



Metropolitan Water Planning

3.10

December 4, 2003

Sacramento City-County
Office of Metropolitan
Water Planning

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City Council
Sacramento, CA

APPROVED
DEC 16 2003
OFFICE OF THE
CITY CLERK

Honorable Members in Session:

SUBJECT: AMENDMENT OF THE FY 2003-2004 OPERATING BUDGETS FOR THE CITY-COUNTY OFFICE OF METROPOLITAN WATER PLANNING AND THE CITY OF SACRAMENTO DEPARTMENT OF UTILITIES AND TRANSFER OF FUNDS

LOCATION AND COUNCIL DISTRICT: City/County

RECOMMENDATION:

Staff recommends the approval of the attached resolution, which approves an amendment to the FY 2003-2004 operating budgets for the City-County Office of Metropolitan Water Planning and the City of Sacramento, Department of Utilities.

CONTACT PERSON: Sarah Foley, Program Manager, 264-1997
Karen Lane, Administrative Analyst, 264-8995

FOR COUNCIL MEETING OF: December 16, 2003

SUMMARY:

The FY 2003-2004 operating budget of the City-County Office of Metropolitan Water Planning (CCOMWP) is proposed to be amended by an augmentation of \$300,000 to cover the costs of completing a final Flow Management Standard (FMS) for the lower American River. The source of the augmentation will be shared among the cost-sharing partners of the Water Forum Successor Effort (WFSE). The City of Sacramento's portion of this augmentation is \$93,030, which will require an amendment of \$80,037 to the Department of Utilities FY 2003-2004 Water Fund, Metropolitan Water Planning operating budget.

COMMITTEE/COMMISSION ACTION:

A WFSE Coordinating Committee was formed to develop recommendations for the WFSE and to provide guidance to staff related to the WFSE Work Plan, priorities, and budget. This Committee is made up of all cost-sharing partners of the WFSE (Sacramento County Water Agency; cities of Sacramento, Roseville, and Folsom; El Dorado County Water Agency; Placer County Water Agency; San Juan Water District and Sacramento Municipal Utility

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District) as well as representatives of the business, environmental, and public interest caucuses of the Water Forum.

On November 19, 2003, the WFSE Coordinating Committee approved an amendment to the Fiscal Year 2003-2004 WFSE budget in the amount of \$300,000.

BACKGROUND:

- In the fall of 1991, the City Council and Board of Supervisors authorized the establishment of an independent City-County Office of Metropolitan Water Planning and approved the Interagency Agreement among the City, County, and County Water Agency for the new CCOMWP. The Second Interagency Agreement was approved by all three agencies on January 9, 2001 and is in effect through December 31, 2030.
- The CCOMWP is responsible for staffing, administering, and coordinating the Water Forum Successor Effort. Operating costs of the CCOMWP are shared by the local government entities previously mentioned.
- The Water Forum Agreement, signed by the City in November 1999, called for the Water Forum Successor Effort (WFSE), which would ensure actual implementation of the Agreement over the next three decades.
- On June 24, 2003, the City Council approved the FY 2003-2004 operating budget of \$1,456,936.
- Recently, significant changes were made to water resource and supply models by the U.S. Bureau of Reclamation and the State Department of Water Resources. These models are used to operate the State and Federal Water Projects and are used by other water agencies to assess impacts of proposed projects on water supply and quality. Changes to the models have caused additional work to complete a final flow standard for the lower American River. This addendum is proposed to cover the cost of work necessary to complete the final flow standard by June 30, 2004.
- Completion of the FMS will help fulfill the obligations of the Habitat Management Element, which is integrated into the Water Forum Agreement as California Environmental Quality Act (CEQA) mitigation for increased surface water diversions. This is a necessary step toward achieving the second co-equal objective of the Agreement, protection of the lower American River.

FINANCIAL CONSIDERATIONS:

The CCOMWP is funded through cost-sharing agreements among the water purveyors that are signatories to the Water Forum Agreement and is based on the number of water connections served by each entity. The Sacramento Municipal Utility District and El Dorado County Water Agency each make a flat annual contribution that is adjusted for inflation.

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The cost-sharing amounts for the proposed budget augmentation of \$300,000 are as follows:

- County of Sacramento (encompassing the pro rata share of all the water districts in the unincorporated area and the cities of Citrus Heights and Elk Grove) - \$153,360
- City of Folsom - \$11,910
- City of Roseville - \$23,280
- City of Sacramento - \$93,030
- El Dorado County Water Agency - \$3,000
- Placer County Water Agency - \$6,570
- Sacramento Municipal Utility District - \$3,840
- San Juan Water District (Placer County) - \$5,010

The City of Sacramento Department of Utilities Water Fund supports the City of Sacramento's cost-share amount of \$93,030. The total current City of Sacramento cost allocation for the Water Forum Habitat Management Element and the Water Forum Successor Effort is \$422,458. The current amount in the Water Fund Metropolitan Water Planning Budget (413-330-3315-4287) is \$435,451, which is not sufficient to cover the entire additional cost of \$93,030. Therefore, it is recommended that \$80,037 be transferred from the Water Fund Contingency Reserve (413-710-7012-4999) to the Water Fund Metropolitan Water Planning Budget (413-330-3315-4287) to cover the additional costs.

The major milestones associated with this work include:

- Modeling and analysis to develop the required flows for the FMS - \$84,000
- Preparing the biological rational and justification for the FMS - \$123,000
- Assessment of operational risks and describing "practicable actions" - \$6,250
- Preparation of a final report and technical appendices for submission to the State Water Resources Control Board - \$22,500
- Project management and technical assistance for meetings with affected stakeholders - \$64,250

ENVIRONMENTAL CONSIDERATIONS:

Not applicable.

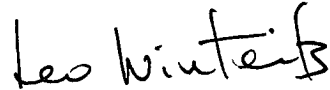
POLICY CONSIDERATIONS:

The CCOMWP's proposed budget augmentation complies with policy direction provided by the City Council and the Board of Supervisors in forming the CCOMWP and supporting the efforts of the Water Forum Successor Effort.

E/SBD CONSIDERATIONS:

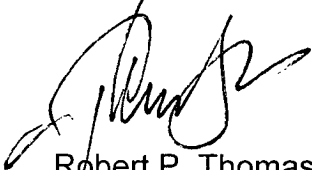
Not applicable.

Respectfully submitted,



Leo H. Winternitz
Executive Director

RECOMMENDATION APPROVED:



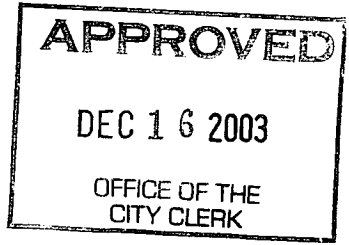
Robert P. Thomas
City Manager

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RESOLUTION NO. 2003-884

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____



RESOLUTION APPROVING AMENDMENT OF THE FY 2003-2004 OPERATING BUDGETS FOR THE CITY-COUNTY OFFICE OF METROPOLITAN WATER PLANNING AND THE CITY OF SACRAMENTO DEPARTMENT OF UTILITIES AND TRANSFER OF FUNDS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO THAT:

- 1. The amendments to the FY 2003-2004 budgets for the City-County Office of Metropolitan Water Planning and the City of Sacramento, Department of Utilities as identified in the December 3, 2003 staff report are hereby approved.
- 2. The following budgets are amended as shown:
 - a. The FY 2003-2004 Revenue Budget for the City-County Office of Metropolitan Water Planning Fund for the WFSE is hereby amended as follows:

Revenue Code	Current Amount	Increased By	Amended Amount
513-880-8810-3717	284,203	93,030	377,233
513-880-8810-3598	468,477	153,360	621,837
513-880-8810-3599	<u>163,766</u>	<u>53,610</u>	<u>217,376</u>
	\$916,446	\$300,000	\$1,216,446

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

b. The FY 2002-2003 Expenditure Budget for the City-County Office of Metropolitan Water Planning for the WFSE is hereby amended as follows (513-880-8810-__):

OBJECT CODE	AMOUNT
4101	\$340,000
4190	750
4201	500
4202	5,000
4203	2,000
4204	5,000
4206	1,200
4208	250
4209	2,600
4211	3,700
4213	15,000
4231	60,000
4233	6,000
4241	1,000
4251	10,000
4252	105,088
4254	42,000
4258	568,208
4261	4,000
4262	17,000
4263	1,000
4264	2,000
4270	600
4271	450
4272	1,500
4276	6,000
4288	5,000
4411	7,000
4435	1,000
4453	100
4462	<u>2,500</u>
TOTAL	\$1,216,446

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RESOLUTION NO.: _____

DATE ADOPTED: _____

c. The FY 2002-2003 Expenditure Budget for the City of Sacramento Department of Utilities, Metropolitan Water Planning (3315) for the WFSE is hereby amended and funds transferred from the Water Fund Contingency Reserve (7012) as follows:

Funding Line	Current Budget	Increase/Decrease	Amended Amount
413-330-3315-4287	435,451	80,037	515,488
413-710-7012-4999	<u>6,737,474</u>	<u>-80,037</u>	<u>6,657,437</u>
	7,172,925	0	7,172,925

MAYOR

ATTEST:

CITY CLERK

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RESOLUTION NO.: _____

DATE ADOPTED: _____