

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
Dept: City Manager
Subject: WEST ORANGE COUNTY WATER BOARD BUDGET 2010/11

From: Keith G. Jones
Dept: Public Works
Date: May 25, 2010

OBJECTIVE

To receive City Council approval for the West Orange County Water Board 2010/11 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. Mayor Dalton serves on the West Orange County Water Board as the City's representative.

ANALYSIS

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 2010/11 is \$91,207 for operations expenses and capital costs (Attachment A).


FINANCIAL IMPACT

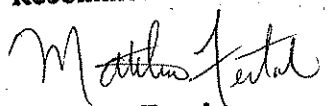
The City of Garden Grove Water Services Division share is set at 4.2 percent for a total of \$3,738, and will be funded from package 601-3710.

RECOMMENDATION

It is recommended that City Council approve the West Orange County Water Board 2010/11 proposed budget.


KEITH G. JONES
Public Works Director


By: Zachary Barrett
Water Quality Supervisor

Recommended for Approval

Matthew Fertal
City Manager

WEST ORANGE COUNTY WATER BOARD - 2001-11 BUDGET - PROPOSED

revised 4/29/2010

| EXPENDITURES: | Actual FY 08/09 | Budget FY09/10 | Estimated FY 09/10 | FY 10-11 | | | | Total Requested 09/10 |
|------------------------------------|--------------------|-------------------|-----------------------|---------------------------|----------------------|---------------------|----------------------|--------------------------|
| | | | | Huntington Beach 56.1% | Garden Grove 4.2% | Seal Beach 14.3% | Westminster 25.4% | |
| OPERATING EXPENSE | | | | | | | | |
| Utilities Expenses, Electricity | \$3,494 | \$4,000 | \$4,000 | \$2,244 | \$168 | \$572 | \$1,016 | |
| HB O&M and GM | \$40,798 | \$60,000 | \$50,000 | \$33,660 | \$2,520 | \$8,580 | \$15,240 | |
| Audit Fees | \$3,100 | \$3,500 | \$3,300 | \$1,964 | \$147 | \$501 | \$889 | |
| Contractual Services, Legal | \$1,058 | \$2,500 | \$1,500 | \$1,683 | \$126 | \$429 | \$762 | |
| Meeting, Board Members | \$1,800 | \$2,000 | \$2,000 | \$1,122 | \$84 | \$286 | \$508 | |
| Liability Ins., Transmission Lines | \$7,965 | \$7,000 | \$7,500 | \$4,488 | \$336 | \$1,144 | \$2,032 | |
| Other Contract Services | \$1,427 | \$2,000 | \$2,000 | \$1,122 | \$84 | \$286 | \$508 | |
| Total Operating Expense | \$59,642 | \$79,000 | \$70,300 | \$46,283 | \$3,465 | \$11,798 | \$20,955 | |
| CAPITAL COSTS | | | | | | | | |
| Facilities Master Plan | \$29,501 | | | \$0 | \$0 | \$0 | \$0 | |
| Meter Change Out-Phase I and II | | \$30,000 | \$30,000 | | | | | |
| Total Capital Costs | \$29,501 | \$30,000 | \$30,000 | \$16,830 | \$1,260 | \$4,290 | \$7,620 | |
| GROSS PROGRAM COST | \$89,143 | \$109,000 | \$100,300 | \$63,113 | \$4,725 | \$16,088 | \$28,575 | |
| less FUNDED BY RESERVES | \$89,143 | \$15,744 | \$7,044 | \$21,293 | \$894 | \$3,045 | \$5,408 | |
| NET PROGRAM COST | \$0 | \$93,256 | \$93,256 | \$91,207 | \$3,831 | \$13,043 | \$23,167 | |
| REVENUE: | | | | | | | | |
| Huntington Beach - 56.1% | \$0 | \$51,083 | \$51,083 | \$49,933 | | | | |
| Garden Grove - 4.2% | \$0 | \$3,824 | \$3,824 | \$3,738 | | | | |
| Seal Beach - 14.3% | \$0 | \$13,021 | \$13,021 | \$12,728 | | | | |
| Westminster - 25.4% | \$0 | \$23,128 | \$23,128 | \$22,608 | | | | |
| Interest on reserves | \$6,210 | \$2,200 | \$2,200 | \$2,200 | | | | |
| Other Revenue | | | | | | | | |
| TOTAL REVENUE | \$6,210 | \$93,256 | \$93,256 | \$91,207 | | | | |