

# REPORT

To the Honorable Mayor and City Council  
From the City Manager

May 8, 2006

## Subject

2005-06 Budget Amendment for Impact of Increased Water Rates on Park, Recreation and Community Services Department

## Recommendation

It is recommended that Council adopt a resolution approving the appropriation of \$188,200.00, from general fund resources held in reserve to the Parks, Recreation, and Community Services Department to provide an appropriation for the increased costs of water consumption resulting from water rate changes effective in July 2005.

## Background

The Parks, Recreation and Community Services Department is one of Redwood City's largest water "customers" and as such is subject to the highest tier water rate of \$3.53/unit. This is a 47% increase over rates in 04-05. We have reviewed water consumption for each of the 127 individual meters assigned to the department between 04-05 and 05-06 to make sure that the change in rate is the only factor contributing to the need for an additional appropriation.

Weather is always a factor in projecting water consumption for landscaping. In 04-05 the Department turned off landscape water on October 15<sup>th</sup> while in 05-06 it was extended through November 15<sup>th</sup> because of warm weather. Similarly irrigation generally starts up again in mid March, but with the current weather conditions, will likely not happen until the beginning of May.

## Alternative

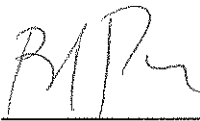
Council could choose to direct staff to make other reductions in the department appropriation to accommodate this increase in water costs.

## Fiscal Impact

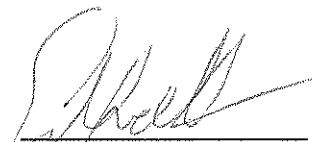
Adoption of the resolution will decrease the general fund's ending fund balance (resources held in reserve).



Corinne Centeno  
Parks, Recreation &  
Community Services Director



Brian Ponty  
Finance Director



Ed Everett  
City Manager

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AMENDING FISCAL YEAR 2005-2006 PARKS,  
RECREATION AND COMMUNITY SERVICES DEPARTMENT BUDGET**

**WHEREAS**, the City Council of Redwood City adopted Ordinance No. 2286 approving its Fiscal Year 2005 – 2006 budget; and

**WHEREAS**, the approved budget did not anticipate an overage in costs for water consumption resulting from water rate increase effective in July 2005; and

**WHEREAS**, additional funding in the total amount of \$188,200.00 from general fund resources held in reserve are necessary to pay for increased water consumption costs.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY AS FOLLOWS:**

1. The following stated amounts are hereby appropriated or transferred from the stated appropriations or balances and are appropriated or transferred as follows:

<u>Amount</u>	<u>Account Number</u>
\$101,800.00	150-66121-31
\$86,400.00	150-66122-31

2. The foregoing sums appropriated and transferred for the purposes hereinabove specified are effective upon adoption of this resolution, and shall be in addition to all other sums appropriated or transferred for such purposes during the fiscal year.

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