



Folsom City Council Staff Report

MEETING DATE:	2/14/2023
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10983 – A Resolution Authorizing Appropriation of Funds in the Water Meter Fund to Purchase Water Meters and Meter Reading Endpoints for the Folsom Plan Area
FROM:	Environmental and Water Resources Department

RECOMMENDATION / CITY COUNCIL ACTION

The Environmental and Water Resources Department recommends that the City Council pass and adopt Resolution No. 10983 – A Resolution Authorizing Appropriation of Funds in the Water Meter Fund to Purchase Water Meters and Meter Reading Endpoints for the Folsom Plan Area.

BACKGROUND / ISSUE

As required by State Law, water meters have been installed on all new homes since 1992, with metered rate billing for all the City’s water customers beginning in 2013. Water meters are used for water metering, water conservation and are an integral part of the water billing process. To facilitate remote meter reading for metered billing, the city has implemented a fixed network system. To meet requirements of the state law, and maintain the fixed network system, the Environmental and Water Resources (EWR) Department has executed multi-year agreements for the purchase of water meters and cellular endpoints.

When building permits are issued, the builders pay water permit fees that are for the purchase of the water meter, endpoints and associated components. These fees are placed in a separate water meter fund, Fund 522.

Due to growth in the Folsom Plan Area, purchases of water meters will exceed the amounts anticipated at the time that the budget for Fiscal Year 2022-23 was prepared. The EWR Department is requesting to appropriate \$130,000 to the Water Meter Fund (Fund 522) to

purchase additional water meters and meter reading endpoints through previously approved agreements and other meter costs anticipated within the current fiscal year.

POLICY / RULE

In accordance with Chapter 3.02.030H of the Folsom Municipal Code, supplemental appropriations may be made by the City Council.

ANALYSIS

The budget for fiscal year 2022-23 was developed in early 2022. At that time, it was anticipated that a total of \$200,000 would be sufficient to cover water meter purchases for the Folsom Plan Area. The number of meters and meter reading endpoints needed exceeded initial budget expectations, resulting in the need for additional water meters and meter reading endpoints. Initial funding in Fund 522 is not sufficient to cover the costs of the additional water meter and meter reading endpoints needed for Fiscal Year 2022-23.

Based on activity to date, anticipated costs for fiscal year 2022-23 now include:

- Purchase of 1-inch water meters: \$220,500
- Purchase of cellular endpoints: \$93,160

The EWR Department is requesting to appropriate \$130,000 from the Water Meter Fund balance (Fund 522) to cover these increased anticipated costs for the remainder of the fiscal year.

FINANCIAL IMPACT

The Water Meter budget (Fund 522) has covered costs through the first half of Fiscal Year 2022-23, but funding for the remainder will require an additional appropriation of \$130,000. There are sufficient funds available in the Water Meters Fund (Fund 522) for this appropriation from fund balance.

ENVIRONMENTAL REVIEW

These programs are exempt from CEQA under Section 15061 (b)(3) and are not considered projects.

ATTACHMENT

Resolution No. 10983 – A Resolution Authorizing Appropriation of Funds in the Water Meter Fund to Purchase Water Meters and Meter Reading Endpoints for the Folsom Plan Area

Submitted,

Marcus Yasutake, Director
ENVIRONMENTAL AND WATER RESOURCES DEPARTMENT

RESOLUTION NO. 10983

A RESOLUTION AUTHORIZING APPROPRIATION OF FUNDS IN THE WATER METER FUND TO PURCHASE WATER METERS AND METER READING ENDPOINTS FOR THE FOLSOM PLAN AREA

WHEREAS, per State Law all residences are required to have water meters installed and metered rate billing; and

WHEREAS, purchases of water meters and cellular endpoints for installation in the Folsom Plan Area in the current fiscal year has exceeded expectations; and

WHEREAS the FY 2022-23 Water Meter Budget is insufficient to cover water meter and meter reading endpoints purchases for the remainder of the fiscal year; and

WHEREAS, an appropriation in the amount of \$130,000 is needed for the remainder of Fiscal Year 2022-23 and funds are available in the Water Meters Fund (Fund 522); and

WHEREAS, the associated agreements, where applicable, will be in a form acceptable to the City Attorney;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the additional Appropriation of Funds in the amount of \$130,000 in the Water Meter Fund (Fund 522).

BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate an additional \$130,000 in the Water Meter Fund (Fund 522) for the purchases of water meters and supplies.

PASSED AND ADOPTED this 14th day of February, 2023, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Rosario Rodriguez, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK