



# County of Monterey

## Budget Committee Report

Legistar File Number: BC 24-015

Item No.

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

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Receive a report on the implementation of water and sewer infrastructure projects funded with American Rescue Plan Act (ARPA) funds and managed by the Department of Public Works, Facilities and Parks (PWFP).

### RECOMMENDATION:

It is recommended the Budget Committee receive a report on the implementation of water and sewer infrastructure projects funded with American Rescue Plan Act (ARPA) funds and managed by the Department of Public Works, Facilities and Parks (PWFP).

### SUMMARY

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARPA), which provided funding to help address the impact of COVID-19 on the economy, public health, state and local governments, businesses, and individuals. Among other programs, ARPA provided direct funding aid to counties, and the County of Monterey was allocated approximately \$84.3 million. The adopted Fiscal Year (FY) 2021-22 budget contemplated using the County's allocation over several fiscal years in the following major categories: Economic Recovery, Pandemic Response, Revenue Loss Revenue Backfill, and Water, Sewer, and Broadband Infrastructure Projects. Approximately \$15.9 million was allocated toward the completion of a number of water and sewer infrastructure projects which are being managed by the Public Works, Facilities and Parks Department (PWFP). This report provides an update on implementing these water and sewer infrastructure projects thru mid-year FY23-2024 (December 31, 2023).

### DISCUSSION

Per the FY 2021-22 budget process and the Board-adopted ARPA spending plan, ARPA funding was allocated for repair and improvement of water and sewer infrastructure at the following facilities:

- Lake San Antonio (South Shore)
- Lake Nacimiento
- Day Use Parks (Toro, Jack's Peak, Manzanita and Royal Oaks)
- Pajaro and Boronda County Sanitation Districts (CSDs) - to include water system improvements in San Jerardo
- Chualar Wastewater County Service Area (CSA) No. 75
- Laguna Seca Wastewater
- Laguna Seca Drinking Water

As shown in Attachment A, approximately \$15.9 million was allocated over three fiscal years to support the implementation of water and sewer infrastructure projects at the facilities listed above. Most of this funding (approximately \$13.7 million) was initially budgeted in FY 2021-22, with the remaining allocations for Laguna Seca Drinking Water Project and Project Contingency intended for FY 2022-23 and FY 2023-24.

There are approximately 70 water and sewer infrastructure projects dispersed throughout the facility categories listed above. These projects are listed in Attachment B, along with the estimated project budget, assigned staff project manager, and notes on current project status through mid-year FY 2023-24 (December 31, 2023). The work is being completed via a combination of Job Order (JOC) contracts and self-performed (Force Account) tasks by operations staff.

Brief status summaries and key activities since the last update to the Budget Committee in September of 2023 include:

*Royal Oaks Park*

- Construction of a new septic system and power line for Volunteer Sites and Restroom System is complete.
- Construction of a dedicated fill waterline from Well to Storage Tank is complete.

*Manzanita Park*

- Existing well upgrades are complete.

*Toro Park Water and Wastewater Systems*

- Upgraded electrical service for lift pumps at Volunteers Site is in progress. Completion date has been delayed because of long delivery time for panel and components. It is now anticipated that lift pumps and pedestals for electrical service at the user end will be completed in summer 2024.
- Design of Youth Overnight Area (YONA) leach field and septic system is now complete (for an alternative system since the originally planned leach field area did not have sufficient percolation capacity). Construction is planned for spring 2024.
- Phase 1 well work (recasing) has been completed. Supplemental work for Phase 2 (re-equipping) is now underway and expected to be completed in summer of 2024.
- Design for improvements to existing water system, including new irrigation feed line and pump station upgrades (electrical, telemetry, and chlorine treatment system) is complete; however, construction (originally planned for fall 2023) is on hold as costs exceed available ARPA funding. Alternatives are being developed.

*Jack's Peak Park*

- Upgrades of pump station and storage tank are complete.

*Lake San Antonio Water and Wastewater Systems*

- Sewage treatment system work has now been completed by JOC at various locations (including new septic tanks, lift stations, and upgrades at central plant). Several self-performed (Force Account) tasks are still pending - completion expected Spring 2024.
- Construction work on the first two phases of the new/upgraded water system (Intake and Storage) is progressing (Job Order contracts are underway for both). Storage tank has been ordered and is now being fabricated. Supplemental work for a new floating platform for lake water intake/pumping has been authorized and is also underway.
- Design of the Treatment (third) phase for the upgraded water system is nearing completion; however, budgeted ARPA funds are presently insufficient to complete construction. Alternatives are being developed/evaluated.
- Safety Improvements on N Shore Sewer Catwalk have been completed.

*Lake Nacimiento Water and Wastewater Systems*

- Sewage treatment systems work is still progressing at various locations (primarily lift stations). JOC work at Pine Knoll Campground has been completed. Several self-performed (Force Account) tasks are still pending - completion expected this spring (2024).
- Construction of planned improvements to the water system (including main river intake pump and storage tanks) is complete. Emergency repairs to the intake line are also complete. Additional work is desirable (i.e., rehabilitation of the intake line); however, supplemental funding would be needed for that.

*Laguna Seca Water and Wastewater Projects*

- Phase 1 water valve upgrades and replacement work is complete. Phase 2 is pending (depending on funding availability after Potable Water system improvement costs are determined).
- Feasibility evaluation has been completed for optimal potable drinking water system improvements (dispersed filtration stations). Design is now substantially complete. Actual installations are planned for construction in the spring of calendar year 2024.
- Construction of permanent new replacement wastewater tank is now complete and functional (finished in late Fall 2023).

*Boronda CSD, including San Jerardo Water System*

- Equipment to upgrade San Jerardo Water System (fire pumps and permanent control panel) has now been installed and is being commissioned.
- Gutierrez service and intertie work to allow back-up from Foothills Water system has been started and is expected to be completed by Summer of 2024.
- Additional water system work is desirable in San Jerardo (e.g., storage tank and water meter upgrades); however, supplemental funding would be needed.
- New lift station pumps have been installed in Boronda; however, ARPA budgeted funds are presently insufficient for all the work originally contemplated. Additional desirable sewer repairs have also been identified; however, this work cannot proceed unless/until supplemental funds are made available, as budgeted ARPA funds are insufficient to cover this work.

*Pajaro CSD Wastewater System*

- Phase 1 upgrades of sewer lines, lift stations, and manholes have all been completed, to include emergency spot repair of a broken sewer line in downtown Pajaro and a new line across Salinas Rd near Elkhorn; however, substantial additional manhole, lift stations, and sewer repairs have been identified and are desirable. This work cannot proceed unless/until supplemental funds are made available, as budgeted ARPA funds are insufficient to cover this work.

A Grant application has been submitted to USDA to cover some of the additional repairs, including a complete replacement of the force main which ruptured in the 2023 Winter Storms. Staff is also planning to utilize storm damage funding for repairs at lift stations overwhelmed in those storms.

- Las Lomas Sewer Line Repair & Replacement project (in the block north of Thomas near 85 Las Lomas) has been completed. Geotechnical evaluation of adjacent landslide area is nearing completion. Expected date for recommendations is late spring 2024.

*Chualar CSA Wastewater System*

- JOC construction project to upgrade various elements of existing wastewater collection, pumping, and treatment system has been completed; however, additional desirable sewer repairs have also been identified.
- Application to State Water Board for grant to support potential consolidation of Chualar system (i.e., eliminate wastewater ponds treatment component and connect to existing regional wastewater treatment system) has been submitted and State review is in progress. A decision by State Waterboard regarding CWSRF funding is expected shortly.
- Additional desirable improvements to the treatment system (Aerators and electrical upgrades) are on hold. This work cannot proceed unless/until supplemental funds are made available; however, staff is exploring the possibility of utilizing storm damage repair funding to cover this work.

OTHER AGENCY INVOLVEMENT:

This report will also be presented to the Capital Improvement Committee on March 11, 2024.

FINANCING:

A total of approximately \$15.9 million in ARPA infrastructure funds has been allocated to repair and improve water and sewer infrastructure at various County facilities. This funding has been allocated over three fiscal years, as shown in Attachment A. As shown in Attachment C, ARPA water and sewer infrastructure expenditures/encumbrances through mid-year FY2023-24 (end of calendar year 2023) total approximately \$13.5 million.

On November 29, 2023 PWWP submitted a report to the Budget Committee regarding the financial status of the program. That report outlined a need for additional ARPA funds, if available. As part of developing last year's recommended Capital Improvement Program, the total estimated additional need in FY 2023-24 was estimated at approximately \$10.5 million. A request for supplemental allocation to the ARPA water and sewer infrastructure improvement program was included in the

Legistar File Number: BC 24-015

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Unfunded CIP (reference Attachment D); however, the adopted budget for FY24 did not include any additional allocations.

PWFP will continue to implement and complete as much water and sewer infrastructure work as existing ARPA allocations allow. If additional ARPA funding cannot be made available, then the identified additional needs cannot be addressed at this time. Other funding options will need to be pursued over time (including other Grant opportunities and/or through the 5 Year Capital Improvement Program).

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Attachments:

Attachment A - Funding Summary

Attachment B - Project Descriptions and Status Summary

Attachment C - Expenditure Summary

Attachment D - Excerpt from Unfunded CIP List