Title: Sacramento Area Flood Control Agency (SAFCA) Levee Maintenance Project (I14120300) Budget Adjustments

Location: Citywide

Recommendation: Pass a Resolution authorizing the City Manager or City Manager’s designee to: a) adjust the Reimbursable Fund (6211) budget for the SAFCA Levee Maintenance Project (I14120300) by $462,000; and b) include authority in the annual budget resolution beginning in FY2017/18 to make budget adjustments to the revenues and expenditures for projects with existing reimbursable contracts.

Contact: Susan Goodison, Business Services Manager (916) 808-8995; Daniel Choe, Supervising Financial Analyst (916) 808-5988; Penny Buchman, Administrative Analyst, (916) 808-1481, Department of Utilities

Presenter: None

Attachments:
1-Description/Analysis
2-Resolution
Description/Analysis

Issue Detail: SAFCA Levee Maintenance Project (14120300) has an existing Memorandum of Understanding (MOU) that provides an annual reimbursement from SAFCA to the City for maintenance work on the levees. The contract was approved by City Council (December 4, 2007, Resolution #2007-1307) and requires an annual budget adjustment based on the reimbursement amount.

In addition, the Department of Utilities (DOU) has other projects with City Council approved contracts that require reimbursements to the City from other agencies each year that require annual budget adjustments based on the reimbursement amounts.

Staff is recommending that the annual budget resolution beginning in FY2017/18 include the authority to make budget adjustments to the revenues and expenditures for these projects that have existing contracts, agreements or MOUs.

Policy Considerations: The recommendation for adjustments to projects more than $100,000 must be approved by City Council.

Economic Impacts: Not applicable.

Environmental Considerations: The Community Development Department, Environmental Services Manager has determined that the proposed activity is not a project pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15378(b). The fiscal management of the DOU’s CIP is an ongoing administrative fiscal activity and is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The City Council has approved the following agreements with other agencies for annual reimbursements to the City:

- Levee Maintenance MOU (SAFCA) (December 4, 2007, Resolution #2007-1307);
- NPDES Permit Compliance MOU (April 22, 2003, Resolution #2003-202);
- Sacramento River Source Water MOU (February 17, 2015, Resolution #2015-0043) and;
- American River Source Water MOU (October 20, 2009, Resolution #2009-661).
Financial Considerations: The costs associated with the SAFCA Levee Maintenance Project (I14120300) are reimbursed to the City by SAFCA on an annual basis at year-end. Additional budget is needed to align the budget with the timing of the invoice. Staff is recommending a budget adjustment to the revenues and expenditures in an amount not to exceed $462,000 for FY2016/17 in accordance with the agreement. The other MOUs have sufficient funding to support reimbursable activities.

There are no General Funds planned or allocated for this project.

Local Business Enterprise (LBE): Not applicable.
RESOLUTION NO. 2017 –

Adopted by the Sacramento City Council

June 6, 2017

AMEND THE BUDGET FOR THE SAFCA LEVEE MAINTENANCE PROJECT (I14120300) AND AUTHORIZE ANNUAL BUDGET ADJUSTMENTS TO REIMBURSABLE PROJECTS

BACKGROUND

A. The Department of Utilities (DOU) has projects that have City Council approved contracts that require reimbursements from other agencies each year for City services.

B. The SAFCA Levee Maintenance Project (I14120300) has an existing Memorandum of Understanding (MOU) that provides an annual reimbursement from SAFCA to the City for maintenance work on the levees. The contract was approved by City Council (December 4, 2007, Resolution #2007-1307) and requires a budget adjustment each year based on the reimbursement amount.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager or his designee is authorized to adjust the revenues and expenditures for the SAFCA Levee Maintenance MYOP (I14120300) in an amount not to exceed $462,000 (Fund 6211).

Section 2. The City Manager or his designee is authorized to include the following in the resolution presented for adoption of the FY2017/18 Budget Resolution:

13.12 Externally funded projects, with existing contracts approved by the City Council funding ongoing operations and studies, can be adjusted annually (revenues and expenditures) based on the actual revenues received.