

Los Cerritos Wetlands Authority

Date: February 10, 2010
To: Governing Board Members
From: Belinda V. Faustinos, Executive Officer
Subject: Agenda Item 9: Consideration of Resolution Adopting the LCWA Budget 09/10

RECOMMENDATION: Staff recommends adoption of the FY 09/10 Budget as submitted and approved at the August LCWA Board Meeting as the preliminary budget and detailed in the attached Exhibit A.

BACKGROUND: The total projected budget for the LCWA is \$6,356,029. Of this total amount as shown in the attached Exhibit it is estimated over 90% of the budget is allocated for capital expenses for acquisition of the Hellman property and funds associated with development of the feasibility study for the SCE parcel.

The expenses detailed for general administrative costs are consistent with the prior year budget, the most significant line items being related to general liability and board member premiums. The property management expenses and revenues are associated with the Habitat Maintenance Project for the Phase I properties and increased costs to manage the property.

Recently on July 23, 2009, the LCWA received payment from the RMC grant for payment of the Buss-Shelger Associates Updated Hellman Appraisal Report in the amount of \$12,500; given the LCWA had to pay for these services from the Signal Lease.

The LCWA also received the 2009/2010 California Coastal Commission Whale Tail Grant for the implementation of the Los Cerritos Wetlands Stewardship Program for an amount of \$18,000.

The LCWA is also working on cooperative agreement with US Fish and Wildlife Service's local coastal program to fund the implementation of a community-based program focused on the enhancement, restoration and overall improvement of Zelder Marsh's coastal habitats for an amount not to exceed \$25,000.

Although the Joint Powers Agreement provides for annual contributions to the LCWA of up to \$25,000 by each partner agency it is only recommended that the budgeted contribution be limited to \$2,500 from each of the City partners. It is not anticipated at this time that there will be a need for additional contributions due to the Signal Hill lease payment. If there should be some unexpected expense then the participating entities will be asked to make equal contributions for approved purposes.

**LOS CERRITOS WETLANDS AUTHORITY
Preliminary FY 2009/2010 BUDGET**

October 1, 2009 - September 30, 2010

EXPENSE

Line Item	Description	Recurring Exp/Rev	Mo.	Annual
GENERAL ADMINISTRATIVE EXPENSE				
Web Page	Web page domain & e-mail	Yes	\$50	\$600
Liability Insurance	General & Umbrella Policy	Yes	N/A	\$4,500
Director's & Officers Policy	Board Members, \$1 million policy	Yes	N/A	\$4,500
Minor Expenses not otherwise classified	Possible expenses related to filing fees and other misc. admin expenses	Yes	N/A	\$5,000
Administrative Sub Total				\$14,600
PROPERTY MANAGEMENT EXPENSES				
Signage	Fabrication and installation of up to five signs on the Phase I and OTD parcels	No	N/A	\$3,000
Phase I Habitat Maintenance Project	Includes tree trimming, weed management, debris removal, homeless remediation, and ecological consultation. Implementation of Los Cerritos Wetlands Stewardship Program.	Yes	N/A	\$70,000
Stewardship Reserve		N/A	N/A	\$28,429
Property Management Sub Total				\$101,429

CAPITAL				
Line Item	Description	Recurring Exp/Rev	Mo.	Annual
Hellman Acquisition	Acquisition of this property will be thru a grant from the Wildlife Conservation Board	No	N/A	\$6,150,000
San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy Grant for Hellman Related Acquisition Costs	Grant for Hellman Related Acquisition Cost	No	N/A	\$60,000
State Coastal Conservancy - SCE Parcel Feasibility Study	Grant for SCE Parcel Feasibility Study	No	N/A	\$30,000
Capital Outlay Sub Total				\$6,240,000

Total Budgeted Expenses	Includes administrative costs - \$14,600 Property Management - \$101,429 Hellman Acquisition and Feasibility Study - \$6,240,000	\$6,356,029
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REVENUE				
Signal Hill Petroleum Lease Payment Carryover	Carryover from prior year lease payments	Yes	N/A	\$36,800
Signal Hill Petroleum Lease Payment	Expected July 1, 2010 payment	Yes	N/A	\$25,000
Coastal Conservancy Grant-LCWA Phase 1	This is a reimbursable grant that will provide for purchase and installation of signs upon Board approval	No	N/A	\$6,229
State Coastal Conservancy - SCE Parcel Feasibility Study	Grant for SCE Parcel Feasibility Study	No	N/A	\$30,000
City Cash Contributions	This allocation will provide for contingency expenditures at \$2,500 for each City partner.	Yes	N/A	\$5,000

Item 9: LCWA Budget

Line Item	Description	Recurring Exp/Rev	Mo.	Annual
Wildlife Conservation Board	Acquisition of this property will be thru a grant from the Wildlife Conservation Board	No	N/A	\$6,150,000
San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy Grant for Hellman Related Acquisition Costs	Grant for Hellman Related Acquisition Cost	No	N/A	\$60,000
2009/2010 Whale Tail Grant	Implementation of the Los Cerritos Wetlands Stewardship Program	No	N/A	\$18,000
2009/2010 USFWS Local Coastal Program Grant	Implementation of the Los Cerritos Wetlands Stewardship Program	No	N/A	\$25,000
Total Revenue				\$6,356,029

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RESOLUTION 2010 - 01

RESOLUTION OF THE LOS CERRITOS WETLANDS AUTHORITY (LCWA)
ADOPTING THE PRELIMINARY FY 09/10 BUDGET

WHEREAS, the Los Cerritos Wetlands Authority (Authority) has been established between the Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Seal Beach and the City of Long Beach to facilitate the acquisition, protection, conservation, restoration, maintenance and operation an environmental enhancement of the Los Cerritos Wetlands; and

WHEREAS, the joint powers agreement provides for the adoption of an annual budget; and

WHEREAS, this action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); NOW

Therefore be it resolved, that the LCWA hereby:

1. FINDS that this action is consistent with the purposes and objectives of the LCWA.
2. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
3. ADOPTS staff report and preliminary budget dated February 10, 2010.
4. AUTHORIZES the Executive Officer to make budget adjustments of up to 10% between budget line items so long as the total amount authorized does not exceed the approved total budget expenses.

~ End of Resolution ~

Passed and Adopted by the Board of the LOS CERRITOS WETLANDS AUTHORITY on February 10, 2010.

Gary De Long, Chair

ATTEST:

Terry Fujimoto
Deputy Attorney General