



# Monterey County

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## Board Report

Legistar File Number: A 18-063

March 20, 2018

**Introduced:** 3/5/2018

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

- a. Approve Amendment No. 5 to Agreement No. A-12523 with MCSI Water Systems Management to continue to provide services associated with the management, maintenance and operation of the San Jerardo Water System, Request for Proposals #10355, to: include rates for additional anticipated services; increase the not to exceed amount of \$311,584 by \$70,000 for a total amount not to exceed \$381,584; and extend the expiration date for one (1) additional year through March 31, 2019, for a revised term from July 30, 2013 to March 31, 2019; and
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 5 to the Agreement.

### RECOMMENDATIONS:

It is recommended that the Board of Supervisors acting as the Board of Directors of the Boronda County Sanitation District:

- a. Approve Amendment No. 5 to Agreement No. A-12523 with MCSI Water Systems Management to continue to provide services associated with the management, maintenance and operation of the San Jerardo Water System, Request for Proposals #10355, to: include rates for additional anticipated services; increase the not to exceed amount of \$311,584 by \$70,000 for a total amount not to exceed \$381,584; and extend the expiration date for one (1) additional year through March 31, 2019, for a revised term from July 30, 2013 to March 31, 2019; and
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 5 to the Agreement.

### SUMMARY:

The Boronda County Sanitation District ("BCSD") desires MCSI Water Systems Management (MCSI) to continue to provide services associated with the management, maintenance and operation of the San Jerardo Water System (water system). Initially, MCSI was selected for their expertise and capabilities necessary to provide these services required by regulatory agencies through Request for Proposals (RFP) #10355 for the water system which serves the San Jerardo Housing Cooperative Community, Inc. within the County BCSD. In response to the County's Request for Qualifications (RFQ) #10577 for the transfer of ownership and responsibility for all services provided by the Chualar Sanitary System, Boronda County Sanitation District, including the BCSD - San Jerardo Water System, and the Pajaro County Sanitation District, Monterey County received multiple submittals. The County is in the process of negotiating terms for the sale and transfer of the subject County Sanitary System and Sanitation Districts which includes the subject water system within the BCSD. Staff recommends extending this Agreement for one year while the County negotiates the terms for the sale and transfer of County Sanitation Districts which potentially include the sale and transfer of this water system.

DISCUSSION:

The need for continued water system management, operations, and maintenance by MCSI is necessary to ensure proper management, operations and maintenance of the potable water system for the San Jerardo Housing Cooperative, Inc. community. These tasks include water systems operations, maintenance, repairs, meter reading, billing, and collections in addition to state mandated water quality testing and reporting. Additionally, MCSI staff is assisting County staff with the repairs and equipment replacement necessary after the 2017 Winter Storms caused damage to the water system control panel, fire pump, pump building and fencing.

Amendment No. 5 to the Agreement between the County and MCSI will increase the not to exceed amount of \$311,584 by \$70,000 for a total amount not to exceed \$381,584, and extend the expiration date from March 31, 2018 for one (1) additional year through March 31, 2019, beyond the anticipated three (3) year Agreement term allowed per RFP #10355 while the County negotiates the terms for the sale and transfer of County Sanitation Districts which potentially include the sale and transfer of this system.

Attachment G provides a summary of the Agreement to date. Attachment H provides a summary of the Agreement annual expenditures and balance.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel and Auditor-Controller's Office have reviewed and approved Amendment No. 5 as to form and legality, and fiscal provisions, respectively.

FINANCING:

Costs anticipated with Amendment No. 5 to the Agreement with MCSI are anticipated to be incurred over the current fiscal year and will be included in the FY 2018-19 budget. Sufficient appropriations are available in the RMA adopted FY 2017-18 budget, Fund 157-3000-8197- RMA046-6613, to fund Amendment No. 5. A transfer of \$40,000 from the general fund was made in 2013 for operating expenses and a transfer of \$14,228 from Fund 401 was made in 2016. Most recently, a general fund loan was approved in January 2018 in the amount of \$188,781 to fund repairs caused by the 2017 winter storms. The current fund balance is \$7,880 and, excluding winter storm damage, revenue has kept up with the annual operating and maintenance expenditures. FY 2016-17 revenue was \$87,219 and expenditures were \$79,392, including costs to manage and maintain the system. As such staff finds that there is sufficient funding for this Agreement. The San Jerardo Water System was included in the County's RFQ # 10577 for the transfer of ownership and responsibility for all services provided by the Chualar Sanitary System, the BCSD, including the BCSD - San Jerardo Water System, and the Pajaro County Sanitation District. It is anticipated that the subject San Jerardo water system will be transferred within the next 24 months.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This Agreement meets Key Objectives of the Board of Supervisors Strategic Initiatives by ensuring water quality and water systems infrastructure is maintained. Clean water is critical to improving health and quality of life for County residents.

\_\_ Economic Development

- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A - Amendment No. 5 to Agreement

Attachment B - Amendment No. 4 to Agreement

Attachment C - Amendment No. 3 to Agreement

Attachment D - Amendment No. 2 to Agreement

Attachment E - Amendment No. 1 to Agreement

Attachment F - Agreement

Attachment G - Summary of Agreement

Attachment H - Summary of Agreement Annual Expenditures and Balance

(Attachments on File with the Clerk of the Board)