



## Legislation Details (With Board Report)

<b>File #:</b>	RES 18-057	<b>Name:</b>	BCSD Budget Appropriation
<b>Type:</b>	BoS Resolution	<b>Status:</b>	Consent Agenda
<b>File created:</b>	5/9/2018	<b>In control:</b>	Boronda County Sanitation District
<b>On agenda:</b>	5/22/2018	<b>Final action:</b>	
<b>Title:</b>	Acting as the Board of Directors of the Boronda County Sanitation District adopt a Resolution to: Authorize the Auditor-Controller to amend the FY 2017-18 adopted budget for the Boronda County Sanitation District, Fund 156, Appropriation Unit RMA 045, increasing appropriations and revenues in the amount of \$61,499, where the financing sources are Fund 156 unassigned fund balance in the amount of \$39,354 and additional revenue in the amount of \$22,145 (4/5th vote required).		

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. Board Report, 2. Attachment A - Resolution, 3. Attachment B - Budget Sheet, 4. Attachment C - Location Map, 5. Completed Board Order & Resoluiton

Date	Ver.	Action By	Action	Result
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Acting as the Board of Directors of the Boronda County Sanitation District adopt a Resolution to: Authorize the Auditor-Controller to amend the FY 2017-18 adopted budget for the Boronda County Sanitation District, Fund 156, Appropriation Unit RMA 045, increasing appropriations and revenues in the amount of \$61,499, where the financing sources are Fund 156 unassigned fund balance in the amount of \$39,354 and additional revenue in the amount of \$22,145 (4/5<sup>th</sup> vote required).

### RECOMMENDATION:

It is recommended that the Board of Supervisors acting as the Board of Directors of the Boronda County Sanitation District adopt a Resolution to:

Authorize the Auditor-Controller to amend the FY 2017-18 adopted budget for the Boronda County Sanitation District, Fund 156, Appropriation Unit RMA 045, increasing appropriations and revenues in the amount of \$61,499, where the financing sources are Fund 156 unassigned fund balance in the amount of \$39,354 and additional revenue in the amount of \$22,145 (4/5<sup>th</sup> vote required).

### SUMMARY/DISCUSSION:

The Boronda County Sanitation District will incur costs greater than the amount budgeted FY 2017-18 budget. This is due to equipment replacement, sewer line repair, and sanitation system upgrades necessary to support increased sanitation flows from new farm labor housing development.

In January 2018, Pump #2 failed at the Boronda Oaks lift station. The pump was approximately six (6) years old, about a year older than the average life expectancy of five (5) years. Each pump station requires two pumps to provide redundancy in the system. The cost of the replacement pump was \$6,486.

Additional unanticipated costs are related to a 75-unit farm labor housing development located on Madison Lane. This project required engineering consulting service to review and provide a system analysis to determine if the existing system would be able to accommodate increased sewer flows from the development. The analysis concluded that the two pumps located at the Madison Lane lift station will require the upgrade of larger impellers to meet the demands of the increased flow rates. The engineering and equipment upgrade costs are estimated at \$19,045. The developer will be required to reimburse the District for costs associated with this upgrade and, to date, have paid \$12,045 to fund the cost of the engineering analysis. Staff has prepared a developer agreement to cover the costs of the pump impeller upgrades.

On April 29, 2018, during the installation of the new impellers at the Madison Lane lift station, evidence of a failed seal on Pump #2 was discovered. Pump #2 was installed in 2014. It is recommended that a new pump be purchased to replace Pump #2. The sanitation district does not currently have a spare pump for emergency use and it is further recommended that Pump #2 be repaired (if possible) to be used as a standby pump if any of the pumps fail in the system. If the pump cannot be repaired it is recommended that an additional new pump be purchased. In this case, the new pump would be used to replace Pump #1 at the Madison Lane lift station and the existing Pump #1 can be used as the spare. Cost for two new pumps will be \$14,000.

During the system investigation related to the farm labor housing development, an offset in the sewer line was discovered. An offset is created in a sewer line where the joints meet and the two sections of pipe no longer align. Repair of this offset is necessary at an estimated cost of \$7,500.

Finally, additional staff time was required for the housing development, as well as the Sewer System RFQ project that is currently in process. Partial occupancy of the housing development is expected to begin May 1, 2018. Additional FY 2017-18 sewer revenue is anticipated in the amount of \$3,000. At full build-out, the development will generate \$16,908 in annual revenue.

Staff is evaluating proposals to dispose of existing sewer systems, including the Boronda system. Based on proposals being evaluated, transfer could occur within about 12 months. Staff is concurrently pursuing a Proposition 218 rate increase to establish rates that will accommodate annual maintenance and operations costs as well as increase reserves to meet large-scale repairs and capital projects. Increases need to occur, regardless of transferring the systems, to properly manage these systems.

**OTHER AGENCY INVOLVEMENT:**

This recommendation was supported by the Budget Committee on May 2, 2018.

**FINANCING:**

The FY 2017-18 estimated beginning fund balance for the BCSD Fund 156, RMA045, is \$82,487. Developer fees and increased monthly sewer fees mentioned above will provide unanticipated revenue of \$22,145 for a total projected revenue of \$182,140.

The recommended action would increase the FY 2017-18 adopted budget appropriations in Fund 156, Appropriations Unit RMA045 by \$61,499, financed by the additional revenue mentioned above and \$39,354 from Fund 156 unassigned fund balance. This action will reduce the fund balance from \$82,487 to \$54,251.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

Projects and expenditures funded by this appropriation meet initiatives related to Economic Developer (farm labor housing), Infrastructure, Health & Human Services, and Public Safety to ensure the system can accommodate existing and new flows related to increased development.

X Economic Development

   Administration

X Health & Human Services

X Infrastructure

X Public Safety

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Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director

**Attachments:**

Attachment A - Resolution

Attachment B - Budget Sheet

Attachment C - Location Map

(Attachments on file with the Clerk of the Board)