



## City Council Report

915 I Street, 1<sup>st</sup> Floor

Sacramento, CA 95814

[www.cityofsacramento.org](http://www.cityofsacramento.org)

---

**File ID:** 2019-00615

May 14, 2019

**Consent Item 05**

---

**Title:** FY2019/20 Proposed Operating Budget for the Sacramento City-County Office of Metropolitan Water Planning (Water Forum)

**Location:** Citywide

**Recommendation:** Pass an intent Motion approving the Fiscal Year 2019/20 Proposed Operating Budget for the Sacramento City County Office of Metropolitan Water Planning.

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

**Presenter:** None

**Attachments:**

1-Description/Analysis

## Description/Analysis

**Issue Detail:** The FY2019/20 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 FY2019/20. Service commitments include work on the Lower American River (LAR) Flow Management Standard, groundwater sustainability, 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.

**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 FY2019/20 Proposed Operating Budget for the CCOMWP is consistent with the following City of Sacramento's General Plan Goals.

Environmental Resource Goal 1.1 – Water Quality Protection is supported by the first co-equal objective of the Water Forum Agreement “To provide a reliable water supply for planned development to the year 2030.”

Environmental Resource Goal 1.1.1.- Conservation of Open Space Areas is promoted by the second co-equal objective of the Water Forum Agreement “To preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River.”

**Commission/Committee Action:** The proposed budget was reviewed and approved by the Water Forum Coordinating Committee on March 28, 2018, and by the Water Forum Successor Effort Plenary on April 11, 2018.

**Rationale for Recommendation:** Approval of the FY2019/20 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-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 FY2019/20 is \$1,626,657 in revenue and program support transfers and \$1,841,839 in expenditures for the CCOMWP Fund (7103) and the HME Fund (7104). The detail of revenue and expenditure budgets for both funds is outlined in Table 1. There are sufficient funds in Funds 7103 and 7104 available fund balance to support the additional expenditures of \$215,182 not covered by revenue and program support transfers. The Water Forum Coordinating Committee approved the use of these available fund balances on March 28, 2018, 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 \$492,557, providing \$275,720 for WFSE services and programs in Fund 7103 and \$216,837 for HME services and programs in Fund 7104. These City funds are included in the FY2018/19 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 \$976,146 and the expenditures are \$1,051,655. The difference of \$75,509 will be absorbed by the use of available fund balance.

**Expenditures - Fund 7104**

The revenue and offsets for Fund 7104 are \$650,511 and expenditures are \$790,184. The difference of \$139,673 will be absorbed by the use of available fund balance.

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

**Table 1****FY2019/20 Proposed Budget****Fund 7103 Revenue and Offset**

County of Sacramento - Zone 13	\$507,519
City of Sacramento	275,720
City of Roseville	87,460
City of Folsom	41,905
Placer County Water Agency	21,548
Sacramento Municipal Utility District	18,125
San Juan Water District in Placer County	14,108
El Dorado County Water Agency	9,761

Total Revenue and Offset	<u>\$976,146</u>
--------------------------	------------------

**Fund 7103 Expenditures**

Staff labor / benefits	\$544,428
Office space lease	50,027
Transportation / travel / parking	13,000
City Attorney / administrative costs	49,000
Communications / technology	17,600
Outreach / supplies	27,600
Groundwater Sustainability	50,000
Technical support (consultants)	125,000
Mediation / facilitation (consultants)	175,000

Total Expenditures	<u>\$1,051,655</u>
--------------------	--------------------

**Additional Resources from Fund Balance**

Total from Fund Balance	<u>75,509</u>
-------------------------	---------------

**Fund 7104 Revenue and Offsets**

Sacramento County - Zone 13	\$433,674
City of Sacramento	216,837

Total Revenue and Offset	<u>\$650,511</u>
--------------------------	------------------

**Fund 7104 Expenditures**

Staffing	\$77,952
LAR Flow Management Standard (consultants)	582,232
LAR Monitoring and Technical Support (consultants)	30,000
Mediation / facilitation (consultants)	10,000
LAR Projects	25,000
Survey and Monitoring	65,000

Total Expenditures	<u>\$790,184</u>
--------------------	------------------

**Additional Resources from Fund Balance**

Total from Fund Balance	<u>139,673</u>
-------------------------	----------------