



County of Monterey

Item No.

Board Report

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

Legistar File Number: BCSD RES 24-005

September 17, 2024

Introduced: 8/29/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BCSD Resolution

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

Authorize and direct the Auditor-Controller to amend the Fiscal Year 2024-25 Boronda County Sanitation District Adopted Budget, Fund 156, Appropriation Unit PFP049, to increase appropriations by \$187,998, funded by an increase in sanitation services revenue of \$2,683 and unassigned fund balance (156-3101) of \$185,315 to fund the completion of an Engineer's Report and Proposition 218 sewer rate increase, sewer line inspection and cleaning, and mandated regulatory compliance (4/5 vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors, acting as the Board of Directors of the Boronda County Sanitation District:

Authorize and direct the Auditor-Controller to amend the Fiscal Year 2024-25 Boronda County Sanitation District Adopted Budget, Fund 156, Appropriation Unit PFP049, to increase appropriations by \$187,998, funded by an increase in sanitation services revenue of \$2,683 and unassigned fund balance (156-3101) of \$185,315 to fund the completion of an Engineer's Report and Proposition 218 sewer rate increase, sewer line inspection and cleaning, and mandated regulatory compliance.

SUMMARY/DISCUSSION:

The Boronda County Sanitation District (BCSD) provides wastewater collection services to the community of Boronda. The operations and maintenance of the wastewater treatment and collection system must meet the regulatory requirements established under the California Water Boards, State Water Resources Control Board (SWRCB) Waste Discharge Requirements for Wastewater Discharge Order 3SS018097 issued by the SWRCB.

BCSD will incur costs greater than the amount budgeted in Fiscal Year (FY) 2024-25 due to the need to perform sewer line inspection/cleaning, complete a rate study and Proposition 218 election to establish a new wastewater collection services rate, and meet state water compliance requirements.

Regular sewer line maintenance and inspections are critical to the proper function of the sanitation system and allow for early detection of issues that can result in line breaks and sewer spills. System cleaning is most effective when completed prior to the wet weather season.

A draft rate study, originally anticipated to be completed prior to the end of last fiscal year is currently in progress and estimated to be completed by early 2025. Once completed, community outreach will commence, followed by the Proposition 218 election, which is required to establish new rates. This schedule will allow for new rates to be placed on the tax rolls for the 2025-26 fiscal year.

Finally, the State of California requires publicly owned sanitation sewer systems to develop and implement a Sewer System Management Plan (SSMP) to properly manage, operate, and maintain the wastewater collection system, provide adequate capacity to convey peak flows, and to minimize the frequency of and mitigate the impact of sewer spills.

OTHER AGENCY INVOLVEMENT:

At its September 3, 2024, meeting, the Budget Committee received and supported a report from staff for this appropriation request.

FINANCING:

If approved, the BCSD adopted budget for FY 2024-25 will be modified to increase appropriations by \$187,998 to fund additional expenditures for maintenance, completion of a rate study, and a subsequent Proposition 218 Election. The increased costs are proposed to be funded by BCSD's unassigned fund balance of \$185,315 and additional sanitation services revenue of \$2,683. The estimated ending fund balance will be \$3,853.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The requested appropriation will allow for necessary maintenance of the sewer infrastructure, a rate structure that will provide for the proper levels of funding and meet State of California requirements to ensure proper management and operations of the system, all which comply with the Board of Supervisors' Strategic Initiates for Infrastructure and Public Safety.

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

Prepared by: Lynette Redman, Management Analyst III, (831) 796-6038

Reviewed by: Tom Moss, Senior Water Resources Hydrologist

Reviewed by: Enrique Saavedra, PE, Chief of Public Works

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

DocuSigned by:
Randell Ishii
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Attachments:

- Attachment A - Resolution
- Attachment B - BCSD FY 2024-25 Financial Summary
- Attachment C - Location Map