

June 12, 2007

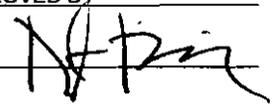
AGENDA ITEM NO.

COUNCIL MEETING:

APPROVED BY

DEPARTMENT DIRECTOR

CITY MANAGER



FROM: RENE A. RAMIREZ, Director 
Department of Public Utilities

 GARTH GADDY, Provisional Manager L.M.
Department of Public Utilities – Water Division

SUBJECT: ADOPTING THE 88th AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION NO. 2006-253 TO APPROPRIATE \$125,000 IN ADDITIONAL UGM 101S WATER SUPPLY CAPITAL FUNDS FOR PREVIOUSLY-APPROVED WATER SUPPLY PROJECTS IN NORTHEAST FRESNO

KEY RESULT AREA

Financial Management

RECOMMENDATION

Staff recommends that Council adopt the 88th Amendment to the Annual Appropriation Resolution No. 2006-253 to appropriate \$125,000 in additional funds for Urban Growth Management (UGM) Water Supply Area Fund 101S to provide for the completion of capital improvement projects that were previously approved by Council.

EXECUTIVE SUMMARY

Through the UGM process, Water Supply Area Funds have been established to receive and disburse developer contributions for the construction of water wells in developing areas of the City. During FY 2007, expenditures in the UGM 101S Water Supply Fund have been higher than anticipated. Staff recommends that City Council adopt a resolution approving the rebudgeting of this UGM Water Supply Area Fund to provide for the completion of capital improvement projects previously approved by Council.

KEY OBJECTIVE BALANCE

This rebudget resolution, which provides funding for UGM well development projects, supports the three Key Result Areas for the City of Fresno: Customer Satisfaction, Employee Satisfaction, and Financial Management. Customer Satisfaction is achieved through providing water services at an affordable price to new developments that meet consumer demand. The construction of new facilities using the best available technology and modern equipment to reduce operations and maintenance costs will enhance Employee Satisfaction as it will free up their time for other tasks. The Financial Management objective will be met by providing an adequate revenue source for development of new infrastructure and completion of projects in the most cost-effective manner.

REPORT TO THE CITY COUNCIL

Resolution to appropriate \$125,000 in additional UGM 101S Water Supply Capital Funds

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BACKGROUND

The UGM process, codified in the Fresno Municipal Code, is intended to sustain the orderly development of land and infrastructure in the growth areas of the City. It has been a long-standing City policy that growth should pay for the necessary public utilities required for development and existing rate payers are not to subsidize these facilities. Dynamic population growth in the Fresno Metropolitan Area (FMA) dictates that the City invests in extensive capital improvements for water supply. The proposed Water Capital Improvement Plan (CIP) budget contains specific programs that are oriented toward proactive and timely construction of water production and distribution infrastructure to meet the growth demands of the 2025 General Plan while proactively complying with Federal and State regulations.

Previously, \$66,000 was appropriated in the UGM 101S Water Supply Fund for construction of water wells. Based on current year-to-date expenditures and future needs, it is requested that \$125,000 be added to complete several water supply wells in Northeast Fresno. This will provide a total of \$191,000 for the fiscal year.

FISCAL IMPACT

There will be no impact to the General Fund or the Water Enterprise Fund. All costs associated with these projects will be funded by existing UGM well development fees collected in the 101S Water Supply Area. No fee increases are proposed.

Attachment: Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO ADOPTING THE 88th AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION NO. 2006-253 BY APPROPRIATING \$125,000 IN ADDITIONAL UGM 101S WATER SUPPLY CAPITAL FUNDS FOR PREVIOUSLY APPROVED WATER SUPPLY PROJECTS IN NORTHEAST FRESNO.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRESNO:

THAT PART III of the Annual Appropriation Resolution No. 2006-253 be and is hereby amended as follows:

	<u>Increase/(Decrease)</u>
TO: DEPARTMENT OF PUBLIC UTILITIES	
UGM 101s Water Supply Fund	\$ 125,000

THAT account titles and numbers requiring adjustment by this Resolution are as follows:

UGM 101s Water Supply Fund

Revenues:

Account: 34854 UGM Developer Contributions	\$ 95,000
34860 Water Infrastructure Devel Chg	<u>30,000</u>
Fund: 40124	
Org Unit: 185001	
	Total Revenues
	<u>\$ 125,000</u>

Appropriations:

Account: 51101 Permanent Salaries	\$ 62,000
53402 Specialized Services/Tech	11,000
54501 Buildings & Improvements	1,500
57507 Contract Construction	5,000
59117 Overhead	<u>45,500</u>
Fund: 40124	
Org Unit: 411501	
Project ID: WC00016	
KRA: 0602006000	
	Total Appropriations
	<u>\$ 125,000</u>

THAT the purpose is to appropriate \$125,000 in additional funds for UGM Water Supply Area Fund 101s to provide for the completion of previously approved water supply projects in northeast Fresno.

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CLERK'S CERTIFICATION

STATE OF CALIFORNIA }
COUNTY OF FRESNO } ss.
CITY OF FRESNO }

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the _____ Day of _____, 2007.

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor Approval: _____, 2007
Mayor Approval/No Return: _____, 2007
Mayor Veto: _____, 2007
Council Override Veto: _____, 2007

REBECCA E. KLISCH
City Clerk
