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:

<table>
<thead>
<tr>
<th>EXPENDITURE</th>
<th>FUND-DIV</th>
<th>BUDGETED</th>
<th>INCREASE/ (DECREASE)</th>
<th>AMENDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-126</td>
<td>$295,000</td>
<td>($207,000)</td>
<td>$88,000</td>
<td></td>
</tr>
<tr>
<td>LWP Fund (Fund No. TBD)</td>
<td>$0.0</td>
<td>$349,000</td>
<td>$349,000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>FUND-DIV</th>
<th>BUDGETED</th>
<th>INCREASE/ (DECREASE)</th>
<th>AMENDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-126</td>
<td>$295,000</td>
<td>($207,000)</td>
<td>$88,000</td>
<td></td>
</tr>
<tr>
<td>LWP Fund (Fund No. TBD)</td>
<td>-</td>
<td>$7,907,000</td>
<td>$7,907,000</td>
<td></td>
</tr>
</tbody>
</table>

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 18th day of November, 2015, by the following vote:

AYES:  Mayor Kampe, Councilmembers Cuneo, Fischer, Huit, 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