

TODAY'S ACTION

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

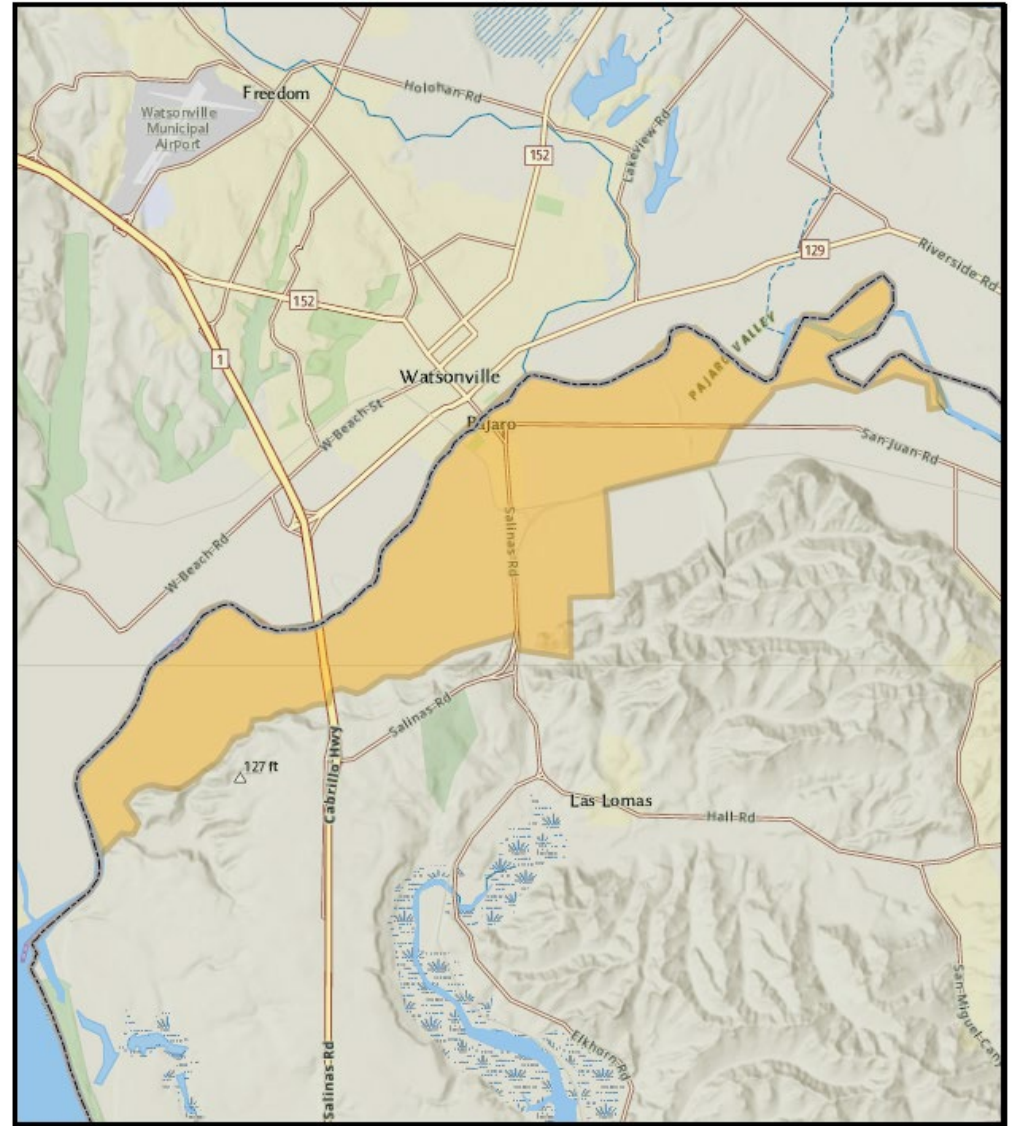
- a. Approve and adopt the Fiscal Year 2026-27 (**FY27**) cost-of-living adjustment (**COLA**) increase of **2.5%** to the assessment charges of **Zones 1, 1A, 2B, 2C, 2Z, 8, 9, 12, and 17**; and
- b. Adopt a resolution approving the **FY27 Zone 2B Water Delivery Charge** of **\$100.24 per acre-foot** of water delivered for the Castroville Seawater Intrusion Project (**CSIP**) and the Salinas Valley Reclamation Project (**SVRP**); and
- c. Adopt a resolution approving the **FY27 Zone 2B Water Service Charge** of **\$113.57** per acre-foot of water delivered for the Salinas River Diversion Facility (**SRDF**); and
- d. Set and hold a **public hearing on May 19, 2026, at 10:30 a.m.** to consider approving and adopting the assessment rate charges; and
- e. Direct the Clerk of the Board of Supervisors to **publish a hearing notice** once a week for **two consecutive weeks prior to the date set** for the hearing.



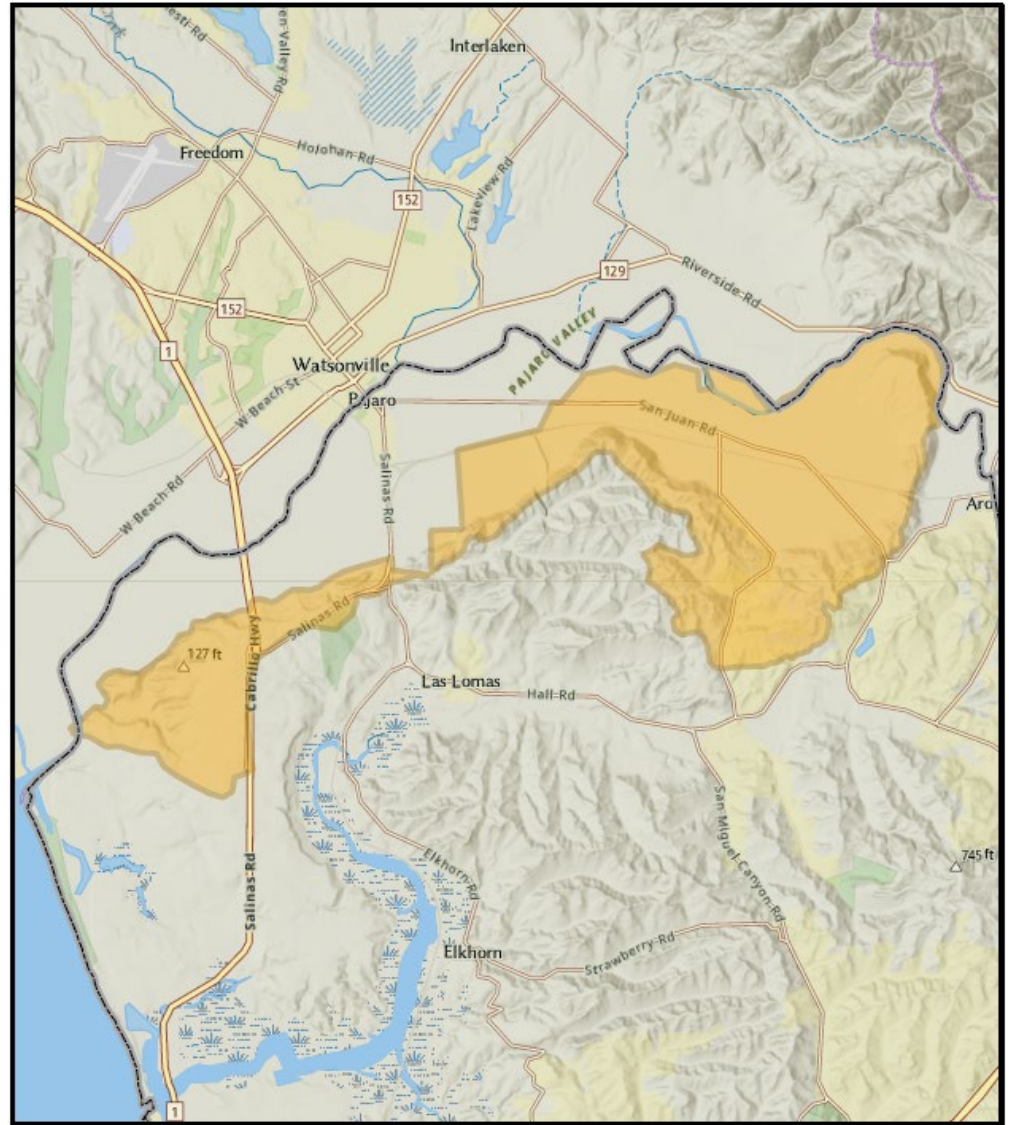
Discussion

- 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

ZONE 1 BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
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
Total:	535		535	
A = Commercial and Industrial				
B = Institutional (churches, schools, hospitals, apartments, multi-family)				
C = Single Family Residence				
E = Vacant, Agricultural				
F = Vacant, Undisturbed, Natural Site				

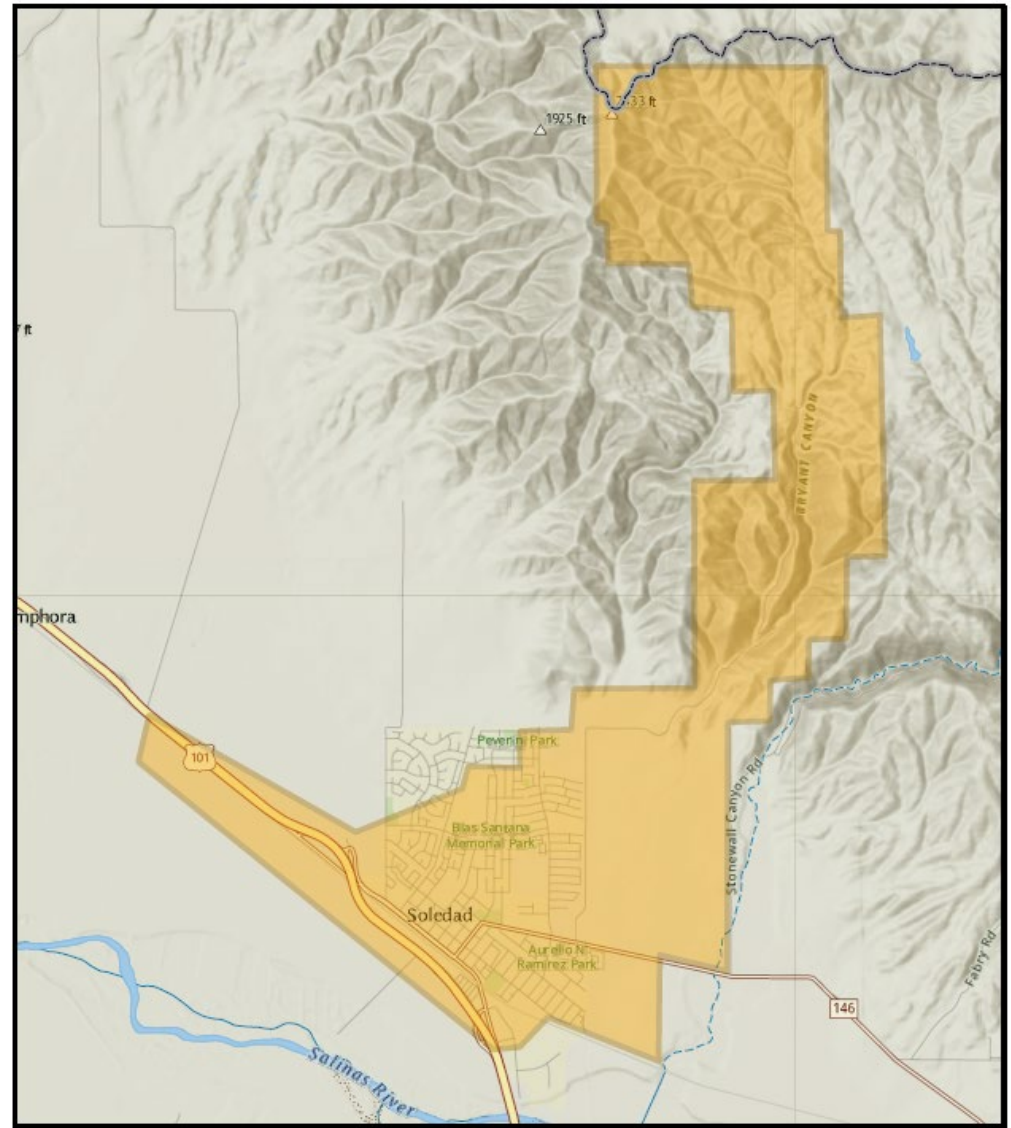


FY27 Rate : Zone 1A

ZONE 1A BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
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
Total:	982		982	
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

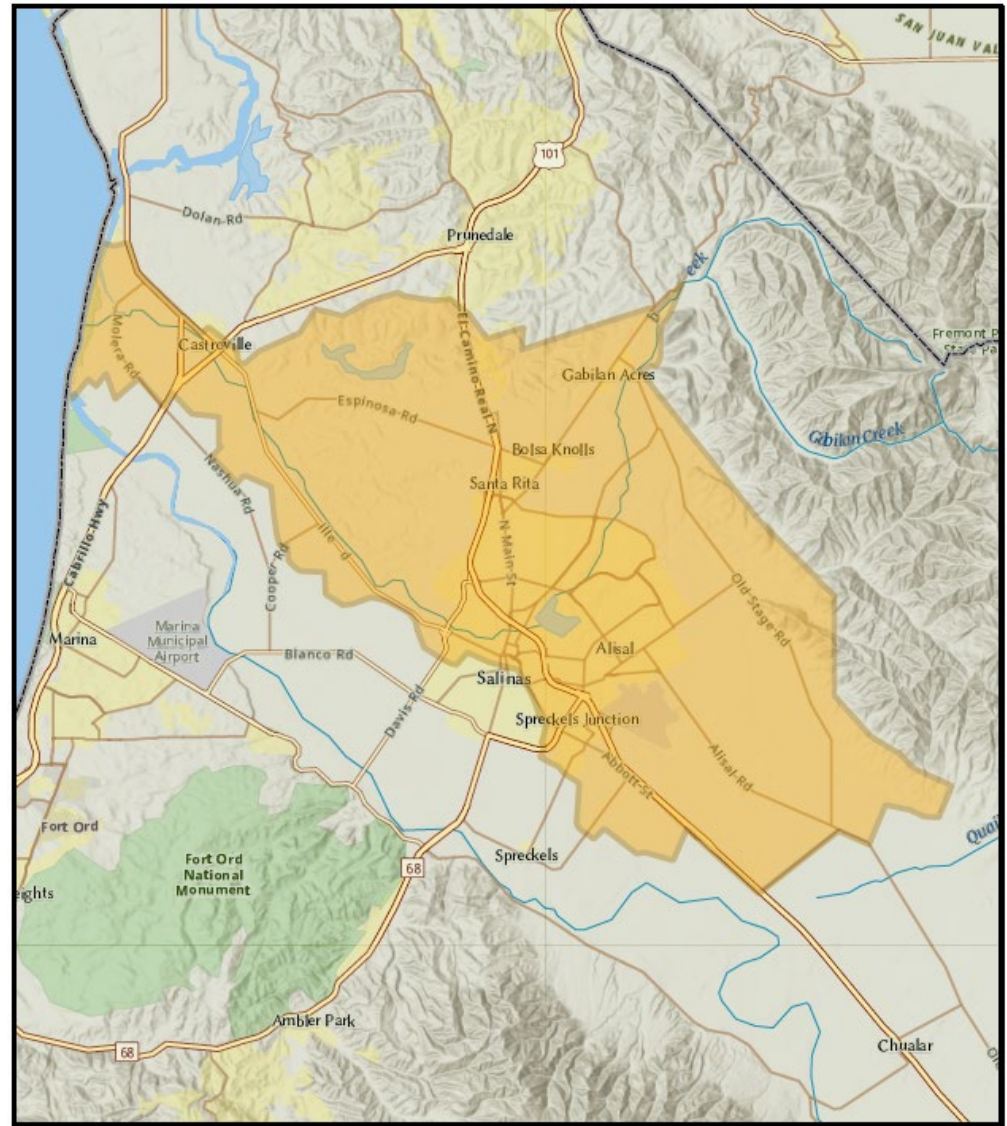


FY27 Rate : Zone 8

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	\$ -
Total:	3,523		3,529	
<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

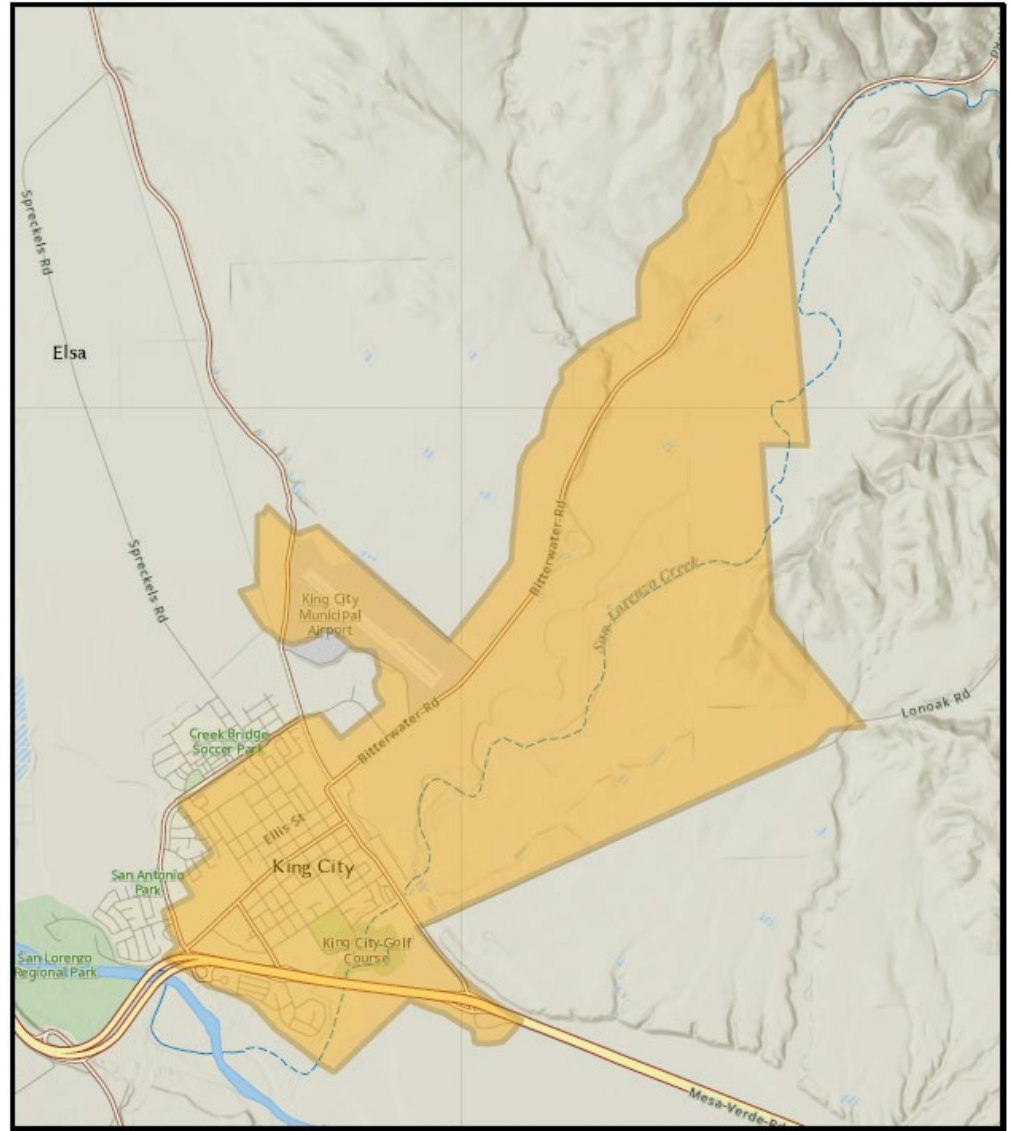


FY27 Rate : Zone 9

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
Total:	29,186		29,178	
<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

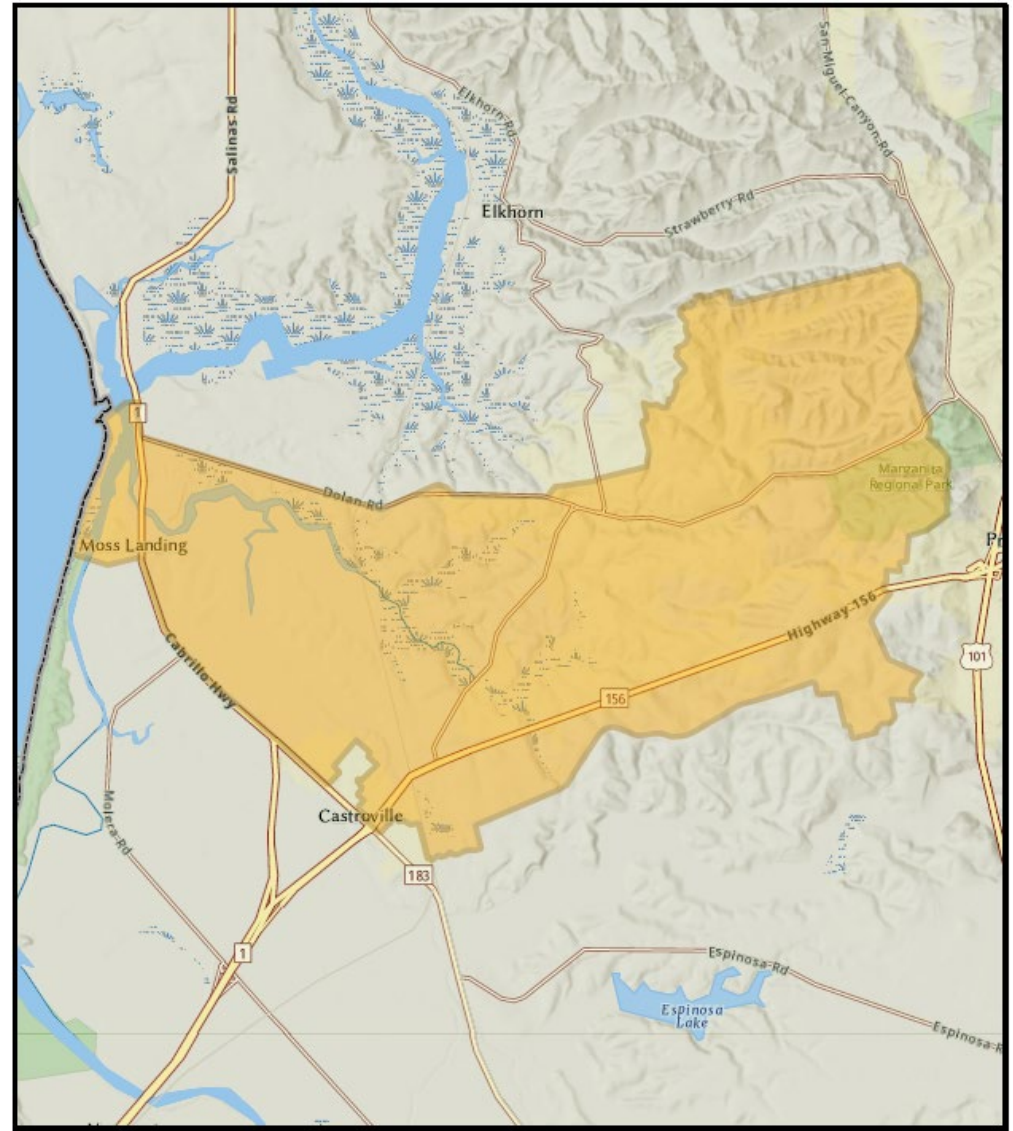


FY27 Rate : Zone 12

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
Total:	1,638		1,636	
<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	\$ -
Total:	4,244		4,243	
<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>				



Discussion

- Ordinance Nos. **3635** and **3636**:
 - **Assessments in Zones 2B, 2Y and 2Z** provide funding to operate and maintain the **CSIP** and **SVRP** as well as the funding necessary to make debt payments to the U.S. Bureau of Reclamation for the loans that funded these projects.
- Annual a cost-of-living adjustment (**COLA**) by the Consumer Price Index (**CPI**) of the **San Francisco Bay Area** measured from **March 1 of each year to March 1** of the next year is allowed by the Ordinances and the Resolution.

Discussion

- Ordinance **3789**: Water Delivery Charge
 - Established the Zone 2B **Water Delivery Charge for the CSIP and SVRP**
 - Adopt a new rate each fiscal year (July 1 thru June 30)
 - Requires a Public Hearing by the MCWRA Board of Directors

- D. Proposal by General Manager; recommendation by Board of Directors. Prior to the fiscal year for which charges are to be adopted, the General Manager of the Agency shall submit in writing to the agency Board of Directors the proposed amount of the water delivery charges, together with such documentation and justification as may be appropriate. At least one week before the Board of Directors' meeting at which the charges will be considered, the General Manager shall publish a notice of the public hearing, including the proposed amount of the water delivery charges. Following the public hearing the Board of Directors shall make recommendations to the Board of Supervisors concerning the adoption of water delivery charges.

Discussion

■ Resolution 10-188:

- Adopted on January 29, 2008
- Established the Zone 2B **Water Service Charge** for the operations & maintenance of the **Salinas River Diversion Facility**
- Subject to a COLA increase by a CPI for the first five years and thereafter, based **on evaluation by the Agency**
- *First time increase **beyond annual CPIs***

WHEREAS, On January 29, 2008, the Board of Supervisors approved the enactment of a water service charge of \$66.23/AF for the operations and maintenance of the Salinas River Diversion Facility with the charge to be increased annually for inflation based on the Consumer Price Index for the first five years, and thereafter based on an evaluation by the Monterey County Water Resources Agency, and

BoD Public Hearing

**NOTICE OF PUBLIC HEARING
MONTEREY COUNTY WATER RESOURCES AGENCY
WATER DELIVERY CHARGE AND WATER SERVICE CHARGE OF ZONE 2B**

NOTICE IS HEREBY GIVEN that the Monterey County Water Resources Agency will consider the annual Fiscal Year 2026-27 Zone 2B Water Delivery Charge in support of the Castroville Seawater Intrusion Project and the Salinas Valley Reclamation Project as described below, and the annual Fiscal Year 2026-27 Water Service Charge for operation and maintenance of the Salinas River Diversion Facility as described below.

WATER DELIVERY & SERVICE CHARGES		
Fiscal Year	2025-2026	2026-2027
Water Delivery Charge	\$85.24	\$100.24
Water Service Charge	\$88.57	\$113.57
Total:	\$173.81	\$213.81

NOTICE IS FURTHER GIVEN that the Monterey County Water Resources Agency Board of Directors will conduct a public hearing on Monday, the 20th day of April 2026, at the hour of 1:00 PM, at Cayenne Room, 1441 Schilling Place, Salinas, California, at which time the Board shall hear and consider whether to recommend the Water Delivery Charge (Ordinance No. 3789) and Water Service Charge (Resolution 10-188) to the Monterey County Water Resources Agency Board of Supervisors. All interested persons may appear and provide public comment.

FOR ADDITIONAL INFORMATION CONTACT:
Nan Kim, Finance Manager
Monterey County Water Resources Agency
1441 Schilling Place – North Building, Salinas CA, 93901
mcwater@co.monterey.ca.us

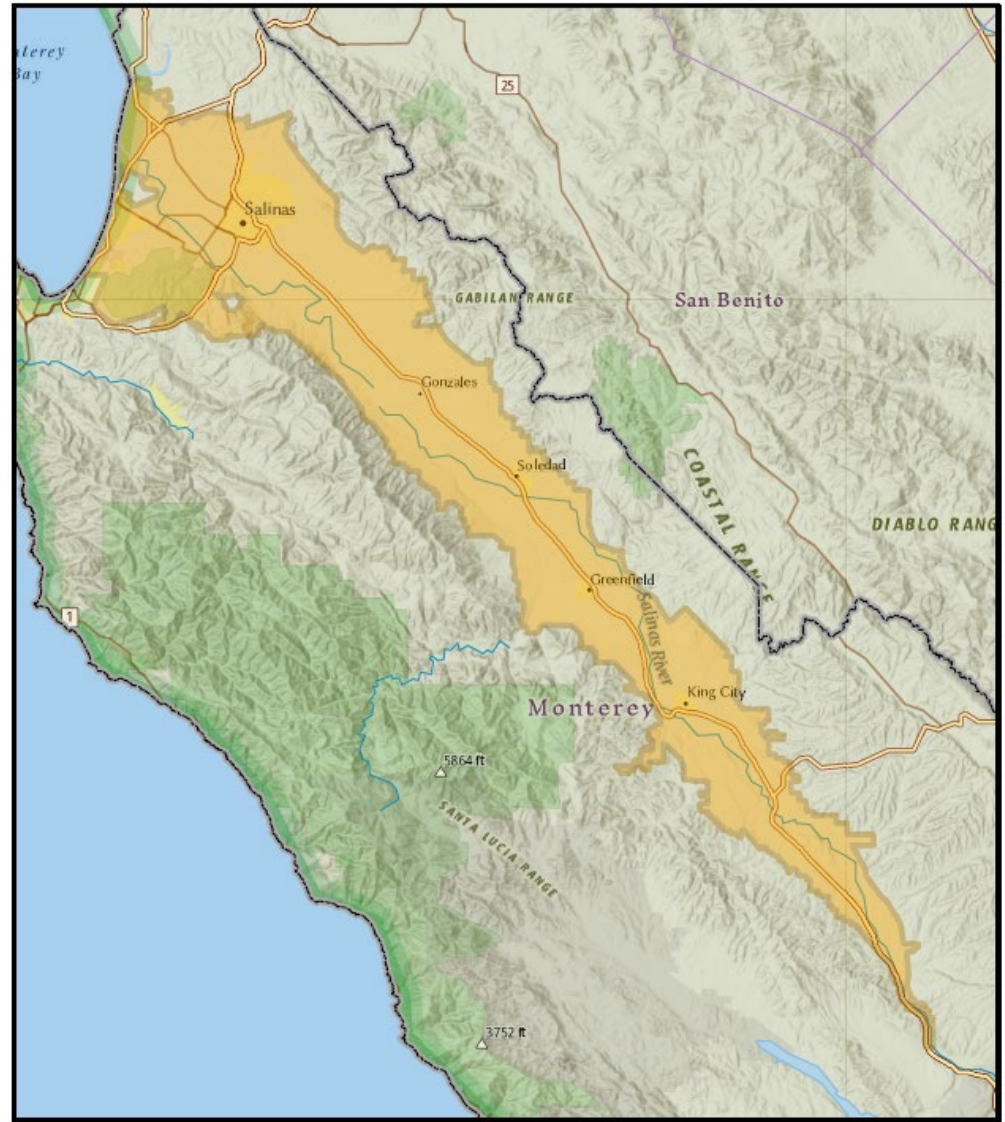
Public Hearing by BoD for
recommended Water Delivery &
Service Charges:

on **4/20/2026**

To notice in the Monterey County
Weekly, published on April 9th, 2026

A copy of the notice of public hearing
will be mailed to the CSIP customers

Zone 2Y & Z Boundary: CSIP & SVRP



FY27 Rate : Zone 2Y (CSIP)

ZONE 2Y BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	52,370	\$ 4.20	52,361	\$ 4.31
B	4,641	\$ 36.79	4,630	\$ 37.71
C	3,013	\$ 0.45	3,005	\$ 0.46
D	266	\$ -	265	\$ -
H	1,111	\$ 1.82	1,108	\$ 1.87
Total:	61,366		61,369	
A = Irrigated Agricultural (North Valley), Residential (1-4 units)				
B = Industrial, Apartments (over 4 units), Commercial, Institutional				
C = Dry Farm, Grazing, Vacant				
D = River Channels and Lands Subject to Frequent Flooding				
H = Irrigated Agricultural (South Valley)				

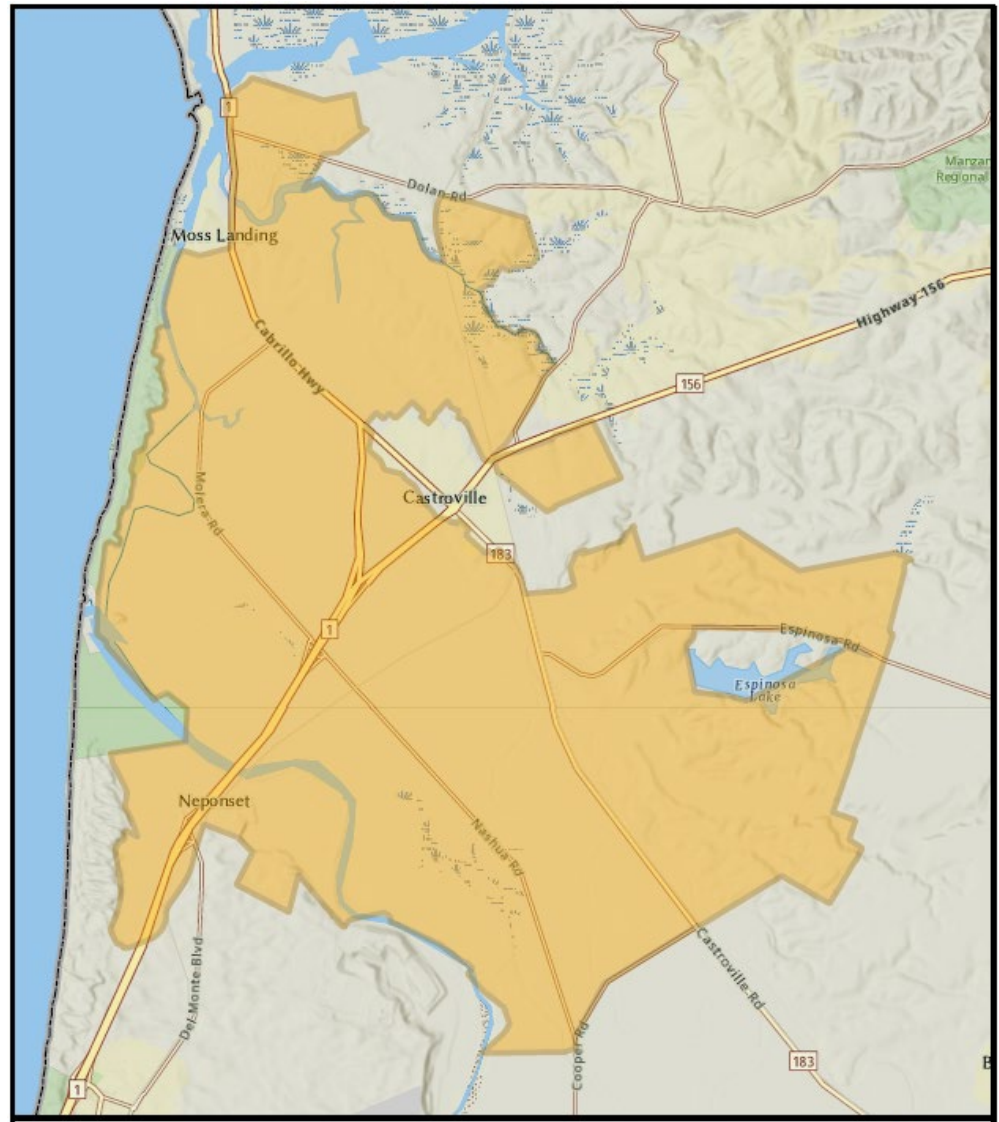


FY27 Rate : Zone 2Z (SVRP)

ZONE 2Y BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	52,370	\$ 4.20	52,361	\$ 4.31
B	4,641	\$ 36.79	4,630	\$ 37.71
C	3,013	\$ 0.45	3,005	\$ 0.46
D	266	\$ -	265	\$ -
H	1,111	\$ 1.82	1,108	\$ 1.87
Total:	61,366		61,369	
A = Irrigated Agricultural (North Valley), Residential (1-4 units)				
B = Industrial, Apartments (over 4 units), Commercial, Institutional				
C = Dry Farm, Grazing, Vacant				
D = River Channels and Lands Subject to Frequent Flooding				
H = Irrigated Agricultural (South Valley)				



Zone 2B Boundary: CSIP & SVRP



FY27 Rate : Zone 2B

ZONE 2B BENEFIT ASSESSMENTS				
Fiscal Year	2025-2026		2026-2027	
Factor	Parcel Count	Charge Per Acre	Parcel Count	Charge Per Acre
A	194	\$ 365.04	191	\$ 374.17
B	0	\$ -	0	\$ -
C	0	\$ -	36	\$ -
D	0	\$ -	0	\$ -
H	0	\$ -	0	\$ -
Total:	194		227	
A = Net Irrigated Agricultural (vicinity of Castroville)				
B = Industrial, Apartments (over 4 units), Commercial, Institutional				
C = Dry Farm, Grazing, Vacant				
D = River Channels and Lands Subject to Frequent Flooding				
H = Irrigated Agricultural (South Valley)				



FY27 Rates :

Water Delivery & Service Charge

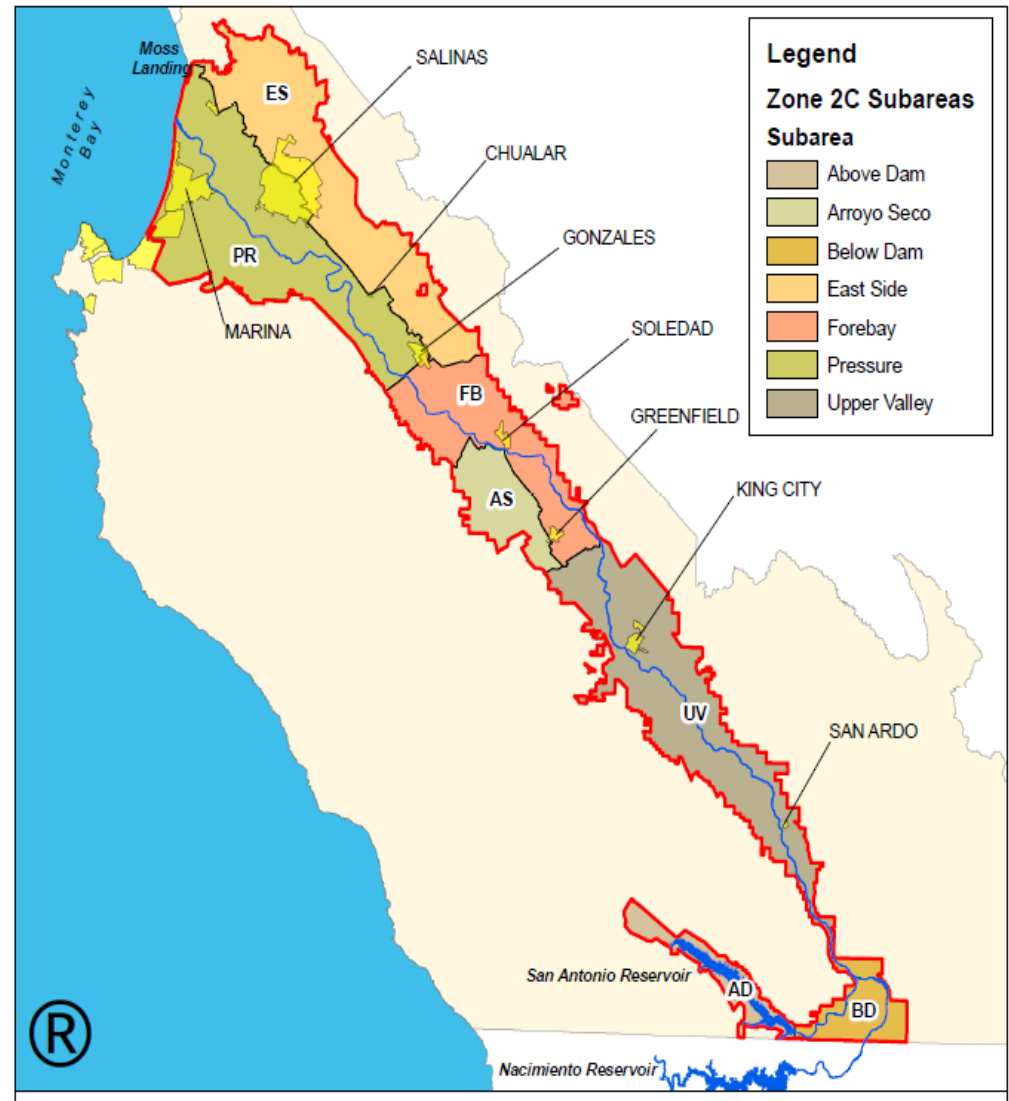
WATER DELIVERY & SERVICE CHARGES		
Fiscal Year	2025-2026	2026-2027
Water Delivery Charge	\$85.24	\$100.24
Water Service Charge	\$88.57	\$113.57
Total:	\$173.81	\$213.81



Discussion

- Ordinance No. **4203** :
 - Assessments in **Zone 2C** for the Salinas Valley Water Project (SVWP) to fund **Operations and Maintenance at Nacimiento Dam and San Antonio Dam**.
 - Assessment rates be increased annually as a cost-of-living Adjustment (**COLA**) by the Consumer Price Index (**CPI**) of the **San Francisco Bay Area** measured from **March 1 of each year to March 1** of the next year.
 - COLA adjustments be applied to the Operation and Maintenance and the Administration components **only**.
- 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 2C Boundary:



FY27 Rate : Zone 2C

Operation & Maintenance

ZONE 2C BENEFIT ASSESSMENTS							
O&M of Nacimiento and San Antonio Dams							
Fiscal Year	2026-2027						
Subarea	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor	Charge Per Acre						
A	12.91	13.87	12.46	12.94	27.32	14.83	4.76
B	12.91	13.86	12.46	12.94	27.32	14.83	4.76
C	1.25	1.40	1.23	1.25	2.67	1.50	0.47
D	0.13	0.17	0.13	0.13	0.25	0.17	0.05
I	-	-	-	-	-	-	-
A = Irrigated Agriculture							
B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land							
C = Dry Farming, Grazing, Vacant Lot							
D = River Channels and Lands with Frequent Flooding							
I = Land receiving no charge							



FY27 Rate : Zone 2C Administration

ZONE 2C BENEFIT ASSESSMENTS							
Administration							
Fiscal Year	2026-2027						
Subarea	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor	Charge Per Acre						
A	1.90	1.90	1.90	1.90	1.90	1.90	1.90
B	1.90	1.90	1.90	1.90	1.90	1.90	1.90
C	0.15	0.15	0.15	0.15	0.15	0.15	0.15
D	-	-	-	-	-	-	-
I	-	-	-	-	-	-	-
A = Irrigated Agriculture							
B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land							
C = Dry Farming, Grazing, Vacant Lot							
D = River Channels and Lands with Frequent Flooding							
I = Land receiving no charge							



FY27 Rate : Zone 2C

Spillway Modification

ZONE 2C BENEFIT ASSESSMENTS							
Nacimiento Spillway Modification (<u>NO COLA</u>)							
Fiscal Year	2026-2027						
Subarea	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor	Charge Per Acre						
A	1.82	1.28	1.04	1.14	2.86	2.18	0.46
B	1.82	1.28	1.04	1.14	2.86	2.18	0.46
C	0.18	0.12	0.10	0.10	0.28	0.22	0.04
D	0.02	-	-	-	0.02	0.02	-
A = Irrigated Agriculture							
B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land							
C = Dry Farming, Grazing, Vacant Lot							
D = River Channels and Lands with Frequent Flooding							



FY27 Rate : Zone 2C

Diversion Facility Construction

ZONE 2C BENEFIT ASSESSMENTS							
Diversion Facility Construction (<u>NO COLA</u>)							
Fiscal Year	2026-2027						
Subarea	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor	Charge Per Acre						
A	-	-	-	-	6.18	5.14	-
B	-	-	-	-	6.18	5.14	-
C	-	-	-	-	0.62	0.52	-
D	-	-	-	-	0.06	0.04	-
A = Irrigated Agriculture							
B = Residential (1-4 units), Apartments (over 4 units), Commercial, Institutional Land							
C = Dry Farming, Grazing, Vacant Lot							
D = River Channels and Lands with Frequent Flooding							



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	6,237,248	(1,692,471)	3,411,216
1502	112	Pajaro Levee	1/1A	426,443	(204,496)	1,396,486	1,100,363	620,174	(480,189)	916,297
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)	301,806	730,946	536,188	(194,758)	107,048
1508	130	Hydro-Electric Ops		676,354	(644,361)	2,109,875	1,733,457	1,365,496	(367,961)	1,741,914
1509	131	CSIP Operations	2B/Y	(729,644)	(240,935)	1,468,745	7,705,281	7,553,731	(151,550)	1,317,195
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
Total:				2,492,208	(4,168,258)	20,101,765	49,164,639	44,418,545	(4,746,094)	15,355,671



TODAY'S ACTION

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

- a. Approve and adopt the Fiscal Year 2026-27 (FY27) cost-of-living adjustment (COLA) increase of **2.5%** to the assessment charges of **Zones 1, 1A, 2B, 2C, 2Z, 8, 9, 12, and 17**; and
- b. Adopt a resolution approving the **FY27 Zone 2B Water Delivery Charge** of **\$100.24 per acre-foot** of water delivered for the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP); and
- c. Adopt a resolution approving the **FY27 Zone 2B Water Service Charge** of **\$113.57** per acre-foot of water delivered for the Salinas River Diversion Facility (SRDF); and
- d. Set and hold a **public hearing on May 19, 2026, at 10:30 a.m.** to consider approving and adopting the assessment rate charges; and
- e. Direct the Clerk of the Board of Supervisors to **publish a hearing notice** once a week for **two consecutive weeks prior to the date set** for the hearing.

