



Legislation Details (With Board Report)

File #: RES 17-068 **Name:** Pajaro CSD Increase Appropriations
Type: BoS Resolution **Status:** Consent Agenda
File created: 5/12/2017 **In control:** Pajaro County Sanitation District
On agenda: 5/23/2017 **Final action:**

Title: Adopt a resolution to:
a. Approve an increase in appropriations of \$217,148 in the Fiscal Year 2016-17 Budget from the Pajaro County Sanitation District Fund 151-3000-8197 to fund expenditures incurred during the emergency response associated with the 2017 winter storms where the financing source is unassigned fund balance (4/5th vote required); and
b. Authorize the Auditor-Controller to amend the FY 2016-17 Pajaro County Sanitation District Adopted Budget to increase appropriations by \$217,148 in Pajaro County Sanitation District Fund 151, Appropriation Unit RMA040, funded by unassigned fund balance.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Attachment A - Resolution, 3. Attachment B - PCSD Wntr Storm Dmg Rpr Estimates, 4. Attachment C - Location Map, 5. Completed Board Order & Resolution

Date	Ver.	Action By	Action	Result
5/23/2017	1	Pajaro County Sanitation District		

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b. Authorize the Auditor-Controller to amend the FY 2016-17 Pajaro County Sanitation District Adopted Budget to increase appropriations by \$217,148 in Pajaro County Sanitation District Fund 151, Appropriation Unit RMA040, funded by unassigned fund balance.

RECOMMENDATION

It is recommended that the Board of Supervisors acting as the Board for the Pajaro County Sanitation District:
a. Approve an increase in appropriations of \$217,148 in the Fiscal Year 2016-17 Budget from the Pajaro County Sanitation District Fund 151-3000-8197 to fund expenditures incurred during the emergency response associated with the 2017 winter storms where the financing source is unassigned fund balance (4/5th vote required); and
b. Authorize the Auditor-Controller to amend the FY 2016-17 Pajaro County Sanitation District Adopted Budget to increase appropriations by \$217,148 in Pajaro County Sanitation District Fund 151, Appropriation Unit RMA040, funded by unassigned fund balance.

SUMMARY/DISCUSSION:

The effects of rainstorms during the 2017 winter season have greatly impacted operations of the Pajaro County Sanitation District (PCSD). Several storms between December 1, 2016 and February 9, 2017 resulted in the need for emergency sewer pumping at the Las Lomas Lift Station, which could not keep up with the infiltration of storm water into that system. On Saturday, February 18, 2017 the failure of a manhole combined with a sewer line rupture resulted in a sewer spill between the Pajaro lift station and the Pajaro River Levee. To

exacerbate the problem, a storm producing heavy rain began on Sunday, February 19 and continued through early morning on Tuesday, February 21. This resulted in high flows of stormwater infiltrating the sewer system. To reduce the flow of sewage and stormwater into the line, 24-hour septic pumping was initiated on the afternoon of February 19, 2017 and continued through the morning of February 21, 2017.

Repairs to the sewer system have been initiated and the ruptured line repaired. The manhole repair is pending due to design review and permitting through the Army Corp of Engineers due to its proximity to the Pajaro River levee.

In addition to expenses incurred due to weather and the sewer spill, the generator located at the Pajaro Lift Station stopped working on Friday, February 17, 2017. A rental unit was installed. Upon initial investigation by the generator repair vendor, replacement parts are unavailable due to the age of the system. Staff is currently investigating replacement generator options. Due to the lead time for delivery of a new generator, it is anticipated that a rental generator will be in place through June 2017.

The emergency actions and repairs that occurred during the January and February 2017 storm events have been included in the Countywide report to the Monterey County Office of Emergency Services (OES) and have met the threshold of damage to seek state and federal funding.

OTHER AGENCY INVOLVEMENT

The Budget Committee approved this action at their April 28, 2017 meeting.

FINANCING:

There is insufficient revenue and fund balance to cover all necessary repair costs associated with the 2017 winter storm response, sewer spill and replacement of a generator and even with federal and state funding it is anticipated that additional funding may be required. The recommended action, while not sufficient to cover the entire costs of the repairs, will allow the County to begin to process payments to those vendors that assisted the County during the emergency response. In total, staff anticipates the total repair costs of nearly \$850,000. These repair costs will be brought forward to the Board as part of the February Storm damage assessment. The recommended increase in appropriations by the available uncommitted fund balance of \$217,148 in Fund 151, Appropriations Unit RMA040 will allow sufficient appropriations to pay the initial emergency response costs. However, the release of \$217,148 from the Pajaro County Sanitation District Fund Balance, Fund 151, will reduce the fund balance to \$0.

To date, the RMA has received invoices associated with the 2017 winter storms of \$266,754. Based on expenditures to date there are enough available appropriations within the current Board approved FY 2016-17 Adopted Budget combined with the above recommended action to appropriate fund balance to process these invoices. Staff will be including in the February Storm damage assessment a request for funds from the Disaster Assistance assignment to replenish all storm related expenditures incurred under Fund 151, as well as to fund the permanent repairs to the system.

The Pajaro County Sanitation District has been included in an RFP for transfer of sewer systems to a private or public entity and the County has received submittals from two prospective entities who are interested in taking ownership of the Pajaro sanitation system. Staff is currently reviewing the submittals and will be scheduling meetings with these entities within the next two months. The selection process is anticipated to take up to a year. In the meantime, given the financial constraints within the Pajaro CSD, staff will pursue completing a rate study for the Pajaro CSD to propose rate increases to better align revenue needs to offset annual operating and maintenance requirements, as well as create fund reserves for future infrastructure needs.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Projects funded by this appropriation meet initiatives related to infrastructure as repairs and equipment replacement will improve sewer operations. Adequately addressing sewer infrastructure needs improves public health and safety by ensuring safe and effective collection of wastewater.

Check the related Board of Supervisors Strategic Initiatives:

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Lynette Redman, Management Analyst III, RMA (831)796-60358
Reviewed by: Shawne Ellerbee, RMA Deputy Director of Administrative Services
Approved by: Carl P. Holm AICP, RMA Director

Attachments:
Attachment A - Resolution
Attachment B - PCSD Winter Storm Damage Repair Estimates
Attachment C - Location Map
(Attachments on file with the Clerk of the Board)