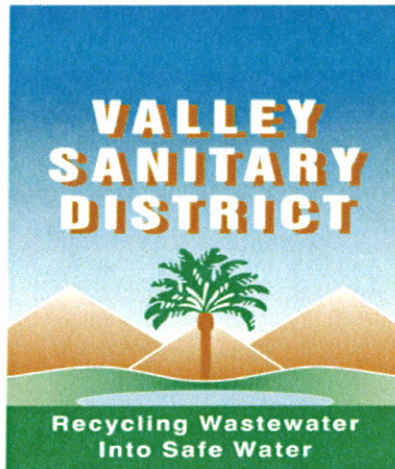


2011-2012

Operating and Capital Improvement Budget



**Annual Operation & Capital Improvement
Budget
Fiscal Year 2011/2012**

Board of Directors

William R. Teague, President of the Board

Richard Friestad, Vice-President

Merritt W. Wiseman, Secretary-Treasurer

Mike Duran, Director

Doug York, Director

General Manager

Joseph Glowitz

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2011/2012 BUDGET**

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER

APRIL 12, 2011

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 2011/2012 Budget
- 5.0 Annual Sewer Use Fee
- 6.0 Capacity Connection Charge
- 7.0 Recommendations

1.0 Executive Summary

The Fiscal Year 2011/2012 draft budget is presented to the Valley Sanitary District Board of Directors for your review, discussion and consideration.

The Operations and Maintenance budget for Fiscal Year 2011/2012 is projected at \$7,087,203. Capital expenditures in Fund 11 are projected at \$ 310,000 and the amount that will be invested into the Reserve Funds will be \$ 3,669,569.

It is recommended that the salaries be raised with the cost of living at 1.5 percent with applicable merit increases for all employees.

It is recommended that the Sewer Use Fee remain at \$ 259 per equivalent dwelling unit (EDU or unit of service).

It is recommended that the capacity connection fee remain at the current \$ 3,957 per EDU.

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

2.0 Operations and Maintenance Budget

Salaries

The proposed budget does allow for a cost of living adjustment of 1.5 percent, based on the consumer price index from February 2010 to February 2011. Last fiscal year there was no cost of living adjustment. The Salary Schedule in Section 2 on Page 2.3 reflects an across the board 1.5 percent increase. The proposed budget does allow for step increases for all eligible employees

It is suggested that filling the District Engineer position also be deferred. During the next fiscal year, the General Manager will be able to fulfill these duties. It is recommended that an analysis of the disposition of the District Engineer position be deferred to the next fiscal year, as there may be potential retirements that may allow for a re-aligning and consolidation of positions at that time.

VALLEY SANITARY DISTRICT FISCAL YEAR 2011/2012 BUDGET

fiscal year, as there may be potential retirements that may allow for a re-aligning and consolidation of positions at that time.

Retirement Benefits

Prior to 1998, the District maintained a Defined Contribution retirement plan. During 1998 the majority of the employees elected to join the CalPERS retirement system and transferred their assets from the Defined Contribution plan into the CalPERS retirement plan. The District currently maintains two different retirement plans. All employees hired after 1998 are required to enter the CalPERS system. Prior to the 2010/2011 fiscal year the District has maintained the same contribution level for each retirement system. The rationale behind this practice was that all employees would be receiving the same contribution from the District regardless of which retirement plan they participated in. CalPERS continues to develop methods to distribute, over a significant number of years, the losses that resulted from the poor performance of CalPERS investments, thus reducing the impact on contributing agencies. Table 1 illustrates the contribution breakdown for fiscal years 2004/2005 through 2011/2012.

Table 1: Valley Sanitary District – CalPERS Contribution Summary

	2004/2005 Fiscal Year	2005/2006 Fiscal Year	2006/2007 Fiscal Year	2007/2008 Fiscal Year	2008/2009 Fiscal Year	2009/2010 Fiscal Year	2010/2011 Fiscal Year	2011/2012 Fiscal Year
Employer (District) Rate Established Annually by PERS	12.98%	13.844%	13.752%	14.073%	15.757%	15.615%	16.478%	19.169%
Maximum Employee Rate for 2.5% at 55 Formula	8%	8%	8%	8%	8%	8%	8%	8%
Total Contribution	20.98% (12.98%+8%)	21.844% (13.844+8%)	21.752% (13.752+8%)	22.073% (14.073+8%)	23.757% (15.757+8%)	23.615% (15.615+8%)	24.478% (16.478+8%)	27.169% (19.169+8%)
Contribution by District	13%	13.844%	13.844%	14.073%	15.757%	15.757%	16.478%	19.169%
Portion of Employee's 8% paid by District	0.02% (13%-12.98%)	0%	0.092% (13.844-13.752)	0%	0%	0.142% (15.757- 15.615)	0%	0%
Balance of Total Contribution Rate Paid by Employee	7.98% (20.98%-13%)	8% the maximum from the employee	7.908% (21.752%- 13.844%)	8% the maximum from the employee	8% the maximum from the employee	7.858% (23.615%- 15.757%)	8% the maximum from the employee	8% the maximum from the employee

VALLEY SANITARY DISTRICT FISCAL YEAR 2011/2012 BUDGET

It is recommended that the District maintain the contribution from the District to the Defined Contribution Retirement Plan at 15.757% of salary, increase the employer contribution to the CalPERS Retirement Plan to 19.169%, as required by CalPERS, with no contribution from the District to the employees' rate of 8%.

3.0 Five Year Capital Improvement Program Budget

Section 11 contains the proposed 2011/2012 budget for the Five Year Capital Improvement Program. The Five Year Capital Improvement Program continues the direction for a phased construction of the Treatment Plant expansion and upgrade project.

Phases 2A and 2B designate the split construction phases that were presented in the Fiscal Year 2008/2009 Budget. Construction Phase 2B of the Treatment Plant is currently projected to occur in Fiscal Year 2016/2017 and therefore falls outside of the attached Five Year Capital Improvement Program.

As a result of the pre-design report completed in 2009/2010 for the Requa Avenue Interceptor Project, the first phase (now designated as Phase A) of the proposed Requa Street Interceptor has been reconfigured to accept a larger amount of existing flow above what was previously envisioned to be diverted. The prior split between Fund 12 and Fund 13 remains at 76.295 % and 23.705 % respectively. It is anticipated that construction of Phase A of the project with the inclusion of the additional existing flow diversions would significantly delay the need for construction of the remainder of the proposed line from Requa and Flower to the western edge of the District.

In 2004, the District started to move forward with construction on several large scale projects aimed at expanding and renovating a number of major sewer lines as well as renovating and expanding the treatment plant. In doing so, a significant portion of the District's reserve funds were used. In addition, several financing mechanisms were also used to provide the needed revenue. The Shadow Hills Assessment District 2004-VSD was formed to provide funding of the necessary treatment plant expansion and the Shadow Hills Interceptor construction attributable to providing capacity to the developments that were included within the Assessment District. Several developers prepaid a number of connection capacity fees to provide capital for the expansion of District facilities. The District received additional capital through the issuance of Certificates of Participation (COP). To date, these funding sources have enabled the District to invest about \$47,000,000 in the renovations and expansions of the District's collection and treatment facilities since 1998 with almost \$40,000,000 of that investment having been made in the past nine years. Of the \$47,000,000 spent on the District facilities since 1998, about \$6,900,000 has been for the renovation and rehabilitation and/or replacement of existing facilities and thus funded through the sewer use fee.

Projections were that the District would continue to move forward with additional large scale collection system and treatment plant projects, due to continued growth. The actual growth and projects for growth have been scaled back, due to the economic downturn. This has resulted in a decrease in connection capacity revenue, and these projects have been deferred. These project are due to the need for capacity enhancement (capacity

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2011/2012 BUDGET**

connection charges) as well as for rehabilitation and replacement (reserve funding from user rates).

The designs of these projects are inter-related to both capacity enhancement and replacement/rehabilitation and it limits the ability separate the design and construction into phases. The projects have been reduced in scope, concentrating on building replacements and upgrades to existing treatment facilities while deferring construction of the portions of the facilities intended to increase capacity. Thus, Construction Phase 2 was broken up into two construction phases being designated Construction Phase 2A and 2B. As the design of Construction Phase 2A progressed during Fiscal Year 2009/2010, further reductions in the scale of this project were made. Construction Phase 2A will target replacement of the activated sludge plant primary clarifiers and replacement of the current sludge treatment facilities by the installation of an anaerobic digester. The most recent estimate from the engineer projects the construction cost for Phase 2A at \$16,900,000 with a little over \$10,100,000 of the project attributed to replacement facilities and therefore paid from Fund 12 reserves.

The project to expand the laboratory and renovate the administration building was started in 2003. The design for these facilities is complete, and has been integrated into a single bid package for construction with the Plant upgrade. It is anticipated, after final Board review and approval, that these project will be out to bid during Quarter 3 of 2011.

Budgets prior to 2009/2010 listed the proposed Requa Street Interceptor as funded entirely from Fund 13 connection capacity reserves. For the 2009/2010 budget the preliminary evaluation of the cost payable from Fund 12 resulted in a determination that 14.63% of the cost of the Requa Street Interceptor should be funded from Fund 12 reserves. After completion of the pre-design report for the Requa Street Interceptor during the 2009/2010 Fiscal Year, it was concluded that it would be advantageous to divert additional existing flow into the Requa Street Interceptor. Because of the slow rate of development, the primary need for the installation of Phase A of the interceptor is to address existing conditions and not to provide capacity enhancement due to development. Based on this assessment, the split for Phase A of the Requa Street Interceptor, 76 %, should be funded from Fund 12 reserves with 24 % funded from Fund 13 reserves. With the current projected construction cost of \$ 3,253,378 for Phase A of the project, this equates to slightly over \$ 2,400,000 charged to Fund 12 reserves and a little less than \$780,000 charged to Fund 13 reserves.

Pending favorable bids, decisions will be made to move forward with these projects. Based on bid result, one or more of the projects may be deferred to a subsequent fiscal year. The advantage in trying to move forward at this time is the potential to get highly competitive bids. The engineers and architect working on these projects have been reporting that their experience with the current market is that construction bids on recent projects are being returned that are lower than the engineer's estimates, sometimes by as much as 20-25 percent.

VALLEY SANITARY DISTRICT FISCAL YEAR 2011/2012 BUDGET

4.0 Fiscal Year 2011/2012 Budget

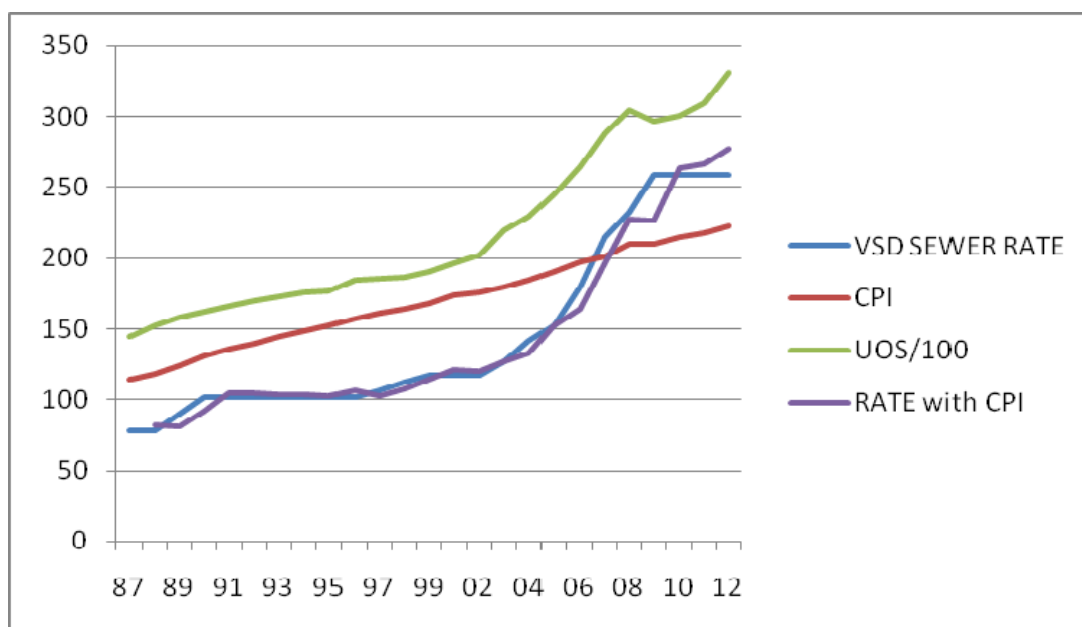
The Fiscal Year budget continues the best practices and budgeting methods from years past at the District. Continued evaluation of increased efficiencies, improved work methods, and judicious use of funds and resources continue. Opportunities to reduce costs, improve efficiency and provide better value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

5.0 Annual Sewer Use Fee

The draft Fiscal Year budget discusses the current status of the sewer rates. The terminology will reflect current industry practice of referring to units of service (UOS) as Equivalent Dwelling Units (EDU), these are interchangeable. This budget retains the existing methodology for the formulation of the annual sewer use fee.

Figure 1 presents the historical view of the relationship of the units of service (EDU), consumer price index (CPI), historical annual sewer user fee and projected sewer use fee, accounting for inflation.

Figure 1: Historical Graph of Annual Sewer Use Fee



The graph shows the historical relationships. Keeping rates stable are admirable; however, caution must be exercised in retaining flat sewer user 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.

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2011/2012 BUDGET**

Reasons to consider changes to the sewer use fee are:

- The District has not raised this fee for three years, and costs continue to rise.
- The CPI has increased 7 percent since the last sewer use fee increase.
- If the Sewer Use Fee had kept pace with the Consumer Price Index (CPI), the annual fee would be \$ 277. for the Fiscal Year 2011 / 2012.
- There has been an increase in 2,198 units of service increase since the last increase (an increase of 7 percent).
- Next year, there will be increased cost pressures due to expected increases in fuel, energy and chemicals costs.
- The District will embark on the Plant expansion project, and there will be modest increased in operating costs with that expansion.
- If there is no increase, it would be the fourth year of no increases. History at VSD has shown that deferred rate increases result in more dramatic increased later, to catch up to latent cost of service requirements, as shown in Figure 1 above.

Reasons to maintain the sewer use fee at the current level are:

- District staff has continues to operate in an efficient manner.
- The proposed budget defers some expenses, such as staff and capital expenditures.
- Unspent surpluses continue to accrue to the operations and maintenance reserve fund.
- There continue to be opportunities to improve operations, although they are modest, as the District has run a very efficient operation for many years.
- The economic climate suggests continued restraint may be welcomed.

Comparable sewer use fees from other local agencies are:

City of Coachella Sanitary District	\$ 501.
California Statewide Average (2009)	\$ 432.
Mission Springs Water District	\$ 318. (\$ 375. in 2012)
Coachella Valley Water District	\$ 294. – \$389. (based on location)
City of Beaumont	\$ 220. – \$285. (based on location)
City of Banning	\$ 178.
City of Palm Springs	\$ 125. (Increase under consideration)

It is also recommended that the District needs to complete an independent sewer rate and capacity connection study. The methodology utilized by the District has not been updated since 1997, does not follow current best practices, relies on outdated information and does not have a rate model that can be used year after year.

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2011/2012 BUDGET**

6.0 Capacity Connection Charge

The last Valley Sanitary District capacity connection charge study was for the 2004/2005 Fiscal Year. This report calculated the cost to “buy in” to the existing sewer system, based on the assets of the District at that time. Since that time, Staff has updated this report to adjust the system value by the Engineering News Record (ENR) 20 City Average Construction Cost Index as of February 2006, added the value of collection system projects constructed subsequent to the 2004 report and updated the treatment plant land values. The resulting “Valley Sanitary District Connection Capacity Charge April 2006” established a connection capacity charge of \$3,565.00 per EDU. For fiscal years 2007/2008 through 2009/2010, the Connection Capacity Charge of \$3,565 has been adjusted annually by the ENR 20 City Average Construction Cost Index (CCI) for February of each year. The annual ENR adjustment has progressively raised the Connection Capacity Charge to its current level of \$3,957.

This method, while acceptable, is not the most preferable, since it simply updates construction cost indices, and does not update the actual replacement value of the District system, nor do a valuation of the system. However, during intermediate years, it certainly can adjust for inflation and cost of living increases. For this reason, it is recommended that during the next fiscal year, that a more comprehensive rate study be performed.

During Fiscal Year 2010/2011, the capacity connection charge was not raised and remained at \$ 3,957. The current ENR 20 City Average CCI of 8998 compared to the CCI Index in FY 2010/2011 at 8553. Based on an increase of 5.39 percent, the cumulative increase would be to \$4,173.

$(1.63 \% + 3.76 \%) = 5.39 \%$. or \$ 4,173.

The development market is still very depressed, and changes to this amount, would not appreciably result in substantial revenue increases, since development is very slow.

Other local agency capacity connection charges are:

Coachella Valley Water District	\$ 4,231.
City of Coachella Sanitary District	\$ 3,374.
City of Beaumont	\$ 3,149.
City of Palm Springs	\$ 3,000.
City of Banning	\$ 2,786.
Mission Springs Water District	\$ 2,520.

The recommendation is that, in consideration of the depressed development within our service area, the Connection Capacity Charge not be raised from the current amount of \$3,957.

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2011/2012 BUDGET**

7.0 Recommendations

7.1 Fiscal Year 2011 / 2012 Salary Adjustment

The recommendation is to approve the Salary Schedule on Page 2.3 that does provide for a cost of living increase of 1.5 percent and allow applicable step increases for eligible employees.

7.2 Fiscal Year 2011 / 2012 Pension Contribution

The recommendation is that the District maintain the contribution from the District to the Defined Contribution Retirement Plan at 15.757% of salary, increase the employer contribution to the CalPERS Retirement Plan to 19.169%, as required by CalPERS, with no contribution from the District to the employees' rate of 8%.

7.3 Adoption of Fiscal Year 2011 / 2106 Five Year Capital Plan

The recommendation is that the Five Year Capital Improvement Program (2011/2012 - 2015/2016) be adopted.

7.4 Adoption of the Sewer User Fee

The recommendation is that the Annual Sewer Use Fee remain at \$259.00 per year (\$21.58 per month).

7.5 Adoption of the Capacity Connection Charge

The recommendation is that the connection capacity fee remain at the current level of \$3,957 per equivalent dwelling unit (EDU) or unit of service and that the \$115 fee for the Reimbursement Agreement for "Excess Portion" of Off-Site Improvements with S&D Indian Palms as adopted by the Board on October 26, 1999 remain at that amount.

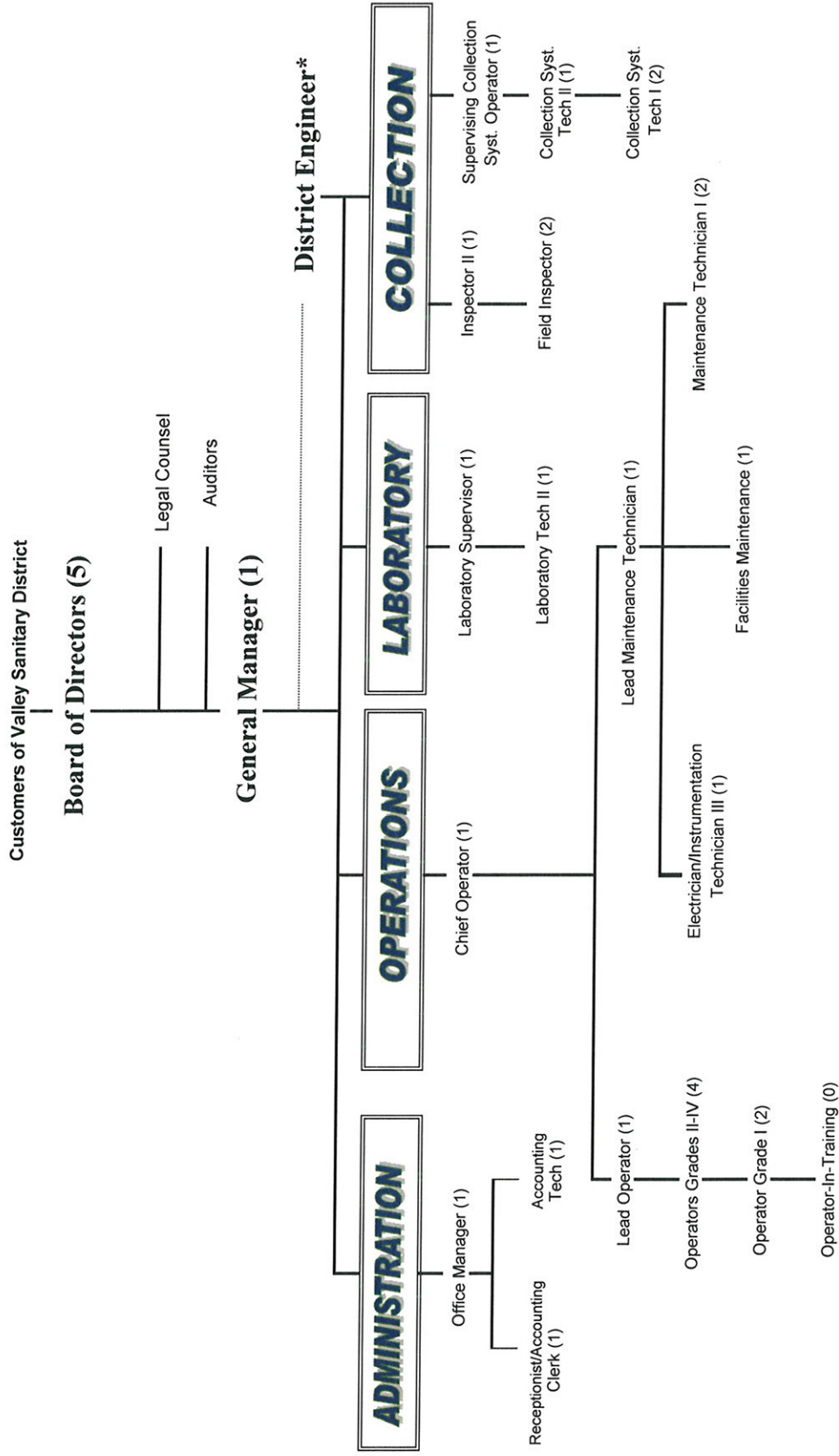
My sincere thanks to all employees and Rex Sharp, Former General Manager who assisted in the budget preparation process, their input has been valuable to the process.

Respectfully submitted,

Joseph Glowitz, P.E. PMP
General Manager

VALLEY SANITARY DISTRICT

ORGANIZATIONAL CHART



*Deferred

Revised 3/2011

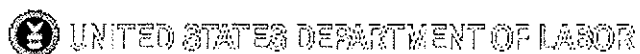
Range Assignments

JOB CLASSIFICATION	RANGES	POSITIONS
ACCOUNTING TECH	10	1
CHIEF PLANT OPERATOR	18	1
COLLECTION SYSTEMS INSPECTOR I	11	2
COLLECTION SYSTEMS INSPECTOR II	16	1
COLLECTION SYSTEMS SUPERVISOR	16	1
COLLECTION SYSTEMS TRAINEE	5	0
COLLECTION SYSTEMS TECH I	7	2
COLLECTION SYSTEMS TECH II	9	1
COLLECTION SYSTEMS TECH III	11	0
ELECTRICIAN/INSTRUMENTATION TECH III	14	1
FACILITIES MAINTENANCE	5	1
GENERAL MANAGER	Board Established	1
DISTRICT ENGINEER	* 23	0
LABORATORY TRAINEE	5	0
LABORATORY TECH I	9	0
LABORATORY TECH II	12	1
LABORATORY SUPERVISOR	16	1
MAINTENANCE HELPER	5	0
LEAD MAINTENANCE TECHNICIAN	14	1
MAINTENANCE TECH I	7	2
MAINTENANCE TECH II	9	0
MAINTENANCE TECH III	11	0
OFFICE MANAGER	18	1
OPERATOR-IN-TRAINING	5	0
OPERATOR I	8	2
OPERATOR II	10	3
OPERATOR III	12	1
LEAD OPERATOR	14	1
RECEPTIONIST/ACCOUNTING CLERK	6	1
TOTAL BUDGETED POSITIONS		26

* Deferred until FY 2012/2013

VALLEY SANITARY DISTRICT								2011/2012 SALARY SCHEDULE						
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	2,486	2,548	2,612	2,677	2,744	2,813	2,883	2,955	3,029	3,105	3,182	3,262	3,343	3,427
2	2,610	2,676	2,742	2,811	2,881	2,953	3,027	3,103	3,180	3,260	3,341	3,425	3,511	3,598
3	2,741	2,809	2,880	2,952	3,025	3,101	3,179	3,258	3,339	3,423	3,508	3,596	3,686	3,778
4	2,878	2,950	3,024	3,099	3,177	3,256	3,337	3,421	3,506	3,594	3,684	3,776	3,870	3,967
5	3,022	3,097	3,175	3,254	3,335	3,419	3,504	3,592	3,682	3,774	3,868	3,965	4,064	4,166
6	3,173	3,252	3,333	3,417	3,502	3,590	3,680	3,772	3,866	3,962	4,061	4,163	4,267	4,374
7	3,331	3,415	3,500	3,588	3,677	3,769	3,863	3,960	4,059	4,161	4,265	4,371	4,480	4,592
8	3,498	3,586	3,675	3,767	3,861	3,958	4,057	4,158	4,262	4,369	4,478	4,590	4,704	4,822
9	3,673	3,765	3,859	3,955	4,054	4,156	4,260	4,366	4,475	4,587	4,702	4,819	4,940	5,063
10	3,857	3,953	4,052	4,153	4,257	4,363	4,472	4,584	4,699	4,816	4,937	5,060	5,187	5,316
11	4,049	4,151	4,254	4,361	4,470	4,582	4,696	4,814	4,934	5,057	5,184	5,313	5,446	5,582
12	4,252	4,358	4,467	4,579	4,693	4,811	4,931	5,054	5,181	5,310	5,443	5,579	5,718	5,861
13	4,464	4,576	4,691	4,808	4,928	5,051	5,177	5,307	5,440	5,576	5,715	5,858	6,004	6,154
14	4,688	4,805	4,925	5,048	5,174	5,304	5,436	5,572	5,712	5,854	6,001	6,151	6,304	6,462
15	4,922	5,045	5,171	5,301	5,433	5,569	5,708	5,851	5,997	6,147	6,301	6,458	6,620	6,785
16	5,168	5,297	5,430	5,566	5,705	5,847	5,994	6,143	6,297	6,454	6,616	6,781	6,951	7,124
17						6,140		6,451		6,777		7,120		7,481
18						6,447		6,773		7,116		7,476		7,855
19						6,769		7,112		7,472		7,850		8,247
20						7,108		7,467		7,845		8,243		8,660
21						7,463		7,841		8,238		8,655		9,093
22						7,836		8,233		8,650		9,087		9,547
23						8,228		8,644		9,082		9,542		10,025
24						8,639		9,077		9,536		10,019		10,526
25						9,071		9,530		10,013		10,520		11,052
26						9,525		10,007		10,514		11,046		11,605
27						10,001		10,507		11,039		11,598		12,185

7/1/2011


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From: 2006 To: 2011

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Data extracted on: March 22, 2011 (6:08:58 PM)

Consumer Price Index - Urban Wage Earners and Clerical Workers

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

Download: .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	H/
2006	198.3	199.9	200.8	202.9	205.0	204.2	204.5	205.0	205.3	203.5	203.3	202.9	203.0	
2007	204.498	206.632	208.929	210.195	211.145	209.614	209.444	209.240	209.849	211.259	212.844	212.282	209.661	209.661
2008	213.825	214.231	216.493	217.914	219.702	222.435	223.245	221.230	220.285	218.726	214.083	211.007	217.765	217.765
2009	212.454	213.234	213.013	213.405	214.446	216.145	216.128	216.628	217.302	217.474	216.618	216.233	215.257	215.257
2010	217.290	217.090	218.157	218.475	218.787	218.222	218.367	218.752	218.427	219.339	218.694	219.619	218.435	218.435
2011	221.540	222.814												

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

Download: .xls

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													

Average from March, 2010 through Feb., 2011 = 1.533%

PAGE 2.4

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BUDGET REVENUE PROJECTIONS	2011/2012 BUDGET
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ACCOUNT NO.	ACCOUNT TITLE	2010/11 REVENUE PROJECTIONS	2010/11 ANTICIPATED CLOSE	2011/12 REVENUE PROJECTIONS
FUND 11				
OPERATING REVENUES:				
11-4120-000-0	SEWER SERVICE - CURRENT	8,492,610 (1)	8,472,024	8,588,958 (1)
11-4130-000-0	SEWER SERVICE - PRIOR	750,000	29,707	10,500
11-4140-000-0	SEWER SERVICE CHGS-PENAL	0	49,316	45,000
11-4210-000-0	PERMIT/INSPECTION FEES	17,000	28,262	28,737
11-4250-000-0	SEWER MAINTENANCE SVC	0	0	0
11-4260-000-0	SADDLES/DISCONNECT FEES	200	58	116
11-4270-000-0	PLAN CHECK FEES	6,000	4,390	4,496
11-4285-000-0	OTHER SERVICES	0	10,890	2,500
11-4310-000-0	SALE OF SURPLUS PROPERTY	3,000	0	5,000
11-4320-000-0	SALE OF PLANS & SPECS	400	42	4,250
SUB-TOTALS:		9,269,210	8,594,689	8,689,557
NON-OPERATING REVENUES:				
11-4510-000-0	INTEREST REVENUE	97,000	21,874	21,500
11-4530-000-0	RENTS & LEASES	0	0	0
11-4420-000-0	PROPERTY TAXES	40,556	53,651	55,000
11-4430-000-0	TAXES - CURRENT SECURED	450,000	469,000	470,000
11-4440-000-0	TAXES - CURRENT UNSECURI	23,000	22,753	24,685
11-4450-000-0	TAXES - PRIOR SECURED	55,500	75,500	75,500
11-4460-000-0	TAXES - PRIOR UNSECURED	1,000	1,177	1,200
11-4465-000-0	TAXES - PENALTIES	0	4,859	4,500
11-4470-000-0	TAXES - SUPPL CURRENT	8,000	3,595	4,000
11-4480-000-0	TAXES - SUPPL PRIOR	7,000	1,114	1,200
11-4500-000-0	HOMEOWNERS TAX RELIEF	7,500	7,212	7,300
11-4550-000-0	OTHER INTERGOVERN/RDA	0	0	0
11-4572-000-0	OTHER NON-OPERATING REV	0	0	0
11-4574-000-0	NON-OPERATING REV	4,000	7,435	4,000
SUB-TOTALS:		693,556	668,170	668,885
FUND 11 GRAND TOTALS:		9,962,766	9,262,859	9,358,442
FUND 13				
OPERATING REVENUES				
13-4200-000-0	CONNECTION FEES	269,076 (2)	288,992	114,753 (2)
SUB-TOTALS		269,076	288,992	114,753
NON-OPERATING REVENUES				
13-4510-000-0	INTEREST REVENUE	125,000	50,115	50,000
SUB-TOTALS		125,000	50,115	50,000
FUND 13 GRAND TOTALS:		394,076	339,107	164,753
TOTAL REVENUES:		10,356,842	9,601,966	9,523,195
(1) AT \$259/UO (2) AT \$3,957.00/UOS				

ACCOUNT #	ACCOUNT TITLE	CURRENT 2010/11 BUDGET (27 Employees)	2010/11 ANTICIPATED CLOSE	BUDGET REQUEST (26 Employees)
11-5030-400-0	SALARIES	1,857,614	1,732,167	1,793,880
11-5070-400-0	OVERTIME	63,600	24,743	36,514
11-5080-400-0	CALLOUT	9,325	2,706	9,325
11-5090-400-0	STANDBY	29,820	28,700	31,312
TOTAL SALARIES		1,960,359	1,788,316	1,871,031
11-5110-400-0	LONGEVITY	45,600	37,055	35,350
11-5112-400-0	RETIREMENT	306,100	279,872	343,869
11-5116-400-0	FICA	142,109	133,058	137,233
11-5118-400-0	UNEMPLOYMENT	5,500	1,768	5,500
11-5122-400-0	WORKERS COMP	80,980	43,105	42,499
11-5124-400-0	GROUP LIFE	7,602	7,308	5,442
11-5126-400-0	GROUP HEALTH	274,899	247,183	301,155
11-5128-400-0	DENTAL/VISION	19,200	10,098	17,240
11-5132-400-0	DISABILITY	28,485	22,937	15,264
11-5152-400-0	CLOTHING/SAFETY	18,055	12,586	16,630
TOTAL BENEFITS		928,530	794,970	920,182
TOTAL SALARIES/BENEFITS		2,888,889	2,583,286	2,791,213
11-5150-400-0	DIRECTORS FEES	13,500	12,500	13,500
11-5225-400-0	ELECTION	0	0	65,000
11-5250-400-0	GAS/OIL	34,049	32,314	35,751
11-5300-400-0	COMP INS	349,465	314,481	330,205
11-5350-400-0	MEMBERSHIPS	26,826	26,471	26,306
11-5400-400-0	OFFICE EXP	13,000	12,373	13,000
11-5410-400-0	COUNTY/CITY CHGS	13,930	15,685	17,868
11-5420-400-0	PERMITS & FEES	75,395	56,918	55,803
11-5430-400-0	PRETREATMENT	1,000	910	1,000
11-5450-400-0	OPERATING SUPPLIES	80,947	87,186	97,886
11-5470-400-0	CHEMICALS	244,957	229,952	234,003
11-5500-400-0	CONTRACT SVCS	409,092	323,874	461,914
11-5550-400-0	PROFESSIONAL/LEGAL	97,000	81,685	99,201
11-5600-400-0	PUBLICATIONS	3,000	2,870	3,000
11-5700-400-0	REPAIRS/MAINT	216,303	185,695	216,874
11-5720-400-0	SMALL TOOLS	6,500	3,955	5,500
11-5750-400-0	RESEARCH	96,194	85,579	101,875
11-5800-400-0	TRAVEL/MTGS/ED	47,582	37,234	54,716
11-5801-400-0	CERTIFICATIONS/TCPS	3,327	1,895	3,452
11-5901-400-0	TELEPHONE	6,610	5,022	6,790
11-5902-400-0	ELECTRICITY	582,305	581,984	596,534
11-5903-400-0	NATURAL GAS	1,004	490	1,004
11-5904-400-0	TRASH COLL	21,386	19,224	20,931
11-5905-400-0	UTILITY WATER	17,901	18,688	19,366
11-5950-400-0	OTHER EXP	5,398	4,296	5,518
11-7010-000-0	DEPRECIATION EXPENSE	1,797,014	1,861,408	1,808,993
TOTAL SERVICES & SUPPLIES		4,163,685	4,002,689	4,295,990
TOTAL OPERATING/MAINT BUDGET		7,052,574	6,585,975	7,087,203

DEPARTMENTAL BUDGET REQUEST SUMMARY

2011-2012 BUDGET

ACC NO.	DESCRIPTION	COLLECTION	TREATMENT	SLUDGE	GEN PLANT	LAB	ADMIN	TOTAL
11-5030-400-0	SALARIES	503,060	700,842	132,798	44,184	150,435	339,712	1,871,031
11-5110-400-0	LONGEVITY	9,850	15,900	3,600	0	6,000	0	35,350
11-5112-400-0	RETIREMENT	89,693	128,484	24,277	8,470	28,305	64,640	343,869
11-5116-400-0	FICA	35,795	51,276	9,689	3,380	11,296	25,797	137,233
11-5118-400-0	UNEMPLOY INS	1,000	3,000	500	500	500	0	5,500
11-5122-400-0	WC INSURANCE	13,398	19,192	3,626	1,265	4,228	790	42,499
11-5124-400-0	GROUP LIFE INS	1,426	2,042	365	134	448	1,027	5,442
11-5126-400-0	HEALTH INS	79,731	129,240	10,217	21,011	13,452	47,504	301,155
11-5128-400-0	DENTAL/VISION	2,840	6,000	1,200	600	1,200	5,400	17,240
11-5132-400-0	DISABILITY	7,346	3,993	724	265	912	2,024	15,264
11-5152-400-0	CLOTHING	4,225	7,957	1,592	796	2,060	0	16,630
TOTAL BENEFITS		245,304	367,084	55,790	36,421	68,401	147,182	920,182
=====								
TOTAL WAGES/BENEFITS		748,364	1,067,926	188,588	80,605	218,836	486,894	2,791,213
=====								
11-5150-400-0	DIRECTORS FEES	0	0	0	0	0	13,500	13,500
11-5225-400-0	ELECTION EXP	0	0	0	0	0	65,000	65,000
11-5250-400-0	GAS/OIL/FUEL	0	0	0	35751	0	0	35,751
11-5300-400-0	COMP INS	0	0	0	0	0	330,205	330,205
11-5350-400-0	MEMBERSHIPS/SUBSCR	924	1,537	264	132	328	23,121	26,306
11-5400-400-0	OFFICE EXPENSE	0	0	0	0	0	13,000	13,000
11-5410-400-0	COUNTY/CITY CHGS	0	0	0	0	0	17,868	17,868
11-5420-400-0	PERMITS/FEES	7,078	39,680	161	2,009	3,875	3,000	55,803
11-5430-400-0	PRETREATMENT	1,000	0	0	0	0	0	1,000
11-5450-400-0	OPERATING SUPP	3,000	8,500	43,810	23,987	12,000	6,589	97,886
11-5470-400-0	CHEMICALS	0	234,003	0	0	0	0	234,003
11-5500-400-0	CONTRACT SVCS	61,735	218,862	133,590	16,717	1,720	29,290	461,914
11-5550-400-0	PROFESSIONAL/LEGAL	0	0	0	0	0	99,201	99,201
11-5600-400-0	PUBLICATIONS	0	0	0	0	0	3,000	3,000
11-5700-400-0	REPAIRS/MAINT	45,190	84,500	23,000	45,717	7,250	11,217	216,874
11-5750-400-0	SMALL TOOLS/EQUIP	1,000	2,500	500	1,000	500	0	5,500
11-5750-400-0	RESEARCH/MONITOR	0	0	0	0	101,875	0	101,875
11-5800-400-0	TRAVEL/MTGS/EDUC	5,600	22,736	1,600	800	1,680	22,300	54,716
11-5801-400-0	CERTIFICATIONS/TCP	952	1,680	495	0	218	107	3,452
11-5901-400-0	TELEPHONE	0	0	0	6,010	0	780	6,790
11-5902-400-0	ELECTRICITY	5,257	532,122	47,030	12,125	0	0	596,534
11-5903-400-0	NATURAL GAS	0	150	0	854	0	0	1,004
11-5904-400-0	TRASH COLLECTION	0	12,638	0	8,293	0	0	20,931
11-5905-400-0	UTILITY WATER	3,150	0	10,933	5,283	0	0	19,366
11-5950-400-0	OTHER EXPENSE	800	2,148	360	210	500	1,500	5,518
11-7010-000-0	DEPRECIATION EXP	531,996	1,069,487	172,624	29,627	1,014	4,245	1,808,993
TOTAL SVC & SUPPLIES		667,682	2,230,543	434,367	188,515	130,960	643,923	4,295,990
=====								
TOTAL O & M BUDGET		1,416,046	3,298,469	622,955	269,120	349,796	1,130,817	7,087,203
=====								

BUDGET REVENUE PROJECTIONS		2011/2012 BUDGET		
ACCOUNT NO.	ACCOUNT TITLE	2010/11 REVENUE PROJECTIONS	2010/11 ANTICIPATED CLOSE	2011/12 REVENUE PROJECTIONS
FUND 11				
OPERATING REVENUES:				
11-4120-000-0	SEWER SERVICE - CURRENT	8,492,610 (1)	8,472,024	8,588,958 (1)
11-4130-000-0	SEWER SERVICE - PRIOR	750,000	29,707	10,500
11-4140-000-0	SEWER SERVICE CHGS-PENALT	0	49,316	45,000
11-4210-000-0	PERMIT/INSPECTION FEES	17,000	28,262	28,737
11-4250-000-0	SEWER MAINTENANCE SVC	0	0	0
11-4260-000-0	SADDLES/DISCONNECT FEES	200	58	116
11-4270-000-0	PLAN CHECK FEES	6,000	4,390	4,496
11-4285-000-0	OTHER SERVICES	0	10,890	2,500
11-4310-000-0	SALE OF SURPLUS PROPERTY	3,000	0	5,000
11-4320-000-0	SALE OF PLANS & SPECS	400	42	4,250
SUB-TOTALS:		9,269,210	8,594,689	8,689,557
NON-OPERATING REVENUES:				
11-4510-000-0	INTEREST REVENUE	97,000	21,874	21,500
11-4530-000-0	RENTS & LEASES	0	0	0
11-4420-000-0	PROPERTY TAXES	40,556	53,651	55,000
11-4430-000-0	TAXES - CURRENT SECURED	450,000	469,000	470,000
11-4440-000-0	TAXES - CURRENT UNSECURED	23,000	22,753	24,685
11-4450-000-0	TAXES - PRIOR SECURED	55,500	75,500	75,500
11-4460-000-0	TAXES - PRIOR UNSECURED	1,000	1,177	1,200
11-4465-000-0	TAXES - PENALTIES	0	4,859	4,500
11-4470-000-0	TAXES - SUPPL CURRENT	8,000	3,595	4,000
11-4480-000-0	TAXES - SUPPL PRIOR	7,000	1,114	1,200
11-4500-000-0	HOMEOWNERS TAX RELIEF	7,500	7,212	7,300
11-4550-000-0	OTHER INTERGOVERN/RDA	0	0	0
11-4572-000-0	OTHER NON-OPERATING REV	0	0	0
11-4574-000-0	NON-OPERATING REV	4,000	7,435	4,000
SUB-TOTALS:		693,556	668,170	668,885
FUND 11 GRAND TOTALS:		9,962,766	9,262,859	9,358,442
FUND 13				
OPERATING REVENUES				
13-4200-000-0	CONNECTION FEES	269,076 (2)	288,992	114,753 (2)
SUB-TOTALS		269,076	288,992	114,753
NON-OPERATING REVENUES				
13-4510-000-0	INTEREST REVENUE	125,000	50,115	50,000
SUB-TOTALS		125,000	50,115	50,000
FUND 13 GRAND TOTALS:		394,076	339,107	164,753
TOTAL REVENUES:		10,356,842	9,601,966	9,523,195
(1) AT \$259/UOS (2) AT \$3,957.00/UOS				

PROJECTED REVENUE

FUND 11

11-4120-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Sewer Service-Current	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Revenue
	\$8,267,021	8,499,219	8,492,610	8,472,024	\$ 8,588,958

SEWER SERVICE-CURRENT: Sewer Service revenue for the FY 2010/11 was based on 32,790 units of service at an annual rate of \$259.00 per unit. We added 281 direct billed units of service and anticipate adding 205 new units of service due to new connections, but we also reduced our units of service count by 114 during the FY 2010/11 for a total of 33,162 units of service at an annual rate of \$259.00 for the 2011/2012 Fiscal Year.

11-4130-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Sewer Service-Prior	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Revenue
	\$700,000	40,630*	750,000	29,707*	\$ 10,500

SEWER SERVICE-PRIOR: This category is for prior-years delinquent sewer use fees collected by the county including penalty charges.

*The actual close for FY 2009/10 and the anticipated close for FY 2010/11 are low due to a change in recording revenue. We now accrue sewer service revenue in the year it is earned and post the receipts against accounts receivable. The only receipts for this account are for delinquent accounts that are designated as such on the tax roll with the fund number 68-4683.

11-4140-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Sewer Service-Penalties	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Revenue
	\$0	25,880	0	49,316	\$ 45,000

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

11-4210-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Permit/Inspection Fees	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Revenue
	\$20,000	25,880	17,000	28,262	\$ 28,737

PERMIT/INSPECTION FEES: Estimated for lateral and mainline inspections. We now collect deposits for inspections.

11-4250-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Sewer Maintenance	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Revenue
	\$ 0	0	0	0	\$ 0

SEWER MAINTENANCE: No anticipated revenues for this category.

PROJECTED REVENUE

11-4260-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Saddles/Disconnect Fees	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$100	290	100	58	\$ 116

SADDLES/DISCONNECT FEES: We cannot accurately predict the amount of disconnect inspections and saddle installations that will occur during the fiscal year.

11-4270-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Plan Check Fees	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$5,000	5,608	6,000	4,390	\$ 4,496

PLAN CHECK FEES: Anticipated revenue is based on a \$50.00 per hour fee with one hour minimum fee for plan checking. We now collect deposits for plan checks.

11-4285-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Other Services	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$ 100	10,890*	0	2,500	\$ 2,500

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

*The actual close for FY 2009/10 was high due to recouping administrative charges provided over the last four years.

11-4310-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Sale of Surplus Property	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$0	6,358*	3,000	0	\$ 5,000

SALE OF SURPLUS PROPERTY: Income from the sale of property no longer used by the District. We anticipate selling furniture and equipment that will be replaced during the renovation of the Administration Building in FY 2011/12.

*The actual close for FY 2009/10 was high due to the sale of several old District vehicles.

11-4320-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Sale of Plans/Specs	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$200	386	400	42	\$ 4,250

SALE OF PLANS/SPECS: Estimated revenue from plans and specifications for District improvement projects. Anticipated revenue for FY 2011/12 is high due to Phase II of the Treatment Plant Expansion, renovation of the Administrative Office, Construction of the new Operations and Lab Buildings and the Requa Interceptor pipeline.

PROJECTED REVENUE

11-4420-000-0 Property Taxes	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$85,000	69,795	40,556	53,651	\$ 55,000

PROPERTY TAXES: Indio Redevelopment Agency 2007 and 2008 Pass-through for Indio Centre Renewal (02-2452); Indio Centre Renewal –'83 Anx (02-2453); Date Capital Project (02-2454); and Indio Merger Project (02-2463).

11-4430-000-0 Taxes-Current Secured	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$548,000	475,175	450,000	469,000	\$ 470,000

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 district is 1%. Of this 1%, we received .00032528% of the general purpose funds county-wide for 2009-10. The AB8 factor for 2010-11 is .00032000%. At the time of budget preparation the 2011-12 factor had not been calculated by the County. The factor will be calculated around November 2011.

11-4440-000-0 Taxes-Current Unsecured	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$25,000	24,685	23,000	22,753	\$ 24,685

CURRENT UNSECURED: Unsecured property are items such as motor homes, airplanes, boats and other moveable personal property. The portion of revenue designated for special district is 1%. Of this 1%, we received .00032528% of the general purpose funds county-wide for 2009-10. The AB8 factor for 2010-11 is .00032000%. At the time of budget preparation the 2011-12 factor had not been calculated by the County. The factor will be calculated around November 2011.

11-4450-000-0 Taxes-Prior Secured	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$15,000	75,675	55,500	75,500	\$ 75,500

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

11-4460-000-0 Taxes-Prior Unsecured	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$1,800	2,111	1,000	1,177	\$ 1,200

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 based on current year activity.

PROJECTED REVENUE

11-4465-000-0 Taxes-Penalties	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$0	2,111	0	4,859	\$ 4,500

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

11-4470-000-0 Supplemental Taxes-Current	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$48,000	9,941*	8,000	3,595*	\$ 4,000

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

*The actual close for FY 2009/10 and the anticipated close for FY 2010/11 are low due to the reduction in resales of existing homes.

11-4480-000-0 Supplemental Taxes-Prior	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$18,000	4,967*	7,000	1,114*	\$ 1,200

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

*The actual close for FY 2009/10 and the anticipated close for FY 2010/11 are low due to the reduction in resales of existing homes.

11-4500-000-0 Homeowner's Tax Relief	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$8,000	7,268	7,500	7,212	\$ 7,300

HOMEOWNER'S TAX RELIEF: This is the portion of tax funds replaced by State resources for tax relief for homeowners. As an example, if your homeowner's exemption is \$7,000 on your property valuation, the State replaces the taxes that the \$7,000 valuation would have provided to the county.

11-4510-000-0 Interest Revenue	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$150,000	33,396*	97,000	21,874*	\$ 21,500

INTEREST REVENUE: Projected revenue is based on interest earned during FY 2010/11 from funds on deposit through LAIF with the State of California and a money market account which was established in FY 1997/98 to provide better interest income compared to the regular checking account and yet has funds accessible for emergencies. The quarterly percentage rate earned averaged .52% from LAIF for the period of 3/31/10 to 12/31/10.

*The actual close for FY 2009/10 and anticipated close for FY 2010/11 are low due to the continual drop in interest rates.

PROJECTED REVENUE

11-4530-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Rents & Leases	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$0	0	0	0	\$ 0

RENTS & LEASES:

11-4550-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Other Intergovernmental	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$ 0	0	0	0	\$ 0

OTHER INTERGOVERNMENTAL REVENUES: General purpose funds received from County of Riverside as a result of Proposition 13.

11-4572-000-0	FY 2009/10		FY 2010/11		FY 2011/12
Other Non-Operating Revenues	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$1,200	0	4,000	7,435	\$ 4,000

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

PROJECTED REVENUE

FUND 13

13-4200-000-0 Connection Fees	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$336,345	304,428	269,076	288,992	\$ 114,753

Total Anticipated Connections	118
Less Anticipated Connections paid by AD 2004 VSD or Prepayment Agreement	<u>- 89</u>
Anticipated Connections that are not in AD or prepaid	29

Proposed 2011/12 Connection Capacity Fee \$3,957.00 per unit of service

13-4510-000-0 Interest Revenue	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Revenue
	\$320,000	64,590*	125,000	50,115*	\$ 50,000

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 §16429.1,2,3 of the California Government Code. The quarterly percentage rate earned averaged .52% from LAIF for the period of 3/31/10 to 12/31/10.

*The actual close for FY 2009/10 and anticipated close for FY 2010/11 are low due to the continual drop in interest rates.

ACCOUNT #	ACCOUNT TITLE	CURRENT 2010/11 BUDGET (7 Employees)	ANTICIPATED CLOSE	BUDGET REQUEST (7 Employees)
11-5030-410-1	SALARIES	561,828	467,882	467,904 (1)
11-5070-410-1	OVERTIME	25,000	11,578	16,000
11-5080-410-1	CALLOUT	3,500	1,116	3,500
11-5090-410-1	STANDBY	14,910	14,350	15,656
TOTAL SALARIES		605,238	494,926	503,060
11-5110-410-1	LONGEVITY	9,600	9,600	9,850
11-5112-410-1	RETIREMENT	92,578	74,130	89,693
11-5116-410-1	FICA	42,980	36,475	35,795
11-5118-410-1	UNEMPLOYMENT	1,000	0	1,000
11-5122-410-1	WORKERS COMP	28,575	13,923	13,398
11-5124-410-1	GROUP LIFE	1,829	2,036	1,426
11-5126-410-1	GROUP HEALTH	89,865	67,812	79,731
11-5128-410-1	DENTAL/VISION	4,800	2,539	2,840
11-5132-410-1	DISABILITY	8,139	6,618	7,346
11-5152-410-1	CLOTHING/SAFETY	4,600	4,000	4,225
TOTAL BENEFITS		283,966	217,133	245,304
TOTAL SALARIES/BENEFITS		889,204	712,059	748,364
11-5150-410-1	DIRECTORS FEES	0	0	0
11-5225-410-1	ELECTION	0	0	0
11-5250-410-1	GAS/OIL	0	0	0
11-5300-410-1	COMP INS	0	0	0
11-5350-410-1	MEMBERSHIPS	1,056	924	924
11-5400-410-1	OFFICE EXP	0	0	0
11-5410-410-1	COUNTY/CITY CHGS	0	0	0
11-5420-410-1	PERMITS & FEES	7,078	6,577	7,078
11-5430-410-1	PRETREATMENT	1,000	910	1,000
11-5450-410-1	OPERATING SUPPLIES	3,000	2,500	3,000
11-5470-410-1	CHEMICALS	0	0	0
11-5500-410-1	CONTRACT SVCS	48,686	42,500	61,735
11-5550-410-1	PROFESSIONAL/LEGAL	2,000	1,050	0
11-5600-410-1	PUBLICATIONS	0	0	0
11-5700-410-1	REPAIRS/MAINT	60,190	30,000	45,190
11-5720-410-1	SMALL TOOLS	1,000	750	1,000
11-5750-410-1	RESEARCH	0	0	0
11-5800-410-1	TRAVEL/MTGS/ED	6,600	2,500	5,600
11-5801-410-1	CERTIFICATIONS/TCPS	882	585	952
11-5901-410-1	TELEPHONE	0	0	0
11-5902-410-1	ELECTRICITY	5,157	5,128	5,257
11-5903-410-1	NATURAL GAS	0	0	0
11-5904-410-1	TRASH COLL	0	0	0
11-5905-410-1	UTILITY WATER	3,150	2,868	3,150
11-5950-410-1	OTHER EXP	800	800	800
11-7010-000-0	DEPRECIATION EXPENSE	531,182	549,118	531,996
TOTAL SERVICES & SUPPLIES		671,781	646,210	667,682
TOTAL OPERATING/MAINT BUDGET		1,560,985	1,358,269	1,416,046

COLLECTION DEPARTMENT

11-5152-410-1 Clothing	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$4,600	3,726	4,600	4,000	\$ 4,225

Justification:

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

- Boots-Seven (7) employees: \$1,225
- Uniforms-Five (5) employees: 1,600
- Gloves-Seven (7) employees: 1,400

11-5350-410-1 Membership	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$1,056	924	1,056	924	\$ 924

Justification:

Membership renewal for the California Water Environment Association (CWEA) for seven (7) employees @ \$132 each, this membership includes renewal to the Colorado River Basin Local Section.

11-5420-410-1 Permits & Fees	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$7,078	6,579	7,078	6,577	\$ 7,078

Justification:

The State General Waste Discharge annual permit fee of \$6,578 and additional cost of unforeseen permits or fees.

11-5430-410-1 Pretreatment	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 1,000	536	1,000	910	\$ 1,000

Justification:

Pursuant to the District's National Pollutant Discharge Elimination System (NPDES) Discharge Permit, when an agency has a Pretreatment program, the program needs to have a budget line item to cover pretreatment expenses. The budget is for sampling equipment and supplies, i.e.: sludge judge, cleaners and degreasers; miscellaneous tools; job specific safety equipment and periodic lab charges for samples.

COLLECTION DEPARTMENT

11-5450-410-1 Operating Supplies	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$2,200	2,137	3,000	2,500	\$ 3,000

Justification:

- Traffic Control Signs/Cones/Safety Equipment: \$ 1,000
We purchase new safety cones yearly to replace faded or damaged cones. Cones cost \$18.00 each. Traffic barricades with lights are \$33.00 each, and barrier tape is \$10.00 per roll. Traffic control sign posts and marking paint are included in this category.
- Plotting Supplies: \$ 300
A roll of 36-inch opaque bond paper and 4 ink cartridges will be required for the Hewlett Packard 800 large format plotter.
- Miscellaneous Supplies: \$ 1,700
Duct tape, rubber tape, canvas tape, greaseless lubricant, WD-40, wax, lithium grease, wire ties, wire nuts shrink tubing, pipe glue, Rain-X, are examples of Miscellaneous Supplies used.

11-5470-410-1 Chemicals	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$0	0	0	0	\$ 0

Justification:

For the 2010/11 budget we are not anticipating chemical purchases from this account.

11-5500-410-1 Contract Services	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$48,435	41,780	48,686	42,500	\$ 61,735

Justification:

- Roach Control Program: \$ 30,000
Last fiscal year the cost for spraying each manhole was approximately \$15.00. Each year the cost increases by 2%. The cost this year will be approximately \$15.30 per manhole with 1,900 manholes being sprayed per year.

Root Control Program: \$15,000
The application of chemical foam to control root growth in sewer lines to prevent stoppages is more effective than other alternatives. Last fiscal year we treated 6,500 ft. of sewer main at a cost of \$1.03 per foot. Staff is proposing to treat 14,000 ft. of sewer mains where we have significant root intrusion, primarily in backyard easements.

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- Dig Alert: \$ 1,800
The District belongs to the Dig Alert network that notifies local utility companies when any excavations are being done within our service area. This year the Dig Alert fee is \$1.50 per ticket we have an average of 100 tickets per month.
- Arch Wireless Beepers: \$ 150
The Collection Department currently has one beeper that is used by Collection Staff in case of a stoppage during non-working hours.
- Nextel/Sprint Cellular: \$ 5,500
Seven Cell Phones are currently required for the Collection Department.
- Annual Monitoring Fee/ Pump Stations \$ 300
Wireless communication subscription fee the pump station alarm system.
- AutoCAD Map 5 Annual Renewal: \$ 450
Annual license renewal and software upgrades.
- ESRI ARCVIEW 9.2 Annual Renewal: \$ 2,200
Annual license renewal and software upgrades for 7 Arc View software programs.
- GBA Master Program Annual Renewal: \$ 4,235
Annual license renewal and software upgrades.
- Flexidata Annual Renewal: \$ 1,900
Annual license renewal and software upgrades.
- File Drawing Scanning: \$ 200
Contract large format file scanning services are occasionally needed to scan large format drawings and files for electronic archiving.

11-5550-410-1 Professional	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$9,000	1,750	2,000	1050	\$ 0

11-5700-410-1 Repairs and Maint.	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$60,190	53,301	60,190	30,000	\$ 45,190

Justification:

- VACTOR Parts/Repairs/Planned Expenditures: \$9,115

<u>Items</u>	<u>Estimated Price</u>
1) 800 feet of one-inch sewer jet hose	\$ 3,300

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2) Proofer Skid for jetting lines	150
3) Tiger Tail hose guide	150
4) One-inch leader hose	300
5) Nozzles for jetting	650
6) Fire Hose	115
7) High Pressure Pump Parts	1,000
8) Water Filters, Clamps, Gaskets	1,450
9) Tires	2,000

- Miscellaneous Expenses: \$ 575
Portland cement, plastic cement, gravel, masonry sand, wood for forming cement, grade rings are examples of miscellaneous expenses that are in this account.
- Equipment Repairs: \$ 2,000
The Collection Department periodically has to repair the equipment that is used daily. Examples of this type of equipment would be: gas detectors, confined space equipment, surveyor's level, sewer plug repairs, etc.
- T.V. Van Parts & Repair: \$ 5,000
The following are parts and repair estimates for the television equipment. Items listed are contingency items and are not purchased yearly.

<u>Items</u>	<u>Estimated Price</u>
1) Parts:	\$ 2,750
2) Part repair costs:	2,250

- Vehicle Repairs \$ 1,000
The Vactor, TV Van, the 2000 F-250 Ford truck and the new 2008 F150 truck are vehicles assigned to the Collection Department. Maintenance is done on a quarterly basis on all four vehicles. The budget is for oil and filter changes and general maintenance expenses for four vehicles.
- Pump Station repairs and parts: (Contingency for emergency repairs) \$ 4,000
The Collection Department currently has four (4) pump stations that require replacement compressors and electrical components. The pumps require seals and unforeseen motor repairs.
- Mainline Repair: (Contingency for emergency repairs) \$10,000
There is always the possibility that sewer mains will need to be repaired due to various causes. To insure the health and safety of the community, this item is budgeted as a contingency in case mainline repairs are needed.
- Equipment Rental (Contingency for emergency repairs) \$ 3,500
The Collection Department does not have all the equipment needed to complete emergency repairs. When these situations occur it is necessary to rent the equipment to complete the project. The fund for this category is a contingency item in case construction equipment is needed.
- TV Equipment (Contingency for emergency repairs) \$ 10,000

COLLECTION DEPARTMENT

11-5720-410-1 Small Tools	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$800	721	800	750	\$ 1,000

Justification:

- Miscellaneous Small Tools:

Small tools needed to work in the field are included in this category. Such as picks for opening manhole covers, bubble levels, tape measures, shovels, hammers, wooden handles, sewer plugs, wrenches, pipe saws, and pipe wrenches, application equipment for roach control, etc. This includes the purchase of a parachute style safety harness required for confined space entry.

11-5800-410-1 Travel, Mtgs & Ed.	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$6,600	1,300	6,600	2,500	\$ 5,600

Justification:

Travel expenses to conferences and training seminars, registration fees, meals, lodging and related expenses: The Collection Department has 7 employees at \$800.00 each.

11-5801-410-1 Certifications	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 686	495	882	585	\$ 952

Justification:

- State Water Resource Control Board:
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator II	June 30, 2012	II	\$ 130

- California Water Environment Association:
Technical Certifications Program

Job Title	Renewal Date	Grade	Renewal Fee
Inspector II	July 2011/January 2012	IW-I & Lab-I	\$ 142
Supervisor	January 2012	IV	\$ 86
1-Tech I	January 2012	I	\$ 71
2-Tech II	January 2012	II	\$ 152
Enviro Insp I (Sal)	January 2012	I	\$ 71
Allowance for advancement			\$ 300

COLLECTION DEPARTMENT

11-5902-410-1 Electricity	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$4,786	5,550	5,157	5,128	\$ 5,257

Justification:

Covers the electricity cost for 5 lift stations. During the 2011/12 fiscal year the District will have the Barrymore, Carver, Shields Road, Vandenberg and the Calhoun Pump Stations on online.

11-5905-410-1 Utility Water	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 3,150	2,900	3,150	2,868	\$ 3,150

Justification:

VSD is billed for water service from the Indio Water Authority.

11-5950-410-1 Other Expense	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 800	805	800	800	\$ 800

Justification:

DMV Class "B" License renewals and employee awards. This miscellaneous account will be used for unbudgeted items that become necessary during the year.

DEPARTMENT: TREATMENT-WATER

2011-2012 BUDGET

ACCOUNT #	ACCOUNT TITLE	CURRENT 2010/11 BUDGET (10 Employees)	ANTICIPATED CLOSE	BUDGET REQUEST (10 Employees)
11-5030-411-1	SALARIES	639,372	621,520	670,272
11-5070-411-1	OVERTIME	20,000	9,152	10,414
11-5080-411-1	CALLOUT	4,500	1,172	4,500
11-5090-411-1	STANDBY	14,910	14,350	15,656
TOTAL SALARIES		678,782	646,194	700,842
11-5110-411-1	LONGEVITY	15,600	15,600	15,900
11-5112-411-1	RETIREMENT	105,356	105,553	128,484
11-5116-411-1	FICA	48,912	50,127	51,276
11-5118-411-1	UNEMPLOYMENT	3,000	0	3,000
11-5122-411-1	WORKERS COMP	32,519	19,274	19,192
11-5124-411-1	GROUP LIFE	3,066	2,919	2,042
11-5126-411-1	GROUP HEALTH	111,439	104,728	129,240
11-5128-411-1	DENTAL/VISION	6,000	1,848	6,000
11-5132-411-1	DISABILITY	10,039	9,234	3,993
11-5152-411-1	CLOTHING/SAFETY	8,876	5,504	7,957
TOTAL BENEFITS		344,807	314,787	367,084
TOTAL SALARIES/BENEFITS		1,023,589	960,981	1,067,926
11-5150-411-1	DIRECTORS FEES	0	0	0
11-5225-411-1	ELECTION	0	0	0
11-5250-411-1	GAS/OIL	0	0	0
11-5300-411-1	COMP INS	0	0	0
11-5350-411-1	MEMBERSHIPS/SUBSCI	1,534	1,534	1,537
11-5400-411-1	OFFICE EXP	0	0	0
11-5410-411-1	COUNTY/CITY CHGS	0	0	0
11-5420-411-1	PERMITS & FEES	57,947	44,148	39,680
11-5430-411-1	PRETREATMENT	0	0	0
11-5450-411-1	OPERATING SUPPLIES	13,600	3,676	8,500
11-5470-411-1	CHEMICALS	244,957	229,952	234,003
11-5500-411-1	CONTRACT SVCS	178,862	158,862	218,862
11-5550-411-1	PROFESSIONAL/LEGAL	0	0	0
11-5600-411-1	PUBLICATIONS	0	0	0
11-5710-411-1	REPAIRS/MAINT	84,250	85,304	84,500
11-5720-411-1	SMALL TOOLS	3,000	1,366	2,500
11-5750-411-1	RESEARCH	0	0	0
11-5800-411-1	TRAVEL/MTGS/ED	20,936	16,637	22,736
11-5801-411-1	CERTIFICATIONS/TCPS	1,324	961	1,680
11-5901-411-1	TELEPHONE	0	0	0
11-5902-411-1	ELECTRICITY	519,659	519,143	532,122
11-5903-411-1	NATURAL GAS	150	74	150
11-5904-411-1	TRASH COLL	13,093	12,330	12,638
11-5905-411-1	UTILITY WATER	0	0	0
11-5950-411-1	OTHER EXP	2,148	1,796	2,148
11-7010-000-0	DEPRECIATION EXPEN:	1,077,259	1,098,982	1,069,487
TOTAL SERVICES & SUPPLIES		2,218,719	2,174,765	2,230,543
TOTAL OPERATING/MAINT BUDGET		3,242,308	3,135,746	3,298,469

TREATMENT

11-5152-411-1 Clothing	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$9,051	6,584	8,876	5,504	\$ 7,957

Justification:

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

- Steel-Toe Safety Boots \$175/employee for (10) employees: 1,750
- Uniforms- Ten (10) employees: 4,207
- Gloves, ear plugs, safety items: 2,000

The last 12 months staff paid \$4,196.32 for uniforms service. Staff is budgeting approximately 2.5% increase over last 12 months uniform cost.

11-5350-411-1 Memberships	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$1,534	1,200	1,534	1,534	\$ 1,537

Justification:

- Membership to the Water Environment Federation for Chief Operator @ \$217.
- Membership renewal for the California Water Environment Association (CWEA) for ten (10) employees @ \$132 each, this membership includes renewal to the Colorado River Basin Local Section.

11-5420-411-1 Permits & Fees	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$48,814	29,613	57,947	44,148*	\$ 39,680

Justification:

- Annual NPDES permit fee 22,885
- Irrigation permit annual fee 9,646
- SCAQMD facility permits F52886, D41510, F6510, F23170, F45111 & Boiler 4961
- Flat Annual Emission Fee 159
- Department of Health Services 1,599
- Occupational Lead Poisoning Prevention / Toxic Substance 430

*The anticipated close is low due to the fee for the annual NPDES permit coming in \$23,000 less than budgeted, however it is higher than the requested 2011/12 budget due to an additional \$9,000 paid in 2010/11 for Minimum Mandatory Penalties charged by the State Water Resource Control Board. The 2011/12 budget reflects an anticipated 18% increase for the annual NPDES permit fee and an anticipated 10% increase for the irrigation permit.

TREATMENT

11-5450-411-1 Operating Supplies	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$13,600	6,159	13,600	3,676*	\$ 8,500

Justification:

- Miscellaneous operating supplies including reagents for chlorination and dechlorination analyzers.

*The anticipated close is low is due to oil not being changed in all three generators. This is an estimated savings of \$800.00 annually. The oil was sampled from all three generators and the samples were analyzed. The results were that the oil was non contaminated. As long as the oil quality meets or exceeds the standard lubrication requirements by the manufacturer, the oil need not be changed. The budget amount has the contingency that the oil may need to be changed, if it is contaminated. Recent changes in regulations have been noted in reagent requirements being reduced for the new ATI analyzers. This reduction in usage has also contributed to the low anticipated close.

11-5470-411-1 Chemicals	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$242,559	212,257	244,957	229,952	\$ 234,003

Justification:

- Sodium Hypochlorite 164,535
- Sodium Bisulfite 65,968
- Calcium hypochlorite 3,500

The total plant discharge for Fiscal Year 2011/2012 is estimated at 2,238,468,000 gallons (two percent above the 2010 discharge volume of 2,234,000,000 gallons). This is based on connection fees in 2010; the increase in flow for the next 12 months will be approximately two percent higher. Sodium Hypochlorite contains approximately 1.147 pounds of chlorine per gallon of product. The estimated amount of chlorine used for effluent disinfection is 149,351 pounds (67 lbs./MG @ 58 gallons of Sodium Hypochlorite/MG, \$72.71/MG @ \$1.25/gallon @ 12% strength Sodium Hypochlorite). It is estimated that it will require approximately 8.0 mg/L dosage, for a total of 130,210 gallons. There will also be an average delivery charge of \$98.44 per delivery. It is estimated that there will be 18 deliveries throughout 2011/12, for a total of \$1,772 for the fiscal year.

It is calculated that approximately 68,224 gallons of Sodium Bisulfate was used for dechlorination during the calendar year of 2010. Based on the anticipated flow increase for fiscal year 2011/12 and Sodium Bisulfate usage as of 3/5/11, it is estimated that 68,360 gallons of Sodium Bisulfite will be used for dechlorination for the fiscal year of 2011/12 (30.5 gallons/MG, \$28.67/MG at \$.94/gallon Sodium Bisulfate). There will also be a delivery charge of \$90 per delivery. It is estimated that there will be 19 deliveries throughout 2011/2012, for a total of \$1,710 for the fiscal year.

The State of California developed Mandatory Minimum Penalties (MMP) in 2000 to penalize treatment plants that do not meet their National Pollutant Discharge Elimination System (NPDES) permit effluent limitations. The district has in the past concentrated on minimizing the use of chemicals due to high cost. The MMP program that is now in effect will generate a minimum \$3,000.00 fine for every violation that meets the program's criteria. The one violation that would be an immediate fine is chlorine residual in the effluent. This will require staff to maintain a residual of Sodium Bisulfate in the effluent.

TREATMENT

11-5500-411-1	FY 2009/10		FY 2010/11		FY 2011/12
Contract Services	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$171,950	109,104	178,862	158,862*	\$ 218,862

Justification:

- *Bulrush and Vegetation removal Wetlands \$ 140,000
- Alternative bulrush study 31,330
- *Vector control service on wetlands 20,000
- Plant instrument service contract 3,500
- Miscellaneous contractual services. 20,000
- Gantry crane service 800
- Nextel service for 2 employees 1,000
- Annual fire suppression service for Sodium Hypochlorite Facility 2,232

*During the 2010/11 budget, staff had Aquatic Environments, Inc. cut the bulrush twice, once in July 2010 and once in February 2011. The was required by the Coachella Valley Mosquito & Vector Control District. Based on historical cutting, staff anticipates an expense of managing bulrush annually.

*The alternative bulrush study started last year and is contracted from 7/2010 thru 6/2011. The intent is to seek an alternative bulrush that will grow slower to minimize the cost for bulrush management and at the same time not create an ideal breeding environment for the mosquitoes. Staff contracted with University of California, Riverside (UCR) to conduct the study. Last year UCR cleared and planted study bulrush in cell A and cell B. Staff at UCR collected data and monitored the plant survival rate and growth rates. UCR has requested that the District continue the study. VSD has requested UCR provide a status report on the goals achieved over the past 12 months and a workplan to outline the goals that will be set for the next 12 months. The new goals will include a proposal that is anticipated to equal last year's cost.

11-5710-411-1	FY 2009/10		FY 2010/11		FY 2011/12
Repairs & Maintenance	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$82,366	63,721	84,250	85,304	\$ 84,500

Justification:

- Equipment rental \$ 5,000
- Gallery sump pump replacements 1,000
- Annual service/repairs & maintenance to chlorination and dechlorination equipment including analyzers 4,500
- Chlorine and Dechlorination spare parts 4,000
- Routine/miscellaneous repairs/maintenance 55,000
- Road base for all dirt roads around treatment plant 5,000
- PLC programming 10,000

11-5720-411-1	FY 2009/10		FY 2010/11		FY 2011/12
Small Tools	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$2,000	1,362	3,000	1,366	\$ 2,500

Justification:

Miscellaneous small tool acquisition and replacement.

TREATMENT

11-5800-411-1 Travel, Mtgs. & Ed.	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$ 20,736	10,097	20,936	16,637	\$ 22,736

Justification:

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

- Allowance for Ten (10) employees at \$800/each 8,000
- Allowance for Chief Operator 1,000
- Confined space training and rescue refresher 2,500
- First aid and CPR Training for 16 employees 1,700
- Hazwoper refresher training and respirator fit testing for up to 15 employees 4,500
- Physicals for Operators that are Hazwoper Trained 1,236
- Arc Flash training 2,000
- NFPA elec. Code class training (for one Electrician) 1,800

11-5801-411-1 Certifications/TCPS	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$1,554	1,113	1,324	961	\$ 1,680

Justification:

- State Water Resource Control Board
Operator Certification Program

<u>Job Title</u>	<u>Renewal Date</u>	<u>Grade</u>	<u>Renewal Fee</u>
Chief Operator	June 2013	IV	\$ 0
Operator III	June 2012	III	170
Electrician	June 2013	III	0
Operator III	December 2011	III	170
Operator II	December 2011	II	170
Operator I	June 2012	I	95
Operator I	June 2012	I	95

- California Water Environment Association
Technical Certification Program

<u>Job Title</u>	<u>Renewal Date</u>	<u>Grade</u>	<u>Renewal Fee</u>
Maintenance Supervisor	January 2012	III	\$ 81
Electrician	July 2011	IV	86
Maintenance Supervisor	January 2012	I	71
Maintenance Tech	December 2011	I	71
Maintenance Helper	December 2011	I	71

Allowance for advancements: \$ 600

TREATMENT

11-5902-411-1 Electricity	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$599,310	536,800	519,659	519,143	\$ 532,122

Justification: The 2011/12 budget reflects a 2.5% increase over the anticipated close.

11-5903-411-1 Natural Gas	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$2,500	137	150	74	\$ 150

Justification:

The natural gas generator will be run occasionally as part of its routine maintenance.

11-5904-411-1 Trash Collection	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$19,784	13,421	\$13,093	12,330	\$ 12,638

Justification:

Screenings and grit currently is being hauled to Lambs Canyon. The 2011/12 budget reflects a 2.5% increase over the anticipated close.

11-5905-411-1 Utility Water	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 9,036	10,240	\$ 0	0	\$ 0

Justification:

It is anticipated that any water usage for the treatment plant will come from the plant effluent water.

11-5950-411-1 Other Expense	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$1,750	1,214	2,148	1,796	\$ 2,148

Justification:

Employee awards and other miscellaneous unbudgeted expense items that becomes necessary throughout the fiscal year.

DEPARTMENT: TREATMENT-SLUDGE

2011-2012 BUDGET

ACCOUNT #	ACCOUNT TITLE	CURRENT 2010/11 BUDGET (2 Employees)	ANTICIPATED CLOSE	BUDGET REQUEST (2 Employees)
11-5030-412-1	SALARIES (2)	119,616	116,409	126,648
11-5070-412-1	OVERTIME	15,000	400	5,400
11-5080-412-1	CALLOUT	750	200	750
11-5090-412-1	STANDBY	0	0	0
TOTAL SALARIES		135,366	117,009	132,798
11-5110-412-1	LONGEVITY	3,600	3,600	3,600
11-5112-412-1	RETIREMENT	19,711	19,255	24,277
11-5116-412-1	FICA	9,151	9,352	9,689
11-5118-412-1	UNEMPLOYMENT	500	0	500
11-5122-412-1	WORKERS COMP	6,084	3,593	3,626
11-5124-412-1	GROUP LIFE	567	563	365
11-5126-412-1	GROUP HEALTH	9,602	6,581	10,217
11-5128-412-1	DENTAL/VISION	1,200	335	1,200
11-5132-412-1	DISABILITY	1,878	1,669	724
11-5152-412-1	CLOTHING/SAFETY	1,696	1,116	1,592
TOTAL BENEFITS		53,989	46,064	55,790
TOTAL SALARIES/BENEFITS		189,355	163,073	188,588
11-5150-412-1	DIRECTORS FEES	0	0	0
11-5225-412-1	ELECTION	0	0	0
11-5250-412-1	GAS/OIL	0	0	0
11-5300-412-1	COMP INS	0	0	0
11-5350-412-1	MEMBERSHIPS/SUBSCRIP	264	264	264
11-5400-412-1	OFFICE EXP	0	0	0
11-5410-412-1	COUNTY/CITY CHGS	0	0	0
11-5420-412-1	PERMITS & FEES	161	0	161
11-5430-412-1	PRETREATMENT	0	0	0
11-5450-412-1	OPERATING SUPPLIES	25,360	49,312	43,810
11-5470-412-1	CHEMICALS	0	0	0
11-5500-412-1	CONTRACT SVCS	133,470	100,120	133,590
11-5550-412-1	PROFESSIONAL/LEGAL	0	0	0
11-5600-412-1	PUBLICATIONS	0	0	0
11-5710-412-1	REPAIRS/MAINT	15,000	14,276	23,000
11-5720-412-1	SMALL TOOLS	1,000	553	500
11-5750-412-1	RESEARCH	0	0	0
11-5800-412-1	TRAVEL/MTGS/ED	1,600	760	1,600
11-5801-412-1	CERTIFICATIONS/TCPS	495	130	495
11-5901-412-1	TELEPHONE	0	0	0
11-5902-412-1	ELECTRICITY	45,934	45,883	47,030
11-5903-412-1	NATURAL GAS	0	0	0
11-5904-412-1	TRASH COLL	0	0	0
11-5905-412-1	UTILITY WATER	5,453	10,666	10,933
11-5950-412-1	OTHER EXP	240	360	360
11-7010-000-0	DEPRECIATION EXPENSE	149,038	173,773	172,624
TOTAL SERVICES & SUPPLIES		378,015	396,097	434,367
TOTAL OPERATING/MAINT BUDGET		567,370	559,170	622,955

SLUDGE DEPARTMENT

11-5152-412-1 Clothing	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$1,696	1,199	1,696	1,116	\$ 1,592

Justification:

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

- Steel-Toe Safety Boots two (2) employees \$ 350
- Uniforms-two (2) employees 842
- Gloves/Safety items-two (2) employees: 400

11-5350-412-1 Memberships	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 264	132	264	264	\$ 264

Justification:

Membership renewal for the California Water Environment Association (CWEA) for 2 employees @ \$132 each, this membership includes renewal to the Colorado River Basin Local Section.

11-5420-412-1 Permits & Fees	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 161	0	161	0	\$ 161

Justification:

South Coast Air Quality Management District (SCAQMD) permits for steam boiler are due each year. Permits for the air compressors are due every five years (Air compressors due again in March 2010). These are all no-fee permits except for SCAQMD permit if inspected by Hartford Steam Boiler as opposed to the State of California inspector.

11-5450-412-1 Operating Supplies	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$20,000	26,641	25,360	49,312*	\$ 43,810

Justification:

Miscellaneous operating supplies include:

- Polymer to belt presses 14 totes @ \$2,415.00 ea. 33,810
- 2-Belts for belt press 5,000
- Miscellaneous operating supplies 5,000

*The belt press operation has increased its operation to 7 days a week 10 hours a day. This increase of operating time is the cause of the high anticipated close.

SLUDGE DEPARTMENT

11-5500-412-1	FY 2009/10		FY 2010/11		FY 2011/12
Contractual Service	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$133,470	56,031	133,470	100,120*	\$ 133,590

Justification:

*The anticipated close is low. Staff removed approximately 2,000 of the 3,000 tons of biosolids.

- Sludge removal \$133,470
- Pyro-Comm Fire Alarm Monitoring 120

The Biosolids produced by the treatment process for Class B biosolids cost \$44.49 per ton for hauling and disposal. It is anticipated that 3,000 tons of biosolids will be removed and disposed of during this budget year. Approximately 1,000 tons of sludge annually is generated from the activated sludge plant. All waste activated sludge is currently going into pond II. Last year it was expected that additional sludge that had accumulated in Pond II would be removed. During Fiscal Year 2010/2011 approximately 2,000 tons of biosolids from Pond II were removed and disposed of. An additional 1,000 tons over what the activated sludge plant discharged into pond II. It is intended that the remainder of sludge that still remains in Pond II will be removed and disposed of. Accumulated sludge in Pond will also need to be collected and disposed of. Currently Pond III has been taken off line and drained, the sludge will need to be collected and removed before Pond III can be ready for operation.

11-5710-412-1	FY 2009/10		FY 2010/11		FY 2011/12
Repairs & Maintenance	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$15,000	14,857	15,000	14,276	\$ 23,000

Justification:

- Miscellaneous repairs and maintenance \$ 10,000
- Two belts 5,000
- Brown Bear and dump truck repairs 5,000
- Case tractor tire replacement 2,000
- Water cooler 1,000

11-5720-412-1	FY 2009/10		FY 2010/11		FY 2011/12
Small Tools	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$1,000	553	1,000	553	\$ 500

Justification:

Miscellaneous small tool acquisition and replacement.

11-5800-412-1	FY 2009/10		FY 2010/11		FY 2011/12
Travel, Mtgs. & Ed.	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$1,600	195	1,600	760	\$ 1,600

Justification: Allowance for two (2) employees requested at \$800.

SLUDGE DEPARTMENT

11-5801-412-1 Certifications	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 365	0	495	130	\$ 495

Justification:

State Water Resource Control Board:
Operator Certification Program

<u>Job Title</u>	<u>Renewal Date</u>	<u>Grade</u>	<u>Renewal Fee</u>
Operator II	December 2011	II	\$ 130
Operator II	December 2012	II	\$ 0
Advancements:			\$ 365

11-5902-412-1 Electricity	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$52,951	40,639	37,046	45,883	\$ 47,030

Justification:

The 2010/11 budget reflects a 2.5% increase over the anticipated close.

11-5903-412-1 Natural Gas	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$12,000	0	0	0	\$ 0

Justification:

Natural gas was budgeted in the Sludge Department in the event that Zimpro needed to start back up. Staff does not anticipate the need for Zimpro this budget year.

11-5905-412-1 Utility Water	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 0	0	5,453	10,666	\$ 10,933

Justification:

The Sludge Department uses approximately 73% of the air gap water, meter # 70170593. The percent of water used has been adjusted between the General Plant and Sludge to better reflect the actual usage. The high anticipated close is due to additional operating hours. The 2011/12 budget reflects a 2.5% increase over the anticipated close.

11-5950-412-1 Other Expense	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 240	243	240	360	\$ 360

Justification:

Employee awards and other miscellaneous expense items that becomes necessary throughout the fiscal year.

ACCOUNT #	ACCOUNT TITLE	CURRENT 2010/11 BUDGET (1 Employee)	ANTICIPATED CLOSE	BUDGET REQUEST (1 Employee)
11-5030-414-1	SALARIES	41,424	42,719	44,184
11-5070-414-1	OVERTIME	0	0	0
11-5080-414-1	CALLOUT	0	0	0
11-5090-414-1	STANDBY	0	0	0
TOTAL SALARIES		41,424	42,719	44,184
11-5110-414-1	LONGEVITY	0	0	0
11-5112-414-1	RETIREMENT	6,826	6,768	8,470
11-5116-414-1	FICA	3,169	2,927	3,380
11-5118-414-1	UNEMPLOYMENT	500	0	500
11-5122-414-1	WORKERS COMP	2,107	1,202	1,265
11-5124-414-1	GROUP LIFE	284	295	134
11-5126-414-1	GROUP HEALTH	14,410	14,282	21,011
11-5128-414-1	DENTAL/VISION	600	192	600
11-5132-414-1	DISABILITY	651	619	265
11-5152-414-1	CLOTHING/SAFETY	823	584	796
TOTAL BENEFITS		29,370	26,869	36,421
TOTAL SALARIES/BENEFITS		70,794	69,588	80,605
11-5150-414-1	DIRECTORS FEES	0	0	0
11-5225-414-1	ELECTION	0	0	0
11-5250-414-1	GAS/OIL	34,049	32,314	35,751
11-5300-414-1	COMP INS	0	0	0
11-5350-414-1	MEMBERSHIPS/SUBSCRIPT	132	132	132
11-5400-414-1	OFFICE EXP	0	0	0
11-5410-414-1	COUNTY/CITY CHGS	0	0	0
11-5420-414-1	PERMITS & FEES	3,363	2,009	2,009
11-5430-414-1	PRETREATMENT	0	0	0
11-5450-414-1	OPERATING SUPPLIES	23,987	19,078	23,987
11-5470-414-1	CHEMICALS	0	0	0
11-5500-414-1	CONTRACT SVCS	26,727	9,466	16,717
11-5550-414-1	PROFESSIONAL/LEGAL	0	0	0
11-5600-414-1	PUBLICATIONS	0	0	0
11-5700-414-1	REPAIRS/MAINT	39,300	44,602	45,717
11-5720-414-1	SMALL TOOLS	1,000	936	1,000
11-5750-414-1	RESEARCH	0	0	0
11-5800-414-1	TRAVEL/MTGS/ED	800	475	800
11-5801-414-1	CERTIFICATIONS/TCPS	0	0	0
11-5901-414-1	TELEPHONE	6,010	4,552	6,010
11-5902-414-1	ELECTRICITY	11,555	11,830	12,125
11-5903-414-1	NATURAL GAS	854	416	854
11-5904-414-1	TRASH COLL	8,293	6,894	8,293
11-5905-414-1	UTILITY WATER	9,298	5,154	5,283
11-5950-414-1	OTHER EXP	210	180	210
11-7010-000-0	DEPRECIATION EXPENSE	32,594	32,594	29,627
TOTAL SERVICES & SUPPLIES		198,172	170,632	188,515
TOTAL OPERATING/MAINT BUDGET		268,966	240,220	269,120

GENERAL PLANT DEPARTMENT

11-5152-414-1 Clothing	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 950	600	823	584	\$ 796

Justification:

The Facilities Maintenance employee is allocated to this department.

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

- Steel-Toe Safety Boots one (1) employee \$175
- Uniforms one (1) employee 421
- Gloves, ear plugs, safety items. 200

11-5250-414-1 Gas and Oil	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$34,049	33,839	34,049	32,314	\$ 35,751

Justification:

Fuel usage for vehicles and equipment on and off the plant site. The 2011/12 budget reflects a 5% increase over the 2010/11 budgeted amount. Additional fuel usage is anticipated to remove the biosolids from Pond III.

11-5350-414-1 Memberships	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 132	132	132	132	\$ 132

Justification:

Membership renewal for the California Water Environment Association (CWEA) for 1 employee @ \$132, this membership includes renewal to the Colorado River Basin Local Section.

11-5420-414-1 Permits & Fees	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$3,363	337	3,363	2,009	\$ 2,009

Justification:

- South Coast Air Quality Management District (SCAQMD)
Permit No. M99543 \$ 87
- City of Indio Alarm System Permit \$ 330
- City of Indio Fire Services Permit \$1,372
- Hot spot program (SCAQMD) # 10198, 152720 220

GENERAL PLANT DEPARTMENT

11-5450-414-1	FY 2009/10		FY 2010/11		FY 2011/12
Operating Supplies	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$23,987	20,071	23,987	19,078	\$ 23,987

Justification:

Miscellaneous operating supplies include:

- 55-gallon cleaning concentrates, cleaning supplies, paper towels, toilet paper, cups, soap, glass cleaner, etc. \$6,102
- Water service including distilled water for the laboratory, fresh water and coffee service. 3,039
- First-aid supplies 500
- Small invoice petty cash items, etc. 3,647
- Landscaping supplies, including annual reseeding 9,109
- Student materials to be distributed for public educational efforts 1,590

11-5500-414-1	FY 2009/10		FY 2010/11		FY 2011/12
Contractual Services	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$30,817	10,561	26,727	9,466*	\$ 16,717

Justification:

- Building alarm monitoring \$ 578
- Answering service 1,520
- Beeper service charges for plant 250
- Safety Kleen parts washer service, light bulb disposal, oil filter and dry cell batteries. 4,936
- Safety Kleen used oil filter disposal 1,050
- Tree trimming and spraying 5,000
- Annual fire extinguisher service 1,750
- Pest control service for buildings & Facilities 1,093
- Pyro-Comm Fire Alarm Monitoring 540

*The anticipated close is low due to deferral of the administration office expansion to 2011/2012, resulting in a need for temporary office space during 2010/2011, and a transfer of the security patrol to the capital project. Staff does intend to move forward with the office expansion during the 2011/12 fiscal year contingent on Board approval.

GENERAL PLANT DEPARTMENT

11-5700-414-1	FY 2009/10		FY 2010/11		FY 2011/12
Repairs & Maintenance	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$52,150	31,444	39,300	44,602	\$ 45,717

Justification:

- Vehicle repairs & smog checks \$ 5,000
- Vehicle operating supplies 2,500
- Heating & cooling repairs/service 3,000
- Irrigation repairs/maintenance 2,563
- Facilities maintenance/repairs including lighting 7,654
- General facility maintenance 20,000
- Road base for road repair 5,000

The budgeted amount for the 2011/12 budget reflects a 2.5% increase over the anticipated close.

11-5720-414-1	FY 2009/10		FY 2010/11		FY 2011/12
Small Tools	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$1,500	480	1,000	936	\$ 1,000

Justification:

Miscellaneous small tools and equipment including paint brushes, shovels, brooms, hoses, hammers, etc.

11-5800-414-1	FY 2009/10		FY 2010/11		FY 2011/12
Travel, Mtgs. & Ed.	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$800	25	800	475	\$ 800

Justification:

Allowance for one employee at \$800.

11-5801-414-1	FY 2009/10		FY 2010/11		FY 2011/12
Certifications	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 0	0	0	0	\$ 0

Justification:

No certifications required.

11-5901-414-1	FY 2009/10		FY 2010/11		FY 2011/12
Telephone	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$7,356	5,112	6,010	4,552	\$ 6,010

Justification:

- Hopi/Shields Road lift stations average monthly invoice is \$88.80
- Telephone for District average monthly invoice is \$412.00

GENERAL PLANT DEPARTMENT

11-5902-414-1 Electricity	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$13,560	16,381	11,555	11,830	\$ 12,125

Justification:

The 2011/12 budget reflects a 2.5% increase over the anticipated close.

11-5903-414-1 Natural Gas	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$668	777	854	416	\$ 854

Justification:

11-5904-414-1 Trash Collection	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$6,723	7,367	8,293	6,894	\$ 8,293

Justification:

11-5905-414-1 Utility Water	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 3,838	5,224	9,298	5,154	\$ 5,283

Justification:

The General Plant Department uses approximately 27% of the air gap water, meter # 70170593. The percent of water used has been adjusted between the General Plant and Sludge to better reflect the actual usage. The high anticipated close is due to additional operating hours. The 2011/12 budget reflects a 2.5% increase over the anticipated close.

11-5950-414-1 Other Expense	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$ 200	240	210	180	\$ 210

Justification:

Employee awards and other miscellaneous expense items that becomes necessary throughout the fiscal year.

ACCOUNT #	ACCOUNT TITLE	CURRENT 2010/11 BUDGET (2 Employees)	ANTICIPATED CLOSE	BUDGET REQUEST (2 Employees)
11-5030-414-2	SALARIES (2)	142,512	151,810	147,660
11-5070-414-2	OVERTIME	1,600	1,613	2,200
11-5080-414-2	CALLOUT	575	218	575
11-5090-414-2	STANDBY	0	0	0
TOTAL SALARIES		144,687	153,641	150,435
11-5110-414-2	LONGEVITY	6,000	6,000	6,000
11-5112-414-2	RETIREMENT	23,484	23,216	28,305
11-5116-414-2	FICA	10,903	10,896	11,296
11-5118-414-2	UNEMPLOYMENT	500	0	500
11-5122-414-2	WORKERS COMP	7,249	4,144	4,228
11-5124-414-2	GROUP LIFE	619	589	448
11-5126-414-2	GROUP HEALTH	12,175	11,664	13,452
11-5128-414-2	DENTAL/VISION	1,200	195	1,200
11-5132-414-2	DISABILITY	2,238	2,113	912
11-5152-414-2	CLOTHING	2,060	1,382	2,060
TOTAL BENEFITS		66,428	60,199	68,401
TOTAL SALARIES/BENEFITS		211,115	213,840	218,836
11-5150-414-2	DIRECTORS FEES	0	0	0
11-5225-414-2	ELECTION	0	0	0
11-5250-414-2	GAS/OIL	0	0	0
11-5300-414-2	COMP INS	0	0	0
11-5350-414-2	MEMBERSHIPS/SUBSCRIPT	323	264	328
11-5400-414-2	OFFICE EXP	0	0	0
11-5410-414-2	COUNTY/CITY CHGS	0	0	0
11-5420-414-2	PERMITS & FEES	3,846	2,245	3,875
11-5430-414-2	PRETREATMENT	0	0	0
11-5450-414-2	OPERATING SUPPLIES	10,000	9,511	12,000
11-5470-414-2	CHEMICALS	0	0	0
11-5500-414-2	CONTRACT SVCS	1,633	1,080	1,720
11-5550-414-2	PROFESSIONAL/LEGAL	0	0	0
11-5600-414-2	PUBLICATIONS	0	0	0
11-5700-414-2	REPAIRS/MAINT	6,590	4,414	7,250
11-5720-414-2	SMALL TOOLS	500	350	500
11-5750-414-2	RESEARCH	96,194	85,579	101,875
11-5800-414-2	TRAVEL/MTGS/ED	1,680	913	1,680
11-5801-414-2	CERTIFICATIONS/TCPS	362	145	218
11-5901-414-2	TELEPHONE	0	0	0
11-5902-414-2	ELECTRICITY	0	0	0
11-5903-414-2	NATURAL GAS	0	0	0
11-5904-414-2	TRASH COLL	0	0	0
11-5905-414-2	UTILITY WATER	0	0	0
11-5950-414-2	OTHER EXP	500	360	500
11-7010-000-0	DEPRECIATION EXPENSE	2,448	2,448	1,014
TOTAL SERVICES & SUPPLIES		124,076	107,309	130,960
TOTAL OPERATING/MAINT BUDGET		335,191	321,149	349,796

LABORATORY

11-5152-414-2 Clothing	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$2,000	1,031	\$2,060	1,382	\$ 2,060

Justification:

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

- Steel-Toe Safety Boots-two (2) employees: \$ 350
- Uniforms-two (2) employees: 1,320
- Gloves-five/Safety items (2) employees: 390

11-5350-414-2 Memberships	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$314	264	323	264	\$ 328

Justification:

Membership renewal for the California Water Environment Association (CWEA) for 2 employees @ \$ 132 each, this membership includes renewal to the Colorado River Basin Local Sections.

An additional amount of \$64.00 is charged to this account for an annual subscription to the Water Environment Laboratory Solutions publication from the Water Environment Federation.

11-5420-414-2 Permits & Fees	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$3,669	1,010	3,846	2,245	\$ 3,875

Justification:

- State Health Department Laboratory Certification \$2,000
- Quality Assurance Testing 1,875 ^A

^A Laboratory participation in the quality assurance testing program is mandatory in order to maintain laboratory certification. The study series is required by the Health and Safety Code §100870, and the California Code of Regulations, Title 22, §64809, Laboratory Certification. Also, the State of California has mandated that state agencies need to become self funding. That includes (ELAP) Environmental Laboratory Accreditation Programs. Staff has been notified that the State of California received a waiver from the U.S. EPA that allows permit holders to forego DMR-QA studies. However, this does not exempt the District's laboratory from submitting data in order to demonstrate its ability to produce quality data as required by its permit. The evaluated results normally generated as part of those activities are required by the Environmental Laboratory Accreditation Program (ELAP), including evaluation of WET Performance Test samples. Staff is leaving the cost of these waived studies in the 2011/12 FY budget in anticipation that the DMR-QA studies may be replaced by new regulations required by ELAP or the State of California.

LABORATORY

11-5450-414-2 Operating Supplies	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$13,500	10,350	10,000	9,511	\$ 12,000

Justification:

Laboratory chemicals, reagents, detergents, filters, glassware, instrument batteries, D.O. probe modules, buffers, storage solutions, medias, agars, quality controls and miscellaneous supplies.

11-5500-414-2 Contract Services	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$1,590	1,395	1,633	1,080	\$ 1,720

Justification:

- Mettler scale annual service \$ 225
- OHAUS scale annual service 225
- Calibration of class 1 weights 935
- Class 1 weights replacement 160
- Recalibrate certified Digital thermometer 175

11-5550-414-2 Professional	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$ 0	0	0	0	\$ 0

11-5700-414-2 Repairs and Maintenance	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$7,460	7,869	6,590	4,414	\$ 7,250

Justification:

- Miscellaneous instrument repairs & maintenance \$1,825
- Replacement of BOD probe 1,460
- Replacement of O₂ probe 1,155
- Replacement of Cl₂ residual titrator probe (2) at \$800 ea. 1,600
- Replacement of pH probe 495
- Replacement of temperature compensation probe for pH meter 325
- Disposal of used COD Vials & reagents 390

LABORATORY

11-5720-414-2 Small Tools	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$500	0	500	350	\$ 500

Justification:

Miscellaneous small tools, torches, pliers, small air pumps, etc.

11-5750-414-2 Research & Monitoring	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$136,010	45,383*	96,194	85,579	\$ 101,875

Justification:

- Sludge testing for Belt Press and Pond sludge (ten samples): TPN, pH, solids, phosphates, metals, nutrients. \$ 5,350
- Pathogen testing for Sludge (ten samples) 12,630
- Bi annual bioassays monitoring/sample shipping (July 2011/Jan. 2012) 5,515
- Monthly testing of domestic water at nine wells (TDS) 1,140^A
- Est.cost of two Toxicity Identification Evaluation Ph.II & III Base Line 15,750
- Est. cost for two Toxicity Identification Evaluation (TIE) Ph.I Base Line 7,350^B
- RSW-001 & RSW-002 Storm Channel up & downstream testing 4,440
- EFF-001C total plant effluent flow testing 2,100
- Nitrogen testing for influent, pond and wetlands 3,420
- Miscellaneous testing as required (heptachlor & copper) 3,860
- Oil and grease (monthly sampling) 600
- California Toxics Rule (CTR) once annually 2,750
- Well G-001 ground water testing 490
- Grit/Screenings samples every (2) years 350
- Estimated ten Accelerated Monitoring of Bioassays 23,950
- Heptachlor testing plant treatment trains before CL2 and total plant combined flows after SO2 12,000
- EPA 200.8 copper (outfall) 180

^A Current permit requires Total Dissolved Solids (TDS) each month for domestic source water at multiple wells.

^B In the event that we do not pass two of three accelerated toxicity tests during any particular quarter, we would be required to implement a Toxicity Reduction Evaluation (TRE) process. The estimated cost for one Phase 1 TIE is \$28,800.00. For additional information on the TRE/TIE process, see the following note regarding the Anticipated Close for 2009/10.

*Account closings have been low relative to the budgeted amounts because previously budgeted amounts for Toxicity Identification Evaluation (TIE) Phase 2 and Phase 3 Testing (\$15,000.00) and estimated contractual services for Toxicity Reduction Evaluation Study Assistance (\$26,880.00) have not needed to be expended. During bioassay testing, the results have intermittently indicated toxicity in the effluent. Evidence of toxicity triggers specific requirements contained in our NPDES permit. First triggered is accelerated monitoring requiring that three bioassay tests are conducted within a nine week period. If toxicity is exhibited in two of the three

LABORATORY

accelerated bioassay tests, then the permit requires the initiation of a Toxicity Reduction Evaluation (TRE) process. The TRE process involves conducting a TIE which is a multi-phased approach aimed at identifying the toxic compound. In the TIE process, the contract laboratory uses various chemical and physical laboratory methods to remove toxic compounds from the effluent samples. Following laboratory removal of the various potential toxic compounds from the effluent samples, additional bioassay tests are conducted to determine if the removal of a compound has resulted in removal of toxicity. If such is the case then the indication is that the compound responsible for the toxicity in the effluent has been found. Once the suspected compound has been identified, a consultant would be needed to help identify the possible source of the toxic compound. Conducting a TRE is an expensive venture that we have previously included in the budget in the event that we were required to do so. However, generally when we have conducted accelerated monitoring we have passed two of the three accelerated tests and not been required to initiate a TRE. On several occasions we have voluntarily initiated a TIE in an effort to identify the toxic compound. In almost all cases the TIE process has not proceeded beyond baseline testing because once baseline testing has been initiated there is no longer any evidence of toxicity in the effluent. Therefore, for the 2010/2011 Budget, we have not included the previously budgeted amount of \$15,000.00 for a Phase 2 and 3 TIE nor the previously budgeted \$26,880.00 for TRE contract study assistance. In the event that a Phase 2 and 3 TIE and/or TRE study assistance is required, the Laboratory Research & Monitoring budget amount would be exceeded and the excess costs may need to be funded from Fund 12 reserves.

11-5800-414-2 Travel, Meetings & Ed.	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$1,600	0	1,680	913	\$ 1,600

Justification:

Travel expenses to conferences and training seminars, registration fees, meals, lodging and related expenses for two (2) employees at \$800.00 per employee.

11-5801-414-2 Certifications	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$228	145	362	145	\$ 218

Justification:

- State Water Resource Control Board:
Operator Certification Program

<u>Job Title</u>	<u>Renewal Date</u>	<u>Grade</u>	<u>Renewal Fee</u>
Lab Supervisor	June 2013	III	0

- California Water Environment Association:
Technical Certification Program

<u>Job Title</u>	<u>Renewal Date</u>	<u>Grade</u>	<u>Renewal Fee</u>
Lab Analyst II	May 2012	Lab-II	76
Lab Supervisor	May 2012	Lab-I	71
W/W Operator III	May 2012	Lab-I	71

LABORATORY

11-5950-414-2 Other Expense	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$500	243	500	360	\$ 500

Justification:

Employee awards and other miscellaneous expense items necessary throughout the fiscal year.

DEPARTMENT ADMINISTRATION/BOARD

2011-2012 BUDGET

ACCOUNT #	ACCOUNT TITLE	CURRENT 2010/11 BUDGET (4 Employees)	ANTICIPATED CLOSE	BUDGET REQUEST (4 Employees)
11-5030-414-3	SALARIES	352,862	331,827	337,212
11-5070-414-3	OVERTIME	2,000	2,000	2,500
11-5080-414-3	CALLOUT	0	0	0
11-5090-414-3	STANDBY	0	0	0
TOTAL SALARIES		354,862	333,827	339,712
11-5110-414-3	LONGEVITY	10,800	2,255	0
11-5112-414-3	RETIREMENT	58,145	50,950	64,640
11-5116-414-3	FICA	26,994	23,281	25,797
11-5118-414-3	UNEMPLOYMENT	0	1,768	
11-5122-414-3	WORKERS COMP	4,446	969	790
11-5124-414-3	GROUP LIFE	1,237	906	1,027
11-5126-414-3	GROUP HEALTH	37,408	42,116	47,504
11-5128-414-3	DENTAL/VISION	5,400	4,989	5,400
11-5132-414-3	DISABILITY	5,540	2,684	2,024
11-5152-414-3	CLOTHING	0	0	0
TOTAL BENEFITS		149,970	129,918	147,182
TOTAL SALARIES/BENEFITS		504,832	463,745	486,894
11-5150-414-4	DIRECTORS FEES	13,500	12,500	13,500
11-5225-414-3	ELECTION	0	0	65,000
11-5250-414-3	GAS/OIL	0	0	0
11-5300-414-3	COMP INS	349,465	314,481	330,205
11-5350-414-3	MEMBERSHIPS/SUBSCRIPT	23,517	23,353	23,121
11-5400-414-3	OFFICE EXP	13,000	12,373	13,000
11-5410-414-3	COUNTY/CITY CHGS	13,930	15,685	17,868
11-5420-414-3	PERMITS & FEES	3,000	1,939	3,000
11-5430-414-3	PRETREATMENT	0	0	0
11-5450-414-3	OPERATING SUPPLIES	5,000	3,109	6,589
11-5470-414-3	CHEMICALS	0	0	0
11-5500-414-3	CONTRACT SVCS	19,714	11,846	29,290
11-5550-414-3	PROFESSIONAL/LEGAL	95,000	80,635	99,201
11-5600-414-3	PUBLICATIONS	3,000	2,870	3,000
11-5700-414-3	REPAIRS/MAINT	10,973	7,099	11,217
11-5720-414-3	SMALL TOOLS	0	0	0
11-5750-414-3	RESEARCH	0	0	0
11-5800-414-3	TRAVEL/MTGS/ED	15,966	15,949	22,300
11-5801-414-3	CERTIFICATIONS/TCPS	264	74	107
11-5901-414-3	TELEPHONE	600	470	780
11-5902-414-3	ELECTRICITY	0	0	0
11-5903-414-3	NATURAL GAS	0	0	0
11-5904-414-3	TRASH COLL	0	0	0
11-5905-414-3	UTILITY WATER	0	0	0
11-5950-414-3	OTHER EXP	1,500	800	1,500
11-7010-000-0	DEPRECIATION EXP	4,493	4,493	4,245
TOTAL SERVICES & SUPPLIES		572,922	507,676	643,923
TOTAL OPERATING/MAINT BUDGET		1,077,754	971,421	1,130,817

ADMINISTRATION/BOARD

11-5150-414-4 Directors Fees	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$13,500	11,500	13,500	12,500	\$ 13,500

Justification:

California Health and Safety Code § 6489, permits each of the members of the board to receive compensation in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board or for each day's service rendered as a director by request of the board, not exceeding a total of six days in any calendar month, together with any expenses incident thereto. Currently, with five members, the anticipated maximum expense for FY 2011/12 is 12,000 for regular meeting plus \$1,500 additional for committee meetings, etc.

11-5225-414-3 Election	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	77,000	3,191*	0	0	\$ 65,000

Justification:

This expense is incurred every two years.

*The actual close in 2009/2010 was low since an election was not necessary as the incumbents were not challenged.

11-5300-414-3 Comprehensive Ins.	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$329,035	317,283	349,465	314,481	\$ 330,205

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 and notary. The recent facilities upgrades/expansion has increased the covered assets resulting in an increase in premium cost. The budget request reflects a 5% increase of the anticipated close amount.

ADMINISTRATION/BOARD

11-5350-414-3	FY 2009/10		FY 2010/11		FY 2011/12
Dues & Memberships	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	24,597	\$23,553	23,517	23,353	\$ 23,121

Justification:

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

• California Association of Sanitation Agencies (CASA)	12,000 ¹
• California Chamber of Commerce	499
• California Society of Municipal Finance Offices (CSMFO)	110
• California Special Districts Association (CSDA)	4,141
• Employer Advisor Council (Desert Communities Employer)	40
• Indio Chamber of Commerce	375
• McGraw Hill Construction ENR Subscription(3 yr sub pd 2010)	0
• National Notary Association	52
• Southern California Alliance of POTW's (SCAP)	4,803
• Membership for GM in CWEA/WEF	132
• Design Build Institute of America	99
• Water Reuse Association of California	870

¹The Agency's annual dues are determined based on the Operations and Maintenance Budget.

11-5400-414-3	FY 2009/10		FY 2010/11		FY 2011/12
Office Expenses	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$13,000	14,353	13,000	12,373	\$ 13,000

Justification:

This account includes the cost of office type supplies and services for all departments. Postage for postage meter, letterhead, envelopes, purchase orders, purchase requisitions, request for quotation forms, business cards, accounting and report forms. Copy papers, binders, calendars, file folders, facsimile supplies, binding machine supplies for board packets, pens, pencils, and pads. Mailing labels, packing tape, and telephone message books.

ADMINISTRATION/BOARD

11-5410-414-3 County Charges	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$13,500	12,140	13,930	15,685	\$ 17,868

Justification:

Pursuant to Section 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 .16 cents per assessment. The Auditor's cost is based on applying the assessment to the tax roll; not for the collection of such assessment.

Also, 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 2011/12 the charge is estimated at .41 cents per parcel. This charge is in addition to the Auditor's charges, and will be recovered on the first current secured settlement apportionment.

A new charge of .06 cents per parcel, starting from fiscal year 2009/10, will be assessed for any rejects being resubmitted before the August 20th deadline.

11-5420-414-3 Permits & Fees	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$4,000	1,868	3,000	1,939	\$ 3,000

Justification:

The state legislature made significant changes to the LAFCO Act through the Cortese Knox- Hertzberg Local Government Reorganization Act of 2000. These changes have impacted special districts. The changes provide 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 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$6,000	2,377	5,000	3,109	\$ 6,589

Justification:

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

- California Chamber of Commerce Labor Law Digest \$ 251
- Computer manuals/books 500
- Computer Supplies-backup tapes, printer cartridges, toner 3,838
- Office Software upgrade (for common Windows 7 version) 2,000

ADMINISTRATION/BOARD

11-5500-414-3 Contract Services	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$18,214	4,113*	19,714	11,846 ²	\$ 29,290

Justification:

Encompasses all expenses related to:

• PERS Health Plan annual fee	\$ 1,110
• Pitney Bowes (lease on postage meter)	660
• Pacific Administrators (Section 125 Plan)	900
• Rate Study (Note 1)	25,000
• *T1 Internet Connection-Annual (Note 2)	0
• ESRI ARCVIEW (Purchase One Addtl. User License)	1,500
• EFAX account (due to temporary Admin. Bldg. relocation)	120

*The actual close for 09/10 was low due to not printing the newsletter last year. In addition, the T1 internet connection was not implemented as budgeted, however \$1,428 was spent instead on internet access with UIA.

(Note 1)

The District has not had an independent water rate study since 1997. Various components of the rate study are out of date, and compliance with Proposition 218 is necessary. The study will establish the roadmap for the District rate structure for the next ten years, plus deliver a comprehensive rate model that can be used internally for the establishment of rates.

(Note 2)

A T1-Connection is broadly used as a high-speed internet access point delivered through copper wire or fiber optic line, which can transfer speeds up to 1.544 megabits per second. This is a new upgrade that was not implemented last fiscal year, and will be deferred until the new Admin/Operations building is complete.

11-5550-414-3 Professional/Legal	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$95,000	63,485*	95,000	80,635	\$ 99,201

Justification:

Expenses related to annual audit, accounting services, and legal consultants for normal District activities, labor issues, and litigation. This budget includes a line item of \$15,000 for mailing the District Newsletter and/or Proposition 218 Notices.

*The actual close for FY 2009/10 was low due to not mailing the annual District Newsletter & Prop. 218.

• Legal Services (11-5552-414-3)	\$25,000
• Other Professional Services (11-5553-414-3)	
○ Computer Consulting	20,000
○ Printing & mailing of District Newsletter/Prop. 218	19,000
• Accounting Services (11-5554-414-3)	
○ Annual Audit	15,000
○ Payroll Company	3,485
• Medical Services (11-5555-414-3)	

ADMINISTRATION/BOARD

○ Medical Exams-DMV & Pre-employment	1,000
○ Drug/Alcohol testing - 4 employees)	480
○ First Aid Medical	500
○ Wellness Program (incl.rebate from CSRMA)	13,800
○ Employee Assistance Program	936

The District does not currently have an Employee Assistance Program (EAP), which provides anonymous counseling for working and personal related issues to all employees. Experience has shown that an EAP program is very effective in lowering reduced productivity and quality issues at work by providing these services to employees.

11-5600-414-3 Publications	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$3,000	2,788	3,000	2,870	\$ 3,000

Justification:

Costs for publication of official notices as required by the Government code, which are generally published in the Desert Sun or the Indio Post Newspapers.

11-5700-414-3 Repairs/Maintenance	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$8,400	6,826	10,973	7,099	\$ 11,217

Justification:

This account includes maintenance costs for copier, fax, typewriters, and printers. Miscellaneous repairs on computer as required.

- Blackbaud Accounting Software - Annual Maintenance \$5,267
- Monthly maintenance costs for copier 1,950
- Contingency in case of printer replacement and/or
Blackbaud Accounting Software upgrades (Project Management) 4,000

11-5800-414-3/4 Travel, Meetings & Ed.	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$15,966	14,507	15,966	15,949	\$ 22,300

Justification:

Expenses incurred for attending the California Association of Sanitation Agencies (CASA) conferences held three times a year. Traveling expenses and hotel accommodation expenses incurred while attending meetings, conferences, and various educational seminars. This request is for 5 Board members, General Manager, Office Manager and an additional \$1,000.00 for each of the other 2 Administration Employees.

Expenses for one conference for General Manager (either CWEA, DBIA or Project Management Institute at \$1,500. General mileage charges for as needed General Manager mileage (\$500).

ADMINISTRATION/BOARD

11-5801-414-3 Certifications/TCP	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$61	0	61	74	\$ 107

Justification:

Project Management Professional (PMP)

Certification for General Manager for PMP from Project Management Institute. \$ 107

Professional Engineer (P.E.)

Not required this fiscal year, P.E. certification current until June 2012.

11-5901-414-3 Telephone	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$600	467	600	470	\$ 780

Justification:

Cell phone charges for cell phone used by General Manager.

11-5950-414-3/4 Other Expenses	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$1,500	906	1,500	800	\$ 1,500

Justification:

Miscellaneous expense fund will be used to buy unbudgeted items that are necessary through the year which were not budgeted under a specific category.

COMBINED CAPITAL EXPENDITURES & O&M BUDGET
2011/2012 BUDGET

ACCOUNT #	DESCRIPTION	2010/2011 BUDGET	2010/2011 ANTICIPATED CLOSE	2011-2012 BUDGET REQUEST
FUND 11/O&M				
11-8620-000-0	COLLECTION-SEWER LINES	0	0	
11-8630-000-0	COLLECTION - FACILITIES	114,400	54,283	92,700
11-8640-000-0	TREATMENT FACILITY	165,560	103,000	74,800
11-8650-000-0	SLUDGE FACILITY	0	0	100,000
11-8660-000-0	GENERAL PLANT	0	0	28,000
11-8670-000-0	LABORATORY	0	0	0
11-8680-000-0	ADMIN FACILITIES	11,000	3,000	15,000
	RESERVE ACCOUNT	3,636,740	3,595,051	3,669,569
TOTAL FUND 11		3,927,700	3,755,334	3,980,069
FUND 13				
13-8623-000-0	COLLECTION-SEWER LINES	987,541	42,432	888,992
13-8630-000-0	COLLECTION FACILITY	0	0	0
13-8643-000-0	TREATMENT FACILITY	497,652	497,692	493,412
13-8650-000-0	SLUDGE FACILITY	6,687,140	116,411	7,276,168
13-8660-000-0	GENERAL PLANT	819,748	356	1,032,695
13-8670-000-0	LABORATORY	0	0	0
13-8680-000-0	ADMIN FACILITIES	0	0	0
TOTAL FUND 13		8,992,081	656,891	9,691,267
TOTAL CAPITAL OUTLAY BUDGET		12,919,781	4,412,225	13,671,336
TOTAL O & M BUDGET		7,052,574	6,585,975	7,087,203
TOTAL BUDGET		19,972,355	10,998,200	20,758,539

PROJECTED EXPENSES OUT OF RESERVES

12-8632-000-0	COLLECTION-SEWER LINES	3,898,419	458,477	2,959,386
12-8630-000-0	COLLECTION FACILITY	0	0	0
12-8642-000-0	TREATMENT FACILITY	626,179	596,179	472,293
12-8650-000-0	SLUDGE FACILITY	10,170,860	30,098	11,080,868
12-8660-000-0	GENERAL PLANT	1,332,132	19,355	2,015,983
12-8670-000-0	LABORATORY	10,000	0	10,000
12-8680-000-0	ADMIN FACILITIES	5,000	0	5,000
TOTAL FROM RESERVES		16,042,590	1,104,109	16,543,530

FUND 11**CAPITAL O & M****FUND TOTAL REQUEST \$****310,500**

11-8630-000-0	FY 2009/10		FY 2010/11		FY 2011/12
COLLECTION	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$118,000	60,661	\$114,400	54,283*	\$ 92,700

- A) Manhole Frame and Covers \$ 15,000
The Collection Department is budgeting \$15,000 to replace older manhole frame and covers when they become damaged and/or when road improvements are made on city streets.

- B) Pretreatment Program Development Costs: \$ 75,000
The District is mandated by the Regional Water Quality Control Board (RWQCB) to develop and implement an approved pretreatment program by the expiration date of the Districts NPDES Permit on June 16, 2015. The program development guidelines include but are not limited to organization and multi jurisdictional implementation, legal authority, local limits and identification of non domestic users. Development of an approved pretreatment program may cost as much as \$250,000, however District Staff are endeavoring to reduce the cost.

The pretreatment program requires ongoing program management after implementation that includes permitting, testing, monitoring and program enforcement. The program applies to all non domestic dischargers. Non domestic discharger is inclusive of all non residential dischargers. However, not all non residential dischargers require regulation under the proposed program.

The program is complex; therefore, it is recommended that the District contract the services of a professional engineering firm specializing in pretreatment program development and implementation. The initial tasks that must be performed include but are not limited to organizational and multi jurisdiction implementation, legal authority, user identification, fact sheets and resources.

- C) Arc View Software for GIS: \$ 2,700
Two additional software licenses are required to enable administrative staff to access county parcel and property information for research and billing.

11-8640-000-0	FY 2009/10		FY 2010/11		FY 2011/12
TREATMENT	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$23,000	40,150	\$165,500	103,000*	\$ 74,800

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

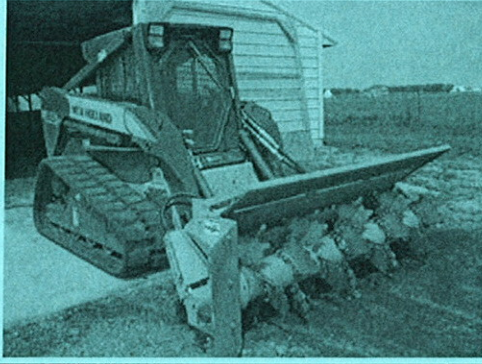
- B) 100 H.P Variable Speed Drive: \$ 13,000
Flygt Influent Pump \$ 46,300
There have been problems with both original variable speed drives and influent pumps. Two of the six influent pumps are original pumps that were installed in 1998 when the pump station was built. Two of these pumps and drives have been replaced during the past two years and two new influent pumps and drives were also installed during the last plant expansion. Flygt has indicated that the average life span for these pumps under average operating conditions is 10 to 12 years. The variable speed drives (from 1998) are also experiencing problems and several control boards have had to be replaced. The intent is to replace a motor and drive this budget year.

- C) Turblex Temperature Probe Upgrade: \$ 7,500
The Turblex system has experienced an increased number of alarms in the inlet air temperature system.

These occurred during the hot season in summer. Turblex recommended a retrofit kit that relocates the probes from the body of the blower to the inlet air duct. These were installed and the temperatures have dropped. These funds are for additional upgrades to the system to mitigate the problem. This solution includes replacing the probes to increase the temperature range. The existing temperature probes are at the maximum set point and the new probes will increase the set point at a safe operating range.

* The anticipated close is low due to the following budgeted items being incorporated into the plant expansion: Activated Sludge Plant Drainage Pump Lid (\$5,000); Arc Flash Kit (\$3,000); and Electronic O&M Program (\$26,810). In addition, only \$20,000 of the \$64,150 budgeted is anticipated for wetlands road improvements.

11-8650-000-0 SLUDGE	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$ 0	161,400*	\$ 0	0	\$ 100,000



Tractor and auger:

\$ 100,000

The current method of processing the biosolids has changed from the previous method of entering the ponds to dry the biosolids. The current method is to use a dredge to pump the solids from the pond to the belt press facility. The asphalt floor of the drying beds allows the solids to be spread out. The current Brown Bear is over ten years old and has broken down several times in the past 12 months. The down time results in the disruption of the operation of the belt presses. In the past 12 months, approximately \$7,000 in repairs to the Brown Bear has been expended. The limited space in the drying beds requires that the ability to turn the sludge be maintained to accelerate the drying time. It is recommended that a new tractor and auger be purchased for this purpose.

*The \$161,400 was the remaining balance on a second dredge purchased in the 2008/2009 Fiscal Year from funds allocated in 2008/2009.

11-8660-000-0 GENERAL PLANT	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$10,215	0	\$ 0	0*	\$ 28,000

A) Stucco or Facade the front wall:

\$ 20,000

The front wall has water damage, is not attractive and is in need of repair. The damage is due to sustained water seeping through the wall from the sprinkler system damaging the masonry, causing the paint to blister and peel off. The sprinklers have been adjusted; however, water still gets on the wall due to wind. Various ways to repair the wall have been explored and the recommendation is to have stucco or some other form of façade wall placed against the existing wall with a barrier between the stucco and existing wall. This barrier will prevent the water from carrying across into the stucco.

B) Hypochlorite Building Air Conditioner:

\$ 8,000

The sodium hypochlorite building is equipped with an A/C unit to control the temperature. The temperature should be maintained to avoid degradation of the product. The current A/C unit runs full

time during the summer, does not cycle during the day and at best keep the building around 90-100 F during the hotter part of the summer. Periodically the unit will freeze up requiring it to be turned off to thaw out. This results in temperatures exceeding the safe storage maximum temperature of 75-85 F for sodium hypochlorite, which presents a risk of degradation of the sodium hypochlorite. It is recommended that this unit be replaced.

* The purchase of Security Cameras was included in the 2010/11 budget year; however, this project was placed on hold pending completion of the Administration Building/Laboratory/Operations Center project and subsequently budgeted under Fund 12.

11-8670-000-0 LABORATORY	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$ 1,000	0	\$ 0	0	\$ 0

11-8680-000-0 ADMINISTRATION	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$18,800	0	\$ 11,000	3,000*	\$ 15,000

Backup Disaster Recovery (BDR) Server Backup System

\$ 15,000

Currently the District utilized old generation tape backup units for information backup and retrieval. This method is outdated for several reasons: The media is subject to degradation, the tapes must be manually changed out and the process of recovering from a server crash is lengthy. Operations, Administration and Engineering staff routinely have backed up their own data on less reliable devices which also require staff effort and time and opens the District to the risk of unprotected and in-secure data issues. During 2010 a server unit failed resulting in lost productivity for two to three days at the District. A BDR system will provide for secure, reliable data backup and recovery and protect the investment for the District accounting, engineering, operations, GIS and asset data information.

* The multi-terabyte tape system budgeted for Fiscal Year 2010/12 in the amount of \$ 8,000 was not purchased. The District is changing the approach to a more reliable BDR backup and recovery system.

FUND 12**RATE STABILIZATION FUND****FUND TOTAL REQUEST \$****16,543,530**

12-8632-000-0 COLLECTION	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$447,564	104,114*	\$3,898,419	458,477*	\$ 2,959,386

- A) Phase A Final Design of Requa Interceptor: \$57,221
 \$75,000 is an estimated final design cost for the professional engineering services required to complete the design and specifications of approximately 5,000 feet of 30 and 36 inch diameter sewer. An engineering pre-design of the interceptor was done in 2009 to insure alignment, constructability and property acquisitions for easements prior to a final design of Phase A. This design cost includes a 950 ft. reach of 12 inch sewer from Hwy 111, along Salton St., north to the intersection of Requa Ave. that was not included in the engineer's original scope of services requested by the District. Of the \$75,000 estimated final design cost 76.295 % or \$ 57,221 will be charged to Fund 12 and 23.705 % or \$17,779 charged to Fund 13.

- B) Phase A Construction of the Requa Interceptor: \$2,482,165^A
 \$3,253,378 is the estimated construction cost for approximately 5,000 feet of 30 and 36 inch sewer, 19 manholes and a 400 feet jack and bore under Union Pacific Railroad (UPRR) right of way (ROW) including a diversion line of approximately 950 ft of 12 inch sewer and 3 manholes in Salton Street. between Highway 111 and Requa Avenue. The construction costs are projected to be:

\$2,446,149 Engineers original Opinion of Probable Construction Cost without contingencies.

\$ 366,922 Additional pipeline construction, not included in the original engineer's scope of services, to redirect a portion of existing Hwy 111 flows to the Requa Interceptor by constructing a new 12 inch sewer in Salton Street. The diversion would redirect Highway 111 flows relieving downstream sewers flowing at or near design capacity and provide redundant overflow protection. The redirection increases the original interceptor depth by approximately 7 feet and upsizes a portion of the 30 inch pipeline to 36 inches.

\$ 366,922 Balance of Recommended 15% contingency.

\$ 440,307 Support services: bid services, construction management, construction staking, geotechnical services and environmental support.

\$ 3,253,378

The total projected construction cost is \$3,253,378. 76.295 % or \$ 2,482,165 will be charged to Fund 12 and 23.705 % or \$771,213 charged to Fund 13.

Fund 12 & 13 cost allocations were calculated based on a percentage of designed interceptor capacity in Units of Service (UOS) required to provide service to existing customers (Fund12), tributary to this sewer relative to the percentage of the design capacity in UOS needed to provide service for future development. The methodology is as follows:

- 13,280 Units of Service (UOS). Requa Interceptor Design Capacity.
- 10,132 Existing customer UOS.
 - The 10,132 Existing UOS represent 76.295% of the interceptor pipeline design capacity (Fund 12).
 - The 3,148 UOS difference between the planned capacity of 13,280 UOS and the

existing 10,132 UOS represents 23.705% of the interceptor pipeline design capacity (Fund 13).

REQUA INTERCEPTOR BACKGROUND OVERVIEW FOR ITEM A

The proposed Requa Interceptor is the product of a combination of recommendations provided in the 2003 Collection System Master Plan to provide build out sewer capacity, consolidation of several smaller master planned projects, changes to the Districts service area and updated development information. Phase A was established on the ability to provide relief for sewers flowing at or near design capacity and conform to the intent of the 2003 Collection System Master Plan.

In 2009 the services of a professional engineering firm were solicited for pre-design services of the entire Requa Interceptor. The pre-design of the interceptor was done to determine alignment and constructability of the entire interceptor between the treatment plant and Shields Road. This task included a review of updated development information to calculate flows for sufficient pipeline capacity in the design, survey, utility research, cost study, property information and overall constructability.

- PHASE A (Current Project)

The pre-design focused on the immediate need on the specifics of Phase A tasks for easement acquisition, other agency permitting and property purchase if required for final pipeline design. Phase A consists of approximately 5,000 ft of 30 & 36 inch sewer and 19 manholes extending from the treatment plant south and west to the intersection of Requa Avenue and Flower Street.

Phase A also provides relief to a part of Highway 111 flows at or near design capacity and would allow for a longer term deferral of future Phase B Improvements. The Highway 11 relief line consists of the construction of approximately 950 feet of 12 inch sewer in Salton Street from Highway 111 north to Requa Avenue diverting flows to the Requa interceptor.

Phase A should be constructed as a single phase project to provide maximum flow relief and help realize construction cost savings through economies of scale.

Support services/tasks are required for construction bid support, construction management, construction staking, geotechnical services and environmental services adding an estimated \$440,307 to the project cost.

- PHASE B (Future Project)

The pre-design confirmed the constructability of future Phase B from the intersection of Requa Avenue and Flower Street, the end of project Phase A, and west to the Shields Road Lift Station. Phase B will be approximately 17,500 feet long with pipe sizes ranging from 30 to 10 inches in diameter with 45 manholes. However, Phase B is future construction beyond the 2011/2012 budget time frame. The estimate for final design, construction and support services for Phase B is \$10,937,943. Phase B was identified in the pre design engineering study.

C) Sewer Pipeline Rehabilitation: \$250,000

The sewer mainlines are video inspected as part of the scheduled preventative maintenance. 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 main will need to be lined or replaced. The targeted projects include:

- 3,500 feet of 4 inch and 6 inch cast iron and 8 inch clay sewer constructed in the 1940's located in the down town area.
- 500 ft of 18 inch cast iron sewer main that was constructed in the 1950's that crosses under the railroad tracks.
- Install 2 manholes on Dr. Carreon Drive with 18 inch and 15 inch sewer main where the existing distance between manholes exceeds the 800 foot length of the Vactor hose and future development will not provide for these manholes.

Private Lateral Grant Program:

\$ 50,000

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. The maximum amount of assistance for any one private sewer lateral replacement or repair is 50% of the approved cost up to a maximum reimbursement of \$2,000.

D) Manhole Rehabilitation:

\$ 60,000

Manholes are inspected as part of the scheduled line cleaning maintenance. These inspections are reviewed to determine what 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. Manhole rehabilitation has been an annual project.

E) Point Repairs:

\$ 60,000

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.

^A Construction of Phase A of the Requa Street Interceptor may need to be deferred to Fiscal Year 2011/2012 depending on the bid results for this and other major capital projects.

*The anticipated close is low due to the Sewer Pipeline Rehabilitation project changing from the planned lining of the sewer mains in easement areas to control root intrusion. Treating root intrusion with chemical foam is a more appropriate and cost effective solution.

12-8642-000-0 TREATMENT	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$600,022	600,384	\$626,179	596,179	\$ 472,293

A) Principal and Interest Payment for 2006 COP:

\$ 452,293

On August 15, 2006, the District issued \$12,915,000 Certificates of Participation to fund Phase I of the District's treatment plant expansion. Principal and interest ranging from 3.50% to 4.375% will be payable semi-annually on February 1st and August 1st commencing February 1, 2007.

B) Contingency for emergency repairs:

\$ 20,000

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 at the treatment plant which could unexpectedly fail during the fiscal year.

12-8650-000-0 SLUDGE	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$220,460	10,498	\$10,170,860	30,098*	\$ 11,080,868

A) Solids Handling Facilities Upgrades – Construction Phase 2A

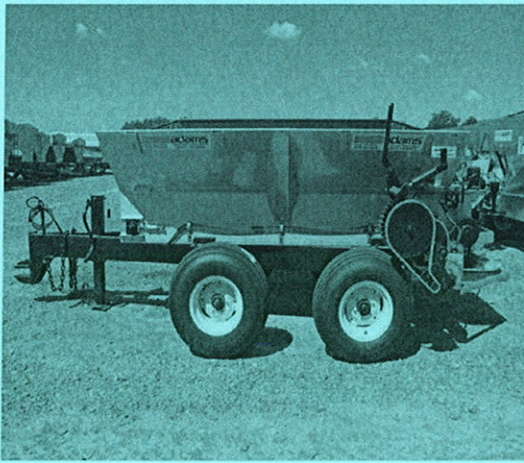
\$ 10,192,221

Construction Phase 1 of the Treatment Plant Expansion/Renovation Project expanded the liquid treatment capacity of the activated sludge plant from 5 million gallons per day (MGD) to 7.5 MGD. Construction Phase 2A would increase the capacity of the treatment facilities another 2.5 MGD by the installation of a new anaerobic digester for solids stabilization, construction of new primary clarifiers to replace the primary clarifiers that were converted to additional aeration basins in Construction Phase 1, installation of chemical dosing facilities to enhance removal of solids in the new primary clarifiers, and rebuilding of the existing grit removal system. The engineer's estimate for the cost of Construction

Phase 2A is \$16,900,000. 60.309% is calculated as renovation/replacement costs and budgeted under Fund 12 while 39.691% is calculated to be for capacity expansion and is budgeted under Fund 13.

Although there is no urgent need to increase the capacity of the treatment plant, there is an urgent need to renovate and expand the solids treatment/handling facilities. Construction Phase 2 was proposed to install two digesters, four primary clarifiers and gravity belt thickeners for waste activated sludge. Construction Phase 2 was split into two smaller projects and designated as Construction Phase 2A and a future Construction Phase 2B due to the reduction in development and subsequent income from connection capacity fees.

- B) Construction Phase 2A Construction Management \$ 863,647
Construction Management for the Construction Phase 2A project is projected to cost \$1,432,036. Of this cost, 60.309% is budgeted under Fund 12 and 39.961% is budgeted under Fund 13.
- C) Sludge Handling Trailer: \$ 15,000



The District uses a dump truck for hauling the sludge from the belt press facility to the drying beds. The dump truck is listed as standby equipment with California Smog Emission System Article 2020 Title 13 Diesel Particulate Matter Control Measure for Heavy Duty Diesel Fueled Vehicles Owned or Operated by Public Agencies and Utilities. This minimizes the use of the dump truck to 200 hours of use per year. Staff currently reaches the 200 hour mark and will have to use alternative methods for transporting the sludge.

The cost to modify the truck with the required smog equipment would cost around \$20,000 to \$25,000 and there are no guarantees that the truck will meet smog requirement emissions. A new dump truck is approximately \$ 60,000 that would meet all of the State requirements. It is recommended to purchase a trailer with a walking floor to dispense the solids onto the ground. The trailer would be pulled by either the case tractor or a 1ton truck that the District currently owns.

- D) Contingency for emergency repairs: \$ 10,000

* The solids handling upgrade for the plant expansion is deferred until Fiscal Year 2011/12.

12-8660-000-0	FY 2009/10		FY 2010/11		FY 2011/12
GENERAL PLANT	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$545,061	78,993	\$1,332,132	19,355*	\$ 2,015,983

- A) Administration Office/Laboratory Expansion/Remodel: \$ 651,269
Due to the growth within the different departments in the Administration office, office space and laboratory space have become limited. The portion of this project budgeted under Fund 12 is for the remodeling of the Administration building and the portion budgeted under Fund 13 is for the expansion portion of the administration building and laboratory. This construction estimate for the Administration/Laboratory project was updated to 2011 dollars by Holt Architects. This project has been deferred for several years pending completion of Construction of Phase I of the treatment plant expansion. . During the 2009/2010 Fiscal Year, the building plans were updated to the 2007 Building Codes and we anticipate this project will be ready to bid Fiscal Year 2011/2012.
- B) Administration Office/Lab Bidding and Construction Administration:\$ 37,194
The estimated cost for engineering services for the bidding and construction of the administration building/laboratory project is estimated at \$92,985. 40% of this amount is budgeted under Fund 12 and 60% is budgeted under Fund 13. This increase is due to the consolidation of the Le & Ro and Holt Architect Construction Management efforts.
- C) Operations Center Building Construction: \$ 549,688
During the 2009/2010 Fiscal Year, the Board authorized a contract with Holt Architects to design a building to be used as an operations center for the treatment plant. Currently the operations office is a room constructed in the end of the existing shop building. The operations office houses the treatment plant alarm display panels and alarm callout system. This office is also used as a break room. The new operations center would provide the operational hub for treatment plant operations and replace the current operations office.
- D) Operations Center Building Construction Administration: \$ 58,557
The estimated cost for engineering services for construction administration related to the operations center building is \$9,279.
- E) Ancillary Furniture & Equipment for Administration, Lab and Operations Center: \$ 135,893
The estimated cost for replacement furnishing associated with the administration office, laboratory and operations center projects is \$90,893. The cost of temporary office space during construction is estimated at \$ 20,000, the cost for moving is \$ 5,000 and the cost for the replacement for the District telephone/data system is \$ 20,000.
- F) Facility Storm Drains and Roadway Reconstruction \$562,783
A system of storm drainage, retention basins, curbs and roadway reconstruction was engineered during the 2009/2010 Fiscal Year in conjunction with the administration/laboratory and operations center projects. This project entails improved site work, drainage, roadways and site improvements to improve storm drainage within the facility with the addition of storm water retention basins, storm drains and curbs and gutters along with reconstructing the majority of the facility roadways that have deteriorated through the years. The last major roadway reconstruction at the facility was in the early part of 1990 decade.
- G) Contingency for emergency repairs: \$ 10,000
- H) Facility Security Cameras: \$ 10,599
16-Channel Digital Recording System
400 GIG Hard Drive 200 Frames a Second
24 inch Flat Screen Monitor
5-High Resolution day/night cameras with 3.5-8.0 lens
\$695/each up to 500 feet of cable per camera

Camera enclosures with mount 5 X 189
 16 Camera 12 VDC Power Supply 10 AMP
 Installation cost at \$85.00/hour

*The anticipated close is low because it is anticipated that construction will not be started on the Administration/Laboratory project until the 2011/2012 Fiscal Year.

12-8670-000-0 LABORATORY	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$10,000	4,171	\$10,000	0	\$ 10,000

- A) Contingency for emergency repairs: \$ 10,000
 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 at the treatment plant which could unexpectedly fail during the fiscal year.

12-8680-000-0 ADMINISTRATION	FY 2009/10		FY 2010/11		FY 2011/12 Budget Request
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	
	\$5,000	0	\$5,000	0	\$ 5,000

- A) Contingency for emergency repairs: \$ 5,000
 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 at the treatment plant which could unexpectedly fail during the fiscal year.

FUND 13

CAPITAL IMPROVEMENT FUND TOTAL REQUEST: \$ 9,691,267

13-8623-000-0 COLLECTION	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$160,841	104,199	\$987,541	42,432	\$ 888,992

- A) Phase A Final Design of Requa Interceptor: \$17,779
 \$75,000 is an estimated final design cost for the professional engineering services required to complete the design and specifications of approximately 5,000 feet of 30 and 36 inch diameter sewer. An engineering pre-design of the interceptor was done in 2009 to insure alignment, constructability and property acquisitions for easements prior to a final design of Phase A. This design cost includes a 950 ft. reach of 12 inch sewer from Hwy 111, along Salton St., north to the intersection of Requa Ave. that was not included in the engineer's original scope of services requested by the District. Of the \$75,000 estimated final design cost 76.295 % or \$ 57,221 will be charged to Fund 12 and 23.705 % or \$17,779 charged to Fund 13.
- B) Phase A Construction of the Requa Interceptor: \$771,213^A
 \$3,253,378 is the estimated construction cost for approximately 5,000 ft. of 30 and 36 inch sewer, 19 manholes and a 400 ft jack and bore under UPRR R/W including a diversion line of approximately 950 feet of 12 inch sewer and 3 manholes in Salton Street between Highway 111 and Requa Avenue. The total projected construction cost is \$3,253,378. 76.295 % or \$ 2,482,165 will be charged to Fund 12 and 23.705 % or \$771,213 charged to Fund 13.

REQUA INTERCEPTOR PROJECT FACT SUMMARY & OVERVIEW FOR ITEMS A AND B ABOVE

- Two phased large diameter sewer interceptor project that ultimately extends a large diameter pipeline from the treatment plant generally south and west to Shields Road.
 - Phase A: VSD Treatment Plant to the intersection of Requa Ave. & Flower St.(current budget request)
 - Phase B: West from the intersection of Requa Avenue and Flower Street (the end of Phase A construction) west to Shields Road (final design and construction beyond the scope of the 2011/2012 budget).
- Combined project facts:
 - Installation of approximately 22,700 ft. of pipeline ranging from 36 to 10 inches in diameter.
 - Construct approximately 60 manholes up to a depth of approximately 22 feet.
 - Convey a peak flow of up to approximately 13 million gallons per day.
 - Phase A and B together would complete the largest project recommended in the 2003 Collection System Master Plan.
- The proposed project collectively:
 - Replaces and upgrades sewers for existing flows.
 - Provides relief for sewers with existing flows that are operating at or near design capacity.
 - Provides overflow protection to help insure public health, safety and avoid potential monetary fines.
 - Creates ultimate build out capacity for master planned flows in many areas of the District.

* Construction of Phase A of the Requa Street Interceptor will be deferred to Fiscal Year 2012/2013 depending on the bid results for this and other major capital projects.

- C) Collection System Master Plan & Hydraulic Model Update: \$ 100,000

A professionally collection system master plan was created for the District in 2003. The master plan identified collection system deficiencies or pipelines operating at or above design capacity. These deficiencies were identified by the use of a computerized hydraulic model of the Districts existing collection system and flows. Identification of these deficiencies allows the District to budget monies for repair or replacement. Also modeled were estimated future sewage flows calculated on land use and zoning of those properties located within the District boundary and sphere of influence. The existing and future flows were combined and used in the hydraulic model to help determine future pipeline sizing requirements for capacity, potential pipeline alignments and estimated construction cost. A collection system master plan provides direction and recommendations in the development of the capital improvement program.

The collection system master plan and hydraulic model requires periodic updates of actual sewage flows and constructed sewer improvements. Future flow estimates are revised to reflect changes in land use, zoning or development trends, future flow projections. The master plan is also a budgetary tool to help determine if fee and rate structures are sufficient to pay for planned improvements.

Accepted industry practice and recommendations indicates that a collection system master plan should be updated at regular intervals but not to exceed a period of 10 years. Development of the existing master plan began in 2002 and was completed in May 2003.

The State Water Resources Control Board (SWRCB) proposes changes to the existing statewide Waste Discharge Requirements (WDR) for Sanitary Sewer Systems (SSS). VSD complies with this requirement with the Sanitary Sewer System Management Plan (SSMP). For purposes of complying with these changes professional evaluation and judgments shall be provided by a professional engineer. The master plan will assist in addressing elements of these new requirements that include system evaluation, design criteria, capacity enhancement measures with an implementation schedule and revenue sources to fund these capacity enhancements.

It is proposed that the District contract the services of a professional engineering firm to review and update the elements of the existing master plan. This update will include the purchase of new hydraulic modeling software. The existing collection system pipelines would be modeled and updated to reflect actual pipeline additions and construction 2002. Existing flows would be adjusted in the model, if necessary, to reflect actual flows.

Future flow generations would be verified to confirm that the balance of proposed collection system improvements is constructed with sufficient capacity. The master plan document update must be done in conjunction with the hydraulic model. The individual task costs are \$175,000 for the Master Plan and \$50,000 for the hydraulic model. \$ 100,000 is allocated to Fiscal Year 2011/12 with the balance of \$ 75,000 in Fiscal Year 2012/13.

13-8643-000-0 TREATMENT	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted	Actual	Adopted	Anticipated	Budget
	Budget	Close	Budget	Close	Request
	\$664,106	610,493	\$497,652	497,692	\$ 493,412

- A) Principal and Interest Payment for 2006 COP: \$ 493,412
 On August 15, 2006, the District issued \$12,915,000 Certificates of Participation to fund Phase I of the District's treatment plant expansion. Principal and interest ranging from 3.50% to 4.375% will be payable semi-annually on February 1st and August 1st commencing February 1, 2007.

13-8650-000-0 SLUDGE	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$196,884	131,073	\$6,687,140	116,411*	\$ 7,276,168

A) Solids Handling Facilities Expansion – Construction Phase 2A \$ 6,707,779

Construction Phase 1 of the Treatment Plant Expansion/Renovation Project expanded the liquid treatment capacity of the activated sludge plant from 5 million gallons per day (MGD) to 7.5 MGD. Construction Phase 2A would increase the capacity of the treatment facilities another 2.5 MGD by the installation of a new anaerobic digester for solids stabilization, construction of new primary clarifiers to replace the primary clarifiers that were converted to additional aeration basins in Construction Phase 1, installation of chemical dosing facilities to enhance removal of solids in the new primary clarifiers, and rebuilding of the existing grit removal system. The engineer's estimate for the cost of Construction Phase 2A is \$16,900,000. 39.691% is calculated to be for capacity expansion costs and budgeted under Fund 13 while 60.309% is calculated to be for renovation/replacement costs and is budgeted under Fund 12.

Although there is no urgent need to increase the capacity of the treatment plant, there is an urgent need to renovate and expand the solids treatment/handling facilities. Construction Phase 2 was proposed to install two digesters, four primary clarifiers and gravity belt thickeners for waste activated sludge. Due to the reduction in development and subsequent income from connection capacity fees, Construction Phase 2 was split into two smaller projects and designated as Construction Phase 2A and a future Construction Phase 2B.

B) Construction Phase 2A Construction Management \$ 568,389

Construction Management for the Construction Phase 2A project is projected to cost \$1,432,000. Of this cost, 39.691% is budgeted under Fund 13 and 60.309% is budgeted under Fund 12.

* The solids handling upgrade for the plant expansion is deferred until Fiscal Year 2011/12.

13-8660-000-0 GENERAL PLANT	FY 2009/10		FY 2010/11		FY 2011/12
	Adopted Budget	Actual Close	Adopted Budget	Anticipated Close	Budget Request
	\$802,590	13,073	\$819,748	356*	\$ 1,032,695

A) Administration Office/Laboratory Expansion/Remodel: \$ 976,904

Due to the growth within the different departments in the Administration office, office space and laboratory space have become limited. The portion of this project budgeted under Fund 13 is for the expansion of the administration building/laboratory and the portion budgeted under Fund 12 is for the renovation portion of the project. This construction estimate for the Administration/Laboratory project was updated to 2011 dollars by Holt Architects. This project has been deferred for several years pending completion of the construction of Phase I of the treatment plant expansion. During the 2009/2010 Fiscal Year, the building plans were updated to the 2007 Building Codes and it is anticipated that this project will be ready to bid Fiscal Year 2011/2012.

B) Admin. Office/Lab Bidding and Construction Administration: \$ 55,791

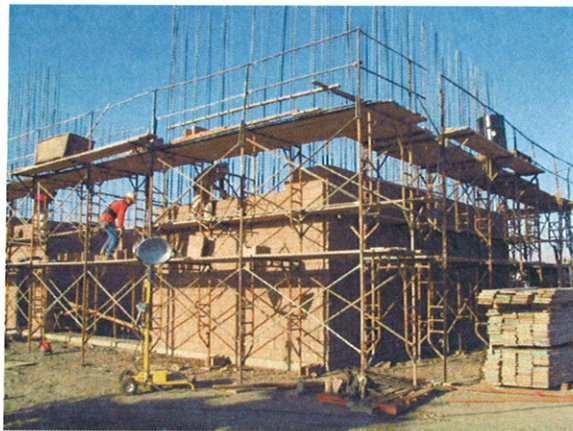
The estimated cost for engineering services for the bidding and construction of the administration building project is estimated at \$ 92,985. 60% of this amount is budgeted under Fund 13 and 40% is budgeted under Fund 12.

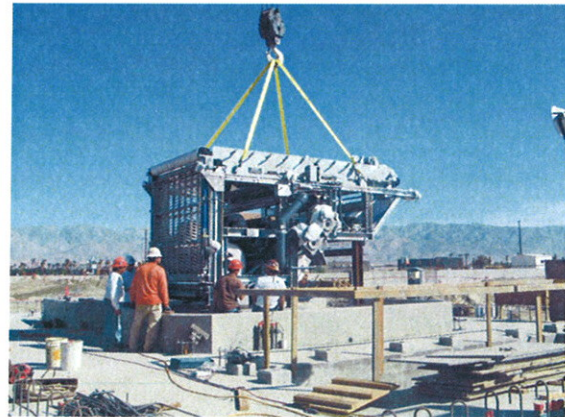
*The anticipated close is low because it is anticipated that the Administration/Laboratory project will not be under construction until the 2011/2012 Fiscal Year.

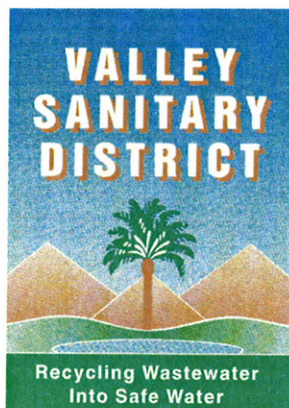
VALLEY SANITARY DISTRICT

FIVE YEAR CAPITAL IMPROVEMENT PROGRAM

**FISCAL YEAR
2011/2012 THROUGH 2015/2016**







INTRODUCTION

Funding for capital improvements comes from two sources. One source of funding is from funds obtained through the annual sewer use fee and the other is from the connection capacity fee that is paid to the District when a development is connected to the District's sewer system. Funding obtained through the annual sewer use fee not only funds the daily operational costs associated with the wastewater treatment plant and wastewater collection system, it funds the capital expenditures associated with the rehabilitation and/or replacement of existing facilities. The connection capacity fees obtained from development are used to fund expansions to facilities that increase capacity. Generally the District must accumulate funds from both sources over an extended period of time in order to build adequate reserve funds to pay for large scale capital projects. On several occasions the District has obtained financing to fund the construction of necessary capital improvements prior to having accumulated sufficient reserve funds to fully fund the capital improvements. For example, funding was obtained to build the constructed wetlands treatment process in 2000 and additional funding was obtained through Certificates of Participation in 2006 to aid in financing the construction of the Treatment Plant Upgrade/Expansion project.

The District maintains two internal funds to segregate the reserves obtained through the annual sewer use fee from those obtained from connection capacity charges. Reserve funds obtained through the sewer use fee are allocated to Fund 12 and reserve funds obtained through connection capacity charges are allocated to Fund 13.

Some projects are funded entirely out of Fund 12 because the project's entire purpose is to rehabilitate or replace existing facilities while some projects are

funded entirely out of Fund 13 because that project's entire purpose is to increase capacity. However, many projects are a mixture of replacement/rehabilitation and expansion of facilities to add capacity and as such are funded by a combination of funds from both Fund 12 and Fund 13. In determining the percentage of a project that is for rehabilitation/replacement versus increased capacity, the engineer's detailed probable construction cost is reviewed and the various costs of the project are appropriately apportioned between the two funds.

Fund 12 Reserves

Starting in Fiscal Year 2004/2005 and continuing through Fiscal Year 2008/2009, the Board progressively increased the funding of replacement reserves (Fund 12) through increases in the annual sewer use fee. As a result of these increases in replacement reserve funding, projections are that there will be sufficient replacement reserve funding for the next five years. However, Construction of the first segment of the Requa Street Interceptor, Phase A, may need to be deferred to the 2012/2013 Fiscal Year if the bids for this project and/or other major capital projects are not favorable relative to available reserve funding.

Although reserve funding appears to be sufficient over the next five years, projecting eight years into the future Fund 12 reserves are depleted. This projection is based on the assumption that the District will receive discharge permit limits for nutrients contained within the 2015 discharge permit renewal resulting in the estimated construction costs to achieve compliance with the new permit limits exceeding the accumulated Fund 12 reserves in Fiscal Year 2018/2019.

Fund 13 Reserves

The dramatic slowdown in the housing market resulted in a significant reduction in the available funding for projects or portions of projects that provide for increased capacity. As a result, the engineering design for Construction Phase 2 of the Treatment Plant Upgrade/Expansion project was reevaluated and the project was split into two smaller independent construction phases being referred to as Construction Phase 2A and 2B. Phase 2A reduces, to the extent feasible, the facilities or portions of facilities intended to increase capacity while moving forward with the construction of scaled back facilities needed to replace and/or rehabilitate existing facilities. The majority of the treatment facilities designed for Construction Phase 2 that are intended to increase capacity will be deferred to a later date as Construction of the Phase 2B. In addition, the design and construction of the Requa Street Interceptor was divided into two segments. Although the projection is that the District has adequate Fund 13 reserves for the next five years, unless development improves significantly, projects increasing

capacity that are targeted for Fiscal Year 2016/2017 and beyond will need to be deferred to keep Fund 13 expenses from exceeding Fund 13 reserves.

Proposed Capital Projects

The following pages contain the proposed capital projects and revenue projections for the next five years. Page S-1 contains a summary of the projected project expenses charged to Fund 12 as well as the projected income placed into the Fund 12 reserves. Page S-2 contains a summary of the projected project expenses charged to Fund 13 as well as the projected income placed into Fund 13 from Connection Capacity Charges. Pages 1A through 22B list the individual capital improvements along with a project description, project cost, apportionment of costs between Fund 12 and Fund 13, justification for the project and any Board approvals associated with the project.

Ten Year Capital Improvement Program Projections

As a long range planning tool, Attachment A to the Five Year Capital Improvement Program document projects major capital improvement costs, scheduling and income for Fund 12 replacement reserves and Fund 13 connection capacity fee reserves.

1A - 1B	Debt Service on 2006 Certificates of Participation	\$ 452,293	\$ 452,930	\$ 455,568	\$ 455,254	\$ 454,417
2A - 2B	Solids Handling Facilities - Construction Phase 2A	\$ 10,192,221	\$ -	\$ -	\$ -	\$ -
3A - 3B	Construction Management for Phase 2A	\$ 863,647	\$ -	\$ -	\$ -	\$ -
4A - 4B	Admin Office Expansion/Remodel Construction	\$ 651,269	\$ -	\$ -	\$ -	\$ -
5A - 5B	Office Expand/Remodel Bidding & Const Admin	\$ 37,194	\$ -	\$ -	\$ -	\$ -
6A - 6B	Operations Center Building Construction	\$ 549,688	\$ -	\$ -	\$ -	\$ -
7A - 7B	Operations Center Bidding and Construction Mgt.	\$ 58,557	\$ -	\$ -	\$ -	\$ -
8A - 8B	Ancillary Furniture & Equipment for Buildings	\$ 135,893	\$ -	\$ -	\$ -	\$ -
9A - 9B	Sitework inc. Plant Roadways and Storm Drainage	\$ 562,783	\$ -	\$ -	\$ -	\$ -
10A - 10B	Facility Security Cameras	\$ 10,599	\$ -	\$ -	\$ -	\$ -
11A - 11B	Requa Ave. Intercept - Phase A Design	\$ 57,221	\$ -	\$ -	\$ -	\$ -
12A - 12B	Requa Ave. Intercept - Phase A Construction	\$ 2,482,165	\$ -	\$ -	\$ -	\$ -
13A - 13B	Collection System Master Plan & Hydraulic Model	\$ -	\$ -	\$ -	\$ -	\$ -
14A - 14B	Sewer Pipeline Rehabilitation	\$ 250,000	\$ 255,000	\$ 260,100	\$ 265,302	\$ 270,608
15A - 15B	Manhole Rehabilitation	\$ 60,000	\$ 61,200	\$ 62,424	\$ 63,672	\$ 64,945
16A - 16B	Lateral Grant Program	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
17A - 17B	Mainline Point Repairs	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
18A - 18B	Contingency-All Departments Combined	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000
19A - 19B	Storage Building	\$ -	\$ -	\$ 131,812	\$ -	\$ -
20A - 20B	Replacement Heat Exchanger (Zimpro Process)	\$ -	\$ 221,929	\$ -	\$ -	\$ -
21A - 21B	Project 6A-Highway 111 to Ave 48 Diversion Sewer	\$ -	\$ -	\$ -	\$ -	\$ -
22A - 22B	Replacement Jet Truck	\$ -	\$ -	\$ 327,668	\$ -	\$ -

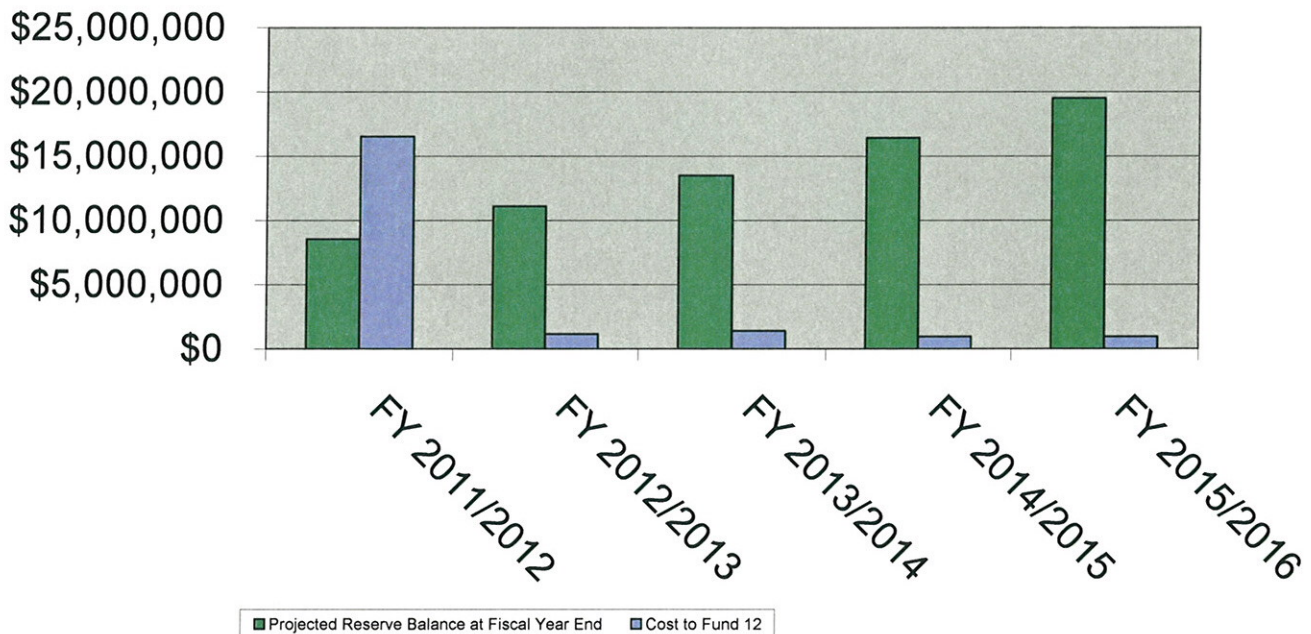
Total	\$ 16,528,530	\$ 1,156,059	\$ 1,402,572	\$ 949,228	\$ 954,970
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Projected Fund 12 Reserves at Start of Fiscal Year	\$21,320,000	\$8,508,270	\$11,087,646	\$13,484,257	\$16,412,216
Projected Fund 12 Income	\$ 3,731,800	\$ 3,735,435	\$ 3,799,183	\$ 3,877,187	\$ 4,038,541

Total Reserve Funds	\$25,051,800	\$12,243,705	\$14,886,829	\$17,361,444	\$20,450,757
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Projected Reserve Balance at Fiscal Year End	\$8,523,270	\$11,087,646	\$13,484,257	\$16,412,216	\$19,495,787
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Fund 12 Projected Reserves vs. Expenses



FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016
Cost to Fund 13	Cost to Fund 13	Cost to Fund 13	Cost to Fund 13	Cost to Fund 13

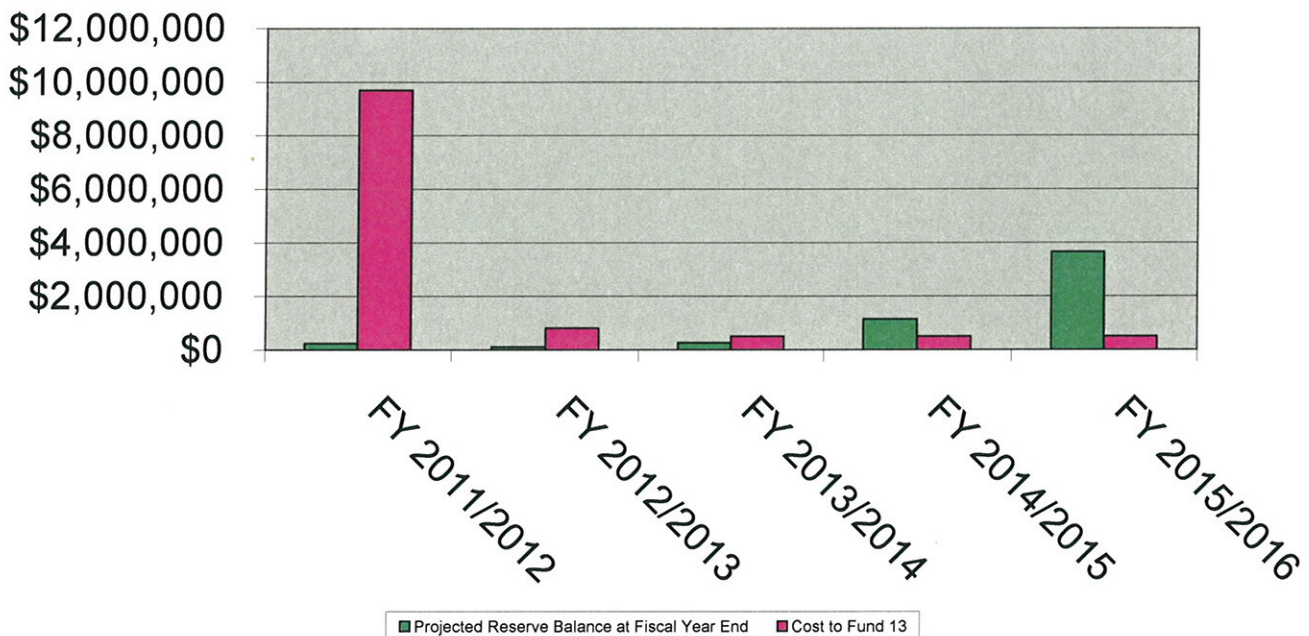
1A - 1B	Debt Service on 2006 Certificates of Participation	\$ 493,412	\$ 494,107	\$ 496,985	\$ 496,642	\$ 495,729
2A - 2B	Solids Handling Facilities - Construction Phase 2A	\$ 6,707,779	\$ -	\$ -	\$ -	\$ -
3A - 3B	Construction Management for Phase 2A	\$ 568,389	\$ -	\$ -	\$ -	\$ -
4A - 4B	Admin Office Expansion/Remodel Construction	\$ 976,904	\$ -	\$ -	\$ -	\$ -
5A - 5B	Office Expand/Remodel Bidding & Const Admin	\$ 55,791	\$ -	\$ -	\$ -	\$ -
6A - 6B	Operations Center Building Construction	\$ -	\$ -	\$ -	\$ -	\$ -
7A - 7B	Operations Center Bidding and Construction Mgt.	\$ -	\$ -	\$ -	\$ -	\$ -
8A - 8B	Ancillary Furniture & Equipment for Buildings	\$ -	\$ -	\$ -	\$ -	\$ -
9A - 9B	Sitework inc. Plant Roadways and Storm Drainage	\$ -	\$ -	\$ -	\$ -	\$ -
10A - 10B	Facility Security Cameras	\$ -	\$ -	\$ -	\$ -	\$ -
11A - 11B	Requa Ave. Intercept - Phase A Design	\$ 17,779	\$ -	\$ -	\$ -	\$ -
12A - 12B	Requa Ave. Intercept - Phase A Construction	\$ 771,213	\$ -	\$ -	\$ -	\$ -
13A - 13B	Collection System Master Plan & Hydraulic Model	\$ 100,000	\$ 75,000	\$ -	\$ -	\$ -
14A - 14B	Sewer Pipeline Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -
15A - 15B	Manhole Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -
16A - 16B	Lateral Grant Program	\$ -	\$ -	\$ -	\$ -	\$ -
17A - 17B	Mainline Point Repairs	\$ -	\$ -	\$ -	\$ -	\$ -
18A - 18B	Contingency-All Departments Combined	\$ -	\$ -	\$ -	\$ -	\$ -
19A - 19B	Storage Building	\$ -	\$ -	\$ -	\$ -	\$ -
20A - 20B	Replacement Heat Exchanger (Zimpro Process)	\$ -	\$ -	\$ -	\$ -	\$ -
21A - 21B	Project 6A-Highway 111 to Ave 48 Diversion Sewer	\$ -	\$ 238,424	\$ -	\$ -	\$ -
22A - 22B	Replacement Jet Truck	\$ -	\$ -	\$ -	\$ -	\$ -

Total	\$ 9,691,267	\$ 807,531	\$ 496,985	\$ 496,642	\$ 495,729
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Projected Fund 13 Reserves at Start of Fiscal Year	\$9,784,877	\$233,346	\$110,945	\$261,342	\$1,143,937
Projected Fund 13 Income	\$139,736	\$685,130	\$647,382	\$1,379,238	\$3,005,373
Total Reserve Funds	\$9,924,613	\$918,476	\$758,327	\$1,640,579	\$4,149,310

Projected Reserve Balance at Fiscal Year End	\$233,346	\$110,945	\$261,342	\$1,143,937	\$3,653,581
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Fund 13 Projected Available Reserves vs. Expenses



PROJECT: DEBT SERVICE ON 2006 CERTIFICATES OF PARTICIPATION

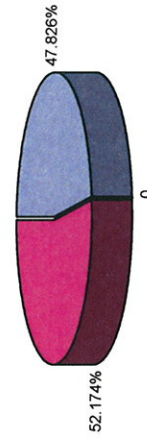
PROJECT DESCRIPTION

Payment of principal and interest for financing obtained through Certificates of Participation (COP) to facilitate expansion and renovation of District facilities



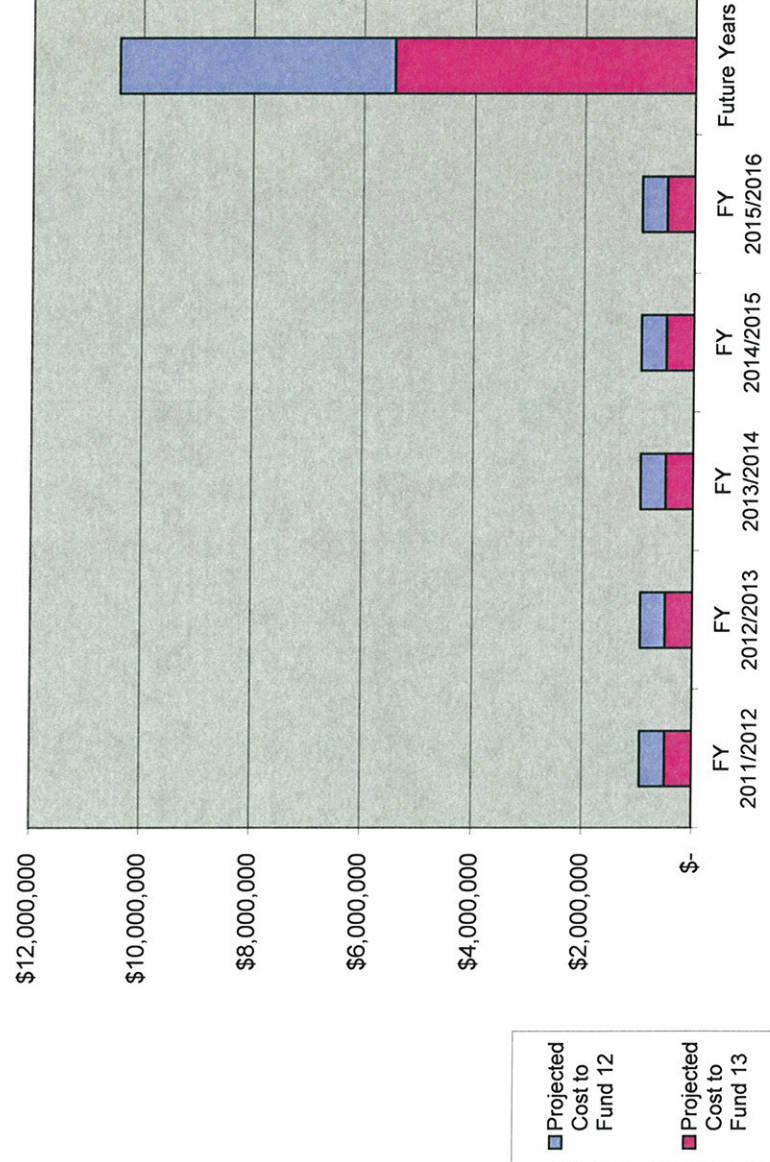
Project Number	Project Name
Debt Service on 2006 Certificates of Participation	
Total Project Cost \$	19,185,543
Remaining Balance \$	15,170,936
Project Description Payment of principal and interest for financing obtained through Certificates of Participation to facilitate expansion and renovation of District facilities.	
Justification Available reserves were not sufficient to fund Construction Phase 1 of the Treatment Plant Expansion/Renovation project. \$5,500,000 of the COP funding was applied to renovation/replacement and \$6,000,000 to increased capacity.	
Board Approvals May 23, 2006 - Formation of the Valley Sanitary District Wastewater Facilities Corporation.	

Percent Distribution Between Fund 12 and Fund 13



Percent for Replacement Facilities Fund 12	47.826%	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
Projected Cost to Fund 12		\$ 452,293	\$ 452,930	\$ 455,568	\$ 455,254	\$ 454,417	Projected Cost to Fund 12
							\$ 4,985,190

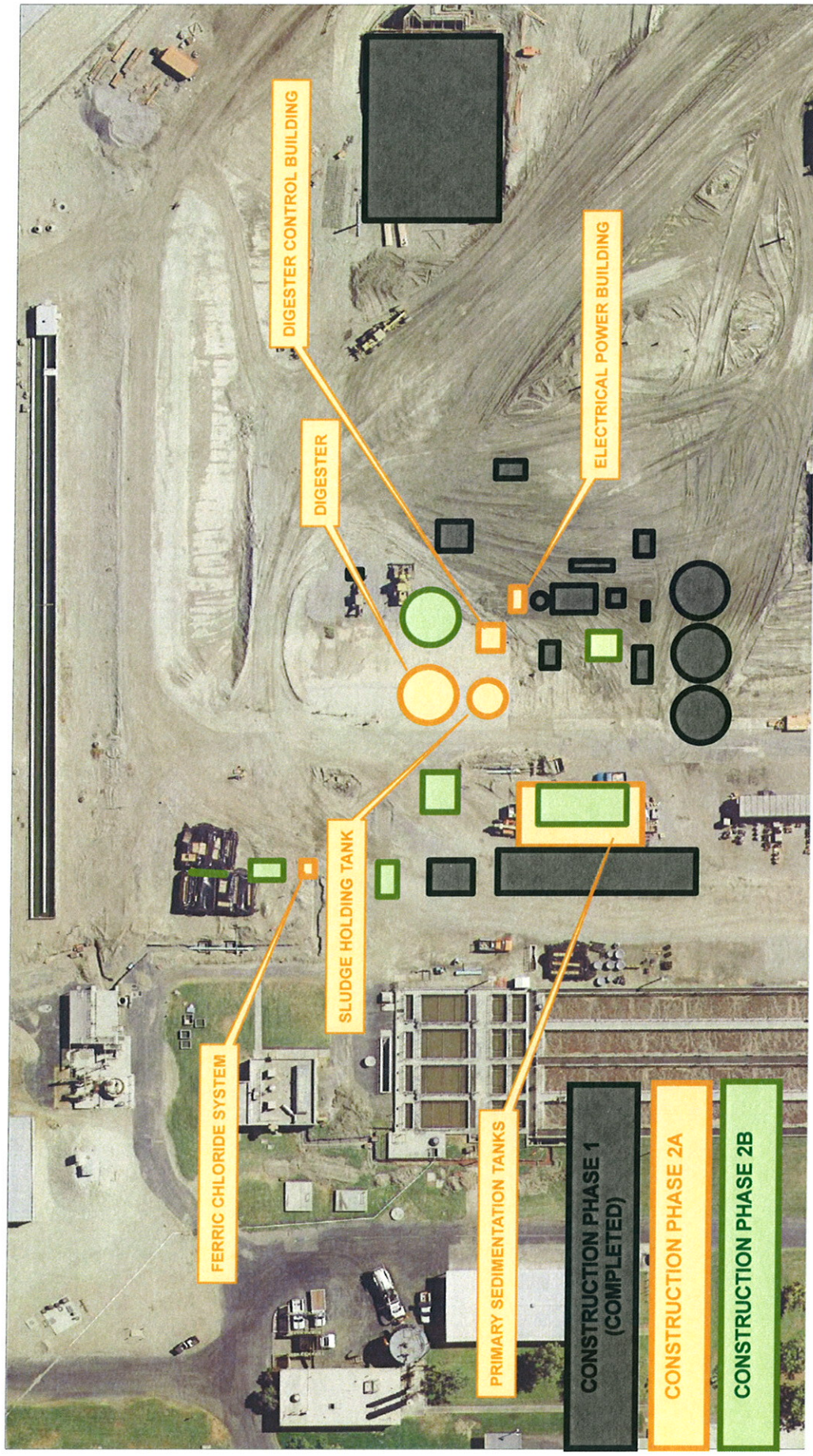
Percent for Capacity Expansion Fund 13	52.174%	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
Projected Cost to Fund 13		\$ 493,412	\$ 494,107	\$ 496,985	\$ 496,642	\$ 495,729	Projected Cost to Fund 13
							\$ 5,438,409



PROJECT: SOLIDS HANDLING FACILITIES-CONSTRUCTION PHASE 2A

PROJECT DESCRIPTION

Construction of a portion of the solids handling facilities needed to upgrade and expand the treatment plant solids processing. Includes anaerobic digestion, primary clarification, chemically enhanced settling of primary solids and related facilities.



	Project Name
	Solids Handling Facilities - Construction Phase 2A
	ENR Adjusted Total Project Cost \$ 16,900,000 Remaining Balance \$ 16,900,000
	Project Description Construction of a portion of the solids handling facilities needed to upgrade and expand the treatment plant solids processing. Includes anaerobic digestion, primary clarification, chemically enhanced settling of primary solids and related facilities.
	Justification Construction Phase 2 of the treatment plant upgrade/expansion project is necessary to provide adequate solids handling and increase capacity. Phase 2A would build only a portion of the facilities designed for Construction Phase 2.
	Board Approvals Upgrade Feasibility Study-7/9/2002, amended 6/10/2003; Engineering design contract-11/23/2004, amendments 9/27/2005, 1/24/2006, 7/11/2006; CEQA Mitigated Negative Declaration adoption-4/1/2006;

Percent for Replacement Facilities Fund 12	60.309	FY 2011/2012	Projected Cost to Fund 12	FY 2012/2013	Projected Cost to Fund 12	FY 2013/2014	Projected Cost to Fund 12	FY 2014/2015	Projected Cost to Fund 12	FY 2015/2016	Projected Cost to Fund 12	Future Years
			\$ 10,192,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Percent for Capacity Expansion Fund 13	39.691	FY 2011/2012	Projected Cost to Fund 13	FY 2012/2013	Projected Cost to Fund 13	FY 2013/2014	Projected Cost to Fund 13	FY 2014/2015	Projected Cost to Fund 13	FY 2015/2016	Projected Cost to Fund 13	Future Years
			\$ 6,707,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

\$18,000,000

\$16,000,000

\$14,000,000

\$12,000,000

\$10,000,000

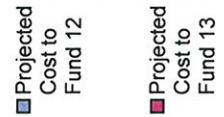
\$8,000,000

\$6,000,000

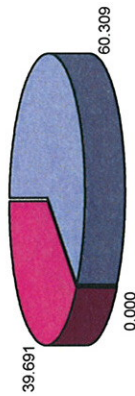
\$4,000,000

\$2,000,000

\$-



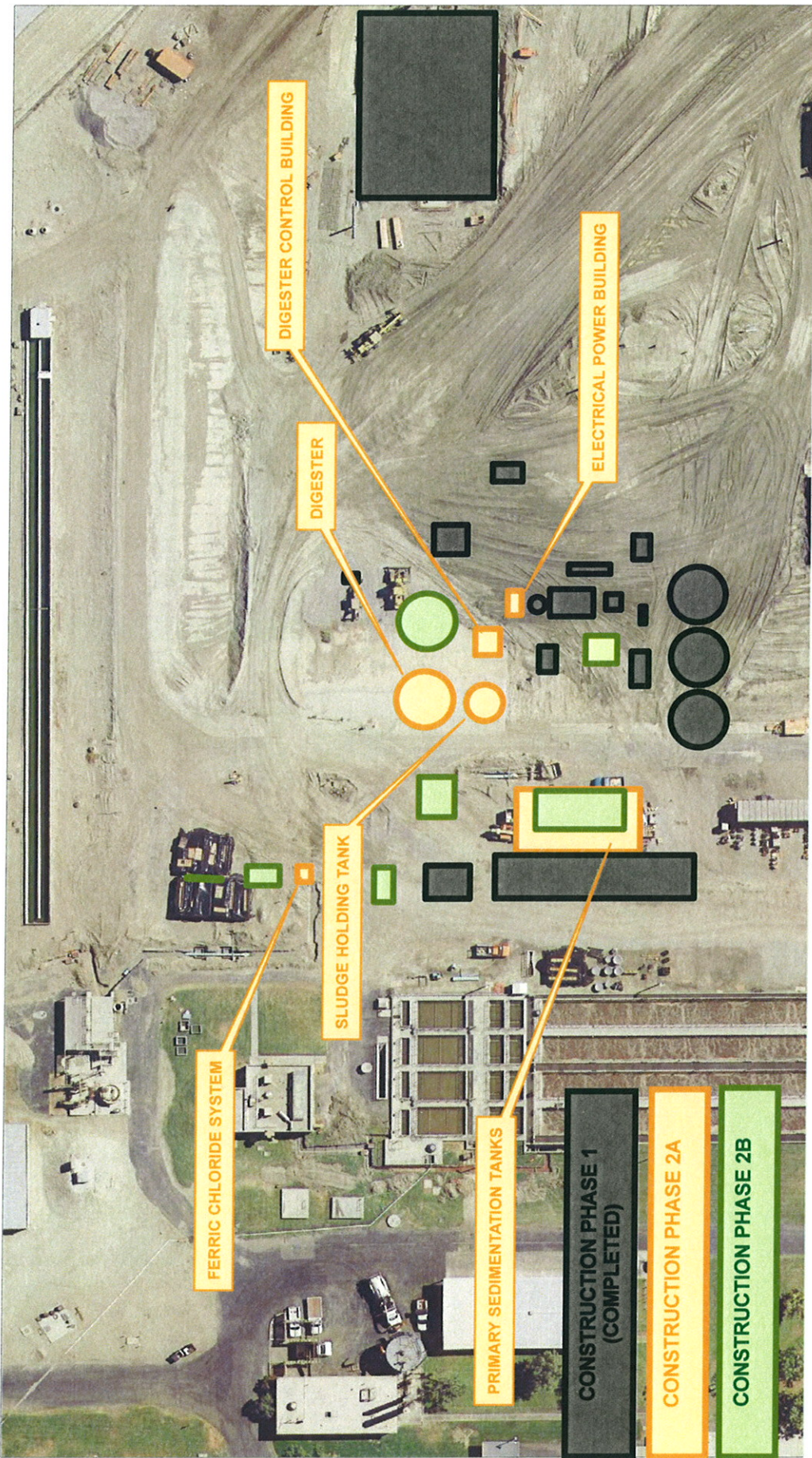
Percent Distribution Between Fund 12 and Fund 13



PROJECT: CONSTRUCTION MANAGEMENT FOR CONSTRUCTION PHASE 2A

PROJECT DESCRIPTION

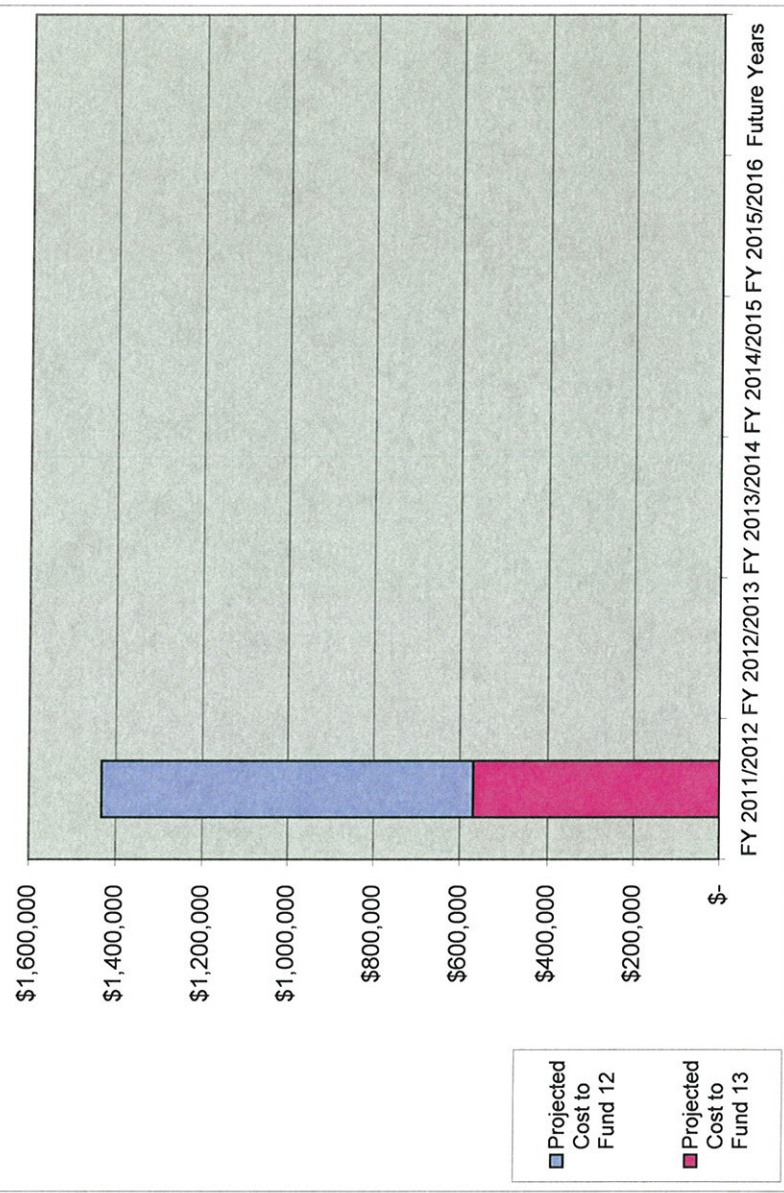
Professional services for construction inspection and management of construction related activities during Construction Phase 2A.



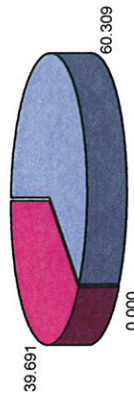
	Project Name
	Construction Management for Phase 2A
	ENR Adjusted Total Project Cost \$ 1,432,036 Remaining Balance \$ 1,432,036
	Project Description Professional services for construction inspection and management of construction related activities during Construction Phase 2A.
	Justification Provides for the construction management and inspection of construction activities during Construction Phase 2A which would build a portion of the solids handling facilities designed for Construction Phase 2.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
60.309	Projected Cost to Fund 12 \$ 863,647	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
39.691	Projected Cost to Fund 13 \$ 568,389	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13



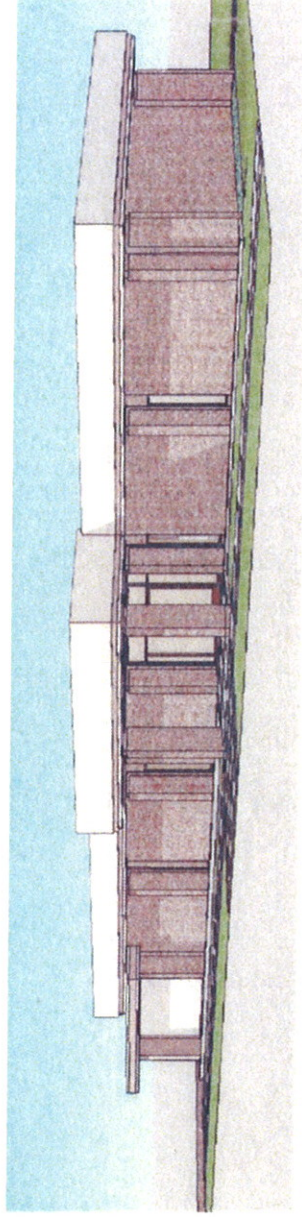
Percent Distribution Between Fund 12 and Fund 13



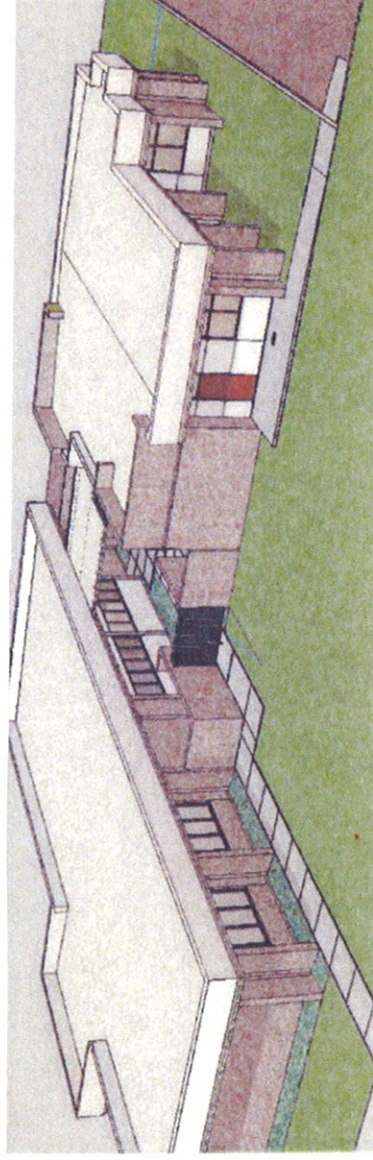
PROJECT: ADMINISTRATION OFFICE EXPANSION / REMODEL CONSTRUCTION

PROJECT DESCRIPTION

Provides for the construction of a new laboratory building and the remodel of the existing administration building.



Front Perspective



Southeast Perspective

	Project Name
	Admin Office Expansion/Remodel Construction Total Project Cost \$ 1,628,173 Remaining Balance \$ 1,628,173
	Project Description Provides for the construction of a new laboratory building and the remodel of the existing administration building.
	Justification The present laboratory space is overcrowded with equipment necessary to perform required testing and the workspace in several areas of the administration offices has become overcrowded. This project alleviates the overcrowding problems.
	Board Approvals Design contract-3/25/2003, amended 8/12/2003, amended for code updates 4/14/2009.

Percent for Replacement Facilities Fund 12	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12	
40	\$ 651,269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

Percent for Capacity Expansion Fund 13	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13	
60	\$ 976,904	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

\$1,800,000

\$1,600,000

\$1,400,000

\$1,200,000

\$1,000,000

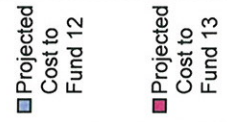
\$800,000

\$600,000

\$400,000

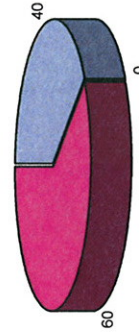
\$200,000

\$-



FY 2011/2012 FY 2012/2013 FY 2013/2014 FY 2014/2015 FY 2015/2016 Future Years

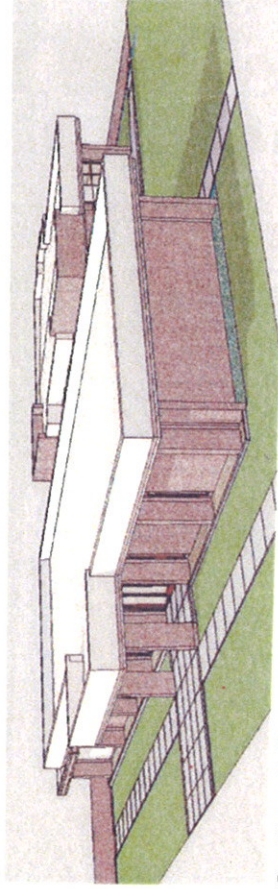
Percent Distribution Between Fund 12 and Fund 13



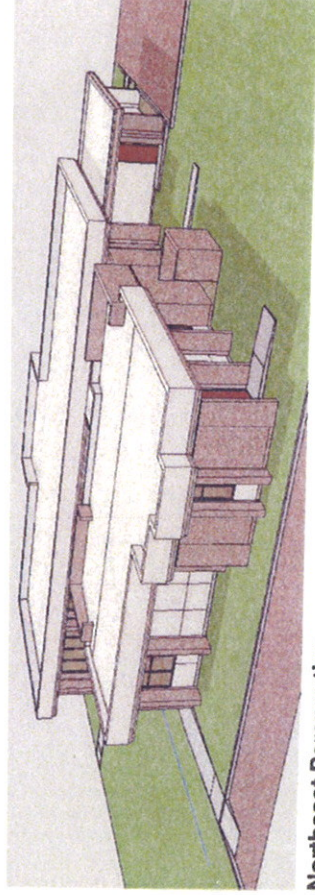
PROJECT: OFFICE EXPANSION / REMODEL BIDDING AND CONSTRUCTION ADMINISTRATION

PROJECT DESCRIPTION

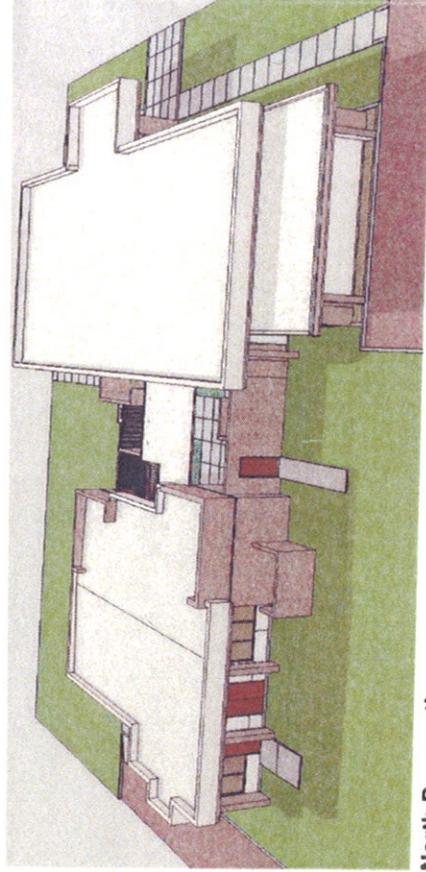
Provides for bidding assistance and the construction administration during construction of a new laboratory and the remodel of the existing administration building.



Southwest Perspective



Northeast Perspective

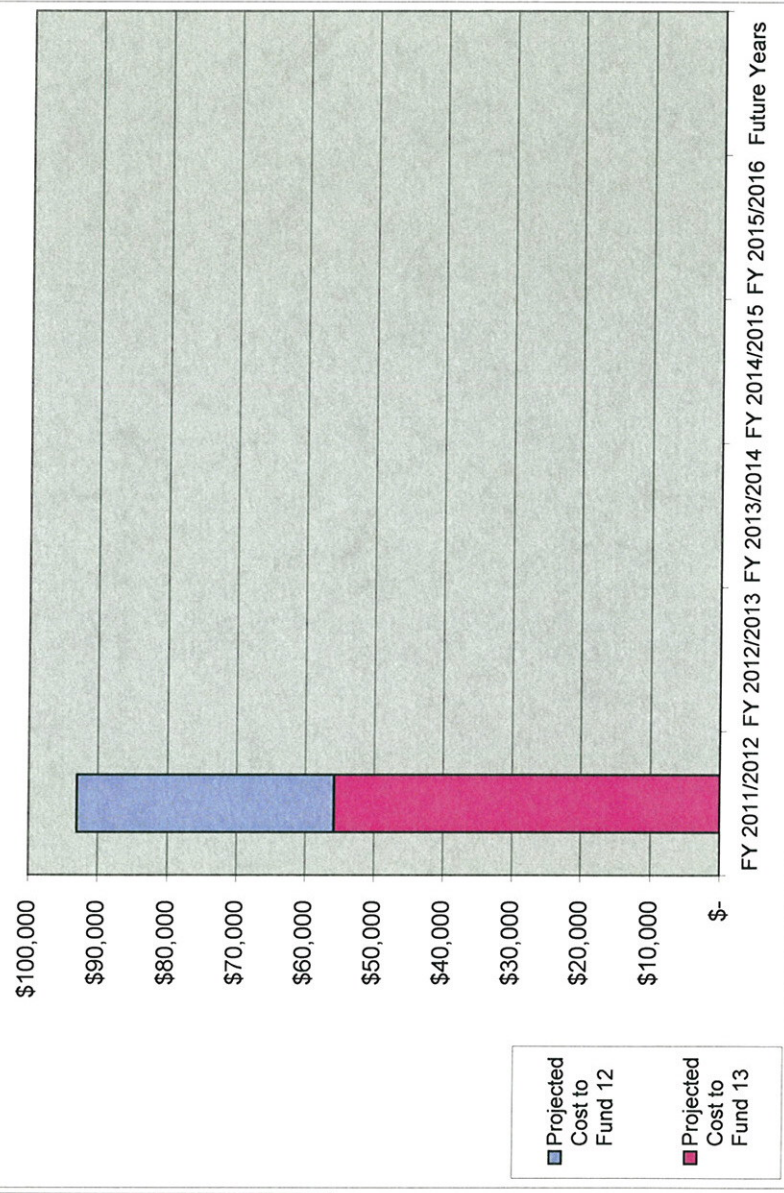


North Perspective

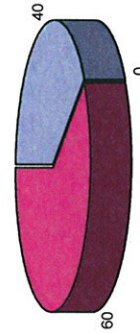
	Project Name
	Office <u>Expand/Remodel Bidding & Const Admin</u>
	ENR Adjusted Total Project Cost \$ 92,985 Remaining Balance \$ 92,985
	Project Description Provides for bidding assistance and the construction administration during construction of a new laboratory building and the remodel of the existing administration building.
	Justification The present laboratory space is overcrowded with equipment necessary to perform required testing and the workspace in several areas of the administration offices has become overcrowded. This project alleviates the overcrowding problems.
	Board Approvals March 25, 2003 - Approval of design contract. August 12, 2003 - Design contract amendment. April 14, 2009 - Design contract amendment for code updates. December 14, 2010 - Approval of Lee and Ro portion of construction management.

Percent for Replacement Facilities Fund 12	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12	
40	\$ 37,194	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

Percent for Capacity Expansion Fund 13	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13	
60	\$ 55,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		



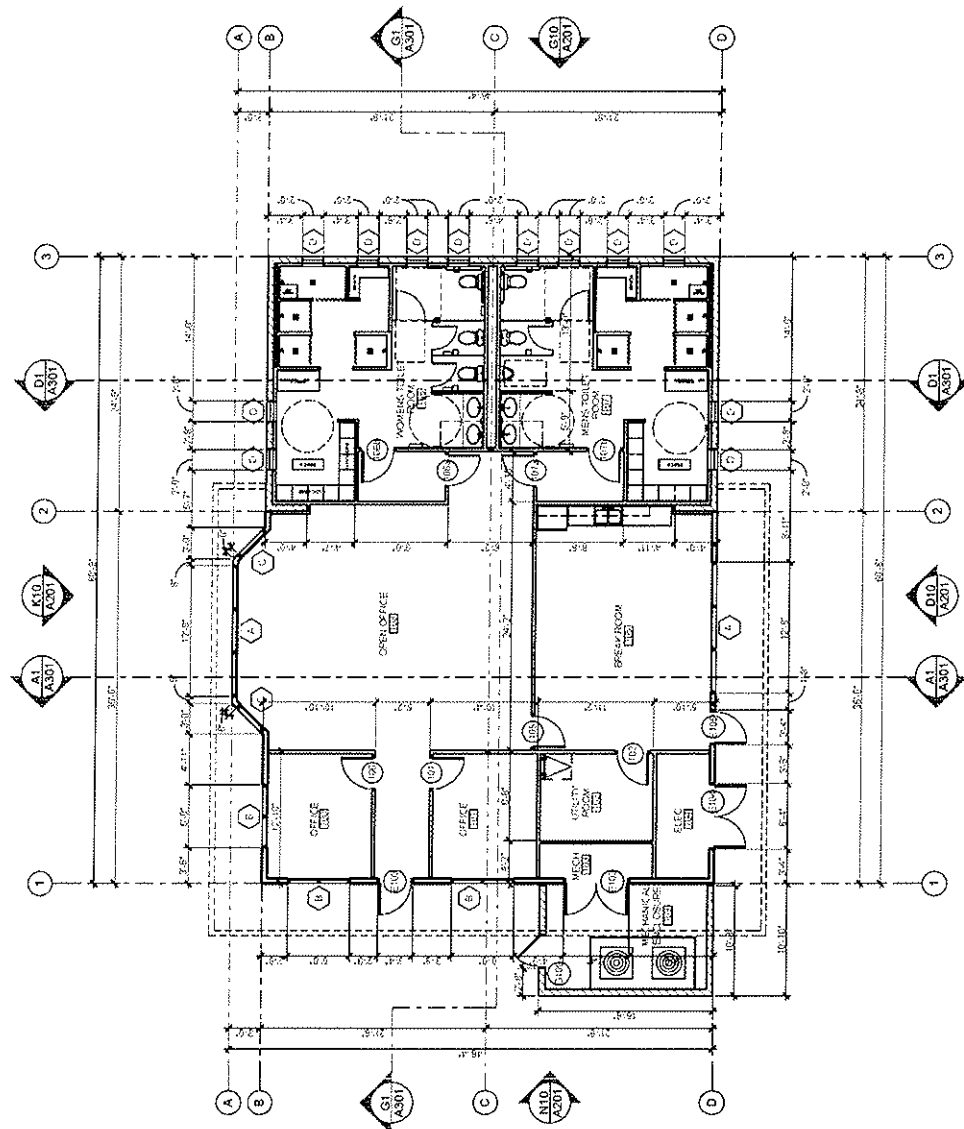
Percent Distribution Between Fund 12 and Fund 13



PROJECT: OPERATIONS CENTER BUILDING CONSTRUCTION

PROJECT DESCRIPTION

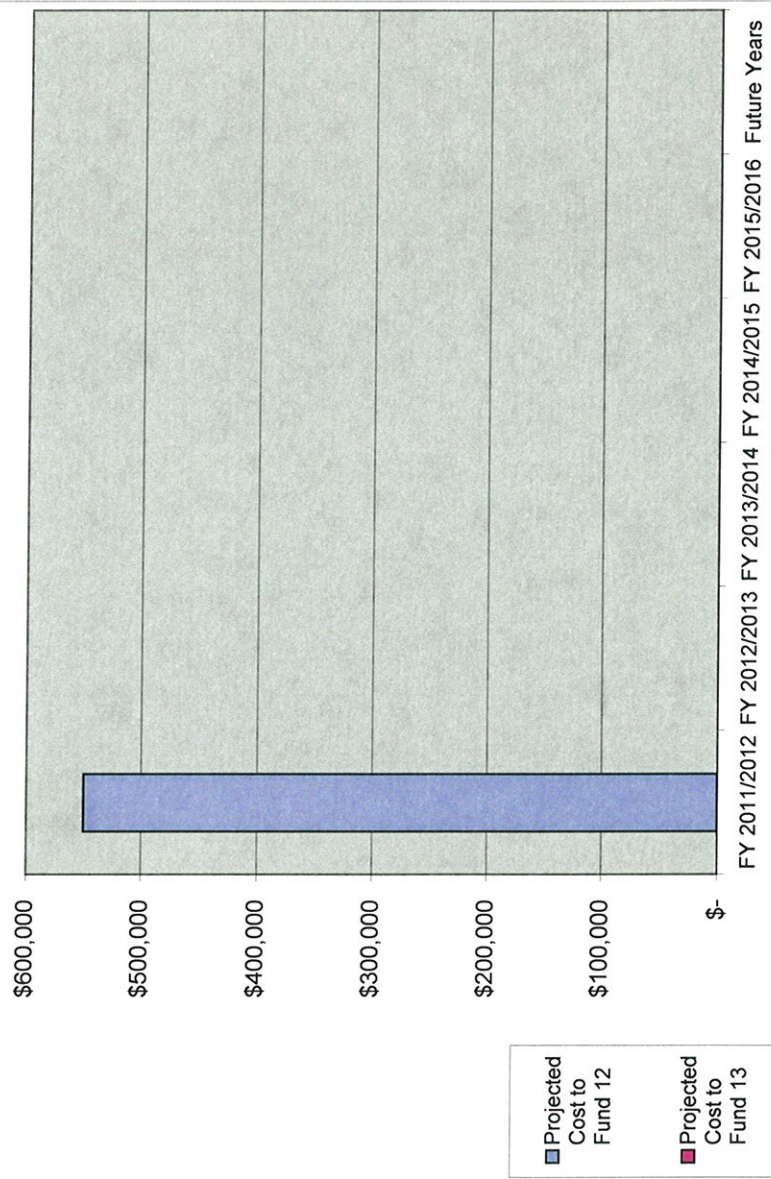
Operations Center for operations of the treatment plant. Building will replace existing room in the shop building that is currently being used as the operator's office.



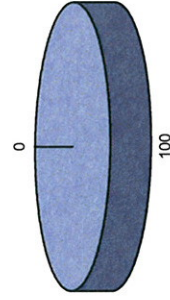
	Project Name
	Operations Center Building Construction
	Total Project Cost \$ 549,688
	Remaining Balance \$ 549,688
	Project Description Operations Center for operations of the treatment plant. Building will replace existing room in the shop building that is currently being used as the operators' office.
	Justification The existing operators' office is a room located in one end of the existing shop building. Currently all plant alarm panels are located within this area. The area has become overcrowded as additional equipment has been installed.
	Board Approvals July 14, 2009 - Approval of Architectural services for pre-engineered building. October 27, 2009 - Amendment to architectural design and Civil Engineering costs for City requirements.

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
100	Projected Cost to Fund 12 \$ 549,688	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
0	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13



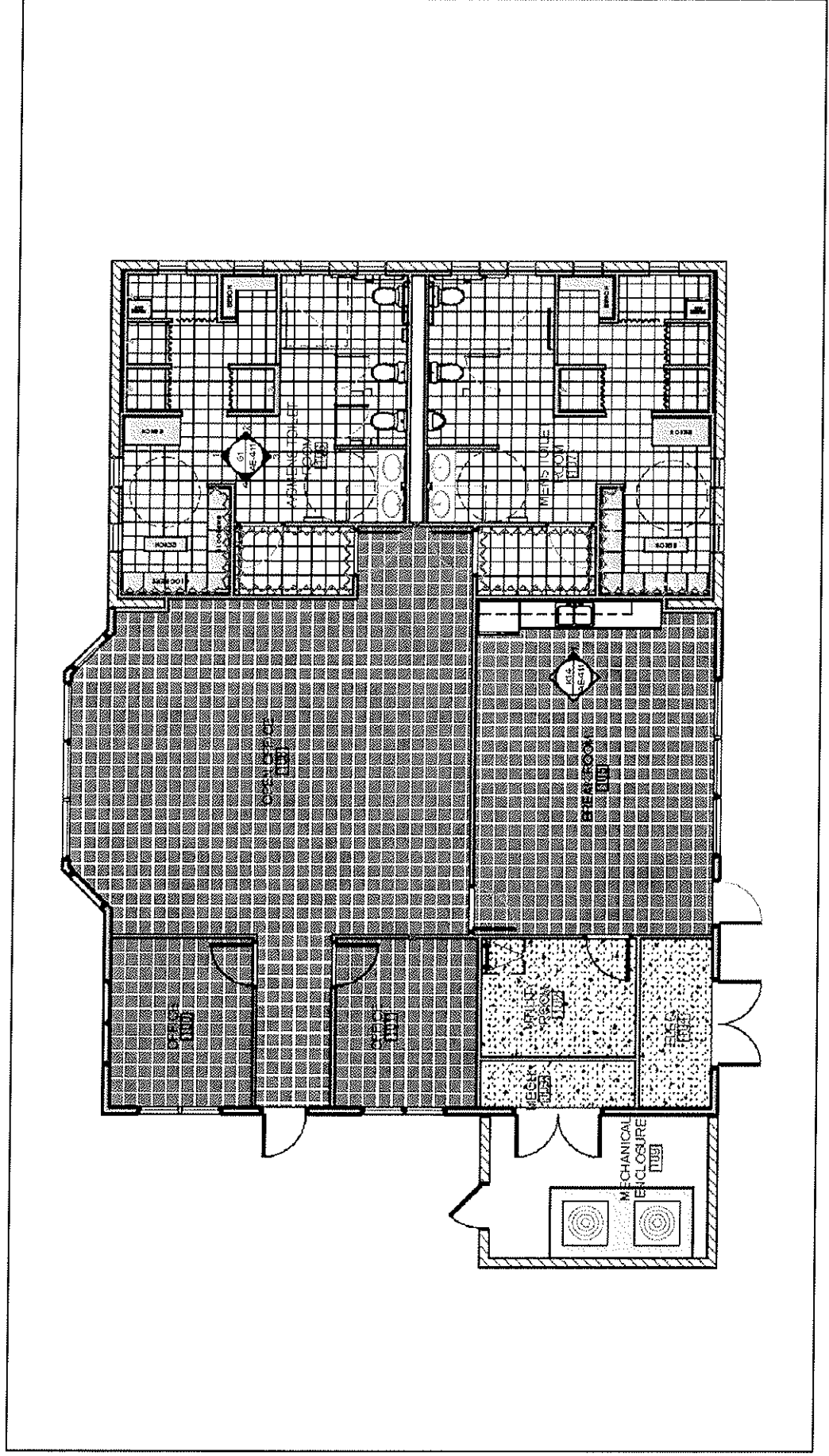
Percent Distribution Between Fund 12 and Fund 13



PROJECT: OPERATIONS CENTER BIDDING AND CONSTRUCTION MANAGEMENT

PROJECT DESCRIPTION

Provides for construction management during construction of the Operations Center for operations of the treatment plant.



	Project Name
	Operations Center Bidding and Construction Mgt.
	Total Project Cost \$ 58,557 Remaining Balance \$ 58,557
	Project Description Provides for construction management during construction of the Operations Center for operations of the treatment plant.
	Justification The existing operators' office is a room located in one end of the existing shop building. Currently all plant alarm panels are located within this area. The area has become overcrowded as additional equipment has been installed.
	Board Approvals July 14, 2009 - Approval of Architectural services for pre-engineered building. October 27, 2009 - Amendment to architectural design and Civil Engineering costs for City requirements. December 14, 2010 - Approval of Lee and Ro portion of construction management.

Percent for Replacement Facilities Fund 12	FY 2011/2012	Projected Cost to Fund 12	FY 2012/2013	Projected Cost to Fund 12	FY 2013/2014	Projected Cost to Fund 12	FY 2014/2015	Projected Cost to Fund 12	Future Years
		\$ 58,557							
100									

Percent for Capacity Expansion Fund 13	FY 2011/2012	Projected Cost to Fund 13	FY 2012/2013	Projected Cost to Fund 13	FY 2013/2014	Projected Cost to Fund 13	FY 2014/2015	Projected Cost to Fund 13	Future Years
0									

\$70,000

\$60,000

\$50,000

\$40,000

\$30,000

\$20,000

\$10,000

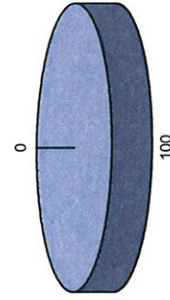
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Projected Cost to Fund 12

Projected Cost to Fund 13

FY 2011/2012 FY 2012/2013 FY 2013/2014 FY 2014/2015 FY 2015/2016 Future Years

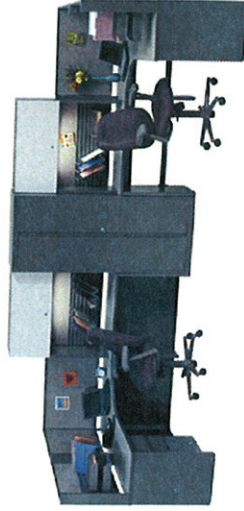
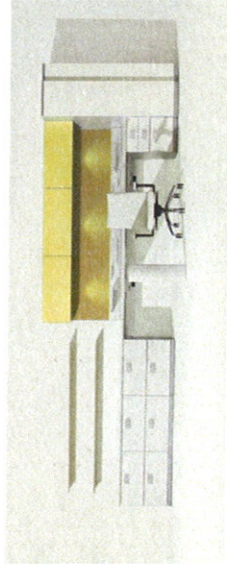
Percent Distribution Between Fund 12 and Fund 13



PROJECT: ANCILLARY FURNISHINGS FOR ADMINISTRATION/LAB AND OPERATIONS

PROJECT DESCRIPTION

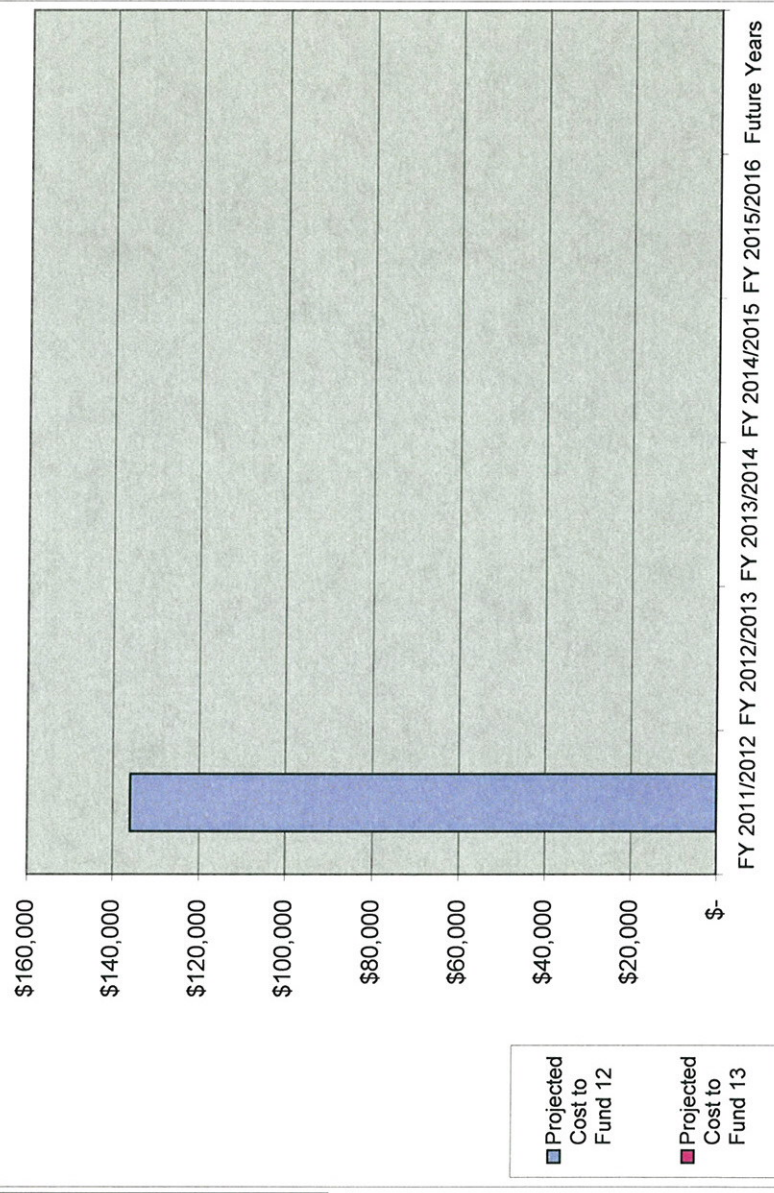
Provides for the projected cost for furnishings for the remodeled administration building, the laboratory and the operations center. Furnishings would include work stations, files, chairs, etc.



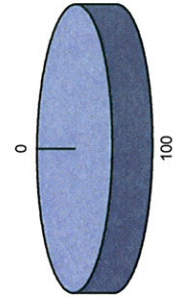
	Project Name
	Ancillary Furniture & Equipment for Buildings Total Project Cost \$ 135,893 Remaining Balance \$ 135,893
	Project Description Provides for the projected cost for furnishings for the remodeled administration building, the laboratory and the operations center. Furnishings would include work stations, files, chairs, etc.
	Justification With the remodel and expansion of the treatment plant offices and laboratory, the proposed budget amount would provide for replacement of most of the existing furnishings within those buildings.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
100	Projected Cost to Fund 12 \$ 135,893	Projected Cost to Fund 12 - \$	Projected Cost to Fund 12 - \$	Projected Cost to Fund 12 - \$	Projected Cost to Fund 12 - \$	Projected Cost to Fund 12 - \$

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
0	Projected Cost to Fund 13 - \$	Projected Cost to Fund 13 - \$	Projected Cost to Fund 13 - \$	Projected Cost to Fund 13 - \$	Projected Cost to Fund 13 - \$	Projected Cost to Fund 13 - \$



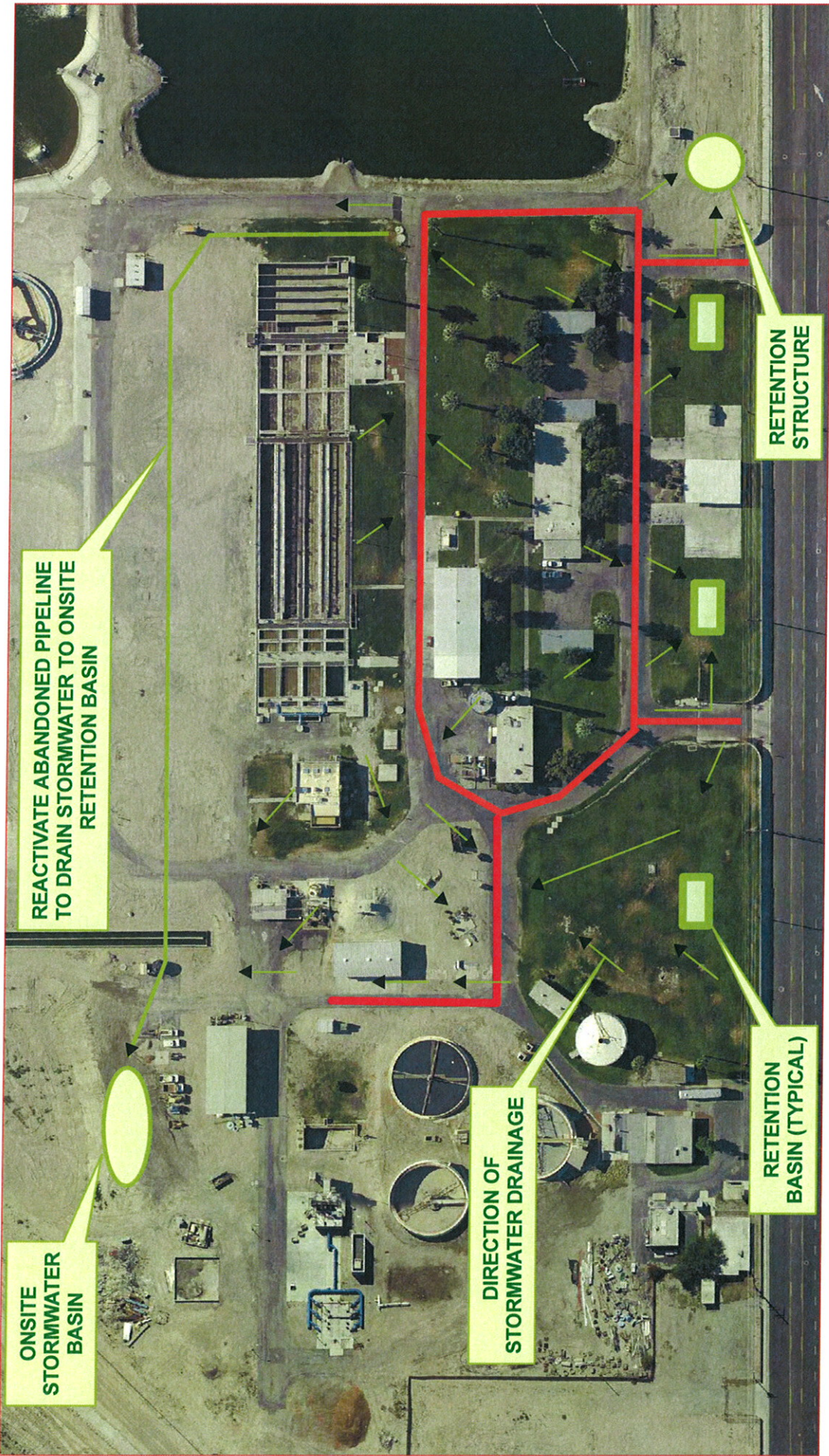
Percent Distribution Between Fund 12 and Fund 13



PROJECT: SITEWORK INCLUDING PLANT ROADWAYS AND STORM DRAIN

PROJECT DESCRIPTION

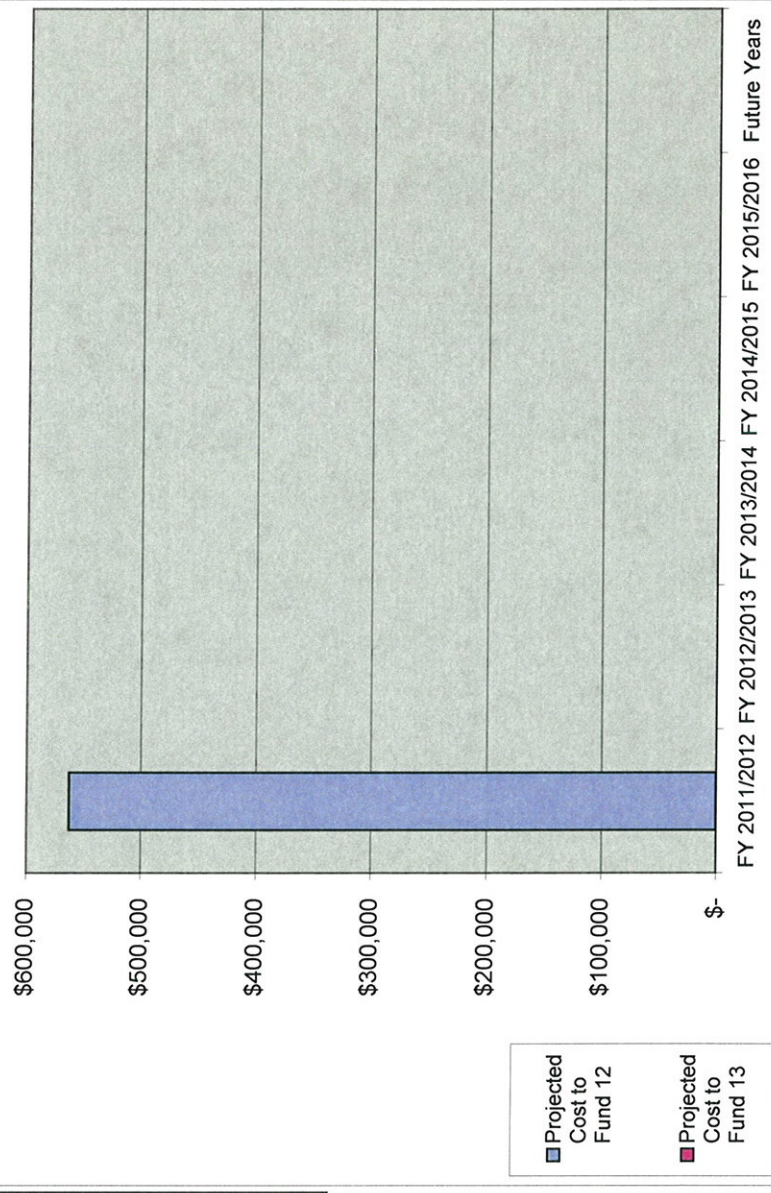
Improves the facility stormwater drainage and retention system, installs curbing and gutters, reforms and resurfaces the majority of the plant roadways. It is anticipated that this project will become part of the administration/laboratory project. Proposed roadway resurfacing will cover the majority of the plant roads.



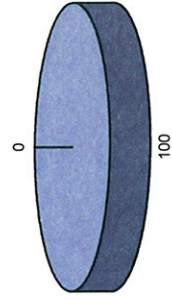
	Project Name
	Sitework inc. Plant Roadways and Storm Drainage
	Total Project Cost \$ 562,783 Remaining Balance \$ 562,783
	Project Description Improves the facility stormwater drainage and retention system, installs curbing and gutters, reforms and resurfaces the majority of the plant roadways. It is anticipated that this project will become part of the administration/laboratory project. Proposed roadway resurfacing will cover the majority of the plant roads.
	Justification The existing roadways were last resurfaced in the early 1990's and are deteriorated in several areas. In addition, we are required to retain stormwater onsite or obtain a special stormwater permit.
	Board Approvals January 26, 2010 - Board approval for engineering services to prepare plans and specifications for the construction of stormwater drainage facilities and roadway reconstruction for selected areas of the facility.

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100	\$ 562,783	\$ -	\$ -	\$ -	\$ -	

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
0	\$ -	\$ -	\$ -	\$ -	\$ -	



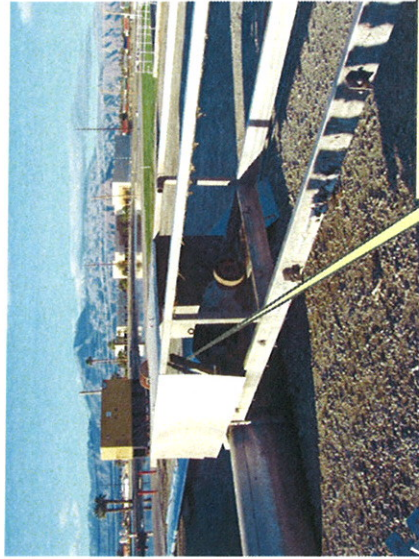
Percent Distribution Between Fund 12 and Fund 13



PROJECT: FACILITY SECURITY CAMERAS

PROJECT DESCRIPTION

Provides for the installation of a camera monitoring system to improve security for the treatment facility



ELECTRICAL CORD/WIRE
REMOVED FROM
POND AERATOR



ELECTRICAL CORD/WIRE
REMOVED FROM
POND AERATOR



RADIATOR REMOVED
FROM CASE TRACTOR



ELECTRICAL CORD/WIRE
REMOVED FROM
AERATOR CONNECTION
ON POND BANK

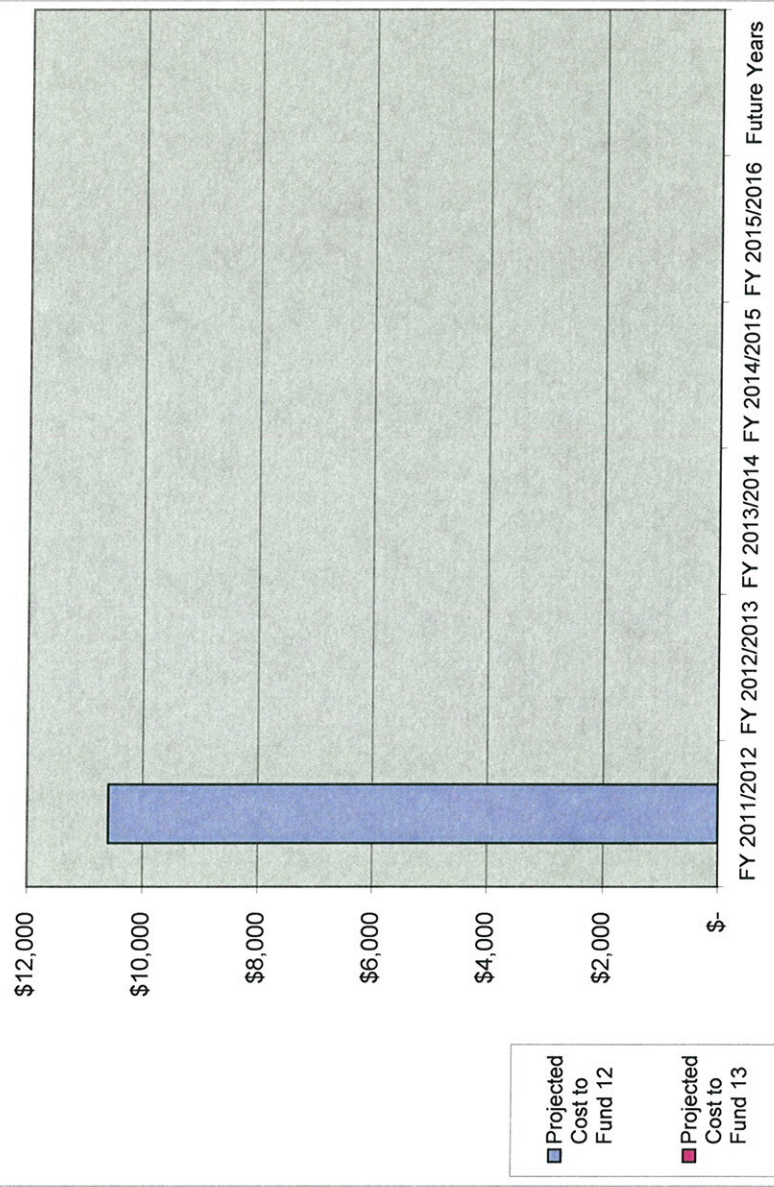


ATTEMPTED REMOVAL OF
RADIATOR FROM BROWN
BEAR

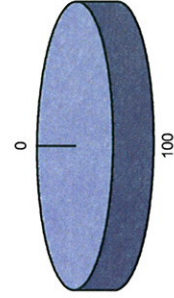
	Project Name
Facility Security Cameras	Total Project Cost \$ 10,599
	Remaining Balance \$ 10,599
Project Description Provides for the installation of a camera monitoring system to improve security for the treatment facility.	Justification While constructing the most recent Plant Project, we had instances of intrusion and theft of equipment and materials. Since that time, instances of intrusion have been less frequent. Construction during 2010/2011 may result in increased facility intrusion.
Board Approvals	

Percent for Replacement Facilities Fund 12	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100	\$ 10,599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



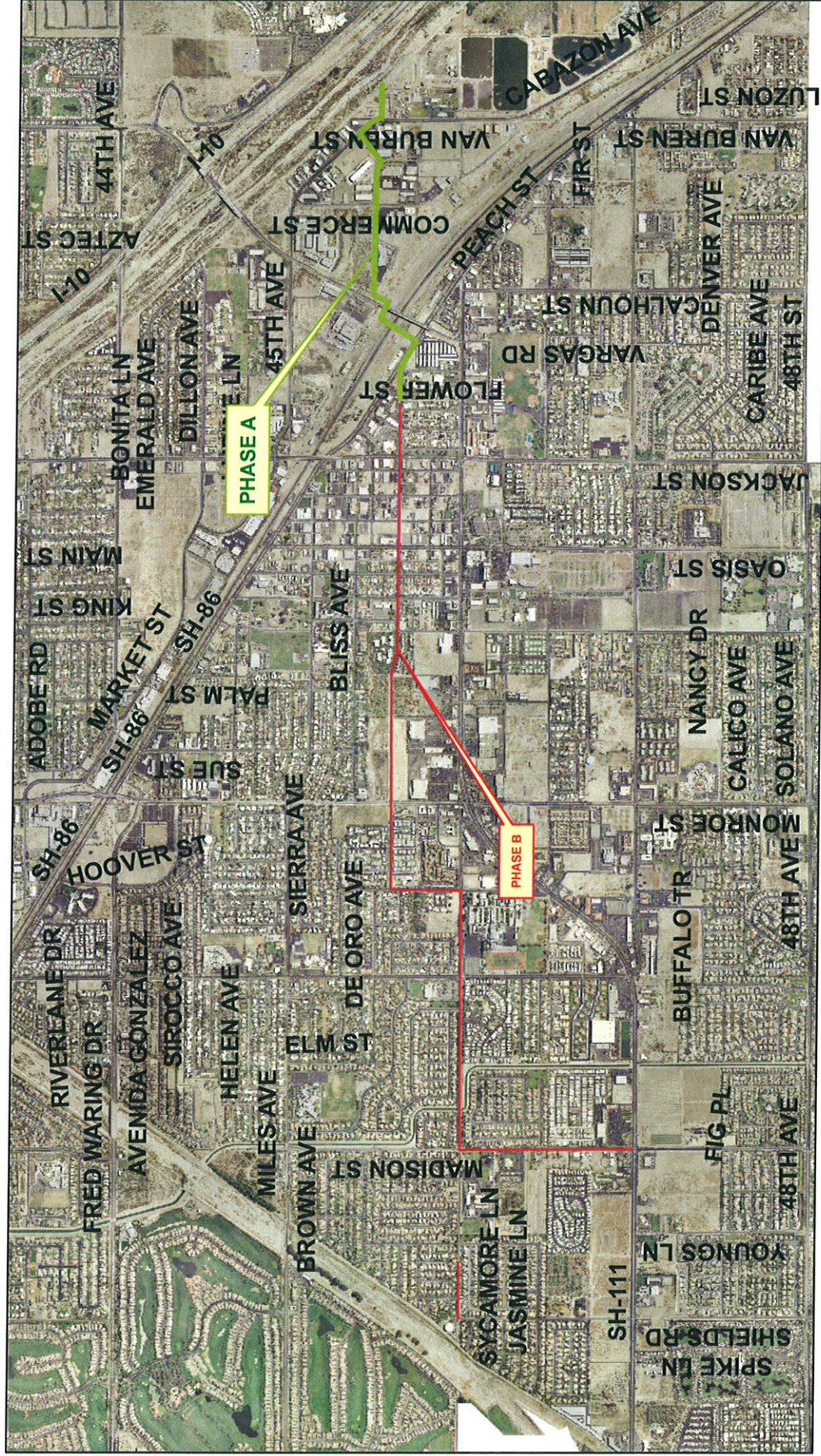
Percent Distribution Between Fund 12 and Fund 13



PROJECT: REQUA AVENUE INTERCEPTOR - PHASE A DESIGN

PROJECT DESCRIPTION

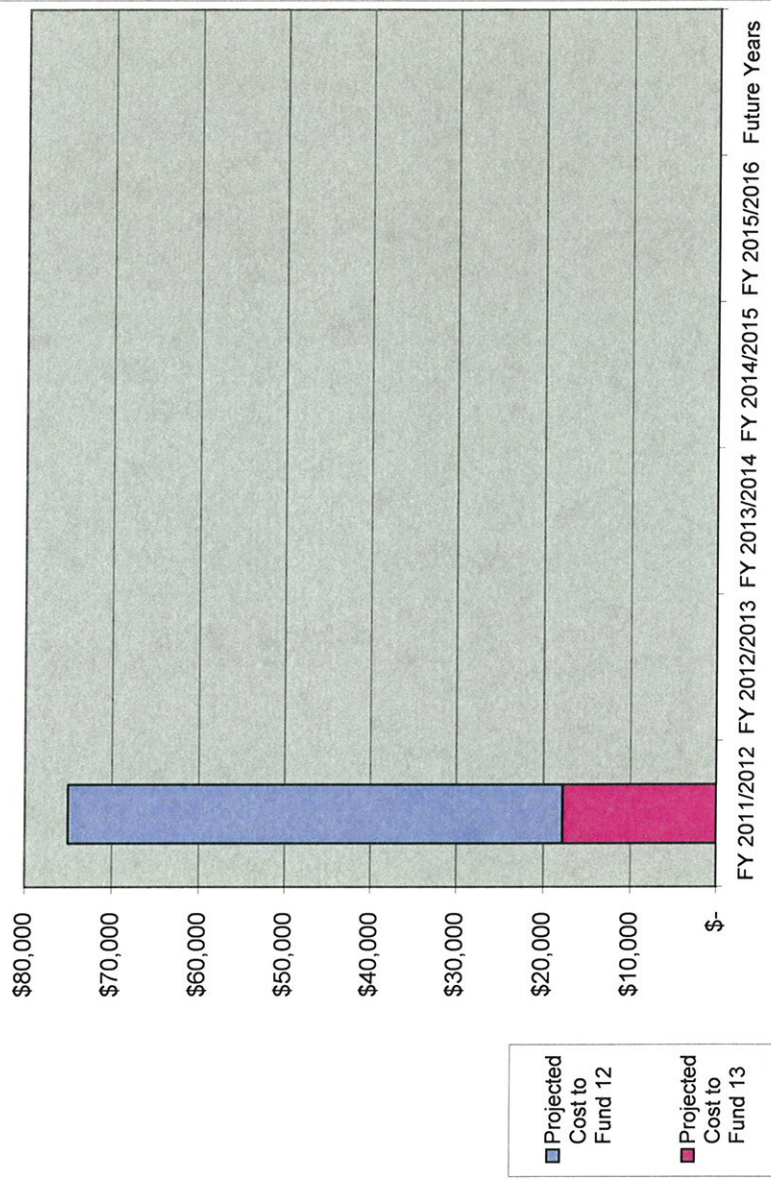
Provides for the engineering design of Phase A of the Requa Avenue Interceptor.



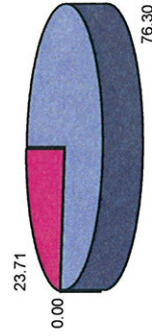
	Project Name
	Requa Ave. Intercept - Phase A Design Total Project Cost \$ 75,000 Remaining Balance \$ 75,000
	Project Description Provides for the final design of Phase A of the Requa Street Interceptor. Phase A is a portion of the larger Requa Street Interceptor project that extends a major sewer interceptor from the treatment plant west to near the District's western boundary. Phase A extends to the intersection of Requa Street and Flower Street and includes a Hwy 111 relief line.
	Justification Helps resolve limited sewer line capacity in several locations within our service area. Interceptor relieves several existing lines and provides additional capacity for relieved areas such as Dr. Carreon St, Highway 111 east of Arabia and areas of North
	Board Approvals Feasibility Study-6/27/2006, amended 7/11/2006; CEQA Mitigated Negative Declaration adopted-10/23/2007, Predesign Phase a 7/14/2009, Soil Excavation Ave 45 Dump limits-2/9/2010.

Percent for Replacement Facilities Fund 12	76.30	FY 2011/2012	Projected Cost to Fund 12	FY 2012/2013	Projected Cost to Fund 12	FY 2013/2014	Projected Cost to Fund 12	FY 2014/2015	Projected Cost to Fund 12	FY 2015/2016	Projected Cost to Fund 12	Future Years
			\$ 57,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Percent for Capacity Expansion Fund 13	23.71	FY 2011/2012	Projected Cost to Fund 13	FY 2012/2013	Projected Cost to Fund 13	FY 2013/2014	Projected Cost to Fund 13	FY 2014/2015	Projected Cost to Fund 13	FY 2015/2016	Projected Cost to Fund 13	Future Years
			\$ 17,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	



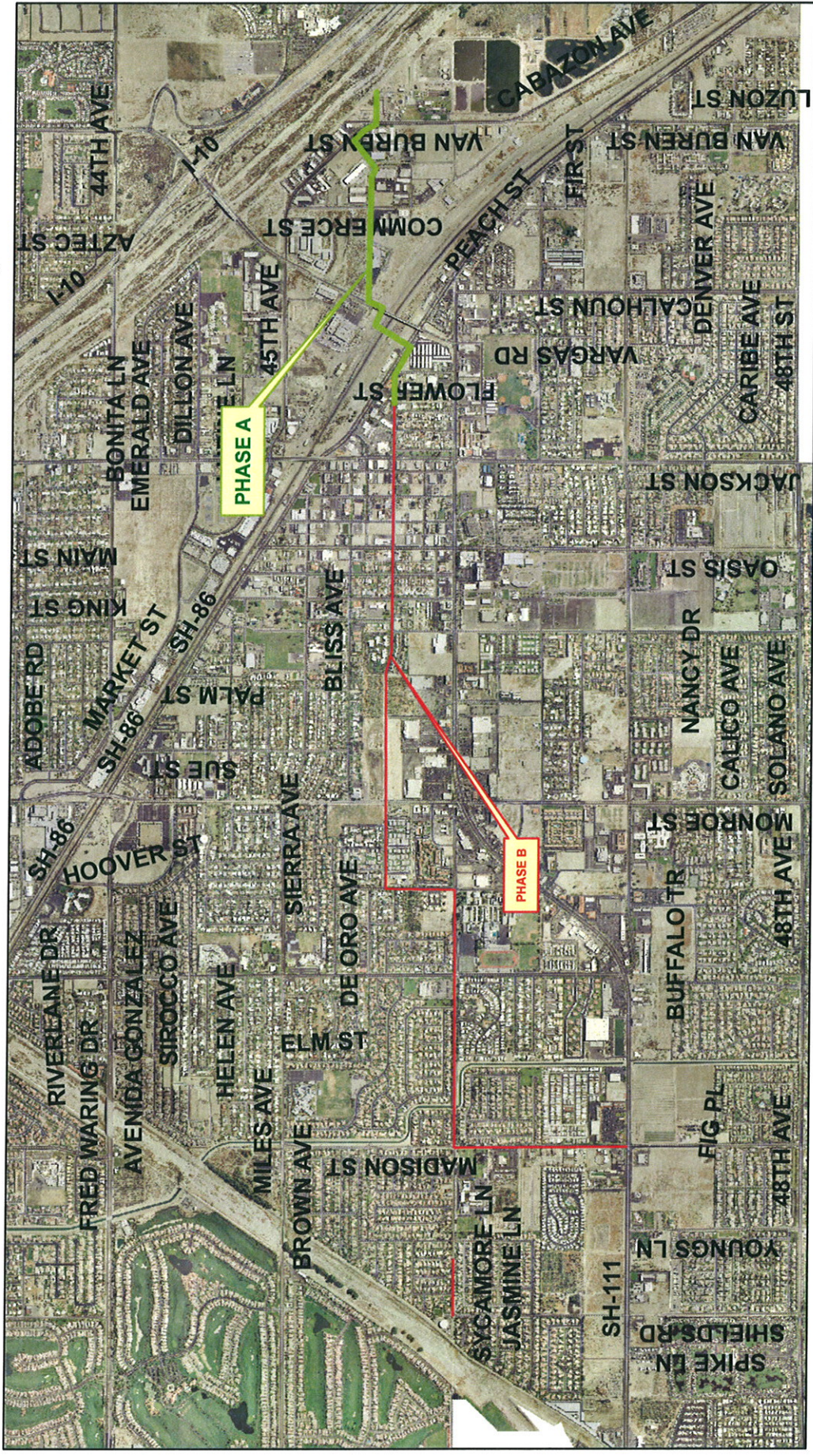
Percent Distribution Between Fund 12 and Fund 13



PROJECT: REQUA AVENUE INTERCEPTOR - PHASE A CONSTRUCTION

PROJECT DESCRIPTION

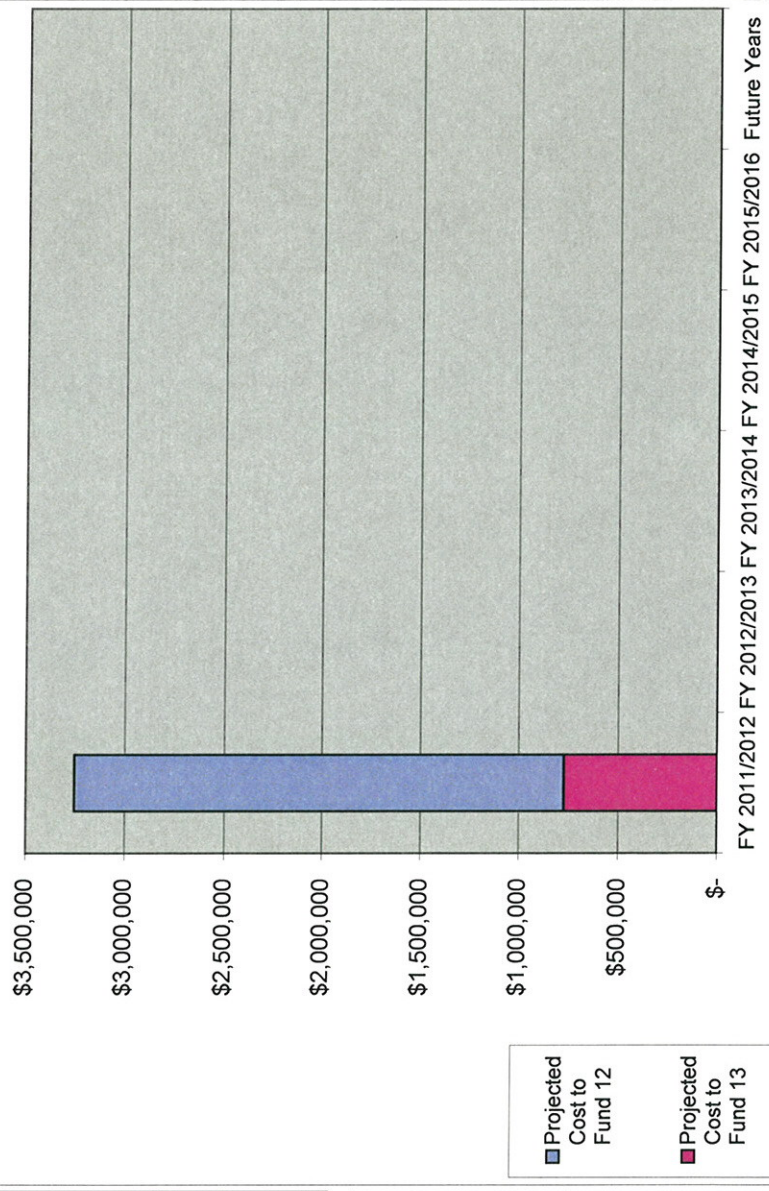
Provides for engineering support services and the construction of Phase A of the Requa Avenue Interceptor. Phase A is a portion of the larger Requa Avenue Interceptor project that extends a major sewer interceptor from the treatment plant west to near the District's western boundary. Phase A extends to the intersection of Requa Avenue and Flower Street and includes a Hwy 111 relief line.



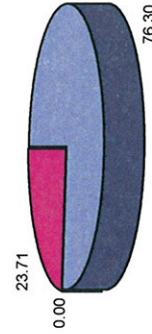
	Project Name
	Requa Ave. Intercept - Phase A Construction
	Total Project Cost \$ 3,253,378 Remaining Balance \$ 3,253,378
	Project Description Provides for the construction of Phase A of the Requa Street Interceptor. Phase A is a portion of the larger Requa Street Interceptor project that extends a major sewer interceptor from the treatment plant west to near the District's western boundary. Phase A extends to the intersection of Requa Street and Flower Street and includes a Hwy 111 relief line.
	Justification Helps resolve limited sewer line capacity in several locations within our service area. Interceptor relieves several existing lines and provides additional capacity for relieved areas such as Dr. Carreon St, Highway 111 east of Arabia and areas of North Indio.
	Board Approvals Feasibility Study-6/27/2006, amended 7/11/2006; CEQA Mitigated Negative Declaration adopted-10/23/2007, Predesign Phase a 7/14/2009, Soil Excavation Ave 45 Dump limits-2/9/2010.

Percent for Replacement Facilities Fund 12	76.30	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
		\$ 2,482,165	\$ -	\$ -	\$ -	\$ -	

Percent for Capacity Expansion Fund 13	23.71	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
		Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
		\$ 771,213	\$ -	\$ -	\$ -	\$ -	



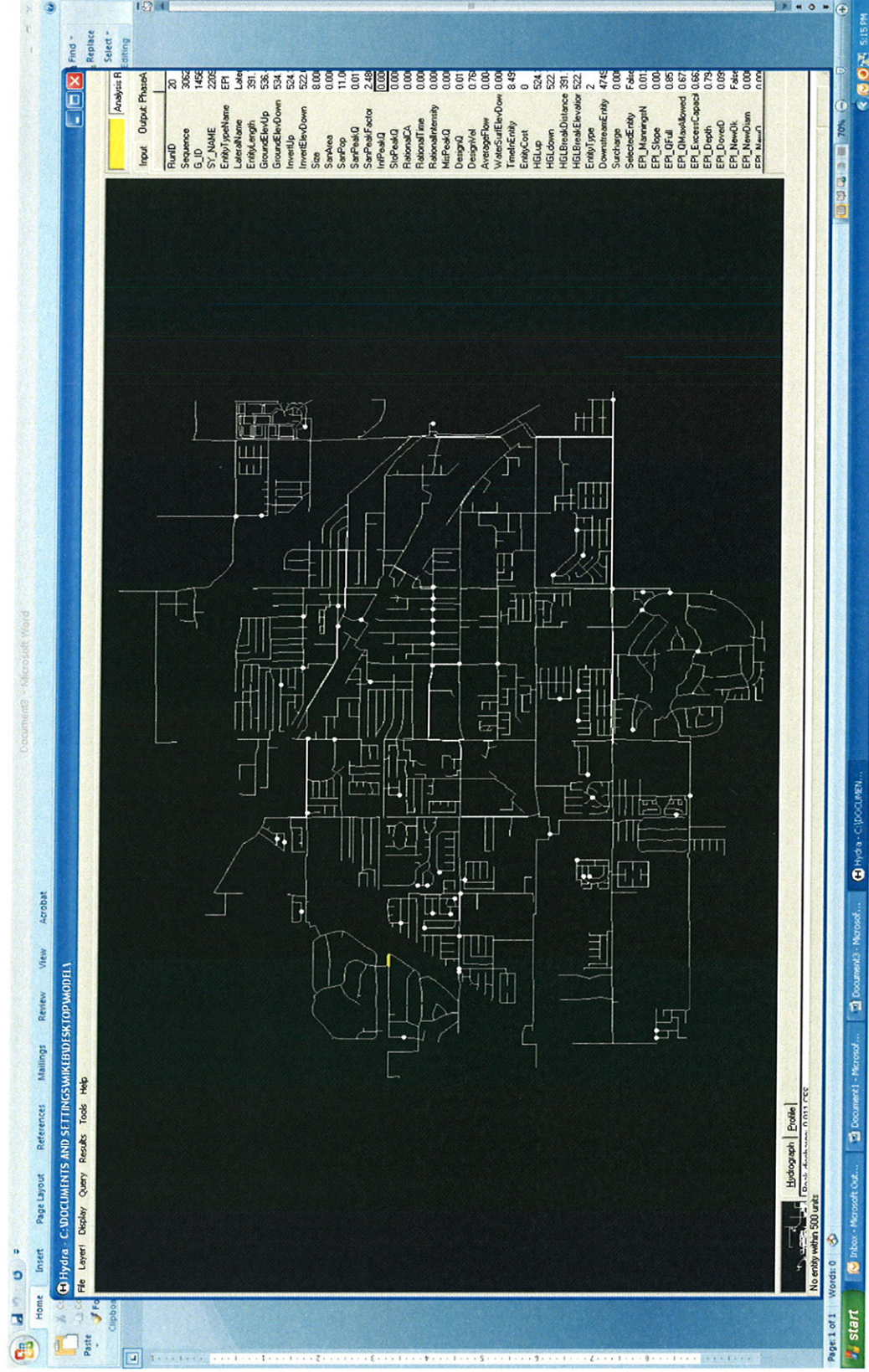
Percent Distribution Between Fund 12 and Fund 13



PROJECT: COLLECTION SYSTEM MASTER PLAN AND HYDRAULIC MODEL

PROJECT DESCRIPTION

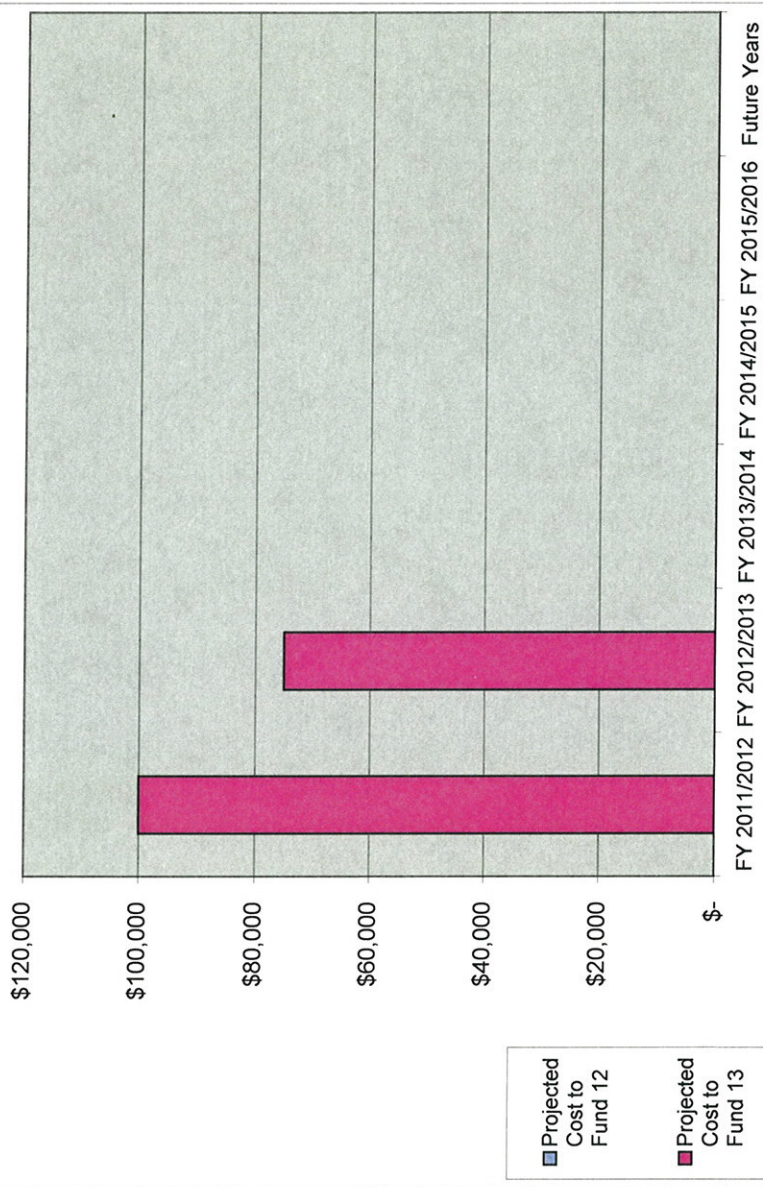
Professional engineering services to update the District's 2003 Collection System Master Plan and hydraulic model.



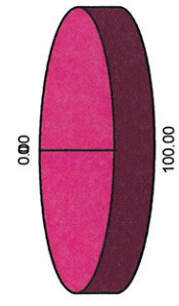
	Project Name
	Collection System Master Plan & Hydraulic Model Total Project Cost \$ 175,000 Remaining Balance \$ 175,000
	Project Description Professional engineering services to update the District's 2003 Collection System Master Plan and hydraulic model. The update would included the purchase of new hydraulic modeling software, modeling actual pipeline additions constructed since 2002 and updating flow projections to reflect changes in land use, zoning or developmental trends.
	Justification Periodic updates to a master plan document are necessary to reflect pipelines added to the system and to include changes in land use, zoning and/or developmental trends since the previous update. Allows for a more accurate projection of future needs.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
0.00	\$ -	\$ -	\$ -	\$ -	\$ -	

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
100.00	\$ 100,000	\$ 75,000	\$ -	\$ -	\$ -	



Percent Distribution Between Fund 12 and Fund 13



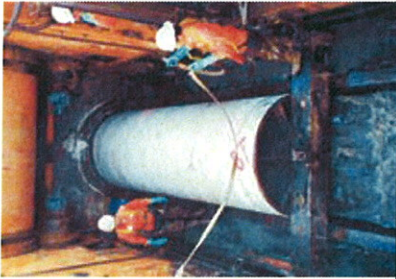
PROJECT: SEWER PIPELINE REHABILITATION

PROJECT DESCRIPTION

Provides for the ongoing rehabilitation of existing sewer lines that are found to be damaged or deteriorated. Rehabilitation may be by "no-dig" technology or by conventional removal and replacement. Rehabilitation project was not performed in 2009/2010 FY with the intent of implementing a larger project in 2010/2011.



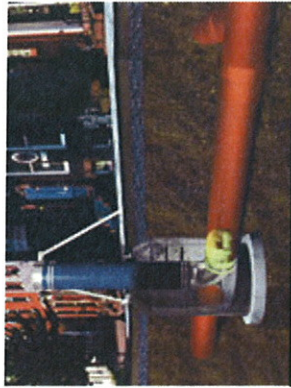
Defective orangeburg mainline sewer pipe was removed from the Sage Street Alley and replaced with plastic PVC pipe



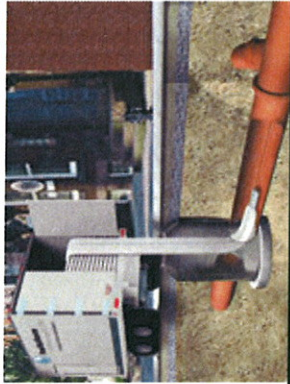
Slip lining "jacking" new pipe inside defective existing sewer is an example of "trenchless technology"



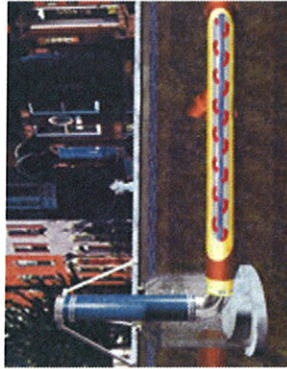
Defective orangeburg mainline sewer pipe was removed from the Deglet Noor Alley and replaced with plastic PVC pipe.



Cured in Place Pipe (CIPP): A resin saturated, coated felt tube is inverted (above picture) or pulled (right picture) into a damaged pipe



Pulling liner into damaged pipe



Hot water or steam is used to cure the resin and form a tight fitting, jointless and corrosion resistant pipe

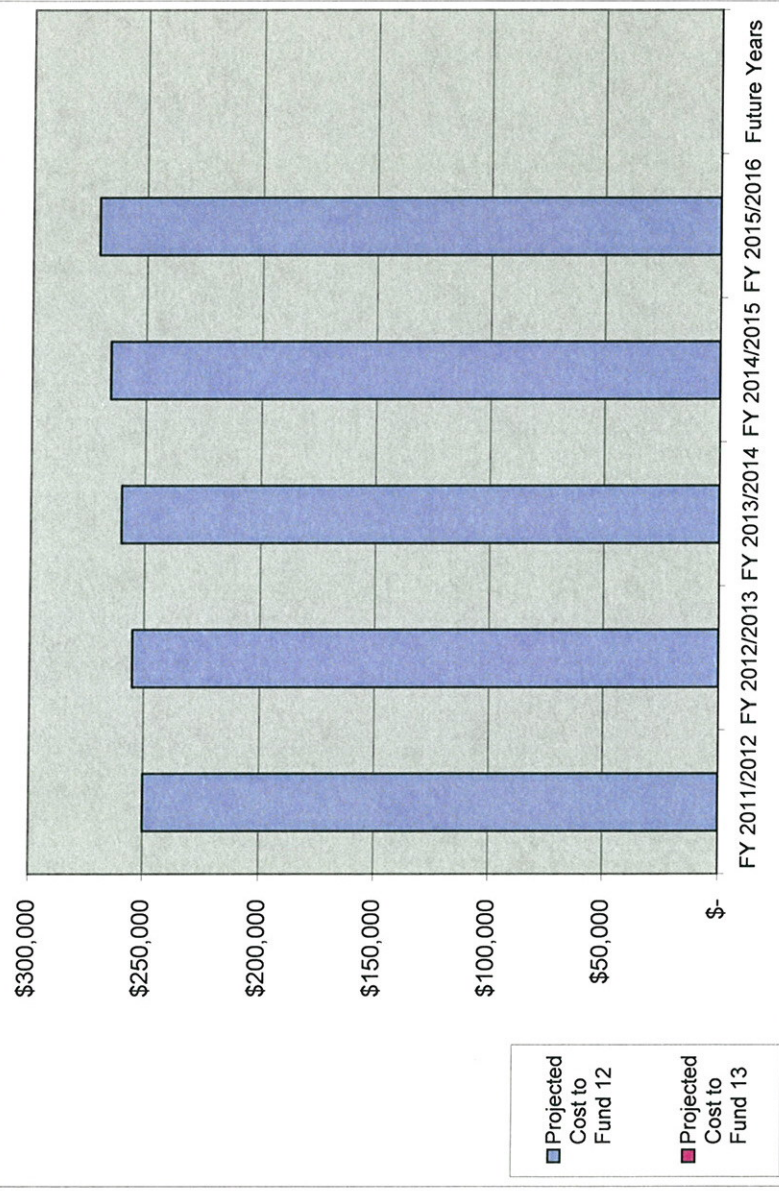


Service laterals are restored internally with robotically controlled cutting devices

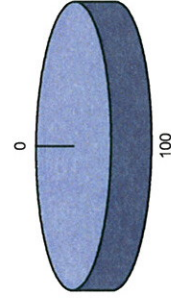
	Project Name
	Sewer Pipeline Rehabilitation
	Project Cost \$250,000 per year
	Project Description Provides for ongoing rehabilitation of existing sewer lines that are found to be damaged or deteriorated. Rehabilitation may be by "no-dig" technology or by conventional removal and replacement.
	Justification Deteriorated or damaged sewer lines must be rehabilitated to protect public health and comply with existing laws. For a number of years, the District has allocated between \$200,000 and \$300,000 annually for sewer pipeline rehabilitation.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
100	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
	\$ 250,000	\$ 255,000	\$ 260,100	\$ 265,302	\$ 270,608	\$300,000/Year

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
0	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
	\$ -	\$ -	\$ -	\$ -	\$ -	



Percent Distribution Between Fund 12 and Fund 13



PROJECT: MANHOLE REHABILITATION

PROJECT DESCRIPTION

Provides for the ongoing rehabilitation of existing sewer manholes that are found to be damaged or deteriorated. Interior surfaces of deteriorated manholes are repaired and then a corrosion resistant lining is applied to the interior surface.



COMPLETED APPLICATION ON
MANHOLE SHAFT & BASE



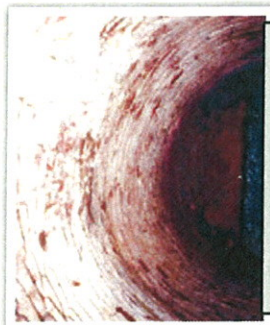
MANHOLE BASE
REHABILITATION



COMPLETED APPLICATION ON
MANHOLE SHAFT & BASE



COMPLETED APPLICATION ON
MANHOLE SHAFT



BRICK MANHOLE PRIOR
TO REHABILITATION
#1



COATING APPLICATION
#2



MANHOLE INTERIOR AFTER
REHABILITATION
#3



SURFACE PREPARATION

	Project Name
	Manhole Rehabilitation
	Project Cost \$60,000 per year
	Project Description Provides for ongoing rehabilitation of existing sewer manholes that are found to be damaged or deteriorated. Interior surfaces of deteriorated manholes are repaired and then a corrosion resistant lining is applied to the interior surface.
	Justification Deteriorated or damaged sewer manholes must be rehabilitated to protect public health and comply with existing laws. For a number of years, the District has allocated about \$60,000 annually for sewer manhole rehabilitation. Future years add 2% per year.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
100	Projected Cost to Fund 12 \$ 60,000	Projected Cost to Fund 12 \$ 61,200	Projected Cost to Fund 12 \$ 62,424	Projected Cost to Fund 12 \$ 63,672	Projected Cost to Fund 12 \$ 64,945	Projected Cost to Fund 12 \$60,000/Year

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
0	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13

\$70,000

\$60,000

\$50,000

\$40,000

\$30,000

\$20,000

\$10,000

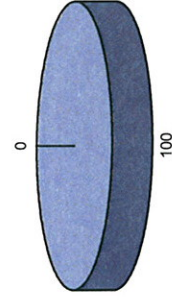
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Projected Cost to Fund 12

Projected Cost to Fund 13

FY 2011/2012 FY 2012/2013 FY 2013/2014 FY 2014/2015 FY 2015/2016 Future Years

Percent Distribution Between Fund 12 and Fund 13



PROJECT: LATERAL GRANT PROGRAM

PROJECT 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. The maximum amount of assistance for any one private sewer lateral replacement or repair is 50% of the approved cost up to a maximum reimbursement of \$2,000.

	Project Name
	Lateral Grant Program Project Cost \$50,000 per year
	Project Description The Private Lateral Replacement Grant Program is designed to help property owners within the District defray a portion of the costs to repair or replace a private sewer lateral. The maximum assistance is 50% of the approved cost to a maximum reimbursement of \$2,000.
	Justification Defective private sewer laterals are a common source for root intrusion as well as inflow/infiltration into the public sewer which can result in sewage overflows creating a public health risk. Promoting repair of defective laterals reduces potential health risks.
	Board Approvals Program approval date October 26, 2010; Program effective date November 22, 2010

Percent for Replacement Facilities Fund 12	100.00	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
	\$ 100.00	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	

Percent for Capacity Expansion Fund 13	0.00	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
		Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
	\$ 0.00	\$ -	\$ -	\$ -	\$ -	\$ -	

\$60,000

\$50,000

\$40,000

\$30,000

\$20,000

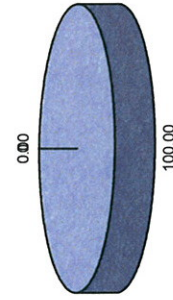
\$10,000

\$-



FY 2011/2012 FY 2012/2013 FY 2013/2014 FY 2014/2015 FY 2015/2016 Future Years

Percent Distribution Between Fund 12 and Fund 13



PROJECT: MAINLINE POINT REPAIRS

PROJECT DESCRIPTION

Provides for mainline point repairs that are performed on sewer lines and on the District's portion of laterals that are found to have defects in specific locations but the remainder of the line is in good shape.



ROOT INTRUSION IN VSD LATERAL

BEFORE

AFTER



DAMAGED PIPE REMOVED AND REPLACED



DAMAGED 8 INCH CLAY PIPE REPAIRED WITH 8 INCH PLASTIC PIPE & ADAPTERS

BEFORE

AFTER



DAMAGE TO VSD LATERAL BY UTILITY CONTRACTOR

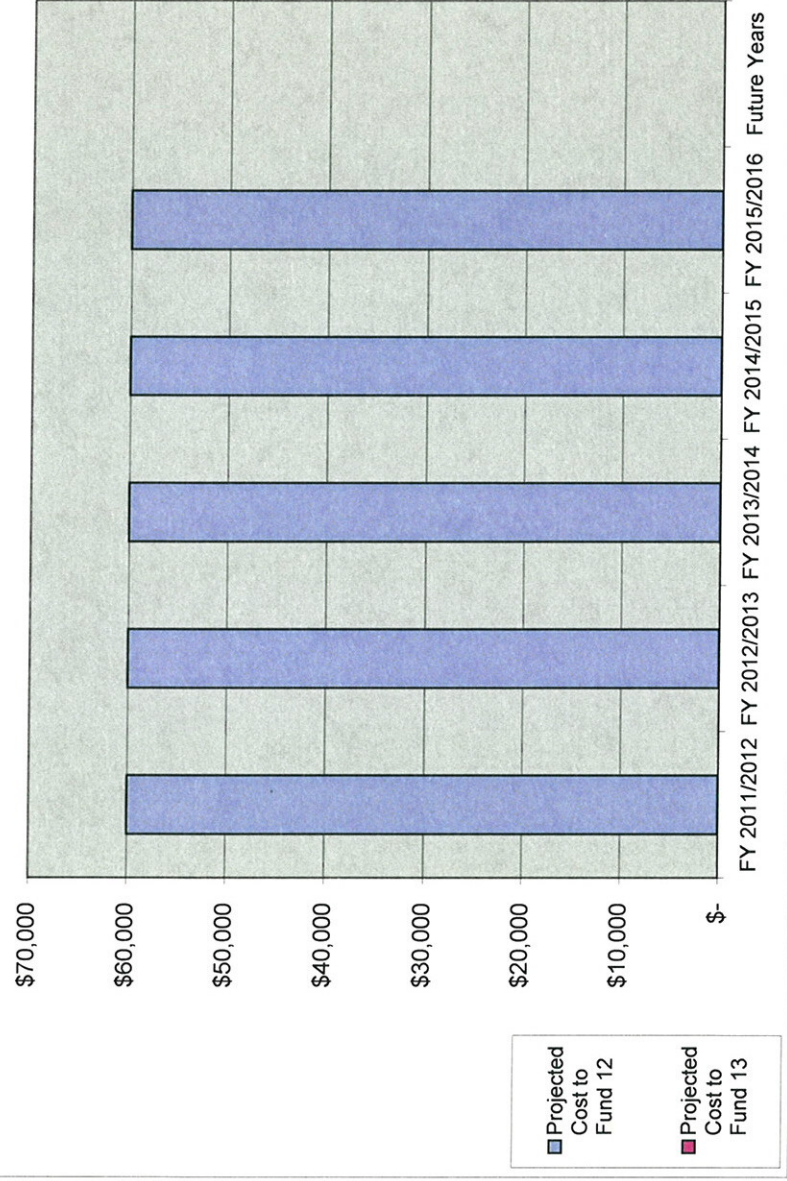


DAMAGED PIPE REMOVED AND REPLACED

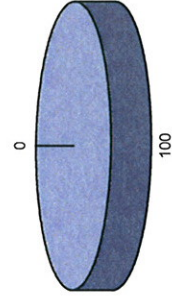
	Project Name
	Mainline Point Repairs
	Project Cost \$60,000 per year
	Project Description Provides for mainline point repairs that are performed on sewer lines and on the District's portion of laterals that are found to have defects in specific locations but the remainder of the line is in relatively good shape.
	Justification Damaged sections of sewer lines must be repaired to protect public health and comply with existing laws. For a number of years, the District has allocated about \$60,000 annually for mainline sewer point repairs.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$60,000/Year

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
0	\$ -	\$ -	\$ -	\$ -	\$ -	-



Percent Distribution Between Fund 12 and Fund 13



PROJECT: CONTINGENCY-ALL DEPARTMENTS COMBINED

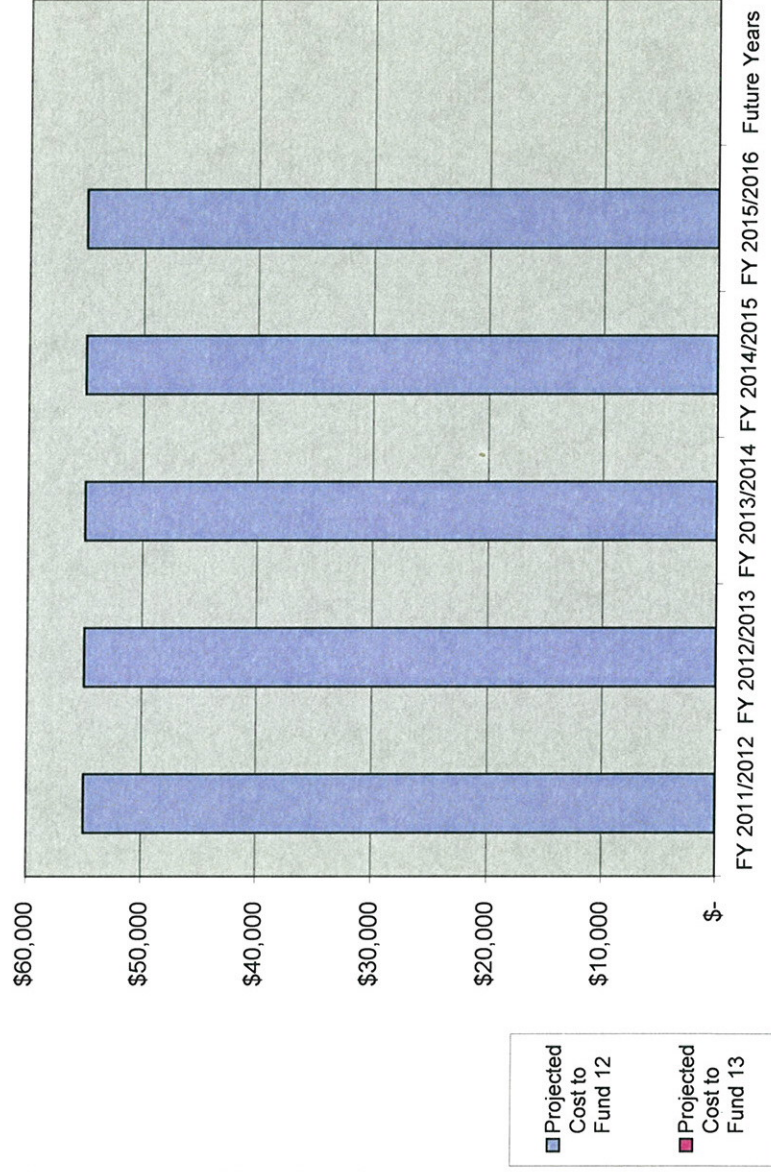
PROJECT DESCRIPTION

Each department budgets a contingency amount each year to cover unexpected/unbudgeted items. The combined total contingency for all departments is \$55,000.00.

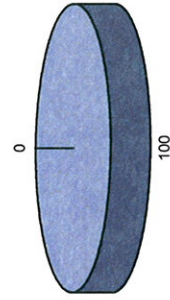
	Project Name
	Contingency-All Departments Combined Cost per year \$ 55,000
	Project Description Each department budgets a contingency amount each year to cover unexpected/unbudgeted items. The combined total contingency for all departments is \$55,000.00.
	Justification In the event of an unforeseen or unbudgeted expense, the contingency reserve can be used to absorb the cost.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12	
100	\$ 55,000		\$ 55,000		\$ 55,000		\$ 55,000		\$ 55,000		\$ 55,000	

Percent for Capacity Expansion Fund 13	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13	
0	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	



Percent Distribution Between Fund 12 and Fund 13



PROJECT: Storage Building

PROJECT DESCRIPTION

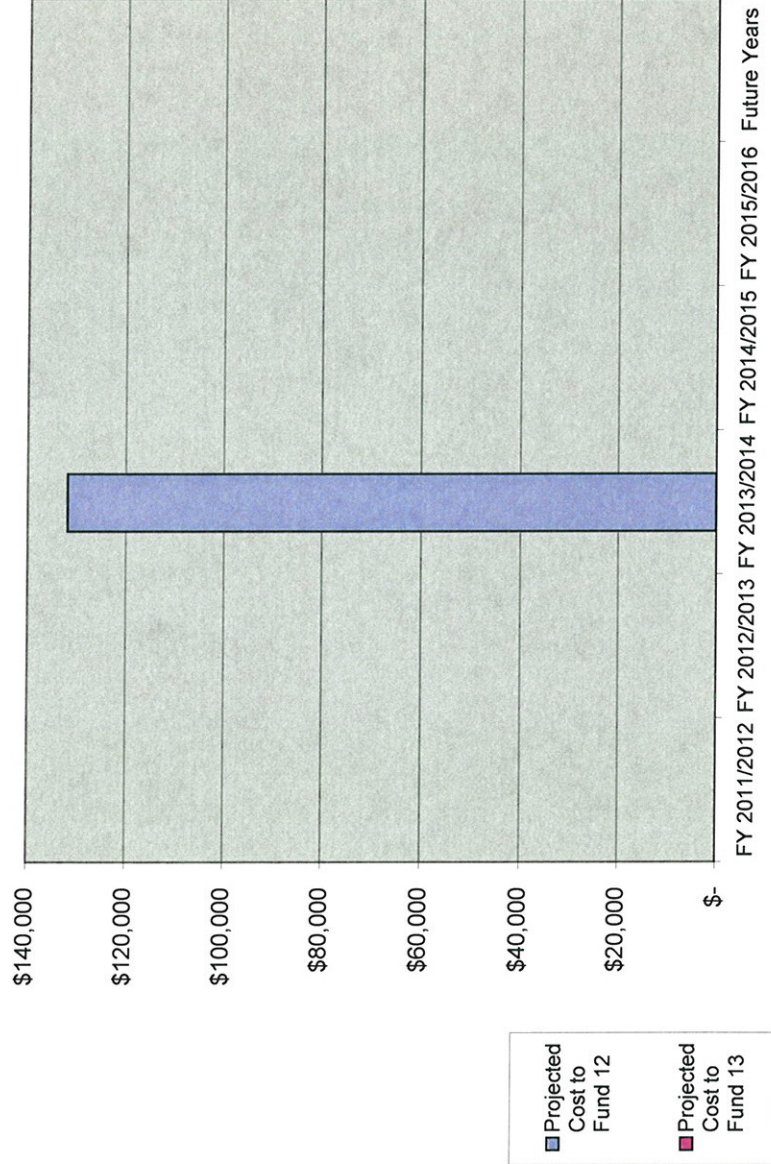
Storage building for treatment plant equipment.



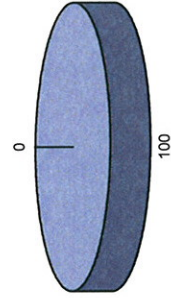
	Project Name
	Storage Building
	Total Project Cost \$ 131,812 Remaining Balance \$ 131,812
	Project Description Storage building for treatment plant equipment.
	Justification The existing storage building is filled to capacity. This project would build additional storage facilities at the treatment plant.
	Board Approvals Project was included in 2009/2010 Budget. Project is being deferred to 2012/2013 Fiscal Year pending completion of Construction Phase 2A of the Treatment Plant Upgrades and the Admin/Lab/Operations Center projects.

Percent for Replacement Facilities Fund 12	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12		Projected Cost to Fund 12	
100	\$ -		\$ -		\$ 131,812		\$ -		\$ -		\$ -	

Percent for Capacity Expansion Fund 13	FY 2011/2012		FY 2012/2013		FY 2013/2014		FY 2014/2015		FY 2015/2016		Future Years	
	Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13		Projected Cost to Fund 13	
0	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	



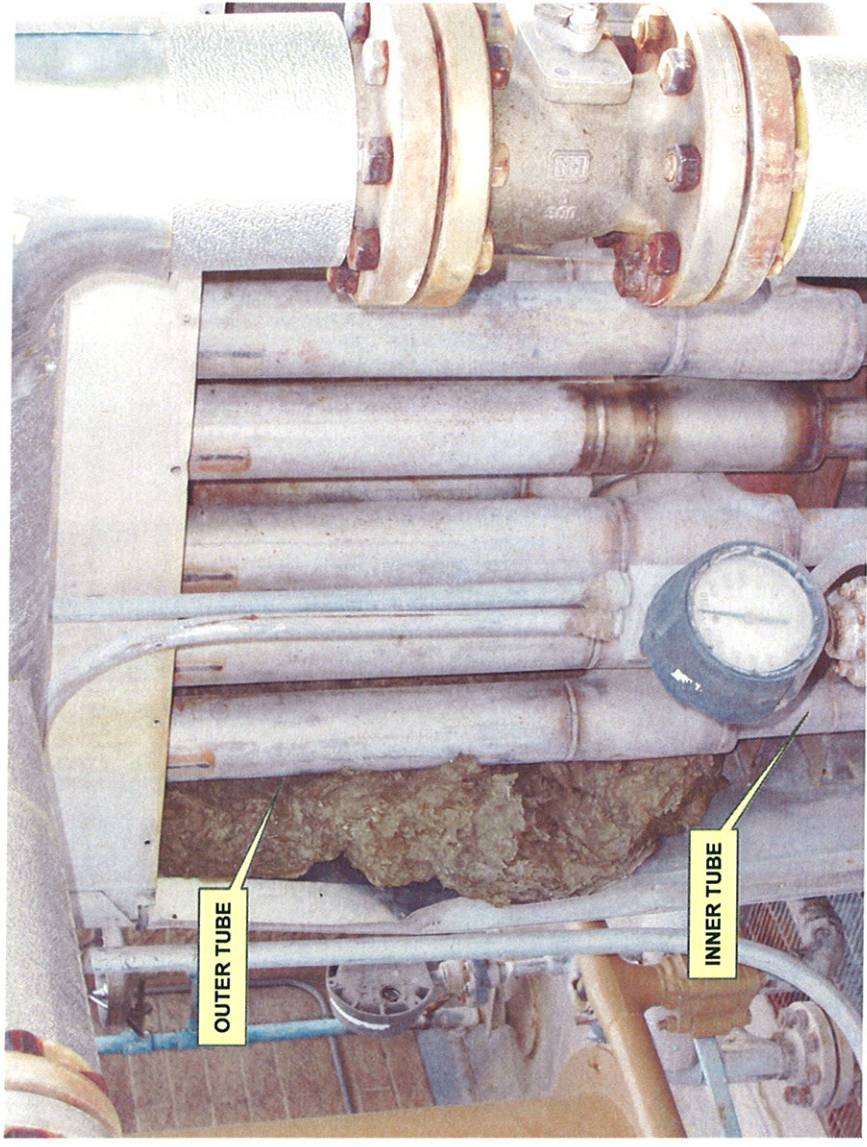
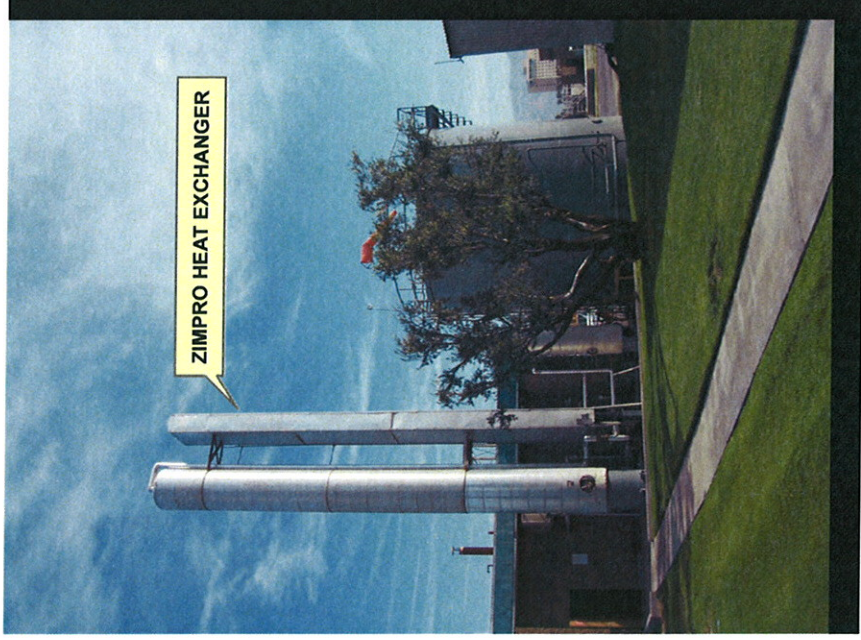
Percent Distribution Between Fund 12 and Fund 13



PROJECT: REPLACEMENT HEAT EXCHANGER (ZIMPRO PROCESS)

PROJECT DESCRIPTION

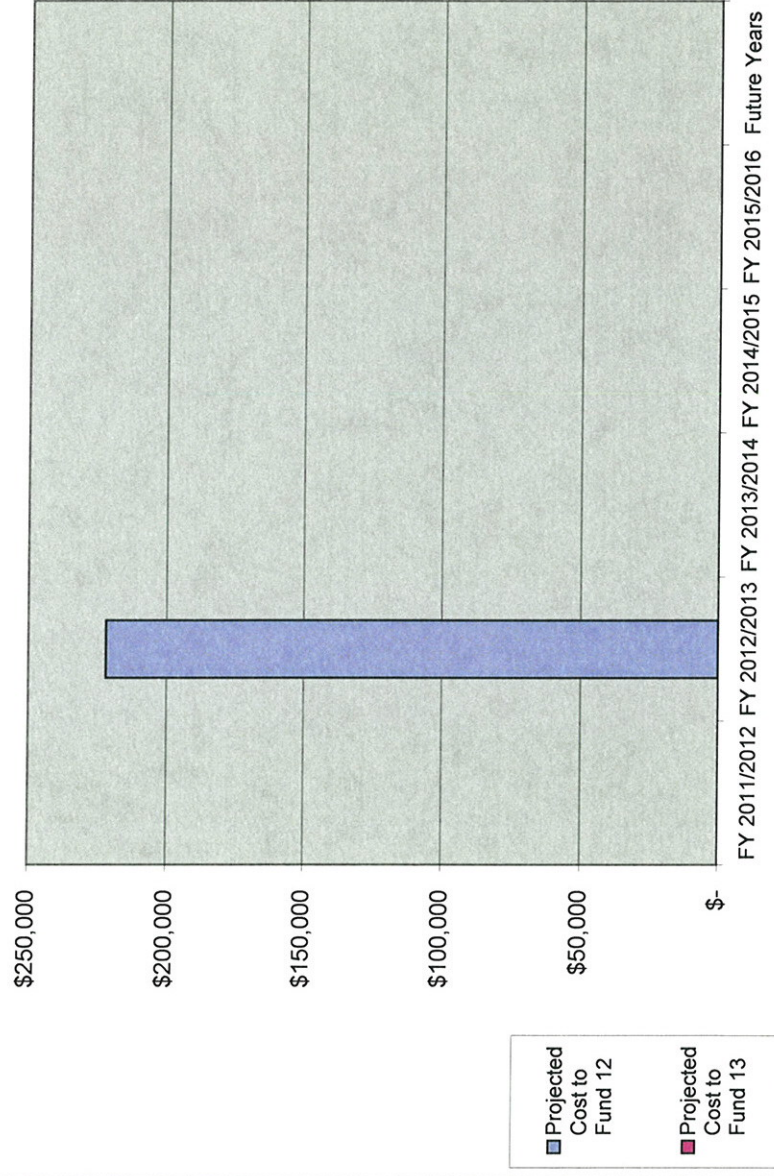
Provides for the rebuilding of the heat exchanger for the wet air oxidation sludge treatment (Zimpro) process.



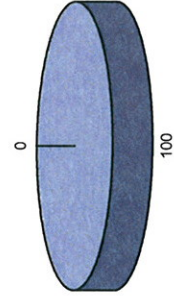
	Project Name
	Replacement Heat Exchanger (Zimpro Process) ENR Adjusted Total Project Cost \$ 221,929 Remaining Balance \$ 221,929
	Project Description Provides for the rebuilding of the heat exchanger for the wet air oxidation sludge treatment (Zimpro) process.
	Justification The Zimpro process served as our main primary sludge treatment process and will eventually be replaced. However, it can be used to treat primary sludge from the wetlands/pond system and may have future use as pretreatment for waste activated sludge.
	Board Approvals This project has been budgeted in the last several budgets, however, the project is now being deferred to the 2012/2013 Fiscal Year pending completion of Construction Phase 2A of the Treatment Plant Upgrades.

Percent for Replacement Facilities Fund 12	100	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
		\$ -	\$ 221,929	\$ -	\$ -	\$ -	

Percent for Capacity Expansion Fund 13	0	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
		Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
		\$ -	\$ -	\$ -	\$ -	\$ -	



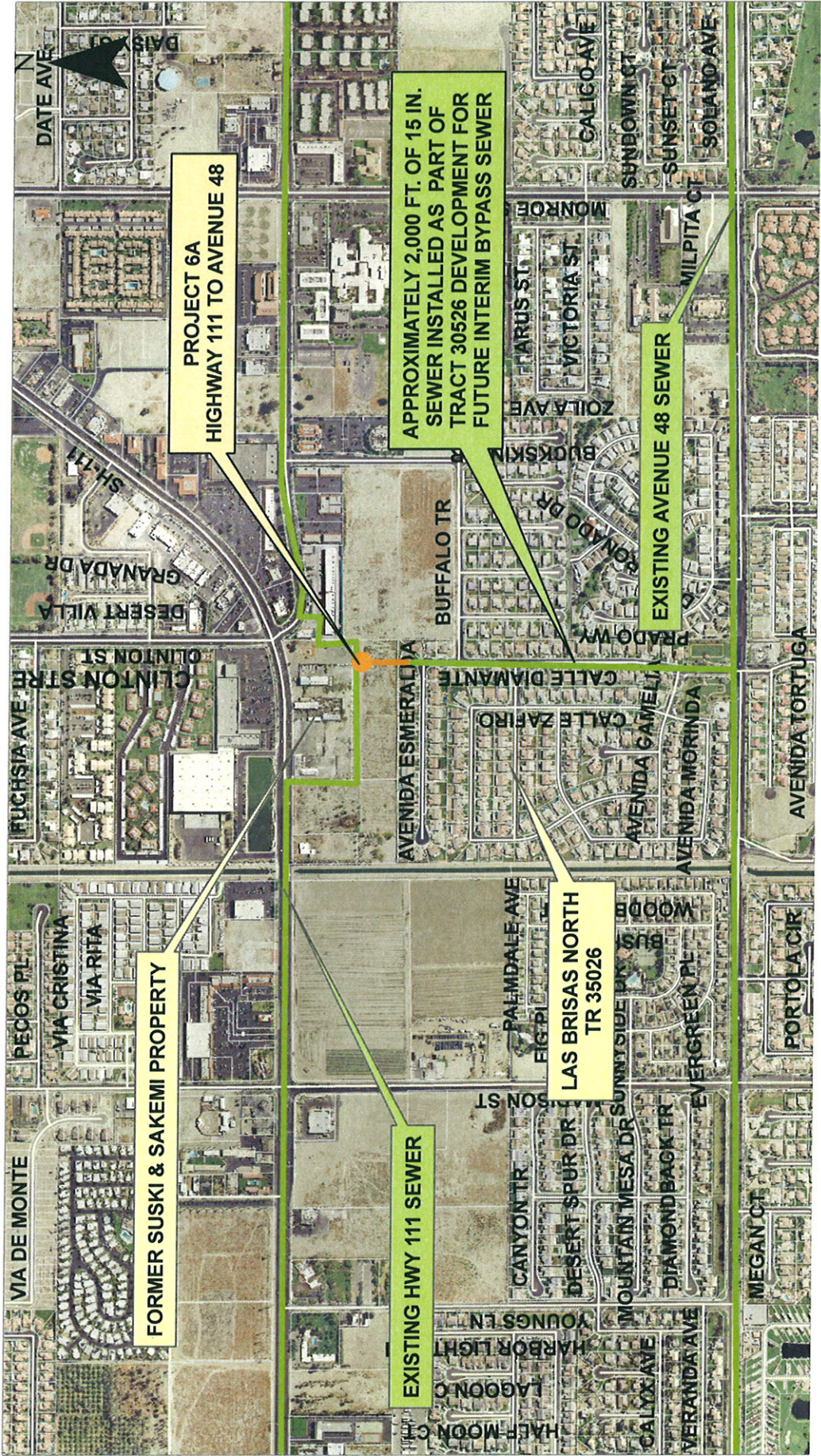
Percent Distribution Between Fund 12 and Fund 13



PROJECT: 6A-HIGHWAY 111 TO AVENUE 48 DIVERSION SEWER

PROJECT DESCRIPTION

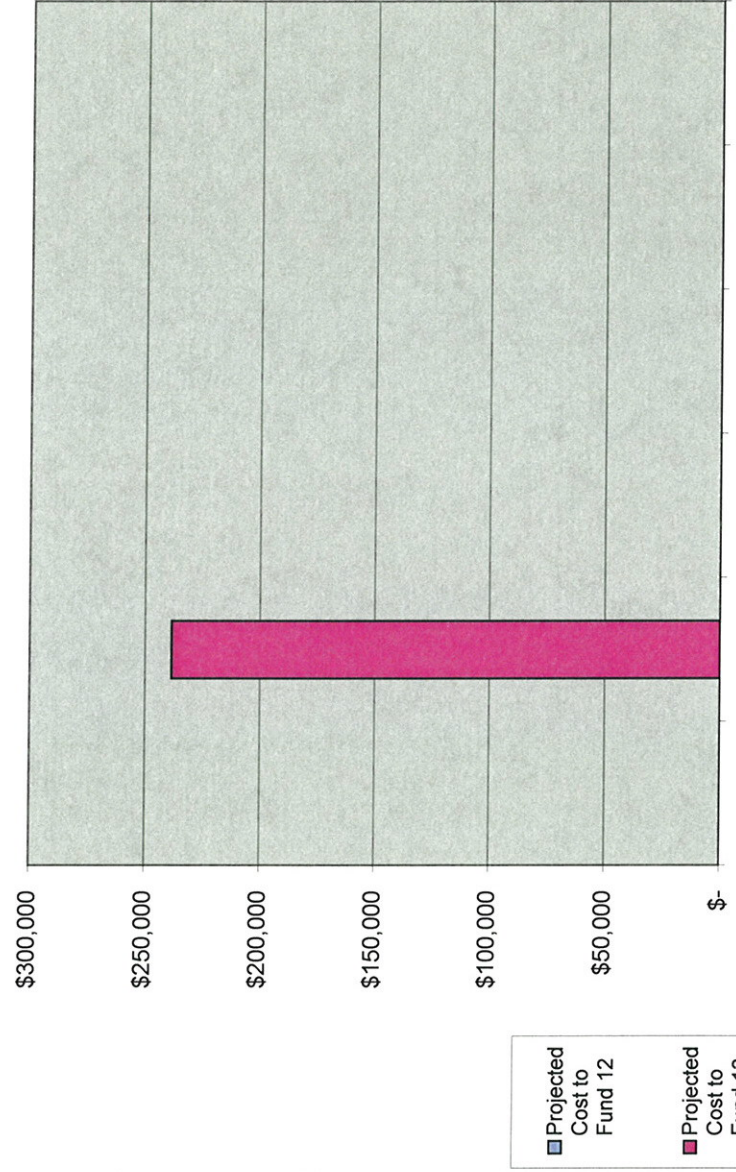
Project 6A provides for the completion of an interim diversion sewer line to relieve flows from the Highway 111 sewer main near Dr. Carreon Blvd. and divert flow to the Avenue 48 sewer main.



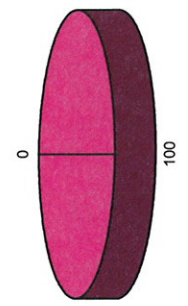
	Project Name
	Project 6A-Highway 111 to Ave 48 Diversion Sewer
	ENR Adjusted Total Project Cost \$ 238,424
	Remaining Balance \$ 238,424
	Project Description Project 6A provides for the completion of an interim diversion sewer line to relieve flows from the Highway 111 sewer main near Dr. Carreon Blvd. and divert flow to the Avenue 48 sewer main.
	Justification Existing sewer line capacity is very limited along Highway 111 east of Jefferson and along Dr. Carreon Blvd. This diversion sewer provides interim capacity until Phase 2 of the Requena St. Interceptor is constructed.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
0	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
100	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ 238,424	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13



Percent Distribution Between Fund 12 and Fund 13



PROJECT: REPLACEMENT JET TRUCK

PROJECT DESCRIPTION

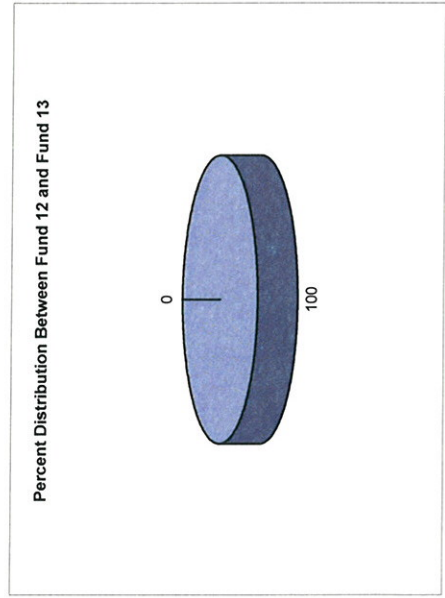
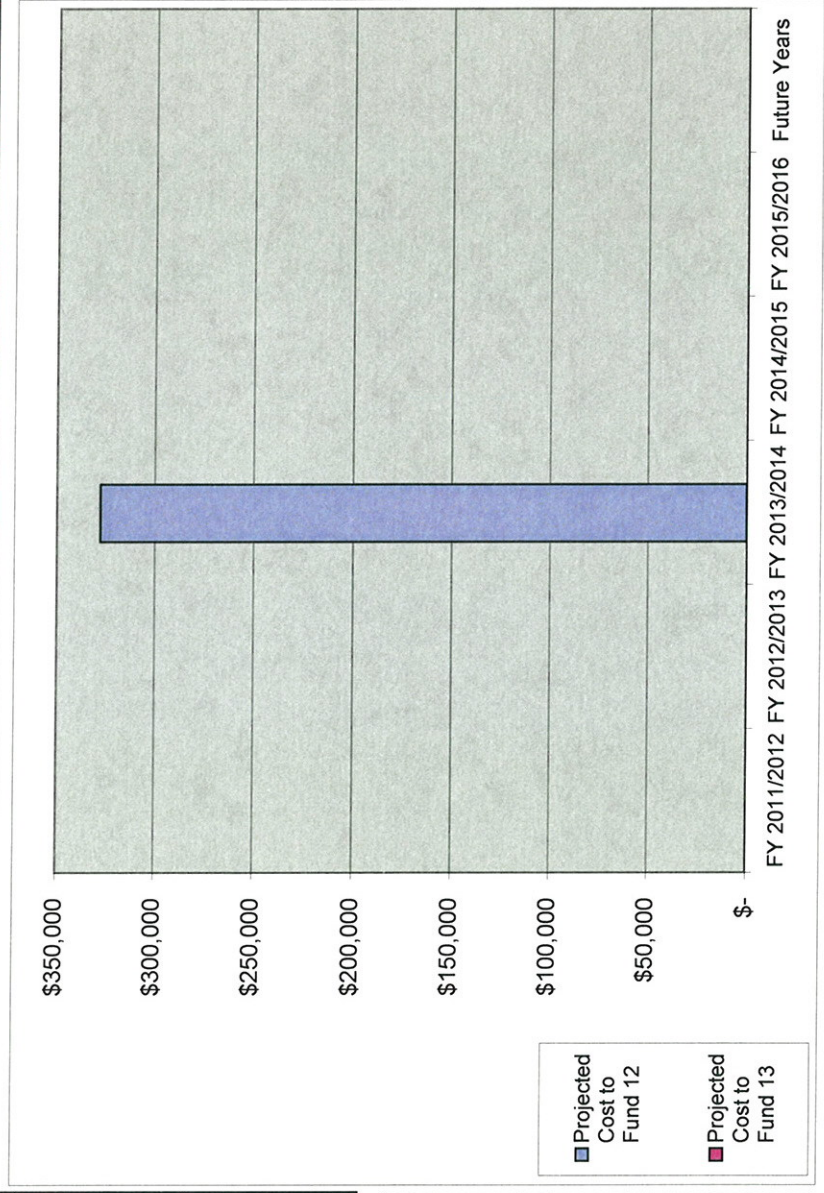
Provides for the replacement, on a ten year cycle, of the jet rodding and vacuum cleaning truck used to clean sewer lines and to clear blockages within sewer lines.



	Project Name
	Replacement Jet Truck
	Project Cost \$ 327,668
	Project Description Provides for the replacement, on a ten year cycle, of the jet rodding and vacuum cleaning truck used to clean sewer lines and to clear blockages within sewer lines.
	Justification Sewer line cleaning equipment is used on an almost daily basis for line cleaning and for emergency response to sewer stoppages. This equipment must be replaced periodically. Replacement is projected on a ten year cycle.
	Board Approvals

Percent for Replacement Facilities Fund 12	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
100	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ 327,668	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12 \$ -	Projected Cost to Fund 12

Percent for Capacity Expansion Fund 13	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Future Years
0	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13 \$ -	Projected Cost to Fund 13



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