

Monterey County

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



Meeting Agenda - Final

Tuesday, September 27, 2022

10:30 AM

<https://montereycty.zoom.us/j/224397747>

Pajaro County Sanitation District

Chair Director Mary L. Adams - District 5

Vice Chair Director Luis A. Alejo - District 1

Director John M. Phillips - District 2

Director Chris Lopez - District 3

Director Wendy Root Askew - District 4

Important Notice Regarding COVID 19

Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the COVID 19 virus, please do the following:

1. While the Board chambers remain open, you are strongly encouraged to 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 attend the Board of Supervisors meeting in person, you will be required to maintain appropriate social distancing, i.e., maintain a 6-foot distance between yourself and other individuals.

2. 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 two 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.

3. You are encouraged to participate via Zoom; however, additional seating with audio of the Board meeting will be available in the Monterey Room on the 2nd floor of the County Government Center is needed for overflow.

Aviso importante sobre COVID 19

Según la orientación del Departamento de Salud Pública de California y la Oficina del Gobernador de California, para minimizar la propagación del virus COVID 19, haga lo siguiente:

1. Mientras las cámaras de la Junta permanezcan abiertas, se le recomienda encarecidamente que observe 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 asiste a la reunión de la Junta de Supervisores en persona, se le pedirá que mantenga un distanciamiento social apropiado, es decir, mantenga una distancia de 6 pies entre usted y otras personas.

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

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 ítem de la agenda relacionado con su comentario público, por favor indique en la Línea de Asunto, el cuerpo de la reunión (es decir, la Agenda de la Junta de Supervisores) y el número del ítem (es decir, el Ítem No. 10). Su comentario se colocará en el registro en la reunión de la Junta.

B. puede 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 los siguientes números:

+1669900 6833 EE. UU. (San José)

+ 1346248 7799 EE. UU. (Houston)

+1312626 6799 EE. UU. (Chicago)

+1929205 6099 EE. UU. (Nueva York)

+1 253215 8782 EE. UU.

+1 301 715 8592 EE. UU.

Ingrese este número de identificación de la reunión: 224397747 cuando se le solicite. Tenga en

cuenta que no hay un código de participante, simplemente presionará # nuevamente después de que la grabación le indique.

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

3. Se le anima a participar a través de Zoom; sin embargo, se necesitarán asientos adicionales con audio de la reunión de la Junta en el Salón Monterey en el segundo piso del Centro de Gobierno del Condado para el desbordamiento.

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 COMMENT: 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.

Pursuant to AB361 some or all Supervisors may participate in the meeting by telephone or video conference.

10:30 A.M. - Call to Order

Roll Call

Additions and Corrections by Clerk

Consent Calendar

1. Approve the Pajaro County Sanitation District Draft Action Meeting Minutes for the following meeting dates: Tuesday, March 24, 2020, Tuesday, May 5, 2020, Tuesday, May 19, 2020, Monday, June 1, 2020, Tuesday, June 23, 2020, Thursday, November 5, 2020, Wednesday, June 2, 2021, Tuesday, June 8, 2021, Tuesday, June 22, 2021, Tuesday, July 20, 2021, Thursday, June 2, 2022, Tuesday, June 14, 2022, Tuesday, June 21, 2022, Tuesday, July 12, 2022 and Tuesday, July 26, 2022.

Attachments: [DRAFT PCSD Minutes 3-24-2020](#)
[DRAFT PCSD Minutes 5-5-2020](#)
[DRAFT PCSD Minutes 5-19-2020](#)
[DRAFT PCSD Minutes 6-1-2020](#)
[DRAFT PCSD Minutes 6-23-2020](#)
[DRAFT PCSD Minutes 11-5-2020](#)
[DRAFT PCSD Minutes 6-2-2021](#)
[DRAFT PCSD Minutes 6-8-2021](#)
[DRAFT PCSD Minutes 6-22-2021](#)
[DRAFT PCSD Minutes 7-20-2021](#)
[DRAFT PCSD Minutes 6-2-2022](#)
[DRAFT PCSD Minutes 6-14-2022](#)
[DRAFT PCSD Minutes 6-21-2022](#)
[DRAFT PCSD Minutes 7-12-2022](#)
[DRAFT PCSD Minutes 7-26-2022](#)

General Public Comments

Scheduled Matters

2. Acting as the Board of Directors of the Pajaro County Sanitation District:
Authorize and direct the Auditor-Controller to amend the Fiscal Year (FY) 2022-23 Adopted Budget

for the Pajaro County Sanitation District, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$2,499,400, where funding sources are (1) General Fund, Fund 001, Other Financing Uses Appropriation Unit CA0017, Operating Transfer In for \$1,320,603, where the financing source is Cannabis Tax Assignment (001-3132), and (2) American Rescue Plan Act of 2021 (ARPA) revenues of \$1,178,797 (4/5th vote required).

Attachments: [Board Report](#)
 [Attachment A - PCSD Map](#)
 [Attachment B - Rate Study Schedule](#)
 [Attachment C - Financial Summary](#)
 [Attachment D - Resolution](#)

Adjournment



Monterey County

Item No.1

Board Report

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

Legistar File Number: MIN 22-102

September 27, 2022

Introduced: 9/22/2022

Current Status: General Government -
Consent

Version: 1

Matter Type: Minutes

Approve the Pajaro County Sanitation District Draft Action Meeting Minutes for the following meeting dates: Tuesday, March 24, 2020, Tuesday, May 5, 2020, Tuesday, May 19, 2020, Monday, June 1, 2020, Tuesday, June 23, 2020, Thursday, November 5, 2020, Wednesday, June 2, 2021, Tuesday, June 8, 2021, Tuesday, June 22, 2021, Tuesday, July 20, 2021, Thursday, June 2, 2022, Tuesday, June 14, 2022, Tuesday, June 21, 2022, Tuesday, July 12, 2022 and Tuesday, July 26, 2022.

Monterey County

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



Meeting Minutes - Draft

Tuesday, March 24, 2020

10:30 AM

Pajaro County Sanitation District

*Chair Director Chris Lopez - District 3
Vice Chair Director Jane Parker - District 4
Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Mary L. Adams - District 5*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Director Chris Lopez.

Roll Called

Present: 5 - Director Chris Lopez appeared in person and Director Mary L. Adams, Director Jane Parker, Director John M. Phillips and Director Luis A. Alejo appeared via telephone conference.

Staff Present

Charles McKee, County Administrative Officer, Les Girard County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Pledge of Allegiance

The Pledge of Allegiance was led by Leslie Girard, County Counsel.

Announcement of the Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions or corrections to the agenda.

Consent Calendar

Open for public comments; no public comments made.

1. Acting as the Board of Directors of the Pajaro County Sanitation District:
 - a. Set a Public Hearing on May 19, 2020, at 1:30 p.m., to hear the Report of 2019 Delinquent Fees for the Pajaro County Sanitation District, and consider any protests and objections to the Report by property owners liable to be assessed for delinquent fees;
 - b. Direct the Resource Management Agency to prepare a final Report of 2019 Delinquent Fees for the Pajaro County Sanitation District; and
 - c. Direct the Resource Management Agency to publish a Notice of Public Hearing and mail it to the property owners listed in the report not less than ten (10) days prior to the date of hearing.

A motion was made by Director Luis A. Alejo, seconded by Director John M. Phillips to:

- a. Set a Public Hearing on May 19, 2020, at 1:30 p.m., to hear the Report of 2019 Delinquent Fees for the Pajaro County Sanitation District, and consider any protests and objections to the Report by property owners liable to be assessed for delinquent fees;
- b. Direct the Resource Management Agency to prepare a final Report of 2019 Delinquent Fees for the Pajaro County Sanitation District; and
- c. Direct the Resource Management Agency to publish a Notice of Public Hearing and mail it to the property owners listed in the report not less than ten (10) days prior to the date of hearing.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE
Director Parker: AYE
Director Adams: AYE
Chair Director Lopez: AYE

Adjourned

The meeting was adjourned by Chair Director Chris Lopez.

Monterey County

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



Meeting Minutes - Draft

Tuesday, May 5, 2020

10:30 AM

Pajaro County Sanitation District

*Chair Director Chris Lopez - District 3
Vice Chair Director Jane Parker - District 4
Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Mary L. Adams - District 5*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Director Chris Lopez.

Roll Called

Present: 5 - Director Chris Lopez appeared in person with Director Jane Parker, Director John M. Phillips, Director Mary L. Adams and Director Luis A. Alejo who appeared via video conference

Staff Present

Charles McKee, County Administrative Officer appeared via video conference, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board and Julian Lorenzana, Board Clerk appeared in person

Pledge of Allegiance

The Pledge of Allegiance was led by Julian Lorenzana, Board Clerk.

Announcement of the Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections for today's agenda.

Consent Calendar

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor John M. Phillips to approve Consent Calendar Item Number 1.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Parker: AYE

Director Adams: AYE

Chair Director Lopez: AYE

1. Acting as the Board of Directors of the Pajaro County Sanitation District:
 - a. Receive a report on the Pajaro County Sanitation District 2017 winter storm projects and increased unplanned operating and repair costs;
 - b. Adopt a resolution to designate unexpended loan balances, previously designated for repairs to the Pajaro Manhole Repair and Generator Replacement Projects in the amount of \$782,871, to fund increased operating costs due to unplanned repairs (4/5th vote required).

Adopted Resolution No.: 20-117

Adjournment

The meeting was adjourned by Chair Director Chris Lopez.

Monterey County

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



Meeting Minutes - Draft

Tuesday, May 19, 2020

1:30 PM

Pajaro County Sanitation District

*Chair Director Chris Lopez - District 3
Vice Chair Director Jane Parker - District 4
Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Mary L. Adams - District 5*

1:30 P.M. - Called to Order

The meeting was called to order by Chair Director Chris Lopez.

Roll Called

Present: 5 - Director Chris Lopez appeared in person with Director Jane Parker, Director John M. Phillips, Director Mary L. Adams and Director Luis A. Alejo who appeared via video conference.

Staff Present

Charles McKee, County Administrative Officer appeared via video conference with Les Girard, County Counsel and Valerie Ralph, Clerk of the Board who appeared in person.

Announcement of the Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections to today's agenda.

1:30 P.M. - Scheduled Matters

1. Acting as the Board of Directors of the Pajaro County Sanitation District, conduct a Public Hearing to:
 - a. Accept the report of delinquent sanitation fees from seventy-one [71] parcels totaling \$37,544.70, plus \$4,260 processing costs;
 - b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the Pajaro County Sanitation District;
 - c. Adopt a Resolution to to:
 - 1) Confirm the report of delinquent sanitation fees for the Pajaro County Sanitation District, as identified in "Report of 2019 Delinquent Fees Pajaro County Sanitation District," and
 - 2) Authorize the delinquent fees from seventy-one [71] parcels totaling \$41,804.70, including lien transfer fees, as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected;
 - d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

Public hearing commenced.

Lynette Redman, Management Analyst, appeared in person and verbally presented.

Open for public comments; no public comments made.

A motion was made by Director John M. Phillips, seconded by Director Luis A. Alejo to:

- a. Accept the report of delinquent sanitation fees from forty-seven [47] parcels totaling \$37,544.70, plus \$4,260 processing costs;
- b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the Pajaro County Sanitation District;

c. Adopt Resolution No. 20-219 to:

- 1) Confirm the report of delinquent sanitation fees for the Pajaro County Sanitation District, as identified in "Report of 2019 Delinquent Fees Pajaro County Sanitation District," and
 - 2) Authorize the delinquent fees from forty-seven [47] parcels totaling \$37,544.70, including lien transfer fees, as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected;
- d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Parker: AYE

Director Adams: AYE

Chair Director Lopez: AYE

Adjourned

The meeting was adjourned by Chair Director Chris Lopez.

Monterey County

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



Meeting Minutes - Draft

Monday, June 1, 2020

10:00 AM

FY 2020-21 Budget Public Hearings

Pajaro County Sanitation District

*Chair Director Chris Lopez - District 3
Vice Chair Director Jane Parker - District 4
Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Mary L. Adams - District 5*

10:00 A.M. - Called to Order

The meeting was called to order by Chair Director Chris Lopez.

Roll Called

Present: 5 - Director Chris Lopez appeared in person and Director Mary L. Adams, Director Jane Parker, Director John M. Phillips and Director Luis A. Alejo appeared via video conference.

Staff Present

Charles McKee, County Administrative Officer, Les Girard County Counsel, Valerie Ralph, Clerk of the Board and Julian Lorenzana, Board Clerk appeared in person.

Pledge of Allegiance

The Pledge of Allegiance was led by Charles McKee, County Administrative Officer.

Announcement of the Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

Public Comment

Open for public comment; no public comments made.

Budget Public Hearings**Consent Calendar****1. 3000 RMA Administration/General Services...pg. 458**

8197 Pajaro County Sanitation District (Fund 151) (RMA040)

A motion was made by Director Luis A. Alejo, seconded by Director John M. Phillips to adopt Resolution of Intent No. 20-184 to approve the recommended Fiscal Year 2020-21 Budget for the Pajaro County Sanitation District and directed staff to return on June 23, 2020 for the final Budget Adoption for: :

3000 RMA Administration/General Services...pg. 458

8197 Pajaro County Sanitation District (Fund 151) (RMA040)

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Parker: AYE

Director Adams: AYE

Chair Director Lopez: AYE

Adjourned

The meeting was adjourned by Chair Director Chris Lopez.

Monterey County

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



Meeting Minutes - Draft

Tuesday, June 23, 2020

1:30 PM

Pajaro County Sanitation District

*Chair Director Chris Lopez - District 3
Vice Chair Director Jane Parker - District 4
Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Mary L. Adams - District 5*

1:30 P.M. - Called to Order

The meeting was called to order by Chair Director Chris Lopez.

Roll Called

Present: 5 - Director Chris Lopez appeared in person and Director Mary L. Adams, Director Jane Parker, Director John M. Phillips and Director Luis A. Alejo appeared via video conference.

Staff Present

Charles McKee, County Administrative Officer, Les Girard County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections to today's' agenda.

General Public Comments

Open for general public comments for items not on today's agenda; no public comments made.

1:30 P.M. - Scheduled Matters

1. Adopt a Resolution approving the Fiscal Year 2020-21 Budget for the Pajaro County Sanitation District.

A motion was made by Director John M. Phillips, seconded by Director Jane Parker to adopt Resolution No. 20-223 approving the Fiscal Year 2020-21 Budget for the Pajaro County Sanitation District.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Parker: AYE

Director Adams: AYE

Chair Director Lopez: AYE

Adjourned

The meeting was adjourned by Chair Director Chris Lopez.

Monterey County

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



Meeting Minutes - Draft

Thursday, November 5, 2020

10:30 AM

Special Meeting

Pajaro County Sanitation District

*Chair Director Chris Lopez - District 3
Vice Chair Director Jane Parker - District 4
Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Mary L. Adams - District 5*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Director Chris Lopez.

Roll Called

Present: 4 - Director Chris Lopez appeared in person and Director Jane Parker, Director John M. Phillips and Director Luis A. Alejo appeared via video conference.

Excused Absence: 1 - Director Mary L. Adams

Staff Present

Charles McKee, County Administrative Officer, Les Girard County Counsel, Julian Lorenzana, Board Clerk and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections to today's' agenda.

General Public Comments

Open for general public comments for items not on today's agenda; no public comments made.

Consent Calendar

Open for public comments; no public comments made.

1. Acting as the Board of Directors of the Pajaro County Sanitation District:
Adopt a resolution in support of the Board of Supervisors adopting a resolution to approve and authorize the County Administrative Officer to execute a Certificate of Acceptance and Consent to Recordation, on behalf of the Grantee, Pajaro County Sanitation District, accepting a Warranty Deed conveying the sewer improvements to an existing sanitary sewer main infrastructure near 5 Hillcrest Road in the public right-of-way in the unincorporated community of Royal Oaks, California.

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

A motion was made by Director John M. Phillips, seconded by Director Luis A. Alejo to:
Adopt Resolution No. 20-361 in support of the Board of Supervisors adopting a resolution to approve and authorize the County Administrative Officer to execute a Certificate of Acceptance and Consent to Recordation, on behalf of the Grantee, Pajaro County Sanitation District, accepting a Warranty Deed conveying the sewer improvements to an existing sanitary sewer main infrastructure near 5 Hillcrest Road in the public right-of-way in the unincorporated community of Royal Oaks, California.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE
Director Phillips: AYE
Director Parker: AYE
Director Adams: Excused Absence
Chair Director Lopez: AYE

Adjourned

The meeting was adjourned by Chair Director Chris Lopez.

Monterey County

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



Meeting Minutes - Draft

Wednesday, June 2, 2021

9:00 AM

FY 2021-22 Budget Hearings

Pajaro County Sanitation District

Chair Director Wendy Root Askew - District 4

Vice Chair Director Mary L. Adams - District 5

Director Luis A. Alejo - District 1

Director John M. Phillips - District 2

Director Chris Lopez - District 3

9:00 A.M. - Called to Order

The meeting was called to order by Chair Director Wendy Root Askew.

Roll Called

Present: 5 - Director Wendy Root Askew, Director Mary L. Adams and Director John M. Phillips appeared in person with Director Chris Lopez and Director Luis A. Alejo who appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

Public Comments

Open for public comments; no public comments made.

Budget Public Hearings**Consent Calendar****1. 3200 Public Works, Facilities, and Parks...pg. 484**

8567 Pajaro County Sanitation District (Fund 151) (PFP047)

A motion was made by Director John M. Phillips, seconded by Mary L. Adams to adopt a Resolution of Intent to approve the recommended Fiscal Year 2021-22 Budget for the Pajaro County Sanitation District and directed staff to return to the Board for final adoption:

3200 Public Works, Facilities, and Parks...pg. 484

8567 Pajaro County Sanitation District (Fund 151) (PFP047)

Funding to come from Cannabis.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Adams: AYE

Chair Director Root Askew: AYE

Adjourned

The meeting was adjourned by Chair Director Wendy Root Askew.

Monterey County

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



Meeting Minutes - Draft

Tuesday, June 8, 2021

10:30 AM

Pajaro County Sanitation District

Chair Director Wendy Root Askew - District 4

Vice Chair Director Mary L. Adams - District 5

Director Luis A. Alejo - District 1

Director John M. Phillips - District 2

Director Chris Lopez - District 3

10:30 A.M. - Called to Order

The meeting was called to order by Chair Director Wendy Root Askew.

Roll Called

Present: 5 - Director Wendy Root Askew and Director Mary L. Adams appeared in person with Director John M. Phillips, Director Chris Lopez and Director Luis A. Alejo who appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Iracema Lopez, Management Analyst.

Announcement of the Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections to today's agenda.

Consent Calendar

Open for public comments; no public comments made.

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

A motion was made by Director John M. Phillips, seconded by Director Mary L. Adams to:

- a. Set a Public Hearing on July 20, 2021, at 1:30 p.m., to hear the Report of 2020 Delinquent Fees for the Pajaro County Sanitation District, and consider any protests and objections to the Report by property owners liable to be assessed for delinquent fees;
- b. Direct the Department of Public Works, Facilities, and Parks to prepare a final Report of 2020 Delinquent Fees for the Pajaro County Sanitation District; and
- c. Direct the Department of Public Works, Facilities, and Parks to publish a Notice of Public Hearing and mail it to the property owners listed in the report not less than ten (10) days prior to the date of hearing.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Adams: AYE

Chair Director Root Askew: AYE

1. Acting as the Board of Directors of the Pajaro County Sanitation District:
 - a. Set a Public Hearing on July 20, 2021, at 1:30 p.m., to hear the Report of 2020 Delinquent Fees for the Pajaro County Sanitation District, and consider any protests and objections to the Report by property owners liable to be assessed for delinquent fees;
 - b. Direct the Department of Public Works, Facilities, and Parks to prepare a final Report of 2020

Delinquent Fees for the Pajaro County Sanitation District; and

c. Direct the Department of Public Works, Facilities, and Parks to publish a Notice of Public Hearing and mail it to the property owners listed in the report not less than ten (10) days prior to the date of hearing.

Approved

Adjourned

The meeting was adjourned by Chair Director Wendy Root Askew.

Monterey County

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



Meeting Minutes - Draft

Tuesday, June 22, 2021

10:30 AM

Pajaro County Sanitation District

Chair Director Wendy Root Askew - District 4

Vice Chair Director Mary L. Adams - District 5

Director Luis A. Alejo - District 1

Director John M. Phillips - District 2

Director Chris Lopez - District 3

10:30 A.M. - Called to Order

The meeting was called to order by Chair Director Wendy Root Askew.

Roll Called

Present: 5 - Director Wendy Root Askew, Director John M. Phillips and Supervisor Mary L. Adams appeared in person and Director Luis A. Alejo and Director Chris Lopez appeared via video conference.

Staff Present

Charles McKee, County Administrative Officer appeared via video conference with Les Girard, County Counsel and Valerie Ralph, Clerk of the Board who appeared in person.

Pledge of Allegiance

The Pledge of Allegiance to be led by Tyller Williamson.

Announcement of the Interpreter

Maria Avila, Spanish Interpreter present and announced Spanish interpreter services.

General Public Comments

Open for general public comments for items not on today's agenda; no public comments made.

Additions and Corrections by Clerk

There were no additions and corrections to the agenda.

10:30 A.M. - Scheduled Matters

1. Adopt a Resolution approving the Fiscal Year 2021-22 Budget for the Pajaro County Sanitation District.

Open for public comments; no public comments made.

A motion was made by Director John M. Phillips, seconded by Director Chris Lopez to:
Adopt Resolution No. 21-180 approving the Fiscal Year 2021-22 Budget for the Pajaro County Sanitation District.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Adams: AYE

Chair Director Root Askew: AYE

Adjourned

The meeting was adjourned by Chair Director Wendy Root Askew.

Monterey County

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



Meeting Minutes - Draft

Tuesday, July 20, 2021

1:30 PM

Pajaro County Sanitation District

Chair Director Wendy Root Askew - District 4

Vice Chair Director Mary L. Adams - District 5

Director Luis A. Alejo - District 1

Director John M. Phillips - District 2

Director Chris Lopez - District 3

1:30 P.M. - Called to Order

The meeting was called to order by Vice Chair Director Mary L. Adams.

Roll Called

Present: 4 - Director Mary L. Adams and Director John M. Phillips appeared in person with Director Chris Lopez and Director Luis A. Alejo who appeared via video conference

Absent: 1 - Director Wendy Root Askew

Staff Present

Charles McKee, County Administrative Officer, Wendy Strimling, Assistant County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of Interpreter

Hector Guzman, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections to today's agenda.

1:30 P.M. - Scheduled Matters

1. Acting as the Board of Directors of the Pajaro County Sanitation District, conduct a Public Hearing to:
 - a. Accept the report of delinquent sanitation fees from forty-nine (49) parcels totaling \$26,823.05, plus \$2,940 processing costs;
 - b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the Pajaro County Sanitation District;
 - c. Adopt a Resolution to:
 - i. Confirm the report of delinquent sanitation fees for the Pajaro County Sanitation District, as identified in "Report of 2020 Delinquent Fees Pajaro County Sanitation District", and
 - ii. Authorize the delinquent fees from 49 parcels totaling \$29,763.05, including lien transfer fees, as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and
 - d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

Lynette Redman, Management Analyst, appeared in person and verbally presented.

Open for public comments; no public comments made.

A motion was made by Director Chris Lopez, seconded by Director John M. Phillips to:

- a. Accept the report of delinquent sanitation fees from forty-nine (49) parcels totaling \$26,823.05, plus \$2,940 processing costs;
- b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the Pajaro County Sanitation District;

c. Adopt Resolution No. 21-217 to:

- i. Confirm the report of delinquent sanitation fees for the Pajaro County Sanitation District, as identified in "Report of 2020 Delinquent Fees Pajaro County Sanitation District", and
 - ii. Authorize the delinquent fees from 49 parcels totaling \$29,763.05, including lien transfer fees, as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and
- d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Adams: AYE

Chair Director Root Askew: Absent

Adjourned

The meeting was adjourned by Vice Chair Director Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Thursday, June 2, 2022

9:00 AM

FY 2022-23 Budget Hearings

Pajaro County Sanitation District

*Chair Director Mary L. Adams - District 5
Vice Chair Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Chris Lopez - District 3
Director Wendy Root Askew - District 4*

9:00 A.M. - Called to Order

The meeting was called to order by Chair Director Mary L. Adams.

Roll Called

Present: 5 - Director Mary L. Adams, Director John M. Phillips, Director Chris Lopez, Director Wendy Root Askew and Director Luis A. Alejo appeared in person

Staff Present

Charles McKee, County Administrative Officer, Susan Blitch, Assistant Deputy County Counsel and Valerie Ralph, Clerk of the Board appeared in person

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections on the agenda.

Budget Public Hearings**Consent Calendar**

1. **3200 Public Works, Facilities, and Parks...pg. 461**
8567 Pajaro County Sanitation District (Fund 151) (PFP047)

Open for public comments; no comments made.

A motion was made by Director John M. Phillips, seconded by Director Luis A. Alejo to adopt a Resolution of Intent to approve the recommended Fiscal Year 2022-23 Budget for the Pajaro County Sanitation District and directed staff to return to the Board for final adoption:

3200 Public Works, Facilities, and Parks...pg. 461
8567 Pajaro County Sanitation District (Fund 151) (PFP047)

ALL AYES

Adjourned

The meeting was adjourned by Director Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Tuesday, June 14, 2022

10:30 AM

Pajaro County Sanitation District

*Chair Director Mary L. Adams - District 5
Vice Chair Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Chris Lopez - District 3
Director Wendy Root Askew - District 4*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Director Mary L. Adams.

Roll Called

Present: 5 - Director Mary L. Adams, Director John M. Phillips and Director Chris Lopez appeared in person, and Director Luis A. Alejo and Director Wendy Root Askew appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections to today's agenda.

Consent Calendar

Open for public comments; no public comments made.

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

A motion was made by Director Luis A. Alejo, seconded by Director John M. Phillips to:

- a. Amend the Fiscal Year (FY) 2021-22 Adopted Budget for the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017, to increase appropriations by \$30,091, to fund increased costs for acceptance and treatment of sewage into the City of Watsonville Wastewater Treatment plant, where the financing source is Cannabis Tax Assignment (001-3132) (4/5th vote required); and
- b. Transfer \$30,091 in FY 2021-22 to PCSD, Fund 151, Appropriation Unit PFP047 from General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 (4/5th vote required).

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Root Askew: AYE

Chair Director Adams: AYE

1. Acting as the Board of Directors of the Pajaro County Sanitation District:
 - a. Amend the Fiscal Year (FY) 2021-22 Adopted Budget for the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017, to increase appropriations by \$30,091, to fund increased costs for acceptance and treatment of sewage into the City of Watsonville Wastewater Treatment plant, where the financing source is Cannabis Tax Assignment (001-3132) (4/5th vote

required); and

b. Transfer \$30,091 in FY 2021-22 to PCSD, Fund 151, Appropriation Unit PFP047 from General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 (4/5th vote required).

Adopted Resolution No. 22-222

Adjourned

The meeting was adjourned by Chair Director Mary L. Adams. Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Tuesday, June 21, 2022

10:30 AM

Pajaro County Sanitation District

*Chair Director Mary L. Adams - District 5
Vice Chair Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Chris Lopez - District 3
Director Wendy Root Askew - District 4*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Director Mary L. Adams.

Roll Called

Present: 5 - Director Mary L. Adams, Director Wendy Root Askew, Director Chris Lopez and Director John M. Phillips, appeared in person, and Director Luis A. Alejo appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections to today's agenda.

Scheduled Matters

1. Adopt a Resolution approving the Fiscal Year 2022-23 Budget for the Pajaro County Sanitation District.

Ezequiel Vega, County Budget Director verbally presented.

Open for public comments; no public comments made.

A motion was made by Director John M. Phillips, seconded by Director Chris Lopez to adopt Resolution No. 22-245 to:

Approve the Fiscal Year 2022-23 Budget for the Pajaro County Sanitation District.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Root Askew: AYE

Chair Director Adams: AYE

Adjourned

The meeting was adjourned by Chair Director Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Tuesday, July 12, 2022

10:30 AM

Pajaro County Sanitation District

*Chair Director Mary L. Adams - District 5
Vice Chair Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Chris Lopez - District 3
Director Wendy Root Askew - District 4*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Director Mary L. Adams.

Roll Called

Present: 5 - Director Mary L. Adams, Director John M. Phillips and Director Chris Lopez appeared in person, and Director Luis A. Alejo and Director Wendy Root Askew appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions and corrections for today's agenda.

Consent Calendar

Open for public comments; no comments made.

A motion was made by Director John M. Phillips, seconded by Director Chris Lopez to approve Consent Calendar Item No. 1.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Root Askew: AYE

Chair Director Adams: AYE

Consent Item No. 2 is trailed to this afternoon

No at 1:47 p.m. Consent Item No. 2 is recalled.

A motion was made by Director John M. Phillips, seconded by Director Luis A. Alejo to approve Consent Calendar Item No. 2.a., as amended, to consider this as a grant and not a loan.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Root Askew: AYE

Chair Director Adams: AYE

1. Acting as the Board of Directors of the Pajaro County Sanitation District:

- a. Set a Public Hearing on July 26, 2022, at 1:30 p.m., to conduct a public hearing on the Report of 2021 Delinquent Fees (Report) for the Pajaro County Sanitation District (PCSD), and consider any protests and objections to the Report by property owners liable to be assessed for delinquent sanitation service charges (Delinquent Fees);
- b. Direct the Department of Public Works, Facilities & Parks (PWFP) to prepare a final Report of 2021 Delinquent Fees for the PCSD; and
- c. Direct the PWFP to publish Notice of Public Hearing in a newspaper of general circulation and mail said Notice to the property owner(s) of record per County Assessor-Recorder records and as listed in the Report not less than ten (10) days prior to the date of hearing.

Approved**2. Adopt a resolution to:**

- a. Authorize and direct the Auditor-Controller to amend the FY 2021-22 Adopted Budget for the Pajaro County Sanitation District, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$247,908, where the financing sources are increased property tax revenues of \$15,855, Fund 151 Unassigned Fund Balance (151-3101) for \$201,962 and General Fund, Fund 001 Operating Transfer In for \$30,091 (4/5th vote required).
- b. Provide direction to staff regarding whether the \$30,091 appropriation from the Cannabis Tax Assignment should be considered as a loan to be repaid by the Pajaro County Sanitation District with simple interest at the County Treasury Investment Pool interest rate.

Adopt Resolution No. 22-254 to:

- a. **Authorize and direct the Auditor-Controller to amend the FY 2021-22 Adopted Budget for the Pajaro County Sanitation District, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$247,908, where the financing sources are increased property tax revenues of \$15,855, Fund 151 Unassigned Fund Balance (151-3101) for \$201,962 and General Fund, Fund 001 Operating Transfer In for \$30,091 (4/5th vote required).**

Adjourned

The meeting was adjourned by Chair Director Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Tuesday, July 26, 2022

1:30 PM

Pajaro County Sanitation District

*Chair Director Mary L. Adams - District 5
Vice Chair Director Luis A. Alejo - District 1
Director John M. Phillips - District 2
Director Chris Lopez - District 3
Director Wendy Root Askew - District 4*

1:30 P.M. - Called to Order

The meeting was called to order by Chair Director Mary L. Adams.

Roll Called

Present: 5 - Director Mary L. Adams and Director John M. Phillips, appeared in person, with Director Luis A. Alejo, Director Chris Lopez and Director Wendy Root Askew who appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions or corrections to the agenda.

General Public Comments

Open for general public comments for items not on today's agenda; no public comments made.

Scheduled Matters

1. Acting as the Board of Directors of the Pajaro County Sanitation District (PCSD), conduct a Public Hearing to:
 - a. Accept the report of delinquent sanitation fees from fifty-seven (57) parcels totaling \$29,645.30, plus \$3,420 processing costs as set forth in the "Report of 2021 Delinquent Fees-Pajaro County Sanitation District (PCSD)" (Report);
 - b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the PCSD;
 - c. Adopt a Resolution to:
 - i. Confirm the report of delinquent sanitation fees for the PCSD, as identified in the "Report of 2021 Delinquent Fees-PCSD", and
 - ii. Authorize the delinquent fees from 57 parcels totaling \$33,065.30, including lien transfer fees, as set forth in the confirmed Report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and
 - d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

Lynette Redman, Management Analyst III, in person, from Public Works, Facilities & Parks Department verbally presented.

Open for public comments; no public comments made.

A motion was made by Director Luis A. Alejo, seconded by Director John M. Phillips to:

- a. Accept the report of delinquent sanitation fees from fifty-seven (57) parcels totaling fifty-seven (57) processing costs as set forth in the "Report of 2021 Delinquent Fees-Pajaro County Sanitation District (PCSD)" (Report);
- b. Considered any protests and objections to the Report by property owners liable to be assessed for delinquent sanitation fees for the PCSD;
- c. Adopt Resolution No. 22-312 to:
 - i. Confirm the report of delinquent sanitation fees for the PCSD, as identified in the "Report of 2021 Delinquent Fees Pajaro County Sanitation District", and
 - ii. Authorize the delinquent fees from 57 parcels totaling \$33,065.30, including lien transfer fees, as set forth in the confirmed Report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and
- d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

Roll call vote taken pursuant to Government Code 54953:

Director Alejo: AYE

Director Phillips: AYE

Director Lopez: AYE

Director Root Askew: AYE

Chair Director Adams: AYE

Adjourned

The meeting was adjourned by Chair Director Mary L. Adams.



Monterey County

Item No.2

Board Report

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

Legistar File Number: PCSDG 22-005

September 27, 2022

Introduced: 9/16/2022

Current Status: Scheduled PM

Version: 1

Matter Type: PCSD General

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

Authorize and direct the Auditor-Controller to amend the Fiscal Year (FY) 2022-23 Adopted Budget for the Pajaro County Sanitation District, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$2,499,400, where funding sources are (1) General Fund, Fund 001, Other Financing Uses Appropriation Unit CA0017, Operating Transfer In for \$1,320,603, where the financing source is Cannabis Tax Assignment (001-3132), and (2) American Rescue Plan Act of 2021 (ARPA) revenues of \$1,178,797 (4/5th vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors, acting as the Board of Directors of the Pajaro County Sanitation District authorize and direct the Auditor-Controller to amend the Fiscal Year (FY) 2022-23 Adopted Budget for the Pajaro County Sanitation District, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$2,499,400, where funding sources are (1) General Fund, Fund 001, Other Financing Uses Appropriation Unit CA0017, Operating Transfer In for \$1,320,603, where the financing source is Cannabis Tax Assignment (001-3132), and (2) ARPA revenues of \$1,178,797 (4/5th vote required);

SUMMARYDISCUSSION:

Background

The County-owned Pajaro County Sanitation District (PCSD) is in northern Monterey County, as shown in Attachment A. The PCSD consists of a wastewater collection system of approximately 16.5 miles of gravity sewer pipe, six (6) pump stations, and approximately 2.4 miles of force sewer main. There are approximately 1,047 sewer connections and 1,768 billing units.

PCSD is a collection system only and does not provide wastewater treatment. Instead, collected sewage is pumped to the City of Watsonville (City) wastewater treatment plant (plant) and, under an agreement with the City, the plant accepts and treats sewage. The PCSD is charged for its share of the plant's costs based on its fraction of total wastewater received by the plant and the strength of received wastewater. (Wastewater strength refers to the levels of Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) in the wastewater. High/Low strength wastewater refers to TSS and BOD levels above/below that of typical domestic wastewater.)

The Public Works, Facilities and Parks Department (PWFP) is implementing several water and sewer infrastructure repair and improvement projects funded with American Rescue Plan Act (ARPA) funds. The projects include approximately \$2 million of capital improvements to the PCSD system, including

cleaning and repairing sewer lines, manholes, and pump stations. These improvements are expected to be completed by mid-2023.

Efforts are also underway to sell the PCSD system to an experienced operator per prior Board direction.

Projected Budget Shortfall

The PCSD is expected to incur costs greater than anticipated revenues in FY 2022-23. FY2021-22 ending Fund balance for PCSD is \$4,959. Estimated FY 2022-23 PCSD revenue is approximately \$911,462, while expenses are expected to total approximately \$3,415,821, which equates to a budget shortfall of approximately \$ 2,499,400. PWFPP recognized the projected shortfall during the development of the proposed FY 2022-23 budget and submitted an augmentation request for the shortfall amount. This was intended to provide needed funding for the PCSD system through FY 2022-23 so that a Proposition 218 process could be conducted to establish updated service rates that would generate sufficient ongoing revenue. The augmentation request was not recommended for funding by the County Administrative Office due to budgetary constraints. Staff projects that the PCSD will enter a negative appropriation position in October, at which time invoices can no longer be paid.

The cost increases are primarily attributable to the significant increase in the City's treatment plant capital improvement costs and the increasing strength of PCSD wastewater, which increases the fraction of the City's costs to operate and maintain the plant for which PCSD is responsible. Regarding the increase in wastewater strength, the County's fraction of plant operations costs is based on the following parameters: PCSD flow to the plant, and the levels of TSS, and BOD in the wastewater. While the flow has stayed relatively constant over the past several years, TSS and BOD has increased significantly. These increases may result from PCSD's commercial customers discharging wastewater of higher-than-normal strength into the system.

Efforts are currently underway to lower these costs, including working with the City to amortize its projected capital improvement costs over time, identifying ways to lower TSS and BOD values (and thus reduce the fraction of Operating costs for which PCSD is responsible), identifying those customers who are discharging relatively large quantities of high strength wastewater into the system (and increasing their rates accordingly), and implementing (as part of current ARPA upgrades) methods to reduce wastewater strength before entering the plant. The City has also applied for grant funding to help defray the high capital costs. To that end, the County submitted a letter of support for inclusion in the grant application package.

Customer Service Rates Update

In light of the projected budget shortfall and progress on PCSD system repairs and condition assessments under the ARPA program, work has been accelerated to develop proposed updated rates for approval via a required Proposition 218 process. Key considerations in developing proposed rates include:

- The projected FY 2022-23 budget shortfall;
- Repayment of two existing loans.

- The 2017 Winter Storm loan of \$1,874,264 was funded with Disaster Assistance Allocation (BSA 3126), pending FEMA determination and an insurance claim. These funds included \$359,624 in FY 2016-17 and \$1,515,000 in FY 2017-18 for the Sewer Spill, Manhole Repair and Generator Replacement. FEMA denied the claim due to deterioration and deferred maintenance and the County did not carry pollution insurance at the time of the event, so there was no coverage (note - coverage was secured in April 2019). Unless the loan is forgiven or other funds are allocated for loan payoff, the loan repayment term begins one year after a sewer rate increase has been established that include loan payback provisions.
- The Las Lomas Lift Station loan for \$67,397 was funded with General Fund Contingencies. Like the Winter Storm Loan, this loan has the same repayment terms.
- Future operating costs and reserves for anticipated future capital improvements/major maintenance.

The current average rate for one (1) billing unit in the PCSD is just under \$30 per month, which has not changed since 2007. Given this and to account for the items above, the proposed rates could be significantly higher. For example, service rates in the Chualar CSA-75 sanitary system were updated in 2018, where the base rate (single family residence) increased from \$13.92 to \$66.03. As detailed information is developed over the next few months, several options will be formulated to show the corresponding impact on service rates and obtain approval of a set of proposed rates emerging from the Proposition 218 process. Options could include funding the shortfall with other funds, forgiving the existing loan, paying it off with other funds, or spreading the cost of these items over time and in the new billing rates.

A chart showing the timeline for establishing and implementing final customer rates is presented in Attachment B. Draft final rates will be presented to the Budget Committee in November and then to the Board of Supervisors in December. As shown, final rate increases are scheduled to be implemented in February 2023.

Recommendation for Addressing Appropriation Shortfall

Considering these circumstances, the most immediate issue is the current fiscal year appropriations shortfall of \$2,499,400. The PCSD will run out of appropriations in October when ongoing monthly expenses will exceed the total annual revenue. To bridge the gap between October and when updated rates can be implemented, PWWP coordinated with the County Administrative Office Budget & Analysis Division to identify funding options to address the projected budget shortfall. Recommended funding includes unspent ARPA funds, for the capital outlay portion (\$1,178,797), and Cannabis Tax Assignment for the remainder (\$1,320,603).

Another option would be an additional loan. This would increase PCSD's loan balance to \$4,441,061. If a loan was approved, staff would recommend it be interest-free and amortized over a 5-year period. The average increase in customer rates required to pay back the loan would be approximately \$42 per month. As discussed above, the actual rates will emerge from Proposition 218 process which are scheduled to be implemented in February 2023.

OTHER AGENCY INVOLVEMENT:

At its August 31, 2022 meeting, the Budget Committee received a report from staff regarding the PCSD's projected FY 2022-23 budget deficiency and potential approaches to addressing the deficiency. During the meeting, the Budget Committee was supportive of a loan to address the budget deficiency.

FINANCING:

As shown in Attachment C, the PCSD has a beginning fund balance of \$4,959 and projected revenue for FY 2022-23 is \$911,462. Expenses are expected to total approximately \$ 3,415,821, which equates to a budget shortfall of \$ 2,499,400. If approved, financing would be provided by unspent FY 2021-22 ARPA funds for the capital outlay portion (\$1,178,797), and Cannabis Tax Assignment for the remainder (\$1,320,603). The specifics regarding ARPA unspent source will be discussed during the presentation. The Cannabis Tax Assignment Balance is \$2,070,116, which if approved, would be reduced to \$749,513.

Prepared by: Erich Rauber PE, GE, District Engineer (831) 755-5855

Reviewed by: Tom Bonigut, PE, Assistant Director of Public Works, Facilities and Parks

Approved by: Randy Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

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

Attachment A - PCSD Area Map

Attachment B - Rate Study Schedule

Attachment C - Financial Summary

Attachment D - Resolution



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers

168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: PCSDG 22-005

September 27, 2022

Introduced: 9/16/2022

Current Status: Agenda Ready

Version: 1

Matter Type: PCSD General

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

Authorize and direct the Auditor-Controller to amend the Fiscal Year (FY) 2022-23 Adopted Budget for the Pajaro County Sanitation District, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$2,499,400, where funding sources are (1) General Fund, Fund 001, Other Financing Uses Appropriation Unit CA0017, Operating Transfer In for \$1,320,603, where the financing source is Cannabis Tax Assignment (001-3132), and (2) American Rescue Plan Act of 2021 (ARPA) revenues of \$1,178,797 (4/5th vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors, acting as the Board of Directors of the Pajaro County Sanitation District authorize and direct the Auditor-Controller to amend the Fiscal Year (FY) 2022-23 Adopted Budget for the Pajaro County Sanitation District, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$2,499,400, where funding sources are (1) General Fund, Fund 001, Other Financing Uses Appropriation Unit CA0017, Operating Transfer In for \$1,320,603, where the financing source is Cannabis Tax Assignment (001-3132), and (2) ARPA revenues of \$1,178,797 (4/5th vote required);

SUMMARYDISCUSSION:

Background

The County-owned Pajaro County Sanitation District (PCSD) is in northern Monterey County, as shown in Attachment A. The PCSD consists of a wastewater collection system of approximately 16.5 miles of gravity sewer pipe, six (6) pump stations, and approximately 2.4 miles of force sewer main. There are approximately 1,047 sewer connections and 1,768 billing units.

PCSD is a collection system only and does not provide wastewater treatment. Instead, collected sewage is pumped to the City of Watsonville (City) wastewater treatment plant (plant) and, under an agreement with the City, the plant accepts and treats sewage. The PCSD is charged for its share of the plant's costs based on its fraction of total wastewater received by the plant and the strength of received wastewater. (Wastewater strength refers to the levels of Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) in the wastewater. High/Low strength wastewater refers to TSS and BOD levels above/below that of typical domestic wastewater.)

The Public Works, Facilities and Parks Department (PWFP) is implementing several water and sewer infrastructure repair and improvement projects funded with American Rescue Plan Act (ARPA) funds. The projects include approximately \$2 million of capital improvements to the PCSD system, including

cleaning and repairing sewer lines, manholes, and pump stations. These improvements are expected to be completed by mid-2023.

Efforts are also underway to sell the PCSD system to an experienced operator per prior Board direction.

Projected Budget Shortfall

The PCSD is expected to incur costs greater than anticipated revenues in FY 2022-23. FY2021-22 ending Fund balance for PCSD is \$4,959. Estimated FY 2022-23 PCSD revenue is approximately \$911,462, while expenses are expected to total approximately \$3,415,821, which equates to a budget shortfall of approximately \$ 2,499,400. PWF recognized the projected shortfall during the development of the proposed FY 2022-23 budget and submitted an augmentation request for the shortfall amount. This was intended to provide needed funding for the PCSD system through FY 2022-23 so that a Proposition 218 process could be conducted to establish updated service rates that would generate sufficient ongoing revenue. The augmentation request was not recommended for funding by the County Administrative Office due to budgetary constraints. Staff projects that the PCSD will enter a negative appropriation position in October, at which time invoices can no longer be paid.

The cost increases are primarily attributable to the significant increase in the City's treatment plant capital improvement costs and the increasing strength of PCSD wastewater, which increases the fraction of the City's costs to operate and maintain the plant for which PCSD is responsible. Regarding the increase in wastewater strength, the County's fraction of plant operations costs is based on the following parameters: PCSD flow to the plant, and the levels of TSS, and BOD in the wastewater. While the flow has stayed relatively constant over the past several years, TSS and BOD has increased significantly. These increases may result from PCSD's commercial customers discharging wastewater of higher-than-normal strength into the system.

Efforts are currently underway to lower these costs, including working with the City to amortize its projected capital improvement costs over time, identifying ways to lower TSS and BOD values (and thus reduce the fraction of Operating costs for which PCSD is responsible), identifying those customers who are discharging relatively large quantities of high strength wastewater into the system (and increasing their rates accordingly), and implementing (as part of current ARPA upgrades) methods to reduce wastewater strength before entering the plant. The City has also applied for grant funding to help defray the high capital costs. To that end, the County submitted a letter of support for inclusion in the grant application package.

Customer Service Rates Update

In light of the projected budget shortfall and progress on PCSD system repairs and condition assessments under the ARPA program, work has been accelerated to develop proposed updated rates for approval via a required Proposition 218 process. Key considerations in developing proposed rates include:

- The projected FY 2022-23 budget shortfall;
- Repayment of two existing loans.

- The 2017 Winter Storm loan of \$1,874,264 was funded with Disaster Assistance Allocation (BSA 3126), pending FEMA determination and an insurance claim. These funds included \$359,624 in FY 2016-17 and \$1,515,000 in FY 2017-18 for the Sewer Spill, Manhole Repair and Generator Replacement. FEMA denied the claim due to deterioration and deferred maintenance and the County did not carry pollution insurance at the time of the event, so there was no coverage (note - coverage was secured in April 2019). Unless the loan is forgiven or other funds are allocated for loan payoff, the loan repayment term begins one year after a sewer rate increase has been established that include loan payback provisions.
- The Las Lomas Lift Station loan for \$67,397 was funded with General Fund Contingencies. Like the Winter Storm Loan, this loan has the same repayment terms.
- Future operating costs and reserves for anticipated future capital improvements/major maintenance.

The current average rate for one (1) billing unit in the PCSD is just under \$30 per month, which has not changed since 2007. Given this and to account for the items above, the proposed rates could be significantly higher. For example, service rates in the Chualar CSA-75 sanitary system were updated in 2018, where the base rate (single family residence) increased from \$13.92 to \$66.03. As detailed information is developed over the next few months, several options will be formulated to show the corresponding impact on service rates and obtain approval of a set of proposed rates emerging from the Proposition 218 process. Options could include funding the shortfall with other funds, forgiving the existing loan, paying it off with other funds, or spreading the cost of these items over time and in the new billing rates.

A chart showing the timeline for establishing and implementing final customer rates is presented in Attachment B. Draft final rates will be presented to the Budget Committee in November and then to the Board of Supervisors in December. As shown, final rate increases are scheduled to be implemented in February 2023.

Recommendation for Addressing Appropriation Shortfall

Considering these circumstances, the most immediate issue is the current fiscal year appropriations shortfall of \$2,499,400. The PCSD will run out of appropriations in October when ongoing monthly expenses will exceed the total annual revenue. To bridge the gap between October and when updated rates can be implemented, PWWP coordinated with the County Administrative Office Budget & Analysis Division to identify funding options to address the projected budget shortfall. Recommended funding includes unspent ARPA funds, for the capital outlay portion (\$1,178,797), and Cannabis Tax Assignment for the remainder (\$1,320,603).

Another option would be an additional loan. This would increase PCSD's loan balance to \$4,441,061. If a loan was approved, staff would recommend it be interest-free and amortized over a 5-year period. The average increase in customer rates required to pay back the loan would be approximately \$42 per month. As discussed above, the actual rates will emerge from Proposition 218 process which are scheduled to be implemented in February 2023.

OTHER AGENCY INVOLVEMENT:

At its August 31, 2022 meeting, the Budget Committee received a report from staff regarding the PCSD's projected FY 2022-23 budget deficiency and potential approaches to addressing the deficiency. During the meeting, the Budget Committee was supportive of a loan to address the budget deficiency.

FINANCING:

As shown in Attachment C, the PCSD has a beginning fund balance of \$4,959 and projected revenue for FY 2022-23 is \$911,462. Expenses are expected to total approximately \$ 3,415,821, which equates to a budget shortfall of \$ 2,499,400. If approved, financing would be provided by unspent FY 2021-22 ARPA funds for the capital outlay portion (\$1,178,797), and Cannabis Tax Assignment for the remainder (\$1,320,603). The specifics regarding ARPA unspent source will be discussed during the presentation. The Cannabis Tax Assignment Balance is \$2,070,116, which if approved, would be reduced to \$749,513.

Prepared by: Erich Rauber PE, GE, District Engineer (831) 755-5855

Reviewed by: Tom Bonigut, PE, Assistant Director of Public Works, Facilities and Parks

Approved by: Randy Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

DS
RI

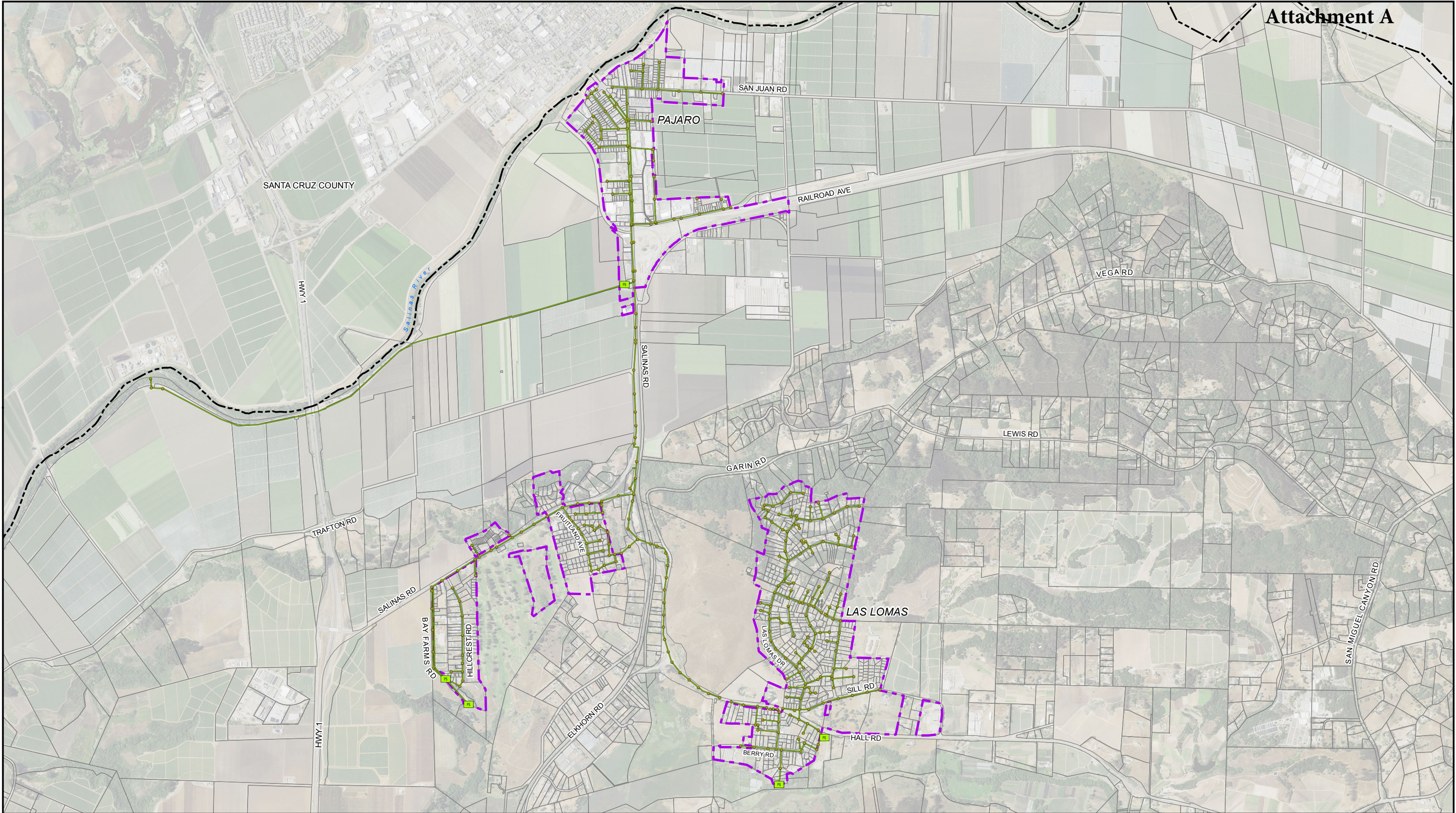
The following attachments are on file with the Clerk of the Board:

Attachment A - PCSD Area Map

Attachment B - Rate Study Schedule

Attachment C - Financial Summary

Attachment D - Resolution

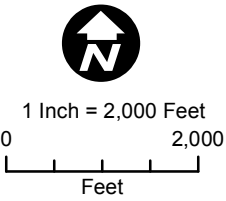


SANITARY SEWER SYSTEM
PAJARO COUNTY SANITATION DISTRICT

PAJARO, UNINCORPORATED MONTEREY COUNTY, CA

LEGEND

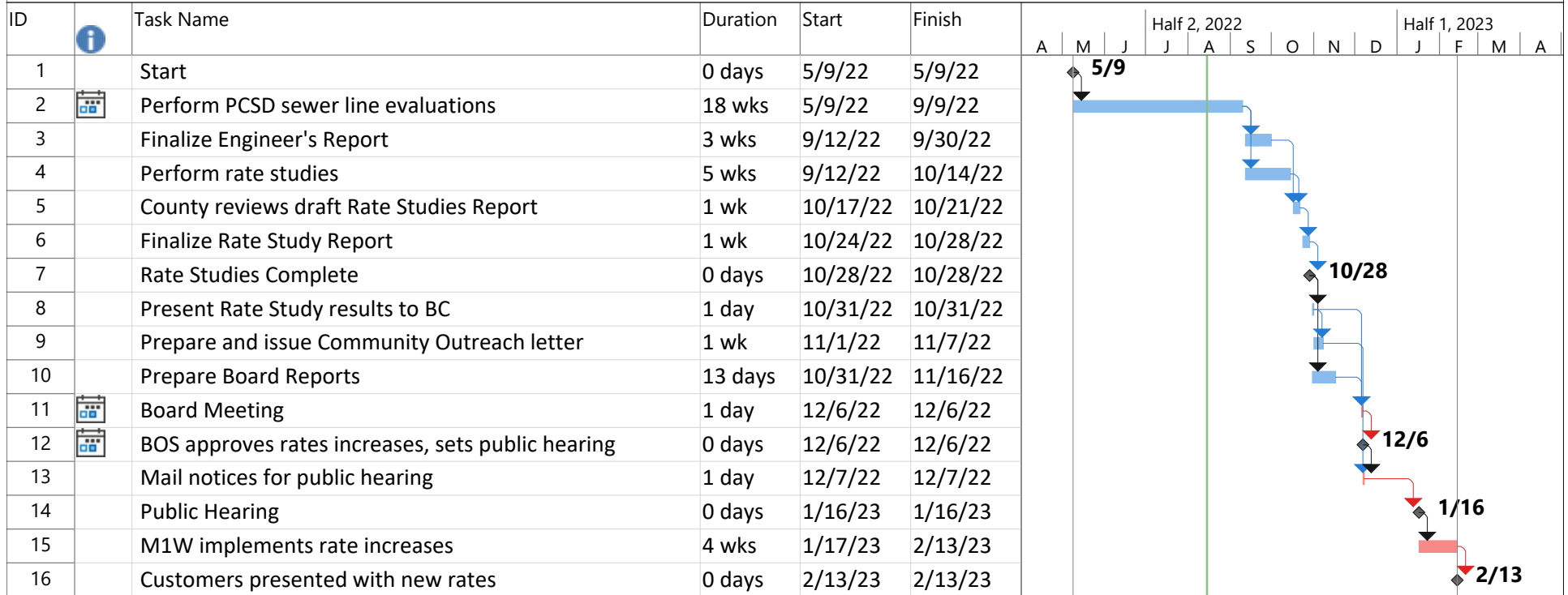
- | | | |
|--------------|-----------------------------------|--------------------------|
| SS Line | Parcel | Monterey County Boundary |
| SS Manhole | Pajaro County Sanitation District | |
| Pump Station | | |



County of Monterey
Resource Management Agency
Public Works Department
Special Districts Division
Date: 3/10/16
Imagery Source: NAIP 2014



**Attachment B
Rate Study Schedule
Pajaro County Sanitation District**



Note: Duration in work days Prepared by: Rauber, John	Task		Inactive Summary		External Tasks	
	Split		Manual Task		External Milestone	
	Milestone		Duration-only		Deadline	
	Summary		Manual Summary Rollup		Critical	
	Project Summary		Manual Summary		Critical Split	
	Inactive Task		Start-only		Progress	
	Inactive Milestone		Finish-only		Manual Progress	

Attachment C**Financial Summary for FY2021-22 and FY2022-23 Forecast****Pajaro County Sanitation District**

	FY2022	FY2023 Forecasted
Beginning Fund Balance	257,045.98	4,959.62

Row Labels	Revenue Source Name	2022	2023
4010	Property Tax - Current Secured	274,431.49	260,981.00
4015	Property Tax - Current Unsecured	11,972.53	11,816.00
4025	Property Tax - Prior Secured	3,215.65	2,601.00
4030	Property Tax - Prior Unsecured	112.58	-
4035	Property Tax - Current Supplemental	6,670.96	4,141.00
4040	Property Tax - Prior Supplemental	361.27	350.00
4090	Other Property Taxes		-
4250	Road Privileges and Permits		300.00
4600	Investment Income	(236.05)	-
5030	Homeowners Property Tax Relief	1,106.34	1,273.00
5680	Sanitation Services	535,073.87	630,000.00
5750	Other Services and Non-Taxable Sales		-
5870	Miscellaneous Revenues		-
5900	Sale of Capital Assets		-
5940	Operating Transfers In	424,882.00	-
Grand Total		1,257,590.64	911,462.00

Row Labels	Object Name	2022	2023
6231	Communication Charges - External	5,074.45	9,022.00
6262	Insurance - General Liability (Recoverable)	200,000.04	306,403.00
6266	Insurance - Property	9,753.28	13,081.00
6311	Buildings & Improvements Maintenance - External	5,600.53	5,000.00
6312	Buildings & Improvements Maintenance - Internal		-
6321	Equipment Maintenance		-
6404	Courier Services - External		-
6411	Postage and Shipping		-
6414	Other Office Expense		-
6601	Accounting & Auditing Charges		-
6607	Legal Service - Internal	1,669.46	-
6609	Other Personnel Services	199,346.31	154,971.00
6613	Other Professional & Special Services	19,510.65	20,675.00
6801	Publications and Legal Notices		-
6821	Rents and Leases - Equipment		-
6835	Other Special Departmental Expenses	4,797.53	6,500.00
6864	Fleet Service Charge	317.26	88.00
6881	Utilities	25,085.67	38,336.28
6881	City of Watsonville	1,038,521.82	2,861,744.62
7302	Expenditure Transfers		-
7304	Interfund Reimbursement		-
7521	Buildings and Improvements		-
7531	Equipment		-
7551	Construction In Progress		-
7614	Operating Transfers Out		-
Grand Total		1,509,677.00	3,415,820.90
Ending Fund Balance		4,959.62	(2,499,399.28)

**Board of Supervisors
County of Monterey, State of California**

Resolution No. 22-0 _____

Acting as the Board of Directors of the Pajaro County Sanitation)
District:)
Authorize and direct the Auditor-Controller to amend the Fiscal)
Year (FY) 2022-23 Adopted Budget for the Pajaro County)
Sanitation District, Fund 151, Appropriation Unit PFP047, to)
increase appropriations by \$2,499,400, where funding sources)
are (1) General Fund, Fund 001, Other Financing Uses)
Appropriation Unit CA0017, Operating Transfer In for)
\$1,320,603, where the financing source is Cannabis Tax)
Assignment (001-3132), and (2) American Rescue Plan Act of)
2021 (ARPA) revenues of \$1,178,797 (4/5th vote required).)

WHEREAS, the Pajaro County Sanitation District (PCSD) is projected to incur costs greater than the amount budgeted in FY 2022-23;

WHEREAS, increased costs are primarily attributable to the significant increase in the City's treatment plant capital improvement costs (\$1,178,797), and the increasing strength of PCSD wastewater, which increases the fraction of the City's costs to operate and maintain the plant for which PCSD is responsible (\$1,320,603);

WHEREAS, the County has implemented several American Rescue Plan Act (ARPA) funded projects to address PCSD system deficiencies;

WHEREAS, concurrent with ARPA funded projects, an engineer's rate study will be prepared to support the adjustment of existing sewer rates to accommodate increased operation and maintenance costs and build a reserve for future capital costs;

WHEREAS, the ultimate goal is to sell the PCSD and implementation of a sewer rate study is necessary in the pursuit of this goal;

WHEREAS, the implementation of an engineer's rate study is necessary in the pursuit of this goal;

NOW, THEREFORE, BE IT RESOLVED THAT acting as the Board of Directors of the PCSD, the Monterey County Board of Supervisors hereby resolve the following:

Adopt a resolution to Authorize and direct the Auditor-Controller to amend the Fiscal Year (FY) 2022-23 Adopted Budget for the PCSD, Fund 151, Appropriation Unit PFP047, to increase appropriations by \$2,499,400, where funding sources are (1) General Fund, Fund 001, Other Financing Uses Appropriation Unit CA0017, Operating Transfer In for \$1,320,603, where the

financing source is Cannabis Tax Assignment (001-3132), and (2) ARPA revenues of \$1,178,797 (4/5th vote required).

PASSED AND ADOPTED upon motion of Supervisor _____, seconded by Supervisor _____ and carried this 27th day of September 2022, 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 September 27, 2022.

Dated: _____
File Number: _____

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
Deputy