

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: December 30, 2015

SUBJECT: Item 7d – Basin Management Committee Budget for Calendar Year 2016

Recommendations

Staff recommends that the Committee adopt the Calendar Year 2016 budget as drafted.

Discussion

Section 5.13.2 of the Stipulated Judgment requires that the parties develop an annual budget to fund its activities. Staff has prepared a draft budget attached as Exhibit A, which includes the following key items:

- Basin Management Committee general administration for Calendar Year 2016
- Funding for the Zone of Benefit formation process, including required consultant services
- Consultant services for the preparation of the first Annual Report, including set up costs associated with the first Annual Report
- Consultant services to assist in the pursuit of grants
- Funding for jointly pursued water conservation efforts
- As approved in the December, 2015 BMC meeting, funding for the groundwater basin boundary determination

Given that the parties operate on different fiscal calendars, staff believes a standard calendar year to be the appropriate budget interval.

Financial Considerations

The total budget proposed for 2016 is \$314,600, of which 52% represents first year costs to complete the Zone of Benefit process and produce the first annual report. The budget also includes a 10% contingency for unforeseen expenses. The estimated cost to each party is summarized as follows:

LOCSD (38%): \$119,548
GSWC (38%): \$119,548
County of SLO (20%): \$62,920
S&T Mutual (4%): \$12,584

Exhibit A: Basin Management Committee Budget for Calendar Year 2016

Item	Description	Cost	Comments
1	Monthly meeting administration, including preparation, staff notes, and attendance	\$50,000	Assumes 20 to 25 hours per month, on average
2	Meeting expenses - facility rent	\$4,000	\$30/hr for non-profit
3	Supporting services, including audio amplification and recording	\$4,000	
4	Legal counsel (special counsel for funding measure)	\$10,000	Normal matters to be handled by BMC member attorneys
5	Semi annual seawater intrusion monitoring	\$12,000	
6	Annual report - not including Year 1 start up costs	\$30,000	Not including services contributed directly from BMC member staff
7	Annual report - Year 1 costs	\$14,000	Equipment, well head surveying, set up
8	Grant writing (outside consultant)	\$12,000	BMC member staff may also contribute to grant efforts
9	Basin boundary definition (CHG only)	\$20,000	Not including County staff time
10	Funding measure including initial feasibility report, final report, and proposition 218 process	\$120,000	
11	Conservation programs (not including member programs)	\$10,000	Bulk of cost will be budgeted by individual BMC members
	Subtotal	\$286,000	
	10% Contingency	\$28,600	
	Total	\$314,600	
	Summary of Allocated Costs to BMC Parties:		
	LOCSD (38%)		\$119,548
	GSWC (38%)		\$119,548
	County of SLO (20%)		\$62,920
	S&T Mutual (4%)		\$12,584