



County of Monterey

Item No.43

Board Report

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

Legistar File Number: RES 25-070

May 20, 2025

Introduced: 5/6/2025

Current Status: Public Works, Facilities &
Parks - Consent

Version: 1

Matter Type: BoS Resolution

Adopt a Resolution to:

- a. Authorize reallocating General Fund Strategic Reserves to provide advance funding to the Public Works, Facilities and Parks Department (PWFP) to complete the Fiscal Year (FY) 2022-23 Winter Storm Repair Project at the 29 Bishop Pajaro Mansion to be repaid with reimbursements from the Federal Emergency Management Agency (FEMA) and other state and federal agencies, and accepting the return of \$596,351 in unused General Fund Strategic Reserves for completed projects;
- b. Authorize the County Administrative Office (CAO) and Auditor-Controller to make fund balance designations in FY 2024-25 included in Attachment A (4/5ths vote required); and
- c. Authorize and direct the Auditor-Controller to amend the FY 2024-25 adopted budget by increasing appropriations and releasing fund balance, and making the appropriate transfers included in Attachment A (4/5ths vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a Resolution to:

- a. Authorize reallocating General Fund Strategic Reserves to provide advance funding to the Public Works, Facilities and Parks Department (PWFP) to complete the Fiscal Year (FY) 2022-23 Winter Storm Repair Project at the 29 Bishop Pajaro Mansion to be repaid with reimbursements from the Federal Emergency Management Agency (FEMA) and other state and federal agencies, and accepting the return of \$596,351 in unused General Fund Strategic Reserves for completed projects;
- b. Authorize the County Administrative Office (CAO) and Auditor-Controller to make fund balance designations in FY 2024-25 included in Attachment A (4/5ths vote required); and
- c. Authorize and direct the Auditor-Controller to amend the FY 2024-25 adopted budget by increasing appropriations and releasing fund balance, and making the appropriate transfers included in Attachment A (4/5ths vote required).

SUMMARY:

The Board of Supervisors (Board) previously approved the use of General Fund Strategic Reserves as advance funding for FY 2022-23 Winter Storm Projects, pending reimbursement from FEMA and other state or federal agencies. Projects not completed by June 30, 2023 or 2024 have been carried over into FY 2024-25.

The Public Works, Facilities and Parks Department (PWFP) is requesting to carry forward \$1,624,242 in unspent Strategic Reserve funds for the 29 Bishop Pajaro Mansion project. Additionally, PWFP will return \$596,351 in Strategic Reserve funds: \$247,331 from various County

Service Areas and \$349,020 from Kent's Court. Any other unused Strategic Reserve funds from completed projects, as identified at year-end, will also be returned.

This request does not increase the total amount previously authorized from Strategic Reserves for the winter storm response.

DISCUSSION:

Beginning December 26, 2022, a series of atmospheric river storms severely damaged infrastructure throughout the County of Monterey and neighboring areas. In response, the County Administrative Officer (CAO) declared a Local Emergency on January 4, 2023, which the Board ratified on January 10, 2023. On February 14, 2023, the Board authorized \$21,752,475 from the General Fund Strategic Reserve for storm repair projects - \$14,752,475 for PWFP, and \$7,000,000 for the Water Resources Agency (WRA).

A second round of storms began March 9, 2023, further worsening conditions and leading to additional damage. On March 10, 2023, the Pajaro River Levee failed, causing major flooding in Pajaro and nearby agricultural areas. A second Local Emergency was proclaimed on March 9, 2023, and ratified by the Board on March 14, 2023. PWFP estimated \$20,131,960 in repair costs. On May 23, 2023, the Board approved using additional Strategic Reserve funds to support these efforts.

Some projects were not completed by the end of FY 2023-24 and have been carried over into FY 2024-25. Staff is requesting that the Board authorize budget amendments and fund balance adjustments to continue funding these efforts. A summary of project statuses and funding updates is provided below:

General Fund - Facility Services

Pajaro Mansion Emergency Repair Project: Work continues into FY 2024-25, including debris removal, environmental and structural assessments, Mechanical, Electrical and Plumbing (MEP) repairs, and moisture mitigation. Staff requests to carry forward \$1,624,242 to complete this project.

Kents Court Apartment Community: Repairs are complete. The remaining balance of \$349,020 will be returned to the General Fund Strategic Reserve.

County Service Areas (CSA)

CSA #15 Serra Village/Toro Park: Debris removal is complete. Return \$204,303 to Strategic Reserves.

CSA #34 Rancho Rio Vista/Carmel Knolls: Culvert repair completed. Return \$10,785 to Strategic Reserves.

CSA #47 Carmel Views/Mar Vista Fund: Vee-gutter repairs completed. Return \$6,480 to Strategic Reserves.

CSA #50 Rioway Tract No. 2: Debris and fence repairs completed. Return \$25,763 to Strategic Reserves.

OTHER AGENCY INVOLVEMENT:

PWFP discussed this recommendation with the County Administrative Office Budget & Analysis Division. This item was presented to and supported by the Budget Committee on April 30, 2025.

FINANCING:

The Board previously allocated \$3,200,000 from the General Fund Strategic Reserve for the Pajaro Mansion Emergency Repair Project. PWFP now requests to carry over the unused balance of \$1,624,242 into FY 2024-25 to complete the remaining work. Approval of this request will not increase the total amount allocated from Strategic Reserves.

In addition, Kents Court Apartment Community and several County Service Area (CSA) winter storm projects are now complete, and unspent Strategic Reserve funds totaling \$596,351 will be returned to the General Fund.

While significant reimbursement is expected, the process is subject to extensive audits and may take up to five years to finalize. In some cases, project costs may be denied. The projected reimbursement breakdown is: 75% from FEMA; 18.75% from the State; and 6.25% County share.

To date, \$917,702 in insurance proceeds for Pajaro Mansion repairs have been received and already applied to reimburse the Strategic Reserve. Any future insurance or FEMA reimbursements will also be used to offset the County's upfront costs.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Board of Supervisors Strategic Initiatives for Administration by showing responsible and transparent budget management. It also aligns with the County's Infrastructure and Public Safety initiatives which seeks to improve the quality of life for County residents and create safe environments.

- ☐ Economic Development
- ☒ Administration
- ☐ Health & Human Services
- ☒ Infrastructure
- ☒ Public Safety

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Reviewed and approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works,
Facilities & Parks

The following attachments are on file with the Clerk of the Board:

Attachment A - FY25 Strategic Reserve Carryover

Attachment B - Board Resolution