



Monterey County

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Budget Committee

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Matter Type: Budget Committee

Support authorizing the Auditor-Controller to amend the FY 2017-18 adopted budget for Resource Management Agency Facilities Maintenance Projects, Fund 401, Appropriations Unit RMA004, increasing appropriations in the amount of \$95,641, financed by unassigned fund balance (401-3101), to fund the completion of a Focused Wastewater Service Area study that will provide a current assessment of regional opportunities for sewer service area consolidation.

RECOMMENDATION:

It is recommended that the Budget Committee support authorizing the Auditor-Controller to amend the FY 2017-18 adopted budget for Resource Management Agency Facilities Maintenance Projects, Fund 401, Appropriations Unit RMA004, increasing appropriations in the amount of \$95,641, financed by unassigned fund balance (401-3101), to fund the completion of a Focused Wastewater Service Area study that will provide a current assessment of regional opportunities for sewer service area consolidation.

SUMMARY/DISCUSSION:

On December 13, 2016, the Board of Supervisors directed staff to develop a Memorandum of Understanding (County MOU) between the County of Monterey and then Monterey Regional Water Pollution Control Agency ([MRWPCA] now Monterey One Water) for the preparation of a Focused Wastewater Service Area Study (Study) that will provide a current assessment of regional opportunities for sewer service area consolidation for the Bolsa Knolls, Spreckels, Indian Springs, Las Palmas Ranch, Oak Hills and Toro areas. Funding for the study and staff costs, in the amount of \$125,000, was provided for in the FY 2016-17 adopted budget from an operating transfer from the General Fund 001 to the Facilities Maintenance Projects Fund 401.

The County entered into the County MOU with the MRWPCA to reimburse MRWPCA \$100,425 for the cost of the Study. The County MOU included language to allow the Director of the Resource Management Agency, at their sole discretion, to approve one (1) future amendment to the County MOU to increase that amount by a maximum of 10% (\$10,043) for a cumulative not-to-exceed amount of \$110,468. The consultant, V.W. Housen & Associates, initiated work on the Study and submitted one (1) invoice in the amount of \$29,359 during the 2016-17 fiscal year. Work on the Study has continued into the 2017-18 fiscal year, resulting in the need to amend the FY 2017-18 adopted budget to fund the completion of the Study.

After the Study was initiated, the City of Gonzales contacted MRWPCA and requested that the City's sewer system be included in the Study. The increased cost for this scope expansion will be \$10,000 and will be funded by the City of Gonzales through a Memorandum of Understanding between the City of Gonzales and Monterey One Water (City MOU). Due to the proximity of Gonzales to CSA

75 - Chualar, it is appropriate to also include the Chualar Sewer System in the Study at an additional cost of \$10,000 per the County MOU. The additional \$10,000 cost to study the Chualar Sewer System per the proposed amendment to the County MOU is within the original not to exceed MOU amount of \$110,468.

The study will provide critical wastewater needs including the latest flow and compliance data for existing small facilities, updated housing and growth projections, validation of estimated capacity needs for each area, capacity analyses and conceptual infrastructure need. It will address technical, logistical, and potential legal and property related components of consolidation. Review of potential grant opportunities available to partially fund recommended improvements related to consolidation will also be provided. Areas of analysis will be Toro, Las Palmas, Spreckels, CSA 75

The MOU will also be amended to reflect the name change from Monterey Regional Water Pollution Control Agency to Monterey One Water and will also extend the termination date from January 31, 2018 to December 31, 2018.

FINANCING:

The Board of Supervisors approved an augmentation to the FY 2016-17 budget to increase appropriations and revenue by \$125,000 for the Resource Management Agency Facilities Maintenance Projects Fund 401, Appropriation Unit RMA004, financed by an operating transfer from the General Fund 001 to assist with possible formation of the Toro Community Services District. In FY 2016-17, \$29,359 was expended from the \$125,000 operating transfer from the General Fund, leaving \$95,641 in Fund 401 Fund Balance. The remaining balance of \$95,641 is sufficient to complete the Study and cover County staff costs associated with the management of this study. RMA is requesting to appropriate the remaining balance of \$95,641 to complete the study (requires a 4/5th vote).

On December 13, 2016, the Board of Supervisors approved the utilization of \$125,000 toward the Focused Wastewater Service Area Study and approved an MOU between the County of Monterey and the then MRWPCA. The initial study cost was \$100,425. The proposed amendment will include the Chualar Sewer System within the CSA 75 - Chualar area at an additional cost of \$10,000. This will bring the total cost of the study to \$110,425.

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Approved by: Shawne Ellerbee, Deputy Director Administrative Services

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

Date: January 12, 2018

Attachments:

Attachment A - Memorandum of Understanding

(Attachment on file with the Clerk of the Board)