

**ORDINANCE NO. 15-022**

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE  
AMENDING THE FISCAL YEAR 2015-16 BUDGET AND ESTABLISHING AN  
ENTERPRISE FUND AND BUDGET FOR THE LOCAL WATER PROJECT**

**WHEREAS**, the City Council approved the Fiscal Year 2015-16 Budget on June 17, 2015; and

**WHEREAS**, pursuant to Council Policy 400-2, the creation of special funds requires approval of the Council upon review of the purpose, revenues, and expenditures associated with such a fund; and

**WHEREAS**, establishing an enterprise fund for the Local Water Project creates a separate accounting and financial reporting mechanism for the service so the City can project and monitor the total revenues received and all costs of the LWP recovered through user charges; and

**WHEREAS**, the Local Water Project Fund will receive, as a direct transfer, the remaining funds in Division 126 to establish the initial operating budget of the fund in addition to State grant and revolving loan funding; and

**WHEREAS**, the expenditures for the Local Water Project in FY 2015-16 are anticipated to be \$115,000 for Planning and Engineering expenses; and

**WHEREAS**, the anticipated revenues in the fund are: a State grant in the amount of \$2,415,000, a State Revolving Fund (SRF) loan in the amount of \$5,285,000, and a direct transfer of remaining Local Water Project funds (\$207,000) in Division 126 (this last to be used as an initial operating budget); and

**WHEREAS**, the Local Water Project Fund will repay the \$207,000 to the General Fund when the SRF has reimbursed the fund for expenditures; and

**WHEREAS**, in the enactment of this ordinance, the City followed the guidelines adopted by the State of California and published in the California Code of Regulations, Title 14, Section 15000, et seq. Enactment of this ordinance action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment pursuant to the California Quality Act (CEQA), CEQA Guideline Section 15378.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF  
PACIFIC GROVE:**

SECTION 1. The foregoing recitals are adopted as findings of the City Council as though set forth fully herein.

SECTION 2. The revenue and expenditure budget for Fund 01-Division 126 and the Local Water Project Fund are amended and established as follows:

EXPENDITURE			
FUND-DIV	BUDGETED	INCREASE/ (DECREASE)	AMENDED
01-126	\$ 295,000	(\$207,000)	\$ 88,000
LWP Fund (Fund No. TBD)	\$0.0	\$ 349,000	\$ 349,000

REVENUE			
FUND-DIV	BUDGETED	INCREASE/ (DECREASE)	AMENDED
01-126	\$ 295,000	(\$207,000)	\$ 88,000
LWP Fund (Fund No. TBD)	\$ -	\$ 7,907,000	\$ 7,907,000

SECTION 3. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement this Ordinance.

SECTION 4. In accord with Article 15 of the City Charter, this ordinance shall become effective upon adoption hereof.

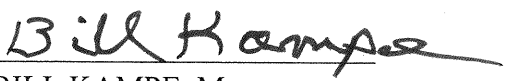
PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE  
this 18<sup>th</sup> day of November, 2015, by the following vote:

AYES: Mayor Kampe, Councilmembers Cuneo, Fischer, Huitt, and Peake.

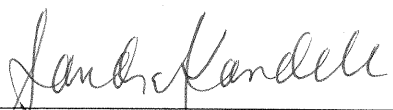
NOES: Councilmember Miller

ABSENT: Councilmember Lucius

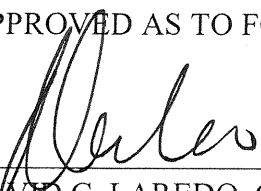
APPROVED:

  
BILL KAMPE, Mayor

ATTEST:

  
SANDRA KANDELL, Deputy City Clerk

APPROVED AS TO FORM:

  
DAVID C. LAREDO, City Attorney

