

**Meeting Date:** 5/19/2015

**Report Type:** Consent

**Report ID:** 2015-00409

**Title:** Fiscal Year (FY) 2015/16 Proposed Operating Budget for the Sacramento City-County Office of Metropolitan Water Planning

**Location:** Citywide

**Recommendation:** Receive and consider for final budget adoption.

**Contact:** Tom Gohring, Executive Director, (916) 808-1998, Sacramento City-County Office of Metropolitan Water Planning, Department of Citywide and Community Support

**Presenter:** None

**Department:** Community Support

**Division:** CCOMWP

**Dept ID:** 80004101

**Attachments:**

1-Description/Analysis

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**City Attorney Review**

Approved as to Form

Joe Robinson

5/12/2015 5:25:52 PM

**Approvals/Acknowledgements**

Department Director or Designee: Tom Gohring - 4/29/2015 9:02:59 AM

## Description/Analysis

**Issue Detail:** The FY2015/16 proposed operating budget for the Sacramento City-County Office of Metropolitan Water Planning (CCOMWP) includes estimated revenue, program support transfers, and expenditures necessary to maintain staffing levels and fund prior Water Forum program and service commitments in FY2015/16. Service commitments include work on the Lower American River (LAR) Flow Management Standard and habitat enhancement projects, an essential requirement of the historic Water Forum Agreement (WFA).

**Policy Considerations:** This recommendation is consistent with the Mayor and City Council's mission to protect, preserve, and enhance the quality of life for present and future generations. This recommendation is also necessary to meet mitigation requirements specified by the WFA Environmental Impact Report of 2000.

## Environmental Considerations:

**California Environmental Quality Act (CEQA):** Continuing administrative activities and government fiscal activities do not constitute a project and are therefore exempt from CEQA review [CEQA Guidelines § 15378(b)(2) and (b)(4)].

**Sustainability:** Approval of the FY2015/16 Proposed Operating Budget for the CCOMWP is consistent with the following City of Sacramento's Sustainability Master Plan Goals.

**Sustainability Goal No. 7 - Parks, Open Space, and Habitat Conservation** is promoted by the second co-equal objective of the WFA "To preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River."

**Sustainability Goal No. 8 - Water Resources and Flood Protection** is supported by the first coequal objective of the WFA "To provide a reliable water supply for planned development to the year 2030."

**Commission/Committee Action:** The proposed budget was reviewed and approved by the Water Forum Coordinating Committee on February 26, 2015, and by the Water Forum Successor Effort Plenary on March 12, 2015.

**Rationale for Recommendation:** Approval of the FY2015/16 proposed operating budget will enable the Water Forum to continue its services and projects related to regional water resource issues, including implementation of the Habitat Management Element, completion of the lower American River Flow Management Standard, and regional assistance on water conservation program implementation. These activities have been deemed essential to maintaining the lower American River as a functioning ecosystem and preserving the American River Parkway's reputation as the jewel of the Sacramento Region. These ongoing activities, under the guidance of the Water Forum have gained regional, state-wide, and national recognition and have helped to define Sacramento as a leader in water management, open space preservation, and ecological stewardship.

**Financial Considerations:** The proposed operating budget for FY2015/16 is \$1,545,964 in revenue and program support transfers and \$2,730,426 in expenditures for the CCOMWP Fund (7103) and

the Habitat Management Element Fund (7104). The detail of revenue and expenditure budgets for both funds is detailed in Table 1. There are sufficient available fund balances in Funds 7103 and 7104 to support the additional expenditures of \$1,184,462 not covered by revenue and program support transfers. The Water Forum Coordinating Committee approved the use of these available fund balances on February 26, 2015, to support activities associated with the adoption of a revised lower American River Flow Management Standard that is more protective of the aquatic resources and is one the WFA's seven elements, also critical to meeting its coequal objectives.

The proposed City of Sacramento's cost share is \$471,394, providing \$266,150 for WFSE services and programs in Fund 7103 and \$205,244 for HME services and programs in Fund 7104. These City funds are included in the FY2015/16 Department of Utilities Water Fund 6005 proposed budget as program support transfers.

**Revenue and offsets - Fund 7103**

The projected total amount needed for expenses is cost shared by the water purveyor signatories according to the formula outlined in the WFA and is based primarily on the number of active water connections for each purveyor.

**Revenue and offsets - Fund 7104**

Revenue and offsets are cost shared by the City and County of Sacramento and other diverters of non-Central Valley Project (CVP) water from the lower American River. Contributions to this fund are adjusted each year for inflation according to the Construction Cost Index as outlined in the WFA.

**Expenditures - Fund 7103**

The revenue and offsets are \$930,233 and the expenditures are \$1,114,696. The difference of \$184,462 will be absorbed by the use of available fund balance.

**Expenditures - Fund 7104**

The revenue and offsets for Fund 7104 are \$615,731 and expenditures are \$1,615,731. The difference of \$1,000,000 will be absorbed by the use of available fund balance.

**Local Business Enterprise (LBE):** Not applicable.

**Table 1**

**FY2015/16 Proposed Revenue and Program Support Transfers**

**Fund 7103**

County of Sacramento - Zone 13	\$484,304
City of Sacramento (Program Support Transfer, Account 503010)	266,150
City of Roseville	80,193
City of Folsom	38,747
Placer County Water Agency	20,274
Sacramento Municipal Utility District	17,577
San Juan Water District in Placer County	13,685
El Dorado County Water Agency	9,302
Subtotal	<u>\$930,233</u>

**Fund 7104**

Sacramento County - Zone 13	\$410,487
City of Sacramento (Program Support Transfer, Account 503010)	205,244
Subtotal	<u>\$615,731</u>

Total \$1,545,964

**FY2015/16 Proposed Expenses**

**Fund 7103**

Staff labor / benefits	\$475,097
Office space lease	38,514
Transportation / travel / parking	5,489
City Attorney / administrative costs (Fund Expense, Account 502050)	49,000
Communications / technology	17,600
Outreach / supplies	52,500
LAR Flow Management Standard (consultants)	190,996
Technical support (consultants)	165,000
Mediation / facilitation (consultants)	75,500
Water conservation (consultants)	45,000
Subtotal	<u>\$1,114,696</u>

**Fund 7104**

LAR Flow Management Standard (consultants)	\$1,475,731
LAR Monitoring and Technical Support (consultants)	120,000
Mediation / facilitation (consultants)	20,000
Subtotal	<u>1,615,731</u>

Total \$2,730,426

**FY2015/16 Budget Fund Analysis**

	Beginning of FY2014/15	Projected Ending of FY2014/15 and Available Fund Balance Beginning of FY2015/16
Fund 7103	\$167,000	\$238,000
Fund 7104	<u>1,500,000</u>	<u>1,299,000</u>
Available Fund Balance	\$1,667,000	\$1,537,000