

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
 From: William E. Murray
 Dept: City Manager
 Dept: Public Works
 Subject: WEST ORANGE COUNTY WATER BOARD PROPOSED BUDGET 2012/13
 Date: August 28, 2012

OBJECTIVE

To receive City Council approval of the West Orange County Water Board 2012/13 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 2012/13 is \$189,577 for operations 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 \$7,924, and will be funded from package 601-3710.

RECOMMENDATION


It is recommended that City Council:

- Approve the West Orange County Water Board 2012/13 proposed budget.


 WILLIAM E. MURRAY, P.E.
 Public Works Director/City Engineer


 By: Zachary Barrett
 Water Quality Supervisor

Attachment: WOCWB 2012/13 Budget Proposal

Recommended for Approval

 Matthew Fertal
 City Manager

**WEST ORANGE COUNTY WATER BOARD
PROPOSED FISCAL YEAR 2012-2013 BUDGET**

EXPENDITURES:	Actual FY 10/11	Budget FY11/12	Estimated FY 11/12	Total Requested FY 12/13
OPERATING EXPENSE				
Utilities Expenses, Electricity	\$4,830	\$4,000	\$4,000	\$4,000
HB O&M and GM	\$21,323	\$60,000	\$60,000	\$60,000
Audit Fees	\$3,894	\$3,500	\$5,000	\$5,000
Contractual Services, Legal	\$1,829	\$3,000	\$2,500	\$3,000
Meeting, Board Members	\$1,600	\$2,000	\$1,800	\$2,000
Liability Ins., Transmission Lines	\$8,739	\$8,000	\$7,500	\$8,000
Other Contract Services	\$9,635	\$2,000	\$3,000	\$2,500
Total Operating Expense	\$51,850	\$82,500	\$83,800	\$84,500
CAPITAL COSTS				
Rebuild Two Isolation Valves OC-35				\$35,000
Rebuild Two Isolation Valves OC-9 (Dale & Katella)				\$20,000
Replace Two OC-9 Line Valves				\$50,000
Replace Air Vacs + One OC-9 Line Valve (Between Dale & Katella/Heil & Edinger)	\$46,021	\$84,000	\$84,000	
Meter Change Out-Phase I and II				
Total Capital Costs	\$46,021	\$84,000	\$84,000	\$105,000
GROSS PROGRAM COST	\$97,871	\$166,500	\$167,800	\$189,500
Funded by Reserves	(\$7,664)	\$20,544	\$22,469	(\$77)
NET PROGRAM COST	\$90,207	\$145,956	\$145,331	\$189,577
REVENUE:				
Huntington Beach - 56.1%	\$49,933	\$81,040	\$81,040	\$105,848
Garden Grove - 4.2%	\$3,738	\$6,067	\$6,067	\$7,924
Seal Beach - 14.3%	\$12,728	\$20,657	\$20,657	\$26,981
Westminster - 25.4%	\$22,608	\$36,692	\$36,692	\$47,924
Subtotal	\$89,007	\$144,456	\$144,456	\$188,677
Interest on Reserves	\$1,200	\$1,500	\$875	\$900
Other Revenue				
TOTAL REVENUE	\$90,207	\$145,956	\$145,331	\$189,577