

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
From: William E. Murray
Dept: City Manager
Dept: Public Works
Subject: APPROVAL OF WEST ORANGE COUNTY WATER BOARD PROPOSED BUDGET
FISCAL YEAR 2014/15
Date: May 13, 2014

OBJECTIVE

To receive City Council approval of the West Orange County Water Board fiscal year 2014/15 proposed budget.

BACKGROUND

The West Orange County Water Board (WOCWB) is a joint powers authority created in 1967 by the cities of Garden Grove, Huntington Beach, Seal Beach, and Westminster for the purpose of maintenance and operation of water transmission lines for imported water.

DISCUSSION

The joint powers agreement requires that the WOCWB prepare a proposed annual budget, and that each of the contracting public agencies approve the budget before its adoption. The total WOCWB budget for fiscal year 2014/15 is \$174,500 for operation expenses and capital costs (see attachment).

FINANCIAL IMPACT


The City of Garden Grove Water Services Division share is set at 4.2 percent for a total of \$8,472, and will be funded from package 601-3710.

RECOMMENDATION

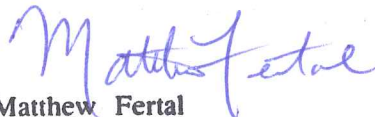
It is recommended that City Council:

- Approve the West Orange County Water Board 2014/15 proposed budget.


WILLIAM E. MURRAY, P.E.
Public Works Director

By: 
Zachary Barrett
Water Quality Supervisor

Recommended for Approval


Matthew Fertal
City Manager

Attachment: WOCWB 2014/15 Budget Proposal

**WEST ORANGE COUNTY WATER BOARD
PROPOSED FISCAL YEAR 2014-15 BUDGET**

AGENCY ALLOCATION SUMMARY				
AGENCY	Percent Ownership	Proposed 14/15 Gross Program Cost	Estimated Interest	Net Funding
Huntington Beach	56.10%	\$97,895	\$337	\$113,164
Garden Grove	4.20%	\$7,329	\$25	\$8,472
Seal Beach	14.30%	\$24,954	\$86	\$28,846
Westminster	25.40%	\$44,323	\$152	\$51,236
Totals		\$174,500	\$600	\$201,718
Total Funds 9/30/13 (unaudited) \$172,182				
Variance to FY 13-14 Budget \$0				
Less Projected FY 14-15 Expenditures -\$174,500				
Recommended Reserves <u>\$200,000</u>				
Total Contributions FY 14/15 \$201,718				

**WEST ORANGE COUNTY WATER BOARD
PROPOSED FISCAL YEAR 2014-2015 BUDGET**

EXPENDITURES:	Actual FY 12/13	Budget FY13/14	Estimated FY 13/14	Total Requested FY 14/15
<u>OPERATING EXPENSE</u>				
Utilities Expenses, Electricity	\$4,030	\$4,500	\$4,500	\$4,500
Repair and Maintenance Expense	\$87,285	\$60,000	\$60,000	\$72,500
Audit Fees	\$5,000	\$5,000	\$4,990	\$5,000
Contractual Services, Legal	\$2,966	\$3,000	\$3,000	\$5,000
Meeting, Board Members	\$1,400	\$2,000	\$1,900	\$2,000
Liability Ins., Transmission Lines	\$8,649	\$8,000	\$8,000	\$8,000
Other Contract Services	\$209	\$2,500	\$0	\$2,500
Total Operating Expense	\$109,539	\$84,500	\$82,390	\$99,500
<u>CAPITAL COSTS</u>				
Fiscal Year 2014-15 Capital projects:	\$101,220	\$80,000	\$80,000	\$75,000
Design the entry to OC-9 at Newland and Bolsa to move it above ground from underground. Current set up is in the middle of the street and hazardous to staff Design				\$75,000
Total Capital Costs	\$101,220	\$80,000	\$80,000	\$75,000
TOTAL BUDGET	\$210,759	\$164,500	\$162,390	\$174,500