



Consent Item N

## STAFF REPORT

**TO:** Board of Commissioners

**FROM:** Chris Munson, Facilities Manager  
Natalie Teeter, Planner/Analyst

**DATE:** July 26, 2022

**SUBJECT:** **Budget Adjustment - Revetment & Jetty Repair Project CEQA**

### Recommendation / Proposed Motion

- **Recommendation:** Allocate an additional \$25,000 to the Major Maintenance line item "Revetment Maintenance" and increase use of Operating Reserves by an equal amount (totaling \$40,000 in Operating Reserves).
- **Motion:** Move to approve a budgetary transfer allocating additional funding for Major Maintenance project "Revetment Maintenance," in the amount of \$25,000, funding source Operating Reserves. Allow Harbor Director or designee to approve contracts for stated services.

### District Major Objective/Goal

Objective #1 – Sustain and enhance the Harbor's finances -- provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.

Objective #2 – Maintain and enhance a boater-friendly atmosphere at PSL for both commercial and recreational boaters.

### Policy Implications

#### 3042 - Employment of Outside Contractors and Consultants

**3042.12** - Consultants will be generally selected by the Board of Commissioners.

The Harbor Manager may hire consultants for short term, "immediate need" projects, which costs are provided for in the budget and service costs are less than \$5,000. The Harbor Manager may also retain services of a consultant who has previously been approved by the Commission, provided that the Harbor Commission is notified in writing of such action. The Board of Commissioners will make its selection based on the consultant's experience and qualifications. The consultant shall be required to make a cost estimate for his/her services that will be used in his/her evaluation in the selection process.

### **Fiscal Implications / Budget Status**

The FY 2022-23 Major Maintenance budget includes \$15,000 for repairs to the concrete area at the Sport Launch jetty and other areas where the revetment has been undermined and sloughed off, funded from Operating Reserves. This budget adjustment would increase the use of the Harbor District's Operating Reserves by \$25,000, increasing the project's total Operating Reserves use to \$40,000.

### **Alternatives Considered**

The following actions were considered but are not recommended at this time:

- None at this time.

### **Background**

The Revetment and Jetty Repair Plan was completed by Moffatt and Nichol in 2021. With the scope of the repairs established, the Harbor District began pursuing a California Environmental Quality Act (CEQA) determination. A CEQA determination is required for most large projects in California. The CEQA process is intended to inform government decision-makers and the public about the potential environmental effects of proposed activities and to prevent significant, avoidable environmental damage.

SWCA and Tenera Environmental submitted a proposal for a collaborative effort to perform this work. Together, they have extensive experience with the CEQA process and the local marine environment. Both have previously worked for the Harbor District. On March 22, 2022, the Board of Commissioners authorized a contract not to exceed \$35,000 with SWCA and Tenera as a subcontractor to perform the scope of work.

### **Discussion**

SWCA and Tenera were able to perform their field work and data collection prior to the end of the previous 2021-22 fiscal year. However, they were unable to provide the deliverables and conduct the necessary CEQA procedures within this timeframe. Consequently, a budget adjustment is necessary now that these project services will be performed during a new fiscal year, but the cost of these services was not originally included within the new 2022-23 fiscal year budget. While a portion of the services were billed in the previous fiscal year, about \$25,000 remain to be billed in the current fiscal year.

The proposed budget adjustment re-establishes the balance of the contract and does not include any additions or changes to the original contract budget approved by the Board at the March 22, 2022 meeting. The \$15,000 included in the current FY 2022-23 Major Maintenance budget for the revetment is intended for repairs and was not intended for the CEQA work performed by SWCA.

### **Staff Recommendation:**

Staff recommends the Board approve the proposed budget adjustment by allocating the additional \$25,000 of Operating Reserves to the FY 2022-23 Major Maintenance project line item "Revetment Maintenance" and increase the use of project Operating Reserves in an equal amount (totaling \$40,000 in Operating Reserves). Providing additional funds to the Revetment project will allow for continued CEQA and permitting support services by SWCA and Tenera.