

**Board of Supervisors
County of Monterey, State of California**

Resolution No. 22-0 _____

Adopt a resolution to authorize and direct the Auditor-Controller)
to:)
a. Authorize the reallocation of unspent American Rescue Plan)
Act of 2021 (ARPA) funds of \$1,178,797 to the Pajaro County)
Sanitation District)
b. Amend the Fiscal Year (FY) 2022-23 Adopted Budget for the)
General Fund, Fund 001, Other Financing Uses Appropriation)
Unit CAO017, to increase appropriations by \$1,320,603, where)
the financing source is Cannabis Tax Assignment (001-3132))
(4/5th vote required);)
c. Amend the FY 2022-23 Pajaro County Sanitation District)
Adopted Budget, Fund 151, Appropriation Unit PFP047, to)
increase appropriations by \$2,499,400, financed by an increase)
in ARPA revenues of \$1,178,797 and an operating transfer in of)
\$1,320,603 from General Fund, Fund 001, Other Financing Uses)
Appropriation Unit CAO017 to fund projected budget)
deficiency (4/5th vote required); and)
d. Transfer \$1,320,603 for the FY 2022-23 from General Fund,)
Fund 001, Other Financing Uses CAO017, to Pajaro County)
Sanitation District, Fund 151, Appropriation Unit PFP047,)
where General Fund Other Financing Uses has sufficient)
appropriations available to fund the transfer (4/5th vote)
required).)

WHEREAS, the Pajaro County Sanitation District (PCSD) is a dependent Special District which owns and operates a sewer collection system. On or about April 24, 2001, the PCSD entered into an agreement with the City of Watsonville (Agreement) which provides for the acceptance and treatment of raw sewage from the PCSD's sewer system into the City's Wastewater Treatment Plant (Plant). Per this Agreement, the PCSD is charged for its share of the Plant's operating and capital costs based on the percentage of total sewer received by the Plant. Operating and capital costs to maintain the Plant have increased over the years which has consequently increased costs to the PCSD;

WHEREAS, the PCSD is projected to incur costs greater than the amount budgeted in FY 2022-23;

WHEREAS, increased costs are primarily attributable to the significant increase in the City's treatment plant capital improvement costs (\$1,178,797), and the increasing strength of PCSD wastewater, which increases the fraction of the City's costs to operate and maintain the plant for which PCSD is responsible (\$1,320,603);

WHEREAS, the County has implemented several American Rescue Plan Act (ARPA) funded projects to address PCSD system deficiencies;

WHEREAS, concurrent with ARPA funded projects, an engineer's rate study will be prepared to support the adjustment of existing sewer rates to accommodate increased operation and maintenance costs and build a reserve for future capital costs;

WHEREAS, PWF's goal is to sell the PCSD's sewer system and appurtenances and dissolve the PCSD; and

WHEREAS, the implementation of an engineer's rate study is necessary in the pursuit of this goal;

NOW, THEREFORE, BE IT RESOLVED THAT the Monterey County Board of Supervisors hereby approves the following:

- a. Authorize the reallocation of unspent American Rescue Plan Act of 2021 (ARPA) funds of \$1,178,797 to the Pajaro County Sanitation District
- b. Amend the Fiscal Year (FY) 2022-23 Adopted Budget for the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017, to increase appropriations by \$1,320,603, where the financing source is Cannabis Tax Assignment (001-3132) (4/5th vote required);
- c. Amend the FY 2022-23 Pajaro County Sanitation District Adopted Budget, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$2,499,400, financed by an increase in ARPA revenues of \$1,178,797 and an operating transfer in of \$1,320,603 from General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 to fund projected budget deficiency (4/5th vote required); and
- d. Transfer \$1,320,603 for the FY 2022-23 from General Fund, Fund 001, Other Financing Uses CAO017, to Pajaro County Sanitation District, Fund 151, Appropriation Unit PFP047, where General Fund Other Financing Uses has sufficient appropriations available to fund the transfer (4/5th vote required).

PASSED AND ADOPTED upon motion of Supervisor _____, seconded by Supervisor _____ and carried this 27th day of September 2022, by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original resolution of said Board of Supervisors duly made and entered in the minutes thereof Minute Book ____ for the meeting on September 27, 2022.

Dated: _____
File Number: _____

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
Deputy