



TODAY'S ACTION

Hold a public hearing to consider recommending the Monterey County Water Resources Agency Board of Supervisors to:

- a. Approve and adopt the Fiscal Year 2025-26 (**FY26**) Zone 2B **Water Delivery charge of \$85.24 per acre-foot (AF) of water delivered** for Zone 2B for the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP); and
- b. Notice and hold a **public hearing on May 28, 2025, at 9:00 a.m.** to consider approving and adopting the rate change; and
- c. 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 public hearing by Board of Supervisors.





Prior Actions

- MCWRA Board of Directors (BoD) Budget Workshop on 3/17/2025
- Finance Committee approved staff recommendations on 4/7/2025





Recycled Water Projects

- **The CSIP Program Consists of:**
 - The Castroville Seawater Intrusion Project (CSIP) - Fund 131 (Distribution System & Supplemental Wells)
 - The Salinas Valley Reclamation Project (SVRP) - Fund 132 (Water Recycling Facility)
 - The Salinas River Diversion Facility (SRDF) – Fund 134 (Surface Water from Reservoir Storage Diverted & Treated Apr-Oct)
- **Program purpose**
 - To assist in sustaining the 180/400ft subbasin aquifer by slowing intrusion of seawater through delivery of alternative water supplies for irrigation purposes within the CSIP Service Area in lieu of groundwater pumping.
- **Recycled Water Projects Impact**
 - SVRP & SRDF have directly offset over 380,000 acre-feet of groundwater extractions since 1998

MCWRA Ordinance : Water Delivery Charge

- Ordinance 3789 – Water Delivery Charge
 - Established the Zone 2B Water Delivery Charge to pay for the CSIP and the SVRP

**AN ORDINANCE OF THE MONTEREY COUNTY
WATER RESOURCES AGENCY
ESTABLISHING WATER DELIVERY CHARGES
FOR MCWRA ZONE 2B, AND PROVIDING FOR THE ANNUAL
LEVY AND COLLECTION OF SAID CHARGES**

COUNTY COUNSEL SUMMARY

This ordinance establishes water delivery charges to be levied in Zone 2B to pay for the **Castroville Seawater Intrusion Project** and the **Salinas Valley Wastewater Reclamation Project**. The ordinance provides for the annual levy of the charges, to be based on the quantity of project water delivered to each project water customer in Zone 2B, and for the collection of delinquent charges.



MCWRA Ordinance : Water Delivery Charge

- Ordinance 3789 – Water Delivery Charge
 - Adopt a new rate each fiscal year (July 1 thru June 30)
 - Requires a Public Hearing by the MCWRA Board of Directors prior to recommendations to the Board of Supervisors
 -

D. Proposal by General Manager; recommendation by Board of Directors. Prior to the fiscal year for which charges are to be adopted, the General Manager of the Agency shall submit in writing to the agency Board of Directors the proposed amount of the water delivery charges, together with such documentation and justification as may be appropriate. At least one week before the Board of Directors' meeting at which the charges will be considered, the General Manager shall publish a notice of the public hearing, including the proposed amount of the water delivery charges. Following the public hearing the Board of Directors shall make recommendations to the Board of Supervisors concerning the adoption of water delivery charges.

BoD Public Hearing

NOTICE OF PUBLIC HEARING MONTEREY COUNTY WATER RESOURCES AGENCY WATER DELIVERY CHARGE AND WATER SERVICE CHARGE OF ZONE 2B

NOTICE IS HEREBY GIVEN that the Monterey County Water Resources Agency will consider the annual Fiscal Year 2025-26 Zone 2B water delivery charge in support of the Castroville Seawater Intrusion Project and the Salinas Valley Wastewater Reclamation Project as described below, and the annual Fiscal Year 2025-26 water service charge for operation of maintenance of the Salinas River Diversion Facility as described below.

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

NOTICE IS FURTHER GIVEN that the Monterey County Water Resources Agency Board of Directors will conduct a public hearing on Monday, the 21st day of April 2025, at the hour of 1:00 pm, at the Board of Supervisors Chamber, 168 West Alisal Street, Salinas, California, at which time the Board shall hear and consider whether to recommend the water delivery charge (Ordinance No. 3789) and water service charge (Resolution 10-188) to the Monterey County Water Resources Agency Board of Supervisors. All interested persons may appear and provide public comment.

FOR ADDITIONAL INFORMATION CONTACT:

Nan Kim, Finance Manager
Monterey County Water Resources Agency
1441 Schilling Place – North Building, Salinas CA, 93901
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Dated:

Ara Azhderian, General Manager of the Monterey County Water Resources Agency
County of Monterey, State of California.

By _____

Public Hearing by BoD:
on 4/21/2025

Public Notice in the Monterey County
Weekly, published on April 3rd, 2025

A copy of the notice of public hearing
and a letter of explanation were mailed
to the CSIP rate payors.



FY26 Rate : Water Delivery & Service Charge

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Recycled Water Projects

Summary and Unfunded Future Needs

- **\$85.24** Water Delivery Fee funds basic operations and minimal maintenance– it does not support additional staff, ongoing deferred maintenance, etc.;
- Additional funding would support relatively minor maintenance/upgrades of EXISTING facilities;
- Major Repair needs to be addressed in the near future include:
 - SRDF Upstream Dam Apron Repair ~2 years = ~\$3M
 - SVRP 21kV Switchgear Upgrade ~3 years = ~\$10-12M (M1W)
- Potentially significant future capital needs include:
 - CSIP “optimization” Projects
 - CSIP “expansion”