



# TODAY'S ACTION

- a. Hold a public hearing to consider approving and adopting the Fiscal Year 2026-27 (FY27) cost-of-living adjustment (**COLA**) increase of **2.5%** to the assessment charges of **Zones 1, 1A, 8, 9, 12, and 17**; and
- b. Adopt resolutions approving the **FY 2026-27 assessment** charges with COLA increase of **2.5% for Flood Zones 1, 1A, 8, 9, 12, and 17**



# Prior Actions

- Reviewed Financial Impacts of the proposed fees at MCWRA Board of Directors (BoD) Budget Workshop on 3/16/2026
- Finance Committee approved staff recommendations on 4/3/2026
- MCWRA Board of Directors approved the recommendations on 4/20/2026

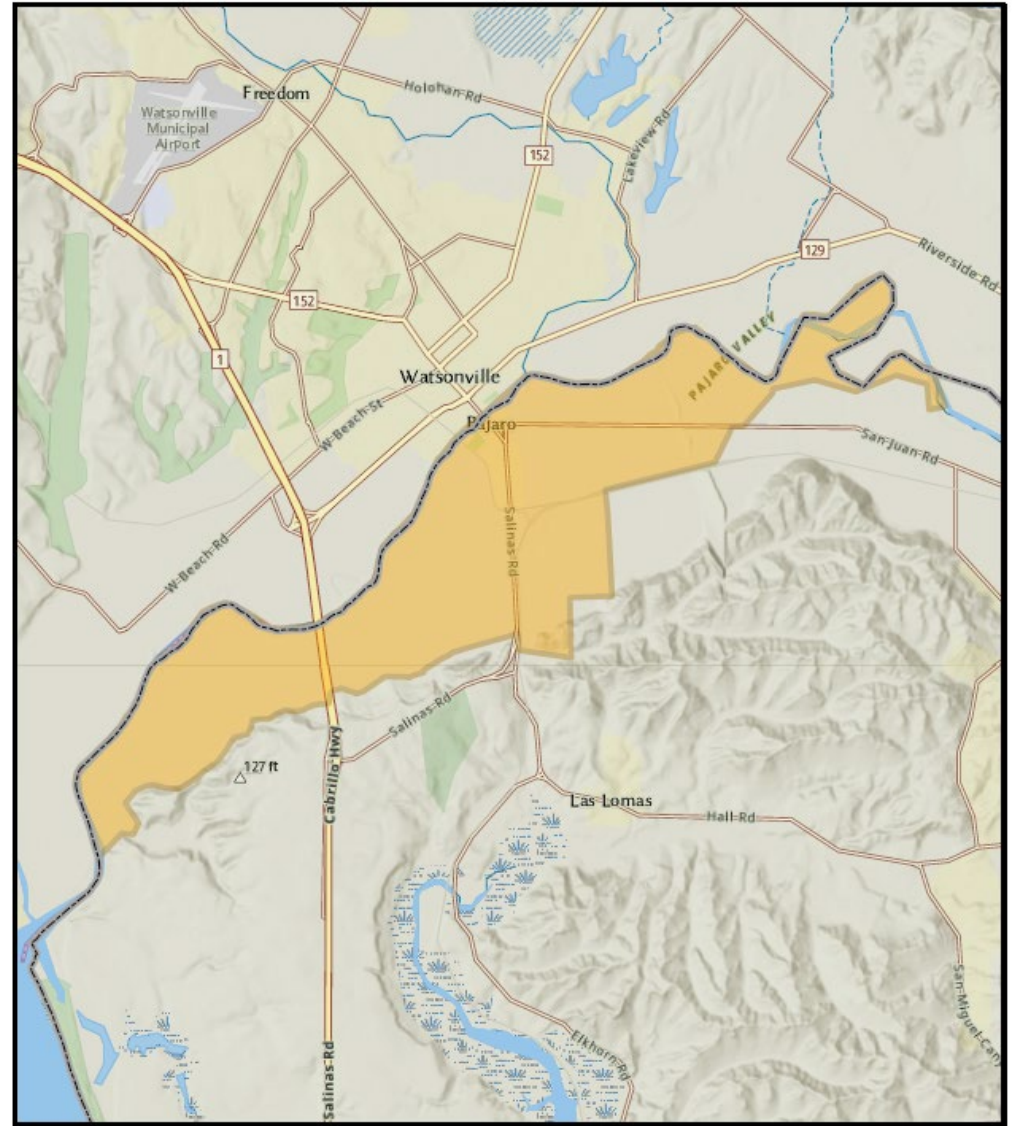


# Discussion

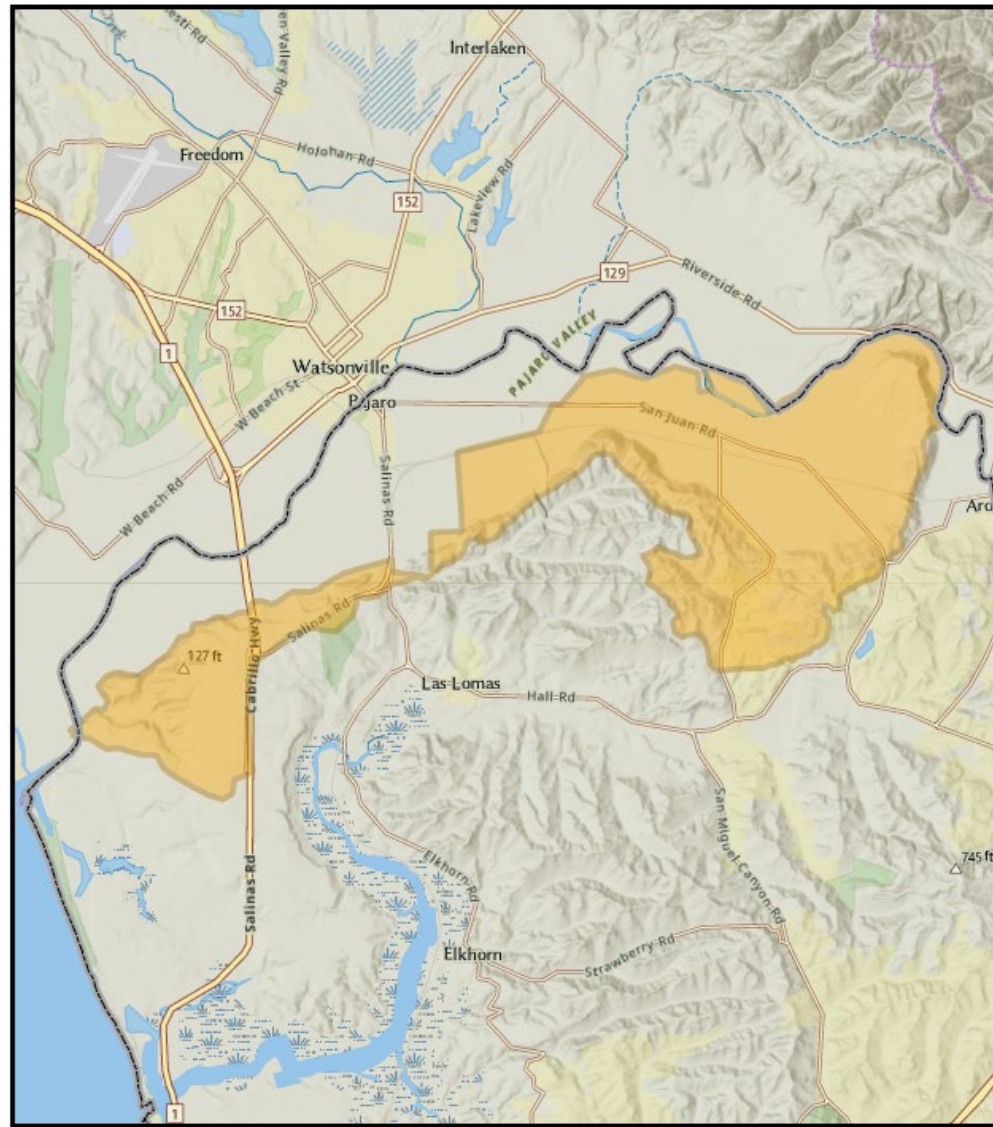
- Ordinances Nos. **2626, 2974, 3878 and 3881**:
  - **Flood Control Benefit Assessments** in **Zones 1, 1A, 8, 9, 12, and 17** to **maintain flood protection systems** thru vegetation management and rodent control, maintaining banks and silt removal in channels, removal of debris from ditches and drainage structures and maintenance of roads, fences and canals.
  - Assessment rates be increased **annually** as a **cost-of-living adjustment (COLA)** by the Consumer Price Index (**CPI**) of the **San Francisco Bay Area**

On **March 11, 2026**, the U.S. Bureau of Labor Statistics released the February 2026 Consumer Price Index which increased **2.5%** from last year.

# Zone 1 Boundary Pajaro



# Zone 1A Boundary Pajaro



# FY27 Rate : Zone 1

<b>ZONE 1 BENEFIT ASSESSMENTS</b>				
<b>Fiscal Year</b>	<b>2025-2026</b>		<b>2026-2027</b>	
<b>Factor</b>	<b>Parcel Count</b>	<b>Charge Per Acre</b>	<b>Parcel Count</b>	<b>Charge Per Acre</b>
A	106	\$ 385.31	106	\$ 394.94
B	45	\$ 385.31	45	\$ 394.94
C	191	\$ 96.35	191	\$ 98.76
E	151	\$ 96.35	151	\$ 98.76
F	42	\$ 7.83	42	\$ 8.02
<b>Total:</b>	<b>535</b>		<b>535</b>	
A = Commercial and Industrial				
B = Institutional (churches, schools, hospitals, apartments, multi-family)				
C = Single Family Residence				
E = Vacant, Agricultural				
F = Vacant, Undisturbed, Natural Site				

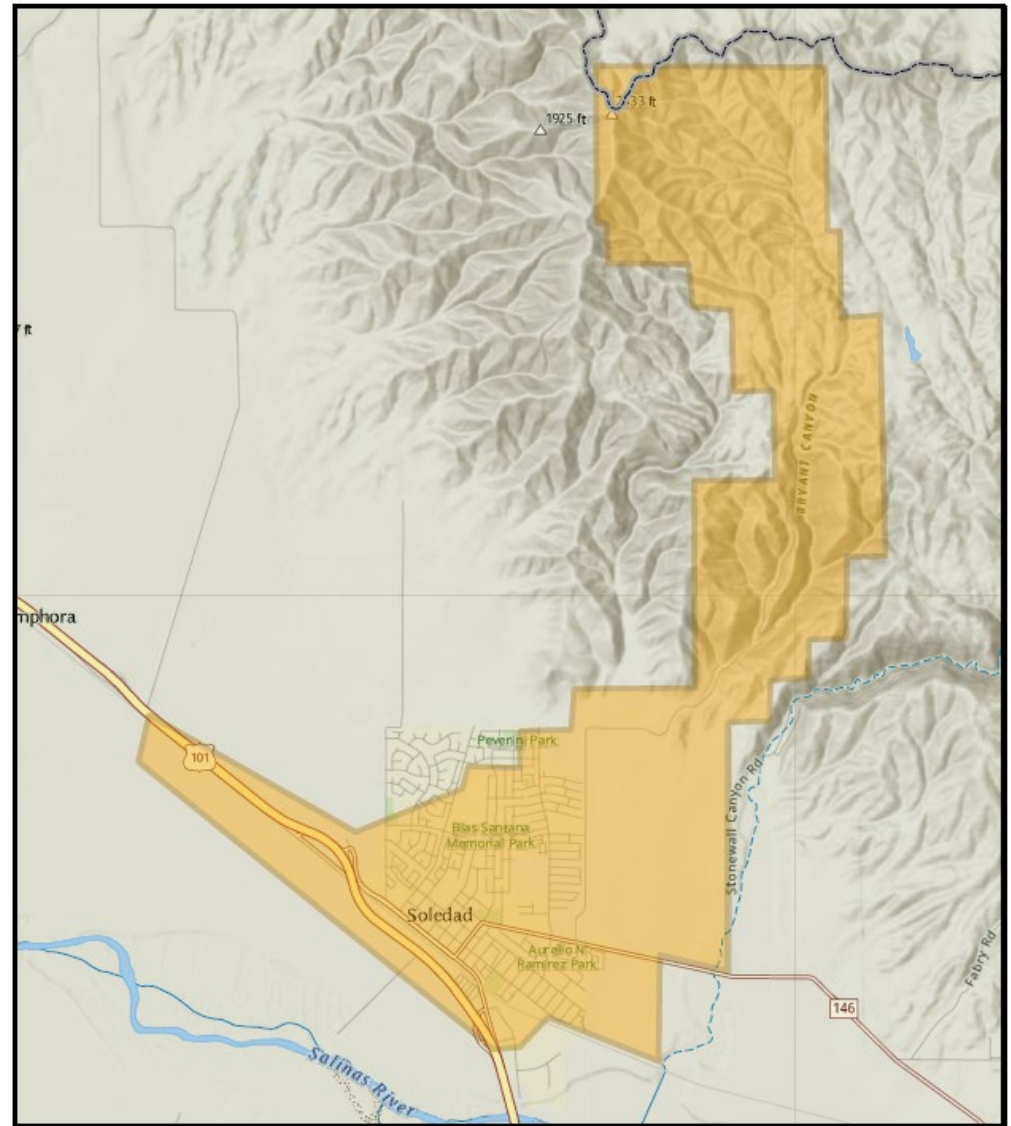


# FY27 Rate : Zone 1A

<b>ZONE 1A BENEFIT ASSESSMENTS</b>				
<b>Fiscal Year</b>	<b>2025-2026</b>		<b>2026-2027</b>	
<b>Factor</b>	<b>Parcel Count</b>	<b>Charge Per Acre</b>	<b>Parcel Count</b>	<b>Charge Per Acre</b>
A	37	\$ 188.10	37	\$ 192.80
B	5	\$ 188.10	5	\$ 192.80
C	368	\$ 47.04	368	\$ 48.21
E	173	\$ 47.04	173	\$ 48.21
F	399	\$ 3.92	399	\$ 4.02
<b>Total:</b>	<b>982</b>		<b>982</b>	
A = Commercial and Industrial				
B = Institutional (churches, schools, hospitals, apartments, multi-family)				
C = Single Family Residence				
E = Vacant, Agricultural				
F = Vacant, Undisturbed, Natural Site				



# Zone 8 Boundary: Soledad Storm Drain

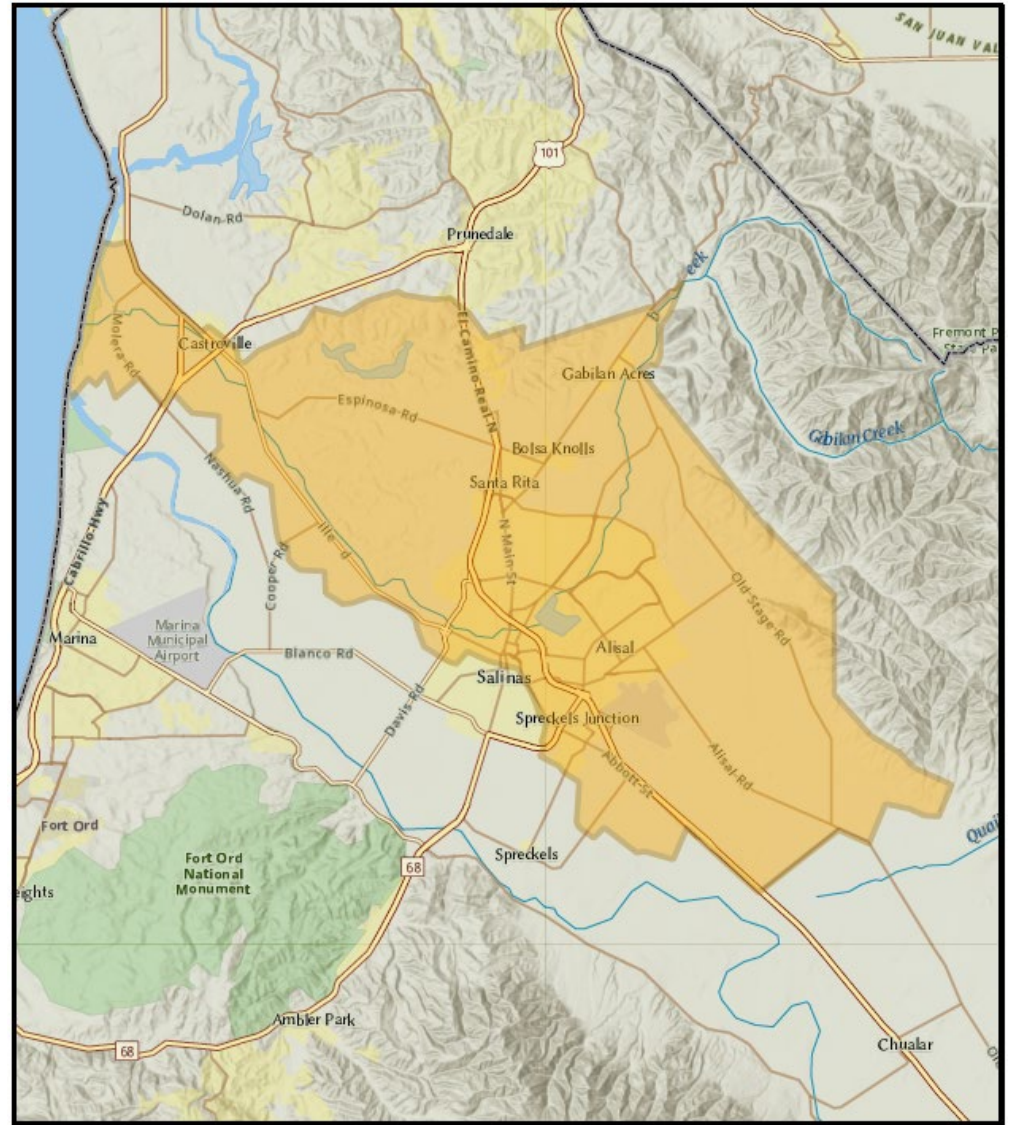


# FY27 Rate : Zone 8

ZONE 8 BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	400	\$ 75.66	400	\$ 77.55
B	69	\$ 56.75	69	\$ 58.17
C	2,623	\$ 9.47	2,623	\$ 9.70
E	119	\$ 18.95	119	\$ 19.42
F	311	\$ 9.47	311	\$ 9.70
G	1	\$ 0.94	1	\$ 0.97
H	0	\$ -	0	\$ -
I	0	\$ -	6	\$ -
<b>Total:</b>	<b>3,523</b>		<b>3,529</b>	
<p>A = Commercial and Industrial            B = Institutional (churches, schools, hospitals, apartments, multi-family)            C = Single Family Residence            E = Vacant, Agricultural, or open-space            F = Vacant, Undisturbed, Natural State            G = Undisturbed, natural state, grazing or vacant, slope greater than 35%            H = Wetlands and marshlands, undisturbed, periodically flooded (no charge)            I = Land receiving no charge</p>				



# Zone 9 Boundary: Reclamation Ditch

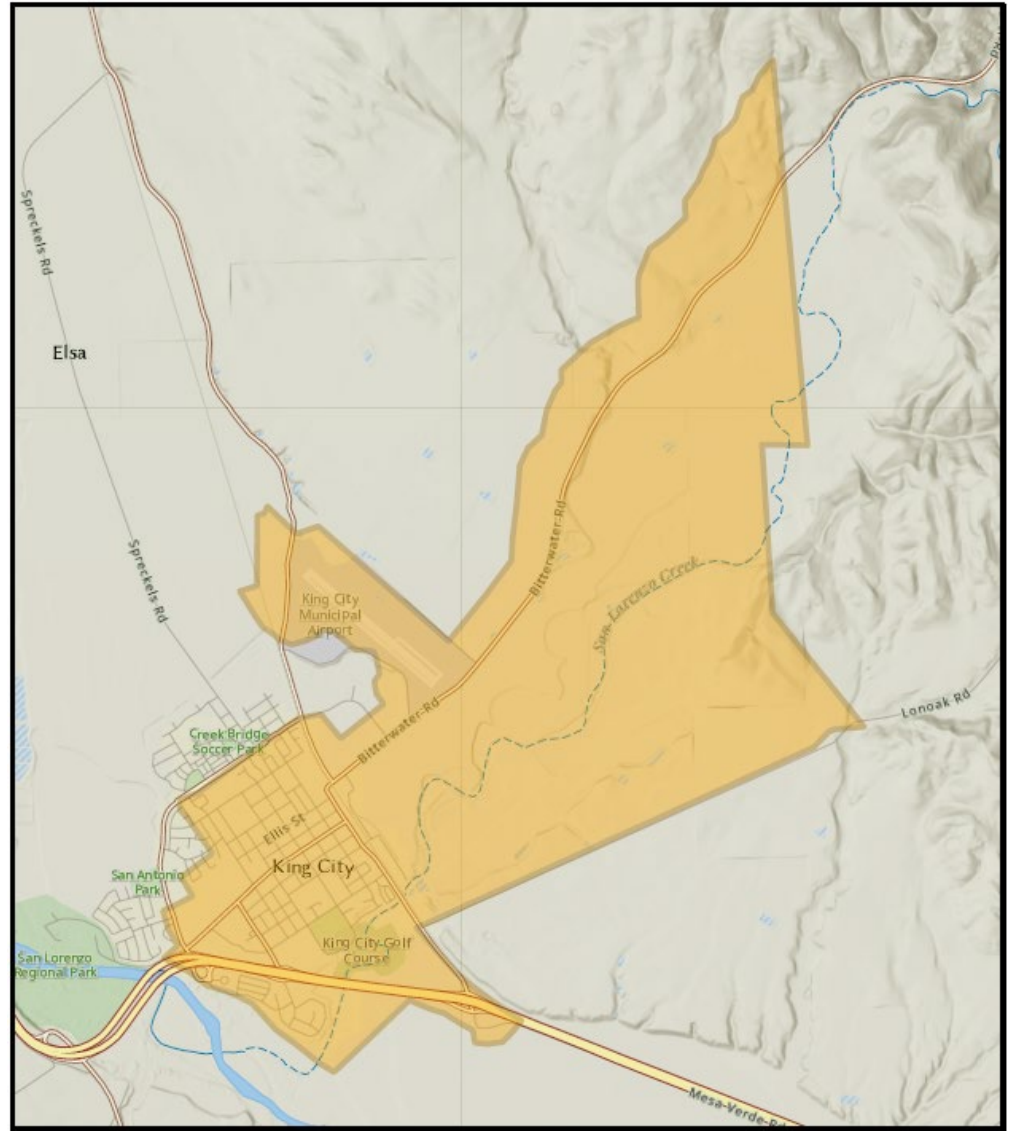


# FY27 Rate : Zone 9

ZONE 9 BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	3,265	\$ 80.00	3,261	\$ 82.00
B	1,170	\$ 60.00	1,169	\$ 61.50
C	22,007	\$ 10.01	22,007	\$ 10.26
E	1,316	\$ 20.00	1,314	\$ 20.50
F	1,421	\$ 10.01	1,420	\$ 10.26
G	7	\$ 1.00	7	\$ 1.02
<b>Total:</b>	<b>29,186</b>		<b>29,178</b>	
<p>A = Commercial and Industrial            B = Institutional (churches, schools, hospitals, apartments, multi-family)            C = Single Family Residence            E = Vacant, Agricultural, or open-space            F = Vacant, Undisturbed, Natural Site            G = Undisturbed, natural state, grazing or vacant, slope greater than 35%            H = Wetlands and marshlands, undisturbed, periodically flooded            I = Land receiving no charge</p>				



# Zone 12 Boundary: San Lorenzo Creek

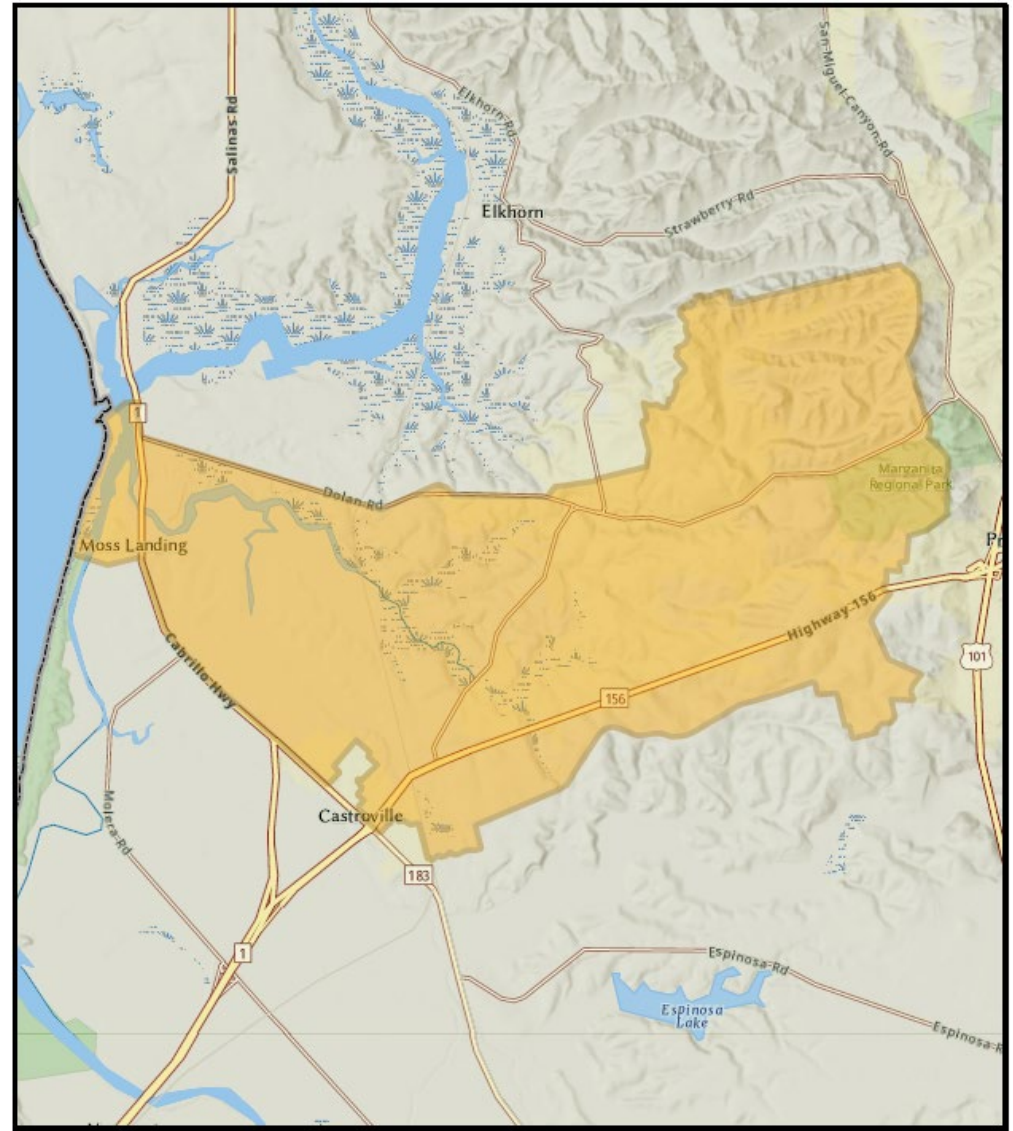


# FY27 Rate : Zone 12

ZONE 12 BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	249	\$ 28.43	248	\$ 29.14
B	136	\$ 21.33	136	\$ 21.86
C	1,055	\$ 3.55	1,055	\$ 3.64
E	102	\$ 7.11	102	\$ 7.29
F	93	\$ 3.55	92	\$ 3.64
G	3	\$ 0.37	3	\$ 0.38
<b>Total:</b>	<b>1,638</b>		<b>1,636</b>	
<p>A = Commercial and Industrial            B = Institutional (churches, schools, hospitals, apartments, multi-family)            C = Single Family Residence            E = Vacant, Agricultural, or open-space            F = Vacant, Undisturbed, Natural Site            G = Undisturbed, natural state, grazing or vacant, slope greater than 35%</p>				



# Zone 17 Boundary: Moro Cojo



# FY27 Rate : Zone 17

ZONE 17 BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	124	\$ 27.42	123	\$ 28.11
B	66	\$ 20.56	66	\$ 21.07
C	2,207	\$ 27.42	2,207	\$ 28.11
E	1,080	\$ 13.72	1,080	\$ 14.06
F	739	\$ 6.86	739	\$ 7.03
G	20	\$ 0.37	20	\$ 0.38
H	5	\$ -	5	\$ -
I	3	\$ -	3	\$ -
<b>Total:</b>	<b>4,244</b>		<b>4,243</b>	
<p>A = Commercial and Industrial            B = Institutional (churches, schools, hospitals, apartments, multi-family)            C = Single Family Residence            E = Vacant, Agricultural, or open-space            F = Vacant, Undisturbed, Natural Site            G = Undisturbed, natural state, grazing or vacant, slope greater than 35%            H = Wetlands and marshlands, undisturbed, periodically flooded            I = Land receiving no charge</p>				



# FY27 Recommended Budget

## MCWRA FY27 Unassigned Fund Balance Summary

NEW Fund	CGI Fund	Fund Name	Zone	FY25 Estimated Add (Use)	FY26 Budgeted Add (Use)	FY27 Estimated Beginning Balance	FY27 Budgeted Expense	FY27 Budgeted Revenue	FY27 Budgeted Add (Use)	FY27 Estimate Ending Balance
1501	111	Administration Fund		598,662	(145,809)	5,103,687	7,929,719	5,871,248	(2,058,471)	3,045,216
1502	112	Pajaro Levee	1/1A	426,443	(204,496)	1,396,486	734,363	620,174	(114,189)	1,282,297
1503	116	Dam Operations	2C	1,660,288	(626,591)	2,734,104	14,602,612	13,941,763	(660,849)	2,073,255
1504	121	Soledad Storm Drain	8	69,802	2,802	376,312	57,761	102,744	44,983	421,295
1505	122	Reclamation Ditch	9	179,210	(333,348)	1,225,437	2,372,119	1,838,741	(533,378)	692,059
1506	124	San Lorenzo Creek	12	10,095	(6,133)	40,560	37,688	39,699	2,011	42,571
1507	127	Moro Cojo Slough	17	(49,900)	(321,329)	301,875	730,946	536,188	(194,758)	107,117
1508	130	Hydro-Electric Ops		676,354	(644,361)	2,109,875	1,933,457	1,365,496	(567,961)	1,541,914
1509	131	CSIP Operations	2B/Y	(729,644)	(240,935)	1,468,745	7,393,323	6,853,731	(539,592)	929,153
1510	132	SVRP Operations	2B/Z	(251,337)	(730,810)	1,673,239	6,348,903	6,165,240	(183,663)	1,489,576
1511	134	SRDF Operations		(503,314)	(800,686)	1,365,679	2,912,373	2,591,356	(321,017)	1,044,662
1810	303	CSIP Debt Service		-	-	770,672	1,650,000	1,650,000	-	770,672
1835	313	SVWP Debt Service		15	-	1,036,760	1,761,213	1,761,213	-	1,036,760
1950	426	Interlake Tunnel		405,534	(116,562)	498,403	222,204	14,952	(207,252)	291,151
<b>Total:</b>				<b>2,492,208</b>	<b>(4,168,258)</b>	<b>20,101,834</b>	<b>48,686,681</b>	<b>43,352,545</b>	<b>(5,334,136)</b>	<b>14,767,698</b>

