



Monterey County

168 W. Alisal St., 2nd Floor
Monterey Room
Salinas, CA 93901
831.755.5115

Action Minutes - Draft Budget Committee

Wednesday, October 10, 2018

1:30 PM

Monterey Room

SPECIAL MEETING

Attendees: Supervisor Jane Parker, Chair; and Supervisor Luis A. Alejo, Vice Chair; Lew Bauman, County Administrative Officer; Les Girard, County Counsel; Dewayne Woods, Assistant County Administrative Officer; Veronica Fernandez, CAO Analyst; Juan P. Lopez, CAO Analyst; Rupa Shah, Assistant Auditor-Controller; Mary Zeeb, Treasurer-Tax Collector; and Ebby Johnson, Committee Secretary. A complete list of attendees is on file with the Committee Secretary.

Call to Order

The meeting was called to order at 1:35 p.m.

Additions and Corrections

There were no additions or corrections to the agenda.

Public Comment Period

There was no public comment received.

Approval of Action Minutes

1. Approve the Special Budget Committee Action Minutes for July 25, 2018

The Special Budget Committee Action Minutes for July 25, 2018 were approved as submitted.

Consent Agenda

Consent Item Nos. 2 through 15:

ACTION: The Committee pulled Consent Item Nos. 6 and 14 and rescheduled for future Committee meetings. The Committee supported and accepted the recommendations under Consent Item Nos. 2 through 15 by consensus.

2. Receive the list of Standing and Pending Reports for the Budget Committee.
3. Receive the California Department of Finance Bulletin for September 2018.

4. Receive the Natividad Medical Center Financial Report for June 30, 2018.
5. Receive the Natividad Medical Center Financial Report for July 31, 2018.
6. Receive and file a report from the Agricultural Commissioner's Office regarding unrealized Pesticide Mill Assessment.
ACTION: Continued to future Budget Committee Meeting.
7.
 - a. Support accepting a grant award of \$25,000 from The California Endowment, Strengthening Regional Capacity to Advance Health Equity: To strengthen leadership capacity to incorporate healing-informed racial equity principles in government to narrow disparities in health and opportunity in Monterey County (Grant ID 20192831).
 - b. Support authorizing the Auditor-Controller to amend the Fiscal Year 2018-19 Adopted Budget, Fund 001, Appropriation Unit CAO024, increasing appropriations and estimated revenue by \$25,000, funded by The California Endowment (Grant ID 20192831).
8. Support to authorize the District Attorney to reallocate an existing Management Analyst I position to a Management Analyst II in the Criminal Unit 8063.
9.
 - a. Support the request to amend the FY 2018-19 Adopted Budget for the Clerk of the Board's Office (Appropriation COB001, Department 1300, Unit 8020, Fund 001) to reallocate one (1) Senior Secretary position to one (1) Board of Supervisors Clerk position, as indicated in Attachment A; and
 - b. Support the request to authorize the Auditor-Controller and the County Administrative Office to incorporate these changes in the FY 2018-19 Adopted Budget.
10. Receive the Bi-Annual Report from the Assessor-County Clerk-Recorder
11. Receive an annual financial report for Parks General Fund for the Fiscal Year ending June 30, 2018.
12. Receive a Quarterly Budget and Schedule Status Report on the Jail Housing Addition, Project 8819 (Project), for period ending June 30, 2018.
13.
 - a. Receive a status update on Elkhorn Tide Gate Repairs;
 - b. Support authorizing the Auditor-Controller to increase appropriations in the amount of \$142,071 in the FY 2018-19 Adopted Budget for the Capital Project Fund 402-3000-8468-RMA014, where the financing source is uncommitted fund balance 402-3101, to fund Phase II of the Elkhorn Tide Gate Repair.; and
 - c. Consider recommending the Capital Improvement Committee update the FY2018/19 unfunded project priority for the Elkhorn Tide Gate - Phase III Repairs to a higher ranking.

14. Receive a Presentation on the 2018-19 Special District Annual Report.

ACTION: Continued to future Budget Committee Meeting.

15. Support authorizing the Auditor-Controller to amend the FY 2018-19 Boronda County Sanitation District - Zone 2 San Jerardo Adopted Budget, Fund 157, Appropriation Unit RMA046, to increase appropriations by \$182,670, financed by existing fund balance, for repairs to the San Jerardo water system control panel, fire pump, pump house, and perimeter fencing.

Regular Agenda

16. Support authorizing the Auditor-Controller to amend the FY 2018-19 Adopted Budget, increasing appropriations by \$5,340,441 in Other Financing Uses, 1050-8038-CAO017-7614, where the financing source is the release of \$2,184,878 from the Capital Projects Assignment (BSA 001-3123) and \$3,155,563 from the NGEN Radio Assignment (BSA 001-3122) to fund a \$5,340,441 cash deficit in Resource Planning Fund 478.

ACTION: The Committee supported the recommendation under item No. 16 by consensus.

A proposal will be presented to the Committee outlining future costs & funding of the next upgrade after the start of 2019.

17. Receive the Lake Resort and Operations Annual Financial Report for FY 2017-18.

ACTION: The Committee received the Lake Resorts and Operations Annual Financial Report for FY 2017-18 and a Business Plan will be presented to the Board by the end of the calendar year.

- 18.
- a. Receive a report on the financial conditions of the lake resorts operations.
 - b. Support funding the FY 2017-18 lake resorts deficit by authorizing the Auditor-Controller to transfer \$1,993,149 from General Fund (001) Contingencies to the Lake Resorts Fund (Fund 452, Appropriation Unit RMA102), where funding is a decrease in appropriations by \$1,993,149 in Appropriation Unit CAO020-001-8034-7811 and increase appropriations in CAO017-001-8038-7614 by \$1,993,149.
 - c. Support funding both operational cash and financing for the lake resorts in FY 2018-19 by authorizing the Auditor-Controller to transfer \$1.0 million from General Fund (001) Contingencies to the Lake Resorts Fund (Fund 452, Appropriation Unit RMA102), where funding is a decrease in appropriations by \$1,000,000 in CAO020-001-8034-7811 and increase appropriations in CAO017-001-8038-7614 by \$1,000,000.
 - d. Support funding fuel spill remediation at the Lakes. It is recommended that the General Fund (001) Contingencies source this additional cost to be incurred in

County Counsel-Enterprise Risk, Fund 001, Appropriation Unit COU006. Support authorizing the Auditor-Controller to decrease appropriations by \$515,000 in Appropriation Unit CAO020-001-8034-7811 and increase appropriations in COU006-001-8429-6613.

ACTION: The Committee received a report on the Financial conditions of the Lake Resorts operations and supported recommendation nos. 18.a, 18.b, & 18.d and for recommendation no. 18.c, the Committee supported the use of \$250,000 (not \$1 million) from General Fund Contingencies to fund the lake resorts through Jan. 2019 and requested the item be forwarded to the Board of Supervisors for further consideration of future funding. The CAO Budget staff will work closely with RMA to develop a strategic business plan for future funding options to the Board by Jan./Feb. 2019.

- 19.
- a. Support approving the County's annual membership to the Monterey Bay Economic Partnership (MBEP), in the amount of \$10,000 for calendar year 2018;
 - b. Support approving the County's annual membership to the Monterey Bay Economic Partnership (MBEP), in the amount of \$10,000 for calendar year 2019;
 - c. Support authorizing the Auditor-Controller to amend the Fiscal Year 2018-19 Adopted Budget 001-1070- 8221-DEO001, to increase appropriations by up to \$20,000, financed by a decrease in appropriations in General Fund Contingencies 001-1050-8034-CAO020.

ACTION: The Committee supported the recommendations under Item No. 19.a through 19.c. by consensus.

Public comment: Freny Cooper, MBEP

20. Receive a Cannabis Program Status Report with Budget Augmentation Requests.

ACTION: The Committee received the Cannabis Program Status Report and did not make a recommendation on the budget augmentations. The Committee requested the item to be forwarded to the full Board for their consideration.

Public comments: Department Heads - Henry Gonzalez, Ag Commissioner; Jeannine Pacioni, D.A.; John Dugan, Planning; Joann Iwamoto, CAO IGLA; and Alexis Magdaleno, Destiny Villa, and Israel Villa, MILPA Reps; Edgar Narius, No. Co. Constituent; Nina Alvarez, First 5; Rozyln Charles, Seaside Rep.; Albert Castro, concerned citizen.

21. Receive a status report on 2017 Winter Storm Repair Projects.

ACTION: Continued to the next Budget Committee meeting.

- 22.
- a. Support approving the issuance of Proposed Change Order No. 80 for the Jail Housing Addition Project, Project No. 8819 to add labor and materials, in the amount of \$1,400,000, to complete the removal and replacement of two underground fuel tanks and a generator to S.J. Amoroso Construction Co., Inc.'s

construction contract.

b. Support authorizing the Acting Deputy Director of Public Works, Parks & Facilities to execute Proposed Change Order No. 80 to Amoroso Construction's construction contract for the Jail Housing Addition Project, Project No. 8819.

ACTION: The Committee supported the recommendations under Item No. 22.a through 22.b by consensus.

23.

- a. Consider options for the former site of the County modular buildings 1, 2, 3, and 6 located behind the Superior Court at 240 Church Street (southwest corner of Gabilan and Church Streets); and
- b. Provide direction to staff as to how to fund the proposed options

ACTION: The Committee reviewed options for the former site of the County modular buildings previously located behind the Superior Court offices at 240 Church Street. The Committee supported Option 1 and requested the recommendations be forward to the full Board for their consideration.

Public comments: Judge Susan Matcham; Kevin Dayton, Salinas City Rep. for the Salinas Vibracy Plan; and Eloise Kelsey, Downtown Business Owner.

Monthly Reports

24.

Receive a Monthly Status Report on the New Juvenile Hall, Project 8811 (Project), for period ending July 31, 2018.

ACTION: Continued to the next Budget Committee meeting.

Adjournment

The meeting was adjourned at 3:15 p.m. The next meeting is scheduled on October 31, 2018.

Agenda items for future scheduling: County Budget Savings Options in preparation for FY 19-20