

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Public Works

BOARD AGENDA #: *C-6

AGENDA DATE: June 13, 2017

SUBJECT:

Approval to Transfer Budget Appropriations to the Airport Neighborhood Sewer Project Budget from the Public Works Budget

BOARD ACTION AS FOLLOWS:

No. 2017-319

On motion of Supervisor Withrow, Seconded by Supervisor Olsen
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, and Vice-Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: Chairman Chiesa

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: PAM VILLARREAL, Assistant Clerk

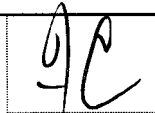
File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Public Works

Urgent

Routine



BOARD AGENDA #: *C-6

AGENDA DATE: June 13, 2017

CEO CONCURRENCE:

4/5 Vote Required: Yes No

SUBJECT:

Approval to Transfer Budget Appropriations to the Airport Neighborhood Sewer Project Budget from the Public Works Budget

STAFF RECOMMENDATIONS:

1. Approve a transfer of \$6,276,884 in appropriations from the Public Works budget to the Airport Neighborhood Sewer Project budget.
2. Direct the Auditor-Controller to make the necessary budget adjustments per the attached financial transaction sheet.

DISCUSSION:

On January 10, 2017, the Board approved to Adopt Plans and Specifications and Award the Construction Contract to George Reed, Inc. of Modesto, California. However, the Airport Neighborhood Sewer project budget was inaccurately established in the Public Works Roads budget and should be transferred to the Airport Neighborhood Sewer Project budget unit. Funding for Roads construction and maintenance operations are restricted to road use only, and cannot be used for non-road related projects.

The Airport Neighborhood is a disadvantaged community on the southeast side of the City of Modesto with approximately 362 residential, commercial and mixed-use parcels. These parcels currently rely on septic tanks for treatment of sewage. The septic tanks in this neighborhood are failing and cause health and safety concerns. The purpose of the Airport Neighborhood Sewer Improvement Project (Project) is to provide a sewer system that will allow property owners to abandon their existing failing septic tanks and connect to a public sewer system.

County staff secured funding to complete the improvements of this Project by applying for a grant and entering into an agreement with the State Water Resources Control Board (SWRCB). The SWRCB approved the County's application for Clean Water State Revolving Fund Program grant funds (Grant) for the total amount of \$8,000,000. Additionally, \$2,129,789 is available from the Community Development Block Grant (CDBG) funds, which the Board of Supervisors approved to reallocate to the Project on October 25, 2016. Between Grant funds and CDBG funds, a total of \$10,129,789 is available for the completion of this Project.

Approval to Transfer Budget Appropriations to the Airport Neighborhood Sewer Project Budget from the Public Works Budget

The new sewer infrastructure will be connected to the existing sewer system owned and maintained by the City of Modesto. On July 19, 2016, the Board of Supervisors approved an agreement with the City of Modesto for the operation, maintenance, and transfer of ownership of the constructed sewer system.

The SWRCB grant also funds the pre-payment of sewer hook-up fees to the City of Modesto to encourage and accelerate the process of sewer hookups. The proposed estimated lump-sum payment of \$1,271,218 will cover the sewer fees for approximately 362 parcels within the Airport Neighborhood. The sewer fees being paid include the Outside Service Agreement (OSA) Fee, the Subtrunk Sewer Fee, and the Wastewater Capacity Charge. The homeowners will be required to obtain a County or City Building Permit to construct the on-site sewer line and abandon the septic systems in accordance with County or City Standards and then execute the OSA with the City of Modesto.

The project began construction on April 4, 2017 and will be completed by December 1, 2017.

Upon approval, this Board item will approve the transfer of funds to the correct legal budget unit identified for this project.

POLICY ISSUE:

Government Code Section 29125 requires a four-fifths vote to transfer adopted appropriations between budgets.

FISCAL IMPACT:

This action is a correction to the budget unit. Transfer of previously approved appropriations and revenue from the Roads budget to the Airport Neighborhood Sewer Project budget has no net effect on the total budget.

Cost of recommended action:		\$ 6,276,884
Source(s) of Funding:		
Clean Water State Revolving Fund Program	\$ 4,147,095	
Community Development Block Grant	2,129,789	
Funding Total:	6,276,884	
Net Cost to County General Fund		\$ -

Fiscal Year:	2016/2017
Budget Adjustment/Appropriations needed:	Yes

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions are consistent with the Board's priorities of providing A Well Planned Infrastructure System and a Healthy Community by providing a sewer system that

Approval to Transfer Budget Appropriations to the Airport Neighborhood Sewer Project Budget from the Public Works Budget

County residents can connect to in response to the health and safety concerns of failing septic systems.

STAFFING IMPACT:

Existing Public Works staff will oversee the project.

CONTACT PERSON:

Matt Machado, Public Works Director

Telephone: (209) 525-4153

ATTACHMENT(S):

1. Budget Journal

ATTACHMENT 1
BUDGET JOURNAL

Database
Balance Type
Data Access Set

FMSDBPRD.CO.STANISLAUS.CA.US.PROD
Budget
County of Stanislaus

DO NOT CHANGE
DO NOT CHANGE
DO NOT CHANGE

Ledger
Budget
Category
Source
Currency
Period
Batch Name
Journal Name

* List - Text County of Stanislaus
* List - Text LEGAL BUDGET
* List - Text Budget - Upload
* List - Text PW JAS
* List - Text USD
* List - Text JUN-17
Text Airport Sewer Budget
Text JV102480

DO NOT CHANGE
DO NOT CHANGE
DO NOT CHANGE
DO NOT CHANGE
ENTER AS MMM-YY (ALL CAPS FOR MMM) EX: NOV-11

To transfer Budget from PW Road
Projects to Airport Neighborhood Sewer
Project and also set up revenue budget
for Airport. Board Item #2017-XXX

Journal Description
Journal Reference
Organization
Chart Of Accounts

Text
Text J Serrano 5-4119 w/questions
List - Text Stanislaus Budget Org
Accounting Flexfield

DO NOT CHANGE
DO NOT CHANGE

Upl	Fund (4 char)	Org (7 char)	Account (5 char)	GL Project (7 char)	Location (6 char)	Misc (6 char)	Other (5 char)	Debit incr appropriations decr est revenue	Credit decr appropriations incr est revenue	Line Description Text	
	* List - Text							* Number	* Number		
	1155	0040391	63280	0000000	000000	000000	00000		6276884	Airport Sewer	
	1102	0040310	63280	0009630	000000	000000	00000			6276884 Road Projects	
	1102	0040310	28800	0000000	000000	000000	00000		6276884	Road Projects	
	1155	0040391	23400	0000000	000000	000000	00000			4147095 State Water Board	
	1155	0040391	29715	0000000	000000	000000	00000			2129789 CDBG	
Totals:									12553768	12553768	

Tip: This is not the end of the Template. Unprotect the sheet and insert as many rows as needed.

Explanation: To transfer Budget from PW Road Projects to Airport Neighborhood Sewer Project and also set up revenue budget for Airport. Board Item #2017-XXX

Requesting Department Julie A Serrano		CEO T. Chumley		Data Entry		Auditors Office Only	
Prepared by 5/26/2017		Supervisor's Approval [Signature]		Keyed by		Prepared by	
Date		Date		Date		Date	