January 27, 2009

MEMORANDUM

To:	RMP Steering Committee
From:	Meg Sedlak
Re:	**Budget Shortfall for 2009**

At this time, we are projecting a budget shortfall for the 2009 budget of approximately $95,623 as a result of a short fall on participant fees and a reduction in interest on RMP funds. The project-based dredger fees had a shortfall of $54,289 (*after the meeting, RMP staff were notified by Water Board staff that this shortfall was actually $79,180 due to an overestimation of dredged volumes*) and one NPDES permit (General Chemistry) was rescinded ($13,988). In addition, as a result of the financial crisis, the interest on the RMP funds is projected to be $65,000 for 2009 as compared to $130,000 for 2008.

There are several options for us to pursue to close the budget gap.

- Defer work until additional revenue is obtained. We are anticipating delinquent Caltrans fees totaling $175,717 in the second quarter or beginning of the third quarter of 2009. Potential projects that could be deferred are:
    - o 2008 Dioxin Sediment Work. We could defer the analysis of the work approved on the 2008 sediment cores and shallow sediment samples until these funds are received. At present, we are developing the dioxin QAPP and requesting AXYS analytical to conduct pro bono sediment analyses to demonstrate that this will be a useful exercise for us. We will take a phased approach to the dioxin analysis beginning with the surface sediments to confirm that the concentrations are above method detection limits.
    - o Special studies. Potential options include the Sources of PFC study, the EC white paper, or the Small tributary Loading Study. The scope of work for the latter project has not been developed yet.
    - o Status and Trends. The sediment toxicity element scope of work has not been completely developed for 2009 and could be deferred to 2010.
- Cancel work slated for 2009. Projects that could be eliminated include the dioxin work or a special study or elements of status and trends. The TRC would likely need to provide input on which elements would be eliminated.