



County of Monterey

Item No.

Board Report

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

Legistar File Number: ORD 24-022

July 09, 2024

Introduced: 6/25/2024

Current Status: Agenda Ready

Version: 1

Matter Type: Ordinance

Adopt an ordinance amending Section 16 of Pajaro County Sanitation District (PCSD) Ordinance No. 05054 to provide for rate increases for wastewater sewer service rates.

RECOMMENDATION:

It is recommended that the Board of Supervisors, acting as the Board of Directors of the Pajaro County Sanitation District (PCSD) adopt an ordinance amending Section 16 of PCSD Ordinance No. 05054 to provide for rate increases for wastewater sewer service rates.

SUMMARY/DISCUSSION:

On June 4, 2024, the Board introduced, waived reading, and set a hearing to adopt the attached ordinance amendment scheduled for July 9, 2024, at 10:30 a.m. Prior to the June 4th meeting, a separate public hearing was conducted on May 21, 2024, to hear objections to, or protests against, the proposed sewer service rate increases by property owners pursuant to Proposition 218 requirements. Per the Proposition 218 Majority Protest process, the proposed new rate structure would not be implemented if, at the conclusion of the May 21st public hearing a majority (50% plus one [1]) of written protests were received. There are approximately 1,047 sewer connections in the PCSD and only three ballots were received in opposition, therefore, no majority protest exists. The Board adopted Resolution No. 24-167 approving the proposed wastewater service rate increase and recommending a \$1,409,300 funding source for the Fiscal Year 2024-25 General Fund subsidy required based on the proposed wastewater rate structure presented in attached ordinance.

FINANCING:

The plan to increase wastewater services rates, supported by the Board on March 26th, 2024, includes General Fund loan forgiveness of \$1,941,661 and General Fund subsidies to the PCSD for the foreseeable future to keep rates consistent with surrounding communities. Over the next five years, the General Fund subsidies are estimated to be \$1,409,300 (FY 2024-25), \$1,357,350 (FY 2025-26), \$1,073,300 (FY 2026-27), \$954,400 (FY 2027-28) and \$1,183,400 (FY 2028-29). On June 20, 2024, the Board adopted the FY 2024-25 budget, which includes the \$1,409,300 subsidy to PCSD funded by the General Fund.

Legistar File Number: ORD 24-022

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommendations presented above support the following Board of Supervisors Strategic Initiatives by providing the funds necessary to maintain the PCSD infrastructure and thereby enhance public safety by minimizing sewer overflows.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: J. Erich Rauber, PE, GE, Senior Civil Engineer, (831) 755-5855

Reviewed by: Enrique Saavedra, PE, Chief of Public Works

Reviewed by: Mary Grace Perry, Deputy County Counsel

Reviewed by: Jessica Cordiero-Martinez, Finance Manager III

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities & Parks

DocuSigned by:

6/26/2024 | 4:39 PM PDT

Attachments:

- Attachment A - Location Map
- Attachment B - PCSD Ordinance