

County of Monterey

Government Center - Board Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901



Meeting Agenda - Final

Tuesday, April 16, 2024

10:30 AM

**Join via Zoom at <https://montereycty.zoom.us/j/224397747> or in person at the
address listed above**

Boronda County Sanitation District

Chair Director Glenn Church - District 2

Vice Chair Director Chris Lopez - District 3

Director Wendy Root Askew - District 4

Director Mary L. Adams - District 5

Director Luis A. Alejo - District 1

Participation in meetings

While the Board chambers remain open, members of the public may participate in Board meetings in 2 ways:

1. You may attend the meeting in person; or,
2. You may observe the live stream of the Board of Supervisors meetings at <https://monterey.legistar.com/Calendar.aspx>, <http://www.mgtvonline.com/>, www.youtube.com/c/MontereyCountyTV or <https://www.facebook.com/MontereyCoInfo/>

If you choose not to attend the Board of Supervisors meeting but desire to make general public comment, or comment on a specific item on the agenda, you may do so in 2 ways:

a. submit your comment via email by 5:00 p.m. on the Monday prior to the Board meeting. Please submit your comment to the Clerk of the Board at cob@co.monterey.ca.us. In an effort to assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Board of Supervisors Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Board meeting.

b. you may participate through ZOOM. For ZOOM participation please join by computer audio at: <https://montereycty.zoom.us/j/224397747>

OR to participate by phone call any of these numbers below:

+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 224397747 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.

You will be placed in the meeting as an attendee; when you are ready to make a public comment if joined by computer audio please Raise your Hand; and by phone please push *9 on your keypad.

PLEASE NOTE: IF ALL BOARD MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

Participación en reuniones

Mientras las cámaras de la Junta permanezcan abiertas, los miembros del público pueden participar en las reuniones de la Junta de 2 maneras:

1. Podrá asistir personalmente a la reunión; o,
2. Puede observar la transmisión en vivo de las reuniones de la Junta de Supervisores en <https://monterey.legistar.com/Calendar.aspx>, <http://www.mgtvonline.com/>, www.youtube.com/c/MontereyCountyTV o <https://www.facebook.com/MontereyCoInfo/>

Si elige no asistir a la reunión de la Junta de Supervisores pero desea hacer comentarios del público en general o comentar un tema específico de la agenda, puede hacerlo de 2 maneras:

a. envíe su comentario por correo electrónico antes de las 5:00 p.m. el lunes anterior a la reunión de la Junta. Envíe su comentario al Secretario de la Junta a cob@co.monterey.ca.us. En un esfuerzo por ayudar al secretario a identificar el tema de la agenda relacionado con su comentario público, indique en la línea de asunto el cuerpo de la reunión (es decir, la agenda de la Junta de Supervisores) y el número de artículo (es decir, el artículo n.º 10). Su comentario se colocará en el registro en la reunión de la Junta.

b. puedes participar a través de ZOOM. Para participar en ZOOM, únase por audio de computadora en: <https://montereycty.zoom.us/j/224397747>

O para participar por teléfono llame a cualquiera de estos números a continuación:

+1 669 900 6833 EE. UU. (San José)
+1 346 248 7799 EE. UU. (Houston)
+1 312 626 6799 EE. UU. (Chicago)
+1 929 205 6099 EE. UU. (Nueva York)
+1 253 215 8782 EE. UU.
+1 301 715 8592 EE. UU.

Ingrese este número de ID de reunión: 224397747 cuando se le solicite. Tenga en cuenta que no hay un código de participante, simplemente presione # nuevamente después de que la grabación lo solicite.

Se le colocará en la reunión como asistente; cuando esté listo para hacer un comentario público si se une al audio de la computadora, levante la mano; y por teléfono, presione *9 en su teclado.

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DE LA JUNTA ESTÁN PRESENTES EN

PERSONA, LA PARTICIPACIÓN DEL PÚBLICO POR ZOOM ES ÚNICAMENTE POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI LA ALIMENTACIÓN DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN PUEDE PAUSARSE MIENTRAS SE INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

NOTE: All agenda titles related to numbered agenda items are live web links. Click on the title to be directed to the corresponding Board Report.

PUBLIC COMMENTS: Members of the public may address comments to the Board concerning each agenda item. The timing of public comment shall be at the discretion of the Chair.

10:30 A.M. - Call to Order

Roll Call

Additions and Corrections by Clerk

The Clerk of the Board will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.

General Public Comments

This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board of Supervisors. Board members may respond briefly to the statement made or questions posed. They may ask a question for clarification; make a referral to staff for factual information or request staff to report back to the Board at a future meeting.

Consent Calendar

1. Acting as the Board of Directors of the Boronda County Sanitation District:
Authorize and direct the Auditor-Controller to amend the Fiscal Year 2023-24 Boronda County Sanitation District Adopted Budget, Fund 156, Appropriation Unit PFP049, to increase appropriations by \$184,840, financed by unassigned fund balance (156-3101) in the amount of \$62,750, increased revenue of \$262 and an operating transfer in of \$121,828 from General Fund 001, Other Financing Uses Appropriation Unit COA017 to be repaid per a loan agreement (4/5 vote required).

Attachments: [Board Report](#)
 [Attachment B - BCSD FY 23-24 Financial Summary](#)
 [Attachment C - Sample Interfund Loan Agreement](#)
 [Attachment D - Location Map](#)
 [Attachment A - BCSD RES Budget Appropriation](#)

Adjournment



County of Monterey

Item No.1

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

Board Report

Legistar File Number: BCSD RES 24-002

April 16, 2024

Introduced: 3/29/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BCSD Resolution

Acting as the Board of Directors of the Boronda County Sanitation District:

Authorize and direct the Auditor-Controller to amend the Fiscal Year 2023-24 Boronda County Sanitation District Adopted Budget, Fund 156, Appropriation Unit PFP049, to increase appropriations by \$184,840, financed by unassigned fund balance (156-3101) in the amount of \$62,750, increased revenue of \$262 and an operating transfer in of \$121,828 from General Fund 001, Other Financing Uses Appropriation Unit COA017 to be repaid per a loan agreement (4/5 vote required).

RECOMMENDATION:

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

Authorize and direct the Auditor-Controller to amend the Fiscal Year 2023-24 Boronda County Sanitation District Adopted Budget, Fund 156, Appropriation Unit PFP049, to increase appropriations by \$184,840, financed by unassigned fund balance (156-3101) in the amount of \$62,750, increased revenue of \$262 and an operating transfer in of \$121,828 from General Fund 001, Other Financing Uses Appropriation Unit COA017 to be repaid per a loan agreement (4/5 vote required).

SUMMARY/DISCUSSION:

The Boronda County Sanitation District (BCSD) provides wastewater collection services to the community of Boronda. The operations and maintenance of the wastewater treatment and collection system must meet the regulatory requirements established under the Statewide Waste Discharge Requirements General Order for Sanitary Sewer Systems Order WQ 2022-0103-DWQ adopted December 6, 2022 by the State Water Resources Control Board (SWRCB) with an effective date of June 5, 2023.

BCSD will incur costs greater than the amount available in the current Fund Balance, Fund 156, by \$121,828. Additional costs are related to maintenance expenses, mandated regulatory compliance requirements, and consulting services to complete the rate study and Proposition 218 election that will establish new customer rates. Though there are additional mandatory regulatory documents that need to be produced, the Board granted funding for this regulatory document task at the September 19, 2023, Board Meeting for \$82,500.

Maintenance projects critical to the proper function of the sanitation system are necessary to be completed during the current fiscal year and include sewer line cleaning and generator repairs. The completion of these projects is outside the scope of sewer maintenance staff and must be completed by outside vendors. The cost for sewer line cleaning and generator repairs are estimated at \$50,000 and \$40,000, respectively.

BCSD sewer rates have not been increased in several years and a rate study to establish new rates is required in order to move forward with a Sewer Rates Study and subsequent Proposition 218 process that will establish new rates. Additionally, the BCSD ordinance must be updated to allow the District to legally charge the new rates and collect them on the Assessor Tax Rolls. Completion of the Rate Study/Proposition 218 process and the Ordinance Update are estimated at \$64,000 and \$40,000 respectively.

Once funding is approved, it is estimated that the final rate study will be completed by the end of June 2024 and community outreach efforts can commence, allowing for the Proposition 218 process to be completed and new rates in place by the Beginning of the 2025-26 fiscal year.

OTHER AGENCY INVOLVEMENT:

At its March 28, 2024, meeting, the Budget Committee received and supported a report from staff regarding the BCSD's projected Fiscal Year (FY) 2023-24 budget deficit and request for a General Fund Loan.

FINANCING

If approved, the BCSD adopted budget for FY 2023-24 will be modified to increase appropriations by \$184,840 to fund additional expenditures for maintenance, regulatory compliance, completion of a rate study, and subsequent Proposition 218 Election, and an update to the BCSD Ordinance. The increased costs are proposed to be funded by BCSD's unassigned fund balance of \$62,750, additional investment income revenue of \$262 and a loan from the General Fund of \$121,828, which has a balance of \$1,650,458.

Staff recommends a loan from the General fund of \$121,828, to be paid back with interest. Borrower shall make payments each fiscal year beginning one year after a sewer rate increase has been established and the District's cash balance is at least 10% of its operating expenditures budget. Such payments are due within thirty (30) days following the final closing of the Borrower's Financial Books for each fiscal year. At a minimum, annual Scheduled Payments shall equal the amount of any accrued interest through June 30 of that fiscal year plus a principal payment equal to one-twentieth (1/20) of the original principal amount.

Prepared by: Lynette Redman, Management Analyst III, (831) 796-6038

Approved by: Enrique Saavedra, PE, Chief of Public Works, Facilities & Parks

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

Attachments:

Attachment A - Resolution

Attachment B - FY 2023-24 BCSD Financial Summary

Attachment C - Sample Interfund Loan Agreement

Attachment D - Location Map



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Approved by: Enrique Saavedra, PE, Chief of Public Works, Facilities & Parks

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

DocuSigned by:
Randell Ishii
C0977008F524F3
4/3/2024 | 2:22 PM PDT

Attachments:

Attachment A - Resolution

Attachment B - FY 2023-24 BCSD Financial Summary

Attachment C - Sample Interfund Loan Agreement

Attachment D - Location Map

BORONDA COUNTY SANITATION DISTRICT
FY 2023-24 Financial Summary
Fund 156 Dept 3200 Unit 8567

Estimated Beginning Fund Balance \$ 69,316

Revenue	FY 2023-24 Revenue Budget	FY 2023-24 Revenue YTD 3/5/2024	FY 2023-24 Revenue Est Year End
4250 Road Privileges and Permits	\$ 900	\$ -	\$ 900
4600 Investment Income	\$ 196	\$ 1,245	\$ 457
5680 Sanitation Services	\$ 159,000	\$ 68,059	\$ 159,000
5940 Operating Transfers In	\$ 82,500	\$ 82,500	\$ 82,500
Total Revenues	\$ 242,596	\$ 151,804	\$ 242,857

Total Available Financing \$ 242,596 \$ 151,804 \$ 312,174

Financing Requirements	FY 2023-24 Expenditure Budget	FY 2023-24 Expenditures YTD 3/05/2024	FY 2023-24 Expenditures Est Year End
6231 Communications Charges	\$ 1,471	\$ 945	\$ 1,487
6266 Insurance (Property) - Property	\$ 4,406	# \$ 4,203	\$ 4,203
6311 Bldg & Imp Maint - Ext	\$ 122,500	\$ 6,646	\$ 90,000
<i>Sewer Line Cleaning</i>			\$ 50,000
<i>Generator Repairs</i>			\$ 40,000
6312 Bldg & Imp Maint - Int	\$ 118	\$ -	\$ -
6607 Legal Service - Internal	\$ -	\$ 166	\$ 400
6609 Other Personnel Services	\$ 61,450	\$ 56,269	\$ 98,819
6613 Other Professional Services	\$ 10,000	\$ -	\$ 186,500
<i>Wallace Group-Regulatory Compliance</i>			
<i>Sewer System Management Plan (SSMP)</i>		\$ -	\$ 82,500
<i>Wallace Group- Rate Study & Prop 218</i>			\$ 64,000
<i>Ordinance Update</i>			\$ 40,000
6835 Other Special Departmental Exp	\$ 4,500	\$ 4,568	\$ 4,568
<i>Underground Service Alert</i>		\$ 435	\$ 435
<i>Monterey Bay Unified Air Pollution Dist</i>		\$ 387	\$ 387
<i>SWRCB (Permits)</i>		\$ 3,746	\$ 3,746
6881 Utilities	\$ 6,467	\$ 4,462	\$ 9,775
7614 Operating Transfers Out (Bond Payment)	\$ 38,250	\$ -	\$ 38,250
Total Expenditures	\$ 249,162	\$ 77,259	\$ 434,002

Estimated Ending Fund Balance \$ (121,828)

Attachment C

INTERFUND LOAN AGREEMENT BETWEEN THE COUNTY OF MONTEREY AND THE BORONDA COUNTY SANITATION DISTRICT

This Loan Agreement (“**Agreement**”) is executed as of _____, 2024, between the Boronda County Sanitation District (BCSD) (“**Borrower**”) and the County of Monterey (“**Lender**”). Lender agrees to lend to Borrower, and Borrower agrees to repay to Lender an amount not to exceed the Principal Amount and interest accrued on the unpaid loan balance, in accordance with the following:

1. Purpose of the Loan: To provide funds for use by Borrower, to fund Borrower’s costs for sewer maintenance, including sewer line cleaning and generator maintenance, the completion of an Engineer’s Report, Proposition 218 rate increase, and sewer ordinance updates to allow for the implementation of rates. The loan shall account for borrowing between the Boronda County Sanitation District Fund, Fund No. 156, and approved funding source.

2. Principal Loan Amount: Not to exceed one hundred twenty-one thousand, eight hundred twenty-eight and no/100 Dollars (\$121,828). The loan will be recorded as receivable to the Lender and payable to the Borrower.

3. Term of the Loan: The term of this loan shall begin one year after a sewer rate increase has been established that includes provisions for loan payback into the rates and the outstanding loan balance is to be repaid by the payoff date established in the rate study.

4. Scheduled Payments: Borrower shall make payments each fiscal year beginning one year after a sewer rate increase has been established and the District’s cash balance is at least 10% of its operating expenditure budget. Such payments are due within thirty (30) days following the final closing of the Borrower’s Financial Books for each fiscal year. At a minimum, annual Scheduled Payments shall equal the amount of any accrued interest through June 30 of that fiscal year plus a principal payment equal one-twentieth (1/20) of the original principal amount.

5. Repayment Source: Borrower must maintain positive cash balance of at least 10% of its operating expenditure budget to be able to repay the loan; excess cash balance (over the 10%) should be used to make scheduled payments and catch-up payments. Missed scheduled payments shall be reported by the Boronda County Sanitation District to the Monterey County Board of Supervisors and the District Board annually, no later than 90 days past June 30.

6. Rate of Interest: Simple interest shall accrue annually on June 30 on the outstanding principal loan balance at the variable rates based on the County Treasury Pooled Interest Rate. Loan interest will be recorded as revenue to the Lender and expenditure to the Borrower.

7. General Provisions: This Agreement constitutes the full Agreement by and between the parties and no other representations have been made regarding the contents of this Agreement. This Agreement shall not be amended, modified, or altered in any respect unless such amendment, modification or alteration has been reduced to writing and executed by both parties.

LENDER: County of Monterey

Fund Name: General Fund 001

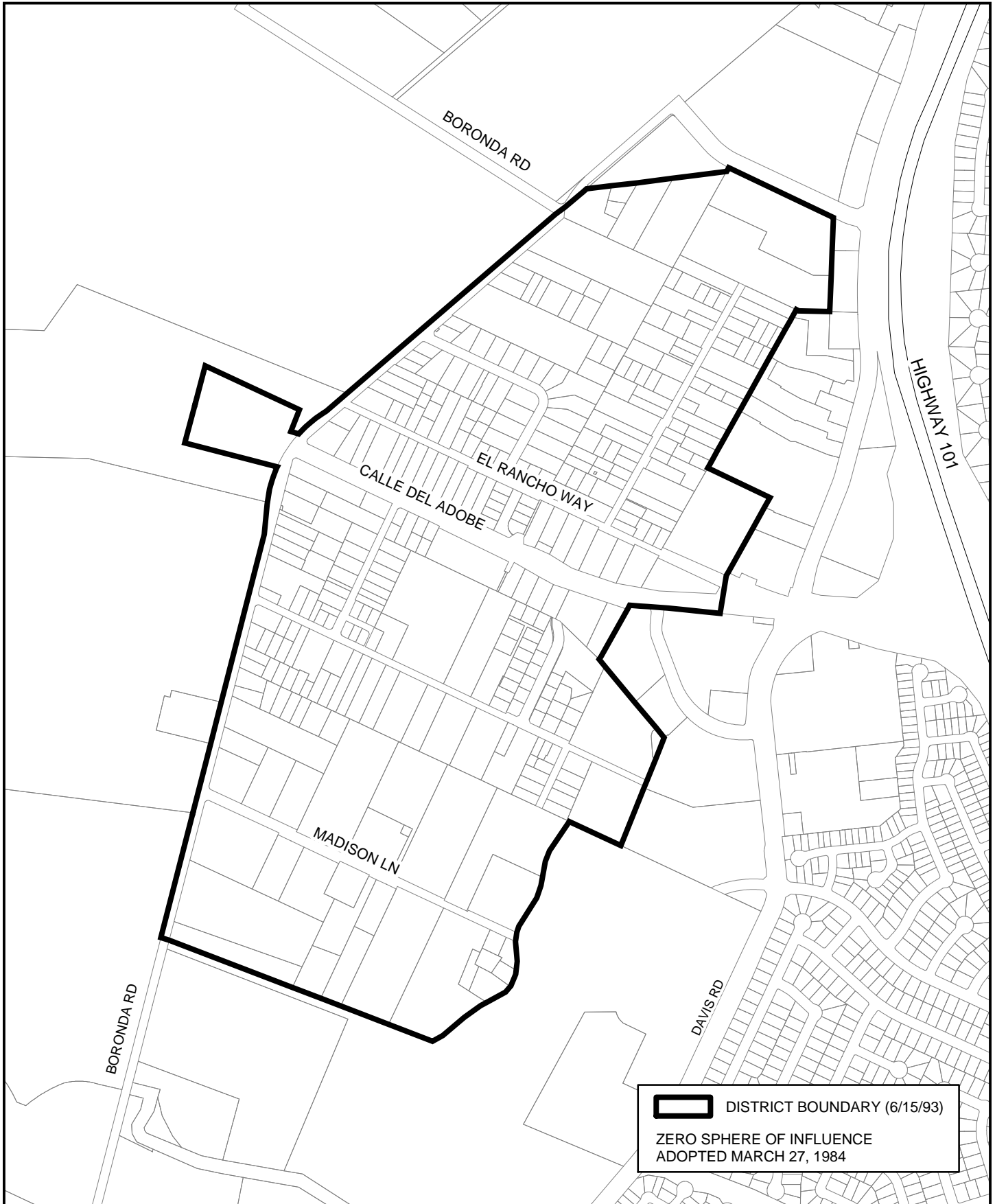
By: _____

BORROWER: Boronda County Sanitation District

Fund Name: Fund No. 156

By: _____

Attachment D



<p>LAFCO <i>of Monterey County</i></p> <p>LOCAL AGENCY FORMATION COMMISSION</p> <p>P.O. Box 1369 132 W. Gabilan St., Suite 102 Salinas, CA 93902 Salinas, CA 93901 Telephone (831) 754-5838 Fax (831) 754-5831</p>	<p>0 1,000 Feet</p>	<p style="text-align: center;">SPECIAL DISTRICTS</p> <hr/> <p style="text-align: center;">BORONDA COUNTY SANITATION DISTRICT</p>
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**Before the Board of Directors of the Boronda County Sanitation District
County of Monterey, State of California**

Resolution No. 24-0 ____

Authorize and direct the Auditor-Controller to amend the Fiscal)
Year 2023-24 Boronda County Sanitation District Adopted)
Budget, Fund 156, Appropriation Unit PFP049, to increase)
appropriations by \$184,840, financed by unassigned fund)
balance (156-3101) in the amount of \$62,750, increased revenue)
of \$262 and an operating transfer in of \$121,828 from General)
Fund 001, Other Financing Uses Appropriation Unit COA017 to)
be repaid per a loan agreement (4/5 vote required).)

WHEREAS, the Board of Supervisors of the County of Monterey is the Board of Directors of the Boronda County Sanitation District (BCSD);

WHEREAS, the BCSD FY 2023-24 adopted revenue budget is insufficient to fund higher than anticipated maintenance, regulatory compliance, and consulting services to complete the rate study and Proposition 218 election with will establish new customer rates;

WHEREAS, \$62,750 is available in the BCSD unassigned fund balance;

WHEREAS, a loan in the amount of \$121,828 from General Fund 001, Other Financing Uses Appropriation Unit CA017 to be repaid per a loan agreement will be requested from the County of Monterey;

WHEREAS, completion of maintenance projects including sewer line cleaning and generator repairs, are critical and necessary for the function of the sanitation system;

WHEREAS, BCSD sewer rates have not been increased in several years, resulting in the need for a rate study and subsequent Proposition 218 rate increase to establish new rates that will insure future fiscal sustainability of the sewer system;

WHEREAS, an ordinance update is necessary to legally charge new rates and collect the rates annually on the Assessor Tax Rolls.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Supervisors of the County of Monterey, acting as the Board of Directors for the Boronda County Sanitation District, hereby approves the following:

- a. Adopt a resolution to authorize and direct the Auditor-Controller to amend the Fiscal Year 2023-24 Boronda County Sanitation District Adopted Budget, Fund 156, Appropriation Unit PFP049, to increase appropriations by \$184,840 financed by unassigned fund balance (156-3101) in the amount of \$62, 740, increased revenue of \$262 and an operating transfer in of \$121,828 from General Fund 001, Other Financing Uses Appropriation Unit COA017 to be repaid per a loan agreement (4/5 vote required).

PASSED AND ADOPTED upon motion of Director _____, seconded by Director _____ and carried this 16th day of April 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original resolution of said Board of Supervisors duly made and entered in the minutes thereof Minute Book ____ for the meeting on April 16, 2024.

Dated: _____ Valerie Ralph, Clerk of the Board of Supervisors
File Number: _____ County of Monterey, State of California

By _____
Deputy



County of Monterey

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Board Report

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RECOMMENDATION:

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FINANCING

If approved, the BCSD adopted budget for FY 2023-24 will be modified to increase appropriations by \$184,840 to fund additional expenditures for maintenance, regulatory compliance, completion of a rate study, and subsequent Proposition 218 Election, and an update to the BCSD Ordinance. The increased costs are proposed to be funded by BCSD's unassigned fund balance of \$62,750, additional investment income revenue of \$262 and a loan from the General Fund of \$121,828, which has a balance of \$1,650,458.

Staff recommends a loan from the General fund of \$121,828, to be paid back with interest. Borrower shall make payments each fiscal year beginning one year after a sewer rate increase has been established and the District's cash balance is at least 10% of its operating expenditures budget. Such payments are due within thirty (30) days following the final closing of the Borrower's Financial Books for each fiscal year. At a minimum, annual Scheduled Payments shall equal the amount of any accrued interest through June 30 of that fiscal year plus a principal payment equal to one-twentieth (1/20) of the original principal amount.

Prepared by: Lynette Redman, Management Analyst III, (831) 796-6038

Approved by: Enrique Saavedra, PE, Chief of Public Works, Facilities & Parks

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

DocuSigned by:
Randell Ishii
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Attachments:

Attachment A - Resolution

Attachment B - FY 2023-24 BCSD Financial Summary

Attachment C - Sample Interfund Loan Agreement

Attachment D - Location Map