

Meeting Date: 5/17/2016

Report Type: Consent

Report ID: 2016-00401

Title: FY2016/17 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, Citywide and Community Support, Sacramento City-County Office of Metropolitan Water Planning

Presenter: None

Department: Community Support

Division: CCOMWP

Dept ID: 80004101

Attachments:

1-Description/Analysis

City Attorney Review

Approved as to Form

Joe Robinson

5/5/2016 5:00:28 PM

Approvals/Acknowledgements

Department Director or Designee: Kathy Howard - 4/6/2016 3:00:00 PM

Description/Analysis

Issue Detail: The FY2016/17 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 FY2016/17. 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 also furthers implementation of mitigation requirements specified by the WFA Environmental Impact Report.

Economic Impacts: None.

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 FY2016/17 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 25, 2016, and by the Water Forum Successor Effort Plenary on March 10, 2016.

Rationale for Recommendation: Approval of the FY2016/17 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 (HME), 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, 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 FY2016/17 is \$1,592,444 in revenue and program support transfers and \$2,031,142 in expenditures for the CCOMWP Fund (7103) and the HME 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 \$438,698 not covered by revenue and program support transfers. The Water Forum Coordinating Committee approved the use of these available fund balances on February 25, 2016, 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 City's proposed cost share is \$480,374, providing \$272,873 for WFSE services and programs in Fund 7103 and \$207,501 for HME services and programs in Fund 7104. These City funds are included in the FY2016/17 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 \$969,940 and the expenditures are \$1,378,638. The difference of \$408,698 will be absorbed by the use of available fund balance.

Expenditures - Fund 7104

The revenue and offsets for Fund 7104 are \$622,504 and expenditures are \$652,504. The difference of \$30,000 will be absorbed by the use of available fund balance.

Local Business Enterprise (LBE): Not applicable.

Table 1

FY2016/17 Proposed Revenue and Program Support Transfers

Fund 7103

County of Sacramento - Zone 13	\$508,386
City of Sacramento (Program Support Transfer, Account 503010)	272,873
City of Roseville	84,359
City of Folsom	40,952
Placer County Water Agency	21,624
Sacramento Municipal Utility District	17,770
San Juan Water District in Placer County	14,277
El Dorado County Water Agency	9,699
Subtotal	\$969,940

Fund 7104

Sacramento County - Zone 13	\$415,003
City of Sacramento (Program Support Transfer, Account 503010)	207,501
Subtotal	\$622,504
Total	\$1,592,444

FY2016/17 Proposed Expenses

Fund 7103

Staff labor / benefits	\$513,037
Office space lease	47,700
Transportation / travel / parking	10,301
City Attorney / administrative costs (Fund Expense, Account 502050)	49,000
Communications / technology	12,500
Outreach / supplies	51,600
LAR Flow Management Standard (consultants)	408,000
Technical support (consultants)	66,500
Mediation / facilitation (consultants)	210,000
Water conservation (consultants)	10,000
Subtotal	\$1,378,638

Fund 7104

LAR Flow Management Standard (consultants)	\$482,504
(Engineering and Architectural)	30,000
LAR Monitoring and Technical Support (consultants)	120,000
Mediation / facilitation (consultants)	20,000
Subtotal	\$652,504
Total	\$2,031,142

FY2016/17 Budget Fund Analysis

	Beginning of FY2015/16	Projected Ending of FY2015/16 and Available Fund Balance Beginning of FY2016/17
Fund 7103	\$337,000	\$537,000
Fund 7104	<u>1,031,000</u>	<u>1,041,000</u>
Available Fund Balance	\$1,368,000	\$1,578,000