

**Operations & Maintenance Budget
And
Capital Improvement Program
Fiscal Year 2017/2018**

Board of Directors

Douglas A. York, President

Mike Duran, Vice-President

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Eric M. Davenport, Director

William R. Teague, Director

General Manager

Joseph Glowitz

Summary of Calculations for Sewer Use Fees

Fund 11 O & M	2017/2018 Budget requirement	8,617,904
Fund 11 O & M	Capital expenditures	1,558,334
Fund 11	Capital reserve fund (40%)	3,665,600

Projected Totals

13,841,838

11-4430-000-0	Taxes-current secured	650,000
11-4440-000-0	Taxes-current unsecured	21,000
11-4450-000-0	Taxes-prior secured	6,000
11-4460-000-0	Taxes-prior unsecured	1,000
11-4465-000-0	Taxes-penalties	2,000
11-4470-000-0	Taxes-supplemental current	6,000
11-4480-000-0	Taxes-supplemental prior	2,500
11-4500-000-0	Homeowner's Tax Relief	6,700
11-4510-000-0	Interest revenue	80,000
11-4574-000-0	Non-operating income	1,000

Less other taxes, interest & non-operating income

(776,200)

11-1697-000-0	Depreciation	2,203,000
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Less depreciation

(2,203,000)

REVENUE REQUIREMENT

10,862,638

2016/2017 EDU

TAX ROLLS	32,564
DIRECT BILLING (Including CRH)	2,121
TOTAL PROJECTED EDU	34,685

TOTAL REVENUE REQUIREMENT

10,862,638

Divided by EDU

34,685

SEWER USE FEE / EDU

\$313.18

SEWER USE FEE / EDU - ADOPTED

\$313.00

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2017/2018 BUDGET**

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER

April 11, 2017

The budget narrative is organized in the following sections:

- 1.0 Executive Summary
- 2.0 Operations & Maintenance Budget
- 3.0 Five Year Capital Improvement Program Budget
- 4.0 Fiscal Year 2017/2018 Budget
- 5.0 Annual Sewer Use Fee
- 6.0 Connection Capacity Charge
- 7.0 Reserve Funds
- 8.0 Recommendations

1.0 Executive Summary

The Fiscal Year 2017/2018 draft budget is presented to the Valley Sanitary District Board of Directors for review, discussion, and consideration.

The Operations and Maintenance budget for fiscal year 2017/2018 is projected to be \$8,617,904 an increase of 1.386 percent (1.386%), or \$117,824 from the prior year. Capital expenditures in Fund 11 are projected to be \$1,558,334, a decrease of 2.119 percent (2.119%), or \$33,747, from the prior year. A total of \$3,665,600 will be invested in the Capital Replacement Reserve Fund 12.

It is recommended that the salaries and standby pay be raised 1.5 percent (1.5%) to reflect the COLA increase with applicable merit increases for all employees.

It is recommended that the Sewer Use Fee remain the same at \$313 per equivalent dwelling unit (EDU).

It is recommended that the Capacity Connection Charge remain the same at \$4,265 per EDU.

The following is a discussion of the highlights of the proposed budget.

2.0 Operations and Maintenance Budget

Salaries & Standby Pay

The proposed budget allows for a cost of living adjustment of 1.5 percent (1.5%), based on the consumer price index from January 2016 to December 2016. The salary schedules in Section 2, on Page 2.3 and 2.4, reflect an across the board 1.5 percent (1.5%) increase. In order to update the salary schedule on page 2.3 to reflect a 5% merit increase for eligible employees, a second chart was created. The new salary schedule was adopted on June 14, 2016 for employees hired on or after July 1, 2016. Employees hired on or before June 30, 2016 will continue to use the salary schedule on page 2.3. The proposed budget allows for merit increases for all eligible employees.

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2017/2018 BUDGET**

Retirement Benefits

On January 1, 2013, California law created a mandatory two (2) tiered CalPERS pension system, requiring any new employee to CalPERS be placed in Tier 2 (2% @ 62) plan. Existing CalPERS members are eligible for the Tier 1 (2.5% @ 55) plan. The District currently maintains two (2) different mandatory retirement plans, as shown in Table 1.

Table 1: District Mandatory Retirement Plans

Plan Name	Type	Participants	Comment
Tier 1 - CalPERS 2.5% @ 55	Defined benefit	18	Legacy members in CalPERS
Tier 2 - CalPERS 2% @ 62	Defined benefit	10	New members in CalPERS

Any new employee who is not vested in the legacy CalPERS retirement system shall be placed in the Tier 2 Plan.

Table 2 illustrates the CalPERS retirement summary for the legacy CalPERS employees (Tier 1) for fiscal years 2010/2011 through 2017/2018.

**Table 2: CalPERS Contribution Summary
Tier 1 – Legacy CalPERS Employees**

	2010/2011 Fiscal Year	2011/2012 Fiscal Year	2012/2013 Fiscal Year	2013/2014 Fiscal Year	2014/2015 Fiscal Year	2015/2016 Fiscal Year	2016/2017 Fiscal Year	2017/2018 Fiscal Year
District Contribution	16.478%	19.169%	19.662%	20.587%	16.035%	14.031%	15.272%	16.000%
Established by CalPERS (Legacy members)								
Employee Rate (2.5% at 55) (Legacy members)	8%	8%	8%	8%	8%	8%	8%	8%
Total Contribution	24.478%	27.169%	27.662%	28.587%	24.035%	22.031%	23.272%	24.000%
(Legacy members)	(16.478+8%)	(19.169+8%)	(19.662+8%)	(20.587+8%)	(20.504+8%)	(14.031+8%)	(15.272+8%)	(16.000+8%)

Table 3 illustrates the CalPERS retirement summary for the new CalPERS member employees (Tier 2) for fiscal years 2010/2011 through 2017/2018.

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2017/2018 BUDGET**

**Table 3: CalPERS Contribution Summary
Tier 2 – New CalPERS Member Employees**

	2010/2011 Fiscal Year	2011/2012 Fiscal Year	2012/2013 Fiscal Year	2013/2014 Fiscal Year	2014/2015 Fiscal Year	2015/2016 Fiscal Year	2016/2017 Fiscal Year	2017/2018 Fiscal Year
District Contribution Established by CalPERS (New members)	-	-	-	6.70%	6.70%	6.73%	6.945%	7.300%
Employee Rate (2.0% at 62) (New members)	-	-	-	6.50%	6.50%	6.50%	6.50%	6.50%
Total Contribution (New members)	-	-	-	13.20% (6.7+6.5%)	13.20% (6.7+6.5%)	13.073% (6.73+6.5%)	13.445% (6.945+6.5%)	13.800% (7.300+6.5%)

3.0 Five Year Capital Improvement Program Budget

Section 8 contains the proposed 2017/2018 budget for the Five Year Capital Improvement Program.

In July 2016, the District began construction of the Requa Sewer Project. It is estimated to be completed by December 2017. The District is using a loan from the Clean Water State Revolving Fund (SRF) for this project. The current interest rate is 1.7%. A \$12.75 million loan for 30 years at the 1.7% interest rate will result in an estimated annual payment of \$545,648, with the first payment being due one (1) year after the construction completion date of the Requa Interceptor Project. A reserve account has been set up in Fund 11 to repay the SRF loan per instructions from the State Water Board. Please refer to page 7.3 of the capital budget.

To date, the Capital Replacement Fund (Fund 12) and Capital Improvement Fund (Fund 13) have enabled the District to invest approximately \$95 million in the renovations and expansions of the District's collection and treatment facilities since 1998 with approximately \$84 million in the past ten (10) years.

4.0 Fiscal Year 2017/2018 Budget

The Fiscal Year budget continues the best practices and budgeting methods from years past at the District. Continued evaluation of increased efficiencies, improved work methods, and judicious use of funds and resources continue. Opportunities to reduce costs, improve efficiency, and provide better value for the District and rate payers continue with this recommended budget.

VALLEY SANITARY DISTRICT FISCAL YEAR 2017/2018 BUDGET

5.0 Annual Sewer Use Fee

The Fiscal Year budget discusses the current status of the sewer rates. Figure 1 presents the historical view of the relationship of the equivalent dwelling units (EDU), consumer price index (CPI), historical annual sewer user fee and projected sewer use fee.

Figure 1: Historical Graph of Annual Sewer Use Fee

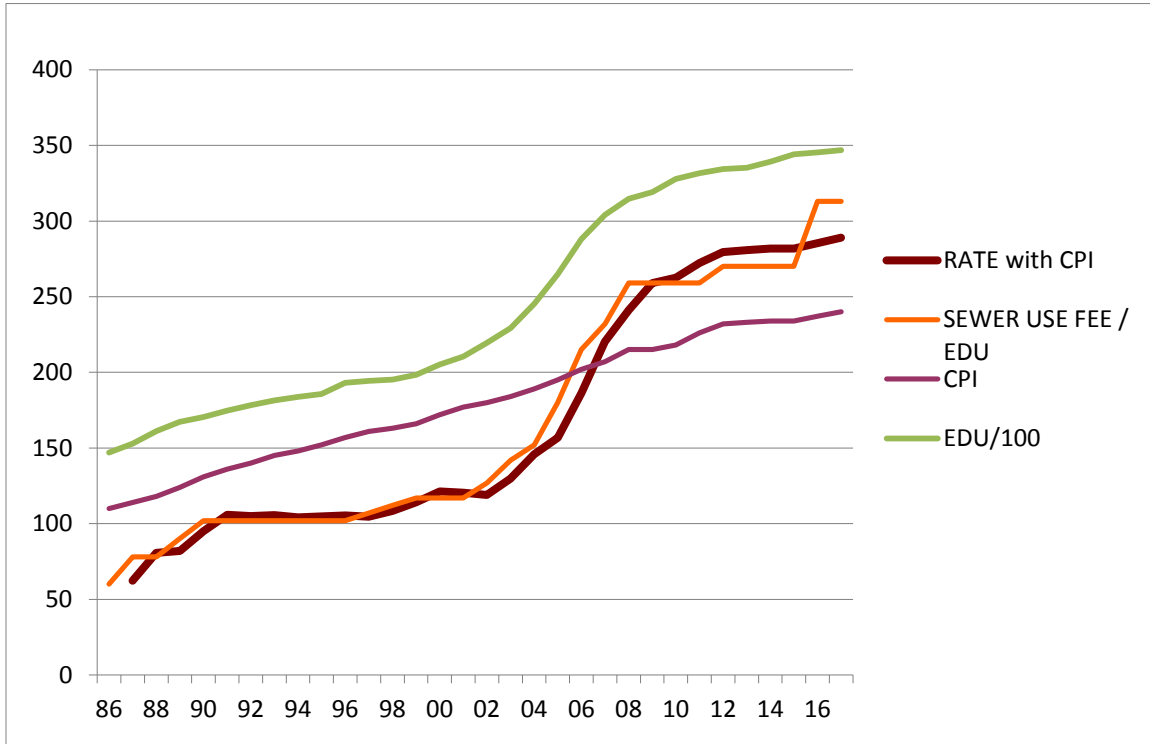


Figure 1 shows the historical relationships. Keeping rates stable is admirable; however, caution must be exercised in retaining flat sewer use fees for long periods of time when external upward pressures due to increased costs, additional regulations, safety requirements and the need to repair and maintain an aging system are required.

Comparable residential sewer use fees from other local agencies are:

Mission Springs Water District	\$546. (increases to \$602 by 2020)
City of Coachella	\$502.
City of Beaumont	\$438.
Desert Water Agency (Cathedral City)	\$415.
Coachella Valley Water District	\$321.
Valley Sanitary District	\$313.
City of Banning	\$271.
City of Palm Springs	\$264. (increases to \$420 by 2031)

VALLEY SANITARY DISTRICT FISCAL YEAR 2017/2018 BUDGET

6.0 Connection Capacity Charge

The current connection capacity charge is \$4,265 per equivalent dwelling unit (EDU). This charge is levied against new development to “buy in” to the existing system, so that growth pays for growth. A review of other local agency capacity connections charges is:

Desert Water Agency (Cathedral City)	\$5,380.
Coachella Valley Water District	\$4,851.
Valley Sanitary District	\$4,265.
City of Coachella	\$4,142.
City of Beaumont	\$3,194.
City of Palm Springs	\$3,000.
City of Banning	\$2,786.
Mission Springs Water District	\$2,520.

7.0 Summary of Reserve Funds*

Prudent financial planning and fiscal responsibility includes anticipating and preparing for future funding requirements as well as unforeseen and unexpected emergencies, disasters, and other events. Valley Sanitary District has the following balances in its reserve funds as of June 1, 2017:

Reserve Fund Description	2016/2017 Beginning Balance	2016/2017 Addition (Subtraction)	2016/2017 Year End Balance
Fund 11			
Operating Reserve Fund (50% or six months of O & M budget)	\$4,228,000	\$23,000	\$4,251,000
Emergency Reserve Fund (5% of O & M budget)	423,000	3,000	426,000
Debt Service Reserve Fund (Fund 06 wastewater bond annual payment)	0	469,000	469,000
Debt Service Reserve Fund (CSWRCB annual payment)	0	514,000	514,000
Fund 12			
Capital Replacement Reserve Fund (40% of O & M budget annual contribution)	14,513,573	3,644,000	18,157,573
Debt Service Reserve Fund (annual payments)	428,000	2,000	430,000
Vehicle & Equipment Replacement Reserve Fund (O & M budget annual contribution less current year expenses)	471,682	236,339	708,021
Fund 13			
Debt Service Reserve Fund (moved to Fund 11)	467,000	(467,000)	0
Total	\$20,531,255	\$4,424,339	\$24,955,594

*As per Resolution No. 2013-1040 approved by the VSD Board of Directors on April 9, 2013.

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2017/2018 BUDGET**

8.0 Recommendations

8.1 Fiscal Year 2017/2018 Salary Adjustment

The recommendation is to approve the salary schedules on pages 2.3 and 2.4 that provide for a cost of living increase of 1.5 percent (1.5%) and allow applicable step increases for eligible employees.

8.2 Fiscal Year 2017/2018 Pension Contribution

The recommendation is to increase the employer contribution to the CalPERS Retirement Plan to 16 percent (16%) for Tier I CalPERS members and increase the employer contribution to 7.3 percent (7.3%) for Tier II CalPERS members. The employee contribution will be solely funded by employees at 8 percent (8%) for Tier I CalPERS members and 6.5 percent (6.5%) for Tier II CalPERS members.

8.3 Adoption of Five Year Capital Plan

The recommendation is to adopt the Five Year Capital Improvement Program (2017/2018 - 2021/2022).

8.4 Adoption of the Sewer User Fee

The recommendation is to maintain the annual sewer use fee at \$313.00 per EDU per year (\$26.08 per month).

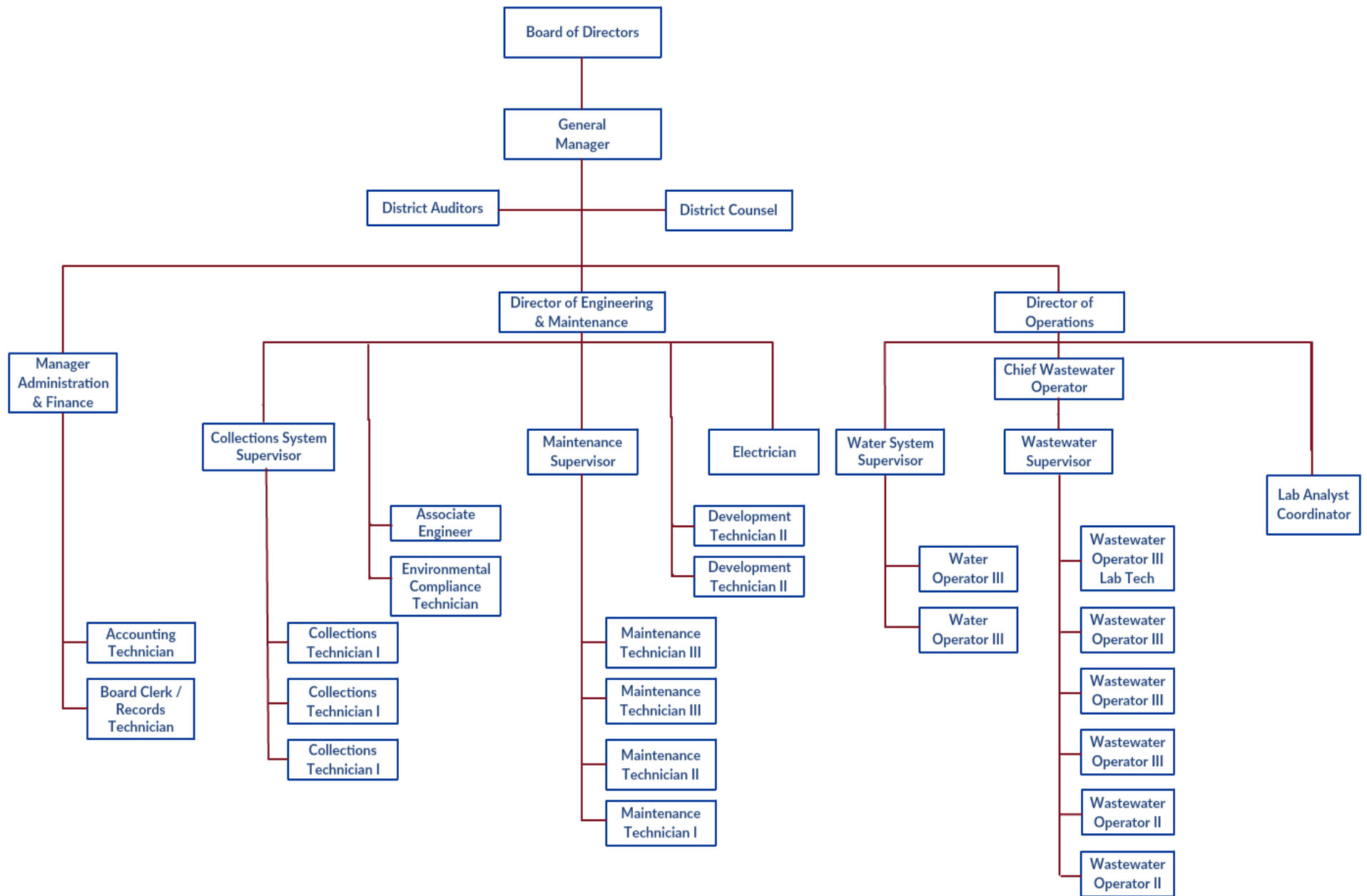
8.5 Adoption of the Capacity Connection Charge

The recommendation is to maintain the connection capacity charge at \$4,265 per equivalent dwelling unit (EDU).

My sincere thanks to all employees who assisted in the budget preparation process, as their input has been invaluable.

Respectfully submitted,

Joseph Glowitz, MBA, P.E. PMP
General Manager



STAFFING RANGE ASSIGNMENTS

JOB CLASSIFICATION	RANGE	POSITIONS
ACCOUNTING TECHNICIAN	10	1
ADMINISTRATION & FINANCE MANAGER	18	1
ASSISTANT ENGINEER	14	1
CLERK OF THE BOARD/ACCOUNTING CLERK	8	1
CHIEF WASTEWATER OPERATOR	18	1
COLLECTION SYSTEMS IN-TRAINING	5	0
COLLECTION SYSTEMS TECH I	8	3
COLLECTION SYSTEMS TECH II	10	0
COLLECTION SYSTEMS TECH III	12	0
COLLECTION SYSTEMS SUPERVISOR	16	1
DEVELOPMENT SERVICES TECHNICIAN I	12	0
DEVELOPMENT SERVICES TECHNICIAN II	16	2
ELECTRICIAN/INSTRUMENTATION TECH III	14	1
ENVIRONMENTAL COMPLIANCE TECHNICIAN I	12	0
ENVIRONMENTAL COMPLIANCE TECHNICIAN II	16	1
GENERAL MANAGER	Board Established	1
DIRECTOR OF ENGINEERING & MAINTENANCE	25	1
DIRECTOR OF OPERATIONS	25	0
LABORATORY ANALYST/COORDINATOR	14	1
MAINTENANCE TECH I	7	1
MAINTENANCE TECH II	9	1
MAINTENANCE TECH III	11	2
MAINTENANCE SUPERVISOR	16	1
WASTEWATER OPERATOR-IN-TRAINING	5	0
WASTEWATER OPERATOR I	8	0
WASTEWATER OPERATOR II	10	2
WASTEWATER OPERATOR III	12	3
WASTEWATER OPERATOR III/LAB TECHNICIAN	14	1
WASTEWATER OPERATOR SUPERVISOR	16	1
WATER OPERATOR II	10	0
WATER OPERATOR III	12	0
WATER OPERATOR SUPERVISOR	16	0
TOTAL POSITIONS		28

VALLEY SANITARY DISTRICT	2017/2018 SALARY SCHEDULE
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FOR EMPLOYEES HIRED ON OR BEFORE 6/30/2016

LEGACY	a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	2,809	2,880	2,952	3,024	3,099	3,175	3,254	3,334	3,417	3,500	3,588	3,675	3,767	3,859
2	2,952	3,024	3,099	3,175	3,254	3,334	3,417	3,500	3,588	3,675	3,767	3,859	3,955	4,052
3	3,099	3,175	3,254	3,334	3,417	3,500	3,588	3,675	3,767	3,859	3,955	4,052	4,153	4,255
4	3,254	3,334	3,417	3,500	3,588	3,675	3,767	3,859	3,955	4,052	4,153	4,255	4,359	4,467
5	3,417	3,500	3,588	3,675	3,767	3,859	3,955	4,052	4,153	4,255	4,359	4,467	4,578	4,691
6	3,588	3,675	3,767	3,859	3,955	4,052	4,153	4,255	4,359	4,467	4,578	4,691	4,807	4,925
7	3,767	3,859	3,955	4,052	4,153	4,255	4,359	4,467	4,578	4,691	4,807	4,925	5,047	5,171
8	3,955	4,052	4,153	4,255	4,359	4,467	4,578	4,691	4,807	4,925	5,047	5,171	5,300	5,430
9	4,153	4,255	4,359	4,467	4,578	4,691	4,807	4,925	5,047	5,171	5,300	5,430	5,565	5,702
10	4,359	4,467	4,578	4,691	4,807	4,925	5,047	5,171	5,300	5,430	5,565	5,702	5,843	5,987
11	4,578	4,691	4,807	4,925	5,047	5,171	5,300	5,430	5,565	5,702	5,843	5,987	6,135	6,286
12	4,807	4,925	5,047	5,171	5,300	5,430	5,565	5,702	5,843	5,987	6,135	6,286	6,442	6,600
13	5,047	5,171	5,300	5,430	5,565	5,702	5,843	5,987	6,135	6,286	6,442	6,600	6,764	6,930
14	5,300	5,430	5,565	5,702	5,843	5,987	6,135	6,286	6,442	6,600	6,764	6,930	7,101	7,277
15	5,565	5,702	5,843	5,987	6,135	6,286	6,442	6,600	6,764	6,930	7,101	7,277	7,458	7,641
16	5,843	5,987	6,135	6,286	6,442	6,600	6,764	6,930	7,101	7,277	7,458	7,641	7,829	8,023
17						6,930		7,277		7,641		8,023		8,424
18						7,277		7,641		8,023		8,424		8,845
19						7,641		8,023		8,424		8,845		9,287
20						8,023		8,424		8,845		9,287		9,752
21						8,424		8,845		9,287		9,752		10,239
22						8,845		9,287		9,752		10,239		10,751
23						9,287		9,752		10,239		10,751		11,289
24						9,752		10,239		10,751		11,289		11,853
25						10,239		10,751		11,289		11,853		12,446
26						10,751		11,289		11,853		12,446		13,068
27						11,289		11,853		12,446		13,068		13,721

VALLEY SANITARY DISTRICT**2017/2018 SALARY SCHEDULE****FOR EMPLOYEES HIRED ON OR AFTER 7/1/2016**

NEW	A	B	C	D	E	F	G
1	2,880	3,024	3,175	3,334	3,500	3,675	3,859
2	3,024	3,175	3,334	3,500	3,675	3,859	4,052
3	3,175	3,334	3,500	3,675	3,859	4,052	4,255
4	3,334	3,500	3,675	3,859	4,052	4,255	4,467
5	3,500	3,675	3,859	4,052	4,255	4,467	4,691
6	3,675	3,859	4,052	4,255	4,467	4,691	4,925
7	3,859	4,052	4,255	4,467	4,691	4,925	5,171
8	4,052	4,255	4,467	4,691	4,925	5,171	5,430
9	4,255	4,467	4,691	4,925	5,171	5,430	5,702
10	4,467	4,691	4,925	5,171	5,430	5,702	5,987
11	4,691	4,925	5,171	5,430	5,702	5,987	6,286
12	4,925	5,171	5,430	5,702	5,987	6,286	6,600
13	5,171	5,430	5,702	5,987	6,286	6,600	6,930
14	5,430	5,702	5,987	6,286	6,600	6,930	7,277
15	5,702	5,987	6,286	6,600	6,930	7,277	7,641
16	5,987	6,286	6,600	6,930	7,277	7,641	8,023
17	6,286	6,600	6,930	7,277	7,641	8,023	8,424
18	6,600	6,930	7,277	7,641	8,023	8,424	8,845
19	6,930	7,277	7,641	8,023	8,424	8,845	9,287
20	7,277	7,641	8,023	8,424	8,845	9,287	9,752
21	7,641	8,023	8,424	8,845	9,287	9,752	10,239
22	8,023	8,424	8,845	9,287	9,752	10,239	10,751
23	8,424	8,845	9,287	9,752	10,239	10,751	11,289
24	8,845	9,287	9,752	10,239	10,751	11,289	11,853
25	9,287	9,752	10,239	10,751	11,289	11,853	12,446
26	9,752	10,239	10,751	11,289	11,853	12,446	13,068
27	10,239	10,751	11,289	11,853	12,446	13,068	13,721
28	10,751	11,289	11,853	12,446	13,068	13,721	14,407
29	11,289	11,853	12,446	13,068	13,721	14,407	15,128
30	11,853	12,446	13,068	13,721	14,407	15,128	15,884

Consumer Price Index - Urban Wage Earners and Clerical Workers

12-Month Percent Change

Series Id: CWURA421SA0
Not Seasonally Adjusted
Area: Los Angeles-Riverside-Orange County, CA
Item: All items
Base Period: 1982-84=100
Years: 2006 to 2016

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2006	5.2	5.0	4.5	4.5	5.3	5.4	5.1	4.4	3.2	1.8	2.5	3.3	4.2	5.0	3.3
2007	3.1	3.4	4.0	3.6	3.0	2.7	2.4	2.1	2.2	3.8	4.7	4.6	3.3	3.3	3.3
2008	4.6	3.7	3.6	3.7	4.1	6.1	6.6	5.7	5.0	3.5	0.6	-0.6	3.9	4.3	3.5
2009	-0.6	-0.5	-1.6	-2.1	-2.4	-2.8	-3.2	-2.1	-1.4	-0.6	1.2	2.5	-1.2	-1.7	-0.6
2010	2.3	1.8	2.4	2.4	2.0	1.0	1.0	1.0	0.5	0.9	1.0	1.6	1.5	2.0	1.0
2011	2.0	2.6	3.5	3.9	3.7	3.3	2.7	2.7	3.5	3.1	3.2	2.2	3.0	3.2	2.9
2012	2.1	2.1	2.0	1.3	1.5	1.5	1.9	2.5	2.2	3.2	2.1	2.0	2.0	1.8	2.3
2013	1.9	2.4	1.3	0.9	1.0	1.5	1.6	0.9	0.7	-0.3	0.5	1.2	1.1	1.5	0.8
2014	0.8	0.4	1.0	1.6	1.8	1.9	2.1	1.8	1.6	1.4	1.0	0.3	1.3	1.3	1.4
2015	-0.7	-0.4	0.2	0.0	0.9	0.4	1.2	1.0	0.4	0.7	1.4	1.9	0.6	0.1	1.1
2016	3.3	2.3	1.3	1.6	0.6	1.1	0.3	0.6	1.5	1.9	1.5	1.7	1.5	1.7	1.3

12 month percent change from January 2016 through December 2016 = **1.5**

BUDGET REVENUE PROJECTIONS				2017/2018 BUDGET	
ACCOUNT #	ACCOUNT TITLE	2016/2017 REVENUE PROJECTIONS	2016/2017 ANTICIPATED CLOSE	2016/2017 BUDGET VARIANCE	2017/2018 REVENUE PROJECTIONS
FUND 11					
OPERATING REVENUES:					
11-4120-000-0	SEWER SERVICE - CURRENT	10,807,890 (1)	10,810,000	2,110	10,856,405 (1)
11-4140-000-0	SEWER SERVICE - PENALTIES	1,000	-	(1,000)	1,000
11-4210-000-0	PERMIT/INSPECTION FEES	20,000	18,975	(1,025)	20,000
11-4270-000-0	PLAN CHECK FEES	15,000	7,400	(7,600)	10,000
11-4285-000-0	OTHER SERVICES	1,800	-	(1,800)	1,800
11-4310-000-0	SALE OF SURPLUS PROPERTY	-	-	-	-
SUB-TOTALS:		10,845,690	10,836,375	(9,315)	10,889,205
NON-OPERATING REVENUES:					
11-4510-000-0	INTEREST REVENUE	45,000	60,000	15,000	80,000
11-4430-000-0	TAXES - CURRENT SECURED	500,000	680,000	180,000	650,000
11-4440-000-0	TAXES - CURRENT UNSECURED	21,000	21,185	185	21,000
11-4450-000-0	TAXES - PRIOR SECURED	25,000	6,000	(19,000)	6,000
11-4460-000-0	TAXES - PRIOR UNSECURED	1,600	-	(1,600)	1,000
11-4465-000-0	TAXES - PENALTIES	6,000	1,600	(4,400)	2,000
11-4470-000-0	TAXES - SUPPLEMENTAL CURRENT	2,200	5,800	3,600	6,000
11-4480-000-0	TAXES - SUPPLEMENTAL PRIOR	3,000	2,500	(500)	2,500
11-4500-000-0	HOMEOWNER'S TAX RELIEF	6,700	6,200	(500)	6,700
11-4574-000-0	NON-OPERATING REVENUE	12,500	-	(12,500)	1,000
SUB-TOTALS:		623,000	783,285	160,285	776,200
FUND 11 GRAND TOTALS:		11,468,690	11,619,660	150,970	11,665,405
FUND 13					
OPERATING REVENUES					
13-4200-000-0	CONNECTION CHARGES	1,279,500 (2)	490,475	(789,025)	639,750 (2)
SUB-TOTALS		1,279,500 (2)	490,475	(789,025)	639,750
NON-OPERATING REVENUES					
13-4510-000-0	INTEREST REVENUE	14,000	17,000	3,000	21,000
SUB-TOTALS		14,000	17,000	3,000	21,000
FUND 13 GRAND TOTALS:		1,293,500	507,475	(786,025)	660,750
TOTAL REVENUES:		12,762,190	12,127,135	(635,055)	12,326,155

(1) AT \$313/EDU (2) AT \$4,265/EDU

DEPARTMENT: COMBINED		2017/2018 BUDGET			
ACCOUNT #	ACCOUNT TITLE	2016/2017 CURRENT BUDGET (27 Staff)	2016/2017 ANTICIPATED CLOSE	2016/2017 BUDGET VARIANCE	2017/2018 BUDGET REQUEST (28 Staff)
11-5030-400-0	SALARIES	2,305,000	2,151,000	(154,000)	2,325,000
11-5070-400-0	OVERTIME	15,000	13,800	(1,200)	15,100
11-5080-400-0	CALLOUT	6,500	10,700	4,200	10,800
11-5090-400-0	STANDBY	34,000	32,100	(1,900)	34,000
	TOTAL SALARIES	2,360,500	2,207,600	(152,900)	2,384,900
11-5110-400-0	LONGEVITY	34,300	29,600	(4,700)	37,300
11-5112-400-0	RETIREMENT	309,100	284,000	(25,100)	335,900
11-5116-400-0	PAYROLL TAXES	180,700	161,600	(19,100)	182,600
11-5118-400-0	UNEMPLOYMENT INSURANCE	-	-	-	-
11-5122-400-0	WORKERS COMPENSATION	53,500	45,100	(8,400)	48,500
11-5124-400-0	GROUP LIFE INSURANCE	6,000	6,000	-	6,150
11-5126-400-0	GROUP HEALTH INSURANCE	409,800	388,000	(21,800)	410,000
11-5128-400-0	DENTAL/VISION INSURANCE	23,900	22,600	(1,300)	24,100
11-5132-400-0	DISABILITY INSURANCE	12,200	12,170	(30)	12,700
11-5152-400-0	CLOTHING/SAFETY	30,800	27,300	(3,500)	37,700
	TOTAL BENEFITS	1,060,300	976,370	(83,930)	1,094,950
	TOTAL SALARIES/BENEFITS	3,420,800	3,183,970	(236,830)	3,479,850
11-5150-400-0	DIRECTORS' FEES	36,500	35,000	(1,500)	36,500
11-5225-400-0	ELECTION	-	-	-	70,000
11-5250-400-0	GAS/OIL	49,000	31,100	(17,900)	49,000
11-5300-400-0	COMPREHENSIVE INSURANCE	295,500	295,500	-	295,500
11-5350-400-0	MEMBERSHIPS/SUBSCRIPTIONS	34,990	27,700	(7,290)	36,000
11-5400-400-0	OFFICE EXPENSE	16,000	16,000	-	16,000
11-5410-400-0	COUNTY/CITY CHARGES	20,100	19,000	(1,100)	20,100
11-5420-400-0	PERMITS & FEES	67,700	69,824	2,124	70,650
11-5430-400-0	PRETREATMENT	20,000	20,000	-	6,000
11-5450-400-0	OPERATING SUPPLIES	115,300	103,700	(11,600)	120,800
11-5470-400-0	CHEMICALS	322,890	229,200	(93,690)	322,890
11-5500-400-0	CONTRACT SERVICES	270,265	255,165	(15,100)	297,219
11-5550-400-0	PROFESSIONAL/LEGAL	218,440	160,000	(58,440)	219,490
11-5600-400-0	PUBLICATIONS	4,500	1,000	(3,500)	4,500
11-5700-400-0	REPAIRS/MAINTENANCE	416,600	377,700	(38,900)	553,400
11-5720-400-0	SMALL TOOLS	5,500	5,500	-	17,750
11-5750-400-0	RESEARCH	87,575	51,625	(35,950)	92,300
11-5800-400-0	TRAVEL/MTGS/EDUCATION	69,200	42,825	(26,375)	73,400
11-5801-400-0	CERTIFICATIONS/TCPS	7,120	5,400	(1,720)	7,305
11-5901-400-0	TELEPHONE	13,000	13,000	-	13,000
11-5902-400-0	ELECTRICITY	632,100	505,000	(127,100)	530,250
11-5903-400-0	NATURAL GAS	7,000	4,000	(3,000)	4,000
11-5904-400-0	TRASH COLLECTION	21,000	24,000	3,000	25,000
11-5905-400-0	UTILITY WATER	23,000	20,700	(2,300)	24,000
11-5950-400-0	OTHER EXPENSES	30,000	20,000	(10,000)	30,000
11-7010-000-0	DEPRECIATION EXPENSE	2,296,000	2,296,000	-	2,203,000
	TOTAL SERVICES & SUPPLIES	5,079,280	4,628,939	(450,341)	5,138,054
	TOTAL OPERATING & MAINTENANCE BUDGET	8,500,080	7,812,909	(687,171)	8,617,904

DEPARTMENTAL BUDGET REQUEST SUMMARY**2017/2018 BUDGET**

ACC NO.	DESCRIPTION	ENGINEERING & MAINTENANCE	OPERATIONS	ADMIN	TOTAL
11-5030-400-0	SALARIES	1,188,900	740,500	455,500	2,384,900
11-5110-400-0	LONGEVITY	14,700	20,800	1,800	37,300
11-5112-400-0	RETIREMENT	152,800	116,400	66,700	335,900
11-5116-400-0	PAYROLL TAXES	91,000	56,700	34,900	182,600
11-5118-400-0	UNEMPLOYMENT INSURANCE	-	-	-	-
11-5122-400-0	WORKERS COMPENSATION	25,000	22,500	1,000	48,500
11-5124-400-0	GROUP LIFE INSURANCE	2,850	2,200	1,100	6,150
11-5126-400-0	GROUP HEALTH INSURANCE	190,000	150,000	70,000	410,000
11-5128-400-0	DENTAL/VISION INSURANCE	12,000	8,500	3,600	24,100
11-5132-400-0	DISABILITY INSURANCE	6,100	4,500	2,100	12,700
11-5152-400-0	CLOTHING/SAFETY	24,000	13,700	-	37,700
	TOTAL BENEFITS	518,450	395,300	181,200	1,094,950
	TOTAL SALARIES/BENEFITS	1,707,350	1,135,800	636,700	3,479,850
11-5150-400-0	DIRECTORS' FEES	-	-	36,500	36,500
11-5225-400-0	ELECTION	-	-	70,000	70,000
11-5250-400-0	GAS/OIL	-	49,000	-	49,000
11-5300-400-0	COMPREHENSIVE INSURANCE	-	-	295,500	295,500
11-5350-400-0	MEMBERSHIPS/SUBSCRIPTIONS	3,150	2,100	30,750	36,000
11-5400-400-0	OFFICE EXPENSES	-	-	16,000	16,000
11-5410-400-0	COUNTY/CITY CHARGES	-	-	20,100	20,100
11-5420-400-0	PERMITS & FEES	12,500	55,150	3,000	70,650
11-5430-400-0	PRETREATMENT	6,000	-	-	6,000
11-5450-400-0	OPERATING SUPPLIES	37,400	71,900	11,500	120,800
11-5470-400-0	CHEMICALS	-	322,890	-	322,890
11-5500-400-0	CONTRACT SERVICES	139,300	100,500	57,419	297,219
11-5550-400-0	PROFESSIONAL/LEGAL	-	-	219,490	219,490
11-5600-400-0	PUBLICATIONS	-	-	4,500	4,500
11-5700-400-0	REPAIRS/MAINTENANCE	410,400	120,500	22,500	553,400
11-5720-400-0	SMALL TOOLS	14,250	3,500	-	17,750
11-5750-400-0	RESEARCH	-	92,300	-	92,300
11-5800-400-0	TRAVEL/MTGS/EDUCATION	19,700	13,700	40,000	73,400
11-5801-400-0	CERTIFICATIONS/TCPS	4,975	1,830	500	7,305
11-5901-400-0	TELEPHONE	-	-	13,000	13,000
11-5902-400-0	ELECTRICITY	5,250	525,000	-	530,250
11-5903-400-0	NATURAL GAS	-	4,000	-	4,000
11-5904-400-0	TRASH COLLECTION	-	25,000	-	25,000
11-5905-400-0	UTILITY WATER	6,000	18,000	-	24,000
11-5950-400-0	OTHER EXPENSES	10,000	10,000	10,000	30,000
11-7010-000-0	DEPRECIATION EXPENSE	350,000	1,850,000	3,000	2,203,000
	TOTAL SERVICES & SUPPLIES	1,018,925	3,265,370	853,759	5,138,054
	TOTAL OPERATING & MAINTENANCE BUDGET	2,726,275	4,401,170	1,490,459	8,617,904

BUDGET REVENUE PROJECTIONS				2017/2018 BUDGET	
ACCOUNT #	ACCOUNT TITLE	2016/2017 REVENUE PROJECTIONS	2016/2017 ANTICIPATED CLOSE	2016/2017 BUDGET VARIANCE	2017/2018 REVENUE PROJECTIONS
FUND 11					
OPERATING REVENUES:					
11-4120-000-0	SEWER SERVICE - CURRENT	10,807,890 (1)	10,810,000	2,110	10,856,405 (1)
11-4140-000-0	SEWER SERVICE - PENALTIES	1,000	-	(1,000)	1,000
11-4210-000-0	PERMIT/INSPECTION FEES	20,000	18,975	(1,025)	20,000
11-4270-000-0	PLAN CHECK FEES	15,000	7,400	(7,600)	10,000
11-4285-000-0	OTHER SERVICES	1,800	-	(1,800)	1,800
11-4310-000-0	SALE OF SURPLUS PROPERTY	-	-	-	-
SUB-TOTALS:		10,845,690	10,836,375	(9,315)	10,889,205
NON-OPERATING REVENUES:					
11-4510-000-0	INTEREST REVENUE	45,000	60,000	15,000	80,000
11-4430-000-0	TAXES - CURRENT SECURED	500,000	680,000	180,000	650,000
11-4440-000-0	TAXES - CURRENT UNSECURED	21,000	21,185	185	21,000
11-4450-000-0	TAXES - PRIOR SECURED	25,000	6,000	(19,000)	6,000
11-4460-000-0	TAXES - PRIOR UNSECURED	1,600	-	(1,600)	1,000
11-4465-000-0	TAXES - PENALTIES	6,000	1,600	(4,400)	2,000
11-4470-000-0	TAXES - SUPPLEMENTAL CURRENT	2,200	5,800	3,600	6,000
11-4480-000-0	TAXES - SUPPLEMENTAL PRIOR	3,000	2,500	(500)	2,500
11-4500-000-0	HOMEOWNER'S TAX RELIEF	6,700	6,200	(500)	6,700
11-4574-000-0	NON-OPERATING REVENUE	12,500	-	(12,500)	1,000
SUB-TOTALS:		623,000	783,285.00	160,285.00	776,200
FUND 11 GRAND TOTALS:		11,468,690	11,619,660	150,970	11,665,405
FUND 13					
OPERATING REVENUES					
13-4200-000-0	CONNECTION CHARGES	1,279,500 (2)	490,475	(789,025)	639,750 (2)
SUB-TOTALS		1,279,500 (2)	490,475	(789,025)	639,750
NON-OPERATING REVENUES					
13-4510-000-0	INTEREST REVENUE	14,000	17,000	3,000	21,000
SUB-TOTALS		14,000	17,000	3,000	21,000
FUND 13 GRAND TOTALS:		1,293,500	507,475	(786,025)	660,750
TOTAL REVENUES:		12,762,190	12,127,135	(635,055)	12,326,155

(1) AT \$313/EDU (2) AT \$4,265/EDU

PROJECTED REVENUE

FUND 11

11-4120-000-0	FY 2017/2018
Sewer Service - Current	Budget Request
	\$10,856,405

SEWER SERVICE - CURRENT: Sewer service revenue for the FY 2016/2017 was based on 34,530 Equivalent Dwelling Units (EDUs) of service at an annual rate of \$313 per EDU. Anticipated sewer service revenue for the FY 2017/2018 is based on 34,685 EDUs at an annual rate of \$313.

11-4140-000-0	FY 2017/2018
Sewer Service - Penalties	Budget Request
	\$1,000

SEWER SERVICE - PENALTIES: Penalties imposed by the county on late tax bill payments for sewer use.

11-4210-000-0	FY 2017/2018
Permit/Inspection Fees	Budget Request
	\$20,000

PERMIT/INSPECTION FEES: Estimated for lateral and mainline inspections.

11-4270-000-0	FY 2017/2018
Plan Check Fees	Budget Request
	\$10,000

PLAN CHECK FEES: Anticipated revenue is based on a \$150 per hour fee with one hour minimum fee for plan checking.

11-4285-000-0	FY 2017/2018
Other Services	Budget Request
	\$1,800

OTHER SERVICES: Income for administrative services provided for the VSD 2004 Assessment District.

11-4430-000-0	FY 2017/2018
Taxes - Current Secured	Budget Request
	\$650,000

CURRENT SECURED REVENUES: Secured property is generally non-movable property, such as houses, buildings, etc. Revenues are based on general valuation. The portion of revenue designated for special districts is 1%. Of this 1%, VSD received .00030113% of the general purpose funds county-wide for 2015/2016. The Assembly Bill 8 (AB8) factor for 2016/2017 is .00029542%. At the time of budget preparation the 2017/2018 factor had not been calculated by the County. The factor will be calculated around September 2017.

PROJECTED REVENUE

11-4440-000-0	FY 2017/2018
Taxes - Current Unsecured	Budget Request
	\$21,000

CURRENT UNSECURED: Unsecured property includes items such as motor homes, airplanes, boats and other moveable personal property. The portion of revenue designated for special districts is 1%. Of this 1%, VSD received .00030113% of the general purpose funds county-wide for 2015/2016. The Assembly Bill 8 (AB8) factor for 2016/2017 is .00029542%. At the time of budget preparation the 2017/2018 factor had not been calculated by the County. The factor will be calculated around September 2017.

11-4450-000-0	FY 2017/2018
Taxes - Prior Secured	Budget Request
	\$6,000

PRIOR SECURED: Prior secured payments are received for prior year taxes, are similar to secured, and the revenue is based on the same formula.

11-4460-000-0	FY 2017/2018
Taxes - Prior Unsecured	Budget Request
	\$1,000

PRIOR UNSECURED: Funds derived from prior unsecured properties are similar to unsecured properties mentioned above; however, these payments are for prior year taxes. The revenue is based on the same formula. Estimated revenue is based on current year activity.

11-4465-000-0	FY 2017/2018
Taxes - Prior Secured Penalties	Budget Request
	\$2,000

TAXES – PENALTIES: Penalties imposed by the county on late tax bill payments on tax revenue.

11-4470-000-0	FY 2017/2018
Supplemental - Current	Budget Request
	\$6,000

SUPPLEMENTAL CURRENT: Funds derived from supplemental tax roll changes due to sale of property or new construction. Since July 1983, state law requires the County Assessor to reappraise property as of the date of change in ownership or completion of new construction rather than at the next tax year.

11-4480-000-0	FY 2017/2018
Supplemental Taxes - Prior	Budget Request
	\$2,500

SUPPLEMENTAL PRIOR: Funds derived as mentioned above, for prior year.

PROJECTED REVENUE

11-4500-000-0	FY 2017/2018
Homeowner's Tax Relief	Budget Request
	\$6,700

HOMEOWNER'S TAX RELIEF: The portion of tax funds replaced by state resources for tax relief for homeowners. For example, if a homeowner's exemption deducts \$7,000 of the property's valuation for calculating the property owner's tax, the state replaces the taxes that the \$7,000 valuation would have provided to the county.

11-4510-000-0	FY 2017/2018
Interest Revenue	Budget Request
	\$80,000

INTEREST REVENUE: Return on invested funds that are held with the Local Agency Investment Fund (LAIF), for California's local governments and special districts. The enabling legislation for LAIF is §16429.1 et seq. of the California Government Code. The quarterly percentage rate earned averaged .5725% from LAIF for the period of 1/31/16 to 12/31/16.

11-4574-000-0	FY 2017/2018
Non-Operating Revenues	Budget Request
	\$1,000

NON-OPERATING REVENUES: This account includes revenue from other undefined sources.

PROJECTED REVENUE

FUND 13

13-4200-000-0	FY 2017/2018
Connection Fees	Budget Request
	\$639,750

Total Anticipated Connections	180
Less Anticipated Connections paid by AD 2004 VSD or Prepayment Agreement	(30)
Anticipated Connections that are not in AD or prepaid	<u>150</u>

2017/2018 Connection Capacity Fee: \$4,265 per equivalent dwelling unit (EDU).

13-4510-000-0	FY 2017/2018
Interest Revenue	Budget Request
	\$21,000

INTEREST REVENUE: Return on invested funds that are held with the Local Agency Investment Fund (LAIF), for California's local governments and special districts. The enabling legislation for LAIF is §16429.1 et seq. of the California Government Code. The quarterly percentage rate earned averaged .5725% from LAIF for the period of 1/31/16 to 12/31/16.

DEPARTMENT: ENGINEERING AND MAINTENANCE**2017/2018 BUDGET**

ACCOUNT #	ACCOUNT TITLE	2016/2017 CURRENT BUDGET (14 Staff)	ACTUAL 3/31/2017	6/30/2017 ADDITION	2016/2017 ANTICIPATED CLOSE	2016/2017 BUDGET VARIANCE	2017/2018 BUDGET REQUEST (15 Staff)
11-5030-410-1	SALARIES	1,060,000	881,762	258,238	1,140,000	80,000	1,160,000
11-5070-410-1	OVERTIME	1,500	5,411	289	5,700	4,200	6,100
11-5080-410-1	CALLOUT	1,500	2,008	1,692	3,700	2,200	3,800
11-5090-410-1	STANDBY	17,000	14,024	4,076	18,100	1,100	19,000
	TOTAL SALARIES	1,080,000	903,205	264,295	1,167,500	87,500	1,188,900
11-5110-410-1	LONGEVITY	13,500	8,169	3,131	11,300	(2,200)	14,700
11-5112-410-1	RETIREMENT	130,000	95,193	26,807	122,000	(8,000)	152,800
11-5116-410-1	PAYROLL TAXES	82,700	63,043	17,557	80,600	(2,100)	91,000
11-5118-410-1	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-410-1	WORKERS COMPENSATION	30,000	18,260	3,740	22,000	(8,000)	25,000
11-5124-410-1	GROUP LIFE INSURANCE	2,700	2,340	460	2,800	100	2,850
11-5126-410-1	GROUP HEALTH INSURANCE	177,000	154,527	27,473	182,000	5,000	190,000
11-5128-410-1	DENTAL/VISION INSURANCE	10,700	8,821	1,779	10,600	(100)	12,000
11-5132-410-1	DISABILITY INSURANCE	5,500	4,758	942	5,700	200	6,100
11-5152-410-1	CLOTHING/SAFETY	16,900	11,867	4,233	16,100	(800)	24,000
	TOTAL BENEFITS	469,000	366,978	86,122	453,100	(15,900)	518,450
TOTAL SALARIES/BENEFITS		1,549,000	1,270,183	350,417	1,620,600	71,600	1,707,350
11-5150-410-1	DIRECTORS' FEES	-	-	-	-	-	-
11-5225-410-1	ELECTION	-	-	-	-	-	-
11-5250-410-1	GAS/OIL	-	-	-	-	-	-
11-5300-410-1	COMPREHENSIVE INSURANCE	-	-	-	-	-	-
11-5350-410-1	MEMBERSHIPS/SUBSCRIPTIONS	2,550	1,936	614	2,550	-	3,150
11-5400-410-1	OFFICE EXPENSE	-	-	-	-	-	-
11-5410-410-1	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-410-1	PERMITS & FEES	12,500	11,199	1,301	12,500	-	12,500
11-5430-410-1	PRETREATMENT	20,000	11,313	8,687	20,000	-	6,000
11-5450-410-1	OPERATING SUPPLIES	25,800	17,866	7,134	25,000	(800)	37,400
11-5470-410-1	CHEMICALS	-	-	-	-	-	-
11-5500-410-1	CONTRACT SERVICES	105,100	72,481	17,519	90,000	(15,100)	139,300
11-5550-410-1	PROFESSIONAL/LEGAL	-	-	-	-	-	-
11-5600-410-1	PUBLICATIONS	-	-	-	-	-	-
11-5700-410-1	REPAIRS/MAINTENANCE	362,600	230,278	89,722	320,000	(42,600)	410,400
11-5720-410-1	SMALL TOOLS	4,500	4,471	29	4,500	-	14,250
11-5750-410-1	RESEARCH	-	-	-	-	-	-
11-5800-410-1	TRAVEL/MTGS/EDUCATION	13,000	6,599	3,401	10,000	(3,000)	19,700
11-5801-410-1	CERTIFICATIONS/TCPS	3,810	1,691	2,119	3,810	-	4,975
11-5901-410-1	TELEPHONE	-	-	-	-	-	-
11-5902-410-1	ELECTRICITY	5,100	2,721	2,279	5,000	(100)	5,250
11-5903-410-1	NATURAL GAS	-	-	-	-	-	-
11-5904-410-1	TRASH COLLECTION	-	-	-	-	-	-
11-5905-410-1	UTILITY WATER	6,500	3,636	2,064	5,700	(800)	6,000
11-5950-410-1	OTHER EXPENSES	10,000	2,996	2,004	5,000	(5,000)	10,000
11-7010-000-0	DEPRECIATION EXPENSE	432,000	432,000	-	432,000	-	350,000
TOTAL SERVICES & SUPPLIES		1,003,460	799,187	136,873	936,060	(67,400)	1,018,925
TOTAL OPERATING & MAINTENANCE BUDGET		2,552,460	2,069,370	487,290	2,556,660	4,200	2,726,275

ENGINEERING AND MAINTENANCE

11-5152-410-1**Clothing****FY 2017/2018****Budget Request****\$24,000****Justification:**

Covers supply of uniforms, laundry service, safety steel-toe boots, safety vests & glasses, gloves, hard hats, etc.

- Boots-fifteen (15) employees (\$200 per employee) 3,000
- Uniforms-fifteen (15) employees 16,000
- Gloves-fifteen (15) employees 5,000

11-5350-410-1**Memberships/Subscriptions****FY 2017/2018****Budget Request****\$3,150****Justification:**

- California Water Environment Association (CWEA) membership renewal for twelve (12) staff members at \$172 each. This membership includes renewal to the Colorado River Basin Local Section. 2,500
- NASSCO Inc: 350
National Association of Sewer Service Companies; updates new criteria related to PACP Inspection Standards
- AWWA for District Engineer 300

11-5420-410-1**Permits & Fees****FY 2017/2018****Budget Request****\$12,500****Justification:**

- State General Waste Discharge annual permit fee 12,000
- Miscellaneous permits and/or fees 500

11-5430-410-1**Pretreatment****FY 2017/2018****Budget Request****\$6,000****Justification:**

- Lab tests as required by the EPA 5,000
- Posters/flyers for FOG BMPs 1,000

ENGINEERING AND MAINTENANCE

11-5450-410-1

Operating Supplies

FY 2017/2018

Budget Request

\$37,400

Justification:

- Traffic control signs/cones/safety equipment: 2,000
New safety cones are purchased at a cost of \$25 each, barricades with lights are \$40 each, and barrier tape is \$13 per roll.
- Miscellaneous supplies: 4,000
Examples include ice, duct tape, rubber tape, canvas tape, greaseless lubricant, WD-40, wax, lithium grease, wire ties, wire heat shrink tubing, and pipe glue.
- Landscaping supplies 10,000
- Cintas mats, shop towels, etc. 15,000
- 55-gallon cleaning concentrates, cleaning supplies, paper towels, toilet paper, cups, soap, and cleaners 6,400

ENGINEERING AND MAINTENANCE

11-5500-410-1

Contract Services

FY 2017/2018

Budget Request

\$139,300

Justification:

• Roach control program	42,500
• Root control program	14,000
• Dig Alert	3,500
• Arch Wireless Beepers	350
• Verizon Wireless	3,000
• Annual monitoring fee/pump stations	800
• ESRI ARCVIEW 10.0 annual renewal	3,000
• Lucity Program annual renewal	15,000
• Pipelogix annual renewal	2,500
• ERICA radio member fee	6,000
• Bentley Enterprise Annual Licensing - SewerGems	4,000
• Autocad annual maintenance & helpdesk	1,000
• Plant instrument service contract	5,000
• Gantry crane service	2,000
• Safety Kleen parts, washer service, light bulb disposal and dry cell batteries	4,500
• Safety Kleen used oil filter disposal	1,050
• Tree trimming and spraying	5,000
• Miscellaneous contractual services	2,000
• Annual fire suppression service for sodium hypochlorite facility	2,250
• Pyro-Comm fire alarm monitoring	1,600
• Building alarm monitoring	4,250
• Annual fire extinguisher service	2,000
• Pest control service for building and facilities	2,000
• Boiler maintenance service contract	12,000

ENGINEERING AND MAINTENANCE

11-5700-410-1		FY 2017/2018
Repairs and Maintenance		Budget Request
		\$410,400
<u>Collection Department (Total)</u>		123,400
• <u>Vactor parts/repairs/planned expenditures:</u>	69,900	
1) 800 feet of one-inch sewer jet hose	6,600	
2) Proofer skid for jetting lines	1,000	
3) Tiger tail hose guide	400	
4) One-inch leader hose	1,000	
5) Nozzles for jetting	2,500	
6) Fire hose	400	
7) High pressure pump parts	2,500	
8) Tires	4,700	
9) Vactor oil and lube service	9,800	
10) Diesel exhaust fluid for new Vactor	1,000	
11) Contingency for emergency repairs	40,000	
• Equipment repairs	2,000	
• TV van parts and repair	15,000	
• Pump station repairs and parts	8,000	
• Mainline repair	20,000	
• Equipment rentals	8,500	
<u>Maintenance Department (Total)</u>		287,000
• Gallery sump pump replacements	1,000	
• Chlorine and dechlorination spare parts	6,000	
• Routine miscellaneous repairs and maintenance (contingency)	70,000	
• Road base for all dirt roads around treatment plant	1,000	
• Hose replacement	2,000	
• SCADA PLC programming	10,000	
• Case tractor and dump truck repairs	5,000	
• Vehicle repairs and smog checks	8,000	
• Fleet vehicle operating supplies	5,000	
• Equipment rentals	8,500	
• Irrigation repairs and maintenance	3,000	
• Dredge panel and spare parts	14,000	
• General facility maintenance	27,000	
• Rebuild RAS pumps	20,000	
• Service generators 2, 3 & 4	12,000	
• Replace hose reel swivels	2,000	
• Replace hoist	5,000	
• Reroof SVI and Influent rooms	30,000	
• Macerator rebuild kit	3,800	
• New bearing and stub shafts for five (5) aerators	10,000	
• Gas detectors for confined space entry	5,000	
• Safety equipment for confined space entry	8,200	
• Check valves for drainage pumps	4,500	
• Belt press building maintenance parts	15,000	
• Arc flash safety equipment	2,700	
• Butterfly valves for ASP	6,500	
• Emergency preparedness kits	2,800	

ENGINEERING AND MAINTENANCE

11-5720-410-1	FY 2017/2018
Small Tools	Budget Request
	\$14,250

Justification:

Miscellaneous small tool acquisition and replacement for Collection Department	2,000
Miscellaneous small tool acquisition and replacement for Maintenance Department	12,250

11-5800-410-1	FY 2017/2018
Travel, Meetings, & Education	Budget Request
	\$19,700

Justification:

Travel expenses for conferences and training seminars, registration fees, meals, lodging and related expenses.

• Allowance for fifteen (15) employees at \$1,000 per employee	15,000
• Safety training	4,700

11-5801-410-1	FY 2017/2018
Certifications	Budget Request
	\$4,975

Justification:

- State Water Resource Control Board: Operator certification programs

Job Title	Grade	Renewal Fee
Operator I	I	170
Operator TI	I	170
Operator DI	I	170
Operator III	III	300

- California Water Environment Association: Technical certification programs

Collection System Supervisor	CST III	100
Collection System Tech I (5)	CST I	415
Development Service Tech II	CST I	85
Development Service Tech II	CST IV	100
Environmental Inspector I	ENV IV	100
Maintenance Tech I	I	85
Maintenance Tech II	II	90
Maintenance Tech III (3)	III	280
Electrician IV	IV	95
Industrial Waste Inspector I	I	85
Lab I	I	85

Allowance for advancement (certification testing)	1,200
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- PACP Certification for one (1) employee 1,000
- Professional Engineer (PE) (District Engineer & Associate Engineer) 200
Due biennially at \$200
- AWWA, Grade D4/T3 (District Engineer) 245

ENGINEERING AND MAINTENANCE

11-5902-410-1

Electricity

FY 2017/2018

Budget Request

\$5,250

Justification:

Covers the electricity cost for five (5) lift stations: Barrymore, Carver, Shields Road, Vandenberg, and Calhoun. Amount reflects a 5% increase over the anticipated close of \$5,000 for 2016/2017.

11-5905-410-1

Utility Water

FY 2017/2018

Budget Request

\$6,000

Justification:

VSD is billed for water service from the Indio Water Authority and the City of Coachella. Amount reflects 5% increase over the anticipated close of \$5,700 for 2016/2017.

11-5950-410-1

Other Expenses

FY 2017/2018

Budget Request

\$10,000

Justification:

Miscellaneous expense contingency fund.

DEPARTMENT: OPERATIONS**2017/2018 BUDGET**

ACCOUNT #	ACCOUNT TITLE	2016/2017 CURRENT BUDGET (10 Staff)	ACTUAL 3/31/2017	6/30/2017 ADDITION	2016/2017 ANTICIPATED CLOSE	2016/2017 BUDGET VARIANCE	2017/2018 BUDGET REQUEST (9 Staff)
11-5030-411-1	SALARIES	800,000	501,579	108,421	610,000	(190,000)	710,000
11-5070-411-1	OVERTIME	13,000	5,879	2,221	8,100	(4,900)	8,500
11-5080-411-1	CALLOUT	5,000	5,196	1,804	7,000	2,000	7,000
11-5090-411-1	STANDBY	17,000	10,343	3,657	14,000	(3,000)	15,000
	TOTAL SALARIES	835,000	522,997	116,103	639,100	(195,900)	740,500
11-5110-411-1	LONGEVITY	20,000	13,281	4,219	17,500	(2,500)	20,800
11-5112-411-1	RETIREMENT	116,400	71,909	28,091	100,000	(16,400)	116,400
11-5116-411-1	PAYROLL TAXES	63,900	48,585	1,415	50,000	(13,900)	56,700
11-5118-411-1	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-411-1	WORKERS COMPENSATION	22,500	16,831	5,269	22,100	(400)	22,500
11-5124-411-1	GROUP LIFE INSURANCE	2,200	1,477	623	2,100	(100)	2,200
11-5126-411-1	GROUP HEALTH INSURANCE	165,800	99,707	40,293	140,000	(25,800)	150,000
11-5128-411-1	DENTAL/VISION INSURANCE	9,600	5,966	2,534	8,500	(1,100)	8,500
11-5132-411-1	DISABILITY INSURANCE	4,700	3,138	1,262	4,400	(300)	4,500
11-5152-411-1	CLOTHING/SAFETY	13,900	7,868	3,332	11,200	(2,700)	13,700
	TOTAL BENEFITS	419,000	268,762	87,038	355,800	(63,200)	395,300
	TOTAL SALARIES/BENEFITS	1,254,000	791,759	203,141	994,900	(259,100)	1,135,800
11-5150-411-1	DIRECTORS' FEES	-	-	-	-	-	-
11-5225-411-1	ELECTION	-	-	-	-	-	-
11-5250-411-1	GAS/OIL	49,000	20,889	10,211	31,100	(17,900)	49,000
11-5300-411-1	COMPREHENSIVE INSURANCE	-	-	-	-	-	-
11-5350-411-1	MEMBERSHIPS/SUBSCRIPTIONS	2,190	1,831	319	2,150	(40)	2,100
11-5400-411-1	OFFICE EXPENSE	-	-	-	-	-	-
11-5410-411-1	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-411-1	PERMITS & FEES	52,200	50,380	4,620	55,000	2,800	55,150
11-5430-411-1	PRETREATMENT	-	-	-	-	-	-
11-5450-411-1	OPERATING SUPPLIES	78,000	45,343	21,857	67,200	(10,800)	71,900
11-5470-411-1	CHEMICALS	322,890	173,976	55,224	229,200	(93,690)	322,890
11-5500-411-1	CONTRACT SERVICES	111,105	104,009	7,096	111,105	-	100,500
11-5550-411-1	PROFESSIONAL/LEGAL	-	-	-	-	-	-
11-5600-411-1	PUBLICATIONS	-	-	-	-	-	-
11-5710-411-1	REPAIRS/MAINTENANCE	31,500	25,143	10,057	35,200	3,700	120,500
11-5720-411-1	SMALL TOOLS	1,000	529	471	1,000	-	3,500
11-5750-411-1	RESEARCH	87,575	930	50,695	51,625	(35,950)	92,300
11-5800-411-1	TRAVEL/MTGS/EDUCATION	16,200	6,046	1,779	7,825	(8,375)	13,700
11-5801-411-1	CERTIFICATIONS/TCPS	2,660	918	222	1,140	(1,520)	1,830
11-5901-411-1	TELEPHONE	-	-	-	-	-	-
11-5902-411-1	ELECTRICITY	627,000	329,438	170,562	500,000	(127,000)	525,000
11-5903-411-1	NATURAL GAS	7,000	2,619	1,381	4,000	(3,000)	4,000
11-5904-411-1	TRASH COLLECTION	21,000	16,005	7,995	24,000	3,000	25,000
11-5905-411-1	UTILITY WATER	16,500	10,501	4,499	15,000	(1,500)	18,000
11-5950-411-1	OTHER EXPENSES	10,000	1,989	3,011	5,000	(5,000)	10,000
11-7010-000-0	DEPRECIATION EXPENSE	1,860,000	1,860,000	-	1,860,000	-	1,850,000
	TOTAL SERVICES & SUPPLIES	3,295,820	2,650,546	349,999	3,000,545	(295,275)	3,265,370
	TOTAL OPERATING & MAINTENANCE BUDGET	4,549,820	3,442,305	553,140	3,995,445	(554,375)	4,401,170

OPERATIONS

11-5152-411-1	FY 2017/2018
Clothing	Budget Request
	\$13,700

Justification:

Covers supply of uniforms, laundry service, safety steel-toe boots, safety glasses, etc.

- | | |
|--|-------|
| • Boots-nine (9) employees (\$200 per employee) | 1,800 |
| • Uniforms-nine (9) employees | 9,000 |
| • Gloves, ear plugs, safety items-nine (9) employees | 2,900 |

11-5250-411-1	FY 2017/2018
Gas and Oil	Budget Request
	\$49,000

Justification:

Fuel usage for District vehicles and equipment on and off the plant site.

11-5350-411-1	FY 2017/2018
Memberships/Subscriptions	Budget Request
	\$2,100

Justification:

- | | |
|---|-------|
| • Membership in the Water Environment Federation for Chief Wastewater Operator | 250 |
| • California Water Environment Association (CWEA) membership renewal for nine (9) employees @ \$172 each. This membership includes renewal to the Colorado River Basin Local Section. | 1,550 |
| • Membership in the National Fire Protection Agency (NFPA) | 300 |

11-5420-411-1	FY 2017/2018
Permits & Fees	Budget Request
	\$55,150

Justification:

- | | |
|---|---------|
| • Annual NPDES permit fee | 37,500 |
| • South Coast Air Quality Management District (SCAQMD) facility permits | 12,000 |
| • Department of Health Services | 2,500 |
| • Occupational Lead Poisoning Prevention/Toxic Substance | 500 |
| • City of Indio alarm system permit | 500 |
| • City of Indio fire service permit | 1,700 |
| • Hot Spot Program (SCAQMD) | 250 |
| • Miscellaneous | 200 |
| • State Health Department laboratory certification | 6,500 |
| • Quality assurance testing | 1,500 * |

* Quality assurance testing is required by the Health and Safety Code §100870, and the California Code of Regulations, Title 22, §64809. This includes Environmental Laboratory Accreditation (ELAP) programs.

OPERATIONS

11-5450-411-1

Operating Supplies

FY 2017/2018

Budget Request

\$71,900

Justification:

- Miscellaneous operating supplies including reagents for chlorination and dechlorination analyzers 8,000
- Polymer for belt press twelve (12) totes at \$2,500 per tote 30,000
- Miscellaneous operating supplies 7,000
- Three (3) belts for belt press at \$2,500 each 7,500
- Distilled water for laboratory, fresh water and coffee service 3,100
- First-aid supplies 500
- Miscellaneous supplies 3,700
- Student materials for distribution for public relations efforts 1,600
- Laboratory chemicals, reagents, detergents, filters, glassware, instrument batteries, Dissolved Oxygen (DO) probe modules, buffers, storage solutions, medias, agars, quality controls and miscellaneous supplies 10,000
- Miscellaneous small tools, torches, pliers, small air pumps, etc. 500

OPERATIONS

11-5470-411-1
Chemicals

FY 2017/2018
Budget Request
\$322,890

Justification:

The total water reclamation plant discharge for Fiscal Year 2017/2018 is estimated to increase over the year 2016/2017 total flow of 1,929.50 Million Gallons (MG). This estimated total plant discharge will be used to estimate the cost of the following chemicals. The estimated flow in MG 2017/2018 is

MG 2,000.000

Sodium Hypochlorite	\$	158,200
Sodium Hypochlorite is used to chlorinate the effluent after treatment in order to kill harmful bacteria. Sodium Hypochlorite comes in 12% percent solution and sold by the gallon. The number of lbs of chlorine used at 10 mg/L dosage and 8.34 lbs/MG is		
	LBs	166,800
The cost of the Sodium Hypochlorite based on the number lbs needed divided by 1.147 lbs/gallon of product and at a cost of \$1.06 per gallon is	\$	154,148
The projected delivery cost based on \$225 per delivery and expecting 18 deliveries is	\$	4,050

Ferric Chloride	\$	75,650
Ferric Chloride helps with the reduction of hydrogen sulfide gas which improves the efficiency of the digester. This calculation is based on the projected plant discharge and 125 pounds per MG. The amount of Ferric Chloride @ 40% solution needed in pounds is		
	LBs	250,000
The cost of the Ferric Chloride based on \$37.20 per MG is	\$	74,400
The projected delivery cost based on \$125 per delivery and expecting 10 deliveries is	\$	1,250

Sodium Bisulfite	\$	85,540
Sodium Bisulfite helps with the dechlorination process. The estimated total gallons of Sodium Bisulfite for Fiscal Year 2017/2018 is based on the projected plant discharge using 40 gallons per MG usage in GAL		
	Gal	80,000
The projected cost of purchasing the Sodium Bisulfite at \$1.04 per gallon is	\$	83,200
The projected delivery cost based on \$123 per delivery and expecting 19 deliveries is	\$	2,337

Calcium Hypochlorite	\$	3,500
Calcium Hypochlorite comes in powder form and is used for disinfecting the grit chamber.		

OPERATIONS

11-5500-411-1
Contract Services**FY 2017/2018**
Budget Request
\$100,500***Justification:***

• Verizon Wireless - cell phone service for three (3) staff positions	2,200
• Treatment plant upgrades for SCADA system	25,000
• Sludge disposal and transportation	60,000
• After hours answering service	1,450
• Scale calibration service (2 balances)	750
• Calibration/replacement of class I scale weights	1,300
• Calibration of NIST certified thermometer	300
• Calibration/certification of fume hood	1,000
• Laboratory Information Management System (LIMS) annual support	8,500

OPERATIONS

11-5710-411-1	FY 2017/2018
Repairs & Maintenance	Budget Request
	\$120,500

Justification:

• Miscellaneous instrument repairs & maintenance	2,500
• pH meter replacement	2,000
• BOD meter and probe replacement	3,000
• Laboratory grade refrigerator	7,000
• Lab grade analytical scale	16,000
• Cl ₂ residual portable meters replacement	1,000
• Two (2) chlorine metering pumps with controllers	21,000
• Three (3) chlorine analyzers	17,000
• Iron sponge media and nets	18,500
• Replace froth spray nozzles on aeration basins	3,500
• Replace two (2) screening & grit dumpsters	5,000
• Two (2) replacement pumps for the drainage pump station	18,000
• Boiler panel	6,000

11-5720-411-1	FY 2017/2018
Small Tools	Budget Request
	\$3,500

Justification:

• Miscellaneous small tool acquisition and replacement	1,000
• Valve operator	2,500

11-5750-414-2	FY 2017/2018
Research & Monitoring	Budget Request
	\$92,300

Justification:

• Biosolids for belt press and pond sludge (10 samples)	5,000
• Biosolids pathogen testing for sludge (10 samples)	14,000
• Bi-annual bioassays monitoring/sample shipping	6,500
• Monthly TDS testing of nine (9) domestic water wells	1,300
• Monthly EFF-001C plant effluent testing	17,000
• Quarterly testing (RSW-002, EFF-001C, INF, etc)	4,000
• Additional testing - laboratory reserve	4,000
• Additional testing as required by permit overlimit regulations	2,000
• California Toxics Rule (CTR) annually	4,000
• Grit/screenings samples every two (2) years	500
• Cost for two (2) Toxicity Identification Evaluation Ph.II & III Base Line	16,000 *
• Cost for two (2) Toxicity Identification Evaluation (TIE) Ph.1 Base Line	8,000 *
• Estimated ten (10) accelerated monitoring of bioassays	10,000

* Account closings have been low relative to the budgeted amounts because the previously budgeted amount for Toxicity Identification Evaluation (TIE) Phase 1 Testing (\$7,350), as well as Phases 2 and 3 (\$15,750) did not need to be expended. There was no accelerated monitoring of the bioassays (\$23,950). Only the downstream RSW-002 storm channel testing has needed monitoring which resulted in a savings of \$2,220.

OPERATIONS

11-5800-411-1

Travel, Meetings, & Education

FY 2017/2018

Budget Request

\$13,700

Justification:

Travel expenses for conferences and training seminars, registration fees, meals, lodging and related expenses.

- Allowance for nine (9) employees at \$1,000 per employee 9,000
- Safety training 4,700

11-5801-411-1

Certifications/Technical Certification Programs

FY 2017/2018

Budget Request

\$1,830

Justification:

- State Water Resource Control Board:
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator II	April 2018	II	230
Operator III	July 2017	III	300
Operator IV	August 2017	IV	340

- California Water Environment Association

Job Title	Renewal Date	Grade	Renewal Fee
Lab Analyst/Coordinator	January 2018	Lab II	80
Lab Technician		Lab I	80
Allowance for advancement (certification testing)			300

11-5902-411-1

Electricity

FY 2017/2018

Budget Request

\$525,000

Justification:

- The 2017/2018 budget reflects a 25% decrease for IID under the 2016/2017 anticipated close of \$500,000. 375,000
- Solar City PPA 150,000

OPERATIONS

11-5903-411-1	FY 2017/2018
Natural Gas	Budget Request
	\$4,000

Justification:

Natural gas usage for the Administration, Laboratory, Operations buildings and digester boiler.

11-5904-411-1	FY 2017/2018
Trash Collection	Budget Request
	\$25,000

Justification:

Screenings and grit hauled to Lambs Canyon, California.

11-5905-411-1	FY 2017/2018
Untility Water	Budget Request
	\$18,000

Justification:

Potable water usage at water reclamation plant (Indio Water Authority).

11-5950-411-1	FY 2017/2018
Other Expenses	Budget Request
	\$10,000

Justification:

Miscellaneous expense contingency fund.

DEPARTMENT ADMINISTRATION/BOARD				2017/2018 BUDGET			
ACCOUNT #	ACCOUNT TITLE	2016/2017 CURRENT BUDGET (4 Staff)	ACTUAL 3/31/2017	6/30/2017 ADDITION	2016/2017 ANTICIPATED CLOSE	2016/2017 BUDGET VARIANCE	2017/2018 BUDGET REQUEST (4 Staff)
11-5030-414-3	SALARIES	445,000	299,244	101,756	401,000	(44,000)	455,000
11-5070-414-3	OVERTIME	500	-	-	-	(500)	500
11-5080-414-3	CALLOUT	-	-	-	-	-	-
11-5090-414-3	STANDBY	-	-	-	-	-	-
	TOTAL SALARIES	445,500	299,244	101,756	401,000	(44,500)	455,500
11-5110-414-3	LONGEVITY	800	554	246	800	-	1,800
11-5112-414-3	RETIREMENT	62,700	44,891	17,109	62,000	(700)	66,700
11-5116-414-3	PAYROLL TAXES	34,100	21,277	9,723	31,000	(3,100)	34,900
11-5118-414-3	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-414-3	WORKERS COMPENSATION	1,000	224	776	1,000	-	1,000
11-5124-414-3	GROUP LIFE INSURANCE	1,100	968	132	1,100	-	1,100
11-5126-414-3	GROUP HEALTH INSURANCE	67,000	54,727	11,273	66,000	(1,000)	70,000
11-5128-414-3	DENTAL/VISION INSURANCE	3,600	3,174	326	3,500	(100)	3,600
11-5132-414-3	DISABILITY INSURANCE	2,000	1,726	344	2,070	70	2,100
11-5152-414-3	CLOTHING/SAFETY	-	-	-	-	-	-
	TOTAL BENEFITS	172,300	127,541	39,929	167,470	(4,830)	181,200
	TOTAL SALARIES/BENEFITS	617,800	426,785	141,685	568,470	(49,330)	636,700
11-5150-414-4	DIRECTORS' FEES	36,500	23,750	11,250	35,000	(1,500)	36,500
11-5225-414-3	ELECTION	-	-	-	-	-	70,000
11-5250-414-3	GAS/OIL	-	-	-	-	-	-
11-5300-414-3	COMPREHENSIVE INSURANCE	295,500	295,448	52	295,500	-	295,500
11-5350-414-3	MEMBERSHIPS/SUBSCRIPTIONS	30,250	19,980	3,020	23,000	(7,250)	30,750
11-5400-414-3	OFFICE EXPENSES	16,000	11,548	4,452	16,000	-	16,000
11-5410-414-3	COUNTY/CITY CHARGES	20,100	18,567	433	19,000	(1,100)	20,100
11-5420-414-3	PERMITS & FEES	3,000	2,324	-	2,324	(676)	3,000
11-5430-414-3	PRETREATMENT	-	-	-	-	-	-
11-5450-414-3	OPERATING SUPPLIES	11,500	758	10,742	11,500	-	11,500
11-5470-414-3	CHEMICALS	-	-	-	-	-	-
11-5500-414-3	CONTRACT SERVICES	54,060	33,431	20,629	54,060	-	57,419
11-5552-414-3	PROFESSIONAL/LEGAL	218,440	90,560	69,440	160,000	(58,440)	219,490
11-5600-414-3	PUBLICATIONS	4,500	405	595	1,000	(3,500)	4,500
11-5700-414-3	REPAIRS/MAINTENANCE	22,500	15,673	6,827	22,500	-	22,500
11-5720-414-3	SMALL TOOLS	-	-	-	-	-	-
11-5750-414-3	RESEARCH	-	-	-	-	-	-
11-5800-414-3	TRAVEL/MTGS/EDUCATION	40,000	15,747	9,253	25,000	(15,000)	40,000
11-5801-414-3	CERTIFICATIONS/TCPS	650	120	330	450	(200)	500
11-5901-414-3	TELEPHONE/VOIP	13,000	8,612	4,388	13,000	-	13,000
11-5902-414-3	ELECTRICITY	-	-	-	-	-	-
11-5903-414-3	NATURAL GAS	-	-	-	-	-	-
11-5904-414-3	TRASH COLLECTION	-	-	-	-	-	-
11-5905-414-3	UTILITY WATER	-	-	-	-	-	-
11-5950-414-3	OTHER EXPENSES	10,000	3,340	6,660	10,000	-	10,000
11-7010-000-0	DEPRECIATION EXPENSE	4,000	4,000	-	4,000	-	3,000
	TOTAL SERVICES & SUPPLIES	780,000	544,263	148,071	692,334	(87,666)	853,759
	TOTAL OPERATING & MAINTENANCE BUDGET	1,397,800	971,048	289,756	1,260,804	(136,996)	1,490,459

ADMINISTRATION/BOARD

11-5150-414-4 Directors' Fees

**FY 2017/2018
Budget Request
\$36,500**

Justification:

The Board of Directors adopted Ordinance No. 2015-119 increasing their compensation to \$250 per meeting or for each day's service rendered as a director by request of the Board. Currently, with five (5) members, the anticipated maximum expense for FY 2017/2018 is \$32,500 for regular meetings, plus \$4,000 additional for CASA, committee meetings, etc. Employer taxes are factored into this budget request.

11- 5225-414-3 Board Election

**FY 2017/2018
Budget Request
\$70,000**

Justification:

This expense is incurred every two (2) years for General District Election. Two (2) Directors' positions are open for nomination.

11-5350-414-3 Comprehensive Insurance

**FY 2017/2018
Budget Request
\$295,500**

Justification:

Provides funds for liability insurance policies applicable to wastewater functions of the District. This will include insurance for: buildings, equipment, computers, furniture, autos and trucks and general liability insurance. This account also includes the Public Official Bond for the Secretary-Treasurer.

11-5350-414-3 Memberships/Subscriptions

**FY 2017/2018
Budget Request
\$30,750**

Justification:

This account includes the cost of memberships in trade associations, organizations, and subscriptions to newsletters representing interests of a Special District.

• California Association of Sanitation Agencies (CASA)	13,000
• California Society of Municipal Finance Offices (CSMFO)	110
• California Special Districts Association (CSDA)	6,550
• Indio Chamber of Commerce	500
• National Notary Association	85
• Membership for General Manager in CWEA/WEF	135
• ASCE Membership for General Manager	300
• Design Build Institute of America	200
• WateReuse Association of California	870
• Association of California Water Agencies (ACWA)	9,000 ^A

^AThe Agency's annual dues are determined based on the Operations and Maintenance Budget.

ADMINISTRATION/BOARD

11-5400-414-3 Office Expenses

**FY 2017/2018
Budget Request
\$16,000**

Justification:

This account includes the cost of office supplies and services for all departments, such as postage, courier, letterhead, envelopes, business cards, copy paper, binders, calendars, file folders, pens, pencils, pads, mailing labels etc.

11-5410-414-3 Riverside County Charges

**FY 2017/2018
Budget Request
\$20,100**

Justification:

Pursuant to Sections 29142, 27013, 29304 and 50077 of the Government Code, the County Auditor is allowed to charge for the cost of applying special assessments to the tax roll. This cost is estimated at \$.09 cents per assessment for each time a file is submitted including rejected parcels that are resubmitted plus an additional per district fee of \$130.45 per annual submittal. The Auditor's cost is based on applying the assessment to the tax roll; not for the collection of such assessment.

In accordance with Section 50077 of the Government Code and numerous other code sections, the County Treasurer is authorized to charge for the collection of special assessments included on the tax bill. For 2017/2018 the charge is estimated at \$.33 cents per parcel. This charge is in addition to the Auditor's charges and will be recovered on the first current secured settlement apportionment.

11-5420-414-3 Permits & Fees

**FY 2017/2018
Budget Request
\$3,000**

Justification:

The Cortese Knox-Hertzberg Local Government Reorganization Act of 2000 states that special districts are responsible for paying one-third of the cost of LAFCO. The budget request amount of \$3,000 is only an estimate allowing for an increase over last year's payment.

11-5450-414-3 Operating Supplies

**FY 2017/2018
Budget Request
\$11,500**

Justification:

Reference manuals including labor law updates, safety materials, videos, etc.

- | | |
|---|-------|
| • Computer manuals/books | 500 |
| • Computer supplies-printer cartridges, toner | 4,000 |
| • Office software upgrades | 7,000 |

ADMINISTRATION/BOARD

11-5500-414-3 Contract Services

**FY 2017/2018
Budget Request
\$57,419**

Justification:

Encompasses all expenses related to:

• CalPERS Health Plan annual fee	1,275
• CalPERS Actuarial Study for GASB 68 requirements	1,700
• Pitney Bowes (lease on postage meter)	700
• Target Solutions training management/safety training	1,500
• Section 125 Plan	500
• Computer maintenance (Southwest Networks)	21,900
• Backup/disaster recovery storage (Southwest Networks)	7,200
• Rate model update (CARRY OVER FROM 2016/2017 BUDGET - \$7,500)	-
• OPEB Health Insurance (11-5545-414-3)	
◦ CalPERS OPEB Health Insurance fees	4,000
◦ OPEB Annual Required Contribution (ARC)	13,784
◦ Biennial OPEB Actuarial Study (due in 2017/2018)	4,860

11-5550-414-3 Professional/Legal

**FY 2017/2018
Budget Request
\$219,490**

Justification:

Expenses related to legal services, other professional services, accounting services, and medical services.

• Legal services (11-5552-414-3)	40,000
• Other professional services (11-5553-414-3)	
◦ Computer consulting	25,000
◦ Website development	20,000
◦ Laserfiche annual renewal	2,700
◦ Federal advocacy	72,000
◦ Executive recruitment	-
(CARRY OVER FROM 2016/2017 BUDGET - \$20,000)	
◦ NeoGov annual fee	7,000
• Accounting services (11-5554-414-3)	
◦ Annual audit	17,050
◦ CAFR submittal to GFOA	740
◦ Payroll processing	3,500
◦ Time clock system	3,000
• Medical services (11-5555-414-3)	
◦ Medical exams-DMV & pre-employment	1,000
◦ Drug/alcohol testing-four (4) employees	500
◦ First aid medical	500
◦ Wellness program	26,500

ADMINISTRATION/BOARD

11-5600-414-3

Publications

FY 2017/2018

Budget Request

\$4,500

Justification:

Costs for publication of official notices as required by the Government Code, which are generally published in the Desert Sun, and bid requests in online plan rooms.

11-5700-414-3

Repairs/Maintenance

FY 2017/2018

Budget Request

\$22,500

Justification:

This account includes maintenance costs for copier, fax, printers, and miscellaneous repairs on computers as required.

- Blackbaud accounting software-annual maintenance 9,000
- Monthly maintenance costs for copier 2,000
- IT contingency 10,000
- Miscellaneous 1,500

11-5800-414-3/4

Travel, Meetings & Education

FY 2017/2018

Budget Request

\$40,000

Justification:

Expenses incurred for attending the California Association of Sanitation Agencies (CASA) and/or the Association of California Water Agencies (ACWA) conferences held two (2) times a year, including hotel and travel expenses incurred while attending meetings, conferences, and various educational seminars. This request is for five (5) Board members, General Manager, Administrative & Finance Manager and an additional \$1,000 for each of the other two (2) administration employees.

ADMINISTRATION/BOARD

11-5801-414-3	FY 2017/2018
Certifications/Technical Certification Programs	Budget Request
	\$500

Justification:

<u>Project Management Professional (PMP)</u>	150
Certification for General Manager for PMP from Project Management Institute	
 <u>Professional Engineer (PE) (General Manager)</u>	100
Due biennially at \$200	
 <u>Certified Public Accountant (CPA) renewal (Administration & Finance Manager)</u>	
Due biennially at \$250 (even years)	250

11-5901-414-3	FY 2017/2018
Telephone	Budget Request
	\$13,000

Justification:

• VOIP main telephone system (TelePacific Communications)	8,500
• Verizon Wireless	2,000
• Verizon (fire control alarms)	2,500

11-5950-414-3/4	FY 2017/2018
Other Expenses	Budget Request
	\$10,000

Justification:

Miscellaneous expense contingency fund

COMBINED CAPITAL EXPENDITURES & O&M BUDGET**2017/2018 BUDGET**

ACCOUNT #	DESCRIPTION	2016/2017 BUDGET	ACTUAL 3/31/2017	6/30/2017 ADDITION	2016/2017 ANTICIPATED CLOSE	2016/2017 BUDGET VARIANCE	2017/2018 BUDGET REQUEST
FUND 11/O&M							
11-8630-000-0	E & M - FACILITIES	189,000	-	-	-	(189,000)	263,000
11-8640-000-0	OPERATIONS	250,700	-	-	-	(250,700)	8,000
11-8660-000-0	GENERAL FACILITIES	170,000	97,226	-	97,226	(72,774)	225,000
11-8680-000-0	ADMIN FACILITIES	-	-	-	-	-	50,000
11-9160-000-0	TRANSFER - REFUNDING BONDS	468,381	468,381	-	468,381	-	466,686
11-9180-000-0	TRANSFER - SRF LOAN	514,000	514,000	-	514,000	-	545,648
	RESERVE ACCOUNT	3,644,000	3,644,000	-	3,644,000	-	3,665,600
TOTAL FUND 11		5,236,081	4,723,607	-	4,723,607	(512,474)	5,223,934
FUND 13							
13-8623-000-0	E & M - SEWER LINES	3,883,111	160,144	-	160,144	(3,722,967)	108,741
13-8630-000-0	E & M FACILITIES	-	-	-	-	-	-
13-8643-000-0	OPERATIONS	-	-	-	-	-	-
13-8660-000-0	GENERAL FACILITIES	-	-	-	-	-	-
13-8680-000-0	ADMIN FACILITIES	-	-	-	-	-	-
TOTAL FUND 13		3,883,111	160,144	-	160,144	(3,722,967)	108,741
TOTAL CAPITAL OUTLAY BUDGET		9,119,192	4,883,751	-	4,883,751	(4,235,441)	5,332,675
TOTAL O & M BUDGET		8,500,080	-	-	-	-	8,617,904
TOTAL BUDGET		17,619,272	4,883,751	-	4,883,751	(4,235,441)	13,950,579

PROJECTED EXPENSES OUT OF RESERVES							
12-8632-000-0	E & M - SEWER LINES	4,670,170	160,144	49,696	209,840	(4,460,330)	1,785,628
12-8642-000-0	OPERATIONS	807,300	32,359	429,091	461,450	(345,850)	200,000
12-8660-000-0	GENERAL FACILITIES	645,200	645,235	-	645,235	35	643,600
12-8680-000-0	ADMIN FACILITIES	21,200	-	21,200	21,200	-	21,600
12-9140-000-0	TRANSFER - REFUNDING BONDS	429,557	84,514	345,043	429,557	-	428,002
TOTAL FROM RESERVES		6,573,427	922,252	845,030	1,767,282	(4,806,145)	3,078,830

CAPITAL EXPENDITURES	2017/2018 BUDGET
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FUND 11

CAPITAL O & M FUND	FUND TOTAL REQUEST	\$1,558,334
11-8630-000-0		FY 2017/2018
ENGINEERING AND MAINTENANCE		Budget Request
		\$263,000

- A) Manhole frame and covers: 15,000
 Riverside County is planning on doing street improvements on Van Buren north toward Indio Blvd. The Collection Systems Department is budgeting \$15,000 to replace older manhole frames and covers when they become damaged and/or when road improvements are made on city streets.
- B) Purchase back up pumps for Carver and Barrymore lift stations: 34,000
 Existing lift stations were installed in 1967 and 1979, respectively, and are part of the original equipment when these facilities were installed. Recently, there has been a increase in service requiring complete pump overhauls. This service can have a turn-around of one (1) month, causing the remaining pump double the wear and tear.
- C) Secondary clarifier flight coating: 166,000
(CARRYOVER FROM 2016-2017 BUDGET - \$166,000)
 Coating secondary clarifier flights with epoxy coating to minimize corrosion.
- D) Electrical thermal imaging camera: 30,000
 Capturing images to be used in establishing a baseline for the Asset Management maintenance program of breaker panels.
- E) Replace shop welder: 8,000
 Existing welder needs to be replaced due to age of equipment and obsolescence.
- F) Non sparking tools: 10,000
 Purchase non sparking tools for working on equipment that has the potential for explosive hazards ie: flare, digester, boiler, flame arresters.

11-8640-000-0	FY 2017/2018
OPERATIONS	Budget Request
	\$8,000

- A) Composite sampler: 8,000
 This is for a replacement sampler for backup in the event that one fails and is not repairable.

CAPITAL EXPENDITURES	2017/2018 BUDGET
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11-8660-000-0
GENERAL FACILITIES

FY 2017/2018
Budget Request
\$225,000

- A) Water Reuse Project (EVRA JPA): -
(CARRYOVER FROM 2016/2017 BUDGET - \$250,000)
The District will continue efforts for the East Valley Reclamation Authority on the Reclaimed/Recycled Water Project. This is for consulting services to assist both agencies as a jointly funded project.
- B) Coachella Valley Integrated Regional Water Management Plan (IRWMP): -
(CARRYOVER FROM 2016/2017 BUDGET - \$40,000)
The Coachella Valley Regional Water Management Group was formed as a collaboration of the six (6) Coachella Valley public water and/or sewer agencies: City of Coachella/Coachella Water Authority, Coachella Valley Water District, Desert Water Agency, City of Indio/Indio Water Authority, Mission Springs Water District and Valley Sanitary District to coordinate and share information concerning water supply planning and projects that address the long-term and short-term solutions to the Coachella Valley's critical water related needs.
- C) Perimeter fence extension project: 200,000
A new anti-cut/anti-climb 8 foot high perimeter fence will be constructed on the northwest portion of the property. This security fence will enhance site security. Cost will be split between Fund 11 and Fund 12.
- D) Building for ferric pumps: 25,000
Recommendation of vendor due to environmental concerns such as extreme temperature differences, direct sunlight and wind. These hazards cause breakdowns in the equipment. A building placed around the ferric pumps would protect them.

11-8680-000-0
ADMINISTRATION

FY 2017/2018
Budget Request
\$50,000

- A) Information systems server upgrades: 50,000
The District information systems require upgrades to the SCADA servers, data servers, and information servers. This hardware should be on a five (5) year replacement cycle to provide for reliable service and data integrity.
- B) Codification Services: -
(CARRYOVER FROM 2016-2017 BUDGET - \$30,000)
The District is working with Code Publishing to establish the Valley Sanitary District Code. The first payment is due when the first proof, analysis and attorney's findings are delivered and the final payment is due upon delivery of the final code and internet setup. Payment will be due in the 2017/2018 fiscal year.

11-9160-000-0
Transfer to Fund 06

FY 2017/2018
Budget Request
\$466,686

- A) Principal and interest payment for Revenue Refunding Bonds, 2015: 464,186
On August 15, 2006, the District issued \$12,915,000 Certificates of Participation to fund Phase I of the District's treatment plant expansion. The bonds were refinanced on June 1, 2015 for \$7,540,000 at 2.14% interest payable semi-annually on December 1 and June 1, commencing December 1, 2015.
- B) Annual administrative expenses for Revenue Refunding Bonds, 2015: 2,500

11-3650-000-0
Reserve for CWSRF Loan Payment

FY 2017/2018
Budget Request
\$545,648

- A) Principal and interest payment for State Revolving Fund: 545,648
The District received for a loan from the Clean Water State Revolving Fund (SRF). The current interest rate is 1.7%. A \$12.75 million loan for 30 years at 1.7% results in a payment of \$545,648. Payments are made annually and the first payment will be due one (1) year after the construction completion date of the Requa Interceptor Project.

FUND 12

CAPITAL REPLACEMENT FUND

FUND TOTAL REQUEST \$3,078,830

12-8632-000-0

FY 2017/2018

ENGINEERING AND MAINTENANCE

Budget Request

\$1,785,628

- A) Private lateral grant program: 51,000
 The Private Lateral Replacement Grant Program is designed to help the property owner defray a portion of the costs required to replace or repair their lateral, including the connection fee. The maximum amount of assistance for any one (1) private sewer lateral replacement or repair is 50% of the approved cost up to a maximum reimbursement of \$2,000.
- B) Collection system repairs/rehabilitation/replacement Program Management: 1,188,535
 In order to properly bid the repairs, rehabilitation, and/or replacement of sewer mains and manholes, a consultant will be needed to perform the design and provide the specifications. This will greatly enhance the bidding process and provide for competitive bidding as well as help staff complete the anticipated workload.
- C) Sewer main rehabilitation or replacement construction: 260,000
 The sewer mainlines are video inspected as part of the scheduled preventive maintenance. The sewer mains need to be lined or replaced when the condition of the sewer main has deteriorated to a point that a repair will not return the sewer main to a serviceable condition. The sewer mains needing repairs are prioritized by the severity of the deterioration and are rehabilitated or replaced according to an established schedule.
- D) Manhole rehabilitation: 103,000
 Manholes are inspected as part of the scheduled line cleaning maintenance. These inspections are reviewed to determine which manholes have deteriorated to a point that requires rehabilitation. The rehabilitation process includes cleaning the manhole/brick surface and channel, repairing cracks/holes and then coating the interior manhole surface and channel with a polyurethane coating. The polyurethane coating protects the manhole surface and repairs against deterioration and helps restore the flow characteristics of the channel.
- E) Avenue 48 sewer main upgrade design: 36,893
 As listed in the 2013 Collection System Master Plan, the Avenue 48 Sewer Main Upgrade will provide additional sewer main capacity along Avenue 48 by adding a parallel sewer main from Madison Street to just west of Shields Road.
- F) Sewer main point repairs: 103,000
 Video inspection of sewer pipelines reveals deficiencies that may include cracks, holes and offset joints. Deficiencies isolated to a single or several small areas of an otherwise serviceable pipeline may be repaired to restore pipe integrity in lieu of pipeline replacement.
- G) Contingency for emergency repairs: 43,200
 There are no anticipated expenditures to be funded from this category; however, this account provides a contingency amount in the Capital Improvement Program for replacement of critical equipment or systems which could unexpectedly fail during the fiscal year.
- H) Steel waterline activated sludge plant: -
(CARRYOVER FROM 2015/2016 BUDGET - \$200,000)
 The above ground, steel waterline adjacent to the aeration basins is old and prone to leaks, especially at the grooved joints and has outlived its useful life. The new steel waterline will have traditional joints that will provide a longer life.
- I) Sodium Bisulfite Tank: -
(CARRYOVER FROM 2016/2017 BUDGET - \$40,000)
 One of the two (2) sodium bisulfite tanks is over ten (10) years old. The tank is showing signs of cracks and is becoming weathered. This tank was relocated from the original sodium bisulfite location and tied into the new system built in 2008.

**12-8642-000-0
OPERATIONS****FY 2017/2018
Budget Request
\$200,000**A) Decommissioning of the Biological Treatment System:

-

(CARRY OVER FROM 2016/2017 BUDGET - \$730,000)

Decommissioning of the Biological Treatment System consists of draining the cells, removing the vegetation, piping, intake and outlet structures, ripping holes in the liner and lastly filling the cells with the soil surrounding the cells. This project is estimated to take about 15 to 18 months to complete. The remaining costs can be found in the Operations budget.

B) Perimeter fence extension project:

200,000

A new anti-cut/anti-climb 8 foot high perimeter fence will be constructed on the northwest portion of the property. This security fence will enhance site security. Cost will be split between Fund 11 and Fund 12.

12-8660-000-0**GENERAL FACILITIES****FY 2017/2018****Budget Request****\$643,600**A) Vehicle & Equipment Replacement Fund: 622,000

This fund is used to replace District vehicles and significant, higher cost equipment. The annual contribution is based on data collected on all vehicles and equipment using a ten (10) to twenty (20) year replacement schedule. The total cost is calculated over a twenty (20) year window using an estimated inflation percentage.

Vehicles/Equipment to be replaced in 2017/2018 include:

- Two (2) aeration basin diffusers
- Ford Ranger 4x4
- John Deere riding lawnmower
- Skiploader

B) Contingency for emergency repairs: 21,600

This account provides a contingency amount in the Capital Improvement Program for replacement of critical equipment or systems in General Facilities which could unexpectedly fail during the fiscal year.

12-8680-000-0**ADMINISTRATION****FY 2017/2018****Budget Request****\$21,600**A) Contingency for emergency repairs: 21,600

This account provides a contingency amount in the Capital Improvement Program for replacement of critical equipment or systems in the administration department which could unexpectedly fail during the fiscal year.

12-9140-000-0**Transfer to Fund 06****FY 2017/2018****Budget Request****\$428,002**A) Principal and interest payment for Revenue Refunding Bonds, 2015: 425,502

On August 15, 2006, the District issued \$12,915,000 Certificates of Participation to fund phase I of the District's treatment plant expansion. The bonds were refinanced on June 1, 2015 for \$7,540,000 at 2.14% interest payable semi-annually on December 1 and June 1, commencing December 1, 2015.

B) Annual administrative expenses for Revenue Refunding Bonds, 2015: 2,500

FUND 13

CAPITAL IMPROVEMENT FUND

FUND TOTAL REQUEST \$108,741

13-8623-000-0

FY 2017/2018

ENGINEERING AND MAINTENANCE

Budget Request

\$108,741

A) Avenue 48 sewer main upgrade:

108,741

As listed in the 2013 Collection System Master Plan, the Avenue 48 Sewer Main Upgrade will provide additional sewer main capacity along Avenue 48 by adding a parallel sewer main from Madison Street to just west of Shields Road.

Section 8

FY 2017 / 2018 Budget

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Wastewater Revenue Refunding Bonds Series 2015

Description

On August 15, 2006, the District issued \$12,915,000 Certificates of Participation to fund Phase I of the District's treatment plant expansion. The bonds were refinanced on June 1, 2015 for \$7,540,000 at 2.14% interest payable semi-annually on December 1 and June 1, commencing December 1, 2015.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	NA	NA
Bidding & Permitting	NA	NA
Construction	NA	NA

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Bidding & Permitting	00.	00.
Administrative expenses	2,500.	00.
Annual Bond amount	425,502.	00.
TOTAL	00.	00.
TOTAL BUDGET		428,002.

Location

VSD Water Reclamation Facility

Phase 2B Plant Expansion

Description

Phase 2B Plant Expansion will replace an aging and capacity restricting Grit Chamber, and provide redundancy by adding a second digester, expanding the bar screens, adding two biofilters, a sludge holding tank and a sludge thickener building. Phase 2B will be prior to but sequential with Phase 2C Plant Expansion. Phase 2B is required in order to eliminate Waste Activated Sludge Pond system to allow expansion of the sludge drying beds.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	July 1, 2018	May 1, 2019
Design	July 1, 2018	May 1, 2019
Bidding & Permitting	May 1, 2019	June 30, 2019
Construction	July 1, 2019	June 30, 2020

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	989,669.	2,646,081.
Bidding & Permitting	00.	00.
CM & Construction	7,874,644.	21,054,464.
TOTAL	8,864,313.	23,700,545.
TOTAL BUDGET		32,564,858.

Location

VSD Water Reclamation Facility

Phase 2C Plant Expansion

Description

Phase 2C Plant Expansion will decommission Pond 2 and the Waste Activated Sludge system to allow for the expansion of the sludge drying bed. Phase 2C incorporates the installation of a digester gas holding facility, a redundant flare, and the implementation of a cogeneration facility to provide additional energy for the Plant.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	July 1, 2019	May 1, 2020
Design	July 1, 2019	May 1, 2020
Bidding & Permitting	May 1, 2020	June 30, 2021
Construction	July 1, 2020	June 30, 2021

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	613,503.	1,640,325.
Bidding & Permitting	00.	00.
CM & Construction	4,633,880.	12,389,623.
TOTAL	5,247,383.	14,029,948.
TOTAL BUDGET		19,277,331.

Location

VSD Water Reclamation Facility

Perimeter Fence Extension Project

Description

A new anti-cut/anti-climb 8 foot high perimeter fence will be constructed on the southern portion of the property. This security fence will enhance site security. Cost will be split between Fund 11 and Fund 12.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	NA	NA
Bidding & Permitting	June 1, 2017	June 30, 2017
Construction	July 5, 2017	September 29, 2017

Budget (Current \$)

Description	Fund 11	Fund 12
Environmental clearance	00.	00.
Design	00.	00.
Bidding & Permitting	00.	00.
CM & Construction	200,000.	200,000.
TOTAL	200,000.	200,000.
TOTAL BUDGET		400,000.

Location

VSD Water Reclamation Facility

Vehicle and Equipment Replacement Fund

Description

This reserve fund is used to replace District vehicles and significant, higher cost equipment. The annual contribution is based on data collected on all vehicles and equipment using a ten (ten) to twenty (20) year replacement schedule. The total cost is calculated over a twenty (20) year window using an estimated inflation percentage.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2017	December 31, 2017
Bidding & Permitting	NA	NA
Construction	January 1, 2018	June 30, 2018

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	00.	00.
Bidding & Permitting	00.	00.
Annual Fund amount	622,000.	00.
TOTAL	622,000.	00.
TOTAL BUDGET	622,000	

Location

VSD Water Reclamation Facility

Steel Waterline Replacement Project

Description

The above ground, steel waterline adjacent to the aeration basins is old and prone to leaks, especially at the grooved joints. It has outlived its useful life. The new steel waterline will have traditional joints that will provide a longer life.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2017	August 31, 2017
Bidding & Permitting	September 4, 2017	October 31, 2017
Construction	November 1, 2017	June 30, 2018

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	00.	00.
Bidding & Permitting	00.	00.
Construction	200,000.	00.
TOTAL	200,000.	00.
TOTAL BUDGET	200,000.	

Location

Adjacent to the aeration basins

Biological Treatment System Decommissioning

Description

Decommissioning of the Biological Treatment System consists of draining the cells, removing the vegetation, piping, intake and outlet structures, ripping holes in the liner and lastly filling the cells with the soil surrounding the cells. This project is estimated to take about 15 to 18 months to complete.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	Completed	Completed
Design	Completed	Completed
Bidding & Permitting	Completed	Completed
Construction	May 2017	June 30, 2018

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	00.	00.
Bidding & Permitting	00.	00.
Construction	740,000.	00.
TOTAL	740,000.	00.
TOTAL BUDGET		740,000.

Location

VSD Water Reclamation Facility

Sodium Bisulfite Tank

Description

One (1) of the two (2) sodium bisulfite tanks is over ten (10) years old. The tank is showing signs of cracks and is becoming weathered. This tank was relocated from the original sodium bisulfite location and tied into the new system built in 2008.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	NA	NA
Bidding & Permitting	NA	NA
Construction	July 1, 2017	June 30, 2018

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	00.	00.
Bidding & Permitting	00.	00.
New tank	40,000.	00.
TOTAL	40,000.	00.
TOTAL BUDGET		40,000.

Location

VSD Water Reclamation Facility

Private Lateral Grant Program

Description

The Private Lateral Replacement Grant Program is designed to help the property owner defray a portion of the costs required to replace or repair their lateral, including the connection fee. The maximum amount of assistance for any one (1) private sewer lateral replacement or repair is fifty percent (50%) of the approved cost up to a maximum reimbursement of \$2,000.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	NA	NA
Bidding & Permitting	July 1, 2017	June 30, 2018
Construction	July 1, 2017	June 30, 2018

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	00.	00.
Bidding & Permitting	00.	00.
Construction	51,000.	00.
TOTAL	51,000.	00.
TOTAL BUDGET	51,000.	

Location

Collection System within District boundaries

Sewer Main Rehabilitation or Replacement Program Management

Description

The sewer mains are video inspected as part of the scheduled preventive maintenance. A sewer main will need to be lined or replaced when the condition of the sewer main has deteriorated to an extent that point repairs cannot return the sewer main to a serviceable condition. The sewer mains needing repairs are prioritized by the severity of the deterioration and are rehabilitated or replaced according to an established schedule. In order to properly bid the repairs, rehabilitation and/or replacement of sewer mains and manholes, a consultant will be needed to perform the design and provide the specifications. This will greatly enhance the bidding process and provide for competitive bidding as well as help staff complete the anticipated workload.

Anticipated Schedule

Phase 1

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2017	April 30, 2018
Bidding & Permitting	May 1, 2018	June 30, 2018
Construction	July 1, 2018	June 30, 2019

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Planning & Permitting	00.	00.
Design	1,188,535.	00.
Construction	00.	00.
TOTAL	1,188,535.	00.
TOTAL BUDGET	1,188,535.	

Location

Collection System within District boundaries

Sewer Main Rehabilitation or Replacement Construction

Description

The sewer mains are video inspected as part of the scheduled preventive maintenance. A sewer main will need to be lined or replaced when the condition of the sewer main has deteriorated to an extent that point repairs cannot return the sewer main to a serviceable condition. Construction costs are allocated for miscellaneous or emergency work that may be needed during the year.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2017	April 30, 2018
Bidding & Permitting	May 1, 2018	June 30, 2018
Construction	July 1, 2018	June 30, 2019

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Bidding & Permitting	00.	00.
Design	00.	00.
Construction	260,000.	00.
TOTAL	260,000.	00.
TOTAL BUDGET		260,000.

Location

Collection System within District boundaries

Manhole Rehabilitation

Description

Manholes are inspected as part of the scheduled sewer main cleaning and maintenance. These inspections are reviewed to determine manhole deterioration and when it requires rehabilitation. The rehabilitation process includes cleaning the manhole/brick surface and channel, repairing cracks/holes and then coating the interior manhole surface and channel with a polyurethane coating. The polyurethane coating protects the manhole surface and repairs from deterioration and helps restore the flow characteristics of the channel.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2017	December 31, 2017
Bidding & Permitting	January 1, 2018	February 28, 2018
Construction	March 1, 2018	June 30, 2018

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Bidding & Permitting	00.	00.
Design	00.	00.
Construction	103,000.	00.
TOTAL	103,000.	00.
TOTAL BUDGET		103,000.

Location

Collection System within District boundaries

Sewer Main Point Repairs

Description

Video inspection of sewer pipelines reveals deficiencies that may include cracks, holes and offset joints. Deficiencies isolated to a single or several small areas of an otherwise serviceable pipeline may be repaired to restore pipe integrity in lieu of pipeline replacement or rehabilitation.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2017	December 31, 2017
Bidding & Permitting	January 1, 2018	February 28, 2018
Construction	March 1, 2018	June 30, 2018

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Bidding & Permitting	00.	00.
Design	00.	00.
Construction	103,000.	00.
TOTAL	103,000.	00.
TOTAL BUDGET	103,000.	

Location

Collection System within District boundaries

Avenue 48 Sewer Main Upgrade Project

Description

This project is part of the Collection System Master Plan. Avenue 48 Sewer Main Upgrade will provide for additional sewer main capacity along Avenue 48 by adding a parallel sewer main from Madison Street to just west of Shields Road.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2017	March 31, 2017
Bidding & Permitting	April 1, 2018	June 30, 2018
Construction	July 1, 2018	June 30, 2019

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Bidding & Permitting	00.	00.
Design	36,893.	109,572.
Construction	354,552.	1,053,020.
TOTAL	391,445.	1,162,592.
TOTAL BUDGET		1,554,037.

Location

Avenue 48 from Madison Street to Shields Road

Year 5 Collection System CIP Project Upgrades

Description

This CIP Upgrade Project consists of four separate sewer main locations throughout the District that were identified in the 2013 Collection System Master Plan of needing additional capacity by 2018 and beyond. The need for additional capacity is based on current zoning and population growth rates. These four sewer main projects will be identified separately in future budgets.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	July 1, 2018	May 1, 2019
Design	July 1, 2018	May 1, 2019
Bidding & Permitting	May 1, 2019	June 30, 2019
Construction	July 1, 2019	June 30, 2020

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	44,630.	132,551.
Bidding & Permitting	00.	00.
CM & Construction	429,236.	1,274,832.
TOTAL	473,866.	1,407,383.
TOTAL BUDGET		1,881,249.

Location

Within the VSD Collection System

Contingency for Emergency Repairs

Description

There are no anticipated expenditures to be funded from this category; however, this account provides a contingency amount in the Capital Improvement Program for replacement of critical equipment or systems which could unexpectedly fail during the fiscal year.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2017	June 30, 2018
Bidding & Permitting	NA	NA
Construction	July 1, 2017	June 30, 2018

Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	00.	00.
Bidding & Permitting	00.	00.
Contingency	86,400.	00.
TOTAL	86,400.	00.
TOTAL BUDGET		86,400.

Location

Within the Engineering/Maintenance, Operations, and Administration Departments

Requa Interceptor Project

Description

The total construction cost is estimated at \$12,750,000 and includes the entire Requa Interceptor Project as well as the Shields Lift Station by-pass connection. The construction costs include support services and a contingency for expenses incurred due to unforeseen circumstances. Construction began in June 2016 and will be completed by December 2017. The Requa Interceptor Project is being funded by the California State Water Regional Control Board through a 1.7% State Revolving Fund 30 year loan.

Anticipated Schedule

Description	Start	Complete
Environmental clearance	Completed	Completed
Design	Completed	Completed
Bidding & Permitting	Completed	Completed
Construction	June 2016	December 2017

Budget (Current \$)

Description	Fund 8	
Environmental clearance	00.	00.
Bidding & Permitting	00.	00.
Construction	10,048,400.	00.
Construction Management	2,701,600.	00.
TOTAL	12,750,000.	00.
TOTAL BUDGET		12,750,000.

Location

The Requa Interceptor is a major sewer main project that extends from the treatment plant on the east to near the District's western boundary.

VEHICLE AND MAJOR EQUIPMENT REPLACEMENT FUND																							
		Fiscal Year ->	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
	Current	Replacement	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	35/36	
Make/Model	Value	Value																					TOTAL
Ford E 450 CCTV Van	\$50,000.00	\$150,000.00										195,716										263,026	458,742
Ford Flat Bed	\$7,000.00	\$40,000.00		41,200													60,504						101,704
Daihatsu Utility Cart	\$1,000.00	\$14,000.00															21,176						21,176
Ford F250 Traffic Utility Truck	\$8,000.00	\$38,000.00			40,314																		40,314
Ford Ranger 4X4	\$6,500.00	\$30,000.00	30,000										40,317										70,317
OZ 3 Pan & Tilt Camera & Transport	\$15,000.00	\$50,000.00					56,275					65,239					75,629					87,675	284,819
Aerator Pond 2 - #1 Monsoon	\$5,000.00	\$21,000.00																		34,710			34,710
Aerator Pond 2 - #2 S & N	\$2,000.00	\$21,000.00																			35,751		35,751
Hotwood Pontoon Boat	\$1,000.00	\$10,000.00															15,126						15,126
EZ GO Utility cart #3 Elect.	\$4,000.00	\$14,000.00										18,267										24,549	42,816
Ford F150 Truck Crew Cab	\$9,300.00	\$35,000.00					39,393																39,393
GMC Canyon	\$9,000.00	\$14,000.00										18,267										24,549	42,816
John Deere 777 Riding Lawnmower	\$6,500.00	\$20,000.00	20,000										26,878										46,878
Club Car Utility cart #1 Elect.	\$3,000.00	\$14,000.00										18,267										24,549	42,816
Club Car Utility cart #2 Elect.	\$3,000.00	\$14,000.00										18,267										24,549	42,816
Influent Pump #3 - Not Used	\$56,000.00	\$69,000.00														101,329							101,329
Influent Pump #4	\$15,000.00	\$69,000.00	69,000										92,730										161,730
Influent Pump #5	\$15,000.00	\$69,000.00		71,070										95,512									166,582
Aeration Basin No. 1 Diffusers	\$25,000.00	\$70,000.00	70,000									91,334										122,745	284,080
Aeration Basin No. 2 Diffusers	\$25,000.00	\$70,000.00	70,000									91,334										122,745	284,080
Aeration Basin No. 3 Diffusers	\$25,000.00	\$70,000.00										91,334										122,745	214,080
Aeration Basin No. 4 Diffusers	\$25,000.00	\$70,000.00										91,334										122,745	214,080
Ford F150 4X4 Crew Cab	\$20,600.00	\$35,000.00		36,050											48,448								84,498
Influent Pump #2	\$25,000.00	\$69,000.00		71,070											95,512								166,582
Ford Dump Truck 750	\$22,000.00	\$80,000.00			84,872																		84,872
Kawasaki Mule Cart	\$5,000.00	\$12,000.00			12,731															19,834			32,565
Ford F350 Utility Truck	\$28,000.00	\$45,000.00			47,741										64,159								111,900
Influent Pump #1	\$40,000.00	\$69,000.00				75,398										101,329							176,727
Caterpillar Backhoe 420D	\$48,000.00	\$80,000.00					90,041																90,041
John Deere XUV 620I Cart	\$6,000.00	\$12,000.00					13,506																13,506
John Deere 4X2 Gator Cart	\$6,000.00	\$12,000.00					13,506																13,506
CAT 800KW Diesel Generator #2	\$90,000.00	\$200,000.00					225,102																225,102
Influent Pump #6	\$50,000.00	\$69,000.00						79,990										107,500					187,490
Caterpillar Telehandler Forklift	\$76,000.00	\$100,000.00						115,927															115,927
RAS Pump #1	\$12,000.00	\$24,000.00				26,225															40,858		67,084
RAS Pump #2	\$12,000.00	\$24,000.00					27,012																27,012
RAS Pump #3	\$12,000.00	\$24,000.00						27,823															27,823
RAS Pump #4	\$12,000.00	\$24,000.00							28,657														28,657
RAS Pump #5	\$12,000.00	\$24,000.00								29,517													29,517
Ford F150	\$6,500.00	\$21,000.00								25,075										33,699			58,774
Ford F 150 Supercrew	\$27,000.00	\$27,000.00						31,300												43,327			74,627
Kenworth T440 Vactor	\$415,000.00	\$415,000.00							495,532											665,953			1,161,485
Sewer Jet on trailer	\$42,000.00	\$60,000.00								73,792													73,792
Cat Skid Steer	\$55,000.00	\$102,000.00								125,447													125,447
Aerator North Cell ATI 15 HP	\$10,000.00	\$15,000.00								18,448													18,448
CAT 150KW Diesel Generator #3	\$55,000.00	\$80,000.00									101,342												101,342
Aerator North Cell House	\$8,000.00	\$15,000.00										19,572											19,572
Aerator South Cell Vertical #1	\$7,500.00	\$10,000.00										13,048											13,048
Aerator South Cell Vertical #2	\$7,500.00	\$10,000.00											13,439										13,439
Aerator Biological Pond C Vertical	\$7,500.00	\$10,000.00												13,842									13,842
Kobota RX 9000 Cart	\$12,000.00	\$12,500.00												17,303									17,303
6" Trash Pump Godwin	\$21,000.00	\$30,000.00												41,527									41,527
LWT Dredge #2	\$56,000.00	\$115,000.00											154,550										154,550
Dredge #1	\$56,000.00	\$115,000.00												159,187									159,187
Kawasaki Mule 600 Cart	\$8,000.00	\$10,000.00													14,258								14,258
Aerator Pond 2 - #3 S & N	\$18,000.00	\$22,000.00														31,367							31,367
Aerator Pond 2 - #4 S & N	\$18,000.00	\$22,000.00															32,308						32,308
CAT 600KW Diesel Generator #4	\$121,000.00	\$121,000.00																188,514					188,514
Aerator Pond 2 - #5 S & N	\$19,500.00	\$22,000.00																	35,304				

VEHICLE AND MAJOR EQUIPMENT REPLACEMENT FUND																							
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
		Fiscal Year ->	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	35/36	
Make/Model	Current Value	Replacement Value																					TOTAL
Grit Classifier 1	\$2,000.00	\$30,000.00																			51,073		51,073
Grit Classifier 2	\$20,000.00	\$30,000.00																			51,073		51,073
Primary sludge pumps 1	\$25,000.00	\$50,000.00															75,629						75,629
Primary sludge pumps 2	\$25,000.00	\$50,000.00																77,898					77,898
Primary maserators 1	\$25,000.00	\$50,000.00										65,239											65,239
Primary maserators 2	\$25,000.00	\$50,000.00											67,196										67,196
Primary sump pump	\$6,000.00	\$12,000.00						13,911										18,696					32,607
Primary flight drives 1	\$25,000.00	\$50,000.00																77,898					77,898
Primary flight drives 2	\$25,000.00	\$50,000.00																	80,235				80,235
Hiliskim drives 1	\$25,000.00	\$75,000.00															113,444						113,444
Hiliskim drives 2	\$25,000.00	\$75,000.00																116,848					116,848
Scum pumps 1	\$15,000.00	\$35,000.00						40,575									52,941						93,515
Scum pumps 2	\$15,000.00	\$35,000.00						40,575										54,529					95,103
Scalping valve	\$5,000.00	\$10,000.00																15,580					15,580
Turblex blowers 1	\$300,000.00	\$350,000.00											470,371										470,371
Turblex blowers 2	\$300,000.00	\$350,000.00												484,482									484,482
Turblex blowers 3	\$300,000.00	\$350,000.00													499,016								499,016
Anoxic selector mixer 1	\$8,000.00	\$12,000.00					13,506																13,506
Anoxic selector mixer 2	\$8,000.00	\$12,000.00					13,506																13,506
Anoxic selector mixer 3	\$8,000.00	\$12,000.00						13,911															13,911
Anoxic selector mixer 4	\$8,000.00	\$12,000.00						13,911															13,911
Anoxic selector mixer 5	\$8,000.00	\$12,000.00							14,329														14,329
Anoxic selector mixer 6	\$8,000.00	\$12,000.00							14,329														14,329
Anoxic selector mixer 7	\$8,000.00	\$12,000.00								14,758													14,758
Anoxic selector mixer 8	\$8,000.00	\$12,000.00								14,758													14,758
Drainage pumps aeration basins 1	\$15,000.00	\$20,000.00						23,185									30,252						53,437
Drainage pumps aeration basins 2	\$15,000.00	\$20,000.00						23,185										31,159					54,345
Secondary clarifier flight & drive 1	\$8,000.00	\$10,000.00											13,439										13,439
Secondary clarifier flight & drive 2	\$8,000.00	\$10,000.00												13,842									13,842
Secondary clarifier flight & drive 3	\$8,000.00	\$10,000.00													14,258								14,258
Secondary drainage pumps 1	\$15,000.00	\$16,000.00											21,503										21,503
Secondary drainage pumps 2	\$15,000.00	\$16,000.00												22,148									22,148
Hypochlorite tanks 1	\$30,000.00	\$35,000.00													49,902								49,902
Hypochlorite tanks 2	\$30,000.00	\$35,000.00														51,399							51,399
Secondary water pumps 1	\$15,000.00	\$25,000.00		25,750																			25,750
Secondary water pumps 2	\$15,000.00	\$25,000.00		25,750																			25,750
Sodium bisulfite tanks 1	\$20,000.00	\$40,000.00							47,762														47,762
Sodium bisulfite tanks 2	\$20,000.00	\$40,000.00								49,195													49,195
Belt press 1	\$100,000.00	\$250,000.00												346,058									346,058
Belt press 2	\$100,000.00	\$250,000.00													356,440								356,440
Belt press pumps 1	\$10,000.00	\$30,000.00												41,527									41,527
Belt press pumps 2	\$10,000.00	\$30,000.00													42,773								42,773
Sludge Sstorage tank	\$5,000.00	\$35,000.00												48,448									48,448
Digester Mixing Pumps 1	\$65,000.00	\$100,000.00															151,259						151,259
Digester Mixing Pumps 2	\$65,000.00	\$100,000.00																155,797					155,797
Digester recirculation pumps 1	\$17,000.00	\$25,000.00															37,815						37,815
Digester recirculation pumps 2	\$17,000.00	\$25,000.00																38,949					38,949
Digester Heat Exchanger	\$40,000.00	\$50,000.00																77,898					77,898
Hot water pumps 1	\$5,000.00	\$10,000.00															15,126						15,126
Hot water pumps 2	\$5,000.00	\$10,000.00																15,580					15,580
Hot water pumps 3	\$5,000.00	\$10,000.00																	16,047				16,047
Hot water pumps 4	\$5,000.00	\$10,000.00																		16,528			16,528
Boiler	\$150,000.00	\$200,000.00															302,518						302,518
Compressor	\$150,000.00	\$200,000.00																	320,941				320,941
Flare	\$100,000.00	\$150,000.00																233,695					233,695
Skiploader	\$0.00	\$200,000.00	200,000																				200,000
			459,000	270,890	185,658	180,300	491,847	424,294	625,683	325,917	101,342	797,216	900,424	1,427,837	1,040,805	297,171	1,035,125	1,210,541	1,195,506	233,052	291,116	939,879	12,433,604
																	FUND REQUIREMENT PER YEAR						621,680
Provides for the Replacement of Vehicles and Major Equipment Over a 20 Year Period																	Total Annual Cost					\$622,000	
Reserve Fund Balance 7/1/16	\$ 471,682																						
Amount Transferred	\$ 624,000																						
Subtotal	\$ 1,095,682																						
Amount Purchased as of 2/28/17	\$ (35,414)																						
Planned Purchase as of 6/30/17	\$ (420,000)																						
Reserve Fund Balance 6/30/17	\$ 640,268																						

VALLEY SANITARY DISTRICT - CAPITAL IMPROVEMENT AND CAPITAL REPLACEMENT PLAN

			2017-2018		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2023-2024		2024-2025		2025-2026		2026-2027		Total for Future Years			
			Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs		
	NOTES	PROJECT																								
Capital Projects - Plant																										
		¹ Revenue Bonds 2015 - (11 year term)	\$428,002		\$428,241			\$427,763			\$428,959			\$426,926			\$426,567			\$426,119						
		² Phase 2B Plant Expansion Design			\$989,669	\$2,646,081																				
		² Phase 2B Plant Expansion Construction & CM						\$7,874,644	\$21,054,464																	
		² Phase 2C Plant Expansion Design						\$613,503	\$1,640,325																	
		² Phase 2C Plant Expansion Construction & CM								\$4,633,880	\$12,389,623															
		² Phase 3 Plant Expansion Design																		\$924,923	\$2,472,970					
		² Phase 3 Plant Expansion Construction & CM																			\$3,493,860	\$9,446,362	\$3,598,676	\$9,729,753		
		² Future Plant Expansion 2040 & beyond																					\$57,254,383	\$137,536,807		
		⁵ Fence Extension NW property line	\$200,000																							
		⁵ Vehicle & Major Equipment Replacement Fund	\$622,000		\$622,000			\$622,000			\$622,000			\$622,000			\$622,000			\$622,000			\$622,000			
		⁵ Asset Management System (Carry Over)																								
		⁵ Steel Water Line Replacement (Carry Over)																								
		⁵ Bio. Treatment Pond Decommissioning (Carry Over)																								
		⁵ Sodium Bisulfite Tank Replacement (Carry Over)																								
Capital Projects - Collections																										
		⁵ Lateral Grant Program	\$51,000		\$52,020			\$53,060			\$54,121			\$55,203			\$56,307			\$57,433			\$58,582	\$59,754	\$60,949	\$606,422
		⁵ Sewer Main Rehabilitation or Replacement Design	\$1,188,535		\$1,260,917			\$1,298,744																	\$0	
		⁵ Sewer Main Rehabilitation or Replacement Const.	\$260,000		\$5,884,279			\$6,060,807			\$6,242,632			\$6,429,911			\$6,622,808			\$6,821,492			\$0		\$0	
		⁵ Manhole Rehabilitation	\$103,000		\$106,090			\$109,273			\$112,551			\$115,928			\$119,406			\$122,988			\$126,678	\$130,478	\$134,392	\$1,406,268

¹ Cost allocation of 52% to process expansion is based on \$6,000,000 of the \$11,500,000 bond funds having been applied to project costs that increased capacity.

² Cost allocation of 73% to process expansion is based on engineer's cost estimate and evaluation of 27% of cost associated with replacement components

³ Project cost allocated 100% to expansion as this is a brand new project.

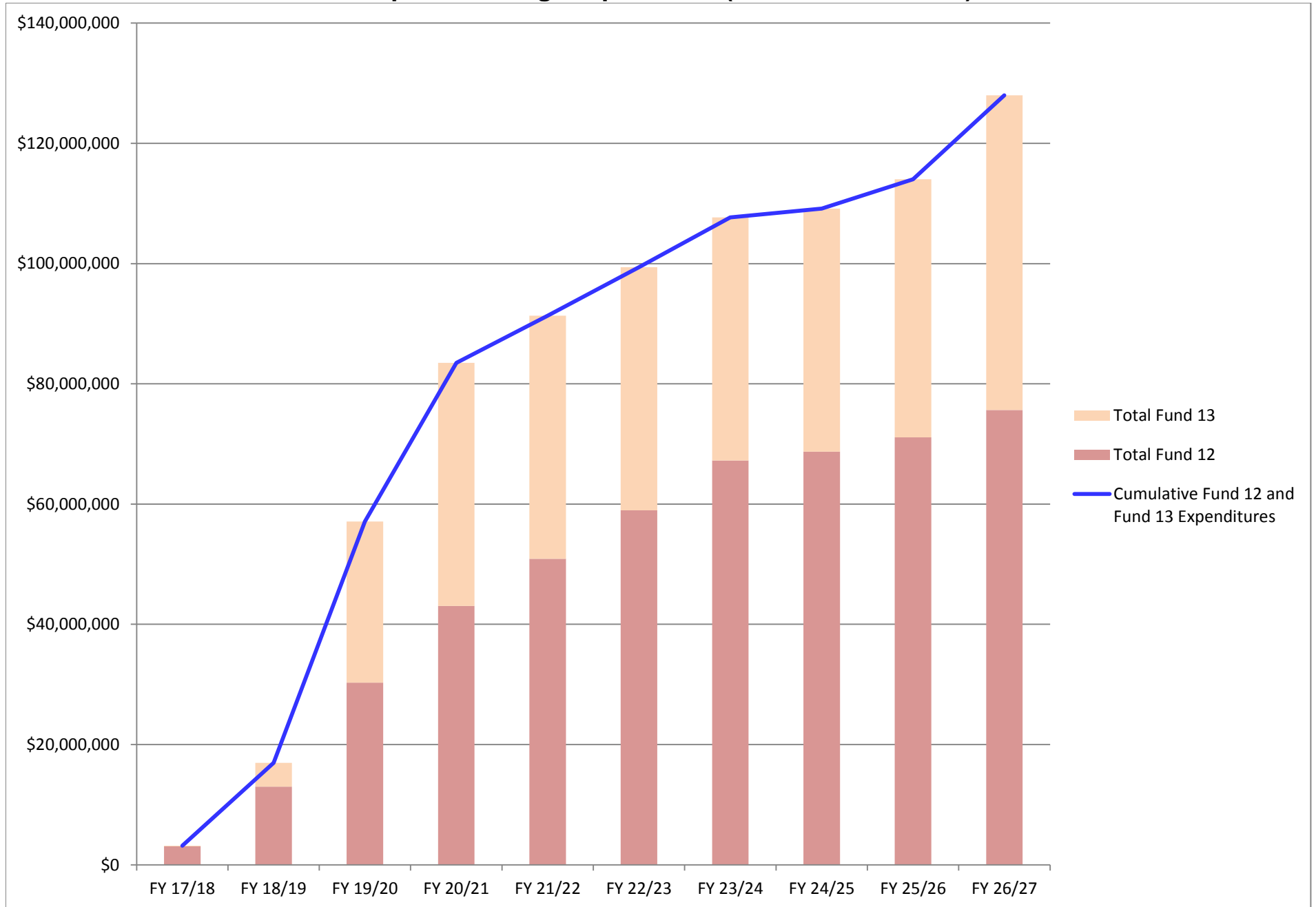
⁴ Cost allocation of 50% to capacity expansion is based on the calculated percentage of future flow relative to the total line capacity

⁵ No cost allocation to expansion as this is replacement or rehabilitation of existing facilities.

⁶ Project cost allocated 100% to expansion as the total need for project is due to development.

⁷ Cost allocation of 75% to process expansion is based on engineer's cost estimate and evaluation of 25% of cost associated with replacement components

Capital Funding Requirement (FY 16/17 - FY 25/26)



ACCOUNT #	DESCRIPTION	2016/2017 BUDGET	ACTUAL 3/31/2017	6/30/2017 ADDITION	2016/2017 ANTICIPATED CLOSE	2016/2017 BUDGET VARIANCE	2017/2018 BUDGET REQUEST
FUND 8							
08-8600-000-0	CONSTRUCTION	6,660,000	5,532,187	1,127,813	6,660,000	-	3,388,400
08-8610-000-0	CONSTRUCTION MANAGEMENT	895,200	548,866	346,334	895,200	-	1,806,400
	TOTAL EXPENSES	7,555,200	6,081,053	1,474,147	7,555,200	-	5,194,800
08-4120-008-0	CSWRCB REIMBURSEMENTS	7,555,200	609,000	6,946,200	7,555,200	-	5,194,800
	TOTAL REIMBURSEMENTS	7,555,200	609,000	6,946,200	7,555,200	-	5,194,800
	NET INCOME (LOSS)	-	5,472,053	(5,472,053)	-	-	-

FUND 8

REQUA INTERCEPTOR PROJECT	FUND TOTAL REQUEST	\$5,194,800
13-8623-000-0		FY 2017/2018
ENGINEERING AND MAINTENANCE		Budget Request
		\$5,194,800

A) Requa Interceptor - Construction: 3,388,400

The total construction cost is estimated at \$10,048,400 which includes the entire Requa Interceptor project as well as the Shields Lift Station by-pass connection. The construction costs do not include support services, but do include a 10 percent (10%) contingency for expenses incurred due to unforeseen circumstances. Construction began in June 2016 and will be completed by December 2017. The Requa Interceptor Project is being funded by the California State Water Regional Control Board through a 1.7% State Revolving Fund 30 year loan.

B) Requa Interceptor - Construction Management: 1,806,400

The Requa Interceptor is a significant project for VSD. A construction management consultant has been solicited to provide project support and inspection services during construction of this project. Consultant costs to provide public relations, and environmental monitoring and design assistance from the Engineer of Record are also included.