



Agenda Report

MEETING DATE: Tuesday, June 8, 2021

TO: City Council

FROM: PUBLIC WORKS & UTILITIES DIRECTOR PALMISANO
Jackie McCloud, Environmental Sustainability Manager

SUBJECT: FY2021/2022 BUDGET FOR SANTA CRUZ COUNTY ZONE 7 FLOOD
CONTROL AND WATER CONSERVATION DISTRICT (ZONE 7)

STATEMENT OF ISSUES:

City Council consideration of the FY2021/2022 Budget for Santa Cruz County Zone 7 Flood Control and Water Conservation District (Zone 7).

RECOMMENDED ACTION:

It is recommended that City Council adopt a resolution approving the proposed FY 2021/2022 budget for the Santa Cruz County Zone 7 Flood Control and Water Conservation District (Zone 7).

DISCUSSION:

The Zone 7 Board of Directors, which includes former Council Member Bilicich as a Vice-Chair, is scheduled to consider the proposed FY 2021/2022 Zone 7 budget at its meeting on June 8, 2021. The Zone 7 budget also requires approval by the Santa Cruz County Flood Control and Water Conservation District Board of Directors and the Watsonville City Council before it can be implemented by Zone 7.

The Zone 7 District was established to provide funding for maintaining the existing Army Corps of Engineers flood control projects and implementing improvements to the flood control facilities on the Pájaro River, Salsipuedes Creek and Corralitos Creek. Zone 7 staff coordinates with the Corps to ensure local needs are addressed, provides any necessary assistance to the Corps in project evaluation, administrative, and engineering drainage services, and is responsible for the replacement, upgrading, and maintenance of drainage and flood control facilities in the levee system. The budget presents the projects and programs included in the proposed FY 2020/2021 Capital Improvement Program.

The Zone 7 FY 2021/2022 budget prepared by Santa Cruz County staff is presented in the Attachment 1, along with an estimate of FY 2021/2022 expenditures.

The recommended financing includes fixed asset detail in the amount of \$3,144,159, an estimated June 30, 2021 fund balance of \$476,559, grant revenues of \$2,162,592, leaving an estimated \$0 in unappropriated fund balance.

A copy of the proposed 2021/2022 Zone 7 Budget and the budget narrative prepared for the County Administrative Officer is attached. The proposed budget includes an overall recommendation of \$4,169,609.

STRATEGIC PLAN:

Approval of the Zone 7 budget is consistent with Strategic Plan Goal 03-Infrastructure & Environment

FINANCIAL IMPACT:

The Zone 7 budget is operated through the County. There are no cost savings or impacts to the City budget.

ALTERNATIVE ACTION:

There are no reasonable alternatives.

ATTACHMENTS AND/OR REFERENCES (If any):

- A. Zone 7 Budget
- B. Zone 7 Budget Narrative