



Monterey County

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Board Report

Legistar File Number: WRAG 17-143

June 06, 2017

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Current Status: Agenda Ready

Matter Type: WR General Agenda

- b. Hold a Public Hearing on June 6, 2017 at 1:30 PM to consider adopting assessment rate charges with a 3.5% increase for Zone 2C Operations and Maintenance of Nacimiento and San Antonio Dams, and Administration; and
- b. Adopt a FY 2017-18 cost of living adjustment (COLA) of 3.5% for Zone 2C Operations and Maintenance of Nacimiento and San Antonio Dams, and Administration.

RECOMMENDATION:

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

- a. Hold a Public Hearing on June 6, 2017 at 1:30 PM to consider adopting assessment rate charges with a 3.5% increase for Zone 2C Operations and Maintenance of Nacimiento and San Antonio Dams, and Administration; and
- b. Adopt a FY 2017-18 cost of living adjustment (COLA) of 3.5% for Zone 2C Operations and Maintenance of Nacimiento and San Antonio Dams, and Administration.

SUMMARY/DISCUSSION:

This report reflects the recently published 2017 Cost of Living Adjustment (COLA) of 3.5% for Zone 2C Operations and Maintenance and Administration (O&M). Ordinance No. 4203 governs Zone 2C assessments which the electorate of the Agency's Zone 2C approved for the Salinas Valley Water Project (SVWP).

The Agency utilizes approximately \$200,000 annually of Fund 116 unassigned fund balances to cover O&M expenditures. In FY 2016-17 the Board of Director's approved the Agency's request to set aside an annual amount of \$105,000 from Zone 2C Fund 116 unassigned fund balance to work on infrastructure deferred maintenance identified in the Capital Asset Management Plan (CAMP) which is kept separately from Fund 116 O&M budget. Therefore, the requested 3.5% COLA increase of \$105,680 is needed to supplement the O&M annual budget. Unfortunately, the 3.5% COLA increase of \$105,680 will not cover all of repairs caused by the 2017 winter storms that eroded a section of the Nacimiento Spillway Plunge Pool.

In addition, this report requests that the Water Resources Board of Supervisors set and hold a public hearing for June 6, 2017 at 1:30 PM to consider adopting assessment rates as set forth in the Notice of Public Hearing relating to Zone 2C for Fiscal Year 2017-18, all identified in the Public Notice. Notices will be published at least ten days prior to the date set for this hearing.

OTHER AGENCY INVOLVEMENT:

None

FINANCING:

The requested COLA increase of 3.5% will increase FY 2017-18 Zone 2C revenues as follows:

- Fund 116 O&M will increase by \$105,680 from \$3,019,422 to \$3,125,102
- Fund 116 Administration will increase by \$12,457 from \$355,923 to \$368,380
- The COLA increase does not impact the revenue collected for the SVWP Spillway and Diversion facility
- Total COLA increase to Fund 116 O&M and Administrative Funds is \$118,137
- The total amount of revenue collected in Fund 116 is \$4,601,467

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Approved by: _____
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Attachments:

1. Public Notice
2. Board Order
3. Resolution