



County of Monterey

Item No.

Budget Committee

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

Legistar File Number: BC 26-002

February 25, 2026

Introduced: 12/22/2025

Current Status: Agenda Ready

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Matter Type: Budget Committee

- a. Support authorizing the Auditor-Controller to amend Fiscal Year 2025-26 Adopted Budget to increase appropriations by \$65,162 in General Fund 001, Litter Control Appropriation Unit PFP002, financed by a decrease of \$65,162 in General Fund 001, Contingencies Appropriation Unit CAO020 for homeless encampment cleanup; and
- b. Support authorizing the Auditor-Controller to amend Fiscal Year 2025-26 Adopted Budget to increase appropriations by \$263,120 in the General Fund 001, Stormwater and Floodplain Management Appropriation Unit PFP061, financed by a decrease of \$263,120 in General Fund 001, Contingencies Appropriation Unit CAO020 for Carmel Lagoon sandbar management & flood prevention.

RECOMMENDATION:

It is recommended that the Budget Committee:

- a. Support authorizing the Auditor-Controller to amend Fiscal Year 2025-26 Adopted Budget to increase appropriations by \$65,162 in General Fund 001, Litter Control Appropriation Unit PFP002, financed by a decrease of \$65,162 in General Fund 001, Contingencies Appropriation Unit CAO020 for homeless encampment cleanup; and
- b. Support authorizing the Auditor-Controller to amend Fiscal Year 2025-26 Adopted Budget to increase appropriations by \$263,120 in the General Fund 001, Stormwater and Floodplain Management Appropriation Unit PFP061, financed by a decrease of \$263,120 in General Fund 001, Contingencies Appropriation Unit CAO020 for Carmel Lagoon sandbar management & flood prevention.

SUMMARY:

The Public Works, Facilities & Parks (PWWF) Department completed mandated homeless encampment cleanups and Carmel Lagoon sandbar management activities in Fiscal Year (FY) 2025-26 at the direction of the County Administrative Office (CAO). However, the Board did not approve the requested augmentation during budget adoption. These actions were necessary to address fire hazards, safety risks, and flood-prevention obligations under the State and federal Resource Agency permits and the 2013 Memorandum of Understanding (MOU) with the U.S. Army Corps of Engineers (USACE) and National Marine Fisheries Service (NMFS). The recommended budget adjustments include reimbursement for costs already incurred and funding to cover estimated costs for additional encampment abatement and lagoon management activities anticipated through the remainder of the fiscal year to ensure continuity of mandated work.

DISCUSSION:

During the FY 2025-26 budget development process, PWFP submitted augmentation requests for homeless encampment cleanup and Carmel Lagoon sandbar management. Although the Board did not approve additional appropriations at budget adoption, the County Administrative Office subsequently directed PWFP to proceed with this work due to regulatory requirements, public safety risks, and the immediate need to address hazardous conditions. As a result, PWFP incurred costs without corresponding budget authority and also faces additional, anticipated costs for the remainder of FY 2025-26, requiring the adjustments recommended in this report.

PWFP has completed several significant homeless encampment abatement projects, including cleanups along Boronda Road and Davis Road Bridge. The Davis Road Bridge project occurred within the road right-of-way and was therefore eligible for Road Fund restricted revenues. In contrast, the Boronda Road cleanup and many upcoming encampment abatement efforts are located outside of road right-of-way areas and have no identified funding source. These sites contain extensive accumulated debris, dry vegetation, and hazardous materials that pose substantial fire and public safety risks. Because the scope and complexity of the work exceeded the capacity of PWFP's four-person Grounds Crew, who are also responsible for countywide route maintenance and more than 1,000 annual service requests, PWFP engaged a contracted service provider, Smith & Enright to perform heavy brush clearing, debris removal, and specialized cleanup activities. Additional encampment abatement projects are planned for Manzanita Park, 1488 Schilling Place, and the Calle Del Adobe area, with estimated costs reflected in this request to support work through fiscal year-end, and further sites anticipated as conditions continue to evolve.

The cleanup activities remain necessary to comply with state and local fire codes, reduce blight, and maintain defensible space on County-owned parcels, unimproved lots, abandoned roadways, and utility easements. Fuel loads continue to grow due to seasonal weather patterns, and encampment activity contributes to increased fire potential. Previous abatement work has been credited by fire professionals with preventing major fire incidents and property loss, demonstrating the effectiveness and necessity of ongoing mitigation efforts.

The Carmel River Lagoon sandbar management is performed annually under the County's 2013 MOU with the USACE and the NMFS regarding flood prevention and habitat protection at the lagoon, approved by the County Board of Supervisors on June 11, 2013. State and federal Resource Agency permits, such as the long-term USACE permit issued in 2020 - a five-year Department of the Army permit (Permit No. 196-19089S) and a ten-year NMFS Biological Opinion (WCRO-2013-00009) - provide the County with the authority and interim parameters to conduct annual sandbar management during the winter months while all parties work toward a permanent solution. Additional required State permits include: California Regional Water Quality Control Board (RWQCB) 401 certification, a California Coastal Commission (CCC) Emergency Coastal Development Permit, and a California Department of Fish and Wildlife (CDFW) Lake or Streambed Alteration permit. This work is needed to prevent flooding of homes and infrastructure surrounding the lagoon. Activities include basic flood-protection measures, mechanical sandbar management, and required biological and regulatory monitoring. These costs are not eligible for Road Fund support and have increased due to increasingly stringent regulatory requirements. Without these annual actions, the surrounding residential community of the 4th Addition (in District 5) would be at substantial risk of flooding and associated property damage.

The recommended budget adjustments will align appropriations with the work performed and additional cleanup sites and lagoon management work anticipated later this fiscal year utilizing General Fund Contingencies.

In conclusion, the activities described above, homeless encampment abatement and annual Carmel Lagoon sandbar management, are not one-time needs but recurring operational responsibilities driven by regulatory obligations, environmental conditions, and ongoing public safety risks. Without an increase to the General Fund contribution that accurately reflects the true annual cost of these services, PWWP must continue returning mid-year with reactive funding requests, creating uncertainty for both operations and fiscal planning. Establishing ongoing baseline funding for these mandated activities would support a more sustainable and proactive approach, reduce reliance on General Fund Contingencies, and ensure that the County can consistently meet safety, fire-hazard mitigation, and flood-prevention requirements.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

The report was reviewed by the County Administrative Office Budget & Analysis Division.

FINANCING:

The recommended actions are financed through a decrease of \$328,282 from General Fund Contingencies for homeless encampment cleanup and Carmel Lagoon sandbar management. With a current balance of \$5,481,262, adoption of these adjustments would reduce the General Fund Contingencies balance to \$5,152,980.

It is noteworthy, that as of the date this report was written, there were two other pending requests for use of contingencies totaling \$4,350,000, and if approved by the board, would reduce the balance to \$1,131,262. And then this request would further reduce the balance to \$802,980.

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Reviewed: 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

Attachments:

Attachment A - Draft Board Resolution