

Western Regional Water Commission

STAFF REPORT

DATE: March 9, 2017

TO: Chairman and Members, Western Regional Water Commission

FROM: Jim Smitherman, Water Resources Program Manager
Chris Wessel, Water Management Planner

SUBJECT: Review, discussion, and possible approval of the draft Western Regional Water Commission (“WRWC”) tentative budget for Fiscal Year 2017 - 2018, and possible direction to staff regarding the time and place for a public hearing on the tentative budget.

SUMMARY

Staff has developed a draft Fiscal Year 2017 - 2018 tentative budget for the WRWC including revenues and expenses for staff and non-staff professional services. The attached budget summary and worksheets show details for professional services related to priority projects and routine operating expenses. On February 1, 2017, the Northern Nevada Water Planning Commission (“NNWPC”) reviewed and approved the draft Fiscal Year 2017 - 2018 tentative budget and made a recommendation to the WRWC for approval.

BACKGROUND

The WRWC is required to prepare and submit a tentative budget to the Nevada Department of Taxation on or before April 15, and to hold a public hearing on the tentative budget not sooner than the third Monday in May, and not later than the last day in May. NRS 354.596(4). The attached tentative budget is provided for WRWC review, discussion, possible approval, and possible direction to staff.

PREVIOUS ACTION

None

FISCAL IMPACT

The fiscal year 2017-2018 draft tentative budget projects \$1,460,216 in revenue, \$2,324,926 in expenses, and an ending cash balance of approximately \$438,367. Budget expenses include a maximum of \$1,621,926 for WRWC work plan activities, \$617,000 for three full time staff and legal services, and various routine operating expenses in the amount of \$86,000.

RECOMMENDATION

Staff recommends that the WRWC approve the draft WRWC tentative budget for Fiscal Year 2017 - 2018, direct staff to submit the tentative budget to the Washoe County auditor, file the tentative budget for public inspection with the Washoe County Clerk, and the Nevada Department of Taxation, and establish a time and date of 9:30 a.m. on Wednesday, May 17, 2017, or other appropriate time and date, for the public hearing on the tentative budget.

POSSIBLE MOTION

"Move to approve the draft WRWC tentative budget for fiscal year 2017 - 2018, direct staff to submit and file the tentative budget as required by statute, and provide notice, as required by law, for the public hearing on the tentative budget at 9:30 a.m. on May 17, 2017 (or any other appropriate time and date)."

CW:df

Attachment: Draft WRWC Fiscal Year 2017 - 2018 Tentative Budget

**Western Regional Water Commission
Fiscal Year July 1, 2017 - June 30, 2018
Tentative Budget Summary Worksheet**

Budget Category	1.5% WMF	NOTE	Washoe County In-Kind	NOTE	TMWA In-Kind	NOTE	SVGID In-Kind	NOTE
REVENUE	Amount		Amount		Amount		Amount	
Estimated Water Surcharge Revenues	1,394,568							
Grant and/or Other Revenue	40,000							
Estimated Interest Income	25,648							
Total Revenue	1,460,216		0		0		0	
PROFESSIONAL SERVICES/SUPPLIES	Amount		Amount		Amount		Amount	
Estimated Professional Services (Page 2)	1,621,926	1						
Staff Services (Page 3)	617,000	2,3	0				0	
Non-Staff Services (Page 3)	86,000							
Total Professional Services/Supplies	2,324,926		0				0	
OTHER EXPENSES	Amount		Amount		Amount		Amount	
Estimated Misc.			0					
Total Other Expense	0		0		0			
Total Expenses	2,324,926		0		0		0	

Net Decrease in Cash Reserves (\$864,710)

Cash Balance as of 7/1/16	\$1,190,112
Estimated 2016/2017 Revenue (Cash Flow)	1,406,200
Estimated 2016/2017 expenditures (Page 4)	(\$1,293,235)
Estimated cash balance as of 7/1/17	\$1,303,077
Net Decrease in Cash Reserves for FY 2017-18	(\$864,710)
Estimated cash balance as of 6/30/18	\$438,367

NOTES:

- Proposed budget provides legal spending authority for projects yet to be approved by the WRWC upon recommendations provided by the NNWPC. Specific per project scope and cost yet to be developed and approved by the WRWC.
- Proposed budget provides legal spending authority for contract staff services previously approved by the WRWC.
- Includes Washoe County estimate for overhead: human resources, information technology, office space, utilities, computer hardware, software, copier, supplies, routine/administrative and GIS/drafting services.

Tentative Professional Services Budget Detail Fiscal Year 2017/2018

Professional Services Project Name	2017/2018 Budget Total	Expense Description/Example
-b-	-f-	-k-
Precipitation Monitoring	\$30,000	
Highland Canal Water Quality Project	\$250,000	
TROA 6700 AF Water Rights Requirement	\$100,000	Water rights acquisition for TROA 6700 AF requirement
Regional Water Planning Projects	\$380,000	
Cloud Seeding	\$100,000	ILA with DRI for cloud seeding operations
Washoe ET Project	\$10,000	ILA with DRI; weather station maintenance
Water Usage Review Program	\$100,000	ILA with TMWA
Certified Landscape Technician Program	\$12,500	ILA with NLA
Regional Water Conservation	\$222,500	
Bedell Flat Infiltration	\$100,000	Hydrologic Investigations
Bedell Flat Infiltration Grant	\$0	208 grant (40K; see <i>Grant and/or Other Revenue</i> ; Page 1)
Integrated Wastewater and Reclaimed Water System Planning	\$204,000	Advanced Water Treatment Demonstration; ILA with UNR
Regional Reclaimed Water Planning Projects	\$304,000	
Watershed Management Plan Update	\$70,000	ILA with City of Reno
NPDES Storm Water Permit Update	\$112,926	ILA with City of Reno
NPDES Storm Water Quality Management Program	\$262,500	ILA with City of Reno
Regional Storm Water Planning Projects	\$445,426	
Regional Flood Control Planning Projects	\$0	
N & P Reduction in watershed	50,000	
Water Quality Compliance	150,000	25k Water Innovation Campus ILA with UNR
Regional Wastewater Planning Projects	\$200,000	
Water Management Plan Update	\$50,000	WMP contracts.
TMRPA GIS Population Model	\$20,000	ILA with RPGB
Comprehensive Plan	\$70,000	
Totals	\$1,621,926	

Western Regional Water Commission Tentative Routine Operation Budget Fiscal Year 2017/2018

		2017/2018 Annual Routine Operating Budget Total	Expense Description/Example
WRWC Employees	Staff Services	\$440,000	Cost of <i>Support Staff</i> services as defined by employee services contract entered into between Washoe County and WRWC. Includes finance and administrative staff labor cost
Washoe County Overhead		\$45,000	Based on analysis of fy16-17 actual general fund overhead (excludes labor)
Mileage Expenses		\$2,400	Annual routine daily vehicle mileage expenses.
Legal Services		\$129,600	Cost of <i>Legal Counsel</i> services as defined by contract as entered into between Rhodes Law Office and WRWC
Lobbying Registration		\$0	Cost of registration for staff members as state lobbyists
Staff Services Subtotal		\$617,000	
Minutes	Non-Staff Services	\$15,000	Annual service contract to provide for recording of meetings, transcription of minutes and document editing.
Website		\$33,000	Such as website content and design services; annual website updating, maintenance, and hosting; specialized programming services; digital library development and updating; hosting, development and maintenance of databases; licensing fees, software and software updates, training/programming reference materials.
Video Coverage		\$5,000	Annual expense for video coverage of WRWC and NNWPC meetings.
CAFR & Audit		\$10,000	Annual expense for CAFR development and financial audit.
Regional Training		\$1,000	Cost of training for staff members <i>not covered by in-kind services</i> including registration and other miscellaneous cost such as reference materials, field trips, etc.
Regional Travel		\$1,000	Cost of travel for staff members <i>not covered by in-kind services</i> including transportation services, mileage reimbursement, lodging, meals, and other miscellaneous cost such as parking, etc.
Advertising		\$1,000	Such as advertising and legal notices.
Misc. Operating		\$20,000	Such as printing & reproduction, publications, and public notices, refreshments for volunteer boards/commissions, GIS and other in-house member agency support (not covered by in-kind services), equipment & supplies (i.e. computers, computer related supplies such as CDs, DVDs, etc.), projectors, printers, poster board, reproduction services, software licensing and fees, labels, business cards, periodicals, subscriptions, books, postage & mailing, promotion and public materials, misc. equipment rental, insurances, staff office supplies, and other expenses not included as part of overhead.
Non-Staff Services Subtotal		\$86,000	
Totals		\$703,000	

Estimated Expenditures Fiscal Year 2016/2017

Quarter Ending	Total Estimated Fiscal 2016/2017 Expenditure as of 6/30/17
WRWC Employees	300,000
Mileage Expenses	2,400
WRWC Overhead	95,000
Legal Services	129,600
Lobbying Services	600
<i>Service Contract Subtotal</i>	527,600
Minutes	5,000
Website	33,000
Envision/Sosu	5,000
CAFR & Audit	8,700
Regional Training	800
Regional Travel	1,000
Advertising	1,000
Misc. Operating	5,000
<i>Non-Service Related Routine Operating Subtotal</i>	59,500
Routine Operating Expense Subtotals	587,100
<i>TROA 6700 AF Water Rights Requirement</i>	32,585
<i>Restoration Investments in the Truckee Watershed</i>	29,050
<i>Climate Variability Data Assessment</i>	50,000
<i>Highland Canal Water Quality Project</i>	0
<i>Precipitation Monitoring</i>	30,000
Regional Water Planning	141,635
<i>DRI Cloud Seeding Monitoring</i>	0
<i>DRI Cloud Seeding</i>	100,000
<i>Washoe ET Project</i>	10,000
<i>Water Usage Review Program</i>	100,000
<i>Certified Landscape Technician Program</i>	12,500
Conservation, Sustainability, Climate Change	222,500
<i>Bedell Flat Infiltration</i>	0
<i>Bedell Flat Infiltration Grant</i>	0
<i>Integrated Wastewater and Reclaimed Water System Planning</i>	25,000
Regional Reclaimed Water Planning Projects	25,000
<i>Watershed Management Plan Update</i>	
<i>NPDES Storm Water Permit Update</i>	0
<i>NPDES Storm Water Quality Management Program</i>	262,500
Regional Storm Water Planning Projects	262,500
Regional Flood Control Planning Projects	0
<i>N & P Reduction in watershed</i>	0
<i>Water Quality Standards and TMDL Review, and Compliance</i>	0
<i>Septic System Mitigation Planning</i>	4,500
Regional Wastewater Planning Projects	4,500
<i>Plan Update (Cost-Finance and Water Balance Model Contract)</i>	50,000
<i>TMRPA GIS Population Model</i>	0
Water Management Plan	50,000
<i>Project Subtotal</i>	706,135
Totals	1,293,235