



## MCWRA Briefing Report: FY 2013-14 Agency Assessment COLA Increase

May 14, 2013

**Subject:** Status update on FY 2013-14 Agency Assessment COLA increase

### **Current Status:**

On March 25, 2013, the Water Resources Agency Board of Directors approved Agency assessment COLA increases of 2.4% for the following flood zones 1, 1A, 8, 9, 12, and 17. The last time the Agency increased assessments by the CPI for these Flood Zones was in FY 2006-07. The total amount of estimated revenue is approximately \$36,988. The anticipated revenue will fund on-going zone activities that protect life and property and reduce suffering that could be caused by flooding.

In addition, the Board of Directors approved by majority (re-vote will occur on May 20<sup>th</sup>) Agency assessment COLA increases of 2.4% for Zones 2B, 2Y, and 2Z. The last time the Agency increased assessments by the CPI for these Zones was in FY 2010-11. The total amount of annual estimated assessment revenue is approximately \$171,322. The Board of Directors also approved a 2.4% increase for SRDF water service charges and CSIP water delivery charges. The current SRDF water service charge is \$66.23; a 2.4% increase will raise the charge to \$67.82. This increase will generate a total of \$32,371 annually for the operations and maintenance of the SRDF and pay costs associated with the Castroville Seawater Intrusion Project and the Salinas Valley Reclamation Project.

The Board of Directors approved assessment rate increases for Zone 2C as prescribed by ordinance 4203 which requires the Agency to calculate assessment increases using the CPI from the base year of 2003. The estimated annual increase is approximately \$164,152 or 5.5%. The increase in assessments for Zone 2C will pay debt service for the Salinas Valley Water Project, operation and maintenance and administrative cost of reservoirs and diversion facility.

### **Next Steps:**

- In May the Agency will meet with Farm Bureau, Salinas Valley Water Coalition, Castroville Landowners and Growers and Shippers Association
- On May 21, 2013 set a public hearing with BOS for June 18<sup>th</sup>
- Publish and notify taxpayers of the scheduled public hearing
- July 2013, notify SVPOLA individuals and update Agency Tax Roll Database
- August submit and reconcile Agency tax roll

### **Decision Points:**

- Determine the outcome of re-vote on May 20<sup>th</sup> for Zones 2B, 2Y, and 2Z

### **Completion will require:**

- Approval from BOS on June 18, 2013

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