



County of Monterey

Capital Improvement Committee

Legistar File Number: 24-588

Item No.

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

September 09, 2024

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Current Status: Agenda Ready

Matter Type: General Agenda Item

- a. Provide direction on the priority of the Constitution Parcel-Behavioral Health-Mental Health Rehabilitation Center Project compared to projects previously approved in the Capital Improvement Program Five-Year Plan, Workplan for Fiscal Years 2024/25 through 2028/29 based on the recommended project scope option; and
- b. Direct staff to proceed to the Budget Committee for its additional approval and prioritization of this Project, outlining financing strategy and further direction to staff.

RECOMMENDATION:

It is recommended that the Capital Improvement Committee:

- a. Provide direction on the priority of the Constitution Parcel-Behavioral Health-Mental Health Rehabilitation Center Project compared to projects previously approved in the Capital Improvement Program Five-Year Plan, Workplan for Fiscal Years 2024/25 through 2028/29 based on the recommended project scope option; and
- b. Direct staff to proceed to the Budget Committee for its additional approval and prioritization of this Project, outlining financing strategy and further direction to staff.

SUMMARY/DISCUSSION:

On June 25, 2024, following a lengthy and participative process, the Board of Supervisors approved the County of Monterey Capital Improvement Program Five-Year Plan (CIP) for Fiscal Years 2024/25 through 2028/29. The CIP reflects the careful consideration of and focus on County needs, priorities and available funding. The Workplan for Fiscal Year 2024/25 is made up of new or existing active projects funded for year one (FY 25) but unfunded for years two - five. The Workplan also allocates the necessary staff resources for year one. First-Year funded projects on the FY25 Workplan compete in years two - five for limited resources and funds via the CIP process (Attachment A - Workplan Summary). The future funding needs for existing active projects on the Workplan is over \$180 million. Those multi-year projects include:

South County Ag Commissioner Facility Development
Relocate/Expand Marina Family Health Center-3155 De Forest Rd Marina
Behavioral Health-1412 Natividad-Mental Health Rehabilitation Center
New Bradley Library and Resiliency Center Project
Parking Structure- Gabilan and Church Streets, Salinas
HVAC Repairs and Replacement-1200 Aguajito Rd, Monterey
HVAC Repairs and Replacement-1441/1488 Schilling Place, Salinas
Seaside Community Benefits Office Replacement (Broadway Family Connections)

Health Department Project, Behavioral Health-1412 Natividad-Mental Health Rehabilitation Center (Project), as approved in the CIP, was envisioned at 1412 Natividad Road, and was to repurpose the Sheriff's 36,800 square foot Adult Rehabilitation Facility, at an estimated cost of \$51 million. This reflects an outdated project location, project description and budget.

As there is a need to maintain the Adult Rehabilitation Facility for use by the Sheriff's Office, the Health Department is now focused on developing the revised Project on an undeveloped 10-acre portion of a County-owned parcel which fronts Constitution Boulevard (Site), and has coordinated with Public Works, Facilities and Parks (PWFP) to assess the feasibility of constructing a facility at that Site. Preliminary programming and conceptual drawings project a new campus of buildings totaling more than 150,000 square feet, a parking structure and extensive site work. While the proposed revised Project at Constitution Boulevard is still in the early phases of programming, a rough order of magnitude estimate for this Project approaches \$200 million in future funding needs.

Health Department has requested PWFP commission various professionals to determine the feasibility of the proposed Project at the Site, conduct preliminary environmental assessments, deliver a geotechnical report, preliminary site programming and concept site plans. Those assessments and reports have been delivered and finalized. Conceptual site plan is under review by the Health Department and NMC staff. (Attachment B - Constitution Parcel-Conceptual Site Plan). Based on early programming exercises, staff has described a need for a grouping of several single-story buildings for inpatient mental health rehabilitation services as well as separate buildings for behavioral health, administrative and clinical services. On-site parking needs will be met with a multi-story parking structure. Because this is an undeveloped lot, extensive utilities improvements and site work are projected.

The Project's scope has expanded with the focus shifted from 1412 Natividad Rd to Constitution Blvd. New construction on 10 undeveloped acres requires that much of the previous programming and all the preliminary design conducted for the repurposed 1412 Natividad site will be redone. The Project will need to address potential California Environmental Quality Act (CEQA) issues including significant impacts to the environment, neighborhood, parking and traffic.

The Project, as previously approved in the FY25 Workplan, reflects outdated project location, project description and budget. Staff requests the Capital Improvement Committee (CIC) provide direction on the priority of the proposed revised Project at Constitution Boulevard among the approved "Fiscal Year 2024-25 Workplan, First Year-Funded Projects", and consider the proposed revised Project as a replacement for the approved Health Project No. 2022-Behavioral Health-1422 Natividad-Mental Health Rehabilitation Center. If prioritized in the Workplan, the Project will need to proceed at an accelerated pace to clear the milestones of grant funding and adhere to an aggressive schedule. The Project will require priority handling by Health Department and PWFP. The additional demand on resources will affect PWFP's capacity to complete other previously approved active Workplan projects. Adding the Project takes the future funding need from ~\$180 million up to ~\$380 million. (Attachment C - Workplan Considerations and Decision Making) due to the anticipated costs

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of the Project, and if further grant funding cannot be secured, the Project may need to use the County's bonding capacity.

The Site is approximately 10 acres fronting Constitution Blvd. It is part of a larger 26-acre County-owned parcel which includes NMC Parking, access road (Medical Center Drive) and the "Old County Farm." The "Old County Farm" is a facility on 3.25 acres which is leased to Salinas Union High School District for The National Organization of Agricultural Students, Future Farmers of America, North Salinas High School Chapter. The revised Project will necessitate discussions with these groups, should the CIC approve the Project.

OTHER AGENCY INVOLVEMENT:

Staff from PWWP, Health and NMC have collaborated in site programming for the proposed Project.

FINANCING:

With the support of the CIC to add the proposed revised Project at Constitution Boulevard to the Fiscal Year 2024-25 Workplan, First Year-Funded Projects, in place of Health Project No. 2022-Behavioral Health-1422 Natividad-Mental Health Rehabilitation Center, staff will proceed to the Budget Committee and then to the Board of Supervisors for additional approval and prioritization of this Project, outlining financing strategy and further direction to staff.

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Reviewed by: Lindsay Lerable, Assistant Director of Public Works, Facilities and Parks

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

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Attachments:

Attachment A - Workplan Summary

Attachment B - Constitution Parcel-Conceptual Site Plan

Attachment C - Workplan Considerations and Decision Making