

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-B

Meeting Date: June 14, 2011

Submitted By: Kelly Cadiente

Presented By: Kelly Cadiente

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2011-42 to Approve the Central Marina Budget for FY 2011-2012

Detailed Description: The Board of Directors is requested to receive and adopt the Marina Coast Water District (District, MCWD) FY 2011-2012 budgets, rates, fees and charges for the Central Marina service area.

Each year, the District follows a budget development process that results in the MCWD Board approval of the annual budget by June 30. On March 8, 2011, the draft budget and budget schedule was presented to the MCWD Board at its regular board meeting. On March 29, 2011 and April 4, 2011, the MCWD Board met at its budget workshops and discussed the budget in detail.

On April 4, 2011, the MCWD Board approved the Proposition 218 rate increase process and scheduled two public hearing meetings. The MCWD for Central Marina service area public hearing meeting is scheduled for June 14, 2011. The MCWD/FORA for Ord Community service area public hearing meeting occurred June 10, 2011.

The FORA Board is also required to approve the District's Ord Community annual budget. On March 23, 2011, the draft Ord Community budget was distributed and discussed with the FORA Water/Wastewater Oversight Committee (WWOC). On April 13, 2011, the draft Ord Community budget was again distributed and discussed with the FORA WWOC and was recommended by the Committee that the Ord Community budget be presented to FORA Board for adoption. The draft Ord Community budget was presented to the FORA Board on June 10, 2011 for adoption.

The Draft FY 2011-2012 Budget includes operating and capital budgets in support of the District's two service areas and five cost centers (Marina and Ord Community). District expenses that are not dedicated to a specific cost center are apportioned to the cost centers according to a pre-determined formula (based on expenses). The allocation rate for fiscal year 2011/2012 has changed based on previous year (FY 2009-2010) audited expense figures. The draft budget includes a 4.9% rate increase for Marina and Ord cost centers. A proposition 218 process was followed to implement the rate increases. This Draft Budget includes several other key assumptions, which are contained in the Budget Summary Note.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The MCWD Board reviewed the Draft FY 2011-2012 Budget and Budget Schedule on March 23, 2011 and at its budget workshops on April 19, 2011 and April 4, 2011.

Board Goals/Objectives: *Strategic Plan Goal No. 4 – To manage the District’s finances in the most effective and fiscally responsible manner.*

Financial Impact: Yes No

Funding Source/Recap: All Accounts

Material Included for Information/Consideration: Resolution No. 2011-42; FY 2011-2012 Draft Budget Document; and, FORA packet of Exhibits (provided separately).

Staff Recommendation: The Board of Directors adopt Resolution No. 2011-42 approving the Central Marina Budget for FY 2011-2012.

Action Required: Resolution Motion Review
(Roll call vote is required.)

Board Action

Resolution No Motion By Seconded By

Ayes Abstained

Noes Absent

Reagendized Date No Action Taken

June 14, 2011

Resolution No. 2011 - 42
Resolution of the Board of Directors
Marina Coast Water District
Adopting the Central Marina Budget for FY 2011-2012

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 14, 2011 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, staff prepared and presented the draft FY 2011-2012 Budget that includes projected revenues, expenditures and capital improvement projects for five cost centers for the Marina and Ord Community Water, New Water and Wastewater systems, including the area within the jurisdiction of the FORA and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, the District Board reviewed the proposed FY 2010-2011 Budget on March 8, 2011, March 29, 2011 and April 4, 2011; and,

WHEREAS, the District considered approval of the Ord Community water, new water and wastewater systems budget on June 14, 2011 by separate resolution, Resolution Nos. 2011-36 and 2011-37; and,

WHEREAS, the rates, fees and charges and capacity charges for Central Marina service area need to be changed from the prior fiscal year; and,

WHEREAS, rates, fees, charges and capacity charges for Central Marina service area are being adopted by the Board in Ordinance No. 54; and,

WHEREAS, Section 6.08.070 of the District Code provides that twenty-five percent of all monthly charges collected by the District shall be used for long-term water supply projects, but that this requirement may be waived by the Board on an annual basis; and,

WHEREAS, the Board finds, based on projected funding mechanisms and requirements, that it is in the District’s interest to waive the requirements of Section 6.08.070 of the District’s Code for FY 2011-2012.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Board of Directors of the Marina Coast Water District does hereby approve and adopt the FY 2011-2012 Budget for Central Marina.
2. The requirements of Section 6.08.070 of the MCWD Code are waived for FY 2011-2012.

PASSED AND ADOPTED on June 14, 2011, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

William Lee, President

ATTEST:

Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2011-42 adopted June 14, 2011.

Jim Heitzman, Secretary