



Santa Clara Valley Water District

File No.: 21-0801

Agenda Date: 7/13/2021

Item No.: *8.1.

SUPPLEMENTAL BOARD AGENDA MEMORANDUM

SUBJECT:

*Approve Implementation of a \$1.225 Million Low-Income Residential Water Rate Assistance Program, with a \$1 Million Relief Fund and up to \$225,000 for Program Administration Costs;

*Approve a Budget Adjustment for \$1.225 Million to Fund the Total Program Cost; and Find that the Program Serves a Legitimate Public Purpose and is Consistent with District Act.

REASON FOR SUPPLEMENTAL MEMORANDUM:

Supplemental reports conveying additional information received after the initial report was released.

RECOMMENDATION:

- A. Receive an update on the Low-Income Residential Water Rate Assistance Program (WRAP);
- B. *Approve implementation of WRAP using \$1.225 million of the ad valorem property tax, allocating \$1 million for program relief and up to \$225,000 for program administration costs;
- C. *Approve a budget adjustment for \$1.225 million to fund the total program cost; and
- D. Find that WRAP serves a legitimate public purpose and is consistent with the District Act.

SUMMARY:

*Staff is proposing to increase the administrative cost to up to \$225,000, bringing the potential total cost of the WRAP to \$1.225 million. Information presented in the original Board Agenda Memo estimated appropriating one-time funds of \$1.15 million in the FY2021-22 Adopted Budget for the WRAP to be funded for one year, commencing with execution of the contract with the selected nonprofit, by one-percent ad valorem property tax revenue in the General Fund. This includes \$1.0 million for funding to be disbursed into the community and up to \$150,000 for administrative costs for a local organization to implement the program. However, after further analysis, staff estimates the potential administrative cost is expected to be between 5% and 22.5% of the total funding for the program, which is between \$50,000 to \$225,000.

FINANCIAL IMPACT:

*Staff estimates a \$1.225 million unbudgeted Fiscal Year 2021-22 expenditure associated with this item. Approval of this item would require a Budget Adjustment of \$1.225 million from the General Fund Operating and Capital Reserve to the Water Rate Assistance Program Project No. 60232001.

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CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

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