



Board Agenda Item 50

DATE: February 10, 2026

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Budget Resolution for County Service Area No. 44, Zone D - Monte Verdi

RECOMMENDED ACTION(S):

Adopt Budget Resolution increasing FY 2025-26 appropriations and estimated revenues for County Service Area 44D - Monte Verdi, Org 9247 in the amount of \$197,000 for increased operational costs (4/5 vote).

Approval of the recommended action will increase FY 2025-26 appropriations and estimated revenues, in the amount of \$197,000 for County Service Area 44D (CSA 44D), Org 9247. This item pertains to a location in District 5.

ALTERNATIVE ACTION(S):

If the recommended action is not approved for CSA 44D, the district will be unable to pay for necessary expenditures, as appropriations have already been exhausted for FY 2025-26.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. All costs for administering CSA 44D are budgeted in Department of Public Works and Planning - CSA 44D, Org 9247, and all costs for CSA 44D are paid by the 125 parcels and the Homeowners Association (HOA) in CSA 44D which receive water and sewer services.

DISCUSSION:

CSA 44D was established in 1999 to provide water and sewer services for the subdivision known as Monte Verdi, located on Willow Avenue, just south of Friant Road. CSA 44D contains 125 residential parcels and currently provides water and sewer service to 125 residential connections and provides potable water, raw well water, and reclaim water to the Monte Verdi HOA for the irrigation of their common areas. CSA 44D has experienced increased expenditures due to rising operations and maintenance costs (O&M), repairs to an aging system, and inflation.

On June 24, 2025, the Board approved a Proposition 218 rate increase to water and sewer services in order to increase revenue to meet the rising O&M costs and pay for charges already incurred but not yet paid. CSA 44D has begun to repay the past charges that were incurred in prior periods but paid in FY 2025-26. As a result, the district's for FY 2025-26 appropriations have been fully utilized. The proposed resolution increases CSA 44D's budgeted appropriations by \$197,000 using the increased revenue from the Proposition 218 rate increase that took effect on July 1, 2025.

For the reasons outlined above, staff recommends increasing the district's appropriations and estimated revenues for FY 2025-26 to ensure continued service delivery and financial stability.

REFERENCE MATERIAL:

BAI #10 - June 24, 2025

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution

CAO ANALYST:

Maria Valencia