



County of Monterey

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

Board Report

File #: WRAG 18-075, **Version:** 1

Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors:

- a. Approve and adopt a FY 2018-19 cost of living adjustment (COLA) charge of 3.6% for Zone 2C Operations and Maintenance of Nacimiento and San Antonio Dams, and Administration; and
- b. Set and hold a Public Hearing date on June 5, 2018 @ 1:30 PM to consider adopting assessment rate charges with a 3.6% increase for Zone 2C Operations and Maintenance of Nacimiento and San Antonio Dams, and Administration; and
- c. Direct the Clerk of the Board to publish a hearing notice in the CALIFORNIAN at least ten (10) days prior to the date set for the hearing.

RECOMMENDATION:

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

Approve and recommend that the Monterey County Water Resources Agency Board of Supervisors:

- a. Adopt a cost of living adjustment (COLA) charge of 3.6% for Zone 2C Operations and Maintenance of Nacimiento and San Antonio Dams, and Administration; and
- b. Set and hold a Public Hearing date on June 5, 2018 @ 1:30 PM to consider adopting assessment rate charges with a 3.6% increase for Zone 2C Operations and Maintenance of Nacimiento and San Antonio Dams, and Administration; and
- c. Direct the Clerk of the Board to publish a hearing notice in the CALIFORNIAN at least ten (10) days prior to the date set for the hearing.

SUMMARY/DISCUSSION:

This report reflects the recently published 2018 Cost of Living Adjustment (COLA) of 3.6% 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 3.6% COLA increase of \$112,504 is needed to supplement the O&M annual budget. Unfortunately, the 3.6% COLA increase of \$112,504 will not cover all of repairs caused by the 2017 winter storms that eroded a section of the Nacimiento Spillway Plunge Pool or the State of California Department of Water Resources Division of Safety of Dams (DSOD) requirements.

A public hearing is to be set and held on June 5, 2018 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 2018-19, all identified in the Public Notice. Notices will be published in THE CALIFORNIAN at least ten days prior to the date set for this hearing.

OTHER AGENCY INVOLVEMENT:

None

FINANCING:

The requested COLA increase of 3.6% will increase FY 2018-19 Zone 2C revenues as follows:

- Fund 116 O&M will increase by \$112,504 from \$3,125,102 to 3,237,606
- Fund 116 Administration will increase by \$13,262 from \$368,380 to 381,642
- 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 \$125,765
- The total amount of revenue collected in Fund 116 is \$4,727,232

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Approved by:

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Attachments:

1. Public Notice
2. Board Order
3. Resolution