



Monterey County

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Board Report

Legistar File Number: RES 18-044

May 22, 2018

Introduced: 4/10/2018

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Resolution

- a. Authorize 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 (Study) that will provide a current assessment of regional opportunities for sewer service area consolidation; and
- b. Authorize Resource Management Agency Director to execute Renewal and Amendment No. 1 to Memorandum of Understanding (MOU) between County and Monterey Regional Water Pollution Control Agency ([MRWPCA] now Monterey One Water) to extend the term of the MOU through and including December 31, 2018, to increase Not-to-Exceed amount to \$110,468 to provide \$10,000 to fund assessment of the Chualar Sewer System within CSA 75 - Chualar and to reflect MRWPCA name change to Monterey One Water.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize 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; and
- b. Authorize Resource Management Agency Director to execute Renewal and Amendment No. 1 to Memorandum of Understanding (MOU) between County and Monterey Regional Water Pollution Control Agency ([MRWPCA] now Monterey One Water) to extend the term of the MOU through and including December 31, 2018, to increase Not-to-Exceed amount to \$110,468 to provide \$10,000 to fund assessment of the Chualar Sewer System within CSA 75 - Chualar and to reflect MRWPCA name change to Monterey One Water.

SUMMARY/DISCUSSION:

On December 13, 2016, the Board of Supervisors directed staff to develop a Memorandum of Understanding (MOU) between the County of Monterey and the then Monterey Regional Water Pollution Control Agency ([MRWPCA] now Monterey One Water) for the preparation of a Focused Wastewater Service Area Study (Study) that would 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. The proposed Renewal and Amendment No. 1 to the MOU will include additional funding for the assessment of the Chualar Sewer System within the CSA 75 - Chualar area. Funding for the Study and staff costs, in the amount of \$125,000, was allocated from the Resource Management Agency Facilities Maintenance Projects Fund (RMA004-401-3000-8184).

Following the December 13, 2016 Board direction, the County entered into an MOU with the MRWPCA on or about April 4, 2017 to reimburse the MRWPCA \$100,425 for the cost of the Study. The MOU included language to allow the Director of the Resource Management Agency, at his sole discretion, to approve one (1) future amendment to the MOU to increase that amount by a maximum of 10% (\$10,043) for a cumulative not to exceed amount of \$110,468.

3. County will reimburse PCA's actual cost up to a Not-to-Exceed amount of \$100,425.00; however, the Director of the Resource Management Agency may, in his sole discretion, approve 1 future amendment to this MOU to increase that amount by a maximum of 10% (\$10,043.00) for a Cumulative Not-to-Exceed amount of \$110,468.00, for expenses incurred in developing the Focused Wastewater Service Area Study. County will reimburse PCA within 30 days of its receipt of a statement of accounting for costs reasonably incurred by PCA.

The MOU provided for termination as follows:

5. This MOU shall terminate upon the occurrence of the following:
 - a. The Focused Wastewater Service Area Study is not completed by January 31, 2018;
 - b. County in its sole discretion may terminate this agreement within 30 days after providing written notice of intent to terminate. This right may be exercised by the Monterey County Resource Management Director or his designee.

The consultant, V.W. Housen & Associates, initiated work on the Study and submitted one (1) invoice in the amount of \$29,359.19 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 current FY 2017-18 adopted budget for Resource Management Agency Facilities Maintenance Projects Fund (RMA004-401-3000-8184 to fund completion of the Study and to extend the termination date to December 31, 2018 to provide for additional time to complete the Study.

After the Study was initiated, the City of Gonzales contacted Monterey One Water and requested that an assessment of the City's sewer system be included in the Study. This scope increase resulted in the need for additional time to complete the study. The cost for expansion of the scope of services to include an assessment of the City's sewer system in the Study will be \$10,000 and will be funded by the City of Gonzales through a separate Memorandum of Understanding between the City of Gonzales and Monterey One Water (City MOU). Due to the proximity of the City of Gonzales to CSA 75 - Chualar, it is appropriate to also include an assessment of the Chualar Sewer System in the Study at an additional cost of \$10,000. The proposed Renewal and Amendment No. 1 to the MOU will extend the termination date from January 31, 2018 to December 31, 2018. Costs associated with the proposed Amendment to the MOU will remain within the original Cumulative Not-to-Exceed amount of \$110,468.00.

The Study will include, but not be limited to, 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.

OTHER AGENCY INVOLVEMENT:

The Budget Committee voted to support this action at their March 8, 2018 meeting.

FINANCING:

On December 13, 2016, the Board of Supervisors approved an augmentation to the FY2016-17 budget to increase appropriations and revenue by \$125,000 for the Resource Management Agency Facilities Maintenance Projects (RMA004-401-3000-8184) to assist with possible formation of the Toro Community Services District. On December 13, 2016, the Board of Supervisors approved the utilization of \$125,000 toward the Study and directed staff to develop an MOU between the County and MRWPCA (Monterey One Water) to provide for reimbursement of actual costs up to a Not-to-Exceed amount of \$100,425.00 for a Study that will provide a current assessment of regional opportunities for sewer service area consolidation, including a Basis of Design for Infrastructure to serve the Toro area as well as other small sewer systems in the study area (Bolsa Knolls, Spreckels, Indian Springs, Las Palmas Ranch, Oak Hills and Toro areas). The initial cost for the Study was \$100,425. The proposed Renewal and Amendment No. 1 will include the assessment of 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. Of the \$125,000 originally allocated to fund this Study, \$29,359.19 was expended in FY 2017-18. The remaining allocation of \$95,640.81 is sufficient to complete the Study and cover County staff costs associated with the management of this study.

The Focused Wastewater Service Area Study will provide critical data to address regional wastewater needs for the Toro area as well as other areas such as Las Palmas, Spreckels, CSA 75 - Chualar, Gonzales, and potentially, other communities.

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Approved by: Shawne Ellerbee, Deputy Director Administrative Services

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

Attachments:

Attachment A - Resolution

Attachment B - Renewal and Amendment No. 1 to MOU

Attachment C - Signed MOU Wastewater MRWPCA 4.4.17

Attachment D - Project Budget Sheet

(Attachments on file with the Clerk of the Board)