



Monterey County

Monterey Room
168 W. Alisal St., 2nd Floor
Salinas, CA 93901

Board Report

Legistar File Number: BC 19-111

October 24, 2019

Introduced: 10/9/2019

Current Status: Agenda Ready

Version: 1

Matter Type: Budget Committee

Support adopting a resolution to amend the Water Resources Agency’s FY 2019-20 Adopted Budget for Fund 134 - Salinas River Diversion Facility Operations Fund (134-9300-8497-WRA028) by increasing appropriations in the amount of \$110,000 financed by Unassigned Fund Balance.

RECOMMENDATION:

It is recommended that the Budget Committee:

Support adopting a resolution to amend the Water Resources Agency’s FY 2019-20 Adopted Budget for Fund 134 - Salinas River Diversion Facility Operations Fund (134-9300-8497-WRA028) by increasing appropriations in the amount of \$110,000 financed by Unassigned Fund Balance.

SUMMARY/DISCUSSION:

The Monterey County Water Resources Agency (MCWRA) and Monterey One Water (M1W), formerly known as Monterey Regional Water Pollution Control Agency (MRWPCA), entered into an Amended and Restated Water Recycling Agreement (Agreement), which included terms for ownership, operation, maintenance, payments for the Castroville Seawater Intrusion Project (CSIP), Salinas Valley Reclamation Project (SVRP), and Salinas River Diversion Facility (SRDF). Section 7.06 of the Agreement requires annual budgets and modifications to be approved by the M1W Board of Directors, MCWRA Board of Directors and MCWRA Board of Supervisors.

Section 7.06 of the Agreement specifies the procedure and deadlines for adoption of annual budgets for the three projects. During FY 2019-20 budget preparation, both agencies were not able to adhere to the deadlines and agreed to submit a budget similar to FY 2018-19’s budget with the understanding that both agencies would continue to work on developing a comprehensive FY 2019-20 budget. After months of collaboration, both agencies have agreed on final figures which resulted in increases to all three projects as follows:

<u>Program</u>	<u>Approved</u>	<u>Revised</u>	<u>Change</u>
SVRP	2,788,000	2,999,254	211,254
CSIP	1,567,000	2,130,525	563,525
SRDF	604,000	845,254	241,254
Total	\$4,959,000	\$5,975,033	\$1,016,033

The contractual changes for the SVRP, Fund 132 and CSIP, Fund 131 were accommodated within FY 2019-20 approved appropriations and require no budget modifications. The changes to SRDF, Fund 134 resulted in an increase of \$110,000 over the approved appropriations in Fund 134 and require a budget amendment.

This report seeks approval to amend the adopted budget for Fund 134-9300-8497-WRA028 to increase appropriations by \$110,000 financed by unassigned Fund Balance.

OTHER AGENCY INVOLVEMENT:

This item was presented to the Water Resources Agency Finance Committee on October 4, 2019.

FINANCING:

This increase in appropriations will be financed by unassigned Fund Balance in Fund 134, which has an estimated beginning Fund Balance of \$3.6 million. The estimated ending Fund Balance after this amendment will be \$3.0 million.

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Approved by: _____

Brent Buche, General Manager, (831) 755-4860

Attachments:

1. Budget Amendment 1 Summary