

CIP Questions and Answers

March 26, 2024

Questions and comments from Council and public are listed below with responses to each.

1. *What buildings does the City own and what is the estimated deferred maintenance costs for each?*

Response:

No.	Building	Year Built	Square Feet	Condition Assessed (Firm/Year)	Estimated Repairs/ Renovations
1	City Hall	1913	6,572	BV 2023	\$2.1M
2	Fire Station	1937	3,375	BV 2023	\$1.5M
3	Vista Lobos	1954	6,000	BV 2023	\$0.6M
4	Police Station	1966	7,500	Indigo 2023	\$11 - \$20M
5	Public Works	1966	15,614	BV 2023	Pending PD
6	HM Library	1927	7,466	Jayson 2023	\$10M LMP
7	PB Library	1971	8,310	Jayson 2023	\$15M LMP
8	Flanders Mansion	1925	5,380	2018 RFP	
9	Scout House	1931	3,820	2023 RFP	\$1M
10	First Murphy House	1902	760	H&A 2013	
11	Forest Theater	1939+	12,350	H&A 2013	Renov. 2015
12	Sunset Center	1925-31	45,634	H&A 2013	Renov. 2001
13	Norton Garage	1989	10,500		
14-20	7 Public Restrooms		3,500	Proposed FY27	
Totals			136,781		

2. *What is the estimated total carry-over amount and the new FY 2024/25 proposed amounts? What is the forecast for funding next year?*

Response: The estimated total carry-over amount into FY 2024/25 is \$6.81M of City Funds plus \$2.43M of external funds (now including PG&E Rule 20A). The total amount of the supplemental funding for six “shovel ready” projects (\$1,667,000), plus six proposed new Vehicle and Equipment Fund projects (\$545,000), and the 13 proposed Capital Improvement Fund projects (\$3,030,000) would be \$5,242,000 of City funds plus \$515,000 of external funds.

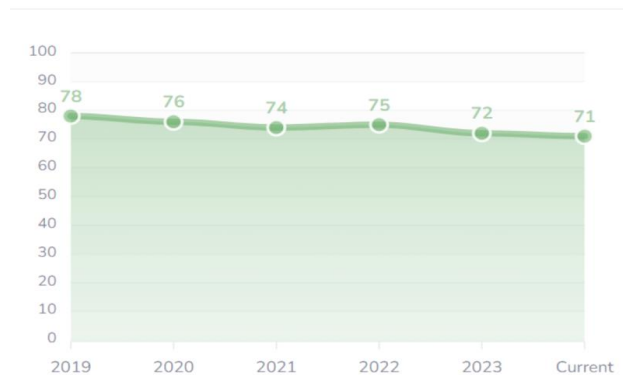
While the forecasted funds for FY 2024/25 are not yet available, Council is requested to review and defer projects that may not be urgent at this time or which

may exceed available funding.

3. *Our roads are badly cracked. Can we add more funding to improve the streets?*

Response: According to our “Street Saver” Pavement Management Program, the City’s overall Pavement Condition Index (PCI) has been slowly deteriorating over the past five years as indicated in the chart below. In 2019, the PCI of 78 was the highest of any agency in Monterey County. Since then, a three-year gap in paving projects caused by the Pandemic has reduced the PCI down to 71, as was anticipated.

HISTORICAL PAVEMENT CONDITION
TRENDS



With the proposed \$2.8M street improvement project for FY 2024/25 and ongoing annual investments (local plus external funding) of \$1.1M, our pavement condition is expected to be maintained in the 70s, at least for the next five years. Increasing investment for streets must be weighed against other significant infrastructure needs such as for priority drainage, shoreline infrastructure, and City building repairs.

4. *Why are we spending so much for consultants?*

Response: The City relies on consultants to provide professional services for two primary reasons. First, City staff does not possess the wide range of technical expertise needed for many projects, such as in the following service areas: Architecture, coastal engineering, electrical engineering, geotechnical engineering, hazardous materials testing, landscape architecture, mechanical engineering, structural engineering, surveying, and traffic engineering.

The other primary reason is that while staff does have the needed technical expertise, the quantity of projects requires the City to supplement staff, such as for the following service areas: Arboricultural services, Building Code plan checking, civil engineering, construction management, environmental services, historic preservation, planning services, and project management. Per state law,

consultants are hired on the basis of demonstrated competency, qualifications, and experience, not on lowest price. Also refer to Question 11 below.

5. *Can the proposed landscaping on the Ocean Avenue median island include an irrigation connection to facilitate watering plants and flowers around the WWI Memorial Arch?*

Response: Yes.

6. *Why wasn't the PG&E Rule 20A Undergrounding funds included in the CIP?*

Response: The Rule 20A Undergrounding Project was included in the current FY 2023/24 budget and shown in the 5-year CIP spreadsheet. However, on March 5th, this should have been included as a carryover project with external funding. This has been corrected.

7. *Does the City have a plan to ultimately replace the new ambulance and fire engine?*

Response: Public Works and Public Safety maintain a list of all vehicles and equipment in the City's fleet. This list is updated each year as part of the CIP programming process, and projects 15 years out. The incoming ambulance and fire engine are not yet in the City's fleet; however, once they arrive, they will be added to the list and forecasted when they are due to be replaced.

Our current Fire/Ambulance services operate with two fire engines and two ambulances. One vehicle for each serves as a back-up for the primary. When we replace a fire engine or ambulance, we are essentially replacing the back-up. The new vehicle becomes the primary, and the old one moves to the back-up role.

8. *Carmel Cares suggests fundraising to donate a bobcat or tractor to Public Works to help sand movement on Carmel Beach.*

Response: The City would greatly appreciate such a donation. Currently Public Works has to rent this equipment.

9. *Can the City increase the transfer tax to provide additional revenue?*

Response: Under California law, a charter city may only enact or increase a real property transfer tax that is a general tax. Therefore, the real property transfer tax would have to be approved by a majority of the voters. Should Council wish to pursue this option, a preliminary discussion may be prudent at the March 28th Strategic Planning Workshop.

10. *What is the cost estimate to fix the roadway along Ocean Avenue in the County's jurisdiction, between Carpenter Street and Highway 1?*

Response: Monterey County Public Works officials have informed a local resident that the cost estimate to repair Ocean Avenue in the County's jurisdiction would be \$500,000. City staff believes that this cost estimate is overly optimistic and may not include the full cost considering traffic detours, drainage, CalTrans permitting, required ADA ramps, etc.

With Council's direction, Staff could begin to discuss the possibility of entering into an Interagency Agreement with Monterey County such that the City would oversee a program management consultant who would in turn oversee the development of design plans, CEQA documentation, bidding, and construction of the proposed project, all at the expense of the County.

11. *What are our costs for consultant project management services? What is the cost if we were to add a second project manager position in-house?*

Response: For the past two fiscal years, the City has retained three project management firms for the total fees to advance the following projects:

- **4 Leaf, \$198k:** Includes Police Building Project, FY 22 Paving Project specifications, and technical support for resilience and electrical panel assessment projects.
- **Ausonio, Inc., \$250k:** Includes City Hall retaining wall repair, Sunset Center and HML exterior painting projects, City Hall roof replacement, Cottage Windows repairs, 4 facility condition assessments, design of Sunset Center's portico and retaining wall repairs, San Antonio pathway structural repairs, and Park Branch Library dumbwaiter.
- **Wallace Group, \$350k:** Includes Mission Trail Nature Preserve tank/pump house/well removal design, oversight of FY 23 Concrete Streets Project and the Storm Drain Master Plan Update, wayfinding signs, shoreline infrastructure repairs, and design of the FY 24 Paving Project.

This \$800k investment over two years allowed the City to advance 20 capital improvement projects.

The fully-burdened cost (salary plus benefits) for a City Project Manager is roughly \$190,000 (pending). A Project Manager can support an average of eight to ten projects at a time. Thus, hiring a second Project Manager on staff would ultimately reduce outside consultant fees, but continuing to retain project management consultants is still a prudent strategy until the current backlog of projects can be reduced.

12. *The failed fencing along the San Antonio pathway, between Second and Fourth Avenues appear, was originally a joint project with Pebble Beach. Pebble Beach appears to have a similar problem with the fencing north of the Pebble Beach gate. Does Pebble Beach have a plan for repairs and would they be willing to participate in funding?*

Response: The Pebble Beach Community Services District advised staff to reach out to representatives of the Pebble Beach Company. While the fence inside Pebble Beach appears to be similar to the fence along San Antonio Avenue, it is not yet clear if the same, or alternative foundation design, was used there. More information is forthcoming.

13. *What is the total cost to implement all of the priority drainage repairs identified in the 2023 Storm Drain Master Plan (SDMP) Update?*

Response: The 23 priority projects identified in the SDMP Update are estimated to cost \$14.7M. Three of the six highest priority repairs will be “shovel ready” for construction pending supplemental funding of \$638,000 proposed in FY 2024/25. The design of one additional high priority project, the Junipero Bypass, is a proposed new project valued at \$175,000 for FY 2024/25.

The draft 5-year CIP includes an additional \$2.8M in Years 2-5 towards completion of these top six projects. The nine medium priority projects included in the SDMP Update, valued at \$7.7M, would take another 7 to 10 years to complete at current funding levels.

14. *Council requests a presentation about the status of the Library Master Plan.*

Response: The Library Master Plan was presented to the Harrison Memorial Library Board of Trustees on March 20, 2024 and will be presented to Council at an upcoming meeting.

15. *Can we dissect the San Antonio/Ocean Avenue intersection improvements included in the FY 23 Concrete Streets project into the proposed, modified project to be constructed in FY 2024/25?*

Response: Yes. This is one of the proposed project changes described in Section B of the March 26, 2024 Staff Report.