

**Operations & Maintenance Budget
And
Capital Improvement Program
Fiscal Year 2014/2015**

Board of Directors

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General Manager

Joseph Glowitz

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2014/2015 BUDGET**

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER

JUNE 10, 2014

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 2014/2015 Budget
- 5.0 Annual Sewer Use Fee
- 6.0 Capacity Connection Charge
- 7.0 Recommendations

1.0 Executive Summary

The Fiscal Year 2014/2015 draft budget is presented to the Valley Sanitary District Board of Directors for review, discussion and consideration.

The Operations and Maintenance budget for fiscal year 2014/2015 is projected at \$ 8,208,630 (down from the \$ 8,229,384 the prior year). Capital expenditures in Fund 11 are projected at \$ 371,700 (an increase from the \$ 249,000 the prior year) and \$ 3,432,200 will be invested into the Reserve Funds.

It is recommended that the salaries be raised with the cost of living increase at 1 percent with applicable merit increases for all employees.

It is recommended that the Sewer Use Fee remain the same at \$ 270 per equivalent dwelling unit (EDU).

It is recommended that the capacity connection fee remain the same at \$ 4,265 per EDU.

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

2.0 Operations and Maintenance Budget

Salaries & Standby Pay

The proposed budget does allow for a cost of living adjustment of 1 percent, based on the consumer price index from January 2013 to December 2013. The Salary Schedule in Section 2 on Page 2.3 reflects an across the board 1 percent increase. The proposed budget does allow for merit increases for all eligible employees.

Retirement Benefits

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

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2014/2015 BUDGET**

Table 1: District Mandatory Retirement Plans

Plan Name	Type	Participants	Comment
District 401 K	Defined contribution	1	This plan will end when last employee leaves District.
Tier 1 - CalPERS 2.5% @ 55	Defined benefit	20	Legacy members in CalPERS
Tier 2 - CalPERS 2% @ 62	Defined benefit	4	New members to CalPERS

* There are currently 2 vacancies

The District 401K defined contribution plan will terminate when the last employee leaves the District. There is currently one employee left on that plan. Any new employee who is not vested in the legacy CalPERS retirement system shall be placed in the Tier 2 Plan.

Table 2 illustrates the CalPERS retirement summary for the legacy CalPERS employees (Tier 1) for fiscal years 2007/2008 through 2014/2015.

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

	2007/2008 Fiscal Year	2008/2009 Fiscal Year	2009/2010 Fiscal Year	2010/2011 Fiscal Year	2011/2012 Fiscal Year	2012/2013 Fiscal Year	2013/2014 Fiscal Year	2014/2015 Fiscal Year
District Contribution Established by CalPERS (Legacy members)	14.073%	15.757%	15.615%	16.478%	19.169%	19.662%	20.587%	22.504%
Actual Employee Rate (2.5% at 55) (Legacy members)	8%	8%	7.858%	8%	8%	8%	8%	8%
Total Contribution (Legacy members)	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%)	27.662% (19.662+8%)	28.587% (20.587+8%)	30.504% (20.504+8%)

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Table 3 illustrates the CalPERS retirement summary for the new CalPERS member employees (Tier 2) for fiscal years 2007/2008 through 2014/2015.

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

	2007/2008 Fiscal Year	2008/2009 Fiscal Year	2009/2010 Fiscal Year	2010/2011 Fiscal Year	2011/2012 Fiscal Year	2012/2013 Fiscal Year	2013/2014 Fiscal Year	2014/2015 Fiscal Year
District Contribution Established by CalPERS (New members)	-	-	-	-	-	-	6.70%	6.70%
Employee Rate for 2.0% at 62 Plan	-	-	-	-	-	-	6.50%	6.50%
Total Contribution (New members)	-	-	-	-	-	-	13.20% (6.70+6.50%)	13.20% (6.70+6.50%)

It is recommended that the District maintain the contribution from the District to the Defined Contribution Retirement Plan (401K) at 15.757 percent of salary.

It is recommended that the District contribute 22.504 percent for Tier 1 legacy employees and 6.7 percent for Tier 2 new member employees to the CalPERS retirement plan.

3.0 Five Year Capital Improvement Program Budget

Section 9 contains the proposed 2014/2015 budget for the Five Year Capital Improvement Program.

The Requa Avenue interceptor project is underway, with final design scheduled for completion in Fall 2014. Construction of this project will move forward, after final design and Board approval, beginning January 2015.

To date, the Capital Replacement Fund (Fund 12) and Capital Improvement Fund (Fund 13) have enabled the District to invest approximately \$ 80 Million in the renovations and expansions of the District's collection and treatment facilities since 1998 with approximately \$ 70 million in the past ten years.

4.0 Fiscal Year 2014/2015 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.

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5.0 Annual Sewer Use Fee

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

Figure 1: Historical Graph of Annual Sewer Use Fee

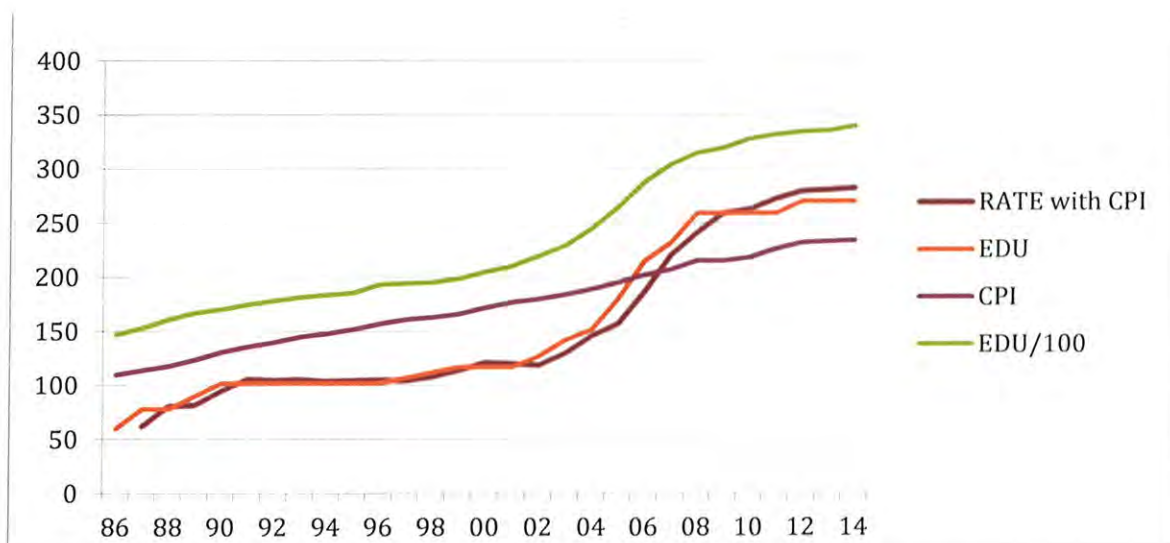


Figure 1 shows the historical relationships. Keeping rates stable are admirable; however, caution must be exercised in retaining flat sewer use fees for long periods of time when external upward pressures due to increased costs, additional regulations, safety requirements and the need to repair and maintain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

Comparable residential sewer use fees from other local agencies are:

City of Coachella Sanitary District	\$ 501. (Under review)
Desert Water Agency (Cathedral City)	\$ 415.
Mission Springs Water District	\$ 375.
Coachella Valley Water District	\$ 294. - \$389. (based on location)
Valley Sanitary District	\$ 270.
City of Banning	\$ 263.
City of Beaumont	\$ 255. - \$356. (based on location)
City of Palm Springs	\$ 192. (Increases to \$420 by 2031)

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2014/2015 BUDGET**

6.0 Capacity Connection Charge

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

Desert Water Agency (Cathedral City)	\$ 5,201.
Valley Sanitary District	\$ 4,265.
Coachella Valley Water District	\$ 4,231.
City of Coachella Sanitary District	\$ 3,815.
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 the Connection Capacity Charge be maintained at the current amount of \$ 4,265 per EDU.

7.0 Recommendations

7.1 Fiscal Year 2014/2015 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 percent and allow applicable step increases for eligible employees.

7.2 Fiscal Year 2014/2015 Pension Contribution

The recommendation is that the District maintains the contribution from the District to the Defined Contribution Retirement Plan at 15.757 percent of salary, increase the employer contribution to the CalPERS Retirement Plan to 22.504 percent for current CalPERS members and 6.7 percent for new CalPERS members. The employee contribution will be solely funded by employees at 8 percent for current CalPERS members and 6.5 percent for new CalPERS members.

7.3 Adoption of Fiscal Year 2014/2019 Five Year Capital Plan

The recommendation is that the Five Year Capital Improvement Program (2014/2015 - 2018/2019) be adopted.

7.4 Adoption of the Sewer User Fee

The recommendation is that the Annual Sewer Use Fee be maintained at \$ 270.00 per EDU per year (\$ 22.50 per month).


**VALLEY SANITARY DISTRICT
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7.5 Adoption of the Capacity Connection Charge

The recommendation is that the connection capacity fee be maintained at \$ 4,265 per equivalent dwelling unit (EDU).

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

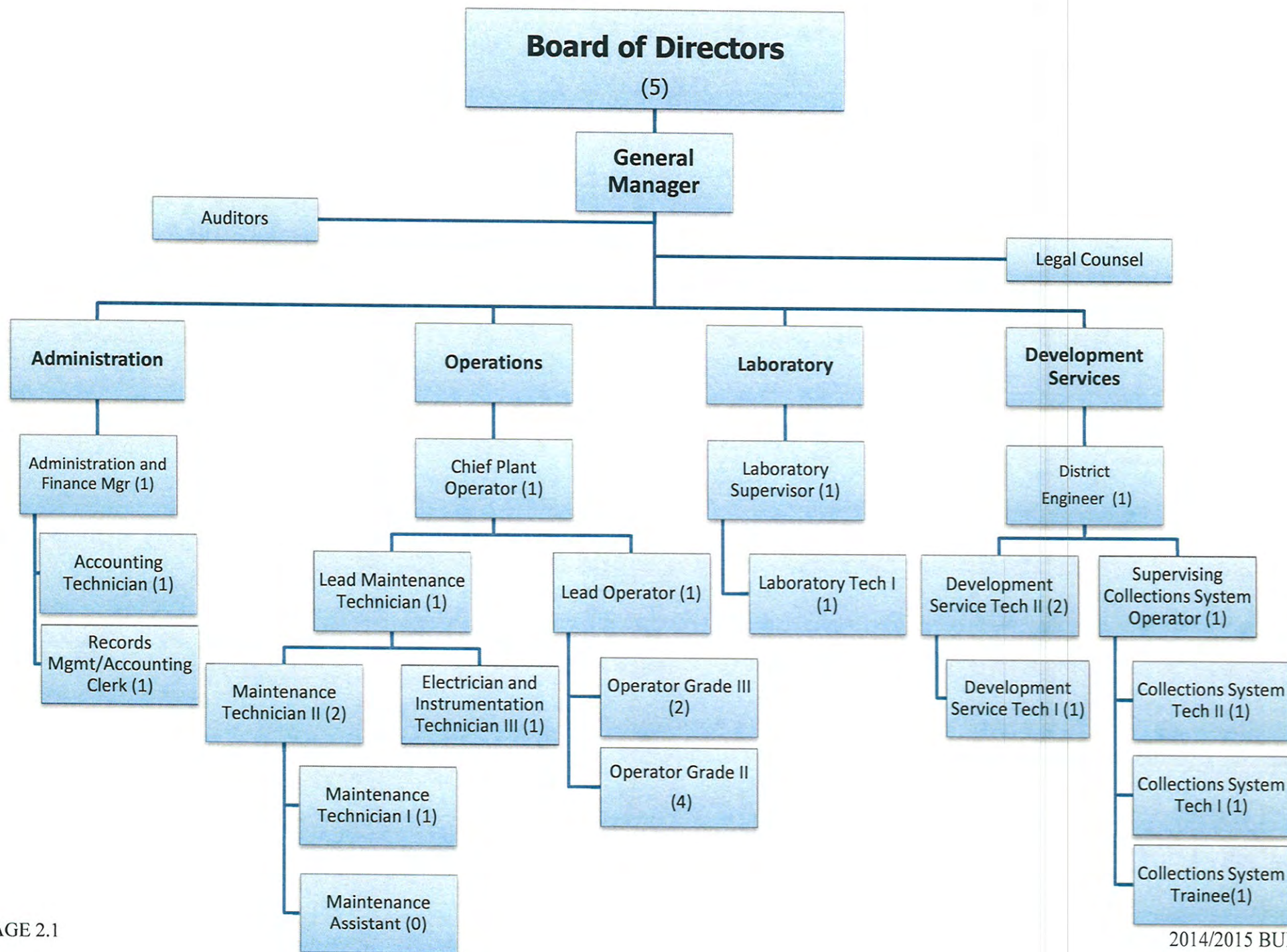
Respectfully submitted,



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

Valley Sanitary District

Organizational Chart



RANGE ASSIGNMENTS

JOB CLASSIFICATION	RANGE	POSITIONS
ACCOUNTING TECHNICIAN	10	1
ADMINISTRATION & FINANCE MANAGER	18	1
CHIEF PLANT OPERATOR	18	1
COLLECTION SYSTEMS TRAINEE	5	1
COLLECTION SYSTEMS TECH I	7	1
COLLECTION SYSTEMS TECH II	9	1
COLLECTION SYSTEMS TECH III	11	0
COLLECTION SYSTEMS SUPERVISOR	16	1
DEVELOPMENT SERVICES TECHNICIAN I	11	1
DEVELOPMENT SERVICES TECHNICIAN II	16	2
ELECTRICIAN/INSTRUMENTATION TECH III	14	1
FACILITIES MAINTENANCE	5	0
GENERAL MANAGER	Board Established	1
DISTRICT ENGINEER	23	1
LABORATORY TRAINEE	5	0
LABORATORY TECH I	9	0
LABORATORY TECH II	12	1
LABORATORY SUPERVISOR	16	1
MAINTENANCE ASSISTANT	5	0
MAINTENANCE TECH I	7	1
MAINTENANCE TECH II	9	2
MAINTENANCE TECH III	11	0
MAINTENANCE TECHNICIAN - LEAD	14	1
OPERATOR-IN-TRAINING	5	0
OPERATOR I	8	0
OPERATOR II	10	4
OPERATOR III	12	2
OPERATOR - LEAD	14	1
RECORDS MANAGEMENT/ACCOUNTING CLERK	8	1
TOTAL POSITIONS		27

VALLEY SANITARY DISTRICT														
2014/2015 SALARY SCHEDULE														
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	2,701	2,767	2,834	2,903	2,974	3,047	3,122	3,198	3,277	3,357	3,440	3,524	3,610	3,699
2	2,834	2,903	2,974	3,047	3,122	3,198	3,277	3,357	3,440	3,524	3,610	3,699	3,790	3,883
3	2,974	3,047	3,122	3,198	3,277	3,357	3,440	3,524	3,610	3,699	3,790	3,883	3,979	4,077
4	3,122	3,198	3,277	3,357	3,440	3,524	3,610	3,699	3,790	3,883	3,979	4,077	4,177	4,280
5	3,277	3,357	3,440	3,524	3,610	3,699	3,790	3,883	3,979	4,077	4,177	4,280	4,385	4,493
6	3,440	3,524	3,610	3,699	3,790	3,883	3,979	4,077	4,177	4,280	4,385	4,493	4,604	4,718
7	3,610	3,699	3,790	3,883	3,979	4,077	4,177	4,280	4,385	4,493	4,604	4,718	4,834	4,953
8	3,790	3,883	3,979	4,077	4,177	4,280	4,385	4,493	4,604	4,718	4,834	4,953	5,076	5,201
9	3,979	4,077	4,177	4,280	4,385	4,493	4,604	4,718	4,834	4,953	5,076	5,201	5,329	5,461
10	4,177	4,280	4,385	4,493	4,604	4,718	4,834	4,953	5,076	5,201	5,329	5,461	5,596	5,734
11	4,385	4,493	4,604	4,718	4,834	4,953	5,076	5,201	5,329	5,461	5,596	5,734	5,876	6,022
12	4,604	4,718	4,834	4,953	5,076	5,201	5,329	5,461	5,596	5,734	5,876	6,022	6,171	6,323
13	4,834	4,953	5,076	5,201	5,329	5,461	5,596	5,734	5,876	6,022	6,171	6,323	6,480	6,640
14	5,076	5,201	5,329	5,461	5,596	5,734	5,876	6,022	6,171	6,323	6,480	6,640	6,805	6,973
15	5,329	5,461	5,596	5,734	5,876	6,022	6,171	6,323	6,480	6,640	6,805	6,973	7,146	7,323
16	5,596	5,734	5,876	6,022	6,171	6,323	6,480	6,640	6,805	6,973	7,146	7,323	7,505	7,691
17						6,640		6,973		7,323		7,691		8,077
18						6,973		7,323		7,691		8,077		8,483
19						7,323		7,691		8,077		8,483		8,909
20						7,691		8,077		8,483		8,909		9,357
21						8,077		8,483		8,909		9,357		9,827
22						8,483		8,909		9,357		9,827		10,322
23						8,909		9,357		9,827		10,322		10,841
24						9,357		9,827		10,322		10,841		11,387
25						9,827		10,322		10,841		11,387		11,960
26						10,322		10,841		11,387		11,960		12,562
27						10,841		11,387		11,960		12,562		13,195

Consumer Price Index - Urban Wage Earners and Clerical Workers **12-Month Percent Change**

Series Id: CWURA421SA0
Not Seasonally Adjusted
Area: Los Angeles-Riverside-Orange County, CA
Item: All items
Base Period: 1982-84=100
Years: 2008 to 2014

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2008	4.6	3.7	3.6	3.7	4.1	6.1	6.6	5.7	5.0	3.5	0.6	-0.6	3.9	4.3	3.5
2009	-0.6	-0.5	-1.6	-2.1	-2.4	-2.8	-3.2	-2.1	-1.4	-0.6	1.2	2.5	-1.2	-1.7	-0.6
2010	2.3	1.8	2.4	2.4	2.0	1.0	1.0	1.0	0.5	0.9	1.0	1.6	1.5	2.0	1.0
2011	2.0	2.6	3.5	3.9	3.7	3.3	2.7	2.7	3.5	3.1	3.2	2.2	3.0	3.2	2.9
2012	2.1	2.1	2.0	1.3	1.5	1.5	1.9	2.5	2.2	3.2	2.1	2.0	2.0	1.8	2.3
2013	1.9	2.4	1.3	0.9	1	1.5	1.6	0.9	0.7	-0.3	0.5	1.2	1.1	1.5	0.8
2014	0.8														

Average from January 2013 through December 2013 = 1.1
Information as of 2/28/2014

BUDGET REVENUE PROJECTIONS**2014/2015 BUDGET**

ACCOUNT #	ACCOUNT TITLE	2013/2014 REVENUE PROJECTIONS	2013/2014 ANTICIPATED CLOSE	2013/2014 BUDGET VARIANCE	2014/2015 REVENUE PROJECTIONS
FUND 11					
OPERATING REVENUES:					
11-4120-000-0	SEWER SERVICE - CURRENT	9,049,590 (1)	9,049,590	-	9,156,780 (1)
11-4130-000-0	SEWER SERVICE - PRIOR	-	-	-	-
11-4140-000-0	SEWER SERVICE - PENALTIES	20,000	27,202	7,202	20,000
11-4210-000-0	PERMIT/INSPECTION FEES	39,000	36,500	(2,500)	50,000
11-4270-000-0	PLAN CHECK FEES	16,000	50,000	34,000	50,000
11-4285-000-0	OTHER SERVICES	5,000	3,000	(2,000)	5,000
11-4310-000-0	SALE OF SURPLUS PROPERTY	-	14,045	14,045	-
	SUB-TOTALS:	9,129,590	9,180,337	50,747	9,281,780
NON-OPERATING REVENUES:					
11-4510-000-0	INTEREST REVENUE	22,000	22,000	-	22,000
11-4430-000-0	TAXES - CURRENT SECURED	500,000	580,000	80,000	530,000
11-4440-000-0	TAXES - CURRENT UNSECURED	23,000	20,984	(2,016)	25,000
11-4450-000-0	TAXES - PRIOR SECURED	22,000	25,828	3,828	30,000
11-4460-000-0	TAXES - PRIOR UNSECURED	1,580	1,010	(570)	3,000
11-4465-000-0	TAXES - PENALTIES	9,500	6,000	(3,500)	6,000
11-4470-000-0	TAXES - SUPPLEMENTAL CURRENT	2,200	2,886	686	2,200
11-4480-000-0	TAXES - SUPPLEMENTAL PRIOR	3,000	3,000	-	3,000
11-4500-000-0	HOMEOWNER'S TAX RELIEF	6,700	6,700	-	6,700
11-4574-000-0	NON-OPERATING REVENUE	12,500	15,000	2,500	12,500
	SUB-TOTALS:	602,480	683,408	80,928	640,400
FUND 11 GRAND TOTALS:		9,732,070	9,863,745	131,675	9,922,180
FUND 13					
OPERATING REVENUES					
13-4200-000-0	CONNECTION FEES	1,091,840 (2)	2,217,800	1,125,960	2,431,050 (2)
	SUB-TOTALS	1,091,840 (2)	2,217,800	1,125,960	2,431,050
NON-OPERATING REVENUES					
13-4510-000-0	INTEREST REVENUE	36,150	3,000	(33,150)	2,600
	SUB-TOTALS	36,150	3,000	(33,150)	2,600
FUND 13 GRAND TOTALS:		1,127,990	2,220,800	1,092,810	2,433,650
TOTAL REVENUES:		10,860,060	12,084,545	1,224,485	12,355,830

(1) AT \$270/EDU (2) AT \$4,265/EDU

DEPARTMENT: COMBINED		2014-2015 BUDGET			
ACCOUNT #	ACCOUNT TITLE	2013/2014 CURRENT BUDGET (27 Employees)	2013/2014 ANTICIPATED CLOSE	2013/2014 BUDGET VARIANCE	2014/2015 BUDGET REQUEST (27 Employees)
11-5030-400-0	SALARIES	2,011,800	1,908,000	(103,800)	2,067,000
11-5070-400-0	OVERTIME	18,000	12,500	(5,500)	19,000
11-5080-400-0	CALLOUT	6,500	7,400	900	7,000
11-5090-400-0	STANDBY	32,000	32,000	-	32,000
	TOTAL SALARIES	2,068,300	1,959,900	(108,400)	2,125,000
11-5110-400-0	LONGEVITY	34,400	26,450	(7,950)	27,200
11-5112-400-0	RETIREMENT	410,660	351,000	(59,660)	465,280
11-5116-400-0	FICA	162,624	153,900	(8,724)	162,700
11-5118-400-0	UNEMPLOYMENT INSURANCE	1,500	6,000	4,500	15,000
11-5122-400-0	WORKERS COMPENSATION	47,000	44,300	(2,700)	46,100
11-5124-400-0	GROUP LIFE INSURANCE	7,240	6,500	(740)	11,150
11-5126-400-0	GROUP HEALTH INSURANCE	271,500	254,500	(17,000)	303,000
11-5128-400-0	DENTAL/VISION INSURANCE	28,700	23,900	(4,800)	32,750
11-5132-400-0	DISABILITY INSURANCE	12,000	11,500	(500)	14,400
11-5152-400-0	CLOTHING/SAFETY	18,780	19,970	1,190	20,120
	TOTAL BENEFITS	994,404	898,020	(96,384)	1,097,700
	TOTAL SALARIES/BENEFITS	3,062,704	2,857,920	(204,784)	3,222,700
11-5150-400-0	DIRECTORS' FEES	13,500	11,750	(1,750)	13,500
11-5225-400-0	ELECTION	70,000	3,560	(66,440)	-
11-5250-400-0	GAS/OIL	44,360	44,650	290	49,000
11-5300-400-0	COMPREHENSIVE INSURANCE	345,000	346,000	1,000	353,750
11-5350-400-0	MEMBERSHIPS	38,600	38,050	(550)	38,900
11-5400-400-0	OFFICE EXPENSE	13,000	8,000	(5,000)	14,000
11-5410-400-0	COUNTY/CITY CHARGES	17,100	719	(16,381)	17,400
11-5420-400-0	PERMITS & FEES	76,175	63,046	(13,129)	68,075
11-5430-400-0	PRETREATMENT	41,000	9,650	(31,350)	-
11-5450-400-0	OPERATING SUPPLIES	89,150	70,680	(18,470)	95,850
11-5470-400-0	CHEMICALS	373,480	273,835	(99,645)	365,630
11-5500-400-0	CONTRACT SERVICES	525,470	374,508	(150,962)	474,810
11-5550-400-0	PROFESSIONAL/LEGAL	148,200	100,200	(48,000)	124,500
11-5600-400-0	PUBLICATIONS	4,500	4,000	(500)	4,500
11-5700-400-0	REPAIRS/MAINTENANCE	366,325	299,160	(67,165)	298,500
11-5720-400-0	SMALL TOOLS	4,500	3,800	(700)	4,500
11-5750-400-0	RESEARCH	112,140	32,500	(79,640)	112,300
11-5800-400-0	TRAVEL/MTGS/EDUCATION	64,200	43,445	(20,755)	65,200
11-5801-400-0	CERTIFICATIONS/TCPS	3,825	3,830	5	4,715
11-5901-400-0	TELEPHONE	7,800	14,000	6,200	15,000
11-5902-400-0	ELECTRICITY	613,150	552,900	(60,250)	574,300
11-5903-400-0	NATURAL GAS	13,000	6,400	(6,600)	7,000
11-5904-400-0	TRASH COLLECTION	20,260	18,790	(1,470)	21,000
11-5905-400-0	UTILITY WATER	19,720	19,380	(340)	23,500
11-5950-400-0	OTHER EXPENSES	40,000	25,500	(14,500)	40,000
11-7010-000-0	DEPRECIATION EXPENSE	2,102,225	2,104,195	1,970	2,200,000
	TOTAL SERVICES & SUPPLIES	5,166,680	4,472,548	(694,132)	4,985,930
	TOTAL OPERATING & MAINTENANCE BUDGET	8,229,384	7,330,468	(898,916)	8,208,630

DEPARTMENTAL BUDGET REQUEST SUMMARY
2014-2015 BUDGET

ACC NO.	DESCRIPTION	COLLECTION TREATMENT		LAB	ADMIN	TOTAL
11-5030-400	SALARIES	477,000	984,000	141,000	523,000	2,125,000
11-5110-400	LONGEVITY	6,000	20,000	1,200	-	27,200
11-5112-400	RETIREMENT	102,400	213,800	31,600	117,480	465,280
11-5116-400	FICA	36,500	75,300	10,800	40,100	162,700
11-5118-400	UNEMPLOYMENT INSURANCE	-	-	-	15,000	15,000
11-5122-400	WORKERS COMPENSATION	14,200	27,100	3,300	1,500	46,100
11-5124-400	GROUP LIFE INSURANCE	3,000	4,000	500	3,650	11,150
11-5126-400	GROUP HEALTH INSURANCE	60,000	150,000	30,000	63,000	303,000
11-5128-400	DENTAL/VISION INSURANCE	7,500	16,000	2,750	6,500	32,750
11-5132-400	DISABILITY INSURANCE	3,200	6,500	1,000	3,700	14,400
11-5152-400	CLOTHING/SAFETY	6,800	11,200	2,120	-	20,120
TOTAL BENEFITS		239,600	523,900	83,270	250,930	1,097,700
TOTAL SALARIES/BENEFITS		716,600	1,507,900	224,270	773,930	3,222,700
11-5150-400	DIRECTORS' FEES	-	-	-	13,500	13,500
11-5225-400	ELECTION	-	-	-	-	-
11-5250-400	GAS/OIL	-	49,000	-	-	49,000
11-5300-400	COMPREHENSIVE INSURANCE	-	-	-	353,750	353,750
11-5350-400	MEMBERSHIPS/SUBSCRIPTIONS	1,100	2,500	300	35,000	38,900
11-5400-400	OFFICE EXPENSES	-	-	-	14,000	14,000
11-5410-400	COUNTY/CITY CHARGES	-	-	-	17,400	17,400
11-5420-400	PERMITS & FEES	11,500	50,200	4,175	2,200	68,075
11-5430-400	PRETREATMENT	-	-	-	-	-
11-5450-400	OPERATING SUPPLIES	3,500	61,100	19,750	11,500	95,850
11-5470-400	CHEMICALS	-	365,630	-	-	365,630
11-5500-400	CONTRACT SERVICES	70,100	342,700	2,050	59,960	474,810
11-5550-400	PROFESSIONAL/LEGAL	-	-	-	124,500	124,500
11-5600-400	PUBLICATIONS	-	-	-	4,500	4,500
11-5700-400	REPAIRS/MAINTENANCE	78,600	192,400	7,500	20,000	298,500
11-5750-400	SMALL TOOLS	1,000	3,000	500	-	4,500
11-5750-400	RESEARCH	-	-	112,300	-	112,300
11-5800-400	TRAVEL/MTGS/EDUCATION	6,000	17,200	2,000	40,000	65,200
11-5801-400	CERTIFICATIONS/TCPS	1,300	2,150	415	850	4,715
11-5901-400	TELEPHONE	-	-	-	15,000	15,000
11-5902-400	ELECTRICITY	4,300	570,000	-	-	574,300
11-5903-400	NATURAL GAS	-	7,000	-	-	7,000
11-5904-400	TRASH COLLECTION	-	21,000	-	-	21,000
11-5905-400	UTILITY WATER	7,000	16,500	-	-	23,500
11-5950-400	OTHER EXPENSES	10,000	10,000	10,000	10,000	40,000
11-7010-000	DEPRECIATION EXPENSE	550,000	1,628,000	8,800	13,200	2,200,000
TOTAL SERVICES & SUPPLIES		744,400	3,338,380	167,790	735,360	4,985,930
TOTAL OPERATING & MAINTENANCE BUDGET		1,461,000	4,846,280	392,060	1,509,290	8,208,630

BUDGET REVENUE PROJECTIONS						2014/2015 BUDGET	
ACCOUNT #	ACCOUNT TITLE	2013/2014 REVENUE PROJECTIONS	4/30/2014 ACTUAL	6/30/2014 ADDITION	2013/2014 ANTICIPATED CLOSE	2013/2014 BUDGET VARIANCE	2014/2015 REVENUE PROJECTIONS
FUND 11							
OPERATING REVENUES:							
11-4120-000-0	SEWER SERVICE - CURRENT	9,049,590 (1)	8,830,724	218,866	9,049,590	-	9,156,780 (1)
11-4130-000-0	SEWER SERVICE - PRIOR	-	-	-	-	-	-
11-4140-000-0	SEWER SERVICE - PENALTIES	20,000	19,450	7,752	27,202	7,202	20,000
11-4210-000-0	PERMIT/INSPECTION FEES	39,000	36,218	282	36,500	(2,500)	50,000
11-4270-000-0	PLAN CHECK FEES	16,000	38,670	11,330	50,000	34,000	50,000
11-4285-000-0	OTHER SERVICES	5,000	1,550	1,450	3,000	(2,000)	5,000
11-4310-000-0	SALE OF SURPLUS PROPERTY	-	14,045	-	14,045	14,045	-
SUB-TOTALS:		9,129,590	8,940,657	239,680	9,180,337	50,747	9,281,780
NON-OPERATING REVENUES:							
11-4510-000-0	INTEREST REVENUE	22,000	17,922	4,078	22,000	-	22,000
11-4430-000-0	TAXES - CURRENT SECURED	500,000	341,563	238,437	580,000	80,000	530,000
11-4440-000-0	TAXES - CURRENT UNSECURED	23,000	20,984	-	20,984	(2,016)	25,000
11-4450-000-0	TAXES - PRIOR SECURED	22,000	25,828	-	25,828	3,828	30,000
11-4460-000-0	TAXES - PRIOR UNSECURED	1,580	1,010	-	1,010	(570)	3,000
11-4465-000-0	TAXES - PENALTIES	9,500	5,480	-	6,000	(3,500)	6,000
11-4470-000-0	TAXES - SUPPLEMENTAL CURRENT	2,200	2,886	-	2,886	686	2,200
11-4480-000-0	TAXES - SUPPLEMENTAL PRIOR	3,000	1,921	1,079	3,000	-	3,000
11-4500-000-0	HOMEOWNER'S TAX RELIEF	6,700	3,271	3,429	6,700	-	6,700
11-4574-000-0	NON-OPERATING REVENUE	12,500	14,831	169	15,000	2,500	12,500
SUB-TOTALS:		602,480	435,696	247,192	683,408	80,928	640,400
FUND 11 GRAND TOTALS:		9,732,070	9,376,353	486,872	9,863,745	131,675	9,922,180
FUND 13							
OPERATING REVENUES							
13-4200-000-0	CONNECTION FEES	1,091,840 (2)	2,262,582	(44,782)	2,217,800	1,125,960	2,431,050 (2)
SUB-TOTALS		1,091,840 (2)	2,262,582	(44,782)	2,217,800	1,125,960	2,431,050
NON-OPERATING REVENUES							
13-4510-000-0	INTEREST REVENUE	36,150	2,833	167	3,000	(33,150)	2,600
SUB-TOTALS		36,150	2,833	167	3,000	(33,150)	2,600
FUND 13 GRAND TOTALS:		1,127,990	2,265,415	(44,615)	2,220,800	1,092,810	2,433,650
TOTAL REVENUES:		10,860,060	11,641,768	442,257	12,084,545	1,224,485	12,355,830

(1) AT \$270/EDU (2) AT \$4,265/EDU

PROJECTED REVENUE

FUND 11

11-4120-000-0
Sewer Service - Current

FY 2014/2015
Budget Request
\$9,156,780

SEWER SERVICE - CURRENT: Sewer service revenue for the FY 2013/2014 was based on 33,517 Equivalent Dwelling Units (EDUs) of service at an annual rate of \$270.00 per EDU. Anticipated sewer service revenue for the FY 2014/2015 is based on 33,914 EDUs at an annual rate of \$270.00.

11-4140-000-0
Sewer Service - Penalties

FY 2014/2015
Budget Request
\$20,000

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

11-4210-000-0
Permit/Inspection Fees

FY 2014/2015
Budget Request
\$50,000

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

11-4270-000-0
Plan Check Fees

FY 2014/2015
Budget Request
\$50,000

PLAN CHECK FEES: Anticipated revenue is based on a \$150.00 per hour fee with one hour minimum fee for plan checking.

11-4285-000-0
Other Services

FY 2014/2015
Budget Request
\$5,000

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

11-4430-000-0
Taxes- Current Secured

FY 2014/2015
Budget Request
\$530,000

CURRENT SECURED REVENUES: Secured property is generally non-movable property, such as houses, buildings, etc. Revenues are based on general valuation. The portion of revenue designated for special districts is 1%. Of this 1%, VSD received .00030690% of the general purpose funds county-wide for 2012-13. The AB8 factor for 2013-14 is .00030981%. At the time of budget preparation the 2014-15 factor had not been calculated by the County. The factor will be calculated around November 2014.

PROJECTED REVENUE

11-4440-000-0

Taxes-Current Unsecured

**FY 2014/2015
Budget Request
\$25,000**

CURRENT UNSECURED: Unsecured property includes items such as motor homes, airplanes, boats and other moveable personal property. The portion of revenue designated for special districts is 1%. Of this 1%, VSD received .00030690% of the general purpose funds county-wide for 2012-13. The AB8 factor for 2013-14 is .00030981%. At the time of budget preparation the 2014-15 factor had not been calculated by the County. The factor will be calculated around November 2014.

11-4450-000-0

Taxes-Prior Secured

**FY 2014/2015
Budget Request
\$30,000**

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

11-4460-000-0

Taxes-Prior Unsecured

**FY 2014/2015
Budget Request
\$3,000**

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

11-4465-000-0

Taxes - Penalties

**FY 2014/2015
Budget Request
\$6,000**

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

11-4470-000-0

Supplemental-Current

**FY 2014/2015
Budget Request
\$2,200**

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.

11-4480-000-0

Supplemental Taxes-Prior

**FY 2014/2015
Budget Request
\$3,000**

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

PROJECTED REVENUE

11-4500-000-0
Homeowner's Tax Relief

FY 2014/2015
Budget Request
\$6,700

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

11-4510-000-0
Interest Revenue

FY 2014/2015
Budget Request
\$22,000

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 .27% from LAIF for the period of 1/31/13 to 12/31/13.

11-4574-000-0
Non-Operating Revenues

FY 2014/2015
Budget Request
\$12,500

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

PROJECTED REVENUE

FUND 13

13-4200-000-0 Connection Fees

**FY 2014/2015
Budget Request
\$2,431,050**

Total Anticipated Connections	600
Less Anticipated Connections paid by AD 2004 VSD or Prepayment Agreement	(30)
Anticipated Connections that are not in AD or prepaid	<u>570</u>

2014/15 Connection Capacity Fee: \$4,265.00 per equivalent dwelling unit (EDU).

13-4510-000-0 Interest Revenue

**FY 2014/2015
Budget Request
\$2,600**

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 .27% from LAIF for the period of 1/31/13 to 12/31/13.

DEPARTMENT: COLLECTION SYSTEMS

2014/2015 BUDGET

ACCOUNT #	ACCOUNT TITLE	2013/2014 CURRENT BUDGET (7 Employees)	4/30/2014 ACTUAL	6/30/2014 ADDITION	2013/2014 ANTICIPATED CLOSE	2013/2014 BUDGET VARIANCE	2014/2015 BUDGET REQUEST (7 Employees)
11-5030-410-1	SALARIES	488,000	285,175	114,825	400,000	(88,000)	455,000
11-5070-410-1	OVERTIME	4,500	1,431	569	2,000	(2,500)	4,500
11-5080-410-1	CALLOUT	1,500	1,801	999	2,800	1,300	1,500
11-5090-410-1	STANDBY	16,000	12,810	3,190	16,000	-	16,000
	TOTAL SALARIES	510,000	301,217	119,583	420,800	(89,200)	477,000
11-5110-410-1	LONGEVITY	13,200	4,338	912	5,250	(7,950)	6,000
11-5112-410-1	RETIREMENT	92,580	53,845	12,155	66,000	(26,580)	102,400
11-5116-410-1	FICA	44,414	29,030	8,470	37,500	(6,914)	36,500
11-5118-410-1	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-410-1	WORKERS COMPENSATION	14,200	10,621	2,829	13,450	(750)	14,200
11-5124-410-1	GROUP LIFE INSURANCE	2,000	1,141	159	1,300	(700)	3,000
11-5126-410-1	GROUP HEALTH INSURANCE	60,000	42,974	7,026	50,000	(10,000)	60,000
11-5128-410-1	DENTAL/VISION INSURANCE	6,600	3,522	778	4,300	(2,300)	7,500
11-5132-410-1	DISABILITY INSURANCE	3,000	1,953	547	2,500	(500)	3,200
11-5152-410-1	CLOTHING/SAFETY	6,000	6,033	1,667	7,700	1,700	6,800
	TOTAL BENEFITS	241,994	153,457	34,543	188,000	(53,994)	239,600
	TOTAL SALARIES/BENEFITS	751,994	454,674	154,126	608,800	(143,194)	716,600
11-5150-410-1	DIRECTORS' FEES	-	-	-	-	-	-
11-5225-410-1	ELECTION	-	-	-	-	-	-
11-5250-410-1	GAS/OIL	-	-	-	-	-	-
11-5300-410-1	COMPREHENSIVE INSURANCE	-	-	-	-	-	-
11-5350-410-1	MEMBERSHIPS	1,000	990	10	1,000	-	1,100
11-5400-410-1	OFFICE EXPENSE	-	-	-	-	-	-
11-5410-410-1	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-410-1	PERMITS & FEES	8,700	9,904	503	10,407	1,707	11,500
11-5430-410-1	PRETREATMENT	41,000	5,617	4,033	9,650	(31,350)	-
11-5450-410-1	OPERATING SUPPLIES	3,200	1,843	207	2,050	(1,150)	3,500
11-5470-410-1	CHEMICALS	-	-	-	-	-	-
11-5500-410-1	CONTRACT SERVICES	70,000	66,160	3,840	70,000	-	70,100
11-5550-410-1	PROFESSIONAL/LEGAL	-	-	-	-	-	-
11-5600-410-1	PUBLICATIONS	-	-	-	-	-	-
11-5700-410-1	REPAIRS/MAINTENANCE	100,600	22,245	14,915	37,160	(63,440)	78,600
11-5720-410-1	SMALL TOOLS	1,000	584	116	700	(300)	1,000
11-5750-410-1	RESEARCH	-	-	-	-	-	-
11-5800-410-1	TRAVEL/MTGS/EDUCATION	6,000	1,909	91	2,000	(4,000)	6,000
11-5801-410-1	CERTIFICATIONS/TCPS	1,000	530	470	1,000	-	1,300
11-5901-410-1	TELEPHONE	-	-	-	-	-	-
11-5902-410-1	ELECTRICITY	5,000	3,502	498	4,000	(1,000)	4,300
11-5903-410-1	NATURAL GAS	-	-	-	-	-	-
11-5904-410-1	TRASH COLLECTION	-	-	-	-	-	-
11-5905-410-1	UTILITY WATER	3,500	2,748	252	3,000	(500)	7,000
11-5950-410-1	OTHER EXPENSES	10,000	3,841	1,159	5,000	(5,000)	10,000
11-7010-000-0	DEPRECIATION EXPENSE	450,000	-	450,000	450,000	-	550,000
	TOTAL SERVICES & SUPPLIES	701,000	119,873	476,094	595,967	(105,033)	744,400
	TOTAL OPERATING & MAINTENANCE BUDGET	1,452,994	574,547	630,220	1,204,767	(248,227)	1,461,000

COLLECTION SYSTEMS

11-5152-410-1

Clothing

**FY 2014/2015
Budget Request
\$6,800**

Justification:

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

- | | |
|---|-------|
| • Boots-seven (7) employees (\$200 per employee): | 1,400 |
| • Uniforms-seven (7) employees: | 3,800 |
| • Gloves-seven (7) employees: | 1,600 |

11-5350-410-1

Membership

**FY 2014/2015
Budget Request
\$1,100**

Justification:

Membership renewal for the California Water Environment Association (CWEA) for seven (7) employees at \$148 each. This membership includes renewal to the Colorado River Basin Local Section.

1,100

11-5420-414-3

Permits & Fees

**FY 2014/2015
Budget Request
\$11,500**

Justification:

- | | |
|---|--------|
| • State General Waste Discharge annual permit fee | 11,000 |
| • Miscellaneous permits and/or fees | 500 |

11-5430-410-1

Pretreatment

**FY 2014/2015
Budget Request
\$0**

Justification:

VSD is required to administer the locally adopted pretreatment program developed by HDR engineering and approved by the RWQCB in 2012. Program oversight and assistance are required to properly operate the mandated program.

- | | |
|---|---|
| • Professional consultant fee
(CARRYOVER FROM 2013/2014 BUDGET - \$30,000) | - |
|---|---|

COLLECTION SYSTEMS

11-5450-410-1
Operating Supplies

FY 2014/2015
Budget Request
\$3,500

Justification:

- Traffic control signs/cones/safety equipment: 1,000
New safety cones are purchased at a cost of \$18 each, barricades with lights are \$33 each, and barrier tape is \$10 per roll.
- Plotting supplies: 500
Bond paper and ink cartridges will be required for the Canon HPF760 large format plotter.
- Miscellaneous supplies: 2,000
Examples include duct tape, rubber tape, canvas tape, greaseless lubricant, WD-40, wax, lithium grease, wire ties, wire heat shrink tubing, and pipe glue.

COLLECTION SYSTEMS

11-5500-410-1
Contract Services

FY 2014/2015
Budget Request
\$70,100

Justification:

- Roach control program: 30,000
Last fiscal year the cost for spraying each manhole was approximately \$15.60. Each year the cost increases by 2%. The cost this year will be approximately \$15.80 per manhole with 1,900 manholes.
- 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 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 this year, primarily in backyard easements.
- Dig Alert: 2,250
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 125 tickets per month.
- Arch Wireless Beepers: 200
The Collection Systems Department currently has one (1) beeper that is used by collection systems staff in case of a stoppage during non-working hours.
- Verizon Wireless: 2,200
Three (3) cell phones are currently required for the Collection Department.
- Annual monitoring fee/ pump stations: 1,850
Wireless communication subscription fees for three (3) pump stations alarm system.
- ESRI ARCVIEW 10.0 annual renewal: 2,700
Annual license renewal and software upgrades for seven (7) Arc View software programs.
- Lucity Program annual renewal: 5,000
Annual license renewal and software upgrades.
- Pipelogix annual renewal: 2,000
Annual license renewal and software upgrades.
- ERICA radio member fee: 5,500
The Collection Systems Department utilizes seven (7) two way radios for communicating out in the field during daily operations and in the event of a wide spread disaster. These radios are part of the Eastern Rivers Interoperable Communications Authority (ERICA). Cost per radio is \$65 per month.
- Bentley Select maintenance agreement (SewerGems): 3,400
Annual maintenance subscription for SewerGems software.

COLLECTION SYSTEMS

11-5700-410-1 Repairs and Maintenance

FY 2014/2015
Budget Request
\$78,600

Justification:

- VACTOR parts/repairs/planned expenditures: 42,000

<u>Items</u>	<u>Estimated Cost</u>
1) 800 feet of one-inch sewer jet hose	6,600
2) Proofer Skid for jetting lines	1,000
3) Tiger Tail hose guide	400
4) One-inch leader hose	1,000
5) Nozzles for jetting	1,600
6) Fire Hose	400
7) High Pressure Pump Parts	2,500
8) Tires	4,500
9) Vactor Oil & Lube Service	3,560
10) Diesel exhaust fluid for new Vactor	440
11) Contingency for emergency repairs	20,000

- Miscellaneous expenses: 600
Portland cement, plastic cement, gravel, masonry sand, wood for forming cement, and grade rings are examples of miscellaneous expenses that are included in this account.
- Equipment repairs: 2,000
The Collection Systems 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.
- TV van parts & repair: 15,000
Parts and repair estimates for the television equipment, including contingency for emergency repairs.
- Vehicle repairs: 1,500
Includes the TV Van, 2000 F-250, 2008 F150 and the 2010 F350 Ford trucks assigned to the Collection Systems Department. Maintenance is done on a quarterly basis on four (4) vehicles. The budget is for oil and filter changes and general maintenance expenses.
- Pump station repairs and parts: 4,000
The Collection Systems Department currently has five (5) pump stations that require replacement compressors and electrical components. The pumps require seals and unforeseen motor repairs.
- Mainline repair: 10,000
To insure the health and safety of the community, this item is budgeted as a contingency in case mainline repairs are needed. (Contingency for emergency repairs)
- Equipment rentals: 3,500
The Collection Systems 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. (Contingency for emergency repairs)

COLLECTION SYSTEMS

11-5720-410-1

Small Tools

FY 2014/2015

Budget Request

\$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, etc. This includes the purchase of a parachute style safety harness required for confined space entry.

11-5800-410-1

Travel, Meetings, & Education

FY 2014/2015

Budget Request

\$6,000

Justification:

Travel expenses for conferences and training seminars, registration fees, meals, lodging and related expenses: The Collection Systems Department has six (6) employees at \$1,000 each.

11-5801-410-1

Certifications

FY 2014/2015

Budget Request

\$1,300

Justification:

- State Water Resource Control Board:
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator I	January 2015	I	170

- California Water Environment Association
Technical Certifications Program

Job Title	Renewal Date	Grade	Renewal Fee
Supervisor	January 2015	III	90
Tech I	January 2015	I	90
Tech II	January 2015	II	80
Inspector II	January 2015	IV	90
Environmental	January 2015	I	80
Allowance for advancement (certification testing)			700

COLLECTION SYSTEMS

11-5902-410-1
Electricity

FY 2014/2015
Budget Request
\$4,300

Justification:

Covers the electricity cost for five (5) lift stations. During the 2014/15 fiscal year the District will have the Barrymore, Carver, Shields Road, Vandenberg, and the Calhoun pump stations online. Costs include a 5% adjustment for increased energy cost.

11-5905-410-1
Utility Water

FY 2014/2015
Budget Request
\$7,000

Justification:

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

11-5950-410-1
Other Expenses

FY 2014/2015
Budget Request
\$10,000

Justification:

Miscellaneous expense contingency fund used to buy unbudgeted items that are necessary throughout the year, but are not budgeted under a specific category; including DMV Class "B" license renewals and employee awards.

DEPARTMENT: TREATMENT

2014/2015 BUDGET

ACCOUNT #	ACCOUNT TITLE	2013/2014 CURRENT BUDGET (13 Employees)	4/30/2014 ACTUAL	6/30/2014 ADDITION	2013/2014 ANTICIPATED CLOSE	2013/2014 BUDGET VARIANCE	2014/2015 BUDGET REQUEST (13 Employees)
11-5030-411-1	SALARIES	881,300	717,360	162,640	880,000	(1,300)	950,000
11-5070-411-1	OVERTIME	10,000	8,736	1,264	10,000	-	13,000
11-5080-411-1	CALLOUT	4,500	3,217	1,283	4,500	-	5,000
11-5090-411-1	STANDBY	16,000	12,783	3,217	16,000	-	16,000
	TOTAL SALARIES	911,800	742,096	168,404	910,500	(1,300)	984,000
11-5110-411-1	LONGEVITY	20,000	16,592	3,408	20,000	-	20,000
11-5112-411-1	RETIREMENT	185,560	141,223	33,777	175,000	(10,560)	213,800
11-5116-411-1	FICA	68,950	58,870	10,080	68,950	-	75,300
11-5118-411-1	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-411-1	WORKERS COMPENSATION	27,100	21,485	4,565	26,050	(1,050)	27,100
11-5124-411-1	GROUP LIFE INSURANCE	3,000	2,530	420	2,950	(50)	4,000
11-5126-411-1	GROUP HEALTH INSURANCE	140,000	108,840	17,160	126,000	(14,000)	150,000
11-5128-411-1	DENTAL/VISION INSURANCE	12,500	7,530	2,470	10,000	(2,500)	16,000
11-5132-411-1	DISABILITY INSURANCE	5,100	4,554	546	5,100	-	6,500
11-5152-411-1	CLOTHING/SAFETY	10,670	9,672	998	10,670	-	11,200
	TOTAL BENEFITS	472,880	371,296	73,424	444,720	(28,160)	523,900
TOTAL SALARIES/BENEFITS		1,384,680	1,113,392	241,828	1,355,220	(29,460)	1,507,900
11-5150-411-1	DIRECTORS' FEES	-	-	-	-	-	-
11-5225-411-1	ELECTION	-	-	-	-	-	-
11-5250-411-1	GAS/OIL	44,360	33,769	10,881	44,650	290	49,000
11-5300-411-1	COMPREHENSIVE INSURANCE	-	-	-	-	-	-
11-5350-411-1	MEMBERSHIPS	2,300	2,165	(115)	2,050	(250)	2,500
11-5400-411-1	OFFICE EXPENSE	-	-	-	-	-	-
11-5410-411-1	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-411-1	PERMITS & FEES	60,500	46,025	2,515	48,540	(11,960)	50,200
11-5430-411-1	PRETREATMENT	-	-	-	-	-	-
11-5450-411-1	OPERATING SUPPLIES	60,700	50,341	2,289	52,630	(8,070)	61,100
11-5470-411-1	CHEMICALS	373,480	251,110	22,725	273,835	(99,645)	365,630
11-5500-411-1	CONTRACT SERVICES	403,470	71,978	186,492	258,470	(145,000)	342,700
11-5550-411-1	PROFESSIONAL/LEGAL	-	-	-	-	-	-
11-5600-411-1	PUBLICATIONS	-	-	-	-	-	-
11-5710-411-1	REPAIRS/MAINTENANCE	235,000	172,423	62,577	235,000	-	192,400
11-5720-411-1	SMALL TOOLS	3,000	3,611	(611)	3,000	-	3,000
11-5750-411-1	RESEARCH	-	-	-	-	-	-
11-5800-411-1	TRAVEL/MTGS/EDUCATION	17,200	5,451	794	6,245	(10,955)	17,200
11-5801-411-1	CERTIFICATIONS/TCPS	2,000	1,598	492	2,090	90	2,150
11-5901-411-1	TELEPHONE	-	-	-	-	-	-
11-5902-411-1	ELECTRICITY	608,150	422,491	126,409	548,900	(59,250)	570,000
11-5903-411-1	NATURAL GAS	13,000	5,426	974	6,400	(6,600)	7,000
11-5904-411-1	TRASH COLLECTION	20,260	14,639	4,151	18,790	(1,470)	21,000
11-5905-411-1	UTILITY WATER	16,220	11,942	4,438	16,380	160	16,500
11-5950-411-1	OTHER EXPENSES	10,000	4,971	5,029	10,000	-	10,000
11-7010-000-0	DEPRECIATION EXPENSE	1,567,870	-	1,567,870	1,567,870	-	1,628,000
	TOTAL SERVICES & SUPPLIES	3,437,510	1,097,940	1,996,910	3,094,850	(342,660)	3,338,380
TOTAL OPERATING & MAINTENANCE BUDGET		4,822,190	2,211,332	2,238,738	4,450,070	(372,120)	4,846,280

TREATMENT

11-5152-411-1

Clothing

**FY 2014/2015
Budget Request
\$11,200**

Justification:

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

- Steel-toe safety boots \$200/employee for thirteen (13) employees: 2,600
- Uniforms - thirteen (13) employees: 6,000
- Gloves, ear plugs, safety items: 2,600

11-5250-414-1

Gas and Oil

**FY 2014/2015
Budget Request
\$49,000**

Justification:

Fuel usage for District vehicles and equipment on and off the plant site. The 2014/2015 budget reflects a 10% increase over the anticipated close.

11-5350-411-1

Memberships

**FY 2014/2015
Budget Request
\$2,500**

Justification:

- Membership to the Water Environment Federation for Chief Operator 220
- Membership renewal for the California Water Environment Association (CWEA) for thirteen (13) employees @ \$148 each. This membership includes renewal to the Colorado River Basin Local Section. 1,980
- Membership in the National Fire Protection Agency (NFPA) 300

11-5420-411-1

Permits & Fees

**FY 2014/2015
Budget Request
\$50,200**

Justification:

- Annual NPDES permit fee 35,000
- SCAQMD facility permits 11,000
- Department of Health Services 1,600
- Occupational Lead Poisoning Prevention / Toxic Substance 450
- City of Indio alarm system permit 350
- City of Indio fire service permit 1,450
- Hot Spot Program (SCAQMD) #10198, 152720 250
- Miscellaneous 100

The 2014/2015 budget reflects a 5% increase over the anticipated close.

TREATMENT

11-5450-411-1
Operating Supplies

FY 2014/2015
Budget Request
\$61,100

Justification:

• Miscellaneous operating supplies including reagents for chlorination and dechlorination analyzers	5,000
• Polymer to belt press nine (9) totes @ \$2,450 per tote	22,050
• Miscellaneous operating supplies	5,000
• Two (2) belts for Belt Press @ \$2,500 each	5,000
• 55-gallon cleaning concentrates, cleaning supplies, paper towels, toilet paper, cups, soap, and cleaners	6,100
• Water service including distilled water for laboratory, fresh water and coffee service	3,100
• First-aid supplies	500
• Small invoices, petty cash items, etc.	3,650
• Landscaping supplies, including annual reseeding	9,100
• Student materials for distribution for public relations efforts	1,600

TREATMENT

11-5470-411-1

Chemicals

**FY 2014/2015
Budget Request
\$365,630**

Justification:

The total plant discharge for Fiscal Year 2014/15 is estimated to grow 1% higher than this fiscal year total of 2,251.6 Million Gallons (MG). This estimated total plant discharge will be used to estimate the cost of the following chemicals. The estimated flow in MG for Fiscal Year 2014/15 is

MG 2,274,116

Sodium Hypochlorite	\$	179,330
Sodium Hypochlorite is used to chlorinate the effluent after treatment in order to kill harmful bacteria. Sodium Hypochlorite comes in 12% percent solution and sold by the gallon. The number of lbs of chlorine used at 10 mg/L dosage and 8.34 lbs/MG is		
	LBs	189,661
The cost of the Sodium Hypochlorite based on the number lbs needed divided by 1.147 lbs/gallon of product and at a cost of \$1.06 per gallon is	\$	175,275
deliveries is	\$	4,050

Ferric Chloride	\$	85,850
Ferric Chloride is a new chemical to the treatment plant this year. This chemical will help with the reduction of hydrogen sulfide gas which will improve the efficiency of the digester. It is anticipated based on the projected plant discharge and 125 pounds per MG the amount Ferric Chloride @ 40% solution needed in pounds is		
	LBs	284,265
The cost of the Ferric Chloride based on \$37.20 per MG is	\$	84,597
The projected delivery cost based on \$125 per delivery and expecting 10 deliveries is	\$	1,250

Sodium Bisulfite	\$	96,950
The estimated total gallons of Sodium Bisulfite for Fiscal Year 2014/15 based on the projected plant discharge using 40 gallons per MG usage is GAL		
	Gal	90,965
The projected cost of purchasing the Sodium Bisulfite at \$1.04 per gallon is	\$	94,603
The projected delivery cost based on \$123 per delivery and expecting 19 deliveries is	\$	2,337

Calcium Hypochlorite	\$	3,500
Calcium Hypochlorite comes in powder form and is used for disinfecting the Grit Chamber for two main reasons: First, there is a requirement from the landfill accepting this waste that it be disinfected. Second, by adding the chlorinated powder at least twice daily, it helps with controlling the flies.		

TREATMENT

11-5500-411-1
Contract Services

FY 2014/2015
Budget Request
\$342,700

Justification:

• Bulrush and vegetation removal - Wetlands	200,000
• Plant instrument service contract	5,000
• Miscellaneous contractual services	2,000
• Gantry crane service	1,000
• Verizon Wireless - cell phone service for three (3) staff positions	2,000
• Annual fire suppression service for sodium hypochlorite facility	2,250
• Treatment plant upgrades for SCADA system	-
(CARRY OVER FROM 2013/2014 BUDGET - \$110,000)	50,000
• Sludge disposal and transportation	60,000
• Pyro-Comm fire alarm monitoring	700
• Building alarm monitoring	4,250
• Answering service	1,250
• Safety Kleen parts, washer service, light bulb disposal and dry cell batteries	4,500
• Safety Kleen used oil filter disposal	1,050
• Tree trimming and spraying	5,000
• Annual fire extinguisher service	1,750
• Pest control service for building and facilities	1,950

TREATMENT

11-5710-411-1**Repairs & Maintenance****FY 2014/2015
Budget Request
\$192,400***Justification:*

• Equipment rental	5,000
• Gallery sump pump replacements	1,000
• Chlorine and dechlorination spare parts	6,000
• Routine miscellaneous repairs and maintenance (contingency)	75,000
• Road base for all dirt roads around treatment plant	1,000
• SCADA PLC programming	2,500
• Brown Bear, Case tractor and dump truck repair	5,000
• Vehicle repair and smog checks	5,000
• Vehicle operating supplies	2,500
• Heating and cooling repairs/service	3,000
• Irrigation repairs and maintenance	3,000
• Facilities maintenance/repairs including lighting	7,000
• Dredge panel	6,000
• General facility maintenance	20,000
• Air conditioner upgrade on existing building	13,000
• Hand railing on treatment plant	3,500
• Ten (10) pieces floating pipe for dredge	2,600
• Three (3) new screenings and grit dumpsters	6,000
• Inspect, clean and test main substation and transfer switch	5,300
• Steel waterline on treatment plant	20,000

11-5720-411-1**Small Tools****FY 2013/2014
Budget Request
\$3,000***Justification:*

Miscellaneous small tool acquisition and replacement. 3,000

11-5800-411-1**Travel, Meetings, & Education****FY 2013/2014
Budget Request
\$17,200***Justification:*

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

• Allowance for thirteen (13) employees at \$1,000 per employee	13,000
• Confined space training and rescue refresher	2,500
• First aid and CPR Training for thirteen (13) employees	1,700

TREATMENT

11-5801-410-1

Certifications/Technical Certification Programs

**FY 2014/2015
Budget Request
\$2,150**

Justification:

- State Water Resource Control Board:
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator II	June 2015	II	230
Operator II	June 2015	II	230
Operator III	December 2014	III	300
Operator III	December 2014	III	300
Operator IV	June 2015	IV	340

- California Water Environment Association:
Technical Certifications Program

Job Title	Renewal Date	Grade	Renewal Fee
Maintenance Tech	July 2014	I	80
Maintenance Tech	July 2014	II	90
Maintenance Tech	December 2014	II	90
Maintenance Tech	January 2015	III	95
Electrician	July 2014	IV	95
Allowance for advancement			300

11-5902-411-1

Electricity - Imperial Irrigation District

**FY 2014/2015
Budget Request
\$570,000**

Justification:

The 2014/15 budget reflects a 5% increase over the anticipated close.

11-5903-411-1

Natural Gas

**FY 2014/2015
Budget Request
\$7,000**

Justification:

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

11-5904-411-1

Trash Collection

**FY 2014/2015
Budget Request
\$21,000**

Justification:

Screenings and grit currently is being hauled to Lambs Canyon, California.

TREATMENT

11-5905-411-1

Utility Water

FY 2014/2015

Budget Request

\$16,500

Justification:

Potable water usage at treatment plant.

11-5950-411-1

Other Expenses

FY 2014/2015

Budget Request

\$10,000

Justification:

Miscellaneous expense contingency fund used to buy unbudgeted items that are necessary throughout the year, but are not budgeted under a specific category.

DEPARTMENT: LABORATORY

2014-2015 BUDGET

ACCOUNT #	ACCOUNT TITLE	2013/2014 CURRENT BUDGET (2 Employees)	4/30/2014 ACTUAL	6/30/2014 ADDITION	2013/2014 ANTICIPATED CLOSE	2013/2014 BUDGET VARIANCE	2014/2015 BUDGET REQUEST (2 Employees)
11-5030-414-2	SALARIES	131,500	104,174	23,826	128,000	(3,500)	140,000
11-5070-414-2	OVERTIME	500	322	178	500	-	500
11-5080-414-2	CALLOUT	500	70	30	100	(400)	500
11-5090-414-2	STANDBY	-	-	-	-	-	-
	TOTAL SALARIES	132,500	104,566	24,034	128,600	(3,900)	141,000
11-5110-414-2	LONGEVITY	1,200	969	231	1,200	-	1,200
11-5112-414-2	RETIREMENT	27,320	15,365	4,635	20,000	(7,320)	31,600
11-5116-414-2	FICA	10,160	7,496	1,704	9,200	(960)	10,800
11-5118-414-2	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-414-2	WORKERS COMPENSATION	4,000	2,754	546	3,300	(700)	3,300
11-5124-414-2	GROUP LIFE INSURANCE	540	365	85	450	(90)	500
11-5126-414-2	GROUP HEALTH INSURANCE	22,000	24,077	4,923	29,000	7,000	30,000
11-5128-414-2	DENTAL/VISION INSURANCE	2,500	1,345	1,155	2,500	-	2,750
11-5132-414-2	DISABILITY INSURANCE	1,000	630	370	1,000	-	1,000
11-5152-414-2	CLOTHING/SAFETY	2,110	1,079	521	1,600	(510)	2,120
	TOTAL BENEFITS	70,830	54,080	14,170	68,250	(2,580)	83,270
	TOTAL SALARIES/BENEFITS	203,330	158,646	38,204	196,850	(6,480)	224,270
11-5150-414-2	DIRECTORS' FEES	-	-	-	-	-	-
11-5225-414-2	ELECTION	-	-	-	-	-	-
11-5250-414-2	GAS/OIL	-	-	-	-	-	-
11-5300-414-2	COMPREHENSIVE INSURANCE	-	-	-	-	-	-
11-5350-414-2	MEMBERSHIPS/SUBSCRIPT	300	-	-	-	(300)	300
11-5400-414-2	OFFICE EXPENSES	-	-	-	-	-	-
11-5410-414-2	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-414-2	PERMITS & FEES	3,975	1,907	93	2,000	(1,975)	4,175
11-5430-414-2	PRETREATMENT	-	-	-	-	-	-
11-5450-414-2	OPERATING SUPPLIES	18,250	9,973	27	10,000	(8,250)	19,750
11-5470-414-2	CHEMICALS	-	-	-	-	-	-
11-5500-414-2	CONTRACT SERVICES	2,000	973	1,065	2,038	38	2,050
11-5550-414-2	PROFESSIONAL/LEGAL	48,000	-	-	-	(48,000)	-
11-5600-414-2	PUBLICATIONS	-	-	-	-	-	-
11-5700-414-2	REPAIRS/MAINTENANCE	10,725	6,109	891	7,000	(3,725)	7,500
11-5720-414-2	SMALL TOOLS	500	190	(90)	100	(400)	500
11-5750-414-2	RESEARCH	112,140	28,282	4,218	32,500	(79,640)	112,300
11-5800-414-2	TRAVEL/MTGS/EDUCATION	2,000	-	200	200	(1,800)	2,000
11-5801-414-2	CERTIFICATIONS/TCPS	325	230	(230)	-	(325)	415
11-5901-414-2	TELEPHONE	-	-	-	-	-	-
11-5902-414-2	ELECTRICITY	-	-	-	-	-	-
11-5903-414-2	NATURAL GAS	-	-	-	-	-	-
11-5904-414-2	TRASH COLLECTION	-	-	-	-	-	-
11-5905-414-2	UTILITY WATER	-	-	-	-	-	-
11-5950-414-2	OTHER EXPENSES	10,000	1,569	(1,069)	500	(9,500)	10,000
11-7010-000-0	DEPRECIATION EXPENSE	1,030	-	3,000	3,000	1,970	8,800
	TOTAL SERVICES & SUPPLIES	209,245	49,233	8,105	57,338	(151,907)	167,790
	TOTAL OPERATING & MAINTENANCE BUDGET	412,575	207,879	46,309	254,188	(158,387)	392,060

LABORATORY

11-5152-414-2

Clothing

**FY 2014/2015
Budget Request
\$2,120**

Justification:

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

- Steel-toe safety boots \$200/employee for two (2) employees: 400
- Uniforms - two (2) employees: 1,320
- Gloves/safety items - two (2) employees: 400

11-5350-414-2

Memberships

**FY 2014/2015
Budget Request
\$300**

Justification:

Membership renewal for the California Water Environment Association (CWEA) for two (2) employees @ \$ 148 each. This membership includes renewal to the Colorado River Basin Local Sections.

300

11-5420-414-2

Permits & Fees

**FY 2014/2015
Budget Request
\$4,175**

Justification:

- State Health Department Laboratory certification 2,000
- Quality assurance testing 2,175 ¹

¹ Quality assurance testing is required by the Health and Safety Code §100870, and the California Code of Regulations, Title 22, §64809. This includes Environmental Laboratory Accreditation (ELAP) programs.

11-5450-414-2

Operating Supplies

**FY 2014/2015
Budget Request
\$19,750**

Justification:

- Laboratory chemicals, reagents, detergents, filters, glassware, instrument batteries, Dissolved Oxygen (DO) probe modules, buffers, storage solutions, medias, agars, quality controls and miscellaneous supplies 18,250
- Miscellaneous small tools, torches, pliers, small air pumps, etc. 500
- PC tablet - two (2) @ \$500/each 1,000

LABORATORY

11-5500-414-2
Contract Services

FY 2014/2015
Budget Request
\$2,050

Justification:

• Mettler scale annual service	300
• OHAUS scale annual service	300
• Replacement & calibration of class 1 weights	1,225
• Recalibrate certified digital thermometer	225

11-5550-414-2
Professional

FY 2014/2015
Budget Request
\$0.00

Justification:

LIMS (Laboratory Information Management System)

-

CARRYOVER FROM 2013-2014 BUDGET - \$48,000)

Laboratory Information Management System (LIMS) is a software-based laboratory and information management system that offers a set of key features that support a modern laboratory's operations. Those key features include, but are not limited to, workflow and data tracking support, flexible architecture, and smart data exchange interfaces, which fully "support its use in regulated environments." Includes consulting support services.

11-5700-414-2
Repairs and Maintenance

FY 2014/2015
Budget Request
\$7,500

Justification:

• Miscellaneous instrument repairs & maintenance	2,000
• Service of Cl ₂ residual titrator	4,000
• COD Spectrophotometer	1,500

11-5720-414-2
Small Tools

FY 2014/2015
Budget Request
\$500

Justification:

Miscellaneous small tools, torches, pliers, small air pumps, etc.	500
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LABORATORY

11-5750-414-2
Research & Monitoring

FY 2014/2015
Budget Request
\$112,300

Justification:

• Sludge testing for belt press and pond sludge - ten (10) samples: TPN, pH, solids, phosphates, metals, nutrients	5,800
• Pathogen testing for sludge - ten (10) samples	13,000
• Bi-annual bioassays monitoring/sample shipping (July 2014/January 2015)	6,400
• Monthly testing of domestic water at nine (9) wells (TDS)	1,275 ¹
• Est. cost of two (2) Toxicity Identification Evaluation Ph.II & III Base Line	16,200 ¹
• Est. cost for two (2) Toxicity Identification Evaluation (TIE) Ph.I Base Line	7,750 ²
• RSW-001 & RSW-002 Storm Channel up & downstream testing	4,600
• EFF-001C total plant effluent flow testing	2,950
• Nitrogen testing for influent, pond and wetlands	3,700
• Additional testing as required by new permit regulations (if regular test results for heptachlor & copper are over limits)	4,175
• Oil and grease (monthly sampling)	650
• California Toxics Rule (CTR) once annually	3,500
• Well G-001 ground water testing	500
• Grit/screenings samples every two (2) years	400
• Estimated ten (10) accelerated monitoring of Bioassays	24,500
• Heptachlor testing plant treatment trains before CL2 and total plant combined flows after SO ₂	16,700
• EPA 200.8 copper (at outfall)	200

¹ Current permit requires Total Dissolved Solids (TDS) each month for domestic source water at multiple wells.

² Additional Toxicity Reduction Evaluation (TRE) process, if required.

Note: Account closings have been low relative to the budgeted amounts because the previously budgeted amount for Toxicity Identification Evaluation (TIE) Phase 1 Testing (\$7,350), as well as Phases 2 and 3 (\$15,750) did not need to be expended. In addition, we did not need to complete any accelerated monitoring of the Bioassays (\$23,950). Only the downstream, RSW-002 storm channel testing has needed monitoring for a savings of \$2,220. The sludge testing was not required in the prior fiscal year reducing the expense in this account by \$18,000.

LABORATORY

11-5800-414-2

Travel, Meetings & Education

**FY 2014/2015
Budget Request
\$2,000**

Justification:

Travel expenses for conferences and training seminars, registration fees, meals, lodging and related expenses for two (2) employees at \$1,000 per employee.

11-5801-414-2

Certifications/Technical Certification Programs

**FY 2014/2015
Budget Request
\$415**

Justification:

- State Water Resource Control Board:
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator	April 2015	II	175

- California Water Environment Association
Technical Certifications Program

Job Title	Renewal Date	Grade	Renewal Fee
Lab Technician	June 2015	Lab I	80
Lab Technician	January 2015	Lab II	80
Lab Supervisor	May 2015	Lab II	80

11-5950-414-2

Other Expenses

**FY 2014/2015
Budget Request
\$10,000**

Justification:

Miscellaneous expense contingency fund used to buy unbudgeted items that are necessary through the year, but are not budgeted under a specific category.

DEPARTMENT ADMINISTRATION/BOARD

2014-2015 BUDGET

ACCOUNT #	ACCOUNT TITLE	2013/2014 CURRENT BUDGET (5 Employees)	4/30/2014 ACTUAL	REMAINING	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2014/2015 BUDGET REQUEST (5 Employees)
11-5030-414-3	SALARIES	511,000	422,013	77,987	500,000	(11,000)	522,000
11-5070-414-3	OVERTIME	3,000	-	-	-	(3,000)	1,000
11-5080-414-3	CALLOUT	-	-	-	-	-	-
11-5090-414-3	STANDBY	-	-	-	-	-	-
	TOTAL SALARIES	514,000	422,013	77,987	500,000	(14,000)	523,000
11-5110-414-3	LONGEVITY	-	-	-	-	-	-
11-5112-414-3	RETIREMENT	105,200	74,126	15,874	90,000	(15,200)	117,480
11-5116-414-3	FICA	39,100	25,959	12,291	38,250	(850)	40,100
11-5118-414-3	UNEMPLOYMENT INSURANCE	1,500	3,878	2,122	6,000	4,500	15,000
11-5122-414-3	WORKERS COMPENSATION	1,700	1,249	251	1,500	(200)	1,500
11-5124-414-3	GROUP LIFE INSURANCE	1,700	1,574	226	1,800	100	3,650
11-5126-414-3	GROUP HEALTH INSURANCE	49,500	40,573	8,927	49,500	-	63,000
11-5128-414-3	DENTAL/VISION INSURANCE	7,100	5,086	2,014	7,100	-	6,500
11-5132-414-3	DISABILITY INSURANCE	2,900	2,640	260	2,900	-	3,700
11-5152-414-3	CLOTHING/SAFETY	-	-	-	-	-	-
	TOTAL BENEFITS	208,700	155,085	41,965	197,050	(11,650)	250,930
	TOTAL SALARIES/BENEFITS	722,700	577,098	119,952	697,050	(25,650)	773,930
11-5150-414-4	DIRECTORS' FEES	13,500	8,900	2,850	11,750	(1,750)	13,500
11-5225-414-3	ELECTION	70,000	3,560	-	3,560	(66,440)	-
11-5250-414-3	GAS/OIL	-	-	-	-	-	-
11-5300-414-3	COMPREHENSIVE INSURANCE	345,000	288,601	57,399	346,000	1,000	353,750
11-5350-414-3	MEMBERSHIPS/SUBSCRIPT	35,000	24,513	10,487	35,000	-	35,000
11-5400-414-3	OFFICE EXPENSES	13,000	8,730	(730)	8,000	(5,000)	14,000
11-5410-414-3	COUNTY/CITY CHARGES	17,100	889	(170)	719	(16,381)	17,400
11-5420-414-3	PERMITS & FEES	3,000	2,099	-	2,099	(901)	2,200
11-5430-414-3	PRETREATMENT	-	-	-	-	-	-
11-5450-414-3	OPERATING SUPPLIES	7,000	140	5,860	6,000	(1,000)	11,500
11-5470-414-3	CHEMICALS	-	-	-	-	-	-
11-5500-414-3	CONTRACT SERVICES	50,000	36,942	7,058	44,000	(6,000)	59,960
11-5550-414-3	PROFESSIONAL/LEGAL	100,200	61,977	38,223	100,200	-	124,500
11-5600-414-3	PUBLICATIONS	4,500	2,439	1,561	4,000	(500)	4,500
11-5700-414-3	REPAIRS/MAINTENANCE	20,000	19,772	228	20,000	-	20,000
11-5720-414-3	SMALL TOOLS	-	-	-	-	-	-
11-5750-414-3	RESEARCH	-	-	-	-	-	-
11-5800-414-3	TRAVEL/MTGS/EDUCATION	39,000	17,482	17,518	35,000	(4,000)	40,000
11-5801-414-3	CERTIFICATIONS/TCPS	500	-	740	740	240	850
11-5901-414-3	TELEPHONE/VOIP	7,800	10,269	3,731	14,000	6,200	15,000
11-5902-414-3	ELECTRICITY	-	-	-	-	-	-
11-5903-414-3	NATURAL GAS	-	-	-	-	-	-
11-5904-414-3	TRASH COLLECTION	-	-	-	-	-	-
11-5905-414-3	UTILITY WATER	-	-	-	-	-	-
11-5950-414-3	OTHER EXPENSES	10,000	3,438	6,562	10,000	-	10,000
11-7010-000-0	DEPRECIATION EXPENSE	83,325	-	83,325	83,325	-	13,200
	TOTAL SERVICES & SUPPLIES	818,925	489,751	234,642	724,393	(94,532)	735,360
	TOTAL OPERATING & MAINTENANCE BUDGET	1,541,625	1,066,849	354,594	1,421,443	(120,182)	1,509,290

ADMINISTRATION/BOARD

11-5150-414-4 Directors Fees

**FY 2014/2015
Budget Request
\$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 2014/15 is \$12,000 for regular meeting plus \$1,500 additional for committee meetings, etc.

11-5300-414-3 Comprehensive Insurance

**FY 2014/2015
Budget Request
\$353,750**

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. The recent facilities upgrades/expansion has increased the covered assets resulting in an increase in premium cost.

11-5350-414-3 Dues & Memberships

**FY 2014/2015
Budget Request
\$35,000**

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
• California Chamber of Commerce	550
• California Society of Municipal Finance Offices (CSMFO)	110
• California Special Districts Association (CSDA)	5,000
• Indio Chamber of Commerce	375
• National Notary Association	85
• Southern California Alliance of POTW's (SCAP)	4,803
• Membership for GM in CWEA/WEF	132
• ASCE Membership for GM	300
• Design Build Institute of America	100
• AWWA for District Engineer	200
• WaterReuse Association of California	870
• Association of California Water Agencies (ACWA)	9,000 ^

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

ADMINISTRATION/BOARD

11-5400-414-3 Office Expenses

**FY 2014/2015
Budget Request
\$14,000**

Justification:

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

11-5410-414-3 Riverside County Charges

**FY 2014/2015
Budget Request
\$17,400**

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 .12 cents per assessment for each time a file is submitted including rejected parcels that are resubmitted plus an additional per district fee of \$103.67 per annual submittal. 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 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 2014/15 the charge is estimated at .39 cents per parcel. This charge is in addition to the Auditor's charges, and will be recovered on the first current secured settlement apportionment.

11-5420-414-3 Permits & Fees

**FY 2014/2015
Budget Request
\$2,200**

Justification:

The Cortese Knox-Hertzberg Local Government Reorganization Act of 2000 states that special districts are responsible for paying one-third of the cost of LAFCO. The budget request amount of \$2,200 is only an estimate allowing for an increase over last year's payment.

11-5450-414-3 Operating Supplies

**FY 2014/2015
Budget Request
\$11,500**

Justification:

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

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

ADMINISTRATION/BOARD

11-5500-414-3 Contract Services

**FY 2014/2015
Budget Request
\$59,960**

Justification:

Encompasses all expenses related to:

• CalPERS Health Plan annual fee	1,100
• Pitney Bowes (lease on postage meter)	660
• CBIZ (Section 125 Plan)	500
• Computer maintenance (Southwest Networks)	18,660
• Backup/disaster recovery storage (Southwest Networks)	7,200
• Sophos spam service (email)	750
• Capacity Connection Fee (rate study)	14,960
• Miscellaneous	3,260
• OPEB Health Insurance (11-5545-414-3)	
◦ CalPERS OPEB Health Insurance fees	3,300
◦ OPEB Annual Required Contribution (ARC)	9,570

11-5550-414-3 Professional/Legal

**FY 2014/2015
Budget Request
\$124,500**

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 \$26,000 for mailing the District Newsletter and/or Proposition 218 notices.

• Legal services (11-552-414-3)	40,000
• Other professional services (11-5553-414-3)	
◦ Computer consulting	20,000
◦ Printing & mailing of District Newsletter/Proposition 218 notices - twice/year	26,000
• Accounting services (11-5554-414-3)	
◦ Annual audit	14,800
◦ CBIZ payroll	3,300
◦ CTE Systems	3,300
• Medical services (11-5555-414-3)	
◦ Medical exams-DMV & pre-employment	1,000
◦ Drug/alcohol testing - four (4) employees	500
◦ First aid medical	500
◦ Wellness program (including rebate from CSRMA)	14,000
◦ Employee Assistance Program (EAP)	1,100
• Administration services (CARRYOVER FROM 2013-2014 CAPITAL BUDGET - \$50,000) Expenses for services to update our policies & procedures, document management system & codefication.	-

ADMINISTRATION/BOARD

11-5600-414-3
Publications

FY 2014/2015
Budget Request
\$4,500

Justification:

Costs for publication of official notices as required by the Government code, which are generally published in the Desert Sun, job postings in Jobs Available and BCWaterjobs, and bid requests in online plan rooms.

11-5700-414-3
Repairs/Maintenance

FY 2014/2015
Budget Request
\$20,000

Justification:

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

- Blackbaud accounting software - annual maintenance 6,400
- Monthly maintenance costs for copier 2,500
- IT contingency 10,000
- Miscellaneous 1,100

11-5800-414-3/4
Travel, Meetings & Education

FY 2014/2015
Budget Request
\$40,000

Justification:

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

Expenses for conferences for the General Manager & District Engineer (CWEA, DBIA or Project Management Institute), including general mileage charges as needed.

ADMINISTRATION/BOARD

11-5801-414-3**Certifications/Technical Certification Programs****FY 2014/2015
Budget Request
\$850***Justification:*

<u>Project Management Professional (PMP)</u> Certification for General Manager for PMP from Project Management Institute	150
<u>Professional Engineer (PE) (General Manager & District Engineer)</u> Due biennially at \$250	250
<u>CWEA, Grade D4/T3 (District Engineer)</u> Due biennially at \$105	200
<u>Certified Public Accountant (CPA) renewal (Administration & Finance Manager)</u> Due biennially at \$250	250

11-5901-414-3**Telephone****FY 2014/2015
Budget Request
\$15,000***Justification:*

• VOIP main telephone system (TelePacific Communications)	8,500
• Verizon Wireless	4,500
• Verizon (fire control alarms)	2,000

11-5950-414-3/4**Other Expenses****FY 2014/2015
Budget Request
\$10,000***Justification:*

Miscellaneous expense contingency fund will be used to purchase unbudgeted items that are necessary throughout the year, but are not budgeted under a specific category.

COMBINED CAPITAL EXPENDITURES & O&M BUDGET
2014/2015 BUDGET

ACCOUNT #	DESCRIPTION	2013/2014 BUDGET	4/30/2014 ACTUAL	6/30/2014 ADDITION	2013/2014 ANTICIPATED CLOSE	2013/2014 BUDGET VARIANCE	2014-2015 BUDGET REQUEST
FUND 11/O&M							
11-8630-000-0	COLLECTION - FACILITIES	31,000	-	10,000	10,000	(21,000)	51,000
11-8640-000-0	TREATMENT FACILITY	8,000	-	-	-	(8,000)	145,700
11-8660-000-0	GENERAL FACILITIES	150,000	-	-	-	(150,000)	150,000
11-8670-000-0	LABORATORY	-	-	-	-	-	-
11-8680-000-0	ADMIN FACILITIES	60,000	-	-	30,000	(30,000)	25,000
	RESERVE ACCOUNT	3,291,754	3,292,000		3,292,000	246	3,432,200
	TOTAL FUND 11	3,540,754	3,292,000	10,000	3,332,000	(208,754)	3,803,900
FUND 13							
13-8623-000-0	COLLECTION-SEWER LINES	1,056,000	35,558	219,942	255,500	(800,500)	1,795,200
13-8630-000-0	COLLECTION FACILITY	-	-	-	-	-	-
13-8643-000-0	TREATMENT FACILITY	-	-	-	-	-	-
13-8650-000-0	SLUDGE FACILITY	-	-	-	-	-	-
13-8660-000-0	GENERAL FACILITIES	-	-	-	-	-	-
13-8670-000-0	LABORATORY	-	-	-	-	-	-
13-8680-000-0	ADMIN FACILITIES	-	-	-	-	-	-
13-9120-000-0	TRANSFER FOR COP	499,485	499,546	-	499,546	(61)	499,142
	TOTAL FUND 13	1,555,485	535,104	219,942	755,046	(800,561)	2,294,342
TOTAL CAPITAL OUTLAY BUDGET		5,096,239	3,827,104	229,942	4,087,046	(1,009,315)	6,098,242
TOTAL O & M BUDGET		8,229,384	-	-	-	-	8,208,630
TOTAL BUDGET		13,325,623	3,827,104	229,942	4,087,046	(1,009,315)	14,306,872

PROJECTED EXPENSES OUT OF RESERVES

12-8632-000-0	COLLECTION-SEWER LINES	3,774,000	114,168	235,832	350,000	(3,424,000)	2,233,800
12-8642-000-0	TREATMENT FACILITY	122,000	45,701	299	46,000	(76,000)	360,400
12-8650-000-0	SLUDGE FACILITY	-	-	-	-	-	-
12-8660-000-0	GENERAL FACILITIES	290,000	231,010	58,990	290,000	-	555,400
12-8670-000-0	LABORATORY	38,500	2,038	13,512	15,550	(22,950)	20,200
12-8680-000-0	ADMIN FACILITIES	20,000	6,500	13,500	20,000	-	20,400
12-9140-000-0	TRANSFER FOR COP	458,068	457,683	385	458,068	-	457,754
	TOTAL FROM RESERVES	4,702,568	857,100	322,518	1,179,618	(3,522,950)	3,647,954

FUND 11

CAPITAL O & M FUND
11-8630-000-0
COLLECTION

FUND TOTAL REQUEST

\$371,700
FY 2014/2015
Budget Request
\$51,000

- A) Manhole Frame and Covers: 25,000
 Riverside County is planning on doing street improvements on Van Buren north toward Indio Blvd. The Collection Systems Department is budgeting \$25,000 to replace older manhole frames and covers when they become damaged and/or when road improvements are made on city streets.
- B) Asset Management System Module (FOG & Pretreatment Program): 24,000
(CARRY OVER FROM 2013-2014 BUDGET - \$6,000)
 In order to consolidate the data systems for the existing FOG program as well as the new Pretreatment Program, additional modules of the Lucity Asset Management System used by the Collection Systems Department will be purchased.
- C) Replace Honda portable generator 2,000

11-8640-000-0
TREATMENT
FY 2014/2015
Budget Request
\$145,700

- A) Replacement tank for sodium hypochlorite: 30,200
 The 10,500 gallon storage tank that holds sodium hypochlorite will need to be replaced. This tank has been online since 2008. The tank is beginning to show deficiencies due to the tank condition and the nature of the contained product.
- C) Sludge hose replacement: 15,500
 The dredge piping that connects the dredge to the stationary piping on the bank is beginning to fail. The pipe is approximately eight (8) years old and is eroding. The current style of piping is no longer available. The manufacturer of the dredge recommends a lie flat hose and buoys along with the associated connectors. The requested amount will replace the entire floating hose assembly currently in service.
- D) Composite Sampler: -
(CARRY OVER FROM 2013-2014 BUDGET - \$8,000)
 This is for a replacement sampler for backup in the event that one fails and is not repairable.
- E) Arc Flash Study: 100,000
 Arc Flash study is required for existing plant as well as new plant facilities. Consulting services required to meet OSHA requirements.

11-8660-000-0
GENERAL FACILITIES

FY 2014/2015
Budget Request
\$150,000

- A) Water Reuse Project (EVRA JPA): 100,000
(CARRYOVER FROM 2013-2014 BUDGET - \$150,000)
The District will continue efforts for the East Valley Reclamation Authority on the Reclaimed/Recycled Water Project. This is for consulting services to assist both agencies, as a jointly funded project.
- B) CEQA review for change of wetlands use: 50,000
The District intends to study the change in the use of the biological wetlands for treatment purposes.

11-8680-000-0
ADMINISTRATION

FY 2014/2015
Budget Request
\$25,000

- A) (CARRYOVER FROM 2013-2014 BUDGET - \$30,000) -
Codify District resolutions and ordinances and consulting services to achieve this task.
- B) Document Management System: 10,000
Consulting support for the document management system.
- C) Rate Study: 15,000
The District is continuing with an independent wastewater rate study. 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.

FUND 12

CAPITAL REPLACEMENT FUND
12-8632-000-0
COLLECTION

FUND TOTAL REQUEST **\$3,647,954**
FY 2014/2015
Budget Request
\$2,233,800

A) Requa Interceptor Final Design

42,200

In November of 2013, VSD entered into a professional engineering services contract with HDR Engineering to complete the final design of the entire Requa Interceptor as recommended by VSD's Collection System Master Plan. The recommendation is based on the need for VSD to increase the sewer main capacity to serve the expansion of the East County Detention Center that is scheduled to be completed in late 2016. The final design will consist of plans, specifications and bid documents for approximately 22,000 LF of 10 inch through 36 inch diameter sewer main. The contract amount to complete the final design is \$516,800. Most of design work will be completed in Fiscal Year 2013/14. The estimated remaining cost for FY 14/15 is \$84,400. The cost will be allocated between Fund 12 and Fund 13 at 50% each. The cost allocation to Fund 12 & 13 was derived from combining projected costs for Phase A and Phase B along with their respective cost allocations as determined in previous budgets.

FY 14/15 Fund 12 (50 %)	42,200
Total	42,200

B) Requa Interceptor - Construction:

1,628,000

The total construction cost is estimated at \$9,769,000 which includes the entire Requa Interceptor project as well as the Shields Lift Station by-pass connection. The construction costs includes support services, construction staking, and a 30 percent (30%) contingency due to unforeseen circumstances. Construction is estimated to begin in December 2014 and be completed by June 2016. This assumes minimal construction work in the months of December 2014 & 15, February 2015 & 16 and April 2015 & 16 due to City of Indio Festivals. Construction cost will be split equally between Fund 12 and Fund 13. Construction will cover two Fiscal Years with about a third completed in FY 14/15 as shown below. (FY 15/16 assumes inflation at three (3%) percent).

FY 14/15 Fund 12 (50%)	1,628,000	FY 15/16 Fund 12 (50%)	3,558,465
Total	1,628,000	Total	3,558,465

C) Requa Interceptor - Construction Management:

125,000

The Requa Interceptor is a significant project for the Valley Sanitary District. A construction management consultant will be solicited to provide project support and inspection services during construction of this project. The cost for construction management is estimated at \$751,400 and the cost will be apportioned similarly as with the construction cost above. (FY 15/16 assumes inflation at three (3%) percent).

FY 14/15 Fund 12 (50 %)	125,000	FY 15/16 Fund 12 (50 %)	273,947
Total	125,000	Total	273,947

D) Sewer Main Rehabilitation:

255,000

The sewer mainlines are video inspected as part of the scheduled preventative maintenance. The sewer main will need to be lined or replaced when the condition of the sewer main has deteriorated to a point that a repair will not return the sewer main to a serviceable condition. The targeted projects include 5,000 L.F of four (4) inch and six (6) inch cast iron and eight (8) inch clay sewer constructed in the 1940's located in the downtown area

E) Private Lateral Grant Program:

51,000

The Private Lateral Replacement Grant Program is designed to help the property owner defray a portion of the costs required to replace or repair their lateral including the connection. 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.

F) Manhole Rehabilitation:

61,200

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.

G) Sewer Main Point Repairs:

61,200

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.

H) Contingency for Emergency Repairs:

10,200

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

12-8642-000-0
TREATMENT
FY 2014/2015
Budget Request
\$360,400

- A) Shade structure for District and Vactor trucks: 90,000
 The District has one shade structure for District equipment located at the north end of the plant site. It is used for equipment such as the backhoe, forklift, dredge and back-up Vactor. An additional shade structure would provide shade for the District vehicles and the new Vactor truck. It would be manufactured to support future solar panels. This shade structure would be located between the shop and the treatment plant where asphalt is already installed.
- B) Remove and demolish Zimpro tower, tank & facilities 100,000
 The new belt presses went on line in 2008 which took place of the Zimpro process (ZP). Outside of the ZP building stands a reactor, heat exchanger, separator and an oxidized sludge storage tank. The reactor separator contains asbestos and will need to be handled as hazardous waste. Recycling the metals from this equipment will help offset the cost of the removal and disposal of the asbestos.
- C) Complete the renovation for the Zimpro building: 150,000
 The Zimpro building has been cleared of the internal equipment. It now needs to have some concrete repair work done and some internal walls built. The building will then be equipped with shop equipment such as work benches, tool boxes and tools, grinders, compressed air system, welders and torches, jacks and stands, storage containers and cabinets.
- D) Asset Management / Preventative Maintenance System (Plant): -
(CARRYOVER FROM 2013-2014 BUDGET - \$22,000)
(CARRYOVER FROM 2013-2014 BUDGET - \$60,000 - MOVED FROM MANHOLE REHABILITATION FUND 12-8632-000-0)
 The current plant asset management/preventative maintenance software system is over 15 years old and is unsupported. It will not operate on the current Windows operating system. The system needs to be replaced during this fiscal year in order to accommodate the additional requirements for the upgraded treatment process. It is recommended that additional modules and licenses of the Lucity Asset Management system that the Collections Department is using be utilized for this purpose.
- E) Contingency for emergency repairs: 20,400
 There are no anticipated expenditures to be funded from this category; however, this account provides a contingency amount in the Capital Improvement program for replacement of critical equipment or systems which could unexpectedly fail during the fiscal year.
- F) SCADA Master Plan: -
(CARRYOVER FROM 2013-2014 BUDGET - \$80,000)
 The Supervisory Control and Data Acquisition system requires a five (5) year master plan to program future improvements.
- G) Hypochloride Chemical Feeder: -
(CARRYOVER FROM 2013-2014 BUDGET - \$100,000 - MOVED FROM SEWER PLANT REHABILITATION FUND 12-8632-000-0)

12-8660-000-0
GENERAL FACILITIES
FY 2014/2015
Budget Request
\$555,400

- A) Vehicle & Equipment Replacement Fund: 285,000
 This fund is used to replace District vehicles and significant, higher cost equipment. The annual contribution is based on data collected on all vehicles and equipment using a ten (10) to twenty (20) year replacement schedule. The total cost is calculated over a twenty (20) year window using an estimated inflation percentage. Vehicles to be replaced in 2014/2015 include:
- Ford Ranger 4x4 (Collections Systems) 29,000
 - District scooters (Kawasaki mule & Cushman cart are both over 20 years old. 22,000
 - 1390 Tractor (1983) 35,000
 - New influent pump and breaker up-grade 53,800
- B) Front Wall Replacement: 250,000
(CARRY OVER FROM 2013-2014 BUDGET - \$25,000)
(CARRY OVER FROM 2012-2013 BUDGET - \$80,000)
 The front wall has water damage, is not structurally sound, is un-attractive and is in need of replacement. 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. Additionally, the wall is located too close to the roadway and is subject to collision damage. The system should be replaced with a metal tubular fencing system that is not subject to graffiti and will have lower maintenance. Estimated construction cost is \$350,000.
- C) Contingency for emergency repairs: 20,400

12-8670-000-0
LABORATORY
FY 2014/2015
Budget Request
\$20,200

- A) Spectrophotometer 3,000
- B) Incubator 7,000
- C) Contingency for emergency repairs: 10,200
 This account provides a contingency amount in the Capital Improvement Program for replacement of critical equipment or systems in the laboratory which could unexpectedly fail during the fiscal year.

12-8680-000-0
ADMINISTRATION
FY 2014/2015
Budget Request
\$20,400

- A) Contingency for emergency repairs: 20,400
 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 in the administration department which could unexpectedly fail during the fiscal year.

12-9140-000-0
Transfer to Fund 06
FY 2014/2015
Budget Request
\$457,754

- A) Principal and Interest Payment for 2006 COP: 455,254
 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 1 and August 1 commencing February 1, 2007.
- B) Annual Administrative Expenses for 2006 COP: 2,500

FUND 13

CAPITAL IMPROVEMENT FUND
13-8623-000-0
COLLECTION

FUND TOTAL REQUEST **\$2,294,342**
FY 2014/2015
Budget Request
1,795,200

A) Requa Interceptor Final Design:

42,200

In November of 2013, VSD entered into a professional engineering services contract with HDR Engineering to complete the final design of the entire Requa Interceptor as recommended by VSD's Collection System Master Plan. The recommendation is based on the need for VSD to increase the sewer main capacity to serve the expansion of the East County Detention Center that is scheduled to be completed in late 2016. The final design will consist of plans, specifications and bid documents for approximately 22,000 LF of 10 inch through 36 inch diameter sewer main. The contract amount to complete the final design is \$516,800. Most of design work will be completed in Fiscal Year 2013/14. The estimated remaining cost for FY 14/15 is \$84,400. The cost will be allocated between Fund 12 and Fund 13 at 50% each. The cost allocation to Fund 12 & 13 was derived from combining projected costs for Phase A and Phase B along with their respective cost allocations as determined in previous budgets.

FY 14/15 fund 13 (50%)	42,200
Total	42,200

B) Requa Interceptor - Construction:

1,628,000

The total construction cost is estimated at \$9,769,000 which includes the entire Requa Interceptor project as well as the Shields Lift Station by-pass connection. The construction costs includes support services, construction staking, and a 30 percent (30%) contingency due to unforeseen circumstances. Construction is estimated to begin in December 2014 and be completed by June 2016. This assumes minimal construction work in the months of December 2014 & 15, February 2015 & 16 and April 2015 & 16 due to City of Indio Festivals. Construction cost will be split equally between Fund 12 and Fund 13. Construction will cover two Fiscal Years with about a third completed in FY 14/15 as shown below. (FY 15/16 assumes inflation at three (3%) percent).

FY 14/15 Fund 13 (50%)	1,628,000	FY 15/16 Fund 13 (50%)	3,558,465
Total	1,628,000	Total	3,558,465

C) Requa Interceptor - Construction Management:

125,000

The Requa Interceptor is a significant project for the Valley Sanitary District. A construction management consultant will be solicited to provide project support and inspection services during construction of this project. The cost for construction management is estimated at \$751,400 and the cost will be apportioned similarly as with the construction cost above. (FY 15/16 assumes inflation at three (3%) percent).

FY 14/15 Fund 13 (50%)	125,000	FY 15/16 Fund 13 (50%)	273,947
Total	125,000	Total	273,947

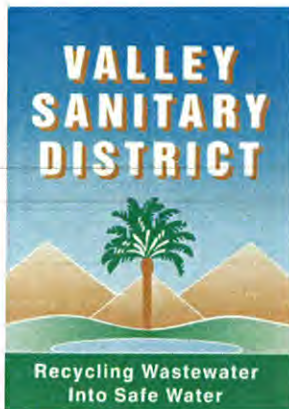
13-9120-000-0**FY 2014/2015****Transfer to Fund 06****Budget Request****\$499,142**A) Principal and Interest Payment for 2006 COP:

496,642

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 1 and August 1 commencing February 1, 2007.

B) Annual Administrative Expenses for 2006 COP:

2,500



INTRODUCTION

Funding for capital improvements comes from two sources. One source of funding is from 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 fee obtained from developments is used to fund expansions to facilities that increase capacity, due to growth.

The District may obtain funding from other sources such as:

- Financing through the issuance of bonds or certificates of participation
- Financing via the U.S. Clean Water Act via the State Revolving Fund
- Grants from the EPA, Corps of Engineers or Bureau of Reclamation
- Grants from California state funding such as Proposition 84

The District maintains two internal reserve funds to segregate the resources 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 (Capital Improvement Fund)

Starting in Fiscal Year 2004/05 and continuing through Fiscal Year 2008/09, the Board progressively increased the funding of replacement reserves (Fund 12) through increases in the annual sewer use fee. The sewer use fee was also increased in Fiscal Year 2012/13. As a result of these increases in replacement reserve funding, projections are that there will be sufficient replacement reserve funding for the next three years. This includes construction of the Requa Street Interceptor that will begin around the middle of the 2014/15 Fiscal Year after completion of the final design plans early in the 2014/15 Fiscal Year. The Fund 12 reserves falls just short in paying for the Solids Handling Facilities Phase 2B scheduled for 2017/18.

Although reserve funding is projected to be sufficient four of the next five years, projecting six years and beyond 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 2019/20.

Fund 13 (Capital Replacement Fund)

The dramatic slowdown in private development activity has resulted in a significant reduction in the available funding for projects or portions of projects that provide for increased capacity due to growth. As a result, the engineering design for the Construction Phase 2 of the Solids Handling Facilities project was reevaluated and the project was split into two smaller independent construction phases being referred to as Construction Phase 2A and Phase 2B.

Phase 2A is complete. The majority of the treatment facilities designed for Construction Phase 2B that are intended to increase capacity will be deferred to a later date (FY 2017/18). The District is renewing the National Pollutant Discharge Elimination System (NPDES) Permit with the California Regional Water Quality Control Board by the end of calendar year 2014. The District is

exploring a joint project with the Indio Water Authority to design and construct a Reclaimed/Recycled Water system. These two projects will determine the future vision for the Valley Sanitary Water Reclamation Plant.

The design and construction of the Requa Street Interceptor needs to be completed as a whole instead of in two segments as previously planned and needs to be completed ahead of the completion of the Indio Detention Center expansion scheduled for the end of calendar year 2016. Fund 13 will be depleted by year three (Fiscal Year 2017/2018) as a result of the Requa Interceptor along with the Phase 2B plant expansion. Although development is expected to increase over the next few years, it is with certainty that it will not be enough to cover the cost of these needed projects. There are additional developments along the Highway 111 corridor that will need the Requa Street Interceptor to be constructed before they can be connected to the District's sewer mains. Some form of financing will most likely need to be obtained in order to proceed with these projects. Deferring these projects until the funding becomes available is not an option.

Proposed Capital Projects

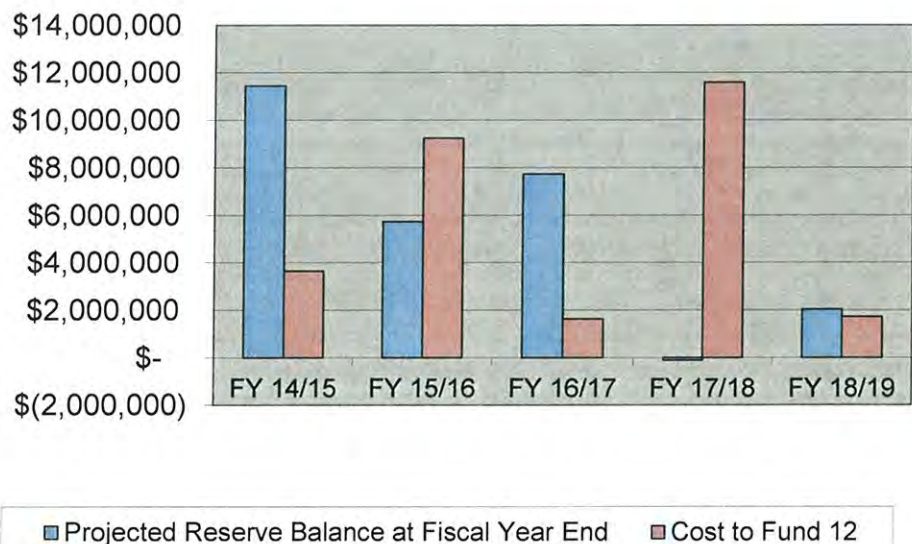
The following pages contain the proposed capital projects and revenue projections for the next five years. Page S-1 contains a summary of the projected project expenses charged to Fund 12 as well as the projected income placed into the Fund 12 reserves. Page S-2 contains a summary of the projected project expenses charged to Fund 13 as well as the projected income placed into Fund 13 from connection capacity charges. Pages 1A through 20B list the major 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 is a Ten Year Capital Improvement Program forecast with a "Total for Future Years" column that projects major capital improvement costs, scheduling and income for Fund 12 capital improvement reserves and Fund 13 capital replacement reserves. Also included as Attachment B is a bar graph showing Fund 12 and Fund 13 totals as well as a line graph showing a cumulative total of both funds capital requirements over the next ten years.

Page Number	Project Name	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
		Cost to Fund 12	Cost to Fund 12	Cost to Fund 12	Cost to Fund 12	Cost to Fund 12
1A - 1B	Debt Service on 2006 Certificates of Participation	\$ 457,754	\$ 456,917	\$ 457,884	\$ 455,676	\$ 457,590
2A - 2B	Remove and Demolish Zimpro Tower, Tank, etc.	\$ 100,000	\$ -	\$ -	\$ -	\$ -
3A - 3B	Renovation of the Mechanic's Building	\$ 150,000	\$ -	\$ -	\$ -	\$ -
4A - 4B	Shade Structure for District Vehicles and Vactor	\$ 90,000	\$ -	\$ -	\$ -	\$ -
5A - 5B	Solids Handling Facilities Phase 2B Construction	\$ -	\$ -	\$ -	\$ 5,624,165	\$ -
6A - 6B	Solids Handling Facilities Phase 2B Const. Mgmt.	\$ -	\$ -	\$ -	\$ 449,933	\$ -
7A - 7B	Vehicle & Equipment Replacement Fund	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000
8A - 8B	Front Wall Replacement	\$ 250,000	\$ -	\$ -	\$ -	\$ -
9A - 9B	Requa Interceptor Final Design	\$ 42,200	\$ -	\$ -	\$ -	\$ -
10A - 10B	Requa Interceptor Construction	\$ 1,628,000	\$ 3,558,465	\$ -	\$ -	\$ -
11A - 11B	Requa Interceptor Construction Management	\$ 125,000	\$ 273,947	\$ -	\$ -	\$ -
12A - 12B	Lateral Grant Program	\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,121	\$ 55,203
13A - 13B	Sewer Main Rehabilitation	\$ 255,000	\$ 3,000,000	\$ 262,650	\$ 3,090,000	\$ 270,530
14A - 14B	Manhole Rehabilitation	\$ 61,200	\$ 500,000	\$ 63,036	\$ 515,000	\$ 64,927
15A - 15B	Sewer Main Point Repairs	\$ 61,200	\$ 1,000,000	\$ 63,036	\$ 1,030,000	\$ 64,927
16A - 16B	Avenue 48 Sewer Main Upgrade Design	\$ -	\$ 33,738	\$ -	\$ -	\$ -
17A - 17B	Avenue 48 Sewer Main Upgrade Construction	\$ -	\$ -	\$ 324,231	\$ -	\$ -
18A - 18B	Avenida Esmeralda Interceptor Design	\$ -	\$ 3,715	\$ -	\$ -	\$ -
19A - 19B	Avenida Esmeralda Interceptor Construction	\$ -	\$ -	\$ 35,594	\$ -	\$ -
20A - 20B	Contingency-All Departments Combined	\$ 81,600	\$ 83,232	\$ 84,897	\$ 86,595	\$ 88,327
	Miscellaneous Expenses (See Attachment A)	\$ 10,000	\$ -	\$ -	\$ -	\$ 437,859
Total		\$ 3,647,954	\$ 9,247,034	\$ 1,629,388	\$ 11,590,490	\$ 1,724,363
Projected Fund 12 Reserves at Start of Fiscal Year		\$ 11,664,702	\$ 11,445,748	\$ 5,730,584	\$ 7,739,022	\$ (104,507)
Projected Fund 12 Income		\$ 3,429,000	\$ 3,531,870	\$ 3,637,826	\$ 3,746,961	\$ 3,859,370
Total Reserve Funds		\$ 15,093,702	\$ 14,977,618	\$ 9,368,410	\$ 11,485,982	\$ 3,754,862
Projected Reserve Balance at Fiscal Year End		\$ 11,445,748	\$ 5,730,584	\$ 7,739,022	(\$104,507)	\$ 2,030,499

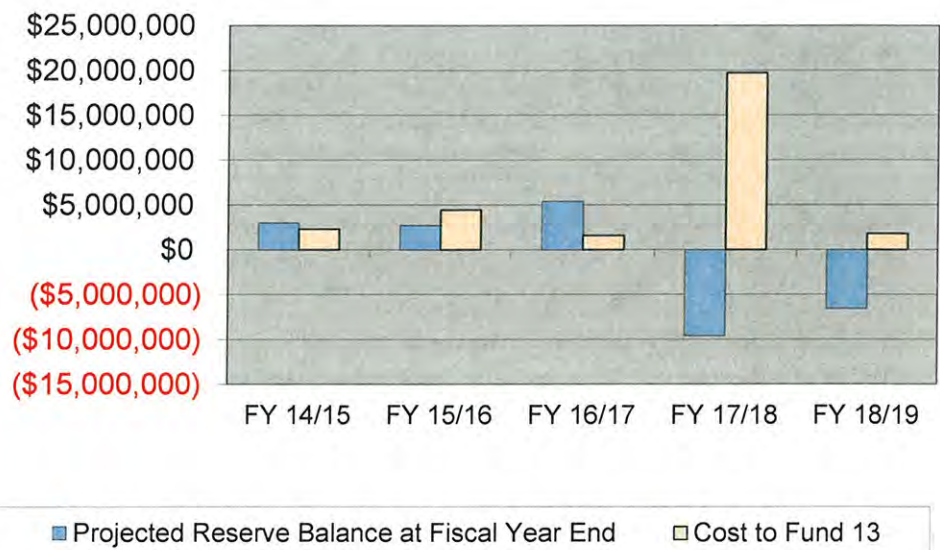
Fund 12 Projected Reserves vs. Expenses



Page Number	Project Name	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
		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	\$ 499,142	\$ 498,229	\$ 499,284	\$ 496,875	\$ 498,963
2A - 2B	Remove and Demolish Zimpro Tower, Tank, etc.	\$ -	\$ -	\$ -	\$ -	\$ -
3A - 3B	Renovation of the Mechanic's Building	\$ -	\$ -	\$ -	\$ -	\$ -
4A - 4B	Shade Structure for District Vehicles and Vactor	\$ -	\$ -	\$ -	\$ -	\$ -
5A - 5B	Solids Handling Facilities Phase 2B Construction	\$ -	\$ -	\$ -	\$ 17,809,855	\$ -
6A - 6B	Solids Handling Facilities Phase 2B Const. Mgmt.	\$ -	\$ -	\$ -	\$ 1,424,788	\$ -
7A - 7B	Vehicle & Equipment Replacement Fund	\$ -	\$ -	\$ -	\$ -	\$ -
8A - 8B	Front Wall Replacement	\$ -	\$ -	\$ -	\$ -	\$ -
9A - 9B	Requa Interceptor Final Design	\$ 42,200	\$ -	\$ -	\$ -	\$ -
10A - 10B	Requa Interceptor Construction	\$ 1,628,000	\$ 3,558,465	\$ -	\$ -	\$ -
11A - 11B	Requa Interceptor Construction Management	\$ 125,000	\$ 273,947	\$ -	\$ -	\$ -
12A - 12B	Lateral Grant Program	\$ -	\$ -	\$ -	\$ -	\$ -
13A - 13B	Sewer Main Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -
14A - 14B	Manhole Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -
15A - 15B	Sewer Main Point Repairs	\$ -	\$ -	\$ -	\$ -	\$ -
16A - 16B	Avenue 48 Sewer Main Upgrade Design	\$ -	\$ 101,214	\$ -	\$ -	\$ -
17A - 17B	Avenue 48 Sewer Main Upgrade Construction	\$ -	\$ -	\$ 972,693	\$ -	\$ -
18A - 18B	Avenida Esmeralda Interceptor Design	\$ -	\$ 11,146	\$ -	\$ -	\$ -
19A - 19B	Avenida Esmeralda Interceptor Construction	\$ -	\$ -	\$ 106,783	\$ -	\$ -
20A - 20B	Contingency-All Departments Combined	\$ -	\$ -	\$ -	\$ -	\$ -
	Miscellaneous Expenses (See Attachment A)	\$ -	\$ -	\$ -	\$ -	\$ 1,313,577
Total		\$ 2,294,342	\$ 4,443,001	\$ 1,578,759	\$ 19,731,518	\$ 1,812,540
Projected Fund 13 Reserves at Start of Fiscal Year		\$2,721,114	\$3,005,746	\$2,717,264	\$5,392,427	(\$9,603,077)
Projected Fund 13 Income		\$2,578,974	\$4,154,519	\$4,253,922	\$4,736,015	\$4,841,029
Total Reserve Funds		\$5,300,088	\$7,160,265	\$6,971,186	\$10,128,442	(\$4,762,048)
Projected Reserve Balance at Fiscal Year End		\$3,005,746	\$2,717,264	\$5,392,427	(\$9,603,077)	(\$6,574,588)

Fund 13

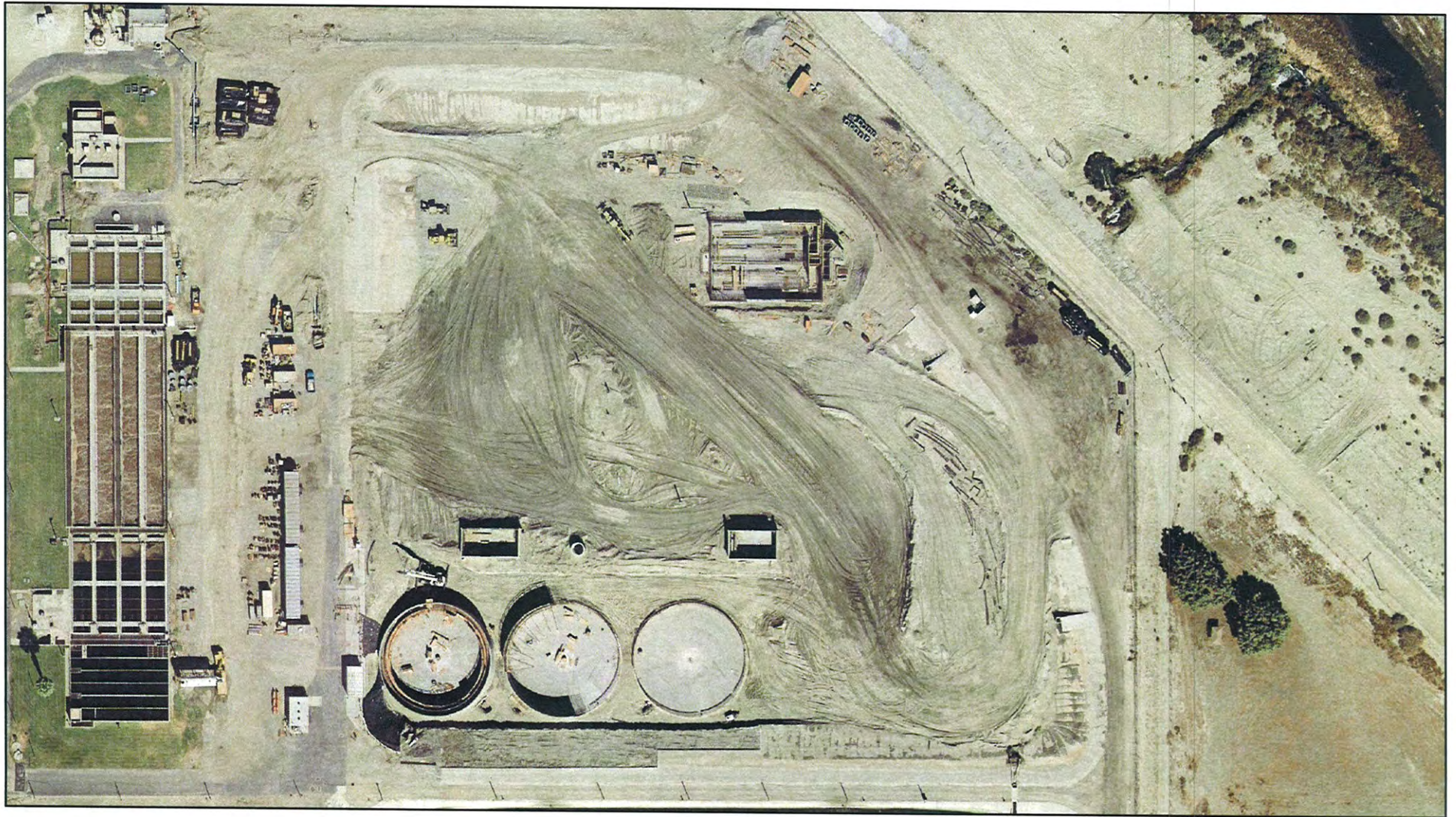
Projected Available Reserves vs. Expenses



PROJECT: DEBT SERVICE ON 2006 CERTIFICATES OF PARTICIPATION

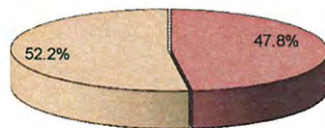
PROJECT DESCRIPTION

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



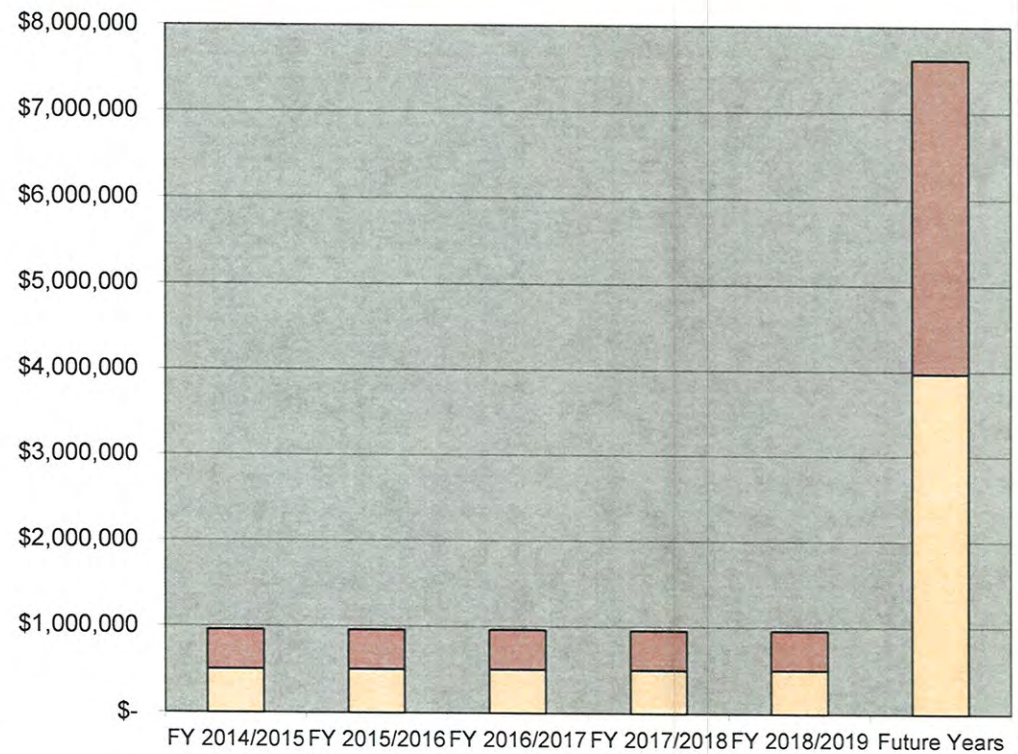
Project Number	Project Name
	Debt Service on 2006 Certificates of Participation
	Total Project Cost \$ 19,185,543
	Remaining Balance \$ 12,391,616
	Project Description Payment of principal and interest for financing obtained through Certificates of Participation to facilitate expansion and renovation 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	47.8%	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	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
		\$ 457,754	\$ 456,917	\$ 457,884	\$ 455,676	\$ 457,590	\$ 3,641,516

Percent for Capacity Expansion Fund 13	52.2%	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	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
		\$ 499,142	\$ 498,229	\$ 499,284	\$ 496,875	\$ 498,963	\$ 3,971,786



PROJECT: REMOVE AND DEMOLISH ZIMPRO TOWER, TANK AND FACILITIES

PROJECT DESCRIPTION

This project will remove and demolish the Zimpro Tower, old Oxidized Sludge Tank and miscellaneous facilities in and around the tower.

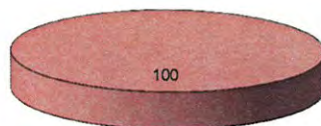


Project Name	
Remove and Demolish Zimpro Tower, Tank, etc.	
Total Project Cost \$	100,000
Project Description This project will remove and demolish the Zimpro Tower, old Oxidized Sludge Tank and miscellaneous facilities around the tower. These items are no longer in use or needed for the future.	
Justification The Zimpro Tower and surrounding facilities has not been in use for several years and has become a potential liability due to the asbestos within the tower and the potential for it to fail in a wind storm.	
Board Approvals	

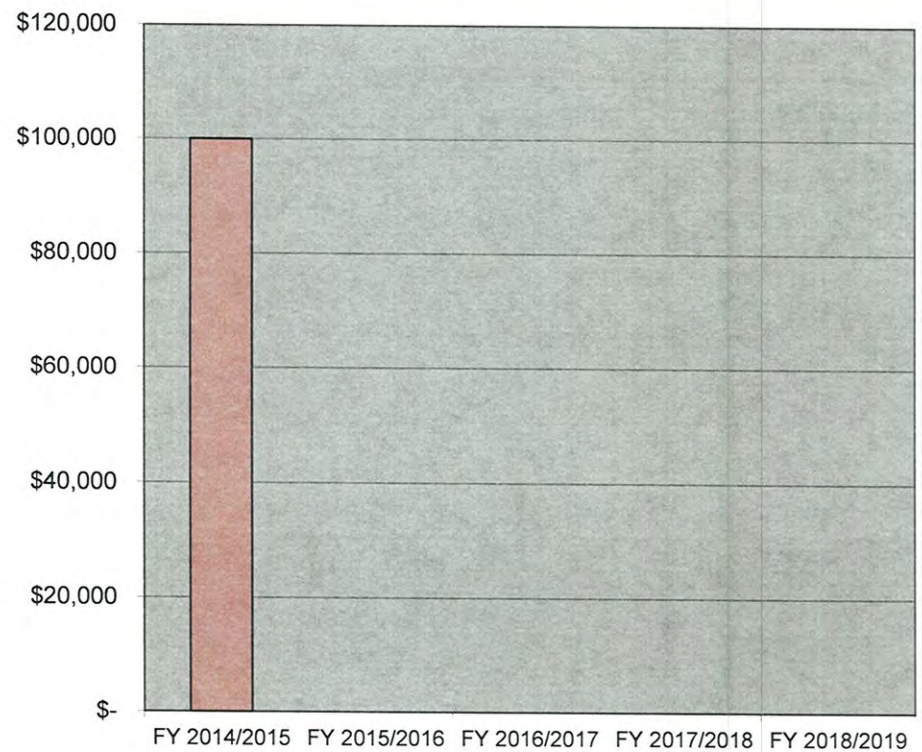
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100		\$ 100,000	\$ -	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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



■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



PROJECT: RENOVATION OF THE MECHANIC'S BUILDING

PROJECT DESCRIPTION

This project will renovate the inside of the old Zimpro building and convert the building into a mechanic's shop. This project includes repairing the concrete flooring, removing old electrical equipment and adding some internal walls.

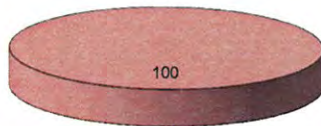


Project Name	
Renovation of the Mechanic's Building	
Total Project Cost \$	150,000
Project Description This project will renovate the old Zimpro building and convert the building into the mechanic's shop. It now needs to have concrete repair work completed and internal walls installed. The new shop will then be stocked with tool boxes, tools, grinders, compressed air system and other equipment.	
Justification Currently this building is used as partial storage for lawnmower equipment. The old mechanics shop is used for offices for employees as well as many other uses not conducive to a mechanic's shop.	
Board Approvals	

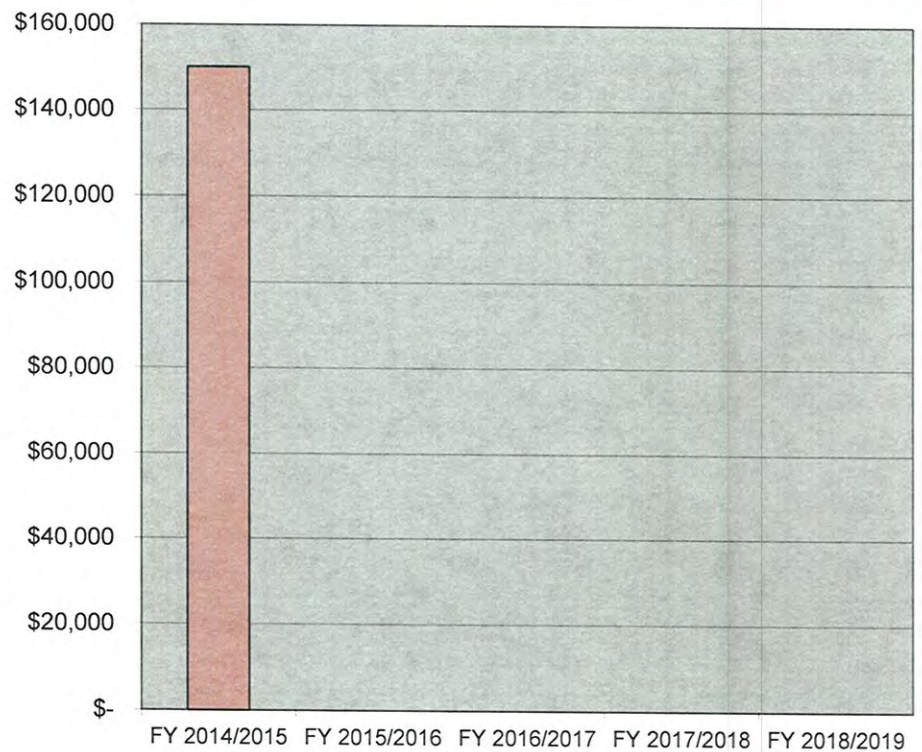
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100		\$ 150,000	\$ -	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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



■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



PROJECT: DISTRICT VEHICLE SHADE STRUCTURE

PROJECT DESCRIPTION

This project will provide a new shade structure for District owned vehicles and be placed adjacent to the existing aeration basins.

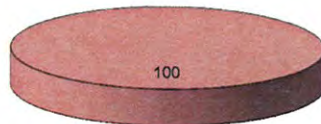


Project Name	
Shade Structure for District Vehicles and Vactor	
Total Project Cost \$	90,000
Project Description This project will provide for a shade structure for all District vehicles including the two vactor trucks and will be placed adjacent to the Aeration Basins. It may also provide additional space for future solar panels.	
Justification Currently there is no shade structure for any District vehicle. This causes increased wear on the vehicles as well as increased amount of time it takes to cool the vehicle down to travel.	
Board Approvals	

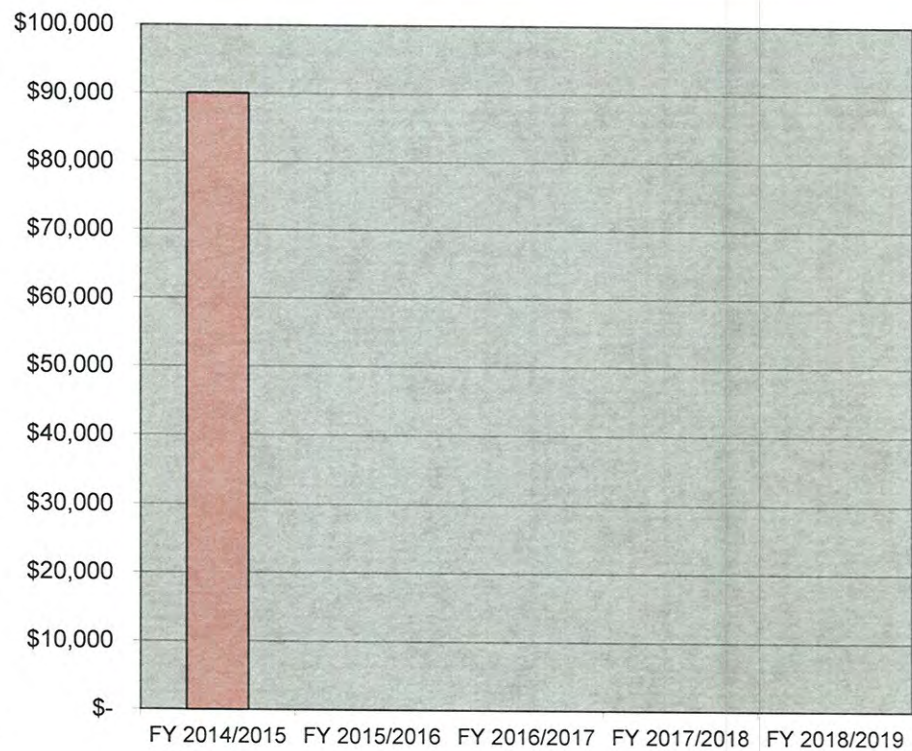
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100		\$ 90,000	\$ -	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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



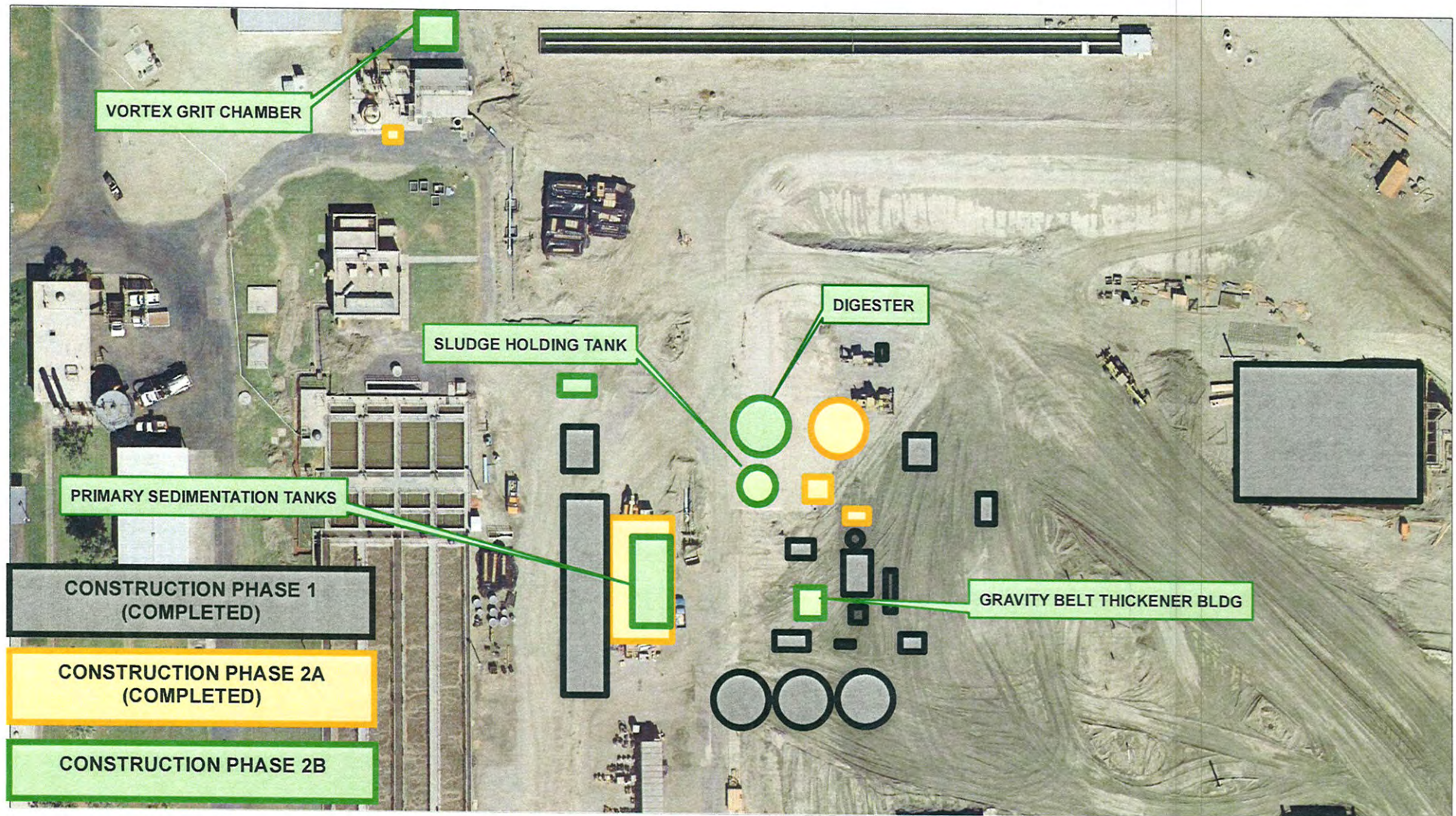
■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



PROJECT: SOLIDS HANDLING FACILITIES PHASE 2B - CONSTRUCTION

PROJECT DESCRIPTION

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



Project Name	
Solids Handling Facilities Phase 2B Construction	
Adjusted Total Project Cost \$	23,434,020
Remaining Balance \$	-
Project Description Construction of a second solids handling facility needed to upgrade and expand the treatment plant solids processing. This second anaerobic digester will allow the District to accept Fats/Oils/Grease (FOG) and other types of food waste to increase the biological fuel production to be possibly used for co-generation purposes.	
Justification Construction Phase 2B of the treatment plant upgrade/expansion project is necessary to provide adequate solids handling and increase capacity including the ability to accept FOG and food wastes.	
Board Approvals	

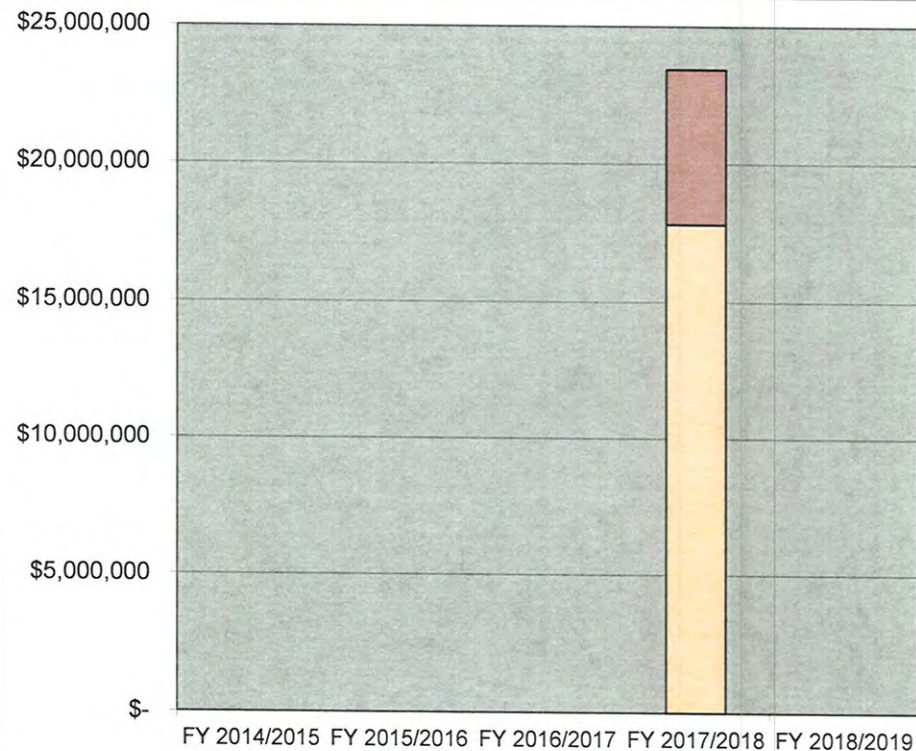
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
24.0		\$ -	\$ -	\$ -	\$ 5,624,165	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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
76.0		\$ -	\$ -	\$ -	\$ 17,809,855	\$ -

Percent Distribution Between Fund 12 and Fund 13



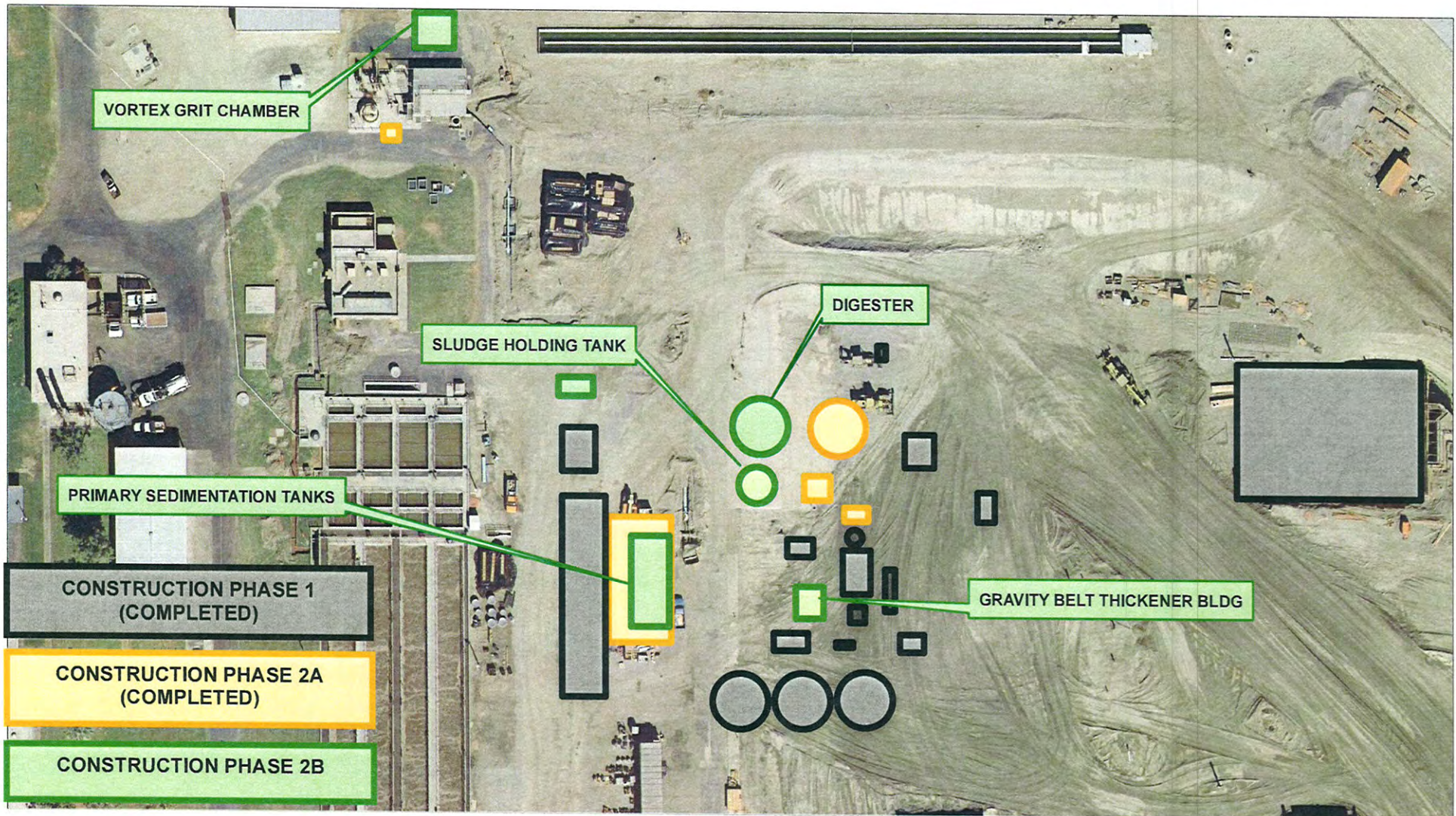
■ Projected Cost to Fund 12
 ■ Projected Cost to Fund 13



PROJECT: SOLIDS HANDLING FACILITIES PHASE 2B - CONSTRUCTION MANAGEMENT

PROJECT DESCRIPTION

Provides for construction management services needed to oversee the construction of Phase 2B of the Solids Handling Facilities.



Project Name
Solids Handling Facilities Phase 2B Const. Mgmt.
ENR Adjusted Total Project Cost \$ 1,874,722 Remaining Balance \$ -
Project Description Construction of a second solids handling facility needed to upgrade and expand the treatment plant solids processing. This second anaerobic digester will allow the District to accept Fats/Oils/Grease (FOG) and other types of food waste to increase the biological fuel production to be possibly used for co-generation purposes.
Justification Construction Phase 2B of the treatment plant upgrade/expansion project is necessary to provide adequate solids handling and increase capacity including the ability to accept FOG and food wastes.
Board Approvals

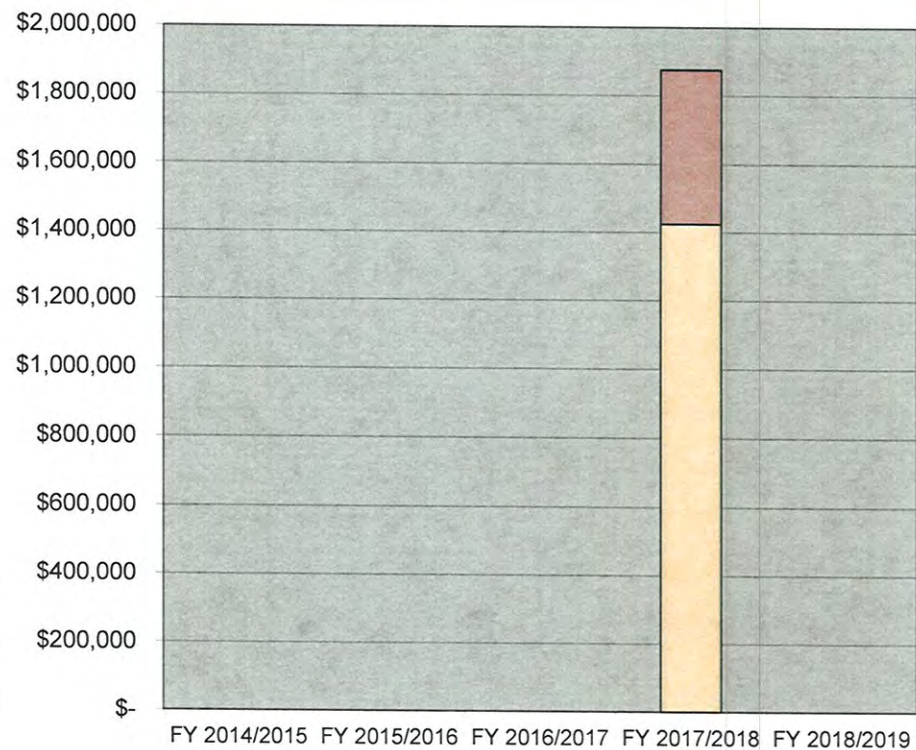
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
24.0		\$ -	\$ -	\$ -	\$ 449,933	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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
76.0		\$ -	\$ -	\$ -	\$ 1,424,788	\$ -

Percent Distribution Between Fund 12 and Fund 13



■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



VEHICLE AND MAJOR EQUIPMENT REPLACEMENT FUND																							
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
		Fiscal Year -> Replacement	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	
Make/Model	Current Value	Replacement Value																					TOTAL
Case Model 1390 Tractor	\$1,400.00	\$35,000.00	35,000																				35,000
Kawasaki Mule 1000 AF450 Cart	\$1,000.00	\$11,000.00	11,000																				11,000
632 Cushman 4 wheel Turf Cart	\$1,000.00	\$11,000.00	11,000																				11,000
GMC (TV Vandura Van)	\$52,400.00	\$140,000.00		144,200																			
Ford Flat Bed	\$8,400.00	\$34,000.00				36,071								193,793									337,993
Daihatsu Utility Cart	\$1,200.00	\$11,000.00				11,670												52,971					89,041
Ford F250 Truck	\$8,800.00	\$38,000.00				40,314							51,069										11,670
Ford Dump Truck 750	\$22,000.00	\$80,000.00				84,872																	91,383
Fivexter Pontoon Boat	\$500.00	\$10,000.00				10,609														128,377			213,249
Caterpillar Backhoe 420D	\$48,000.00	\$80,000.00													14,258								24,867
Ford F 150 Supercrew	\$27,000.00	\$27,000.00										104,382											104,382
Ford Ranger 4X4	\$6,500.00	\$29,000.00	29,000									35,229										44,627	79,856
Caterpillar Telehandler Forklift	\$76,000.00	\$100,000.00											38,974										67,974
Kenworth T440 Vactor	\$415,000.00	\$415,000.00											134,392										134,392
Kawasaki Mule Cart	\$5,000.00	\$12,000.00				13,113						541,481										685,932	1,227,413
John Deere XUV 620i Cart	\$6,000.00	\$10,000.00							11,941										18,696				31,808
John Deere 4X2 Gator Cart	\$6,000.00	\$10,000.00						11,593													16,047		27,988
Ford F150 Truck Crew Cab	\$9,300.00	\$35,000.00				38,245														16,047			27,640
GMC Canyon	\$9,000.00	\$25,000.00														51,399							89,644
John Deere 777 Riding Lawnmower	\$6,500.00	\$20,000.00					28,138											37,815					65,952
Ford F150 4X4 Crew Cab	\$20,600.00	\$35,000.00					22,510											30,252					52,762
Ford F350 Utility Truck	\$28,000.00	\$45,000.00						40,575				53,732							54,529				95,103
Club Car Utility cart #1 Elect.	\$3,000.00	\$10,000.00								11,941										72,212			125,944
Club Car Utility cart #2 Elect.	\$3,000.00	\$10,000.00								11,941											16,047		27,988
EZ GO Utility cart #3 Elect.	\$4,000.00	\$10,000.00						11,255													16,047		27,988
CAT 800KW Diesel Generator #2	\$90,000.00	\$200,000.00									253,354									16,047			27,302
CAT 150KW Diesel Generator #3	\$55,000.00	\$80,000.00																					253,354
CAT 600KW Diesel Generator #4	\$121,000.00	\$121,000.00														114,061							114,061
Influent Pump #1	\$40,000.00	\$56,000.00																				199,995	199,995
Influent Pump #2	\$25,000.00	\$56,000.00							64,919		68,873									89,864			158,736
Influent Pump #3	\$56,000.00	\$56,000.00																	87,246				152,166
Influent Pump #4	\$15,000.00	\$56,000.00																					75,259
Influent Pump #5	\$15,000.00	\$56,000.00					63,028											84,705					147,734
Influent Pump #6	\$50,000.00	\$56,000.00					63,028											84,705					147,734
RAS Pump #1	\$12,000.00	\$24,000.00							27,823				70,939								89,864		160,803
RAS Pump #2	\$12,000.00	\$24,000.00																				39,668	67,491
RAS Pump #3	\$12,000.00	\$24,000.00								28,657													28,657
RAS Pump #4	\$12,000.00	\$24,000.00									29,517												29,517
RAS Pump #5	\$12,000.00	\$24,000.00										30,402											30,402
Aerator Pond 2 - #1 Monsoon	\$5,000.00	\$20,000.00										31,315											31,315
Aerator Pond 2 - #2 S & N	\$2,000.00	\$20,000.00		20,600								26,095											26,095
Aerator Pond 2 - #3 S & N	\$18,000.00	\$20,000.00																					20,600
Aerator Pond 2 - #4 S & N	\$18,000.00	\$20,000.00																			32,094		32,094
Aerator Pond 2 - #5 S & N	\$19,500.00	\$20,000.00																			32,094		32,094
Aerator Pond 2 - #6 S & N	\$19,500.00	\$20,000.00																					0
Aerator North Cell House	\$8,000.00	\$15,000.00																					0
Aerator North Cell S & N 15 HP	\$10,000.00	\$15,000.00																					22,028
Aerator South Cell Vertical #1	\$7,500.00	\$10,000.00												20,764			22,028						20,764
Aerator South Cell Vertical #2	\$7,500.00	\$10,000.00																		16,047			16,047
Aerator Wetlands Cell C Vertical	\$7,500.00	\$10,000.00																		16,047			16,047
6" Trash Pump Godwin	\$21,000.00	\$30,000.00																		16,047		0	16,047
LWT Dredge #2	\$56,000.00	\$115,000.00																	46,739				46,739
Sewer Jet on trailer	\$42,000.00	\$60,000.00																	179,166				179,166
Dredge #1	\$56,000.00	\$115,000.00											80,635										80,635
OZII Camera W/ultra shorty	\$15,000.00	\$50,000.00		51,500					59,703						69,212					179,166			179,166
Cat Skid Steer	\$55,000.00	\$80,000.00												107,513						80,235			260,650
			86,000	216,300	183,536	51,358	187,960	144,909	177,914	98,390	354,696	738,502	487,842	283,768	128,318	73,427	237,477	618,513	216,635	234,287	202,193	970,222	5,692,246
																							FUND REQUIREMENT/YEAR
																							284,612
Provides for the Replacement of Vehicles and Major Equipment Over a 20 Year Period																							

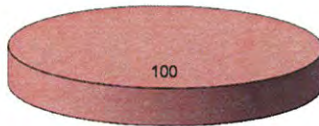
Provides for the Replacement of Vehicles and Major Equipment Over a 20 Year Period

Project Name	
Vehicle & Equipment Replacement Fund	
Project Cost \$	285,000
Project Description This is the total twenty year Vehicle & Major Equipment Replacement Fund requirement, on an annual basis for major equipment and vehicles for the District.	
Justification The additional twenty year cash flow requirement is given to project the current and future cost for the twenty year program. (See Attached).	
Board Approvals Approved each Fiscal Year.	

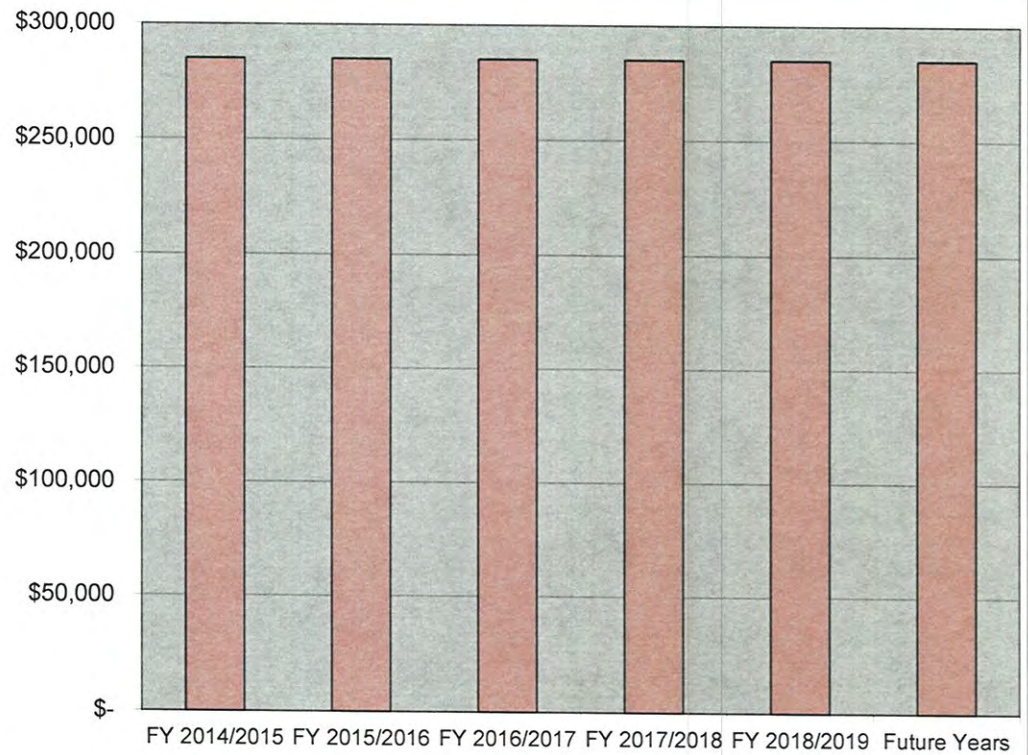
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	Future Years
	100	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
		\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	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



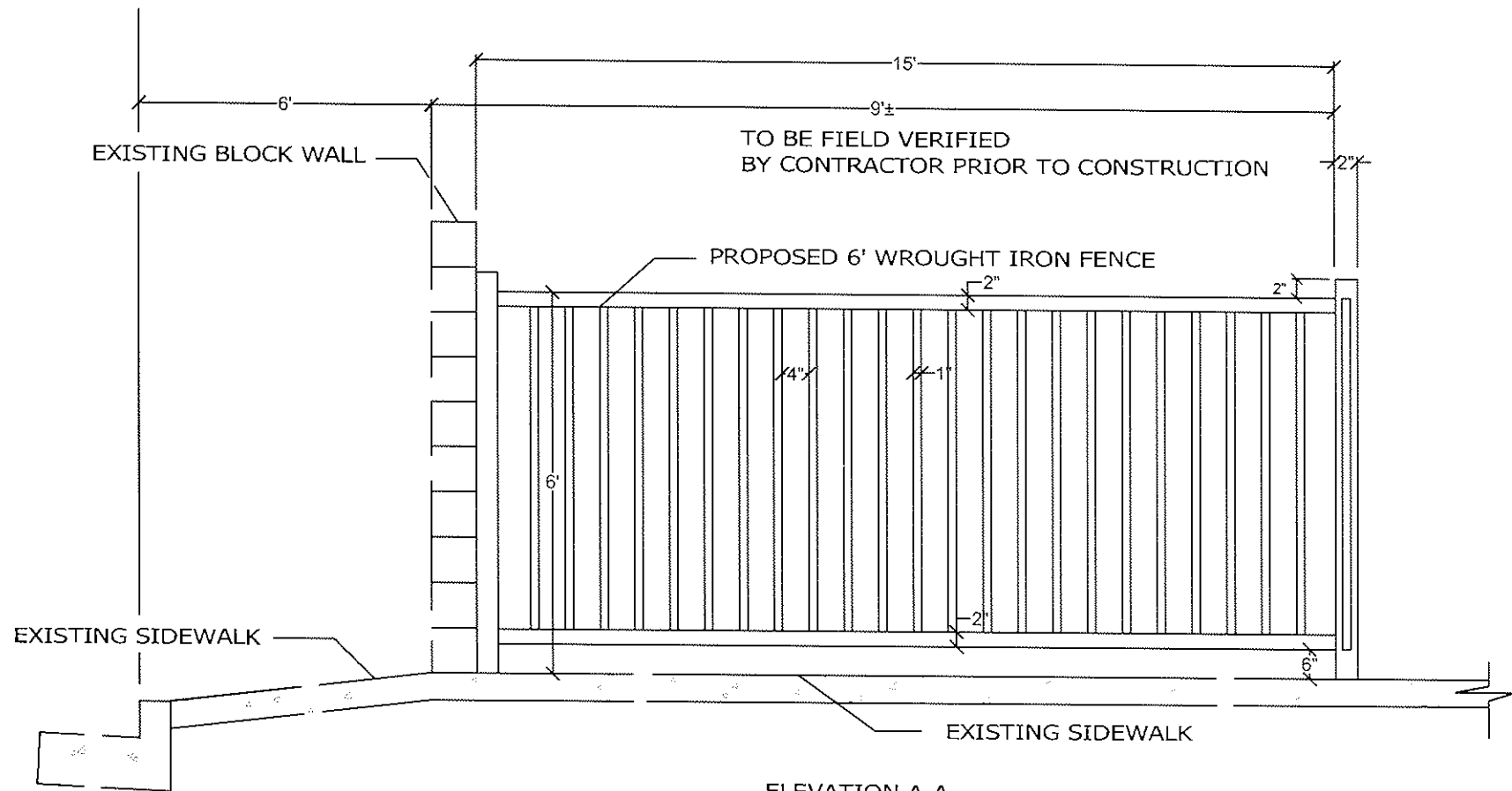
■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



PROJECTS: FRONT WALL

PROJECT DESCRIPTION

Provides for the demolition of the existing water damaged wall and the construction of a wrought iron fence. The new fence must be constructed 9 ft. east of the existing location to accommodate the Van Buren Street right of way and to meet the legal setback requirements for driveway approaches.



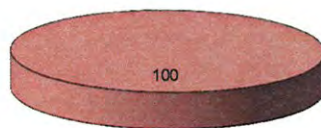
ELEVATION A-A
NOT TO SCALE

Project Name	
Front Wall Replacement	
Total Project Cost \$	250,000
Project Description Replacement of approximately 1,000 linear feet of block wall with enamel treated tubular fencing.	
Justification The Front Wall fronting Van Buren Street is in need of replacement due to deterioration from water damage.	
Board Approvals	

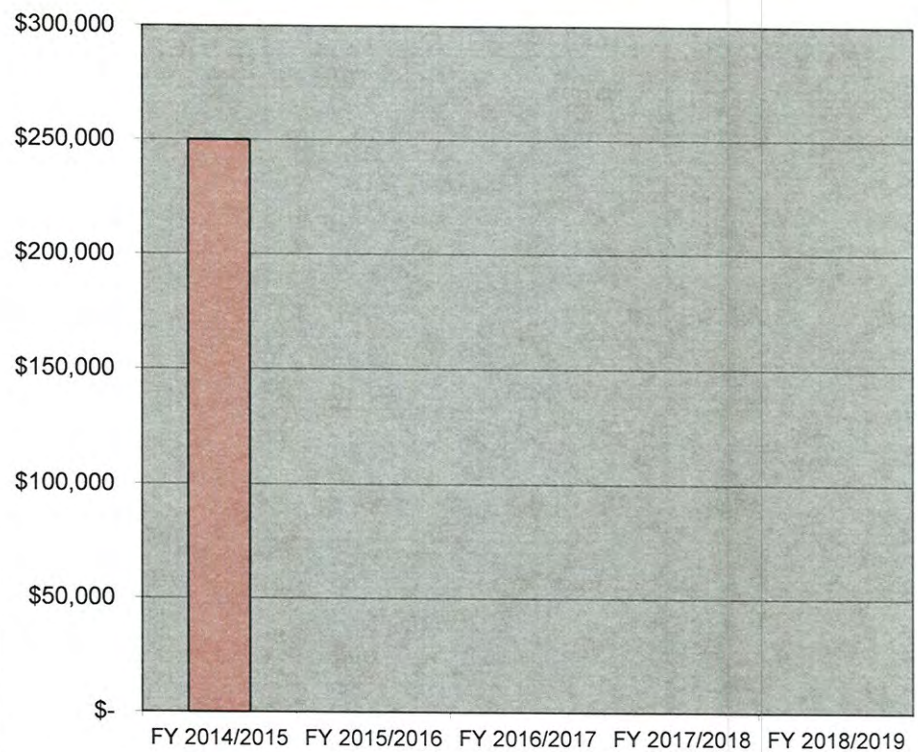
Percent for Replacement Facilities Fund 12		FY 2014/2015 Projected Cost to Fund 12	FY 2015/2016 Projected Cost to Fund 12	FY 2016/2017 Projected Cost to Fund 12	FY 2017/2018 Projected Cost to Fund 12	FY 2018/2019 Projected Cost to Fund 12
100		\$ 250,000	\$ -	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015 Projected Cost to Fund 13	FY 2015/2016 Projected Cost to Fund 13	FY 2016/2017 Projected Cost to Fund 13	FY 2017/2018 Projected Cost to Fund 13	FY 2018/2019 Projected Cost to Fund 13
0		\$ -	\$ -	\$ -	\$ -	\$ -

Percent Distribution Between Fund 12 and Fund 13



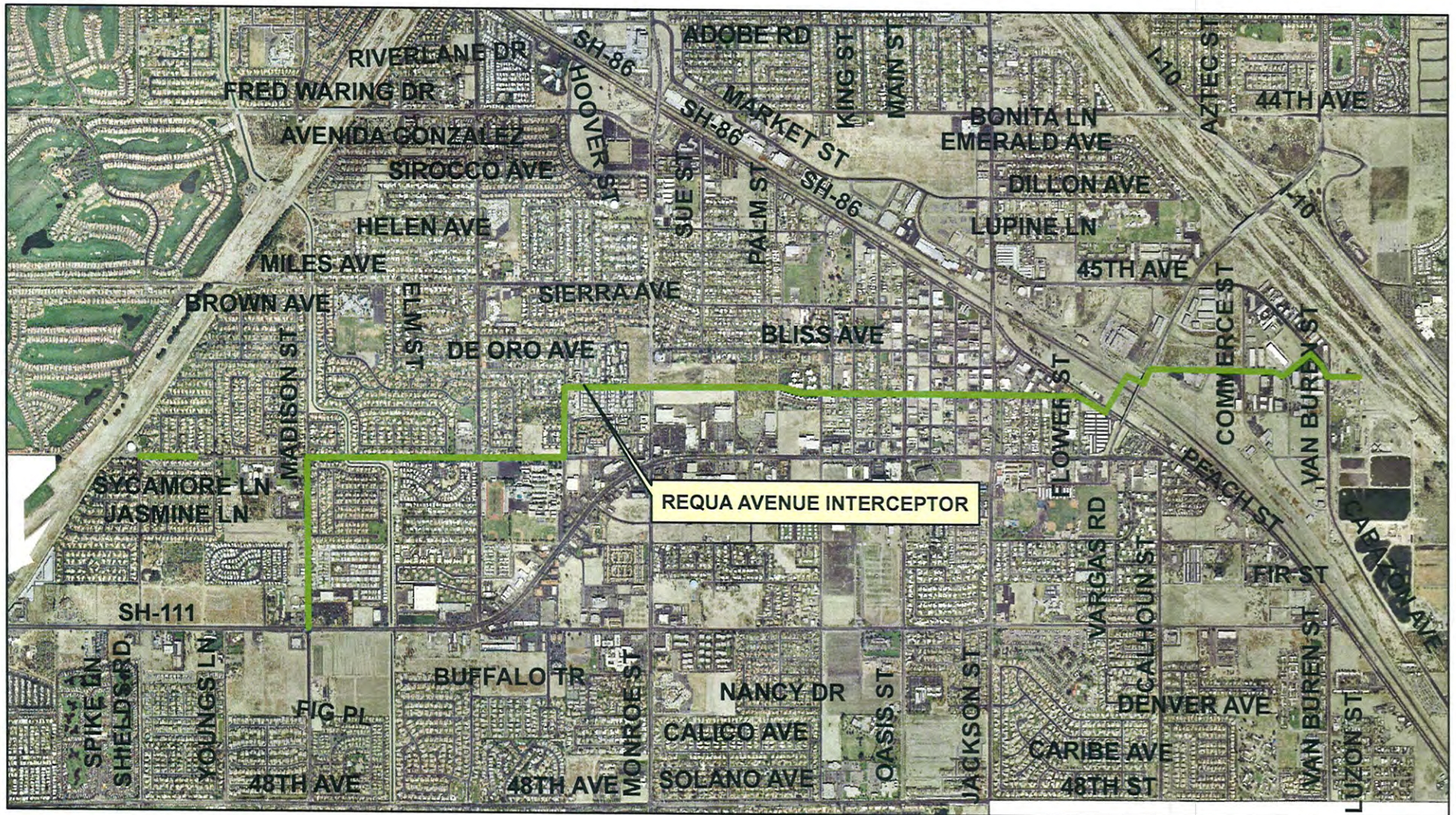
☒ Projected Cost to Fund 12
☐ Projected Cost to Fund 13



PROJECT: REQUA AVENUE INTERCEPTOR DESIGN

PROJECT DESCRIPTION

Provides for the final engineering design of the Requa Avenue Interceptor. The Requa Avenue Interceptor project extends a major sewer interceptor from the water reclamation facility west to near the District's western boundary.



Project Name	
Requa Interceptor Final Design	
Total Project Cost \$	516,800
Remaining Balance \$	84,400
Project Description Provides for the final design of the Requa Street Interceptor. The Requa Street Interceptor is a major sewer main project that extends from the treatment plant west to near the District's western boundary.	
Justification Helps resolve limited sewer line capacity in several locations within our service area. The Requa Interceptor will intercept several existing sewer mains that drain to the sewer mains in Highway 111 and Dr. Carreon Blvd.	
Board Approvals Design Contract awarded to HDR on October 22, 2013.	

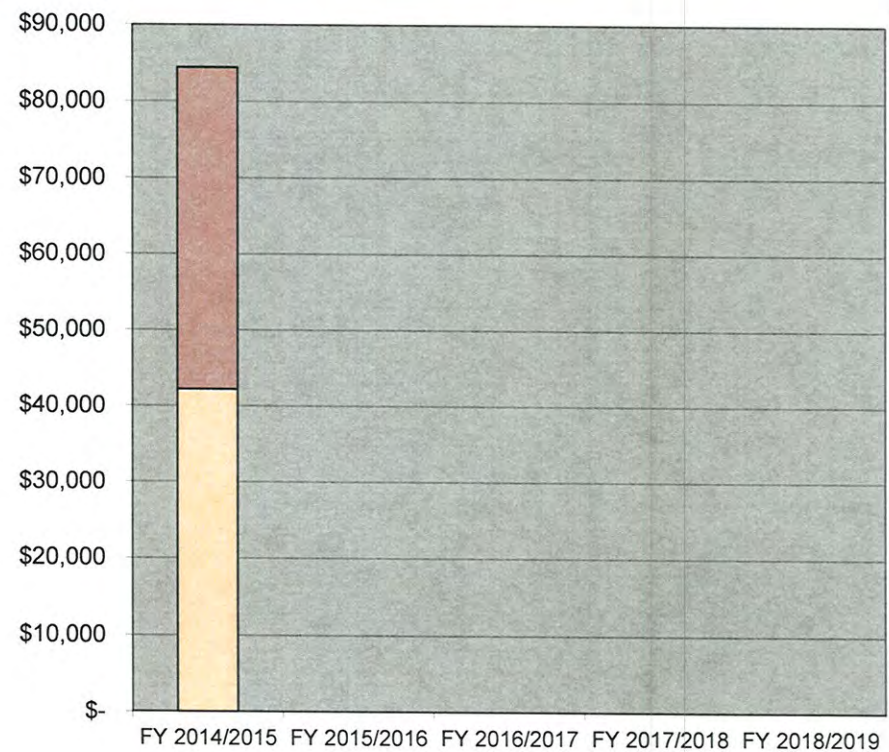
Percent for Replacement Facilities Fund 12	50.00	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
		\$ 42,200	\$ -	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13	50.00	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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
		\$ 42,200	\$ -	\$ -	\$ -	\$ -

Percent Distribution Between Fund 12 and Fund 13



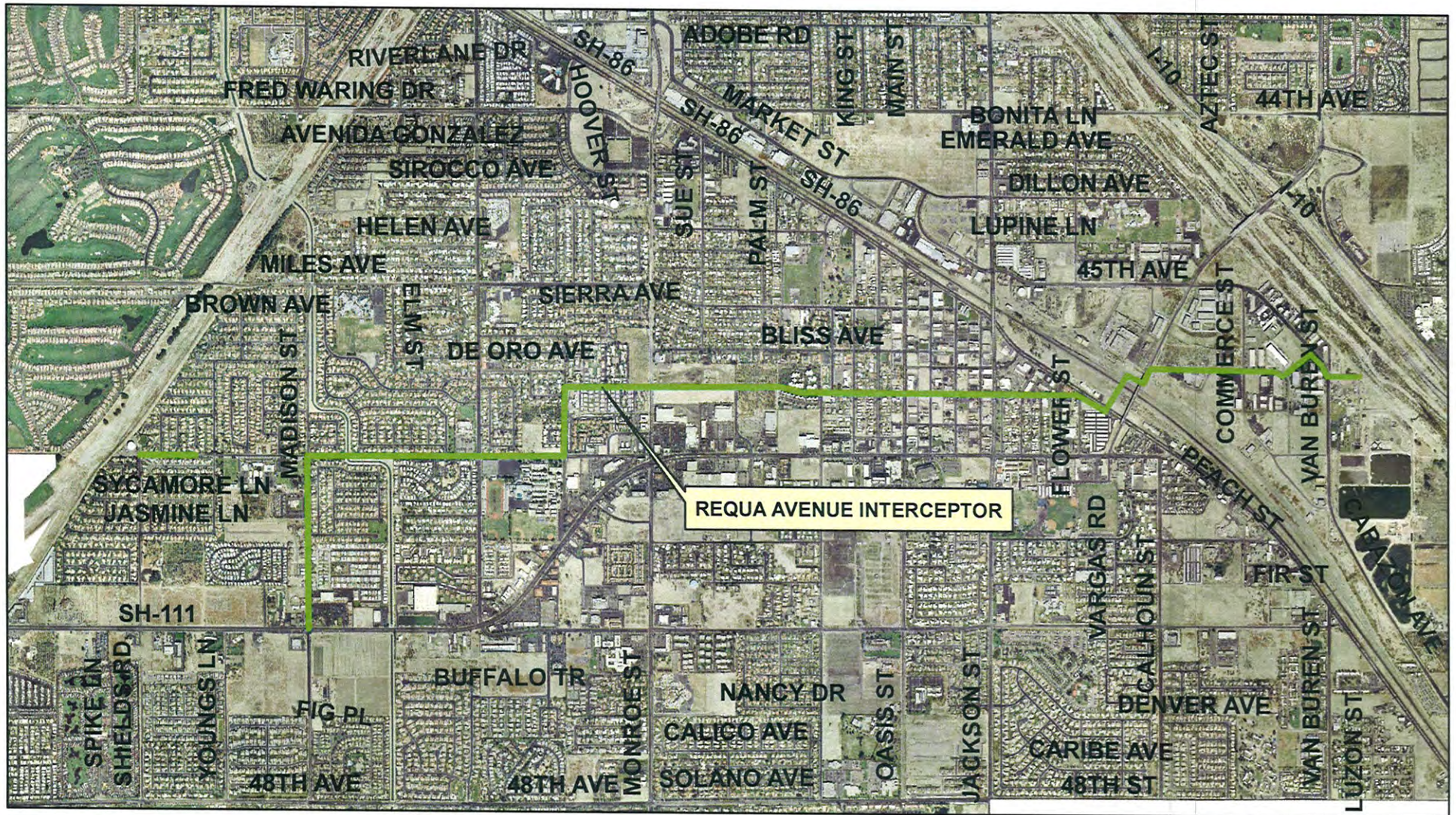
■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



PROJECT: REQUA AVENUE INTERCEPTOR CONSTRUCTION

PROJECT DESCRIPTION

Provides for construction of the Requa Avenue Interceptor. The Requa Avenue Interceptor project extends a major sewer interceptor from the water reclamation facility west to near the District's western boundary.

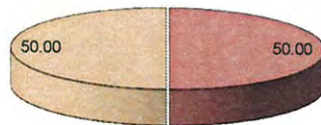


Project Name	
Requa Interceptor Construction	
Total Project Cost \$	9,769,000
Remaining Balance \$	7,116,931
Project Description Provides for the construction of the Requa Street Interceptor. The Requa Street Interceptor is a major sewer main project that extends from the treatment plant west to near the District's western boundary.	
Justification Helps resolve limited sewer line capacity in several locations within our service area. The Requa Interceptor will intercept several existing sewer mains that drain to the sewer mains in Highway 111 and Dr. Carreon Blvd.	
Board Approvals	

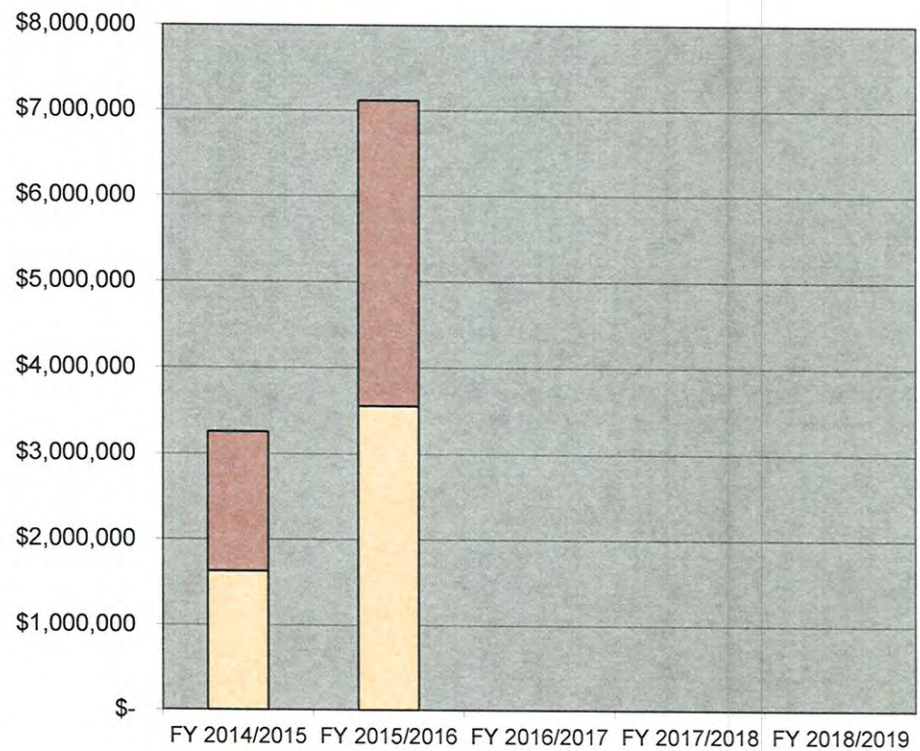
Percent for Replacement Facilities Fund 12	50.00	FY 2014/2015 Projected Cost to Fund 12	FY 2015/2016 Projected Cost to Fund 12	FY 2016/2017 Projected Cost to Fund 12	FY 2017/2018 Projected Cost to Fund 12	FY 2018/2019 Projected Cost to Fund 12
		\$ 1,628,000	\$ 3,558,465	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13	50.00	FY 2014/2015 Projected Cost to Fund 13	FY 2015/2016 Projected Cost to Fund 13	FY 2016/2017 Projected Cost to Fund 13	FY 2017/2018 Projected Cost to Fund 13	FY 2018/2019 Projected Cost to Fund 13
		\$ 1,628,000	\$ 3,558,465	\$ -	\$ -	\$ -

Percent Distribution Between Fund 12 and Fund 13



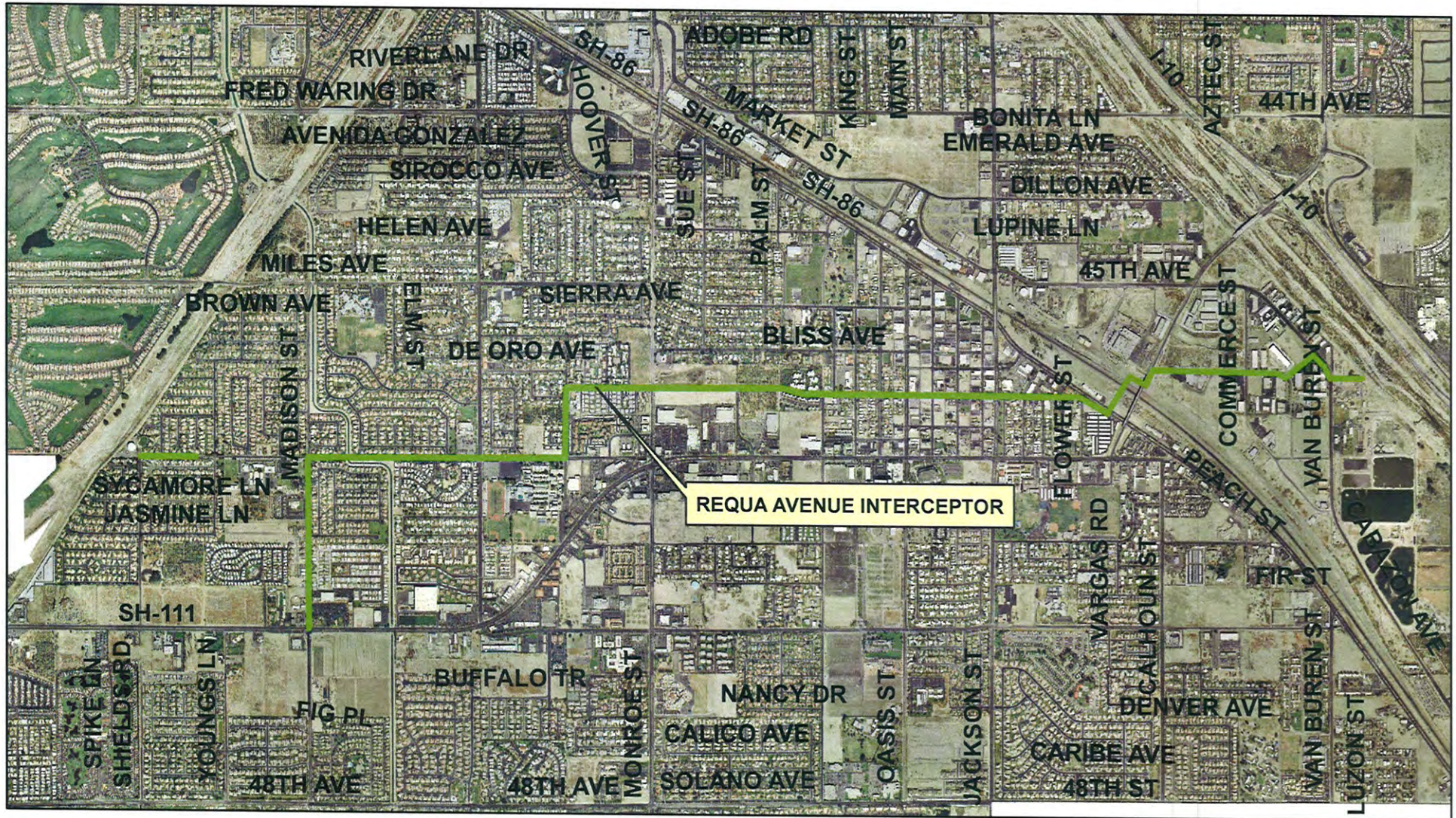
■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



PROJECT: REQUA AVENUE INTERCEPTOR CONSTRUCTION MANAGEMENT

PROJECT DESCRIPTION

Provides for construction management services during construction of the Requa Avenue Interceptor. The Requa Avenue Interceptor project extends a major sewer interceptor from the water reclamation facility west to near the District's western boundary.



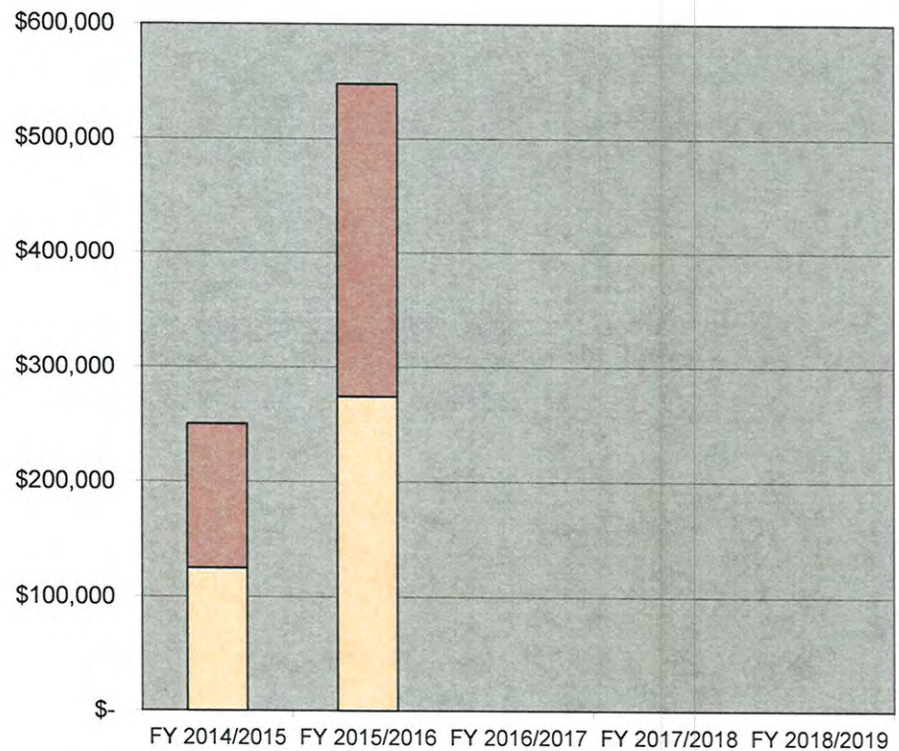
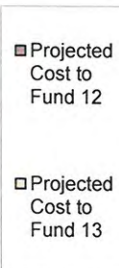
Project Name	
Requa Interceptor Construction Management	
Total Project Cost \$	751,400
Remaining Balance \$	547,893
Project Description Provides construction management services during construction of the Requa Street Interceptor. The Requa Street Interceptor is a major sewer main project that extends from the treatment plant west to near the District's western boundary.	
Justification Helps resolve limited sewer line capacity in several locations within our service area. The Requa Interceptor will intercept several existing sewer mains that drain to the sewer mains in Highway 111 and Dr. Carreon Blvd.	
Board Approvals	

Percent Distribution Between Fund 12 and Fund 13



		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
Percent for Replacement Facilities 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
50.00						
		\$ 125,000	\$ 273,947	\$ -	\$ -	\$ -

		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
Percent for Capacity Expansion 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
50.00						
		\$ 125,000	\$ 273,947	\$ -	\$ -	\$ -



PROJECT: LATERAL GRANT PROGRAM

PROJECT DESCRIPTION

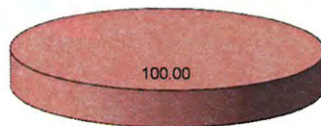
The Private Lateral Replacement Grant Program is designed to help the property owner defray a portion of the costs required to replace or repair their lateral including the connection. The maximum amount of assistance for any one private sewer lateral replacement or repair is 50% of the approved cost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

Project Name
Lateral Grant Program
Project Cost \$50,000 plus
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. The Lateral Grant Program budget began at \$50,000 in FY 2013/14 and increases 2% per year thereafter to cover inflation.
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

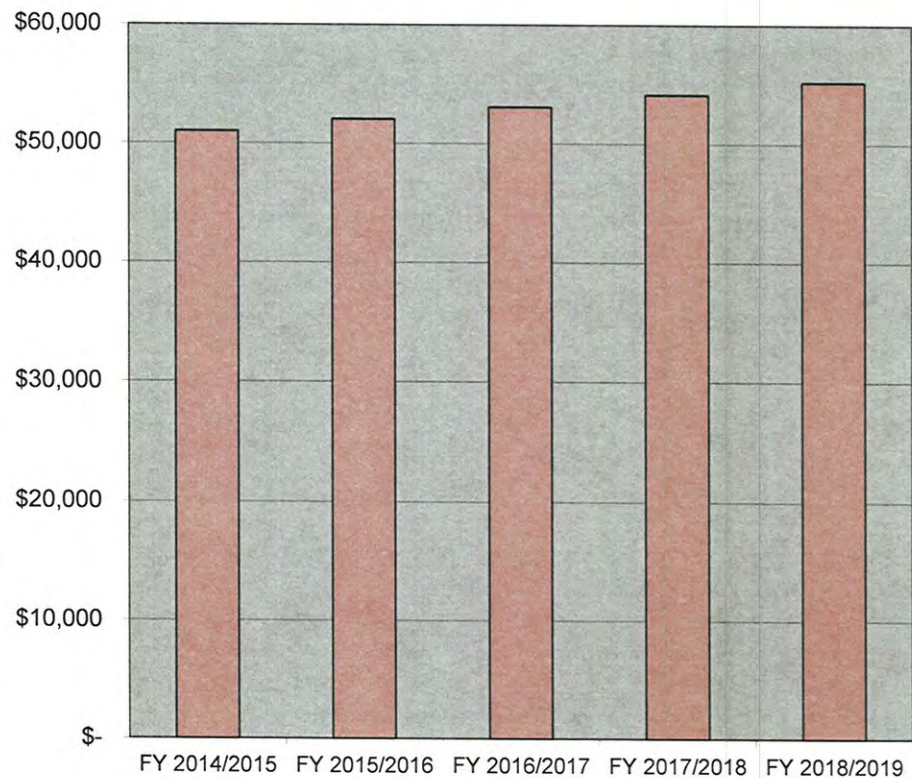
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100.00		\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,121	\$ 55,203

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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		\$ -	\$ -	\$ -	\$ -	\$ -

Percent Distribution Between Fund 12 and Fund 13



■ Projected Cost to Fund 12
 □ Projected Cost to 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.



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"



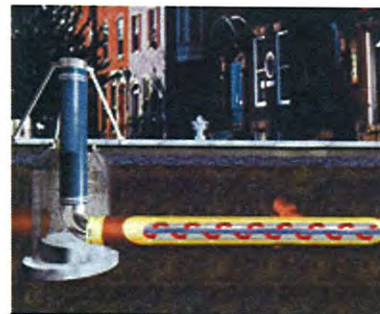
Defective orangeburg mainline sewer pipe was removed from the Deglet Noor Alley and replaced with plastic PVC pipe.



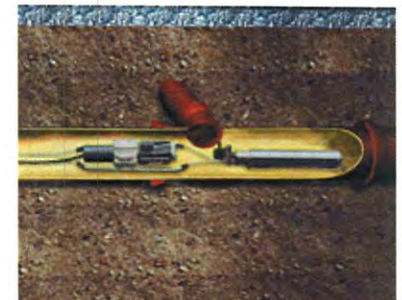
Cured In Place Pipe (CIPP): A resin saturated, coated felt tube is inverted (above picture) or pulled (right picture) into a damaged pipe



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



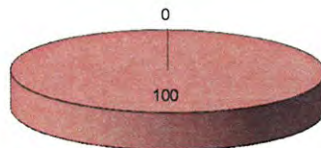
Service laterals are restored internally with robotically controlled cutting devices

Project Name
Sewer Main Rehabilitation
Project Cost Varies
Project Description Provides for ongoing rehabilitation or replacement of existing sewer mains 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 mains and manholes must be rehabilitated to protect public health and comply with existing laws. VSD's 2013 Collection System Master Plan recommends over \$31 million in rehabilitation, replacement, point repairs and manhole rehabilitation. Large projects are planned every other year in order to balance the work load.
Board Approvals Approved each Fiscal Year.

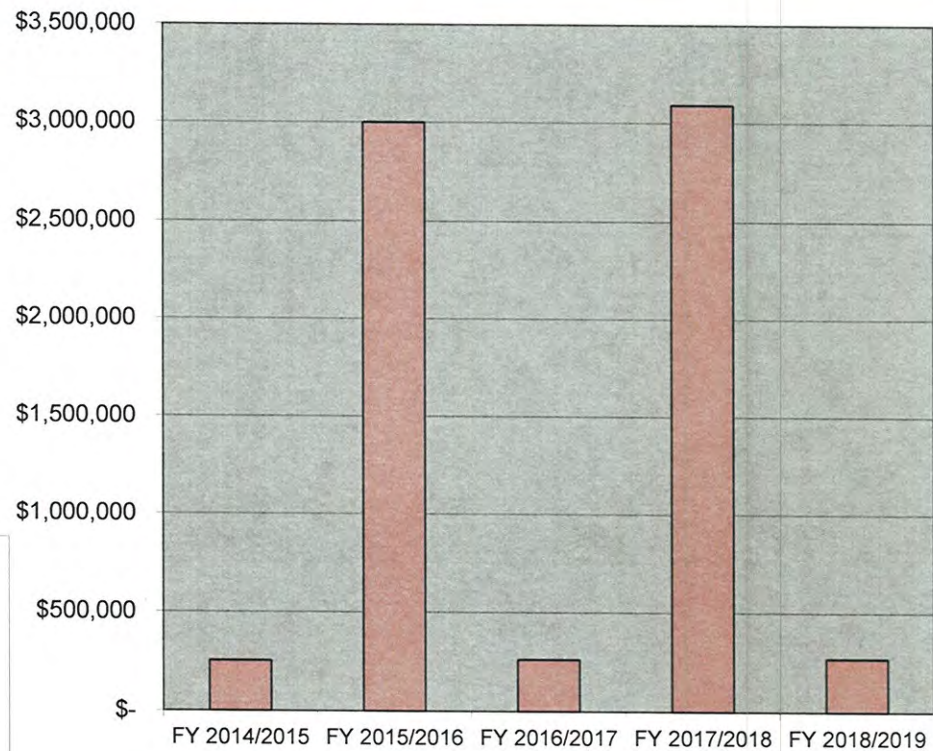
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100		\$ 255,000	\$ 3,000,000	\$ 262,650	\$ 3,090,000	\$ 270,530

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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



■ Projected Cost to Fund 12
 □ Projected Cost to 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



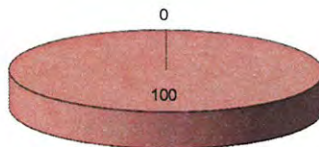
SURFACE PREPARATION

Project Name
Manhole Rehabilitation
Project Cost Varies
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 mains and manholes must be rehabilitated to protect public health and comply with existing laws. VSD's 2013 Collection System Master Plan recommends over \$31 million in rehabilitation, replacement, point repairs and manhole rehabilitation. Large projects are planned every other year in order to balance the work load.
Board Approvals Approved each Fiscal Year.

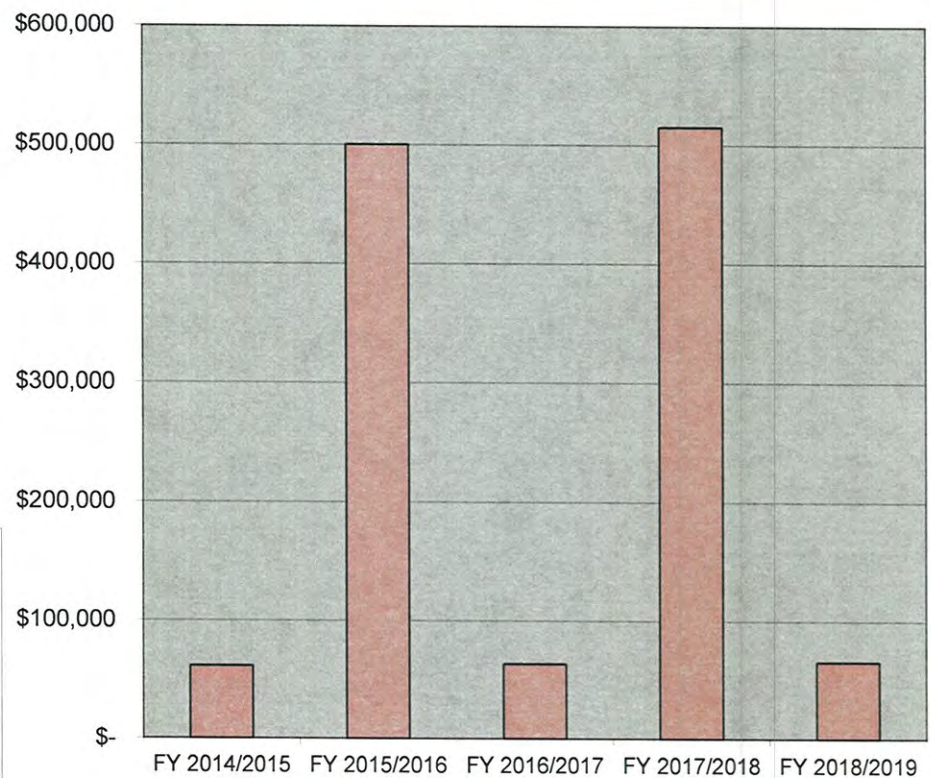
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
	100	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
		\$ 61,200	\$ 500,000	\$ 63,036	\$ 515,000	\$ 64,927

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
	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
		\$ -	\$ -	\$ -	\$ -	\$ -

Percent Distribution Between Fund 12 and Fund 13



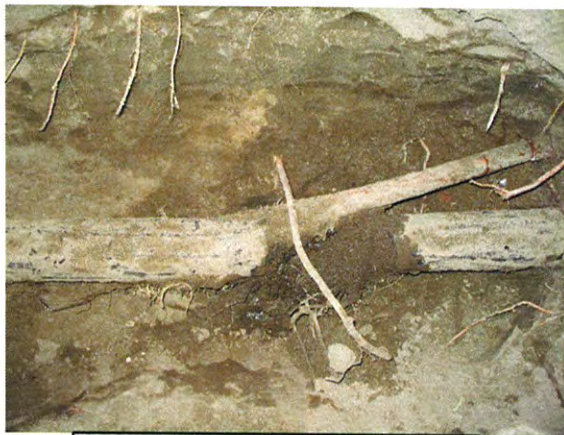
☒ Projected Cost to Fund 12
☐ Projected Cost to Fund 13



PROJECT: SEWER MAIN 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



DAMAGE TO VSD LATERAL BY
UTILITY CONTRACTOR



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

BEFORE

AFTER



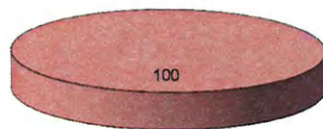
DAMAGED PIPE REMOVED AND REPLACED

Project Name
Sewer Main Point Repairs
Project Cost Varies
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 Deteriorated or damaged sewer mains and manholes must be rehabilitated to protect public health and comply with existing laws. VSD's 2013 Collection System Master Plan recommends over \$31 million in rehabilitation, replacement, point repairs and manhole rehabilitation. Large projects are planned every other year in order to balance the work load.
Board Approvals Approved each Fiscal Year.

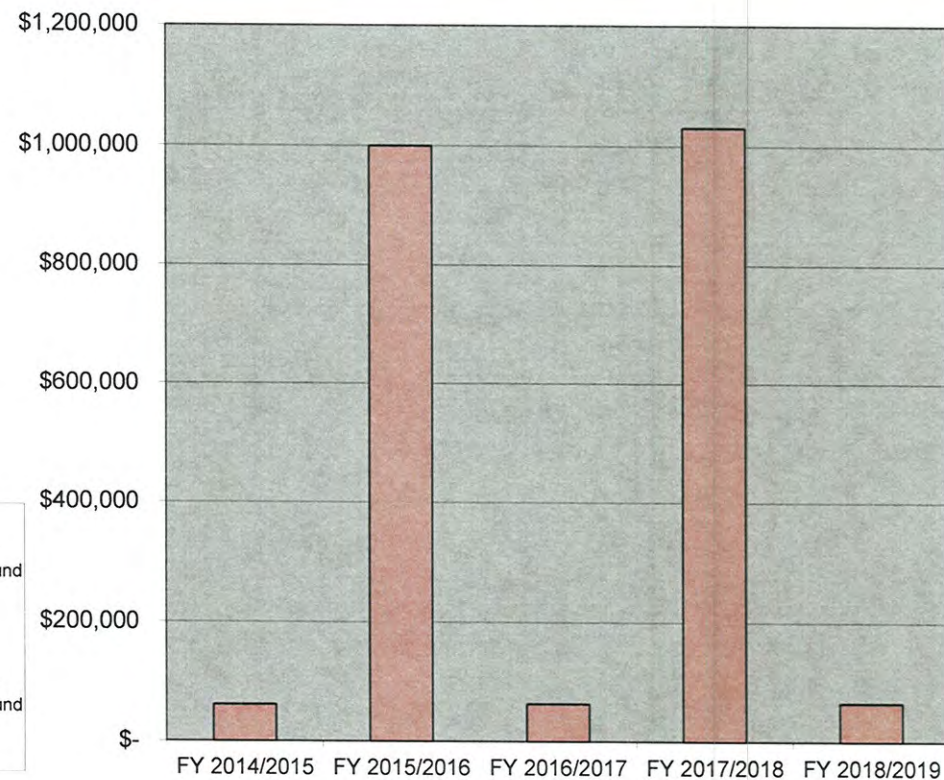
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
	100	\$ 61,200	\$ 1,000,000	\$ 63,036	\$ 1,030,000	\$ 64,927

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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



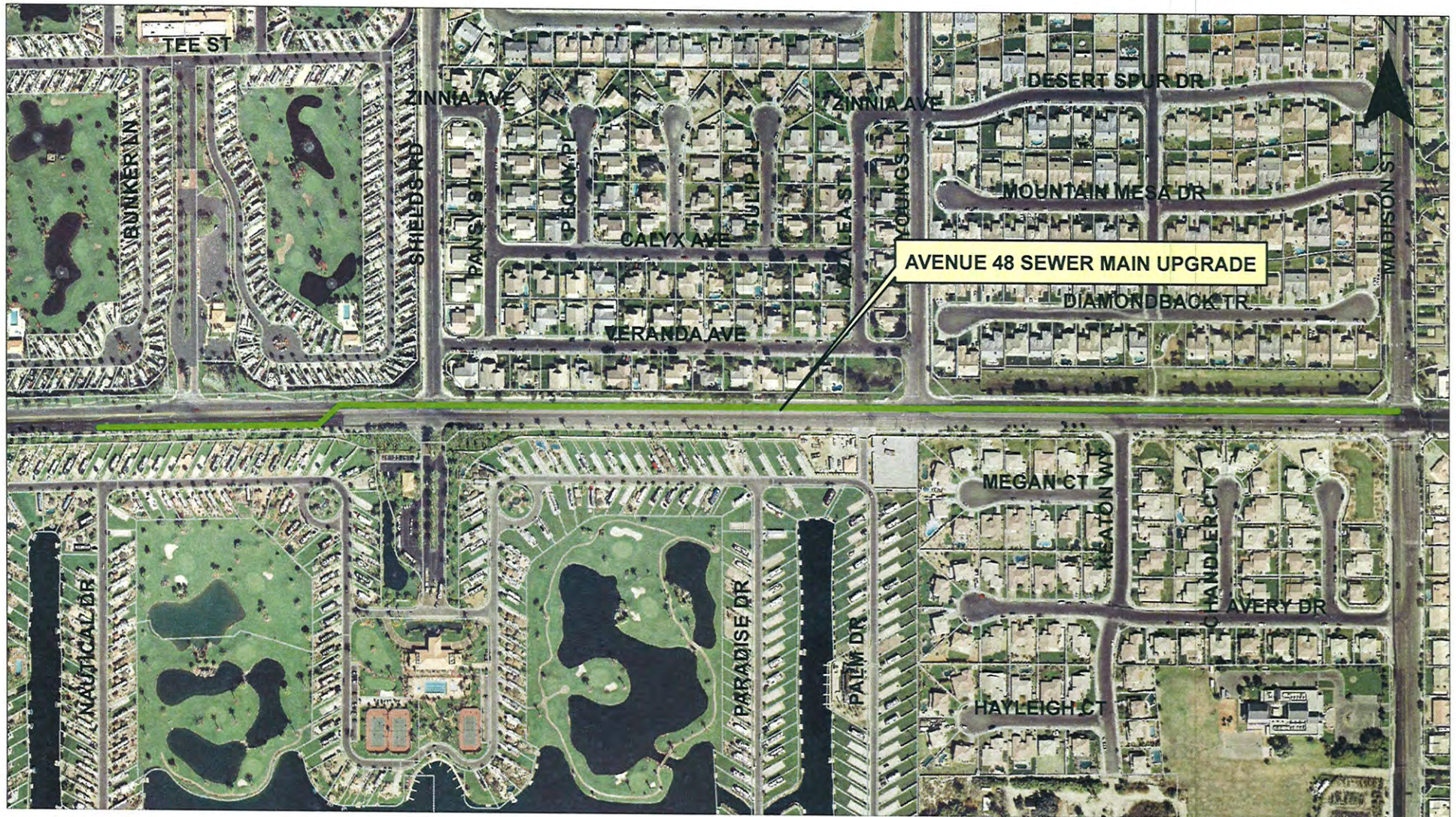
■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



PROJECT: AVENUE 48 SEWER MAIN UPGRADE DESIGN

PROJECT DESCRIPTION

Avenue 48 Sewer Main Upgrade will provide for additional sewer main capacity along Avenue 48 from Madison Street to west of Shields Road.

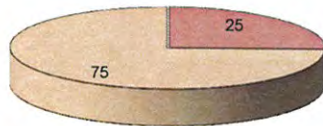


Project Name
Avenue 48 Sewer Main Upgrade Design
ENR Adjusted Total Project Cost \$ 134,952
Project Description Avenue 48 Sewer Main Upgrade will provide for additional sewer main capacity along Avenue 48 either by the remove and replace method of an existing sewer main or by adding a parallel sewer main from Madison Street to just west of Shields Road.
Justification Existing sewer main capacity is very limited along Avenue 48 from Madison Street to Shields Road. This sewer main upgrade provides additional capacity to service this area including any remaining future development.
Board Approvals

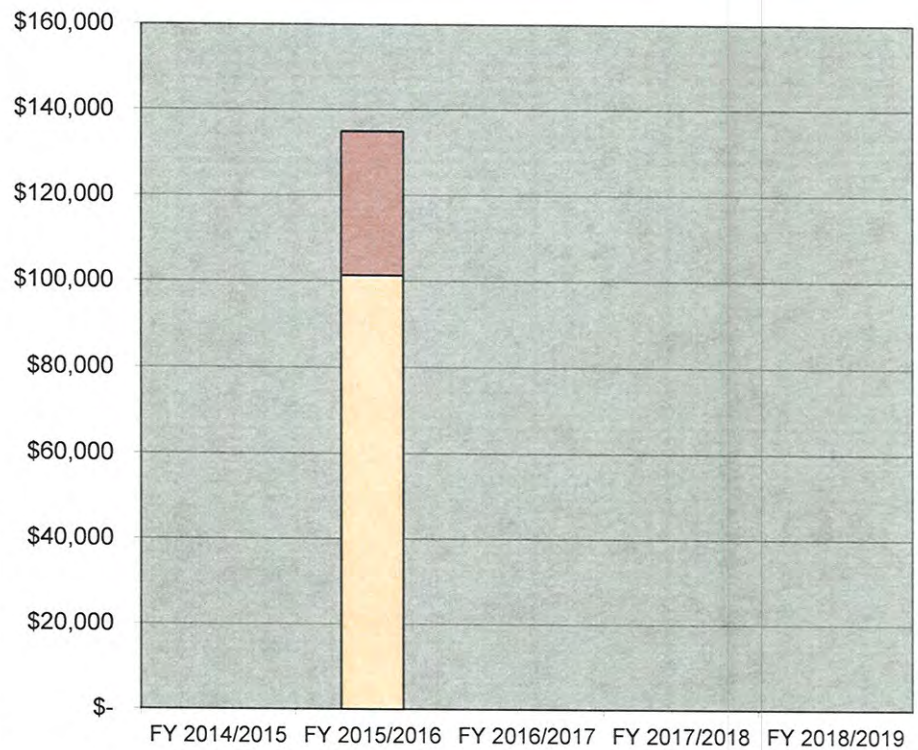
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
	25	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
		\$ -	\$ 33,738	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
	75	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
		\$ -	\$ 101,214	\$ -	\$ -	\$ -

Percent Distribution Between Fund 12 and Fund 13



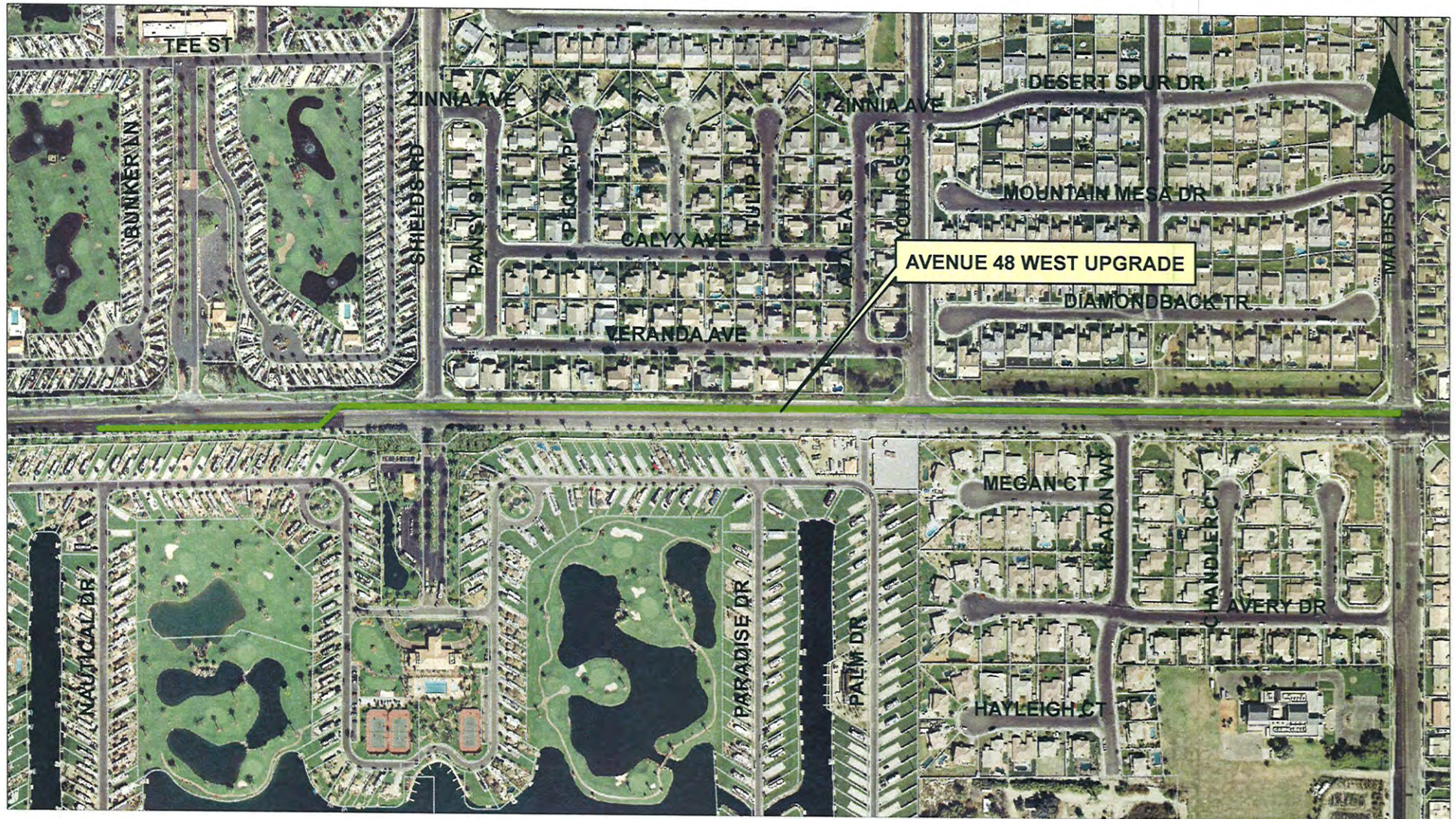
■ Projected Cost to Fund 12
 □ Projected Cost to Fund 13



PROJECT: AVENUE 48 SEWER MAIN UPGRADE CONSTRUCTION

PROJECT DESCRIPTION

Avenue 48 Sewer Main Upgrade will provide for additional sewer main capacity along Avenue 48 from Madison Street to west of Shields Road.

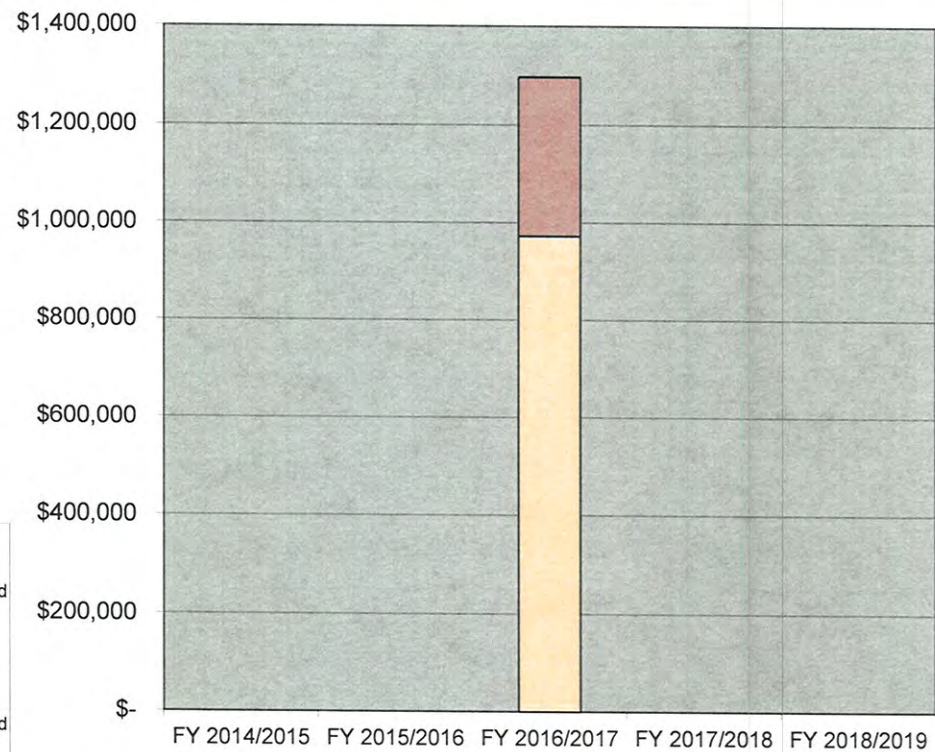
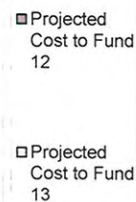
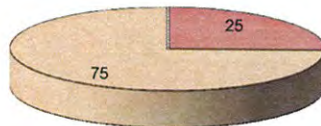


Project Name
Avenue 48 Sewer Main Upgrade Construction
ENR Adjusted Total Project Cost \$ 1,296,924
Project Description Avenue 48 Sewer Main Upgrade will provide for additional sewer main capacity along Avenue 48 either by the remove and replace method of an existing sewer main or by adding a parallel sewer main from Madison Street to just west of Shields Road.
Justification Existing sewer main capacity is very limited along Avenue 48 from Madison Street to Shields Road. This sewer main upgrade provides additional capacity to service this area including any remaining future development.
Board Approvals

Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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
25		\$ -	\$ -	\$ 324,231	\$ -	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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
75		\$ -	\$ -	\$ 972,693	\$ -	\$ -

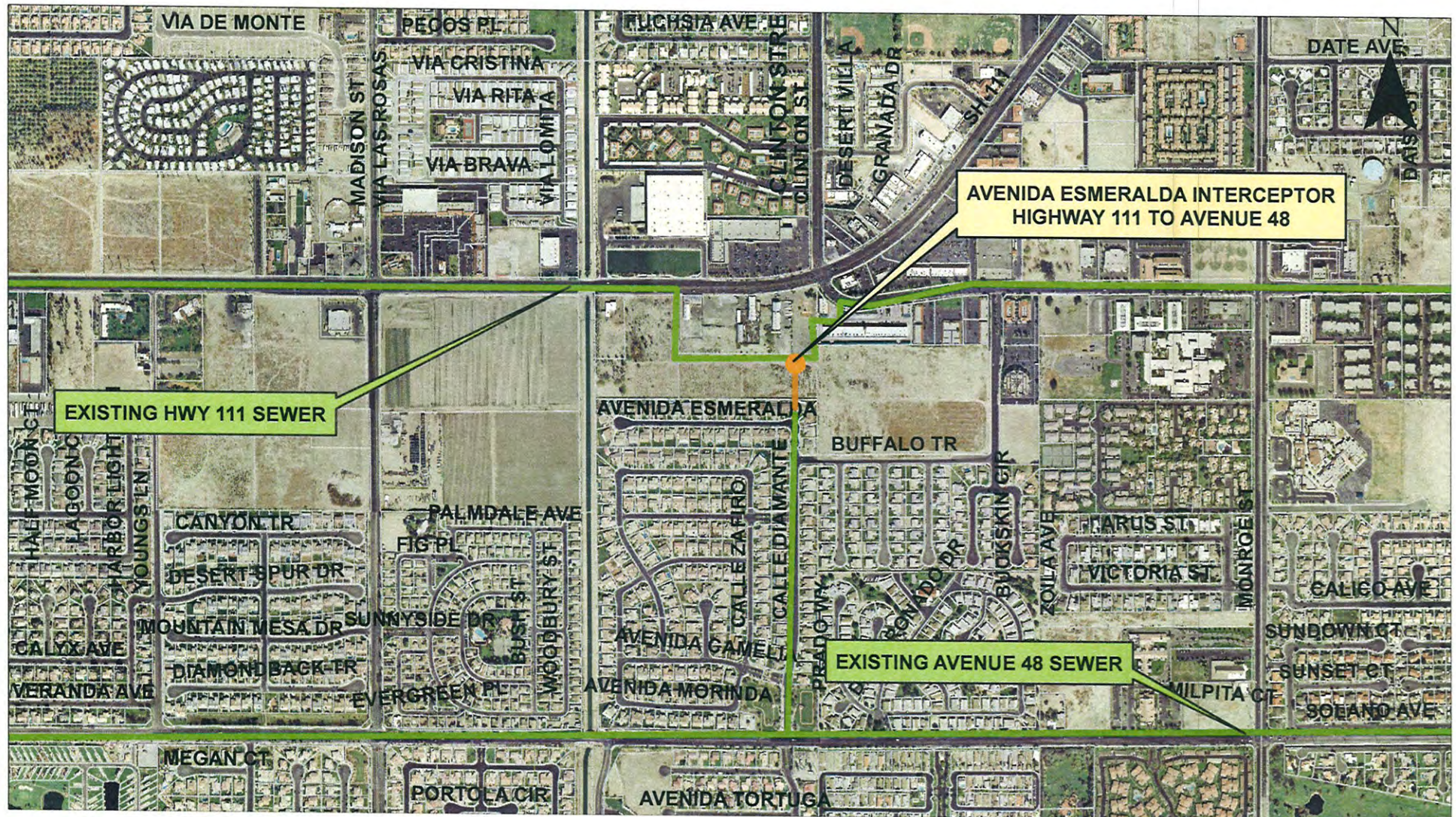
Percent Distribution Between Fund 12 and Fund 13



PROJECT: AVENIDA ESMERALDA INTERCEPTOR DESIGN

PROJECT DESCRIPTION

Avenida Esmeralda Interceptor provides for the completion of a diversion sewer main to relieve flows from the Highway 111 sewer main near Dr. Carreon Blvd. and divert flow to the Avenue 48 sewer main.



Project Name	
Avenida Esmeralda Interceptor Design	
ENR Adjusted Total Project Cost \$	14,861
Project Description Avenida Esmeralda Interceptor is a sewer main diversion to relieve flows from the Highway 111 sewer main near Dr. Carreon Blvd. and divert flow to the Avenue 48 sewer main. This will provide additional capacity for future development along Highway 111 & Dr. Carreon.	
Justification Existing sewer main capacity is very limited along Highway 111 and Dr. Carreon Blvd. Even with the Requa Interceptor being constructed, additional capacity is needed for future development along this portion of Highway 111 & Dr. Carreon.	
Board Approvals	

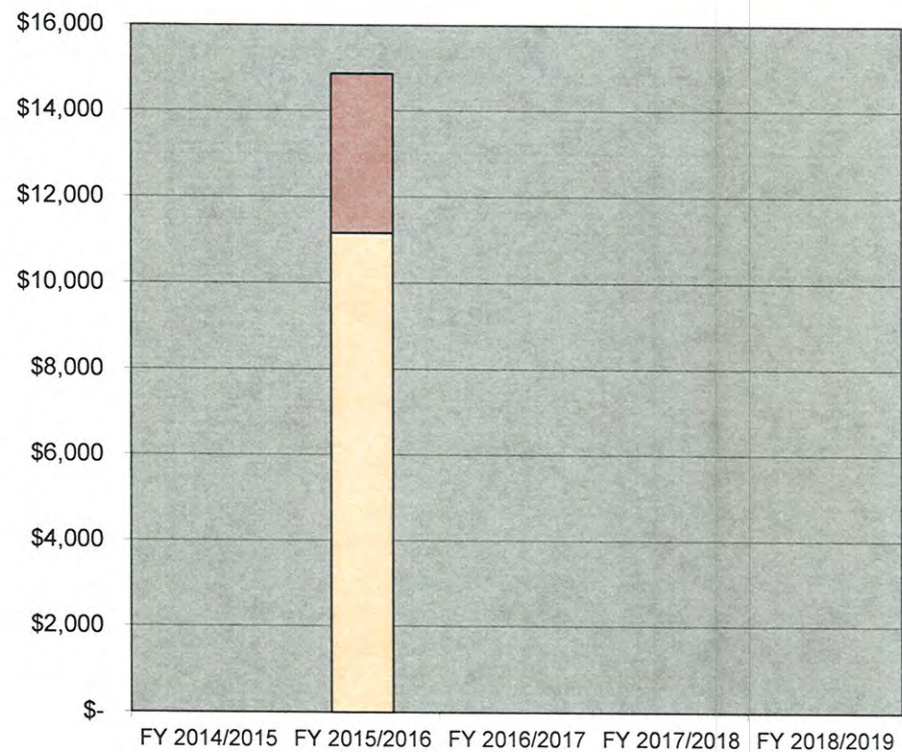
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
25		\$ -	\$ 3,715	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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
75		\$ -	\$ 11,146	\$ -	\$ -	\$ -

Percent Distribution Between Fund 12 and Fund 13



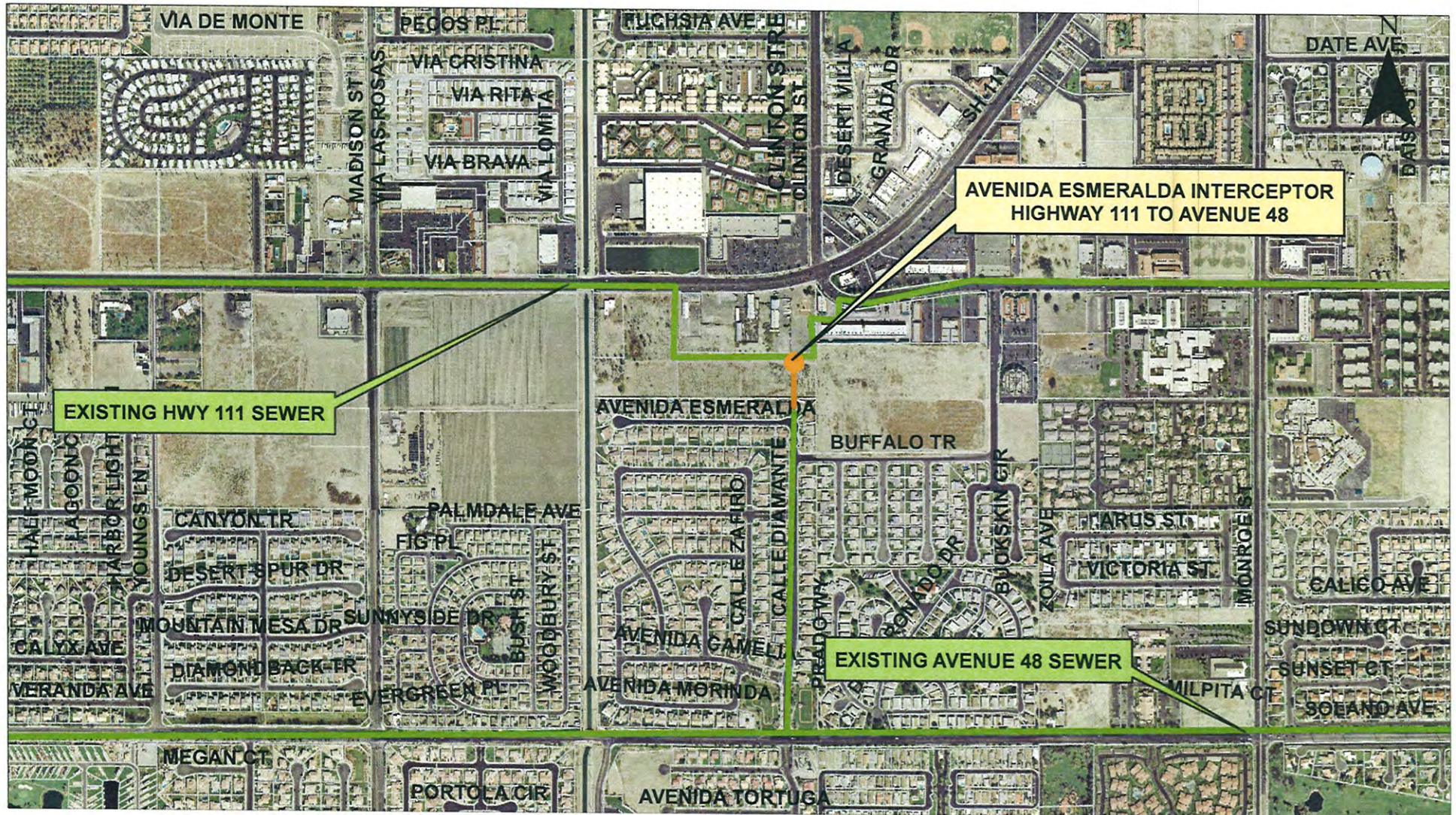
- Projected Cost to Fund 12
- Projected Cost to Fund 13



PROJECT: AVENIDA ESMERALDA INTERCEPTOR CONSTRUCTION

PROJECT DESCRIPTION

Avenida Esmeralda Interceptor Construction provides for the construction of a sewer main interceptor to relieve flows from the Highway 111 sewer main near Dr. Carreon Blvd. and divert flow to the Avenue 48 sewer main.



Project Name
Avenida Esmeralda Interceptor Construction
ENR Adjusted Total Project Cost \$ 142,377
Project Description Avenida Esmeralda Interceptor is a sewer main diversion to relieve flows from the Highway 111 sewer main near Dr. Carreon Blvd. and divert flow to the Avenue 48 sewer main. This will provide additional capacity for future development along Highway 111 & Dr. Carreon.
Justification Existing sewer main capacity is very limited along Highway 111 and Dr. Carreon Blvd. Even with the Requa Interceptor being constructed, additional capacity is needed for future development along this portion of Highway 111 & Dr. Carreon.
Board Approvals

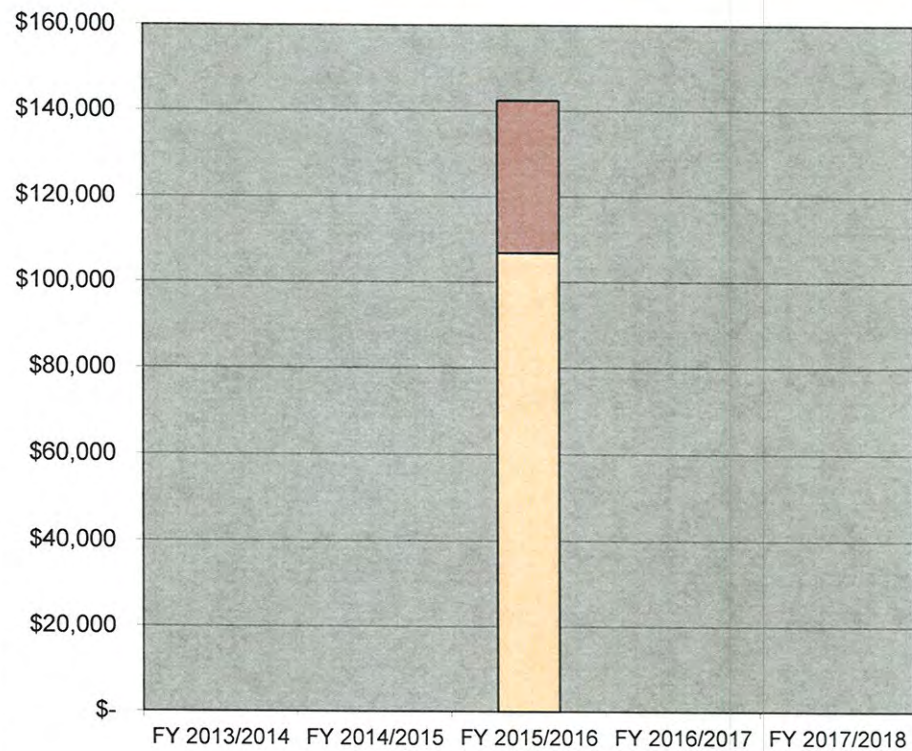
Percent for Replacement Facilities Fund 12		FY 2013/2014	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
25		\$ -	\$ -	\$ 35,594	\$ -	\$ -

Percent for Capacity Expansion Fund 13		FY 2013/2014	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018
		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
75		\$ -	\$ -	\$ 106,783	\$ -	\$ -

Percent Distribution Between Fund 12 and Fund 13



■ Projected Cost to Fund 12
□ Projected Cost to Fund 13



PROJECT: CONTINGENCY-ALL DEPARTMENTS COMBINED

PROJECT DESCRIPTION

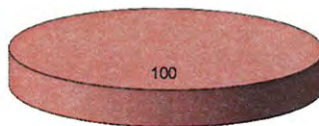
Each department budgets a contingency amount each year to cover unexpected/unbudgeted items. The combined total contingency for all departments is \$81,600.00.

Project Name
Contingency-All Departments Combined
Project Cost \$ 81,600
Project Description Each department budgets a contingency amount each year to cover unexpected/unbudgeted items. The combined total contingency for all departments is \$80,000 in Fiscal Year 2013/14 and rises by 2% per year thereafter to cover inflation.
Justification In the event of an unforeseen or unbudgeted expense, the contingency reserve can be used to absorb the cost.
Board Approvals

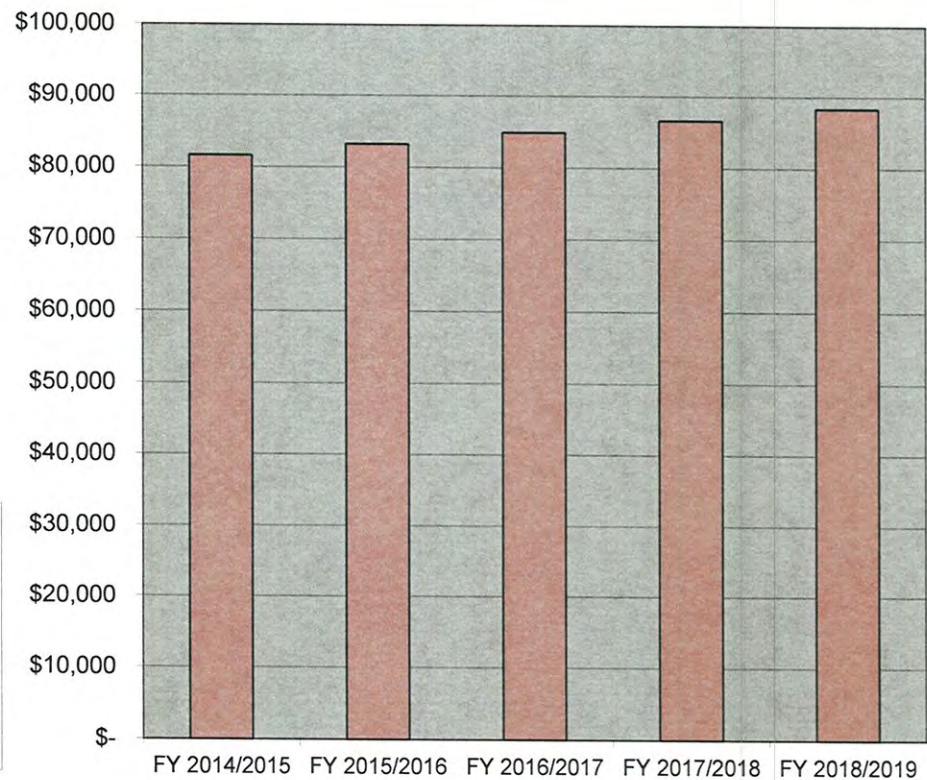
Percent for Replacement Facilities Fund 12		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
100		\$ 81,600	\$ 83,232	\$ 84,897	\$ 86,595	\$ 88,327

Percent for Capacity Expansion Fund 13		FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019
		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



☒ Projected Cost to Fund 12
☐ Projected Cost to Fund 13



VALLEY SANITARY DISTRICT - CAPITAL IMPROVEMENT & CAPITAL REPLACEMENT PLAN

		2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2023-2024		Total for Future Years	
		Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs
NOTES	PROJECT																						
TREATMENT																							
	¹ \$11,500,000 bond - payment over 20 years	\$457,754	\$499,142	\$456,917	\$498,229	\$457,884	\$499,284	\$455,676	\$496,875	\$457,590	\$498,963	\$456,379	\$497,642	\$456,689	\$497,981	\$456,273	\$497,527	\$455,161	\$496,314	\$455,593	\$496,785	\$1,361,421	\$1,485,537
	² Phase 3 Plant Expansion Design											\$3,388,988	\$3,256,086										
	² Phase 3 Plant Expansion Construction													\$34,906,573	\$33,537,687								
	Asset Management System (Carry Over)																						
	Remove and demolish Zimpro tower, tank & facilities	\$100,000																					
	Renovation of the Zimpro Building to storage	\$150,000																					
	Shade structure for District vehicles & Vactor	\$90,000																					
	SCADA Master Plan (Carry Over)																						
SLUDGE																							
	³ Solids Handling Construction Phase 2B							\$5,624,165	\$17,809,855														
	³ Solids Handling Const. Phase 2B Const. Management							\$449,933	\$1,424,788														
LABORATORY																							
	Spectrophotometer	\$3,000																					
	Incubator	\$7,000																					
GENERAL FACILITIES																							
	Vehicle & Major Equipment Replacement Fund	\$285,000		\$285,000		\$285,000		\$285,000		\$285,000		\$285,000		\$285,000		\$285,000		\$285,000		\$285,000		\$285,000	
	⁵ Front Wall Replacement	\$250,000																					
COLLECTION																							
	⁴ Requa Interceptor Final Design	\$42,200	\$42,200																				
	⁴ Requa Interceptor Construction	\$1,628,000	\$1,628,000	\$3,558,465	\$3,558,465																		
	⁴ Requa Interceptor Construction Management	\$125,000	\$125,000	\$273,947	\$273,947																		
	⁵ Lateral Grant Program	\$51,000		\$52,020		\$53,060		\$54,121		\$55,203		\$56,307		\$57,433		\$58,582		\$59,754		\$60,949		\$680,718	
	⁵ Sewer Main Rehabilitation or Replacement	\$255,000		\$3,000,000		\$262,650		\$3,090,000		\$270,530		\$3,182,700		\$278,646		\$3,278,181		\$287,005		\$3,376,526		\$20,033,690	
	⁵ Manhole Rehabilitation	\$61,200		\$500,000		\$63,036		\$515,000		\$64,927		\$530,450		\$66,875		\$546,364		\$68,881		\$562,755		\$3,454,042	
	⁵ Sewer Main Point Repairs	\$61,200		\$1,000,000		\$63,036		\$1,030,000		\$64,927		\$1,060,900		\$66,875		\$1,092,727		\$68,881		\$1,125,509		\$6,531,408	
	⁷ Avenue 48 Sewer Main Upgrade Design			\$33,738	\$101,214																		
	⁷ Avenue 48 Sewer Main Upgrade Construction					\$324,231	\$972,693																
	⁷ Avenida Esmeralda Interceptor Design			\$3,715	\$11,146																		
	⁷ Avenida Esmeralda Interceptor Construction					\$35,594	\$106,783																
	⁷ 5 year Collection System CIP projects									\$437,859	\$1,313,577												
	⁶ Build-out Collection System CIP projects																						\$5,767,657
CONTINGENCY - All Departments Combined		\$81,600		\$83,232		\$84,897		\$86,595		\$88,327		\$90,094		\$91,896		\$93,734		\$95,609		\$97,521		\$1,089,169	
	TOTAL	\$3,647,954	\$2,294,342	\$9,247,034	\$4,443,001	\$1,629,388	\$1,578,759	\$11,590,490	\$19,731,518	\$1,724,363	\$1,812,540	\$9,050,818	\$3,753,728	\$36,209,987	\$34,035,668	\$5,810,861	\$497,527	\$1,320,291	\$496,314	\$5,963,853	\$496,785	\$33,435,448	\$7,253,194
	Cumulative total	\$5,054,222	\$3,010,027	\$14,301,256	\$7,453,028	\$15,930,645	\$9,031,787	\$27,521,134	\$28,763,306	\$29,245,497	\$30,575,846	\$38,296,315	\$34,329,574	\$74,506,302	\$68,365,242	\$80,317,163	\$68,862,769	\$81,637,454	\$69,359,083	\$87,601,307	\$69,855,868	\$121,036,755	\$77,109,063
Fund 13																							
	Fund 13 Capital Expenses		\$2,294,342		\$4,443,001		\$1,578,759		\$19,731,518		\$1,812,540		\$3,753,728		\$34,035,668		\$497,527		\$496,314		\$496,785		
	Projected Fund 13 Revenue		\$2,578,974		\$4,154,519		\$4,253,922		\$4,736,015		\$4,841,029		\$5,372,880		\$5,534,067		\$5,700,089		\$5,871,091		\$6,651,689		
	Projected Fund 13 Reserve beginning of year		\$2,721,114		\$3,005,746		\$2,717,264		\$5,392,427		(\$9,603,077)		(\$6,574,588)		(\$4,955,436)		(\$33,457,037)		(\$28,254,476)		(\$22,879,698)		
	Projected Fund 13 Reserve end of year		\$3,005,746		\$2,717,264		\$5,392,427		(\$9,603,077)		(\$6,574,588)		(\$4,955,436)		(\$33,457,037)		(\$28,254,476)		(\$22,879,698)		(\$16,724,794)		
Fund 12																							
	Fund 12 Capital Expenses	\$3,647,954		\$9,247,034		\$1,629,388		\$11,590,490		\$1,724,363		\$9,050,818		\$36,209,987		\$5,810,861		\$1,320,291		\$5,963,853			
	Projected Fund 12 Revenue	\$3,429,000		\$3,531,870		\$3,637,826		\$3,746,961		\$3,859,370		\$3,975,151		\$4,094,405		\$4,217,237		\$4,343,755		\$4,474,067			
	Projected Fund 12 Reserve beginning of year	\$11,664,702		\$11,445,748		\$5,730,584		\$7,739,022		(\$104,507)		\$2,030,499		(\$3,045,168)		(\$35,160,749)		(\$36,754,372)		(\$33,730,909)			
	Projected Fund 12 Reserve end of year	\$11,445,748		\$5,730,584		\$7,739,022		(\$104,507)		\$2,030,499		(\$3,045,168)		(\$35,160,749)		(\$36,754,372)		(\$33,730,909)		(\$35,220,695)			

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

² Cost allocation of 49% to process expansion is based on engineer's cost estimate and evaluation of 51% of cost associated with replacement components.

³ Cost allocation of 76% to process expansion is based on engineer's cost estimate and evaluation of 24% of cost associated with replacement components.

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

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

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

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

Capital Funding Requirement (FY 14/15 - FY 23/24)

