



## Legislation Text

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**File #:** 16-0985, **Version:** 1

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Community Development Agency, Administration and Finance Division, recommending the Board approve and authorize the Chair to sign a Budget Transfer increasing the County Service Area 9 Walnut Drive Road Zone of Benefit 98124 revenues and appropriations for road maintenance and improvements by \$40,552 for Fiscal Year 2016/17. (4/5 vote required)

**FUNDING:** Zone of Benefit Assessments/Service Charges.

### **DEPARTMENT RECOMMENDATION**

Community Development Agency (CDA), Administration and Finance Division, recommending the Board approve and authorize the Chair to sign a Budget Transfer increasing the County Service Area 9 Walnut Drive Road Zone of Benefit 98124 (Zone) revenues and appropriations for road maintenance and improvements by \$40,552 for Fiscal Year (FY) 2016/17.

### **DISCUSSION / BACKGROUND**

In its recommendation for the FY 2016/17 budget in February 2016, the Zone Advisory Committee submitted a proposal in the amount of \$39,707 from Joe Vicini, Inc., for application of chip seal. CDA entered into an Agreement for Road Zone Maintenance Services 495-S1610 with Joe Vicini, Inc. (Agreement), with the intent to have the work completed prior to the end of FY 2015/16. The Zone's FY 2016/17 budget was submitted based on an estimated beginning fund balance of \$15,948, anticipating that payment would be made for the chip seal work before June 30, 2016.

Based on weather conditions suitable for chip seal application and the Contractor's schedule, the work under the Agreement was delayed until after June 30, 2016. The Notice to Proceed was issued effective August 15, 2016, and the work was completed as of September 8, 2016.

As payment for the work was not made in FY 2015/16, the Zone's FY 2016/17 budget must be adjusted to reflect the change in timing. It was intended for the adjustment to be included with CDA's transactions at the Board's final budget hearing in September, but it was inadvertently omitted.

The Zone's actual Equity in Pooled Cash at the close of FY 2015/16 was \$56,470. The purpose of this Budget Transfer is to increase the Use of Fund Balance by \$40,522 and increase appropriations for road maintenance services by \$40,522, to allow full payment for the work performed under the Agreement with Joe Vicini, Inc., and allow the Zone to utilize FY 2016/17 revenues and the remaining fund balance for additional anticipated road maintenance in the current fiscal year.

### **ALTERNATIVES**

A Budget Transfer in the amount of \$3,392 could be approved, which would allow the contractor to be paid in full for the work that has been completed under the Agreement. No additional road maintenance work would be performed in the Zone in the current fiscal year.

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Auditor/Controller's Office

### **CAO RECOMMENDATION**

Recommend approval of the Department's recommendation.

### **FINANCIAL IMPACT**

The proposed Budget Transfer results in no increase to Net County Cost. All increases in appropriations are fully funded by Zone assessments.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) The Clerk of the Board will obtain the Chair's signature on the original Budget Transfer.
- 2) The Clerk of the Board will forward the Budget Transfer to the Auditor/Controller's Office for processing.

### **STRATEGIC PLAN COMPONENT**

Infrastructure, Good Governance

### **CONTACT**

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