

SEWER AUTHORITY MID-COASTSIDE
Staff Report

Subject / Title

Adopt Resolution No. 5-2009, Resolution Approving and Adopting Comprehensive Budget FY2009-10, and

Adopt Resolution No. 6-2009, Resolution Approving and Adopting Budget for Collection System Maintenance and Operation Services to be Provided to Member Agencies for FY2009-10.

Staff Recommendation:

Adopt Resolutions Approving and Adopting SAM Budgets for FY2009-10.

Fiscal Impact:

The FY2009-10 Fifth Draft SAM Budget totals \$4,350,008, representing a 2.3% decrease (\$103,348) over last year's budget. A copy of the budget can be found by clicking [here](#), or by clicking in the upper left corner of our webpage www.samcleanswater.org.

Fiscal impact by Member Agency (Assessments) is as follows:

City of Half Moon Bay	\$2,010,255	(\$124,921)	-5.9%
Granada Sanitary District	\$1,259,050	\$7,105	0.6%
<u>Montara Water and Sanitary District</u>	<u>\$1,055,826</u>	<u>\$18,662</u>	<u>1.8%</u>
Total	\$4,325,131	(\$99,154)	-2.2%

Discussion/Report:

On March 9, 2009, the SAM Board held a Budget Workshop. At that workshop, the Board reviewed the first draft budget and provided direction to staff. Based on that meeting, changes were made resulting in a second draft budget. That second draft budget was approved for presentation to the member agencies. The member agencies requested various changes to the second draft resulting in third, fourth and fifth drafts of the proposed budget. Subsequently, each of the member agencies has approved the budget.

With this staff report, staff recommends the Board adopt the attached SAM Resolution 5-2009 and Resolution 6-2009 approving the final budgets.

City of Half Moon Bay

Staff presented the draft budget to the City of Half Moon Bay on June 2, 2009. On June 2, 2009, the City Council, by Resolution, approved the budget. A copy of the City's Resolution is on file with SAM.

Montara Water and Sanitary District

Staff presented the draft budget to the Montara Water and Sanitary District (MWSD) Board on April 16 and May 21, 2009. On May 21, 2009, the MWSD Board, by Resolutions, approved the budget. Copies of MWSD's Resolutions are on file with SAM.

Granada Sanitary District

Staff presented the draft budget to the Granada Sanitary District (GSD) Board on April 23 and May 28, 2009. On May 28, 2009, the GSD Board, by Resolution, approved the budget. Copies of GSD's Resolutions are in process of being signed, and will be delivered to SAM as soon as possible thereafter.

Final Draft Budget

Highlights to be found in this final draft budget are summarized below.

Budget Highlights

There is a \$264,838 (6.7%) decrease in the General budgets and a \$161,490 (30.6%) increase in the Project budgets. The overall changes in the budgets are highlighted below:

Increases

- \$161,490 - This increase in the project budgets is driven primarily by \$149,600 for the Recycled Water Project with the remaining increase for various project expenditures including a Backup Main Breaker.
- \$64,000 – To allow for anticipated cost increases in Medical, Dental and Vision benefits for all SAM employees in accordance with the Memorandum of Understanding with Local 39.
- \$54,000 – To allow for anticipated COLA increases in salary (all employees) and step increases (three employees) in accordance with the Memorandum of Understanding with Local 39.
- \$44,000 – A \$50,000 decrease in IPS/Pump Station maintenance coupled with a \$94,000 increase that will likely result from information obtained from the IPS force-main report, due the last quarter of FY2008-09.
- \$38,000 - An increase in property and liability insurance.
- \$25,000 – An increase in Technical / Consulting Services
- \$17,000 – An increase in solid waste costs.
- \$12,000 – An increase for the next software installment - plant maintenance.
- \$10,000 – An increase in disinfection chemical costs.
- \$10,000 – An increase in equipment rental.
- \$10,000 – An increase in legal fees.

Decreases

- <\$10,000> - A decrease in instrumentation repair costs.
- <\$12,000> - A decrease in Safety Equipment.
- <\$13,000> - A decrease in Skills Improvement.
- <\$18,000> - A decrease in Claims.
- <\$20,000> - A decrease in overtime costs.
- <\$25,000> - A decrease in lab analysis costs.
- <\$25,000> - A decrease Maintenance Project Management.
- <\$31,000> - A decrease in Inspections.
- <\$32,000> - A decrease in plant equipment maintenance costs.
- <\$45,000> - Decreases in Permits, Licenses and Fees.
- <\$58,000> - Decreases in Engineering Fees.
- <\$66,000> - Decreases in Other Professional Services.

BLANK

**SEWER AUTHORITY MID-COASTSIDE
RESOLUTION NO. 5-2009**

**A RESOLUTION APPROVING AND ADOPTING
COMPREHENSIVE BUDGET FOR FISCAL YEAR 2009-10**

RESOLVED, by the Board of Directors of the Sewer Authority Mid-Coastside, San Mateo County, California, as follows:

WHEREAS, this Authority has requested of each of its Member Agencies that consent be given for the approval of its comprehensive budget for Fiscal Year 2009-10;

WHEREAS, the comprehensive budget for Fiscal Year 2008-09 includes the General (operating) budget, the Project (capital) budget, and the Non-Domestic Waste Source Control Program Budget;

WHEREAS, Member Agency approval of the Non-Domestic Waste Source Control Program Budget is not required because this program is self-funded;

WHEREAS, the proposed budget, as revised (the “fifth draft budget”) addresses the actions of the Member Agencies in their approval of the proposed budget.

NOW, THEREFORE, it is found, determined and ordered, that:

1. Consent having been obtained from each Member Agency, the fifth draft budget for Fiscal Year 2009-10 is hereby approved and adopted, as the Comprehensive budget for FY 2009-10.
2. A copy of this resolution, along with a copy of the approved and adopted budget, shall be provided to each Member Agency.

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted by the Board of Directors of the Sewer Authority Mid-Coastside at a regular meeting thereof held on the 22th day of June 2009, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary
Sewer Authority Mid-Coastside

BLANK

**SEWER AUTHORITY MID-COASTSIDE
RESOLUTION NO. 6-2009**

**A RESOLUTION APPROVING AND ADOPTING BUDGET FOR
COLLECTION SYSTEM MAINTENANCE AND OPERATION SERVICES TO
BE PROVIDED TO MEMBER AGENCIES FOR FISCAL YEAR 2009-10**

RESOLVED, by the Board of Directors of the Sewer Authority Mid-Coastside, San Mateo County, California, as follows:

WHEREAS, this Authority has submitted to each of its Member Agencies a budget for collection system maintenance and operation services to be provided to its Member Agencies for Fiscal Year 2009-10 and;

WHEREAS, each of its Member Agencies has approved the budget for such services;

NOW, THEREFORE, it is determined and ordered that:

1. The budget for collection system maintenance and operation services to be provided to SAM's Member Agencies for Fiscal Year 2009-10 is hereby approved and adopted.
2. A copy of this resolution, along with a copy of the approved and adopted budget, shall be provided to each Member Agency.

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted by the Board of Directors of the Sewer Authority Mid-Coastside at a regular meeting thereof held on the 22nd day of June 2009, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary
Sewer Authority Mid-Coastside