ADD-ON

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date:

October 6, 2009

Consent []

Public Hearing []

Regular [X]

Submitted By:

Water Utilities Department

Submitted For:

Water Utilities Department

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: (A) approve a Budget Amendment of \$700,000 in the Water Utilities Department's Lake Region Renewal and Replacement (R&R) Fund and; (B) approve the transfer of the fund balance to the Glades Utility Authority (Authority).

Summary: On February 3, 2004, the Board of County Commissioners (Board) approved Interlocal Agreements with the Cities of Belle Glade (R2004-0245), Pahokee (R2004-0246) and South Bay (R2004-0247) (Cities) for the design, construction, operation, and maintenance of the Lake Region Water Treatment Plant (LRWTP) to provide potable water to the Cities. When the LRWTP was completed in March 2008, the Cities began purchasing water on a wholesale basis from the County. The commodity fee paid to the County included a 15% R&R component, which was deposited in a separate Lake Region R&R fund and designated in the agreements to be used for the replacement of membrane elements. On June 16, 2009, the Board approved an Interlocal Agreement (R2009-1034) establishing the Authority and, on October 1, 2009, ownership of the County's LRWTP was transferred to the Authority. Since the Authority has assumed ownership of the LRWTP, the balance in the Lake Region R&R fund should be transferred to the Authority since it cannot be used for any other purpose. The current balance in the fund is \$603,795.93 and will increase slightly after the final payments from the Cities are received. Countywide (MJ)

Background and Justification: In addition to assuming ownership of the LRWTP, the Authority will assume the existing utility debt of the Cities, establish sustainable financial policies, assume ownership of all utility assets, rehabilitate the systems, correct regulatory violations, improve revenue collections, and decrease costs through economies of scale. Transfer of the R&R funds is needed to cover the cost of replacing the LRWTP's membrane elements.

Attachments:

1. Budget Amendment

Recommended By:

Department Director

Data

Annroyed By:

Assistant County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2010	2011 <u>0</u>	2012 <u>0</u>	2013 <u>0</u>	2014 <u>0</u>
Operating Expenses External Revenues Program Income (County)	\$700000 0 0	<u>0</u> <u>0</u>	<u>0</u> 0	<u>0</u> <u>0</u>	0 <u>0</u> <u>0</u>
In-Kind Match County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET FISCAL IMPACT	\$700,000.00	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Budget Account No.: Fund 4014 Dept 720 Unit 1GUA Object 8101

Is Item Included in Current Budget? Yes No X

See attached Budget Amendment

Reporting Category N/A

B. Recommended Sources of Funds/Summary of Fiscal Impact:

The Amendment transfers the Lake Region R&R Fund balance from the Water Utilities Department to the Glades Utility Authority.

C. Department Fiscal Review:

III. REVIEW COMMENTS

A.	OFMR Fisca	al and/or	Contract	Development	and Car	séval Caman	
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Sololon OFMB Cholon Contract Development and Control

B. Legal Sufficiency:

This item complies with current County policies.

Assistant County Atto

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

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BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA

BUDGET: AMENDMENT

FUND 4014: Water Utilities Department Lake Region R&R Fund

Use this form for items not anticipated in the budget

	Account	Original	Current		_	Adjusted	Encumbered	Remaining
Number	Name	Budget	Budget	Increase	Decrease	Budget	As of 09/30/09	Balance
Revenues (BGRV 720 09230	9*792)						is .	
40148004200-8901	Balance Brought Forward	601,820	601,820	98,180	0	700,000		
Total receipts and revenues		601,820	601,820	98,180	0	700,000		
Expenditures (BGEX 720 1	00109*1)							
40147201GUA-8101 7301G	Contributions Other Governmental Agencies	0	0	700,000	0	700,000	0	700,000
40147219900-9909 7219900	NB Reserve for improvement program	601,820	601,820	0	601,820	0	0	0
Total expenditures and rese	rrves	601,820	601,820	700,000	601,820	700,000	0	700,000

Signatures

Water Utilities Department

Initiating Department/Division

Administration/Budget Department Approval

OFMB and Budget Department - Posted

Bull 10/1/09

Date

By Board of County Commissioners
At Meeting of 1060

Deputy Clerk to the

Board of County Commissioners