



Board Report

File #: A 20-054, **Version:** 1

- a. Approve a Fair Share Agreement between the Salinas Valley Solid Waste Authority and the County of Monterey for the Gloria Road/Iverson Road/Johnson Canyon Road Pavement Rehabilitation Project; and
- b. Authorize the Resource Management Agency Director to sign the Fair Share Agreement.

RECOMMENDATIONS:

It is recommended that the Board of Supervisors:

- a. Approve a Fair Share Agreement between the Salinas Valley Solid Waste Authority (SVSWA) and the County of Monterey for the Gloria Road/Iverson Road/Johnson Canyon Road Pavement Rehabilitation Project, whereby County agrees that the following terms satisfy mitigation required by an EIR in 2007 for the landfill:
 - 1. SVSWA agrees to a proportional share of funding totaling approximately \$2.3 million;
 - 2. SVSWA agrees to provide in-kind services, such as providing space for construction staging, accepting construction materials and providing recycled materials for the Project.
- b. Authorize the Resource Management Agency Director to sign the Fair Share Agreement.

SUMMARY:

Rehabilitation of sections of Gloria Road, Iverson Road, and Johnson Canyon Road are needed given the poor pavement condition of these roads. The City of Gonzales and County of Monterey are partnering to complete the Gloria Road/Iverson Road/Johnson Canyon Road Pavement Rehabilitation Project (Project) pursuant to a separate agreement between the City and County previously approved by the Board on July 18, 2019.

Salinas Valley Solid Waste Authority (SVSWA) owns and operates the Johnson Canyon Landfill, which the designated truck access route is via Gloria Road, Iverson Road and Johnson Canyon Roads. An environmental impact report (EIR) prepared by the SVSWA for the landfill in 2007 includes mitigation requiring it to pay a fair share toward road improvements. County and SVSWA staff worked together to determine the fair-share contribution based on proportional road use. Under this agreement, County agrees that SVSWA mitigation is met with contribution of approximately \$2.3 million, accepting construction materials at no cost, and providing recycled construction materials at their cost.

The planning level estimate for the design phase is \$750,000 and the construction phase is estimated at \$9.25 million, bringing the overall Project cost estimate to \$10 million. Costs are to be shared proportionally between the City of Gonzales and County (separate agreement). Funds from SVSWA help to offset these costs.

The project is funded through the Road Fund (primarily by SB 1). This project is part of the list of projects the County listed to be completed in the Measure X program/campaign. There is currently sufficient appropriation in the proposed Fiscal Year (FY) 2020/21 Road Fund budget for this project to proceed into construction.

The Resource Management Agency (RMA) recommends approval of the Fair Share Agreement ("Agreement") with the SVSWA for the Gloria Road/Iverson Road/Johnson Canyon Road Pavement Rehabilitation Project ("Project").

DISCUSSION:

Gloria Road, Iverson Road, and Johnson Canyon are farm roads with low traffic volumes near the City of Gonzales. However, since the SVSWA opened the Johnson Canyon Landfill in 2007, the pavement has experienced accelerated deterioration due to the heavy truck traffic generated by the landfill. The designated truck access route for the landfill is around the City of Gonzalez via Gloria Road, Iverson Road and Johnson Road. Currently the average pavement condition index (PCI) for these roads is 24 (out of 100), ranging from a poor to very poor pavement condition.

An Environmental Impact Report (EIR) for the use permit (UP) establishing the Johnson Canyon Landfill includes mitigation that requires SVSWA to provide the County of Monterey a fair-share contribution toward upgrading farm roads between Highway 101 and the landfill entrance to a truck-haul route standard. The UP for the landfill also identified the haul route between Highway 101 and the landfill entrance via Gloria Road, Iverson Road and Johnson Canyon Road.

County and SVSWA staff worked together to determine the fair-share contribution based on proportional road use and estimated cost of the Project. The estimated cost of the Project is \$10 million and SVSWA's use of the road amounts to 23% of the total truck traffic, thus the proportional fair-share was established to be \$2.3 million. SVSWA has agreed that their fair share portion of the Project will not exceed \$2.3 million, of which \$76,207 has already been expended by the SVSWA to conduct preliminary engineering evaluation work on the road pavement sections. SVSWA approved the Agreement on January 23, 2020 and set aside \$2,218,937 for the Project in their adopted annual budget. In addition, the SVSWA agreed to provide in-kind services, such as providing space for construction staging, and providing recycled materials for the Project.

The Project plans are currently being finalized and it is anticipated that bids for the construction of the Project will be solicited later summer 2020. It is anticipated that it will take approximately nine (9) months to complete the construction phase.

OTHER AGENCY INVOLVEMENT:

RMA has collaborated with the City and SVSWA staff in drafting the Agreement and developing terms for said Agreement. The Office of the County Counsel has reviewed and approved the Agreement as to form.

FINANCING:

The planning level estimate for the design phase is \$750,000 and the construction phase is estimated at \$9.25 million, bringing the overall Project cost estimate to \$10 million. The Project is part of the County's Capital Improvement Program (CIP) and is listed in the RMA's Road Fund Work Plan for the current fiscal year (FY2019/20) in the amount of \$750,000 and for design/environmental and right of way costs. The construction phase funds for the Project are being programmed into next year's FY 2020/21 County CIP and RMA's Road Fund Work Plan includes \$10 million for this Project.

Since a portion of the Project is within the City of Gonzales ("City"), the City has agreed to also contribute funds to the Project. The County and City of Gonzales ("City") approved a Memorandum of Understanding (MOU) in May of 2019, where the City would contribute their proportional share of the Project as well. The City also agreed to hire and manage the design consultant for the Project. The City's and County's financial responsibility for the Project is based on the proportional cost of the Project within each other's jurisdiction. The City's contribution to the Project is estimated to be about 8% or approximately \$616,000.

SVSWA funds would reduce the total shared cost to be divided between the County and the City, on a pro-rata basis, to approximately \$7.7 million. The County's share of the Project cost is approximately \$7.1 million and is anticipated to be funded primarily by Senate Bill 1 (SB1) funds. This project was included in the SB1 5-Year Project List for Years 2020-2024, which was adopted by the Board of Supervisors on April 23, 2019

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Gloria Road/Iverson Road/Johnson Canyon Road Pavement Rehabilitation Project is needed to provide a safe access to adjacent farmlands and the Johnson Canyon Landfill.

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

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Reviewed by: Randy Ishii , RMA Chief of Public Works
Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Exhibit A - Fair Share Agreement