterey County.” The Agency worked with Lechowicz & Tseng Municipal Consultants to establish a schedule of cost-based fees for the GMP (Attachment 2).

The Groundwater Monitoring Program Fee Study (“Study”) describes the regulatory functions covered by the GMP and associated costs for staff time to implement the monitoring programs, including data collection, analysis, and reporting; equipment, vehicles, and supplies; technological support for data collection and management applications; and indirect costs. The indirect cost rate is 21% which consists of Agency overhead (approximately 12%) and County of Monterey overhead (approximately 9%). The indirect cost rate covers salary and benefits of Agency Administrative staff, insurance, office furnishings and supplies, computer hardware and software, internet service, communications devices, and County services such as Facilities, Auditor Controller, Human Resources, Records Retention, and County Counsel.

The proposed GMP Regulatory Fees are Proposition 26 regulatory fees and are imposed for regulatory costs that do not exceed the reasonable cost of providing the monitoring service. Proposition 26 fees can be adopted at any time through the approval of the respective legislative body.

The proposed GMP Regulatory Fees will be charged on per-well basis, regardless of how much water a well extracts from the groundwater basin. For FY 2025-2026, the fees will apply to water production wells in the six subbasins within the jurisdiction of the SVBGSA, namely the 180/400-Foot Aquifer, Eastside, Forebay, Langley, Monterey, and Upper Valley Subbasins (Attachments 3). Data collected and reported under programs funded by the GMP Regulatory Fees will be provided to the SVBGSA for use in implementing the GSPs for the aforementioned subbasins.

For FY 2025-2026, the recommended GMP Regulatory Fees, by category, are as follows: Initial Well Registration Fee of \$160.19 per well; Annual Well Registration Renewal Fee of \$21.90 per well; Groundwater Extraction Monitoring Fee of \$64.82 per well; Groundwater Level Monitoring Fee of \$117.63 per well; and Groundwater Quality Monitoring Fee of \$73.90 per well. Additional information about each fee is available in the Study (Attachment 2) and on the summary table (Attachment 3).

The Agency’s Finance Committee received presentations on the Study in March and April 2025, and the Agency also hosted a stakeholder workshop about the GMP Regulatory Fee on April 3, 2025. All of these meetings have informed refinements to the Study.

The FY 2025-2026 GMP Regulatory Fee will be considered by the Agency’s Board of Directors on April 21, 2025, and by the Agency’s Board of Supervisors on May 28, 2025.

OTHER AGENCY INVOLVEMENT:

The SVBGSA coordinated with Agency staff to identify the scope of data under the GMP that is required to satisfy their regulatory obligations for monitoring and reporting under SGMA.

FINANCING:

Financial impacts of the requested GMP Fees were reviewed during the Agency’s FY 2025-26 Budget Workshop, held on March 17, 2025. Total FY 2025-26 cost recovery for GMP is

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estimated at \$800,000.

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Attachments:

1. Map of FY 2025-2026 GMP Regulatory Fee Area
2. Draft GMP Fee Study
3. Summary Table of FY 2025-2026 GMP Regulatory Fees



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 25-043

April 22, 2025

Introduced: 4/2/2025

Current Status: Agenda Ready

Version: 1

Matter Type: WR General Agenda

- a. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the Fiscal Year 2026 (FY26) cost-of-living adjustment (COLA) increase of 2.7% to the assessment charges of Zones 1, 1A, 2B, 2C, 2Y, 2Z, 8, 9, 12, and 17; and
- b. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 cost-of-living adjustment (COLA) increase of 2.7% to the Zone 2B water service charge for the Salinas River Diversion Facility Project; and
- c. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 Zone 2B water delivery fee of \$85.24 per acre-foot of water delivered (AF) for the Castroville Seawater Intrusion Project and the Salinas Valley Reclamation Project; and
- d. Direct the Clerk of the Board of Supervisors to publish a hearing notice once a week for two consecutive weeks prior to the date set for the hearing.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors:

- a. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the Fiscal Year 2026 (FY26) cost-of-living adjustment (COLA) increase of 2.7% to the assessment charges of Zones 1, 1A, 2B, 2C, 2Y, 2Z, 8, 9, 12, and 17; and
- b. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 cost-of-living adjustment (COLA) increase of 2.7% to the Zone 2B water service charge for the Salinas River Diversion Facility Project; and
- c. Set and hold a public hearing at 9:00 AM on May 28, 2025, to consider approving and adopting the FY26 Zone 2B water delivery fee of \$85.24 per acre-foot of water delivered (AF) for the Castroville Seawater Intrusion Project and the Salinas Valley Reclamation Project; and
- d. Direct the Clerk of the Board of Supervisors to publish a hearing notice once a week for two consecutive weeks prior to the date set for the hearing.

SUMMARY/DISCUSSION:

Assessments of Flood Zones: The Monterey County Water Resource Agency ("Agency") ordinances governing Agency flood zones - Ordinance Nos. 2626, 2974, 3878, and 3881 - were adopted to protect life and property and to minimize the impacts of flooding in Zones 1, 1A, 8, 9, 12 and 17. These ordinances specify that assessment rates for these zones are subject to an annual cost-of-living adjustment (COLA), based on the Consumer Price Index (CPI) for the San Francisco Bay Area, measured February- February of the next year.

Assessments & Water Service Charges of Zones 2B, 2Y & 2Z: Zones 2B, 2Y, and 2Z were established to fund the construction, operation, and maintenance of the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), which includes

loan payments to the U.S. Bureau of Reclamation that funded the construction of the projects. Ordinances Nos. 3635 and 3636, as well as the MCWRA Agency Act (California Water Code, Appendix § 52) require the Agency Board of Supervisors to adopt annual resolutions to continue the assessments for the CSIP and SVRP. Additionally, Resolution 10-188 established the Water Services Charge to support operations and maintenance of the Salinas River Diversion Facility SRDF. These ordinances and the resolution also require annual COLA adjustment to assessment rates of Zones 2B, 2Y and Water Service Charge, based February CPI for the San Francisco Bay Area measured February- February of the next year.

Water Delivery Fee of SVRP and CSIP: Agency Act (California Water Code, Appendix § 52) and Ordinance No. 3789 require a public hearing by the Agency Board of Directors to consider a recommendation on a proposed water delivery fee for each new fiscal year. Following the public hearing the Board of Directors would make recommendations to the Agency Board of Supervisors concerning the adoption of resolutions to establish the water delivery fee of Zone 2B. Agency Ordinance No. 3798 and Resolution 00-172 establish that the water delivery charges may vary according to the financial needs of CSIP and SVRP.

The Agency recommends that the FY26 water delivery fee of Zone 2B be \$85.24/AF, increased from \$45.24 AF in FY25. The recommended water delivery fee of \$85.24 is to pay for increased cost in chemicals, utilities and M1W staffing as well as to fund deferred well maintenance and cathodic protection maintenance, and fund overdue facility condition assessments while still using Fund Balances to cover existing funding gap of CSIP and SVRP operations in FY26.

Assessments of Zone 2C: Ordinance No. 4203 governs Zone 2C assessments to support the Salinas Valley Water Project (SVWP). The assessments provide funding of operations and maintenance at Nacimiento Dam and San Antonio Dam. Ordinance 4203 stipulates that Operation & Maintenance & Administrative components of the SVWP assessments are also subject to annual COLA adjustments, based on the February CPI for the San Francisco, Oakland and San Jose urban area.

The CPI of the San Francisco Bay Area measured February 2024 through February 2025 indicates a 2.7% increase. Accordingly, MCWRA requests a 2.7% COLA adjustment for FY26 to flood control assessments, special benefit zones, and water service charges for the following:

- Zones 1 & 1A - Pajaro River Fund 112
- Zone 8 - Soledad Storm Drain Fund 121
- Zone 9 - Reclamation Ditch Fund 122
- Zone 12 - San Lorenzo Creek Fund 124
- Zone 17 - Moro Cojo Slough Fund 127
- Zone 2B - CSIP Fund 131 & SVRP Fund 132
- Zone 2Y - CSIP Fund 131
- Zone 2Z - SVRP Fund 132
- Water Service Charge - SRDF Fund 134
- Zone 2C - Dam Operations Fund 116 (Operation & Maintenance & Administrative components of the SVWP assessments only)

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The attached summary chart details Agency's FY26 assessment rates, water delivery and service charges comparing to those of FY25.

It is requested that the Monterey County Water Resources Agency Board of Supervisors set and hold a public hearing at 9:00 a.m. on May 28, 2025 to consider approving and adopting the rates as set forth in the Notice of Public Hearing relating to rate changes of Agency's Zones, the water delivery charge, and water service charge/fee in Fiscal Year 2025-26, all identified in the Public Notice. Notices will be published once a week for two consecutive weeks prior to the date set for this hearing.

OTHER AGENCY INVOLVEMENT:

At the April 21, 2025 meeting, the Monterey County Water Resources Agency Board of Directors will consider recommending that the Monterey County Water Resources Agency Board of Supervisors approve and adopt the FY26 assessment rates, water delivery and service charges as requested.

FINANCING:

As revenues from current rates of assessments and charges are no longer sufficient to fund increased operational costs, deferred maintenance, and the required capital improvement projects, it is critical to have the COLA increases and the proposed water delivery rate being approved.

Financial impacts of the requested increases to the FY2025-26 water delivery fee was reviewed during the Agency Board of Directors' Budget Workshop, held on March 17, 2025.

Total assessment revenue and water service charge revenue with 2.7% COLA increase are estimated at \$17,782,840 and \$1,682,801, respectively in FY26. Total revenue from water delivery charge of \$84.21/AF is estimated at \$594,891 for CSIP Fund 131 and \$1,024,670 for SVRP Fund 132, based on an average of 19,000 AF of water delivered per year.

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Attachments:

1. Summary - FY26 WRA Assessment Charges & Fees
2. Notices of Public Hearing for Flood Zones
3. Notices of Public Hearing for Zone 2C
4. Notices of Public Hearing for Zone 2B, 2Y, 2Z, Water Delivery Fee & Water Service Charge