



County of Monterey

Item No.49

Board Report

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

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Parks - Consent

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Adopt a resolution approving the County of Monterey Capital Improvement Program Five-Year Plan (CIP) for Fiscal Years 2025-26 through 2029-30.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution approving the County of Monterey Capital Improvement Program Five-Year Plan (CIP) for Fiscal Years 2025-26 through 2029-30.

SUMMARY:

The County of Monterey Capital Improvement Program Five-Year Plan (CIP) is a planning document that includes capital projects managed by the Public Works, Facilities and Parks Department (PWFP), Natividad Medical Center (NMC) and technology upgrade project managed by Information Technology Department (ITD). NMC manages its own funds for capital projects and is included in the County CIP for reference only. Monterey County Water Resources Agency (MCWRA) is not considered a department of the County, and PWFP does not report on MCWRA projects. PWFP reached out to MCWRA for a copy of their capital projects plan. The plan was not available at the time of writing this report.

Infrastructure projects with a value over \$100,000 and a useful life of more than one year are included in the CIP. Both funded and unfunded projects are reported in Fiscal Year (FY) 2025-26. Funded projects are incorporated in operating and capital budgets. Unfunded projects are presented to the Capital Improvement Committee (CIC), Budget Committee (BC) and Board of Supervisors (Board) for prioritization should funding become available. The projects and costs identified for FYs 2025-26 through 2029-30 are intended to illustrate priorities and the magnitude of future funding needs. The CIP is a point-in-time snapshot of the capital project work plan.

DISCUSSION:

The CIP sets forth public projects essential to maintain and improve County public facilities and facilitate the orderly implementation of the County General Plan. Each year, the CIP is updated and reviewed considering County needs, priorities, and available funding. A long-term CIP provides several benefits:

- Prioritizes needs and establishes an orderly basis for sound budgetary decisions
- Focuses attention on both mandated and community goals, needs, and capabilities for best use of public funds and establishes a long-term plan to address future needs
- Improves the likelihood of obtaining State and Federal financing assistance for projects

- Encourages project coordination between the County and public agencies which serves to reduce scheduling conflicts
- Permits private enterprise to relate and/or align their projects to the CIP

FY 2025-26 Funded Projects (FY 2025-26 Work Plan)

Projects with sufficient funding planned for FY 2025-26 are included in the CIP as “First Year - Funded” projects (Exhibit A in the CIP). PWFP staff does not rank or score these projects as they are not competing for discretionary funding. The majority of funding for these projects is held in either Fund 404 Capital Projects Fund or Fund 002 Road Fund. Departments may also hold specific project funding such as grant funds in their own department budgets. The CIP Executive Summary includes a summary of the number and total cost of First Year - Funded projects currently reported to PWFP.

FY 2025-26 Unfunded Project Requests - Developing Scope and Cost Estimates

Unfunded projects which departments wish to have considered for discretionary funding in FY 2025-26 are included in the CIP as “First Year - Unfunded” projects (Exhibit B in the CIP). These projects range from an identified need with no formal scoping or cost estimating to projects with professional programming, scoping, and estimating, which provide more accurate cost estimates. For project funding requests without formal scoping and estimating, departments have three options in preparing their project requests:

Option 1: Departments may request a smaller amount of funding be allocated to projects prior to full funding, so that more accurate scoping and estimating can be done which may include engaging services of specialized consultants. This provides the Board with a more realistic project estimate for full funding consideration in subsequent years. **PWFP Project Managers recommend this process.**

Option 2: Departments may use internal funding sources to retain PWFP scoping and estimating services. Once scoping and estimating is complete, the CIP project is updated with the more realistic cost estimate and funding request. As with Option 1, this allows the Board to make more informed decisions with fewer and smaller add-on funding requests once the project starts.

Option 3: Departments may reference historical data from previous projects to develop an estimate or use a standard square foot cost calculator provided by PWFP as part of the CIP update process to create a potential project budget. Departments may engage PWFP Project Managers through a Reimbursable Service Agreement (RSA) to review the CIP request and historical costs. These estimates are known as Rough Order of Magnitude estimates (ROMs). ROMs vary significantly from actual costs. To account for the many unknown factors in a ROM, a cost estimate will typically include placeholders of 20% design/engineering, 20% construction management and 35% contingency based on the County’s cost estimating procedures. The Board may elect to award funding based on a ROM to quickly initiate work, however there is significant risk that the initial funding allocation will not cover actual project costs once the true scope is determined.

FY 2025-26 Unfunded Project Priorities

In October 2024, the Board adopted a resolution establishing five capital projects as priority for funding. The report also directed staff to bring the current unfunded project scoring system to the CIP for review. In November 2024 the Board adopted a resolution prioritizing the following capital

projects for funding:

Seaside Community Benefits Office Replacement (Project scope under review and revision)
New Bradley Library and Resiliency Center (Funded as part of FY 2025-26 Budget Hearings)
King City Courthouse Parking Lot Repaving (Funded in previous Board action)
South County AG Commissioner Facility Development (Funded as part of department budget)
Pajaro Mansion Campus (Funded as part of FY 2025-26 Budget Hearings)
Mental Health Rehabilitation Center (Constitution Parcel) (Pending funding recommendations from CAO Budget Office)

In preparation for unfunded project review by the CIC, PWFP conducted the standard unfunded project review and scoring process based on life/health/safety criteria which were initiated in FY 2017-18. Additionally, unfunded projects have been ranked for potential benefits to disadvantaged communities utilizing a Government Alliance on Race and Equity (GARE) scoring criteria. Beginning in 2018, staff have incorporated this additional score to look at projects from a community benefits lens in addition to health and safety needs. The CIC places an emphasis on projects benefiting targeted geographical areas, such as disadvantaged communities which may qualify to leverage grant funding. Road and bridge projects are not scored since these types of projects are mostly funded with Road Fund revenue and follow the General Plan.

At the May 28, 2025 Budget Hearings, the Board of Supervisors allocated Fund 478 dollars to a number of unfunded capital projects previously highlighted at the Budget Workshop, along with two capital projects which rose to prominence in the proceeding weeks:

COVID-19 Memorial Project
King City Courthouse Facility Maintenance (2015 Assessment)
Juvenile Division Restroom Remodel
Pajaro Mansion Campus Post-Storm Restoration (Emergency Work)
Unscheduled Maintenance
Pajaro Library Branch Rehabilitation (ADA 2nd and 3rd Floor Access)
New Bradley Library and Resiliency Center Project
168 W Alisal Parking Lot
168 W. Alisal Roof Replacement

The Board also directed staff to research funding options for other capital needs such as the Jail Facilities ADA and Deferred Maintenance project.

OTHER AGENCY INVOLVEMENT:

PWFP worked closely with County departments to update active capital projects under PWFP management. Departments sometimes begin developing projects and project scopes independently. These projects are included in the CIP to capture the breadth of potential work in the County. Per County Code, PWFP is responsible for most capital project implementation, and projects should not proceed beyond initial programming without PWFP Project Management oversight. Departments were encouraged to attend CIP presentations at the CIC, BC, Budget Workshop, and Budget Hearings to speak on behalf of their projects.

On March 10, 2025, the Draft CIP was presented to the Capital Improvement Committee for work plan review and unfunded project prioritization. On March 17, 2025, the BC provided feedback on capital project funding. Unfunded projects recommended for funding were presented to the Board of Supervisors at the March 25, 2025 Budget Workshop. Final project funding recommendations were provided by the Board at the May 28, 2025 Budget hearings.

On May 14, 2025 the Planning Commission reviewed the draft CIP list of planned projects for FY 2025-26 and adopted a resolution finding that the list of major public works projects, contained in the CIP conforms to and is consistent with the 2010 Monterey County General Plan or the Monterey County Local Coastal Program and the 1982 General Plan, as applicable. The adopted resolution is included with the report as Attachment C.

FINANCING:

The CIP is funded by multiple funding sources including local, state, and federal grants, Highway Users Tax Account (HUTA, or Gas Tax), SB 1, Measure X, impact fees, and capital funds. PWFP staff costs allocated to prepare the CIP this FY are budgeted in Fund 404. Available cash flow is considered when determining the timing and implementation of individual projects.

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Attachments:

Attachment A - Draft Resolution

Attachment B - CIP FYs 2025-26 through 2029-30

Attachment C - Planning Commission Resolution