

**Before the Board of Supervisors of the Monterey County Water Resources Agency
County of Monterey, State of California**

- a. Set a date for a public hearing on June 14,)
2011, at 1:30 P.M., to adopt Zone 2C)
Fiscal Year 2011-12 assessment charges)
for the Salinas Valley Water Project, and;)
- b. Direct the Clerk of the Board to publish a)
hearing notice in THE CALIFORNIAN)
and the KING CITY RUSTLER at least ten)
days prior to the date set for the hearing.....)

Upon motion of Supervisor Calcagno, seconded by Supervisor Salinas, and carried by those members present, the Board hereby;

- a. Set a date for a public hearing on June 14, 2011, at 1:30 P.M., to adopt Zone 2C Fiscal Year 2011-12 assessment charges for the Salinas Valley Water Project, and;
- b. Directed the Clerk of the Board to publish a hearing notice in THE CALIFORNIAN and the KING CITY RUSTLER at least ten days prior to the date set for the hearing.

PASSED AND ADOPTED on this 24th day of May, 2011, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the Monterey County Water Resources Agency, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on May 24, 2011.

Dated: May 27, 2011

Gail T. Borkowski, Clerk of the Board of Supervisors
Monterey County Water Resources Agency

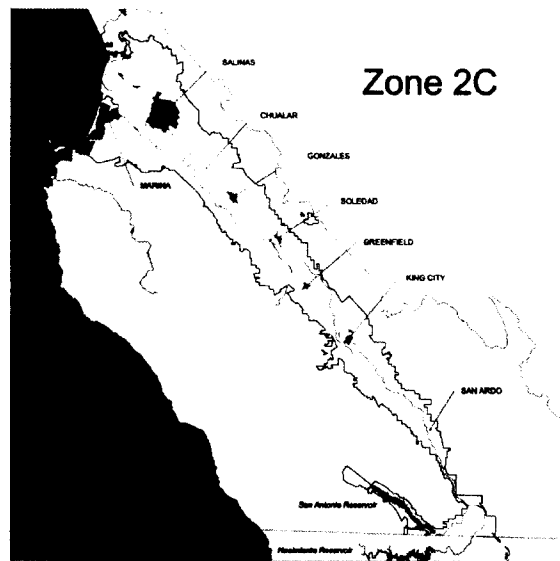
By 
Deputy

**Attachment 4
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 assessments for Zone 2C for Fiscal Year 2011-12 to be assessed on all land in the zone in support of the Salinas Valley Water Project.



Factor	Pressure	East Side	Forebay	Upper Valley	Above Dam	Below Dam	Arroyo Seco
A	\$27.52	\$17.93	\$10.52	\$10.12	\$11.21	\$11.26	\$4.68
C	\$2.75	\$1.80	\$1.04	\$1.01	\$1.11	\$1.13	\$0.47
D	\$0.27	\$0.17	\$0.10	\$0.10	\$0.11	\$0.11	\$0.04
I	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Parcels less than 1/8-acre in size in the above categories, will be charged at the rate of one-eighth acre in that category.

NOTICE IS FURTHER GIVEN that the Board of Supervisors will conduct a hearing at 1:30 P.M. on June 14, 2011 at the regular meeting place of the Board of Supervisors of the Monterey County Water Resources Agency located at the Board of Supervisors Chambers, 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 water delivery charges; and may revise, reduce or modify any assessment of water delivery charge. All interested persons may appear and object to, or protest, any of said assessments and/or water delivery charges.

**BOARD OF SUPERVISORS OF THE
MONTEREY COUNTY WATER RESOURCES AGENCY**

MEETING: May 24, 2011

AGENDA NO.: 53

SUBJECT: a. Set a date for a public hearing on June 14, 2011, at 1:30 P.M., to consider adopting Zone 2C Fiscal Year 2011-12 assessment charges for the Salinas Valley Water Project, and;
b. Direct the Clerk of the Board to publish a hearing notice in the SALINAS CALIFORNIAN and the KING CITY RUSTLER at least ten days prior to the date set for the hearing.

DEPARTMENT: Water Resources Agency

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Set a date for a public hearing on June 14, 2011, at 1:30 P.M., to consider adopting Zone 2C Fiscal Year 2011-12 assessment charges for the Salinas Valley Water Project, and;
- b. Direct the Clerk of the Board to publish a hearing notice in the SALINAS CALIFORNIAN and the KING CITY RUSTLER at least ten days prior to the date set for the hearing.

SUMMARY:

This Board action sets a date for a public hearing for Fiscal Year (FY) 2011-12 Zone 2C assessments charges on June 14, 2011, at 1:30 P.M. Attachment 1 shows the map of Zone 2C, Attachment 2 shows the rates that are proposed to be published in the notice for public hearing, and were recommended by the Agency Board of Directors on April 25, 2011. The assessment rates for operations and maintenance and administration will be increased by the San Francisco, Oakland, San Jose, Urban Consumers Price Index (CPI). The CPI calculation for Zone 2C assessments is taken directly from the Zone 2C Ordinance.

The CPI for FY 2011-12 is approximately 1.7%. After the public hearing, the Board may approve or reduce any of the charges, but may not raise them above the CPI increase.

DISCUSSION:

On April 8, 2003, the electorate of the Agency's Zone 2C approved the levying of Zone 2C assessments for the Salinas Valley Water Project (SVWP) in accordance with Ordinance 04203 adopted by the Board of Supervisors on July 22, 2003. The ordinance allows for the increase in operations and maintenance and administration assessments by the rise of the CPI.

In the years following the first full fiscal year in which the SVWP Assessment is collected, the operation and maintenance component of the SVWP Assessment is subject to increase based on the San Francisco, Oakland, San Jose Urban Consumers Price Index ("CPI") for the previous year as measured from February to February, or the nearest date for which figures are available. All increases pursuant to this section will be calculated from the base year of 2003. The base year February 2003 CPI is 197.7

The CPI increase is reflected in the Proposed Assessments (Attachment 2). This increase represents the CPI as measured from February 2010 to February 2011, and is the rate recommended by the Monterey County Water Resources Board of Directors at their meeting on April 25, 2011, to discuss assessments rates.

Annual assessments of approximately \$1.11 million will pay for the capital cost until the debt is retired. Annual assessments of \$2.92 million will pay for the operation and maintenance and administrative cost of the Zone. The assessments that pay for operation and maintenance replace the previous Zones 2 and 2A Water Standby or Availability Charges.

The benefit assessments shown in the County Final Budget for Fiscal Year 2010-2011 were for Operations and Maintenance, \$2,532,124; Spillway Modification, \$433,984; Diversion Facility, \$654,785, and Administration, \$295,680. The estimated benefit assessments for Fiscal Year 2011-2012 for Zone 2C are: Operations and Maintenance, \$2,617,236; Spillway Modification, \$433,984; Diversion Facility \$654,785; and Administration \$306,257. The Fiscal Year 2011-2012 Budget figures are estimated and may vary slightly with what is actually collected. The Fiscal Year 2011-2012 assessments include a cost of living increase for the Operations and Maintenance and the Administration components. There is no change for the Spillway and Diversion Facility rates for Fiscal Year 2011-2012.

The Board is being asked to set a public hearing on Zone 2C, receive public testimony and adopt Zone 2C assessment charges. The Board of Supervisors may approve or lower any of the assessments but not raise them above the CPI.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed this report as to form. MCWRA Board of Directors recommended approval of the Zone 2C Resolution at its meeting on April 25, 2011.

FINANCING:

The estimated revenue for FY 2011-2012 for Zone 2C are: Operations and Maintenance, Fund 116, \$2,617,236; Spillway Modification, Fund 422, \$441,780; Diversion facility, Fund 423, \$666,548; and Administration, Fund 116, \$306,257. The 2011-2012 Recommended Budget figures are estimated and may vary slightly with what is actually collected.

Prepared by:



David Kimbrough
Chief Admin Services
May 3, 2011

Approved by:



Curtis V. Weeks
General Manager

- Attachments:
1. Map
 2. Proposed Assessments
 3. Proposed Resolution
 4. Notice of Hearing
 5. Board Order Setting Public Hearing
 6. MCWRA BOD Board Order