

**Operations & Maintenance Budget
And
Capital Improvement Program
Fiscal Year 2015/2016**

Board of Directors

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Joseph Glowitz

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2015/2016 BUDGET**

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER

June 9, 2015

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 2015/2016 Budget
- 5.0 Annual Sewer Use Fee
- 6.0 Connection Capacity Charge
- 7.0 Recommendations

1.0 Executive Summary

The Fiscal Year 2015/2016 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 2015/2016 is projected at \$8,454,686 (an increase of \$246,056 from the prior year). Capital expenditures in Fund 11 are projected at \$250,000 (a decrease of \$121,700 from the prior year) and \$3,481,900 will be invested into the Reserve Funds.

It is recommended that the salaries be raised with the cost of living increase at 1.5 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 1.5 percent, based on the consumer price index from January 2014 to December 2014. The Salary Schedule in Section 2 on Page 2.3 reflects an across the board 1.5 percent increase. The proposed budget does allow for 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 2015/2016 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	6	New members to CalPERS

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 2008/2009 through 2015/2016.

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

	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	2015/2016 Fiscal Year
District Contribution Established by CalPERS (Legacy members)	15.757%	15.615%	16.478%	19.169%	19.662%	20.587%	16.035%	14.031%
Actual Employee Rate (2.5% at 55) (Legacy members)	8%	7.858%	8%	8%	8%	8%	8%	8%
Total Contribution (Legacy members)	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%)	24.035% (20.504+8%)	22.031% (14.031+8%)

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FISCAL YEAR 2015/2016 BUDGET**

Table 3 illustrates the CalPERS retirement summary for the new CalPERS member employees (Tier 2) for fiscal years 2008/2009 through 2015/2016.

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

	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	2015/2016 Fiscal Year
District Contribution Established by CalPERS (New members)	-	-	-	-	-	6.70%	6.70%	6.73%
Employee Rate for 2.0% at 62 Plan	-	-	-	-	-	6.50%	6.50%	6.50%
Total Contribution (New members)	-	-	-	-	-	13.20% (6.7+6.5%)	13.20% (6.7+6.5%)	13.073% (6.73+6.5%)

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 14.031 percent for Tier 1 legacy employees and 6.73 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 2015/2016 budget for the Five Year Capital Improvement Program.

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

To date, the Capital Replacement Fund (Fund 12) and Capital Improvement Fund (Fund 13) have enabled the District to invest approximately \$84 million in the renovations and expansions of the District's collection and treatment facilities since 1998 with approximately \$74 million in the past ten years.

4.0 Fiscal Year 2015/2016 Budget

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

VALLEY SANITARY DISTRICT FISCAL YEAR 2015/2016 BUDGET

5.0 Annual Sewer Use Fee

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

Figure 1: Historical Graph of Annual Sewer Use Fee

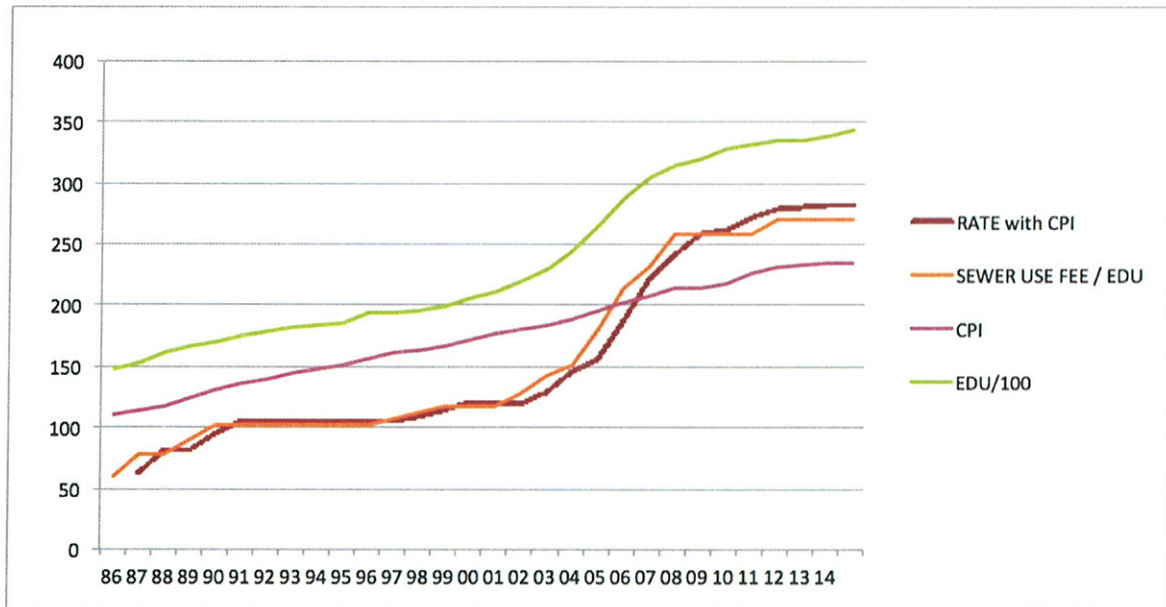


Figure 1 shows the historical relationships. Keeping rates stable is admirable; however, caution must be exercised in retaining flat sewer use fees for long periods of time when external upward pressures due to increased costs, additional regulations, safety requirements and the need to repair and maintain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

Comparable residential sewer use fees from other local agencies are:

City of Coachella Sanitary District	\$502.
Desert Water Agency (Cathedral City)	\$415.
Mission Springs Water District	\$375.
City of Beaumont	\$381. - \$449. (based on location)
Coachella Valley Water District	\$294. - \$389. (based on location)
City of Banning	\$271.
Valley Sanitary District	\$270.
City of Palm Springs	\$216. (increases to \$420 by 2031)

**VALLEY SANITARY DISTRICT
FISCAL YEAR 2015/2016 BUDGET**

6.0 Connection Capacity Charge

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

Desert Water Agency (Cathedral City)	\$5,240.
Valley Sanitary District	\$4,265.
Coachella Valley Water District	\$4,231.
City of Coachella Sanitary District	\$3,815.
City of Beaumont	\$3,141.
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 2015/2016 Salary Adjustment

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

7.2 Fiscal Year 2015/2016 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, decrease the employer contribution to the CalPERS Retirement Plan to 14.031 percent for current CalPERS members and increase the employer contribution to 6.73 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 2016/2021 Five Year Capital Plan

The recommendation is that the Five Year Capital Improvement Program (2015/2016 - 2020/2021) 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
FISCAL YEAR 2015/2016 BUDGET**

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).

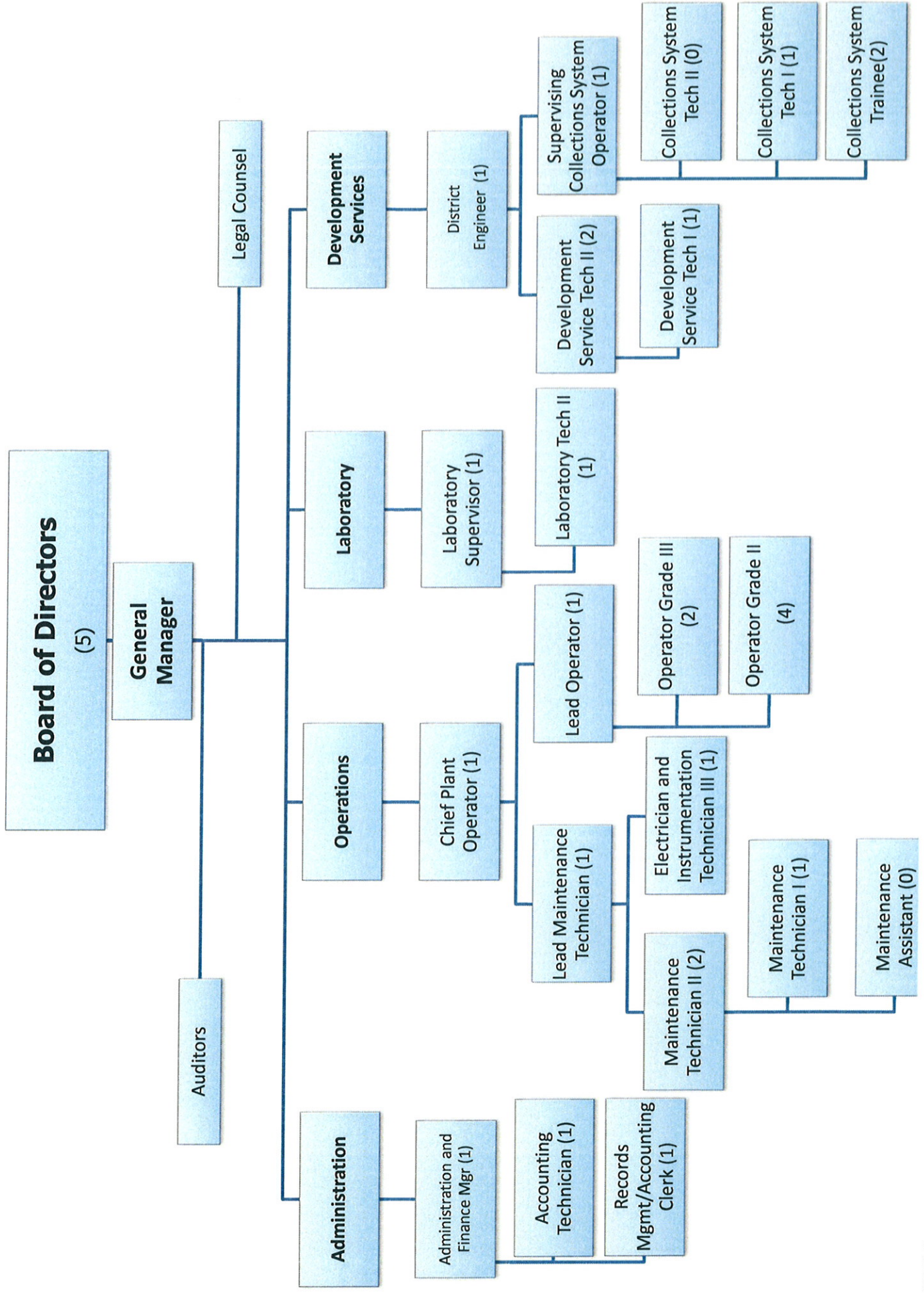
My sincere thanks to all employees who assisted in the budget preparation process, their input has been invaluable.

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	2
COLLECTION SYSTEMS TECH II	9	0
COLLECTION SYSTEMS TECH III	11	0
COLLECTION SYSTEMS SUPERVISOR	16	1
DEVELOPMENT SERVICES TECHNICIAN I	12	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										2015/2016 SALARY SCHEDULE				
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	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	2,742	2,809	2,878	2,948	3,020	3,095	3,170	3,248	3,327	3,409	3,493	3,579	3,666	3,757
2	2,878	2,948	3,020	3,095	3,170	3,248	3,327	3,409	3,493	3,579	3,666	3,757	3,847	3,944
3	3,020	3,095	3,170	3,248	3,327	3,409	3,493	3,579	3,666	3,757	3,847	3,944	4,040	4,142
4	3,170	3,248	3,327	3,409	3,493	3,579	3,666	3,757	3,847	3,944	4,040	4,142	4,240	4,349
5	3,327	3,409	3,493	3,579	3,666	3,757	3,847	3,944	4,040	4,142	4,240	4,349	4,452	4,566
6	3,493	3,579	3,666	3,757	3,847	3,944	4,040	4,142	4,240	4,349	4,452	4,566	4,675	4,794
7	3,666	3,757	3,847	3,944	4,040	4,142	4,240	4,349	4,452	4,566	4,675	4,794	4,909	5,034
8	3,847	3,944	4,040	4,142	4,240	4,349	4,452	4,566	4,675	4,794	4,909	5,034	5,154	5,286
9	4,040	4,142	4,240	4,349	4,452	4,566	4,675	4,794	4,909	5,034	5,154	5,286	5,412	5,550
10	4,240	4,349	4,452	4,566	4,675	4,794	4,909	5,034	5,154	5,286	5,412	5,550	5,683	5,825
11	4,452	4,566	4,675	4,794	4,909	5,034	5,154	5,286	5,412	5,550	5,683	5,825	5,967	6,115
12	4,675	4,794	4,909	5,034	5,154	5,286	5,412	5,550	5,683	5,825	5,967	6,115	6,265	6,421
13	4,909	5,034	5,154	5,286	5,412	5,550	5,683	5,825	5,967	6,115	6,265	6,421	6,578	6,742
14	5,154	5,286	5,412	5,550	5,683	5,825	5,967	6,115	6,265	6,421	6,578	6,742	6,907	7,079
15	5,412	5,550	5,683	5,825	5,967	6,115	6,265	6,421	6,578	6,742	6,907	7,079	7,253	7,433
16	5,683	5,825	5,967	6,115	6,265	6,421	6,578	6,742	6,907	7,079	7,253	7,433	7,615	7,804
17						6,742		7,079		7,433		7,804		8,202
18						7,079		7,433		7,804		8,202		8,612
19						7,433		7,804		8,202		8,612		9,043
20						7,804		8,202		8,612		9,043		9,495
21						8,202		8,612		9,043		9,495		9,979
22						8,612		9,043		9,495		9,979		10,478
23						9,043		9,495		9,979		10,478		11,002
24						9,495		9,979		10,478		11,002		11,552
25						9,979		10,478		11,002		11,552		12,130
26						10,478		11,002		11,552		12,130		12,737
27						11,002		11,552		12,130		12,737		13,373

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: 2004 to 2014

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2004	2.2	2.1	1.8	2.4	3.8	4.3	4.0	3.3	3.2	4.7	5.4	4.6	3.5	2.8	4.2
2005	3.7	3.8	3.9	4.9	4.2	3.4	4.2	5.3	6.0	5.4	4.3	4.2	4.4	3.9	4.9
2006	5.2	5.0	4.5	4.5	5.3	5.4	5.1	4.4	3.2	1.8	2.5	3.3	4.2	5.0	3.3
2007	3.1	3.4	4.0	3.6	3.0	2.7	2.4	2.1	2.2	3.8	4.7	4.6	3.3	3.3	3.3
2008	4.6	3.7	3.6	3.7	4.1	6.1	6.6	5.7	5.0	3.5	0.6	-0.6	3.9	4.3	3.5
2009	-0.6	-0.5	-1.6	-2.1	-2.4	-2.8	-3.2	-2.1	-1.4	-0.6	1.2	2.5	-1.2	-1.7	-0.6
2010	2.3	1.8	2.4	2.4	2.0	1.0	1.0	1.0	0.5	0.9	1.0	1.6	1.5	2.0	1.0
2011	2.0	2.6	3.5	3.9	3.7	3.3	2.7	2.7	3.5	3.1	3.2	2.2	3.0	3.2	2.9
2012	2.1	2.1	2.0	1.3	1.5	1.5	1.9	2.5	2.2	3.2	2.1	2.0	2.0	1.8	2.3
2013	1.9	2.4	1.3	0.9	1.0	1.5	1.6	0.9	0.7	-0.3	0.5	1.2	1.1	1.5	0.8
2014	0.8	0.4	1.0	1.6	1.8	1.9	2.1	1.8	1.6	1.4	1.0	0.3	1.3	1.3	1.4

12 month percent change from January 2014 through December 2014 = 1.3.

BUDGET REVENUE PROJECTIONS**2015/2016 BUDGET**

ACCOUNT #	ACCOUNT TITLE	2014/2015 REVENUE PROJECTIONS	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2015/2016 REVENUE PROJECTIONS
FUND 11					
OPERATING REVENUES:					
11-4120-000-0	SEWER SERVICE - CURRENT	9,156,780 (1)	9,130,860	(25,920)	9,292,320 (1)
11-4130-000-0	SEWER SERVICE - PRIOR	-	-	-	-
11-4140-000-0	SEWER SERVICE - PENALTIES	20,000	-	(20,000)	1,000
11-4210-000-0	PERMIT/INSPECTION FEES	50,000	20,000	(30,000)	20,000
11-4270-000-0	PLAN CHECK FEES	50,000	30,000	(20,000)	15,000
11-4285-000-0	OTHER SERVICES	5,000	1,800	(3,200)	1,800
11-4310-000-0	SALE OF SURPLUS PROPERTY	-	4,093	4,093	-
SUB-TOTALS:		9,281,780	9,186,753	(95,027)	9,330,120
NON-OPERATING REVENUES:					
11-4510-000-0	INTEREST REVENUE	22,000	22,000	-	45,000
11-4430-000-0	TAXES - CURRENT SECURED	530,000	530,000	-	500,000
11-4440-000-0	TAXES - CURRENT UNSECURED	25,000	25,000	-	21,000
11-4450-000-0	TAXES - PRIOR SECURED	30,000	30,000	-	25,000
11-4460-000-0	TAXES - PRIOR UNSECURED	3,000	1,552	(1,448)	1,600
11-4465-000-0	TAXES - PENALTIES	6,000	7,571	1,571	6,000
11-4470-000-0	TAXES - SUPPLEMENTAL CURRENT	2,200	3,888	1,688	2,200
11-4480-000-0	TAXES - SUPPLEMENTAL PRIOR	3,000	2,164	(836)	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	5,000	(7,500)	12,500
SUB-TOTALS:		640,400	633,875	(6,525)	623,000
FUND 11 GRAND TOTALS:		9,922,180	9,820,628	(101,552)	9,953,120
FUND 13					
OPERATING REVENUES					
13-4200-000-0	CONNECTION FEES	2,431,050 (2)	865,800	(1,565,250)	2,431,050 (2)
SUB-TOTALS		2,431,050 (2)	865,800	(1,565,250)	2,431,050
NON-OPERATING REVENUES					
13-4510-000-0	INTEREST REVENUE	2,600	7,000	4,400	14,000
SUB-TOTALS		2,600	7,000	4,400	14,000
FUND 13 GRAND TOTALS:		2,433,650	872,800	(1,560,850)	2,445,050
TOTAL REVENUES:		12,355,830	10,693,428	(1,662,402)	12,398,170

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

DEPARTMENT: COMBINED				2015/2016 BUDGET	
ACCOUNT #	ACCOUNT TITLE	2014/2015 CURRENT BUDGET (27 Employees)	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2015/2016 BUDGET REQUEST (27 Employees)
11-5030-400-0	SALARIES	2,067,000	1,964,000	(103,000)	2,109,000
11-5070-400-0	OVERTIME	19,000	21,088	2,088	15,000
11-5080-400-0	CALLOUT	7,000	5,100	(1,900)	7,000
11-5090-400-0	STANDBY	32,000	32,000	-	32,000
	TOTAL SALARIES	2,125,000	2,022,188	(102,812)	2,163,000
11-5110-400-0	LONGEVITY	27,200	26,050	(1,150)	26,000
11-5112-400-0	RETIREMENT	465,280	290,500	(174,780)	376,560
11-5116-400-0	FICA	162,700	151,800	(10,900)	165,700
11-5118-400-0	UNEMPLOYMENT INSURANCE	15,000	20,771	5,771	17,000
11-5122-400-0	WORKERS COMPENSATION	46,100	44,100	(2,000)	47,300
11-5124-400-0	GROUP LIFE INSURANCE	11,150	5,400	(5,750)	5,850
11-5126-400-0	GROUP HEALTH INSURANCE	303,000	285,000	(18,000)	309,400
11-5128-400-0	DENTAL/VISION INSURANCE	32,750	21,800	(10,950)	29,200
11-5132-400-0	DISABILITY INSURANCE	14,400	11,600	(2,800)	11,300
11-5152-400-0	CLOTHING/SAFETY	20,120	19,100	(1,020)	25,820
	TOTAL BENEFITS	1,097,700	876,121	(221,579)	1,014,130
	TOTAL SALARIES/BENEFITS	3,222,700	2,898,309	(324,391)	3,177,130
11-5150-400-0	DIRECTORS' FEES	13,500	11,400	(2,100)	13,500
11-5225-400-0	ELECTION	-	-	-	70,000
11-5250-400-0	GAS/OIL	49,000	26,000.00	(23,000)	49,000
11-5300-400-0	COMPREHENSIVE INSURANCE	353,750	353,750	-	323,000
11-5350-400-0	MEMBERSHIPS	38,900	33,900	(5,000)	38,011
11-5400-400-0	OFFICE EXPENSE	14,000	14,000	-	15,000
11-5410-400-0	COUNTY/CITY CHARGES	17,400	20,100	2,700	20,100
11-5420-400-0	PERMITS & FEES	68,075	65,847	(2,228)	71,100
11-5430-400-0	PRETREATMENT	-	-	-	-
11-5450-400-0	OPERATING SUPPLIES	95,850	89,150	(6,700)	106,970
11-5470-400-0	CHEMICALS	365,630	285,000.00	(80,630)	339,460
11-5500-400-0	CONTRACT SERVICES	474,810	552,560	77,750	502,605
11-5550-400-0	PROFESSIONAL/LEGAL	124,500	80,000	(44,500)	134,100
11-5600-400-0	PUBLICATIONS	4,500	4,500	-	4,500
11-5700-400-0	REPAIRS/MAINTENANCE	298,500	274,850	(23,650)	366,800
11-5720-400-0	SMALL TOOLS	4,500	3,900	(600)	6,800
11-5750-400-0	RESEARCH	112,300	50,000.00	(62,300)	114,100
11-5800-400-0	TRAVEL/MTGS/EDUCATION	65,200	30,460	(34,740)	68,600
11-5801-400-0	CERTIFICATIONS/TCPS	4,715	4,646	(69)	6,410
11-5901-400-0	TELEPHONE	15,000	13,000	(2,000)	13,000
11-5902-400-0	ELECTRICITY	574,300	608,800	34,500	639,000
11-5903-400-0	NATURAL GAS	7,000	5,500	(1,500)	7,000
11-5904-400-0	TRASH COLLECTION	21,000	18,450.00	(2,550)	21,000
11-5905-400-0	UTILITY WATER	23,500	22,500	(1,000)	24,500
11-5950-400-0	OTHER EXPENSES	40,000	19,925	(20,075)	40,000
11-7010-000-0	DEPRECIATION EXPENSE	2,200,000	2,303,000	103,000	2,283,000
	TOTAL SERVICES & SUPPLIES	4,985,930	4,891,238	(94,692)	5,277,556
	TOTAL OPERATING & MAINTENANCE BUDGET	8,208,630	7,789,547	(419,083)	8,454,686

DEPARTMENTAL BUDGET REQUEST SUMMARY

2015/2016 BUDGET

ACC NO.	DESCRIPTION	COLLECTION	TREATMENT	LAB	ADMIN	TOTAL
11-5030-400-	SALARIES	478,500	984,000	148,000	552,500	2,163,000
11-5110-400-	LONGEVITY	4,800	20,000	1,200	-	26,000
11-5112-400-	RETIREMENT	64,600	213,800	20,700	77,460	376,560
11-5116-400-	FICA	36,700	75,300	11,400	42,300	165,700
11-5118-400-	UNEMPLOYMENT INSURANCE	7,000	-	-	10,000	17,000
11-5122-400-	WORKERS COMPENSATION	14,200	27,200	4,200	1,700	47,300
11-5124-400-	GROUP LIFE INSURANCE	1,200	4,000	400	250	5,850
11-5126-400-	GROUP HEALTH INSURANCE	70,000	150,000	28,000	61,400	309,400
11-5128-400-	DENTAL/VISION INSURANCE	5,000	16,000	1,700	6,500	29,200
11-5132-400-	DISABILITY INSURANCE	2,500	6,500	800	1,500	11,300
11-5152-400-	CLOTHING/SAFETY	9,200	14,500	2,120	-	25,820
	TOTAL BENEFITS	215,200	527,300	70,520	201,110	1,014,130
	TOTAL SALARIES/BENEFITS	693,700	1,511,300	218,520	753,610	3,177,130
11-5150-400-	DIRECTORS' FEES	-	-	-	13,500	13,500
11-5225-400-	ELECTION	-	-	-	70,000	70,000
11-5250-400-	GAS/OIL	-	49,000	-	-	49,000
11-5300-400-	COMPREHENSIVE INSURANCE	-	-	-	323,000	323,000
11-5350-400-	MEMBERSHIPS/SUBSCRIPTIONS	1,100	2,650	312	33,949	38,011
11-5400-400-	OFFICE EXPENSES	-	-	-	15,000	15,000
11-5410-400-	COUNTY/CITY CHARGES	-	-	-	20,100	20,100
11-5420-400-	PERMITS & FEES	12,500	51,900	4,350	2,350	71,100
11-5430-400-	PRETREATMENT	-	-	-	-	-
11-5450-400-	OPERATING SUPPLIES	4,250	68,050	23,170	11,500	106,970
11-5470-400-	CHEMICALS	-	339,460	-	-	339,460
11-5500-400-	CONTRACT SERVICES	90,500	359,250	2,255	50,600	502,605
11-5550-400-	PROFESSIONAL/LEGAL	-	-	4,800	129,300	134,100
11-5600-400-	PUBLICATIONS	-	-	-	4,500	4,500
11-5700-400-	REPAIRS/MAINTENANCE	99,600	229,000	16,000	22,200	366,800
11-5750-400-	SMALL TOOLS	2,800	4,000	-	-	6,800
11-5750-400-	RESEARCH	-	-	114,100	-	114,100
11-5800-400-	TRAVEL/MTGS/EDUCATION	7,000	19,600	2,000	40,000	68,600
11-5801-400-	CERTIFICATIONS/TCPS	3,255	1,845	460	850	6,410
11-5901-400-	TELEPHONE	-	-	-	13,000	13,000
11-5902-400-	ELECTRICITY	4,000	635,000	-	-	639,000
11-5903-400-	NATURAL GAS	-	7,000	-	-	7,000
11-5904-400-	TRASH COLLECTION	-	21,000	-	-	21,000
11-5905-400-	UTILITY WATER	8,000	16,500	-	-	24,500
11-5950-400-	OTHER EXPENSES	10,000	10,000	10,000	10,000	40,000
11-7010-000-	DEPRECIATION EXPENSE	430,000	1,850,000	1,000	2,000	2,283,000
	TOTAL SERVICES & SUPPLIES	673,005	3,664,255	178,447	761,849	5,277,556
	TOTAL OPERATING & MAINTENANCE BUDGET	1,366,705	5,175,555	396,967	1,515,459	8,454,686

BUDGET REVENUE PROJECTIONS				2015/2016 BUDGET	
ACCOUNT #	ACCOUNT TITLE	2014/2015 REVENUE PROJECTIONS	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2015/2016 REVENUE PROJECTIONS
FUND 11					
OPERATING REVENUES:					
11-4120-000-0	SEWER SERVICE - CURRENT	9,156,780 (1)	9,130,860	(25,920)	9,292,320 (1)
11-4130-000-0	SEWER SERVICE - PRIOR	-	-	-	-
11-4140-000-0	SEWER SERVICE - PENALTIES	20,000	-	(20,000)	1,000
11-4210-000-0	PERMIT/INSPECTION FEES	50,000	20,000	(30,000)	20,000
11-4270-000-0	PLAN CHECK FEES	50,000	30,000	(20,000)	15,000
11-4285-000-0	OTHER SERVICES	5,000	1,800	(3,200)	1,800
11-4310-000-0	SALE OF SURPLUS PROPERTY	-	4,093	4,093	-
SUB-TOTALS:		9,281,780	9,186,753	(95,027)	9,330,120
NON-OPERATING REVENUES:					
11-4510-000-0	INTEREST REVENUE	22,000	22,000	-	45,000
11-4430-000-0	TAXES - CURRENT SECURED	530,000	530,000	-	500,000
11-4440-000-0	TAXES - CURRENT UNSECURED	25,000	25,000	-	21,000
11-4450-000-0	TAXES - PRIOR SECURED	30,000	30,000	-	25,000
11-4460-000-0	TAXES - PRIOR UNSECURED	3,000	1,552	(1,448)	1,600
11-4465-000-0	TAXES - PENALTIES	6,000	7,571	1,571	6,000
11-4470-000-0	TAXES - SUPPLEMENTAL CURRENT	2,200	3,888	1,688	2,200
11-4480-000-0	TAXES - SUPPLEMENTAL PRIOR	3,000	2,164	(836)	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	5,000	(7,500)	12,500
SUB-TOTALS:		640,400	633,875	(6,525)	623,000
FUND 11 GRAND TOTALS:		9,922,180	9,820,628	(101,552)	9,953,120
FUND 13					
OPERATING REVENUES					
13-4200-000-0	CONNECTION FEES	2,431,050 (2)	865,800	(1,565,250)	2,431,050 (2)
SUB-TOTALS		2,431,050 (2)	865,800	(1,565,250)	2,431,050
NON-OPERATING REVENUES					
13-4510-000-0	INTEREST REVENUE	2,600	7,000	4,400	14,000
SUB-TOTALS		2,600	7,000	4,400	14,000
FUND 13 GRAND TOTALS:		2,433,650	872,800	(1,560,850)	2,445,050
TOTAL REVENUES:		12,355,830	10,693,428	(1,662,402)	12,398,170

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

PROJECTED REVENUE

FUND 11

11-4120-000-0
Sewer Service - Current

FY 2015/2016
Budget Request
\$9,292,320

SEWER SERVICE - CURRENT: Sewer service revenue for the FY 2014/2015 was based on 33,914 Equivalent Dwelling Units (EDUs) of service at an annual rate of \$270.00 per EDU. Anticipated sewer service revenue for the FY 2015/2016 is based on 34,416 EDUs at an annual rate of \$270.00.

11-4140-000-0
Sewer Service - Penalties

FY 2015/2016
Budget Request
\$1,000

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

11-4210-000-0
Permit/Inspection Fees

FY 2015/2016
Budget Request
\$20,000

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

11-4270-000-0
Plan Check Fees

FY 2015/2016
Budget Request
\$15,000

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 2015/2016
Budget Request
\$1,800

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

11-4430-000-0
Taxes - Current Secured

FY 2015/2016
Budget Request
\$500,000

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 .00030981% of the general purpose funds county-wide for 2013-14. The AB8 factor for 2014-15 is .00030584%. At the time of budget preparation the 2015-16 factor had not been calculated by the County. The factor will be calculated around November 2015.

PROJECTED REVENUE

11-4440-000-0

Taxes - Current Unsecured

**FY 2015/2016
Budget Request
\$21,000**

CURRENT UNSECURED: Unsecured property includes items such as motor homes, airplanes, boats and other moveable personal property. The portion of revenue designated for special districts is 1%. Of this 1%, VSD received .00030981% of the general purpose funds county-wide for 2013-14. The AB8 factor for 2014-15 is .00030584%. At the time of budget preparation the 2015-16 factor had not been calculated by the County. The factor will be calculated around November 2015.

11-4450-000-0

Taxes - Prior Secured

**FY 2015/2016
Budget Request
\$25,000**

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 2015/2016
Budget Request
\$1,600**

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 - Prior Secured Penalties

**FY 2015/2016
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 2015/2016
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 2015/2016
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 2015/2016
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 2015/2016
Budget Request
\$45,000

INTEREST REVENUE: Return on invested funds that are held with the Local Agency Investment Fund (LAIF), for California's local governments and special districts. The enabling legislation for LAIF is §16429.1 et seq. of the California Government Code. The quarterly percentage rate earned averaged .245% from LAIF for the period of 1/31/14 to 12/31/14. Other options are being considered that will yield a higher return of approximately .5%.

11-4574-000-0
Non-Operating Revenues

FY 2015/2016
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 2015/2016
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>

2015/16 Connection Capacity Fee: \$4,265.00 per equivalent dwelling unit (EDU).

13-4510-000-0 Interest Revenue

**FY 2015/2016
Budget Request
\$14,000**

INTEREST REVENUE: Return on invested funds that are held with the Local Agency Investment Fund (LAIF), for California's local governments and special districts. The enabling legislation for LAIF is §16429.1 et seq. of the California Government Code. The quarterly percentage rate earned averaged .245% from LAIF for the period of 1/31/14 to 12/31/14. Other options are being considered that will yield a higher return of approximately .5%.

DEPARTMENT: COLLECTION SYSTEMS

2015/2016 BUDGET

ACCOUNT #	ACCOUNT TITLE	2014/2015 CURRENT BUDGET (7 Employees)	4/30/2015 ACTUAL	6/30/2015 ADDITION	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2015/2016 BUDGET REQUEST (7 Employees)
11-5030-410-1	SALARIES	455,000	328,228	91,772	420,000	(35,000)	460,000
11-5070-410-1	OVERTIME	4,500	778	222	1,000	(3,500)	1,000
11-5080-410-1	CALLOUT	1,500	914	186	1,100	(400)	1,500
11-5090-410-1	STANDBY	16,000	12,488	3,512	16,000	-	16,000
	TOTAL SALARIES	477,000	342,408	95,692	438,100	(38,900)	478,500
11-5110-410-1	LONGEVITY	6,000	3,800	1,050	4,850	(1,150)	4,800
11-5112-410-1	RETIREMENT	102,400	40,536	13,464	54,000	(48,400)	64,600
11-5116-410-1	FICA	36,500	26,295	7,205	33,500	(3,000)	36,700
11-5118-410-1	UNEMPLOYMENT INSURANCE	-	7,771	-	7,771	7,771	7,000
11-5122-410-1	WORKERS COMPENSATION	14,200	9,335	2,665	12,000	(2,200)	14,200
11-5124-410-1	GROUP LIFE INSURANCE	3,000	1,036	164	1,200	(1,800)	1,200
11-5126-410-1	GROUP HEALTH INSURANCE	60,000	55,793	6,207	62,000	2,000	70,000
11-5128-410-1	DENTAL/VISION INSURANCE	7,500	3,804	496	4,300	(3,200)	5,000
11-5132-410-1	DISABILITY INSURANCE	3,200	2,125	275	2,400	(800)	2,500
11-5152-410-1	CLOTHING/SAFETY	6,800	5,861	839	6,700	(100)	9,200
	TOTAL BENEFITS	239,600	156,356	32,365	188,721	(50,879)	215,200
	TOTAL SALARIES/BENEFITS	716,600	498,764	128,057	626,821	(89,779)	693,700
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	1,100	1,092	8	1,100	-	1,100
11-5400-410-1	OFFICE EXPENSE	-	-	-	-	-	-
11-5410-410-1	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-410-1	PERMITS & FEES	11,500	11,214	286	11,500	-	12,500
11-5430-410-1	PRETREATMENT	-	-	-	-	-	-
11-5450-410-1	OPERATING SUPPLIES	3,500	1,477	1,173	2,650	(850)	4,250
11-5470-410-1	CHEMICALS	-	-	-	-	-	-
11-5500-410-1	CONTRACT SERVICES	70,100	58,139	11,961	70,100	-	90,500
11-5550-410-1	PROFESSIONAL/LEGAL	-	-	-	-	-	-
11-5600-410-1	PUBLICATIONS	-	-	-	-	-	-
11-5700-410-1	REPAIRS/MAINTENANCE	78,600	22,587	913	23,500	(55,100)	99,600
11-5720-410-1	SMALL TOOLS	1,000	139	761	900	(100)	2,800
11-5750-410-1	RESEARCH	-	-	-	-	-	-
11-5800-410-1	TRAVEL/MTGS/EDUCATION	6,000	1,223	77	1,300	(4,700)	7,000
11-5801-410-1	CERTIFICATIONS/TCPS	1,300	967	333	1,300	-	3,255
11-5901-410-1	TELEPHONE	-	-	-	-	-	-
11-5902-410-1	ELECTRICITY	4,300	3,644	156	3,800	(500)	4,000
11-5903-410-1	NATURAL GAS	-	-	-	-	-	-
11-5904-410-1	TRASH COLLECTION	-	-	-	-	-	-
11-5905-410-1	UTILITY WATER	7,000	4,159	1,841	6,000	(1,000)	8,000
11-5950-410-1	OTHER EXPENSES	10,000	1,495	3,805	5,300	(4,700)	10,000
11-7010-000-0	DEPRECIATION EXPENSE	550,000	-	450,000	450,000	(100,000)	430,000
	TOTAL SERVICES & SUPPLIES	744,400	106,136	471,314	577,450	(166,950)	673,005
	TOTAL OPERATING & MAINTENANCE BUDGET	1,461,000	604,900	599,371	1,204,271	(256,729)	1,366,705

COLLECTION SYSTEMS

11-5152-410-1

Clothing

**FY 2015/2016
Budget Request
\$9,200**

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: 5,200
- Gloves-seven (7) employees: 2,600

11-5350-410-1

Membership

**FY 2015/2016
Budget Request
\$1,100**

Justification:

- Membership renewal for the California Water Environment Association (CWEA) for seven (7) employees at \$156 each. This membership includes renewal to the Colorado River Basin Local Section. 1,100

11-5420-410-1

Permits & Fees

**FY 2015/2016
Budget Request
\$12,500**

Justification:

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

11-5430-410-1

Pretreatment

**FY 2015/2016
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 2015/2016
Budget Request
\$4,250

Justification:

- Traffic control signs/cones/safety equipment: 1,500
New safety cones are purchased at a cost of \$25 each, barricades with lights are \$40 each, and barrier tape is \$13 per roll.
- Plotting supplies: 750
Bond paper and ink cartridges will be required for the Canon IPF760 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 2015/2016
Budget Request
\$90,500

Justification:

- Roach control program: 50,000
2014/15 was the last year of a five (5) year contract that locked VSD into a set price with a 2% increase each year. The proposed price per manhole on a new contract agreement to spray a total of 2,000 manholes per year would start at \$19.50 per manhole starting 2016, with a 4% increase every year after that. This service would need to go out to bid before January 2016.
- 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 14,000 ft. of sewer main at a cost of \$1.23 per foot. Staff is proposing to treat 11,000 ft. of sewer mains this year, primarily in backyard easements.
- Dig Alert: 3,500
The District belongs to the Dig Alert network that notifies local utility companies when any excavations are being proposed within our service area. This year the Dig Alert fee is \$1.50 per ticket; we have an average of 190 tickets per month.
- Arch Wireless Beepers: 350
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: 3,000
Four (4) cell phones are required for the Collection Department.
- Annual monitoring fee/ pump stations: 650
Wireless communication subscription fees for one (1) pump station alarm.
- ESRI ARCVIEW 10.0 annual renewal: 3,000
Annual license renewal and software upgrades for seven (7) Arc View software programs.
- Lucity Program annual renewal: 6,000
Annual license renewal and software upgrades.
- Pipelogix annual renewal: 2,500
Annual license renewal and software upgrades.
- ERICA radio member fee: 6,500
The Collection Systems Department utilizes eight (8) 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 Enterprise Annual Licensing: -
(CARRYOVER FROM 2013-2014 BUDGET - \$6,000 - MOVED FROM 11-8630-000-0)
(CARRYOVER FROM 2014-2015 BUDGET - \$24,000 - MOVED FROM 11-8630-000-0)
Annual licensing fee of \$30,000 for the FOG & Pretreatment Program system and the Asset Management & Preventive Maintenance System. The Collection Department will be paying \$10,000, or one-third of the annual fee, and the Treatment Department will pay \$20,000, or two-thirds of the annual fee.

COLLECTION SYSTEMS

11-5700-410-1 Repairs and Maintenance

FY 2015/2016
Budget Request
\$99,600

Justification:

- VACTOR parts/repairs/planned expenditures:

61,500

<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	2,500
6) Fire hose	400
7) High pressure pump parts	2,500
8) Tires	4,500
9) Vactor oil & lube service	7,100
10) Diesel exhaust fluid for new Vactor	500
11) Repairs for Vactor	15,000
12) 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:

3,000

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

This fund is for rental of emergency equipment.

COLLECTION SYSTEMS

11-5720-410-1

Small Tools

FY 2015/2016

Budget Request

\$2,800

Justification:

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 and replacing two (2) gas detectors.

11-5800-410-1

Travel, Meetings, & Education

FY 2015/2016

Budget Request

\$7,000

Justification:

Travel expenses for conferences and training seminars, registration fees, meals, lodging and related expenses: The Collection Systems Department has seven (7) employees at \$1,000 each.

11-5801-410-1

Certifications

FY 2015/2016

Budget Request

\$3,255

Justification:

- State Water Resource Control Board:
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator I	January 2016	I	170

- California Water Environment Association
Technical Certifications Program

Job Title	Renewal Date	Grade	Renewal Fee
Collection System Supervisor	January 2016	CST III	90
Collection System Tech I (3)	January 2016	CST I	240
Development Service Tech I	January 2016	CST I	80
Development Service Tech II	January 2016	CST IV	95
Environmental Inspector I	January 2016	ENV I	80
Allowance for advancement (certification testing)			700

- PACP Certification for one (1) employee 700
- PACP Recertification for two (2) employees 1,100

COLLECTION SYSTEMS

11-5902-410-1
Electricity

FY 2015/2016
Budget Request
\$4,000

Justification:

Covers the electricity cost for five (5) lift stations: Barrymore, Carver, Shields Road, Vandenberg, and Calhoun.
Amount reflects a 5% increase over the anticipated close of \$3,800 for 2014/15.

11-5905-410-1
Utility Water

FY 2015/2016
Budget Request
\$8,000

Justification:

VSD is billed for water service from the Indio Water Authority and the City of Coachella.

11-5950-410-1
Other Expenses

FY 2015/2016
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

2015/2016 BUDGET

ACCOUNT #	ACCOUNT TITLE	2014/2015 CURRENT BUDGET (13 Employees)	4/30/2015 ACTUAL	6/30/2015 ADDITION	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2015/2016 BUDGET REQUEST (13 Employees)
11-5030-411-1	SALARIES	950,000	713,734	181,266	895,000	(55,000)	950,000
11-5070-411-1	OVERTIME	13,000	17,653	2,347	20,000	7,000	13,000
11-5080-411-1	CALLOUT	5,000	3,212	788	4,000	(1,000)	5,000
11-5090-411-1	STANDBY	16,000	12,488	3,512	16,000	-	16,000
	TOTAL SALARIES	984,000	747,087	187,913	935,000	(49,000)	984,000
11-5110-411-1	LONGEVITY	20,000	16,809	3,191	20,000	-	20,000
11-5112-411-1	RETIREMENT	213,800	110,993	29,007	140,000	(73,800)	213,800
11-5116-411-1	FICA	75,300	57,912	15,088	73,000	(2,300)	75,300
11-5118-411-1	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-411-1	WORKERS COMPENSATION	27,100	22,101	4,999	27,100	-	27,200
11-5124-411-1	GROUP LIFE INSURANCE	4,000	2,386	214	2,600	(1,400)	4,000
11-5126-411-1	GROUP HEALTH INSURANCE	150,000	131,260	14,740	146,000	(4,000)	150,000
11-5128-411-1	DENTAL/VISION INSURANCE	16,000	9,021	979	10,000	(6,000)	16,000
11-5132-411-1	DISABILITY INSURANCE	6,500	4,841	459	5,300	(1,200)	6,500
11-5152-411-1	CLOTHING/SAFETY	11,200	9,473	1,527	11,000	(200)	14,500
	TOTAL BENEFITS	523,900	364,796	70,204	435,000	(88,900)	527,300
	TOTAL SALARIES/BENEFITS	1,507,900	1,111,883	258,117	1,370,000	(137,900)	1,511,300
11-5150-411-1	DIRECTORS' FEES	-	-	-	-	-	-
11-5225-411-1	ELECTION	-	-	-	-	-	-
11-5250-411-1	GAS/OIL	49,000	23,526	2,474	26,000	(23,000)	49,000
11-5300-411-1	COMPREHENSIVE INSURANCE	-	-	-	-	-	-
11-5350-411-1	MEMBERSHIPS	2,500	2,444	56	2,500	-	2,650
11-5400-411-1	OFFICE EXPENSE	-	-	-	-	-	-
11-5410-411-1	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-411-1	PERMITS & FEES	50,200	45,352	4,848	50,200	-	51,900
11-5430-411-1	PRETREATMENT	-	-	-	-	-	-
11-5450-411-1	OPERATING SUPPLIES	61,100	58,663	10,837	69,500	8,400	68,050
11-5470-411-1	CHEMICALS	365,630	231,522	53,478	285,000	(80,630)	339,460
11-5500-411-1	CONTRACT SERVICES	342,700	367,946	52,554	420,500	77,800	359,250
11-5550-411-1	PROFESSIONAL/LEGAL	-	-	-	-	-	-
11-5600-411-1	PUBLICATIONS	-	-	-	-	-	-
11-5710-411-1	REPAIRS/MAINTENANCE	192,400	190,400	34,450	224,850	32,450	229,000
11-5720-411-1	SMALL TOOLS	3,000	4,165	(1,165)	3,000	-	4,000
11-5750-411-1	RESEARCH	-	-	-	-	-	-
11-5800-411-1	TRAVEL/MTGS/EDUCATION	17,200	8,420	(260)	8,160	(9,040)	19,600
11-5801-411-1	CERTIFICATIONS/TCPS	2,150	3,186	(1,040)	2,146	(4)	1,845
11-5901-411-1	TELEPHONE	-	-	-	-	-	-
11-5902-411-1	ELECTRICITY	570,000	484,645	120,355	605,000	35,000	635,000
11-5903-411-1	NATURAL GAS	7,000	3,786	1,714	5,500	(1,500)	7,000
11-5904-411-1	TRASH COLLECTION	21,000	19,062	(612)	18,450	(2,550)	21,000
11-5905-411-1	UTILITY WATER	16,500	11,750	4,750	16,500	-	16,500
11-5950-411-1	OTHER EXPENSES	10,000	5,075	(1,450)	3,625	(6,375)	10,000
11-7010-000-0	DEPRECIATION EXPENSE	1,628,000	-	1,850,000	1,850,000	222,000	1,850,000
	TOTAL SERVICES & SUPPLIES	3,338,380	1,459,942	2,130,989	3,590,931	252,551	3,664,255
	TOTAL OPERATING & MAINTENANCE BUDGET	4,846,280	2,571,825	2,389,106	4,960,931	114,651	5,175,555

TREATMENT

11-5152-411-1**Clothing**

**FY 2015/2016
Budget Request
\$14,500**

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 | 9,000 |
| • Gloves, ear plugs, safety items | 2,900 |

11-5250-411-1**Gas and Oil**

**FY 2015/2016
Budget Request
\$49,000**

Justification:

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

11-5350-411-1**Memberships**

**FY 2015/2016
Budget Request
\$2,650**

Justification:

- | | |
|--|-------|
| • Membership to the Water Environment Federation for Chief Operator | 250 |
| • Membership renewal for the California Water Environment Association (CWEA) for thirteen (13) employees @ \$156 each. This membership includes renewal to the Colorado River Basin Local Section. | 2,100 |
| • Membership in the National Fire Protection Agency (NFPA) | 300 |

11-5420-411-1**Permits & Fees**

**FY 2015/2016
Budget Request
\$51,900**

Justification:

- | | |
|--|--------|
| • Annual NPDES permit fee | 37,500 |
| • SCAQMD facility permits | 10,200 |
| • 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) | 250 |
| • Miscellaneous | 100 |

TREATMENT

11-5450-411-1
Operating Supplies

FY 2015/2016
Budget Request
\$68,050

Justification:

• Miscellaneous operating supplies including reagents for chlorination and dechlorination analyzers	7,000
• Polymer to belt press nine (9) totes @ \$2,450 per tote	22,050
• Miscellaneous operating supplies	7,000
• Three (3) belts for Belt Press @ \$2,500 each	7,500
• 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.	3,700
• Landscaping supplies, including annual reseedling	9,500
• Student materials for distribution for public relations efforts	1,600

TREATMENT

11-5470-411-1
Chemicals

FY 2015/2016
Budget Request
\$339,460

Justification:

The total plant discharge for Fiscal Year 2015/16 is estimated to increase 1% higher than the year 2014 total flow of 2,085.300 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 2015/16 is

	MG	2,106,200
Sodium Hypochlorite	\$	166,390
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	175,657
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	\$	162,333
The projected delivery cost based on \$225 per delivery and expecting 18 deliveries is	\$	4,050

Ferric Chloride	\$	79,610
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	263,275
The cost of the Ferric Chloride based on \$37.20 per MG is	\$	78,351
The projected delivery cost based on \$125 per delivery and expecting 10 deliveries is	\$	1,250

Sodium Bisulfite	\$	89,960
The estimated total gallons of Sodium Bisulfite for Fiscal Year 2015/16 based on the projected plant discharge using 40 gallons per MG usage is GAL		
	Gal	84,248
The projected cost of purchasing the Sodium Bisulfite at \$1.04 per gallon is	\$	87,618
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 2015/2016
Budget Request
\$359,250

Justification:

• Bulrush and vegetation removal	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	2,200
• Annual fire suppression service for sodium hypochlorite facility	2,250
• Treatment plant upgrades for SCADA system	50,000
• Sludge disposal and transportation	60,000
• Pyro-Comm fire alarm monitoring	1,600
• Building alarm monitoring	4,250
• Answering service	1,450
• 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	2,000
• Pest control service for building and facilities	1,950
• Coachella Valley Mosquito & Vector Control District (CVMVCD)	15,000
• Bentley Enterprise Annual Licensing:	-

(CARRYOVER FROM 2013-2014 BUDGET - \$6,000 - MOVED FROM 11-8630-000-0)

(CARRYOVER FROM 2014-2015 BUDGET - \$24,000 - MOVED FROM 11-8630-000-0)

Annual licensing fee of \$30,000 for the FOG & Pretreatment Program system and the Asset Management/Preventive Maintenance System. The Collection Department will be paying \$10,000, or one-third of the annual fee, and the Treatment Department will pay \$20,000, or two-thirds of the annual fee.

TREATMENT

11-5710-411-1**Repairs & Maintenance****FY 2015/2016
Budget Request
\$229,000***Justification:*

• Equipment rental	5,000
• Gallery sump pump replacements	1,000
• Chlorine and dechlorination spare parts	6,000
• Routine miscellaneous repairs and maintenance (contingency)	70,000
• Road base for all dirt roads around treatment plant	1,000
• SCADA PLC programming	2,500
• Brown Bear, Case tractor and dump truck repairs	5,000
• Vehicle repair and smog checks	5,000
• Vehicle operating supplies	3,000
• 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	6,500
• Two (2) new de-chlor analyzers and controllers	10,000
• D.O. probes for aeration basins	20,000
• Inspect, clean and test main substation and transfer switch	5,000
• New tires for the forklift and backhoe	4,800
• Replace grinder and rebuild compactor at barscreens	27,500
• Replace watercooler on shop building	4,500
• Gas detectors for confined space entry	5,000
• Safety equipment for confined space entry	8,200

11-5720-411-1**Small Tools****FY 2015/2016
Budget Request
\$4,000***Justification:*

Miscellaneous small tool acquisition and replacement.	4,000
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11-5800-411-1**Travel, Meetings, & Education****FY 2015/2016
Budget Request
\$19,600***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
• National Electrical Code (NEC) Essentials 3-day Seminar	2,400

TREATMENT

11-5801-411-1

Certifications/Technical Certification Programs

**FY 2015/2016
Budget Request
\$1,845**

Justification:

- State Water Resource Control Board:
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator II	December 2015	II	230
Operator II	December 2015	II	230
Operator III	June 2016	III	300
Operator IV	August 2015	IV	340

- California Water Environment Association:
Technical Certifications Program

Job Title	Renewal Date	Grade	Renewal Fee
Maintenance Tech	December 2015	I	80
Maintenance Tech	July 2015	II	90
Maintenance Tech	December 2015	II	90
Maintenance Tech	January 2016	II	90
Electrician	July 2015	IV	95
Allowance for advancement			300

11-5902-411-1

Electricity - Imperial Irrigation District

**FY 2015/2016
Budget Request
\$635,000**

Justification:

The 2015/16 budget reflects a 5% increase over the 2014/15 anticipated close of \$605,000.

11-5903-411-1

Natural Gas

**FY 2015/2016
Budget Request
\$7,000**

Justification:

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

11-5904-411-1

Trash Collection

**FY 2015/2016
Budget Request
\$21,000**

Justification:

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

TREATMENT

11-5905-411-1

Utility Water

FY 2015/2016

Budget Request

\$16,500

Justification:

Potable water usage at treatment plant.

11-5950-411-1

Other Expenses

FY 2015/2016

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

2015/2016 BUDGET

ACCOUNT #	ACCOUNT TITLE	2014/2015 CURRENT BUDGET (2 Employees)	4/30/2015 ACTUAL	6/30/2015 ADDITION	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2015/2016 BUDGET REQUEST (2 Employees)
11-5030-414-2	SALARIES	140,000	110,923	23,077	134,000	(6,000)	147,000
11-5070-414-2	OVERTIME	500	-	-	-	(500)	500
11-5080-414-2	CALLOUT	500	-	-	-	(500)	500
11-5090-414-2	STANDBY	-	-	-	-	-	-
	TOTAL SALARIES	141,000	110,923	23,077	134,000	(7,000)	148,000
11-5110-414-2	LONGEVITY	1,200	933	267	1,200	-	1,200
11-5112-414-2	RETIREMENT	31,600	12,818	3,682	16,500	(15,100)	20,700
11-5116-414-2	FICA	10,800	7,970	2,330	10,300	(500)	11,400
11-5118-414-2	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-414-2	WORKERS COMPENSATION	3,300	3,046	254	3,300	-	4,200
11-5124-414-2	GROUP LIFE INSURANCE	500	355	45	400	(100)	400
11-5126-414-2	GROUP HEALTH INSURANCE	30,000	21,721	2,279	24,000	(6,000)	28,000
11-5128-414-2	DENTAL/VISION INSURANCE	2,750	1,335	165	1,500	(1,250)	1,700
11-5132-414-2	DISABILITY INSURANCE	1,000	695	105	800	(200)	800
11-5152-414-2	CLOTHING/SAFETY	2,120	1,038	362	1,400	(720)	2,120
	TOTAL BENEFITS	83,270	49,911	9,489	59,400	(23,870)	70,520
	TOTAL SALARIES/BENEFITS	224,270	160,834	32,566	193,400	(30,870)	218,520
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	156	144	300	-	312
11-5400-414-2	OFFICE EXPENSES	-	-	-	-	-	-
11-5410-414-2	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-414-2	PERMITS & FEES	4,175	1,907	-	1,907	(2,268)	4,350
11-5430-414-2	PRETREATMENT	-	-	-	-	-	-
11-5450-414-2	OPERATING SUPPLIES	19,750	8,414	3,586	12,000	(7,750)	23,170
11-5470-414-2	CHEMICALS	-	-	-	-	-	-
11-5500-414-2	CONTRACT SERVICES	2,050	1,659	341	2,000	(50)	2,255
11-5550-414-2	PROFESSIONAL/LEGAL	-	-	-	-	-	4,800
11-5600-414-2	PUBLICATIONS	-	-	-	-	-	-
11-5700-414-2	REPAIRS/MAINTENANCE	7,500	4,519	1,981	6,500	(1,000)	16,000
11-5720-414-2	SMALL TOOLS	500	-	-	-	(500)	-
11-5750-414-2	RESEARCH	112,300	26,827	23,173	50,000	(62,300)	114,100
11-5800-414-2	TRAVEL/MTGS/EDUCATION	2,000	767	233	1,000	(1,000)	2,000
11-5801-414-2	CERTIFICATIONS/TCPS	415	84	266	350	(65)	460
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	542	458	1,000	(9,000)	10,000
11-7010-000-0	DEPRECIATION EXPENSE	8,800	-	1,000	1,000	(7,800)	1,000
	TOTAL SERVICES & SUPPLIES	167,790	44,875	31,182	76,057	(91,733)	178,447
	TOTAL OPERATING & MAINTENANCE BUDGET	392,060	205,709	63,748	269,457	(122,603)	396,967

LABORATORY

11-5152-414-2**Clothing**

**FY 2015/2016
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 2015/2016
Budget Request
\$312**

Justification:

Membership renewal for the California Water Environment Association (CWEA) for two (2) employees @ \$156 each. This membership includes renewal to the Colorado River Basin Local Sections.

312

11-5420-414-2**Permits & Fees**

**FY 2015/2016
Budget Request
\$4,350**

Justification:

- State Health Department Laboratory certification 2,100
- Quality assurance testing 2,250 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 2015/2016
Budget Request
\$23,170**

Justification:

- Laboratory chemicals, reagents, detergents, filters, glassware, instrument batteries, Dissolved Oxygen (DO) probe modules, buffers, storage solutions, medias, agars, quality controls and miscellaneous supplies 19,570
- Miscellaneous small tools, torches, pliers, small air pumps, etc. 600
- Work station with cart 3,000

LABORATORY

11-5500-414-2
Contract Services

FY 2015/2016
Budget Request
\$2,255

Justification:

• Mettler scale annual service	365
• OHAUS scale annual service	365
• Replacement & calibration of class 1 weights	1,275
• Recalibrate certified digital thermometer	250
• Fume Hood calibration & certification	1,000

11-5550-414-2
Professional

FY 2015/2016
Budget Request
\$4,800

Justification:

Annual support for the Laboratory Information Management System (LIMS)	4,800
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11-5700-414-2
Repairs and Maintenance

FY 2015/2016
Budget Request
\$16,000

Justification:

• Miscellaneous instrument repairs & maintenance	2,000
• Service of Cl ₂ residual titrator	4,000
• Probe & meter with flexible connectivity	3,000
• Laboratory grade refrigerator	7,000

LABORATORY

11-5750-414-2
Research & Monitoring

FY 2015/2016
Budget Request
\$114,100

Justification:

• Sludge testing for belt press and pond sludge - ten (10) samples: TPN, pH, solids, phosphates, metals, nutrients	5,000
• Pathogen testing for sludge - ten (10) samples	14,000
• Bi-annual bioassays monitoring/sample shipping (July 2015/January 2016)	6,500
• Monthly testing of domestic water at nine (9) wells (TDS)	1,275 ¹
• Cost for two (2) Toxicity Identification Evaluation Ph.II & III Base Line	16,200 ¹
• Cost for two (2) Toxicity Identification Evaluation (TIE) Ph.I Base Line	7,750 ²
• RSW-001 & RSW-002 Storm Channel up & downstream testing	4,700
• EFF-001C total plant effluent flow testing	3,000
• Nitrogen testing for influent and ponds	3,800
• 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)	700
• California Toxics Rule (CTR) once annually	3,750
• Well G-001 ground water testing	500
• Grit/screenings samples every two (2) years	500
• Estimated ten (10) accelerated monitoring of Bioassays	25,000
• Heptachlor testing plant treatment trains before CL2 and total plant combined flows after SO2	17,000
• EPA 200.8 copper (at outfall)	250

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 I 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.

LABORATORY

11-5800-414-2

Travel, Meetings & Education

**FY 2015/2016
Budget Request
\$2,000**

Justification:

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

11-5801-414-2

Certifications/Technical Certification Programs

**FY 2015/2016
Budget Request
\$460**

Justification:

- State Water Resource Control Board:
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator	April 2016	III	300

- California Water Environment Association
Technical Certifications Program

Job Title	Renewal Date	Grade	Renewal Fee
Lab Supervisor	May 2016	Lab II	80
Lab Technician	January 2016	Lab II	80

11-5950-414-2

Other Expenses

**FY 2015/2016
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

2015/2016 BUDGET

ACCOUNT #	ACCOUNT TITLE	2014/2015 CURRENT BUDGET (5 Employees)	4/30/2015 ACTUAL	REMAINING	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2015/2016 BUDGET REQUEST (5 Employees)
11-5030-414-3	SALARIES	522,000	432,527	82,473	515,000	(7,000)	552,000
11-5070-414-3	OVERTIME	1,000	88	-	88	(912)	500
11-5080-414-3	CALLOUT	-	-	-	-	-	-
11-5090-414-3	STANDBY	-	-	-	-	-	-
	TOTAL SALARIES	523,000	432,615	82,473	515,088	(7,912)	552,500
11-5110-414-3	LONGEVITY	-	-	-	-	-	-
11-5112-414-3	RETIREMENT	117,480	61,433	18,567	80,000	(37,480)	77,460
11-5116-414-3	FICA	40,100	26,050	8,950	35,000	(5,100)	42,300
11-5118-414-3	UNEMPLOYMENT INSURANCE	15,000	8,071	4,929	13,000	(2,000)	10,000
11-5122-414-3	WORKERS COMPENSATION	1,500	1,448	252	1,700	200	1,700
11-5124-414-3	GROUP LIFE INSURANCE	3,650	1,085	115	1,200	(2,450)	250
11-5126-414-3	GROUP HEALTH INSURANCE	63,000	47,661	5,339	53,000	(10,000)	61,400
11-5128-414-3	DENTAL/VISION INSURANCE	6,500	5,005	995	6,000	(500)	6,500
11-5132-414-3	DISABILITY INSURANCE	3,700	2,729	371	3,100	(600)	1,500
11-5152-414-3	CLOTHING/SAFETY	-	-	-	-	-	-
	TOTAL BENEFITS	250,930	153,482	39,518	193,000	(57,930)	201,110
	TOTAL SALARIES/BENEFITS	773,930	586,097	121,991	708,088	(65,842)	753,610
11-5150-414-4	DIRECTORS' FEES	13,500	9,400	2,000	11,400	(2,100)	13,500
11-5225-414-3	ELECTION	-	-	-	-	-	70,000
11-5250-414-3	GAS/OIL	-	-	-	-	-	-
11-5300-414-3	COMPREHENSIVE INSURANCE	353,750	294,789	58,961	353,750	-	323,000
11-5350-414-3	MEMBERSHIPS/SUBSCRIPT	35,000	24,964	5,036	30,000	(5,000)	33,949
11-5400-414-3	OFFICE EXPENSES	14,000	10,364	3,636	14,000	-	15,000
11-5410-414-3	COUNTY/CITY CHARGES	17,400	15,386	4,714	20,100	2,700	20,100
11-5420-414-3	PERMITS & FEES	2,200	2,240	-	2,240	40	2,350
11-5430-414-3	PRETREATMENT	-	-	-	-	-	-
11-5450-414-3	OPERATING SUPPLIES	11,500	547	4,453	5,000	(6,500)	11,500
11-5470-414-3	CHEMICALS	-	-	-	-	-	-
11-5500-414-3	CONTRACT SERVICES	59,960	41,852	18,108	59,960	-	50,600
11-5552-414-3	PROFESSIONAL/LEGAL	124,500	63,921	16,079	80,000	(44,500)	129,300
11-5600-414-3	PUBLICATIONS	4,500	2,027	2,473	4,500	-	4,500
11-5700-414-3	REPAIRS/MAINTENANCE	20,000	10,342	9,658	20,000	-	22,200
11-5720-414-3	SMALL TOOLS	-	-	-	-	-	-
11-5750-414-3	RESEARCH	-	-	-	-	-	-
11-5800-414-3	TRAVEL/MTGS/EDUCATION	40,000	15,429	4,571	20,000	(20,000)	40,000
11-5801-414-3	CERTIFICATIONS/TCPS	850	295	555	850	-	850
11-5901-414-3	TELEPHONE/VOIP	15,000	10,006	2,994	13,000	(2,000)	13,000
11-5902-414-3	ELECTRICITY	-	-	-	-	-	-
11-5903-414-3	NATURAL GAS	-	-	-	-	-	-
11-5904-414-3	TRASH COLLECTION	-	-	-	-	-	-
11-5905-414-3	UTILITY WATER	-	-	-	-	-	-
11-5950-414-3	OTHER EXPENSES	10,000	1,328	8,672	10,000	-	10,000
11-7010-000-0	DEPRECIATION EXPENSE	13,200	-	2,000	2,000	(11,200)	2,000
	TOTAL SERVICES & SUPPLIES	735,360	502,890	143,910	646,800	(88,560)	761,849
	TOTAL OPERATING & MAINTENANCE BUDGET	1,509,290	1,088,987	265,901	1,354,888	(154,402)	1,515,459

ADMINISTRATION/BOARD

11-5150-414-4 Directors Fees

**FY 2015/2016
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 (6) days in any calendar month, together with any expenses incident thereto. Currently, with five (5) members, the anticipated maximum expense for FY 2015/16 is \$12,000 for regular meetings plus \$1,500 additional for committee meetings, etc.

11-5225-414-3 Board Election

**FY 2015/2016
Budget Request
\$70,000**

Justification:

This expense is incurred every two (2) years for General District Election. Three (3) Director positions are open for nomination.

11-5350-414.3 Comprehensive Insurance

**FY 2015/2016
Budget Request
\$323,000**

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 2015/2016
Budget Request
\$33,949**

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)	5,227
• 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 ^A

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

ADMINISTRATION/BOARD

11-5400-414-3
Office Expenses

FY 2015/2016
Budget Request
\$15,000

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 2015/2016
Budget Request
\$20,100

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 \$.08 cents per assessment for each time a file is submitted including rejected parcels that are resubmitted plus an additional per district fee of \$129.66 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 2015/16 the charge is estimated at \$.40 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 2015/2016
Budget Request
\$2,350

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 \$2,350 is only an estimate allowing for an increase over last year's payment.

11-5450-414-3
Operating Supplies

FY 2015/2016
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 2015/2016
Budget Request
\$50,600**

Justification:

Encompasses all expenses related to:

- | | |
|---|--------|
| • CalPERS Health Plan annual fee | 1,200 |
| • CalPERS Actuarial Study for GASB 68 requirements | 1,700 |
| • Pitney Bowes (lease on postage meter) | 660 |
| • CBIZ (Section 125 Plan) | 500 |
| • Computer maintenance (Southwest Networks) | 22,980 |
| • Backup/disaster recovery storage (Southwest Networks) | 7,200 |
| • Capacity Connection Fee (rate study) (\$7,500 CARRY OVER) | - |
| • OPEB Health Insurance (11-5545-414-3) | |
| ◦ CalPERS OPEB Health Insurance fees | 3,600 |
| ◦ OPEB Annual Required Contribution (ARC) | 9,860 |
| ◦ Biennial OPEB Actuarial Study | 2,900 |

11-5550-414-3

Professional/Legal

**FY 2015/2016
Budget Request
\$129,300**

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 \$20,000 for mailing the District Newsletter and/or Proposition 218 notices.

- | | |
|--|--------|
| • Legal services (11-5552-414-3) | 40,000 |
| • Other professional services (11-5553-414-3) | |
| ◦ Computer consulting | 25,000 |
| ◦ Printing & mailing of District Newsletter/Proposition 218 notices - twice/year | 20,000 |
| ◦ Laserfiche annual renewal | 2,700 |
| • Accounting services (11-5554-414-3) | |
| ◦ Annual audit | 15,500 |
| ◦ Payroll processing | 4,000 |
| ◦ Time Clock System | 4,000 |
| • Medical services (11-5555-414-3) | |
| ◦ Medical exams-DMV & pre-employment | 1,000 |
| ◦ Drug/alcohol testing - four (4) employees | 500 |
| ◦ First aid medical | 500 |
| ◦ Wellness program | 15,000 |
| ◦ Employee Assistance Program (EAP) | 1,100 |

- Sewer Rate Study (Approved BOD 10/25/11 \$23,320)
(CARRYOVER FROM 2014-2015 BUDGET - \$14,410)

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 (10) years, plus deliver a comprehensive rate model that can be used internally for the establishment of rates.

ADMINISTRATION/BOARD

11-5600-414-3**Publications****FY 2015/2016****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 2015/2016****Budget Request****\$22,200*****Justification:***

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

- Blackbaud accounting software - annual maintenance 7,600
- Monthly maintenance costs for copier 3,500
- IT contingency 10,000
- Miscellaneous 1,100

11-5800-414-3/4**Travel, Meetings & Education****FY 2015/2016****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 2015/2016
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 (even years)	250

11-5901-414-3**Telephone****FY 2015/2016
Budget Request
\$13,000*****Justification:***

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

11-5950-414-3/4**Other Expenses****FY 2015/2016
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
2015/2016 BUDGET

ACCOUNT #	DESCRIPTION	2014/2015 BUDGET	4/30/2015 ACTUAL	6/30/2015 ADDITION	2014/2015 ANTICIPATED CLOSE	2014/2015 BUDGET VARIANCE	2015/2016 BUDGET REQUEST
FUND 11/O&M							
11-8630-000-0	COLLECTION - FACILITIES	51,000	2,456	-	2,456	(48,544)	15,000
11-8640-000-0	TREATMENT FACILITY	145,700	95,967	4,033	100,000	(45,700)	35,000
11-8660-000-0	GENERAL FACILITIES	150,000	25,000	-	25,000	(125,000)	200,000
11-8670-000-0	LABORATORY	-	-	-	-	-	-
11-8680-000-0	ADMIN FACILITIES	25,000	2,683	5,000	7,683	(17,317)	-
	RESERVE ACCOUNT	3,432,200	3,432,200	-	3,432,200	-	3,481,900
TOTAL FUND 11		3,803,900	3,558,306	9,033	3,567,339	(236,561)	3,731,900
FUND 13							
13-8623-000-0	COLLECTION-SEWER LINES	1,795,200	178,863	3,265	182,128	(1,613,072)	2,352,800
13-8630-000-0	COLLECTION FACILITY	-	-	-	-	-	-
13-8643-000-0	TREATMENT FACILITY	-	-	-	-	-	-
13-8650-000-0	SLUDGE FACILITY	-	-	-	-	-	-
13-8660-000-0	GENERAL FACILITIES	-	-	-	-	-	3,500,000
13-8670-000-0	LABORATORY	-	-	-	-	-	-
13-8680-000-0	ADMIN FACILITIES	-	-	-	-	-	-
13-9120-000-0	TRANSFER FOR COP	499,142	499,349	(207)	499,142	-	466,146
TOTAL FUND 13		2,294,342	678,212	3,058	681,270	(1,613,072)	6,318,946
TOTAL CAPITAL OUTLAY BUDGET		6,098,242	4,236,518	12,091	4,248,609	(1,849,633)	10,050,846
TOTAL O & M BUDGET		8,208,630	-	-	-	-	8,454,686
TOTAL BUDGET		14,306,872	4,236,518	12,091	4,248,609	(1,849,633)	18,505,532

PROJECTED EXPENSES OUT OF RESERVES							
12-8632-000-0	COLLECTION-SEWER LINES	2,233,800	189,155	68,265	257,420	(1,976,380)	3,125,200
12-8642-000-0	TREATMENT FACILITY	360,400	78,290	39,932	118,222	(242,178)	404,350
12-8650-000-0	SLUDGE FACILITY	-	-	-	-	-	-
12-8660-000-0	GENERAL FACILITIES	555,400	91,909	132,429	224,338	(331,062)	589,800
12-8670-000-0	LABORATORY	20,200	-	5,000	5,000	(15,200)	10,400
12-8680-000-0	ADMIN FACILITIES	20,400	14,191	3,309	17,500	(2,900)	20,800
12-9140-000-0	TRANSFER FOR COP	457,754	457,495	259	457,754	-	427,507
TOTAL FROM RESERVES		3,647,954	831,040	249,194	1,080,234	(2,567,720)	4,578,057

FUND 11

CAPITAL O & M FUND**FUND TOTAL REQUEST****\$250,000****11-8630-000-0****FY 2015/2016****COLLECTION****Budget Request
\$15,000**A) Manhole Frame and Covers:

15,000

Riverside County is planning on doing street improvements on Van Buren north toward Indio Blvd. The Collection Systems Department is budgeting \$15,000 to replace older manhole frames and covers when they become damaged and/or when road improvements are made on city streets.

11-8640-000-0**FY 2015/2016****TREATMENT****Budget Request
\$35,000**A) Replacement tank for sodium hypochlorite:

35,000

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.

B) 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.

11-8660-000-0**FY 2015/2016****GENERAL FACILITIES****Budget Request
\$200,000**A) Water Reuse Project (EVRA JPA):

200,000

(CARRYOVER FROM 2014-2015 BUDGET - \$100,000)

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.

11-8680-000-0**FY 2015/2016****ADMINISTRATION****Budget Request
\$0**A) Codification Services:

-

(CARRYOVER FROM 2014-2015 BUDGET - \$30,000)

The District is working with Code Publishing to establish the Valley Sanitary District Code. The first payment is due when the first proof, analysis and attorney's findings are delivered and the final payment is due upon delivery of the final code and internet setup. Payment will be due in the 2015/2016 fiscal year.

B) Rate Study:

-

(CARRYOVER FROM 2014-2015 BUDGET - \$11,260)

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 (10) 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 **\$4,578,057**
FY 2015/2016
Budget Request
\$3,125,200

A) Requa Interceptor - Construction:

2,138,900

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 include support services, construction staking, and a 30 percent (30%) contingency for expenses incurred due to unforeseen circumstances. Construction is estimated to begin in November 2015 and be completed by June 2017. 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 15/16 as shown below. [FY 16/17 assumes inflation at three percent (3%)]

<u>FY 15/16 Fund 12 (50%)</u>	<u>2,138,900</u>	<u>FY 16/17 Fund 12 (50%)</u>	<u>3,782,948</u>
Total	2,138,900	Total	3,782,948

B) Requa Interceptor - Construction Management:

213,900

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 16/17 assumes inflation at three percent (3%)]

<u>FY 15/16 Fund 12 (50 %)</u>	<u>213,900</u>	<u>FY 16/17 Fund 12 (50%)</u>	<u>378,284</u>
Total	213,900	Total	378,284

C) Private Lateral Grant Program:

52,000

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 (1) private sewer lateral replacement or repair is 50% of the approved cost up to a maximum reimbursement of \$2,000.

- D) Collection System Repairs/Rehabilitation/Replacement Design: 250,000
In order to properly bid the repairs, rehabilitation and/or replacement of sewer mains and manholes, a consultant will be needed to perform the design and complete the specifications. This will greatly enhance the bidding process and provide for competitive bidding as well as help staff complete the anticipated work load.
- E) Sewer Main Rehabilitation or Replacement: 260,000
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 sewer mains needing repairs are prioritized by the severity of the deterioration and are rehabilitated or replaced according to an established schedule.
- F) Manhole Rehabilitation: 100,000
Manholes are inspected as part of the scheduled line cleaning maintenance. These inspections are reviewed to determine what manholes have deteriorated to a point that requires rehabilitation. The rehabilitation process includes cleaning the manhole/brick surface and channel, repairing cracks/holes and then coating the interior manhole surface and channel with a polyurethane coating. The polyurethane coating protects the manhole surface and repairs against deterioration and helps restore the flow characteristics of the channel.
- G) Sewer Main Point Repairs: 100,000
Video inspection of sewer pipelines reveals deficiencies that may include cracks, holes and offset joints. Deficiencies isolated to a single or several small areas of an otherwise serviceable pipeline may be repaired to restore pipe integrity in lieu of pipeline replacement.
- H) Contingency for Emergency Repairs: 10,400
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.

12-8642-000-0
TREATMENT

FY 2015/2016
Budget Request
\$404,350

- A) Shade structure for District and Vactor trucks: 110,000
(CARRYOVER FROM 2014-2015 BUDGET - \$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 already exists.
- B) Complete the renovation for the Zimpro building: 73,550
 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.
- C) Contingency for emergency repairs: 20,800
 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.
- D) 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.
- E) Hypochloride Chemical Feeder: -
(CARRYOVER FROM 2013-2014 BUDGET - \$100,000 - MOVED FROM SEWER PLANT
REHABILITATION FUND 12-8632-000-0)
- F) Steel Waterline Activated Sludge Plant: 200,000
 During the previous plant expansions new secondary water pumps, along with most of the secondary water piping, were replaced. A section of the secondary water piping that runs along the aeration basins is still the original piping. This section of piping is 43 years old and in need of replacement.

12-8660-000-0**GENERAL FACILITIES**

**FY 2015/2016
Budget Request
\$589,800**

A) Vehicle & Equipment Replacement Fund:

319,000

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

Vehicles/Equipment to be replaced in 2015/2016 include:

- Collection System Video Inspection Vehicle
- Video Inspection Equipment
- Two (2) Aerators for Pond II

B) Front Wall Replacement:

250,000

(CARRY OVER FROM 2014-2015 BUDGET - \$340,000)

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 \$605,000, less \$15,000 spent in previous years, for a remaining total of \$590,000.

C) Contingency for emergency repairs:

20,800

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

12-8670-000-0**LABORATORY**

**FY 2015/2016
Budget Request
\$10,400**

A) Contingency for emergency repairs:

10,400

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 2015/2016
Budget Request
\$20,800**

A) Contingency for emergency repairs:

20,800

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 2015/2016
Budget Request
\$427,507**

A) Principal and Interest Payment for Revenue Refunding Bonds, 2015:

425,007

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

B) Annual Administrative Expenses for Revenue Refunding Bonds, 2015:

2,500

FUND 13

CAPITAL IMPROVEMENT FUND

13-8623-000-0

COLLECTION

FUND TOTAL REQUEST \$6,318,946

FY 2015/2016

Budget Request

\$2,352,800

A) Requa Interceptor - Construction:

2,138,900

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 include support services, construction staking, and a 30 percent (30%) contingency for expenses incurred due to unforeseen circumstances. Construction is estimated to begin in November 2015 and be completed by June 2017. 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 15/16 as shown below. [FY 16/17 assumes inflation at three percent (3%)]

FY 15/16 Fund 13 (50%)	2,138,900	FY 16/17 Fund 13 (50%)	3,782,948
Total	2,138,900	Total	3,782,948

B) Requa Interceptor - Construction Management:

213,900

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 16/17 assumes inflation at three percent (3%)]

FY 15/16 Fund 13 (50%)	213,900	FY 16/17 Fund 13 (50%)	378,284
Total	213,900	Total	378,284

13-8660-000-0

GENERAL FACILITIES

FY 2015/2016

Budget Request

\$3,500,000

A) Solar Project:

3,500,000

As part of a program to develop and utilize renewable energy sources, Valley Sanitary District is proposing to design, construct and operate a Solar Photovoltaic Generating project. Construction is expected to begin during the first quarter of FY 15/16 and continue for approximately six (6) months.

13-9120-000-0

Transfer to Fund 06

FY 2015/2016

Budget Request

\$466,146

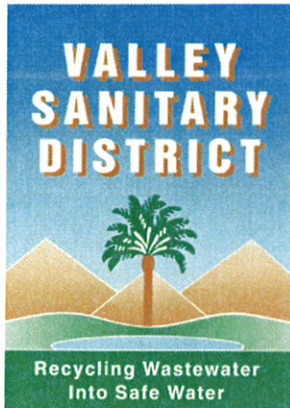
A) Principal and Interest Payment for Revenue Refunding Bonds, 2015:

463,646

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

B) Annual Administrative Expenses for Revenue Refunding Bonds, 2015:

2,500



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 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 replace or rehabilitate existing facilities while some projects are funded entirely out of Fund 13 because that project's entire purpose is to

increase capacity. Many projects are a mixture of both replacement and expansion and as such are funded by a combination of both Funds 12 and 13. In determining the percentage of a project that is for replacement / rehabilitation 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 six (6) years. This includes construction of the Requa Street Interceptor that will begin around the middle of the 2015/16 Fiscal Year after completion of the final design plans late in the 2014/15 Fiscal Year. It also includes the construction of Phase 2B Solids Handling Facilities. However, Fund 12 is depleted by fiscal year 2021/22 due to the construction of the Phase 3 Expansion and continues to be depleted through Fiscal Year 2033/34 due to this same project.

For this reason as well as the depletion of Fund 13 (to be discussed below), VSD is applying for a State Revolving Fund (SRF) loan to pay for the Requa Interceptor Project. Even with this additional funding, the Fund 12 reserves fall short of paying for the construction of Phase 3 Expansion scheduled for 2021/22. Additional funding as well as an increase to the sewer use fee will be needed to fund any future expansion.

Fund 13 (Capital Replacement Fund)

The 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 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 was completed last year. The treatment facilities designed for Construction Phase 2B Solids Handling Facilities that are intended to increase capacity have been deferred to a later date (FY 2018/19).

The District renewed their National Pollutant Discharge Elimination System (NPDES) Permit with the California Regional Water Quality Control Board in May

2015. The District is exploring a joint project with the Indio Water Authority to design and construct a Reclaimed/Recycled Water system. Lastly, the District is in the process of updating their Treatment Plant Master Plan. This plan will update the need for continued expansion, the timing of such expansion, as well as the cost. These three projects will determine the future vision for the Valley Sanitary Water Reclamation Plant.

Fund 13 will not have enough funding to begin the construction of the Requa Interceptor Project without additional funding. VSD is applying for a State Revolving Fund (SRF) loan to pay for the Requa Interceptor project which needs to be completed before the completion of the East County Detention Center expansion. Even with the SRF loan, Fund 13 will be depleted by Fiscal Year 2018/2019 as a result of the construction of the Phase 2B Solids Handling Facilities. 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 future expansion projects. 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

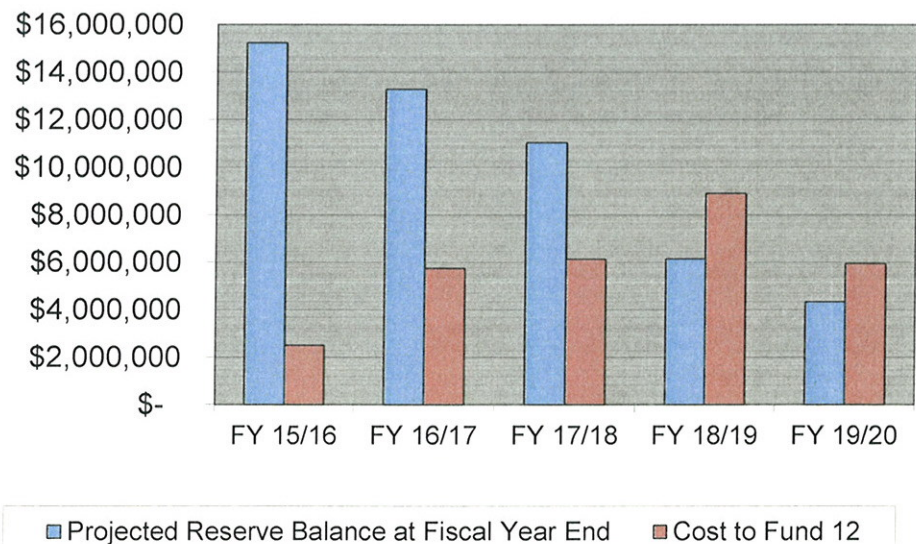
The following pages contain the proposed capital projects and revenue projections for the next five years. Page S-1 contains a summary of the estimated project expenses charged to Fund 12 as well as the estimated income placed into the Fund 12 reserves. Page S-2 contains a summary of the estimated project expenses charged to Fund 13 as well as the estimated income placed into Fund 13 from connection capacity charges. Pages 1A through 23B list the major individual capital improvements along with a project description, project cost, apportionment of costs between Fund 12 and Fund 13, and justification for the project.

Twenty Year Capital Improvement Program Projections

As a long range planning tool, Attachment A shows a Ten Year Capital Improvement Program forecast along with an additional ten year cumulative column labeled "Total for Future Years" that projects major capital improvement costs, scheduling and income for Fund 12 capital improvement reserves and Fund 13 capital expansion 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 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
		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 Revenue Refunding Bonds, 2015	\$ 418,098	\$ 417,248	\$ 417,080	\$ 417,893	\$ 416,028
2A - 2B	Renovation of the Mechanic's Building	\$ 73,550	\$ -	\$ -	\$ -	\$ -
3A - 3B	Shade Structure for District Vehicles and Vactor	\$ 110,000	\$ -	\$ -	\$ -	\$ -
4A - 4B	Steel Waterline Replacement Project	\$ 200,000	\$ -	\$ -	\$ -	\$ -
5A - 5B	Solids Handling Facilities Phase 2B Construction	\$ -	\$ -	\$ -	\$ 5,961,034	\$ -
6A - 6B	Solids Handling Facilities Phase 2B Const. Mgmt.	\$ -	\$ -	\$ -	\$ 476,883	\$ -
7A - 7B	Vehicle & Equipment Replacement Fund	\$ 319,000	\$ 319,000	\$ 319,000	\$ 319,000	\$ 319,000
8A - 8B	Front Wall Replacement & Entrance Improvements	\$ 150,000	\$ -	\$ -	\$ -	\$ -
9A - 9B	Solar PV Installation Project	\$ -	\$ -	\$ -	\$ -	\$ -
10A - 10B	State Revolving Fund Debt Service	\$ 378,550	\$ 378,550	\$ 378,550	\$ 378,550	\$ 378,550
11A - 11B	Requa Interceptor Construction	\$ 2,138,900	\$ 3,782,948	\$ -	\$ -	\$ -
12A - 12B	Requa Interceptor Construction Management	\$ 213,900	\$ 378,284	\$ -	\$ -	\$ -
13A - 13B	Collection System Rehab / Replacement Design	\$ 250,000	\$ 255,000	\$ 260,100	\$ 265,302	\$ 270,608
14A - 14B	Lateral Grant Program	\$ 52,000	\$ 53,040	\$ 54,101	\$ 55,183	\$ 56,287
15A - 15B	Sewer Main Rehabilitation	\$ 260,000	\$ 3,300,000	\$ 3,399,000	\$ 273,000	\$ 3,500,970
16A - 16B	Manhole Rehabilitation	\$ 100,000	\$ 750,000	\$ 772,500	\$ 105,000	\$ 795,675
17A - 17B	Sewer Main Point Repairs	\$ 100,000	\$ 103,000	\$ 106,090	\$ 109,273	\$ 112,551
18A - 18B	Avenue 48 Sewer Main Upgrade Design	\$ -	\$ 35,759	\$ -	\$ -	\$ -
19A - 19B	Avenue 48 Sewer Main Upgrade Construction	\$ -	\$ -	\$ 343,651	\$ -	\$ -
20A - 20B	Avenida Esmeralda Interceptor Design	\$ -	\$ 3,938	\$ -	\$ -	\$ -
21A - 21B	Avenida Esmeralda Interceptor Construction	\$ -	\$ 36,627	\$ -	\$ -	\$ -
22A - 22B	5 Year Collection System CIP Projects	\$ -	\$ -	\$ -	\$ 450,568	\$ -
23A - 23B	Contingency-All Departments Combined	\$ 83,200	\$ 84,864	\$ 86,561	\$ 88,292	\$ 90,058
	Less Requa Construction & CM cost due to SRF Loan	\$ (2,352,800)	\$ (4,161,231)	\$ -	\$ -	\$ -
Total		\$ 2,494,398	\$ 5,737,026	\$ 6,136,633	\$ 8,899,978	\$ 5,939,727
Projected Fund 12 Reserves at Start of Fiscal Year		\$ 14,048,212	\$ 15,232,169	\$ 13,281,795	\$ 11,045,183	\$ 6,150,453
Projected Fund 12 Income		\$ 3,678,355	\$ 3,786,652	\$ 3,900,021	\$ 4,005,248	\$ 4,114,568
Total Reserve Funds		\$ 17,726,567	\$ 19,018,821	\$ 17,181,816	\$ 15,050,431	\$ 10,265,021
Projected Reserve Balance at Fiscal Year End		\$ 15,232,169	\$ 13,281,795	\$ 11,045,183	\$ 6,150,453	\$ 4,325,294

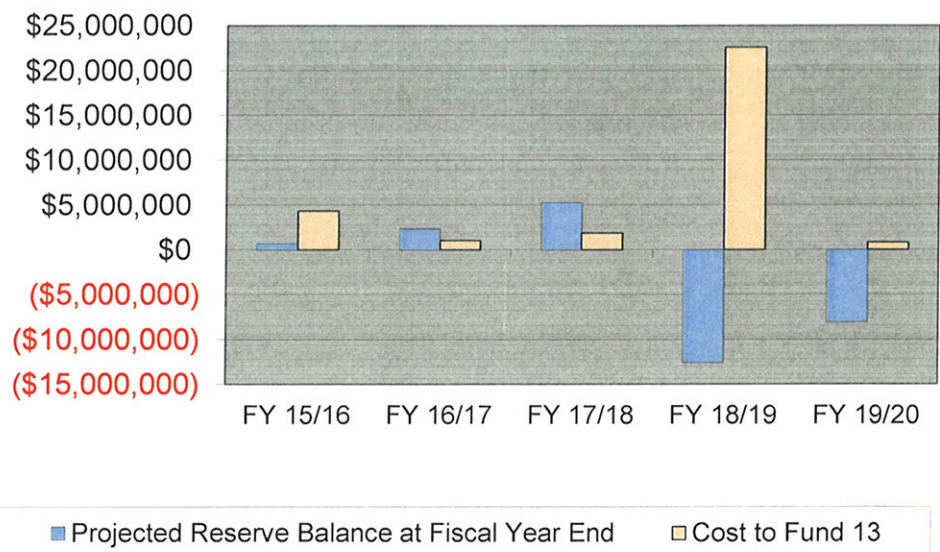
Fund 12 Projected Reserves vs. Expenses



Page Number	Project Name	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
		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 Revenue Refunding Bonds, 2015	\$ 455,882	\$ 454,953	\$ 454,770	\$ 455,657	\$ 453,622
2A - 2B	Renovation of the Mechanic's Building	\$ -	\$ -	\$ -	\$ -	\$ -
3A - 3B	Shade Structure for District Vehicles and Vactor	\$ -	\$ -	\$ -	\$ -	\$ -
4A - 4B	Steel Waterline Replacement Project	\$ -	\$ -	\$ -	\$ -	\$ -
5A - 5B	Solids Handling Facilities Phase 2B Construction	\$ -	\$ -	\$ -	\$ 18,876,607	\$ -
6A - 6B	Solids Handling Facilities Phase 2B Const. Mgmt.	\$ -	\$ -	\$ -	\$ 1,510,129	\$ -
7A - 7B	Vehicle & Equipment Replacement Fund	\$ -	\$ -	\$ -	\$ -	\$ -
8A - 8B	Front Wall Replacement & Entrance Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
9A - 9B	Solar PV Installation Project	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
10A - 10B	State Revolving Fund Debt Service	\$ 378,550	\$ 378,550	\$ 378,550	\$ 378,550	\$ 378,550
11A - 11B	Requa Interceptor Construction	\$ 2,138,900	\$ 3,782,948	\$ -	\$ -	\$ -
12A - 12B	Requa Interceptor Construction Management	\$ 213,900	\$ 378,284	\$ -	\$ -	\$ -
13A - 13B	Collection System Rehab / Replacement Design	\$ -	\$ -	\$ -	\$ -	\$ -
14A - 14B	Lateral Grant Program	\$ -	\$ -	\$ -	\$ -	\$ -
15A - 15B	Sewer Main Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -
16A - 16B	Manhole Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -
17A - 17B	Sewer Main Point Repairs	\$ -	\$ -	\$ -	\$ -	\$ -
18A - 18B	Avenue 48 Sewer Main Upgrade Design	\$ -	\$ 107,276	\$ -	\$ -	\$ -
19A - 19B	Avenue 48 Sewer Main Upgrade Construction	\$ -	\$ -	\$ 1,030,954	\$ -	\$ -
20A - 20B	Avenida Esmeralda Interceptor Design	\$ -	\$ 11,813	\$ -	\$ -	\$ -
21A - 21B	Avenida Esmeralda Interceptor Construction	\$ -	\$ 109,882	\$ -	\$ -	\$ -
22A - 22B	5 Year Collection System CIP Projects	\$ -	\$ -	\$ -	\$ 1,351,705	\$ -
23A - 23B	Contingency-All Departments Combined	\$ -	\$ -	\$ -	\$ -	\$ -
	Less Requa Construction & CM cost due to SRF Loan	\$ (2,352,800)	\$ (4,161,231)	\$ -	\$ -	\$ -
	Total	\$ 4,334,432	\$ 1,062,475	\$ 1,864,274	\$ 22,572,647	\$ 832,172
	Projected Fund 13 Reserves at Start of Fiscal Year	\$3,437,587	\$693,561	\$2,360,184	\$5,231,664	(\$12,567,668)
	Projected Fund 13 Income	\$1,590,406	\$2,729,098	\$4,735,754	\$4,773,316	\$5,303,136
	Total Reserve Funds	\$5,027,993	\$3,422,659	\$7,095,938	\$10,004,979	(\$7,264,532)
	Projected Reserve Balance at Fiscal Year End	\$693,561	\$2,360,184	\$5,231,664	(\$12,567,668)	(\$8,096,704)

Fund 13

Projected Available Reserves vs. Expenses



PROJECT: DEBT SERVICE ON REVENUE REFUNDING BONDS 2015

PROJECT DESCRIPTION

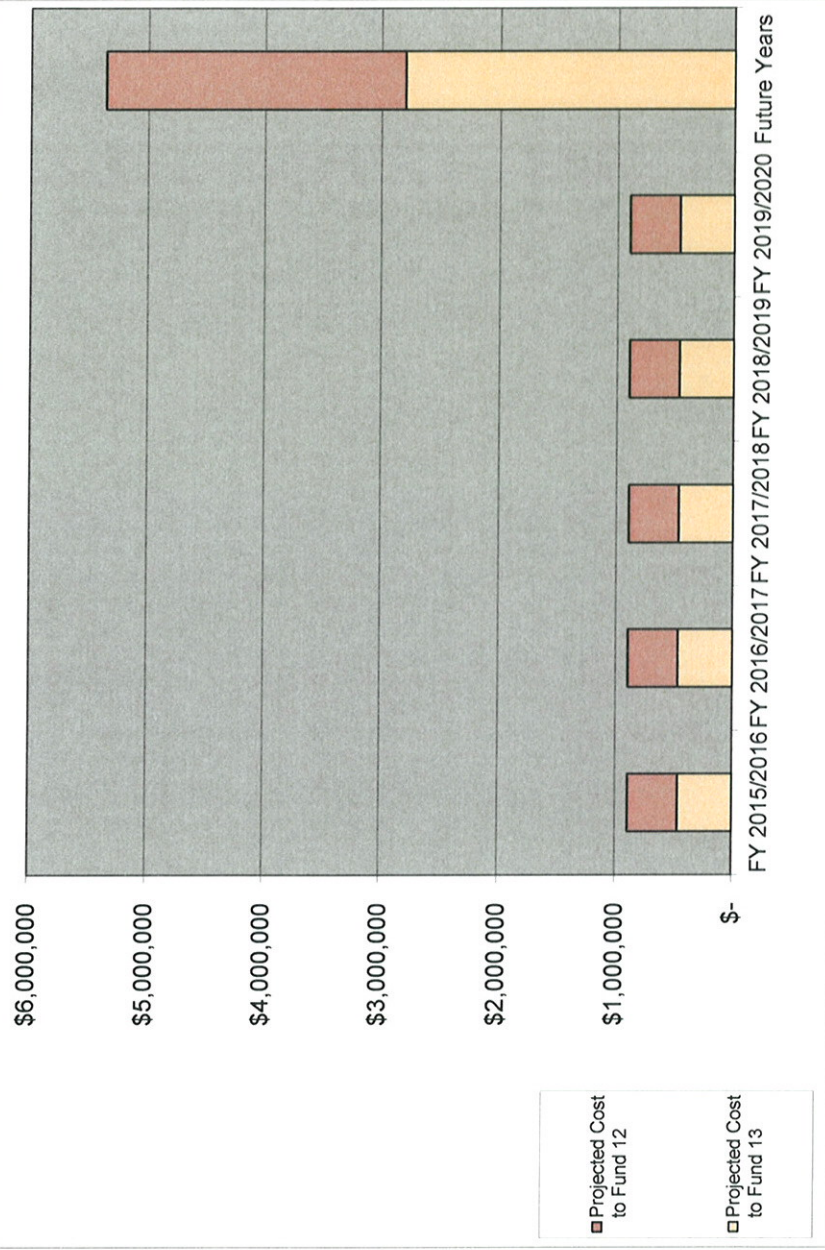
Payment of principal and interest to refinance the original 2006 Certificates of Participation (COP) which were used to facilitate the expansion and renovation of District facilities



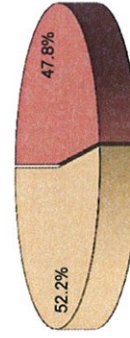
Project Number	Project Name
Debt Service on Revenue Refunding Bonds, 2015	
	Total Project Cost \$ 9,831,969
	Remaining Balance \$ 8,938,316
Project Description Refinancing the original 2006 Certificates of Participation bonds for the remaining 10 years due to lower interest rates and cost savings.	
Justification The refinancing of the COP debt service will save the District about \$74,740 per year or about \$822,000 in total savings.	

Percent for Replacement Facilities Fund 12	47.8%	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	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
		\$ 427,507	\$ 429,557	\$ 428,002	\$ 428,241	\$ 427,763	\$ 2,562,363

Percent for Capacity Expansion Fund 13	52.2%	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	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
		\$ 466,146	\$ 468,381	\$ 466,686	\$ 466,947	\$ 466,425	\$ 2,793,951



Percent Distribution Between Fund 12 and Fund 13



PROJECT: RENOVATION OF THE MECHANIC'S BUILDING

PROJECT DESCRIPTION

This project will renovate the old Zimpro building and convert the building into a mechanic's shop. This includes the addition of cabinets, shelves, tool boxes, tools, grinders, compressed air system and other equipment.

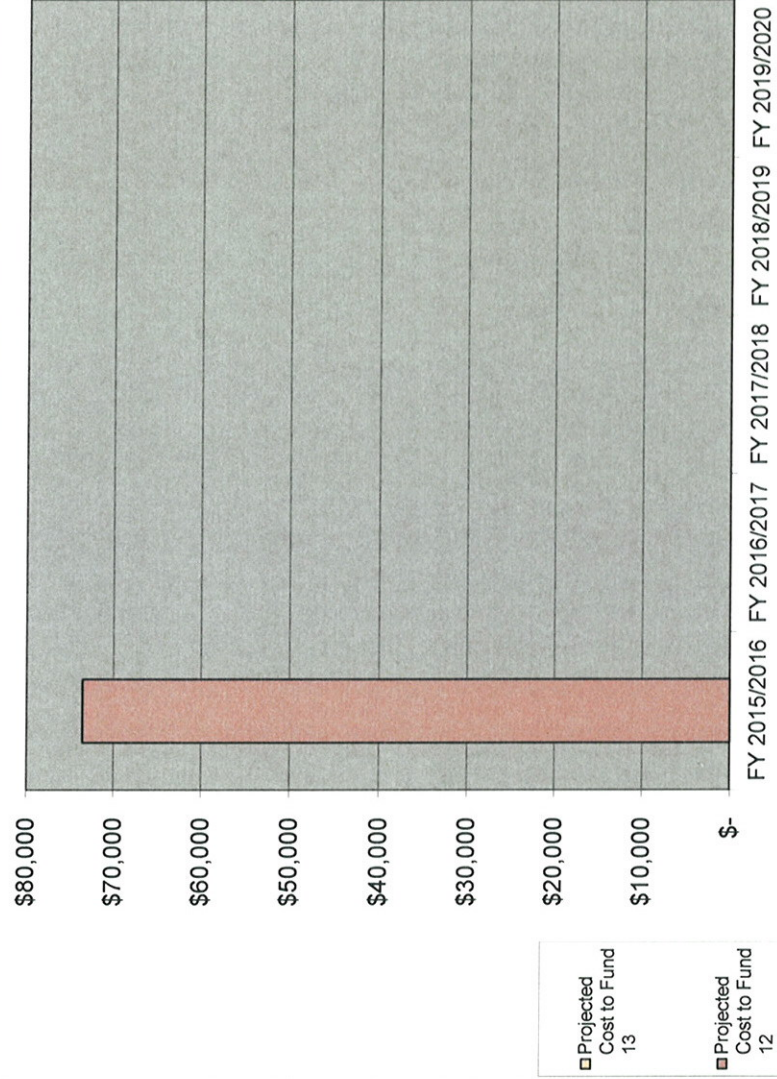
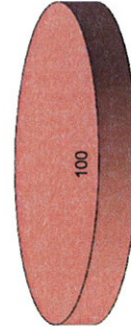


	Project Name
	Renovation of the Mechanic's Building
	Total Project Cost \$ 223,550
	Remaining Balance \$ 73,550
	Project Description Renovate the old Zimpro building to convert the building into the mechanic's shop. The new shop will be stocked with cabinets, shelving, tool boxes, tools, grinders, compressed air system and other equipment.
	Justification This building was used as a partial storage for lawnmower equipment. The old mechanic's shop is used for offices for employees as well as many other uses not conducive to a mechanic's shop.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Replacement Facilities Fund 12	73.550				
	\$	\$	\$	\$	\$
100					

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Capacity Expansion Fund 13					
	\$	\$	\$	\$	\$
0					

Percent Distribution Between Fund 12 and Fund 13



PROJECT: SHADE STRUCTURES FOR DISTRICT VEHICLES AND VACTORS

PROJECT DESCRIPTION

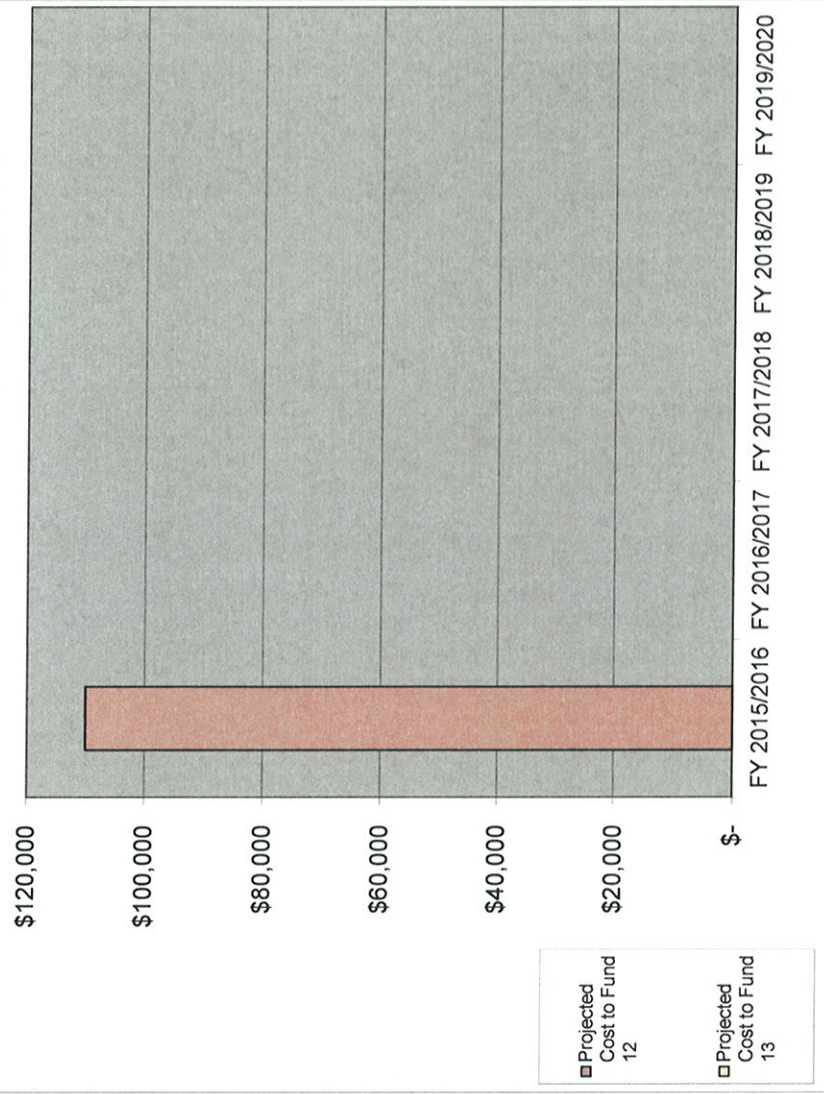
The installation of two shade structures; one for the District's vehicles and the other for the District's Vactors.



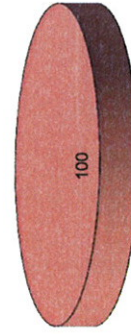
	Project Name
	Shade Structures for District Vehicles and Vactors Total Project Cost \$ 200,000 Remaining Balance \$ 110,000
	Project Description The installation of two vehicle shade structures. The first is for District vehicles and placed adjacent to the aeration basin. The other shade structure is for the two vactor trucks and placed adjacent to the new mechanic's shop. Both may provide additional space for future solar panels.
	Justification Currently, no shade structures exist for District vehicles. This causes increased wear on the vehicles as well as increased time to cool the vehicle down to travel.

Percent for Replacement Facilities Fund 12	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
100	Projected Cost to Fund 12 \$ 110,000	Projected Cost to Fund 12 -	Projected Cost to Fund 12 -	Projected Cost to Fund 12 -	Projected Cost to Fund 12 -

Percent for Capacity Expansion Fund 13	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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



PROJECT: STEEL WATERLINE REPLACEMENT PROJECT

PROJECT DESCRIPTION

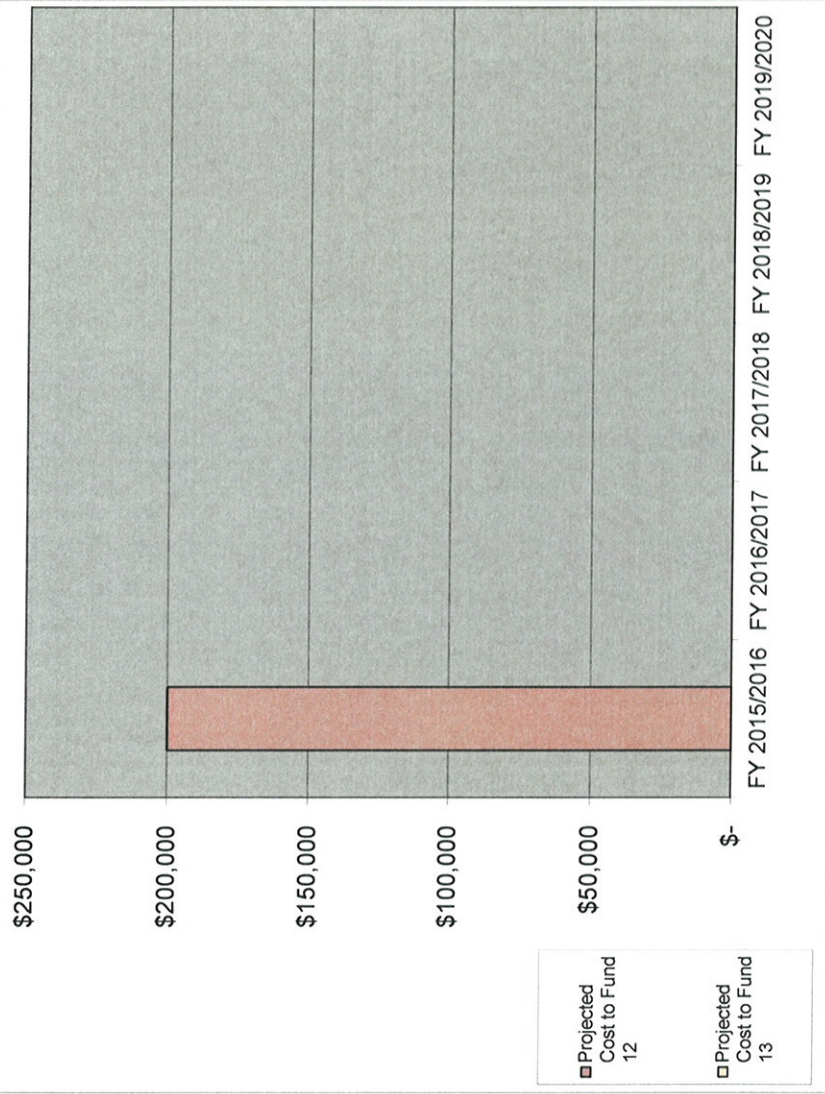
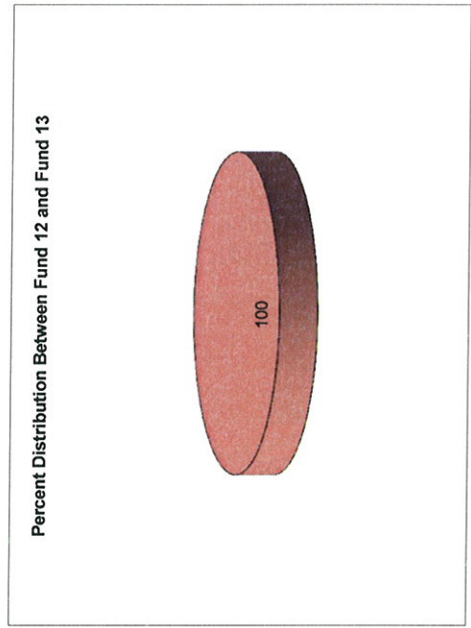
The replacement of the above ground steel waterline adjacent to the aeration basin that is old and prone to leaks.



	Project Name
	Steel Waterline Replacement Project
	Total Project Cost \$ 200,000
	Project Description The replacement of the above ground steel waterline adjacent to the aeration basin. The steel waterline is old and prone to leaks, especially at the grooved joints. The new steel waterline will have traditional joints that will provide longer life.
	Justification The steel waterline is old and the cost to repair the leaks continues to increase in both cost and labor.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Replacement Facilities Fund 12	200,000				
	\$	\$	\$	\$	\$
100					

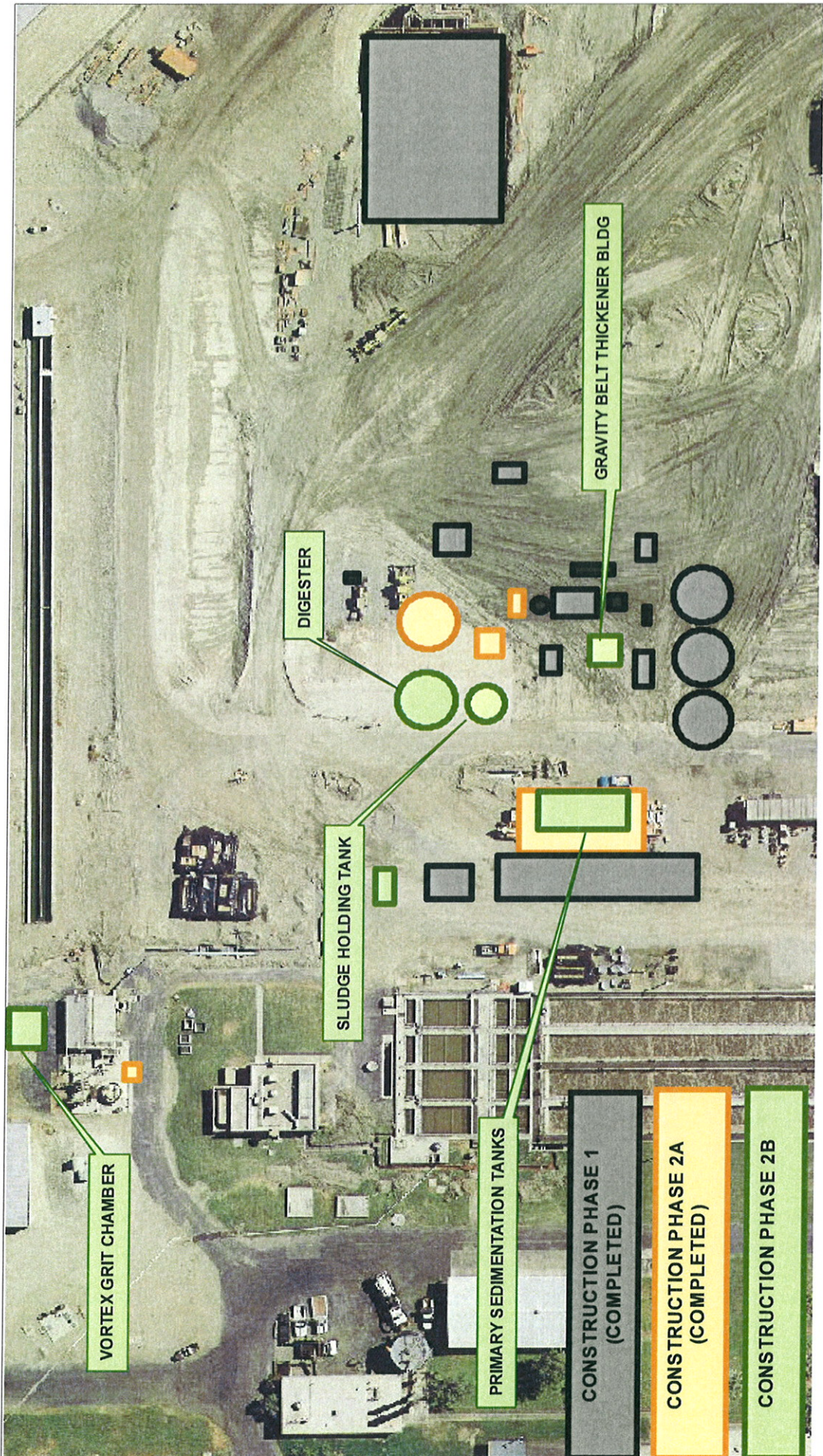
	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Capacity Expansion Fund 13					
	\$	\$	\$	\$	\$
0					



PROJECT: SOLIDS HANDLING FACILITIES PHASE 2B - CONSTRUCTION

PROJECT DESCRIPTION

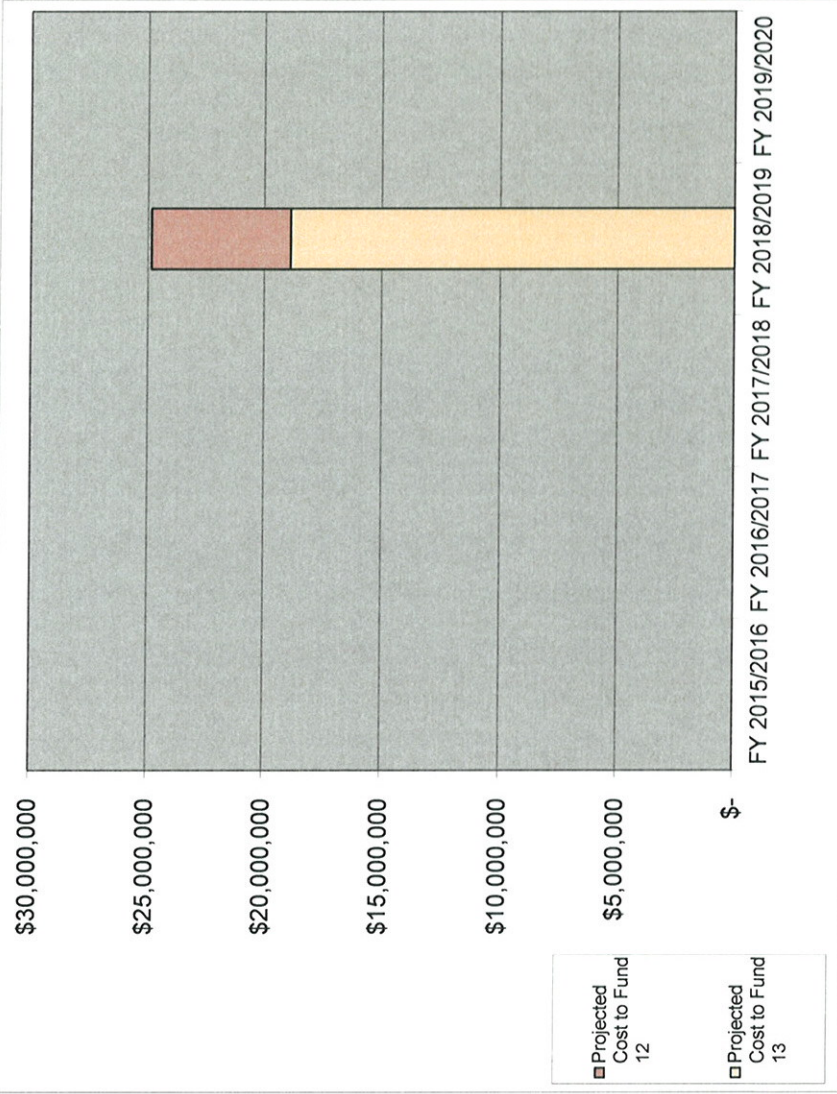
Construction of a portion of the solids handling facilities needed to upgrade and expand the plant solids processing. Includes a second anaerobic digester, additional primary clarifier, chemically enhanced settling of primary solids and related facilities.



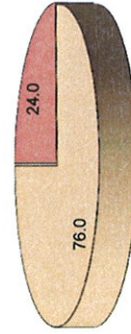
	Project Name
	Solids Handling Facilities Phase 2B - Construction
	ENR Adjusted Total Project Cost \$ 20,801,133
	Project Description Construction of a second solids handling facility is needed to upgrade and expand the treatment plant solids processing. This second anaerobic digester will allow the District 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.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Replacement Facilities Fund 12	24.0				
	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
	\$ -	\$ -	\$ -	\$ 5,961,034	\$ -

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Capacity Expansion Fund 13	76.0				
	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
	\$ -	\$ -	\$ -	\$ 18,876,607	\$ -

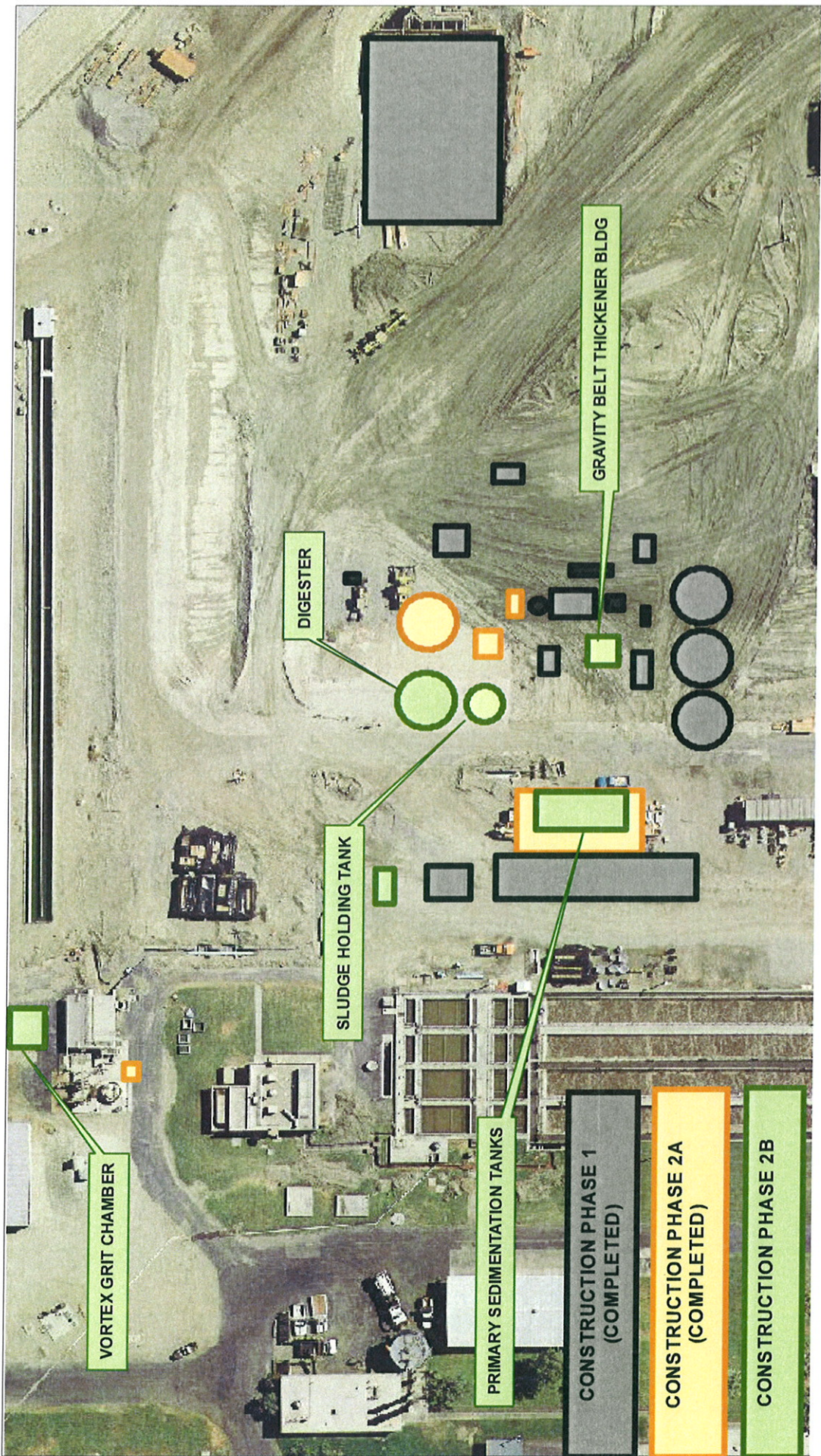


Percent Distribution Between Fund 12 and Fund 13



PROJECT: SOLIDS HANDLING FACILITIES PHASE 2B - CONSTRUCTION MANAGEMENT
PROJECT DESCRIPTION

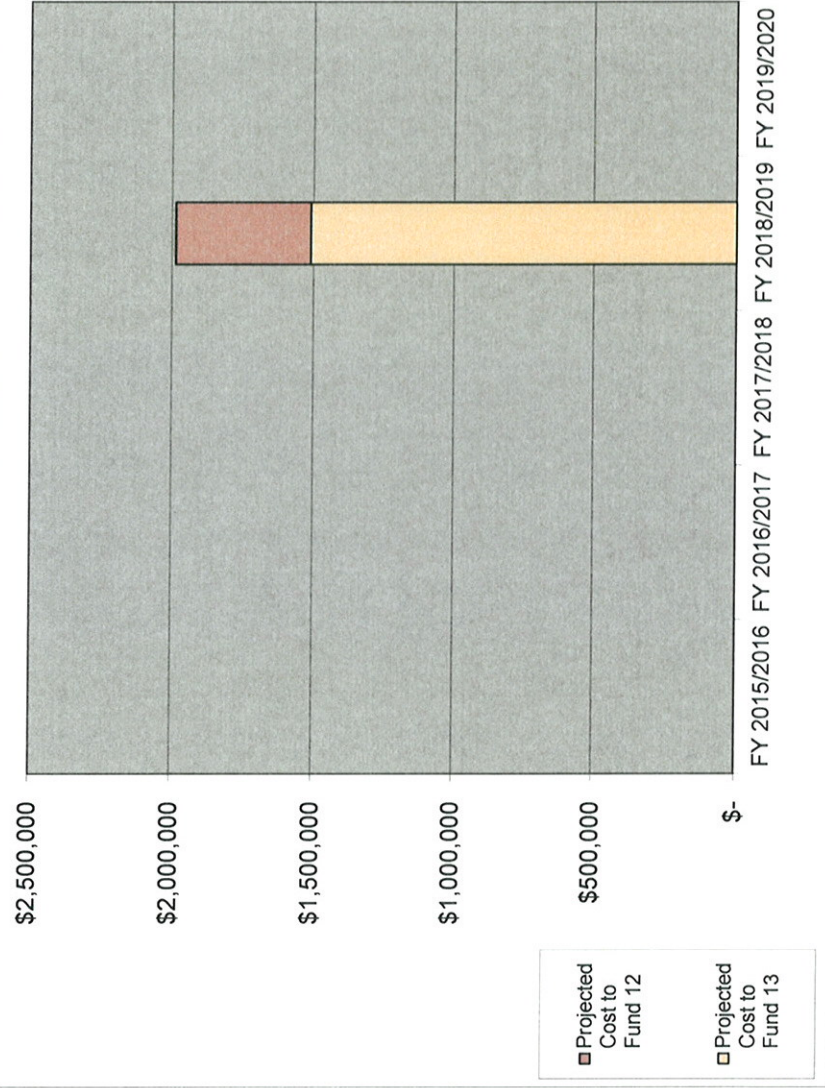
Construction management services needed to oversee the construction of Phase 2B of the Solids Handling Facilities.



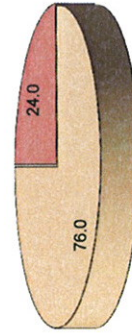
	Project Name
	Solids Handling Facilities Phase 2B - Const. Mgmt.
	ENR Adjusted Total Project Cost \$ 1,664,091
	<p>Project Description Construction of a second solids handling facility is needed to upgrade and expand the treatment plant solids processing. This second anaerobic digester will allow the 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.</p> <p>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.</p>

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Replacement Facilities Fund 12	24.0				
	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
	\$ -	\$ -	\$ -	\$ 476,883	\$ -

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Capacity Expansion Fund 13	76.0				
	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
	\$ -	\$ -	\$ -	\$ 1,510,129	\$ -



Percent Distribution Between Fund 12 and Fund 13



	Project Name
	Vehicle & Equipment Replacement Fund
	Annual Cost \$ 319,000
	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).

Percent for Replacement Facilities Fund 12	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	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
	\$ 319,000	\$ 319,000	\$ 319,000	\$ 319,000	\$ 319,000	\$ 319,000

Percent for Capacity Expansion Fund 13	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	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
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\$350,000

\$300,000

\$250,000

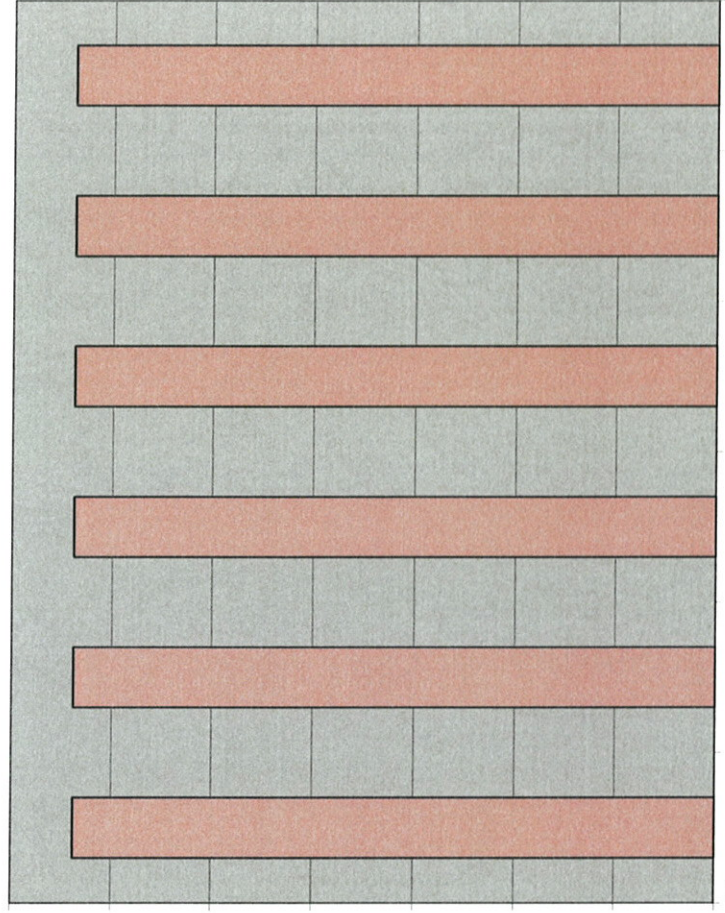
\$200,000

\$150,000

\$100,000

\$50,000

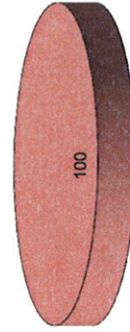
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■ Projected Cost to Fund 12

□ Projected Cost to Fund 13

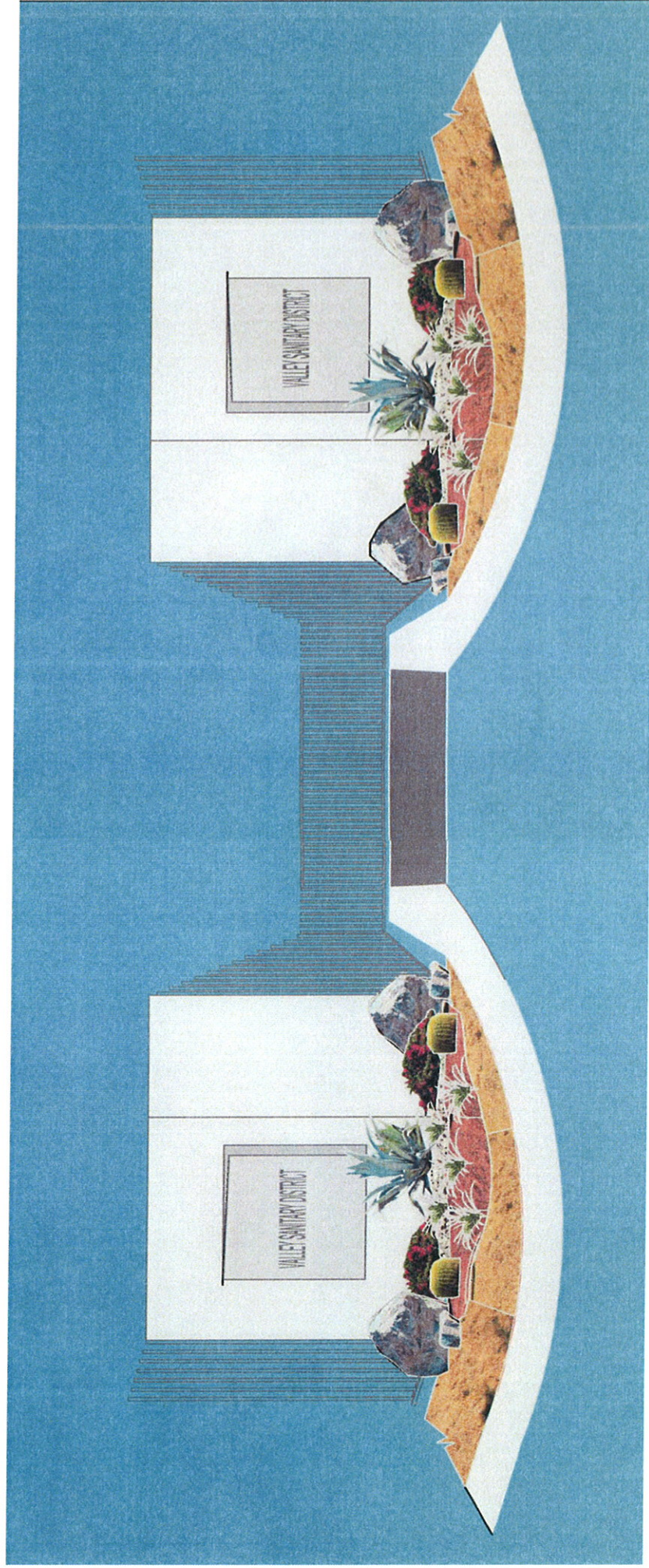
Percent Distribution Between Fund 12 and Fund 13



PROJECT: FRONT WALL REPLACEMENT & ENTRANCE IMPROVEMENTS

PROJECT DESCRIPTION

Demolition of the existing water damaged wall and the construction of a wrought iron fence and gate system. The new fence will be constructed 9 feet east of the existing wall to accommodate the Van Buren Street right-of-way and to meet the legal setback requirements for driveway approaches.

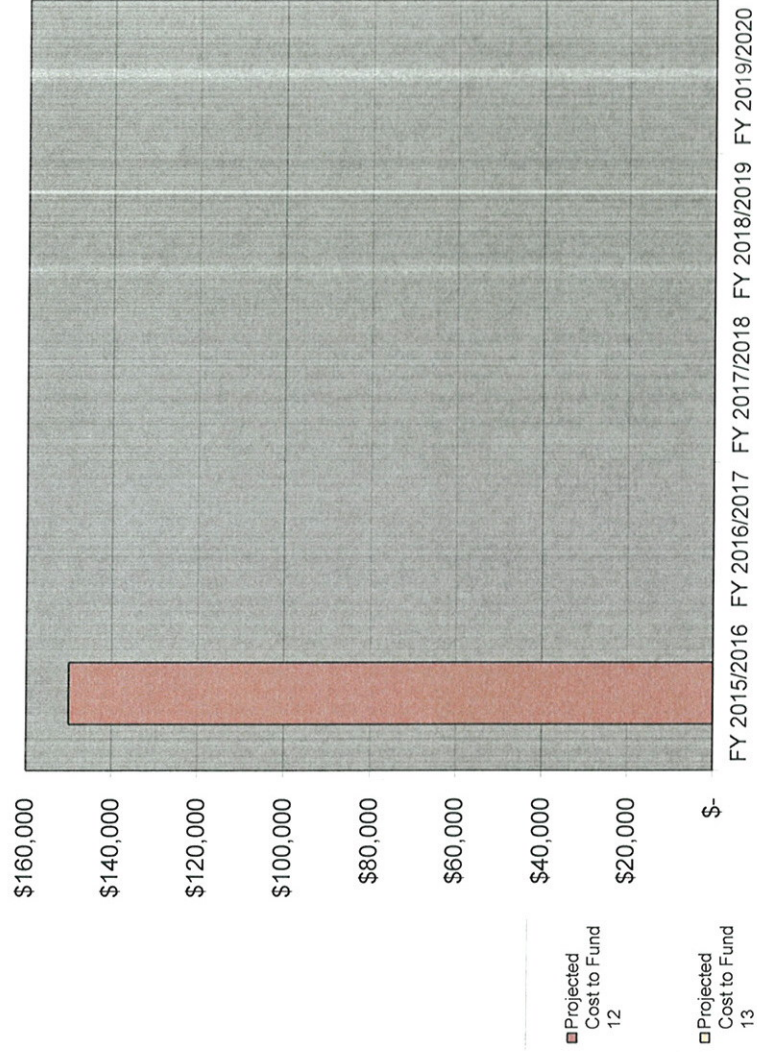


	Project Name
	Front Wall Replacement & Entrance Improvements
	Total Project Cost \$ 480,000
	Remaining Balance \$ 150,000
	Project Description Replacement of approximately 1,000 linear feet of block wall and three gates with a wrought iron fence and gate system. Each of the entrances will be improved to match the street improvements required from the wall demolition. A new pedestrian access gate will also be included.
	Justification The wall fronting Van Buren Street is in need of replacement due to deterioration from water damage, poor site distance when leaving the facility and the wall is located within the future public right-of-way.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
100	\$ 150,000	\$ -	\$ -	\$ -	\$ -

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
0	\$ -	\$ -	\$ -	\$ -	\$ -

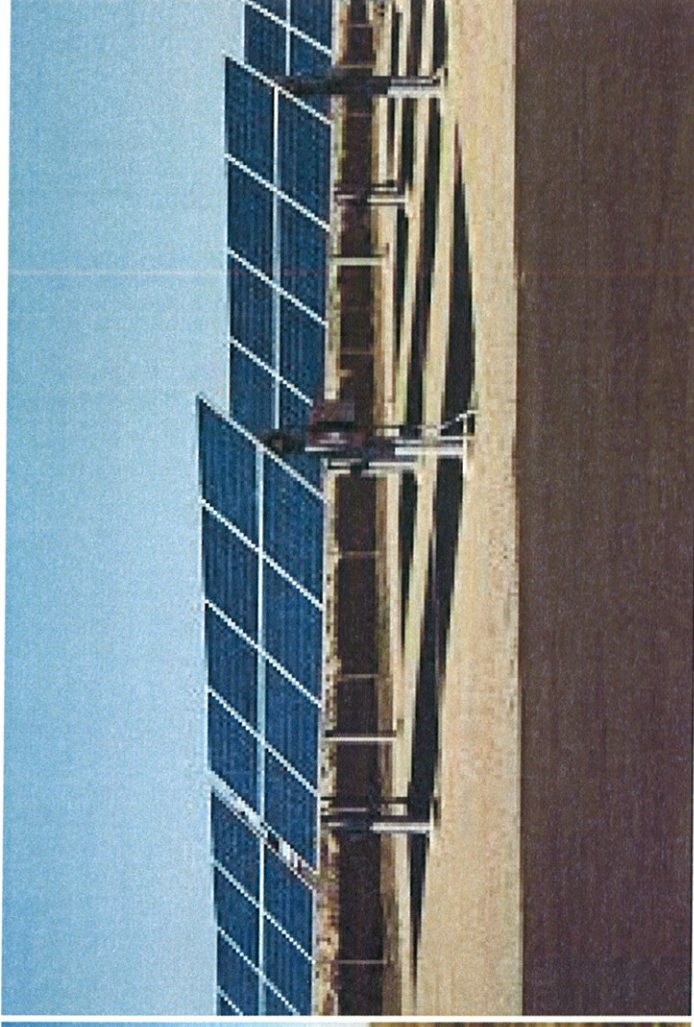
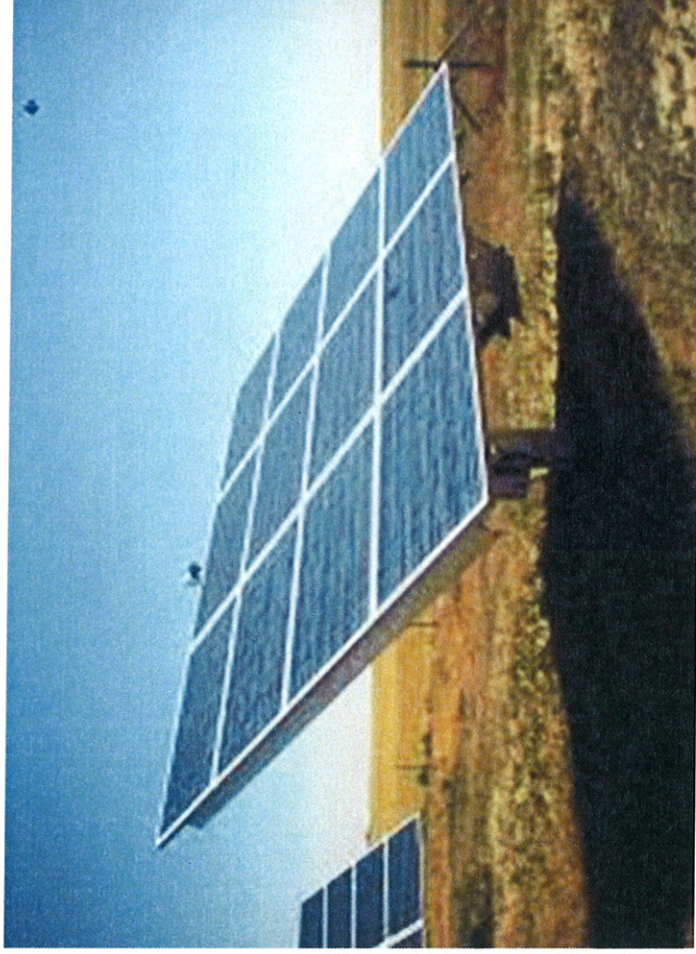
Percent Distribution Between Fund 12 and Fund 13



PROJECT: SOLAR PV INSTALLATION PROJECT

PROJECT DESCRIPTION

The installation of solar panels at three locations on site to produce electricity and offset the cost of purchasing electricity from IID.



	Project Name
	Solar PV Installation Project
	Total Project Cost \$ 3,500,000
	Project Description Installation of Solar Panels at three locations on site to produce electricity and offset the cost of purchasing electricity from IID. The system will be designed to produce about 50% of the electricity VSD uses which is the maximum allowed by IID.
	Justification The PV Solar System will pay for itself over time. IID is providing VSD a grant of \$202,574 to offset the total project cost.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
0	\$ -	\$ -	\$ -	\$ -	\$ -

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
100	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -

\$4,000,000

\$3,500,000

\$3,000,000

\$2,500,000

\$2,000,000

\$1,500,000

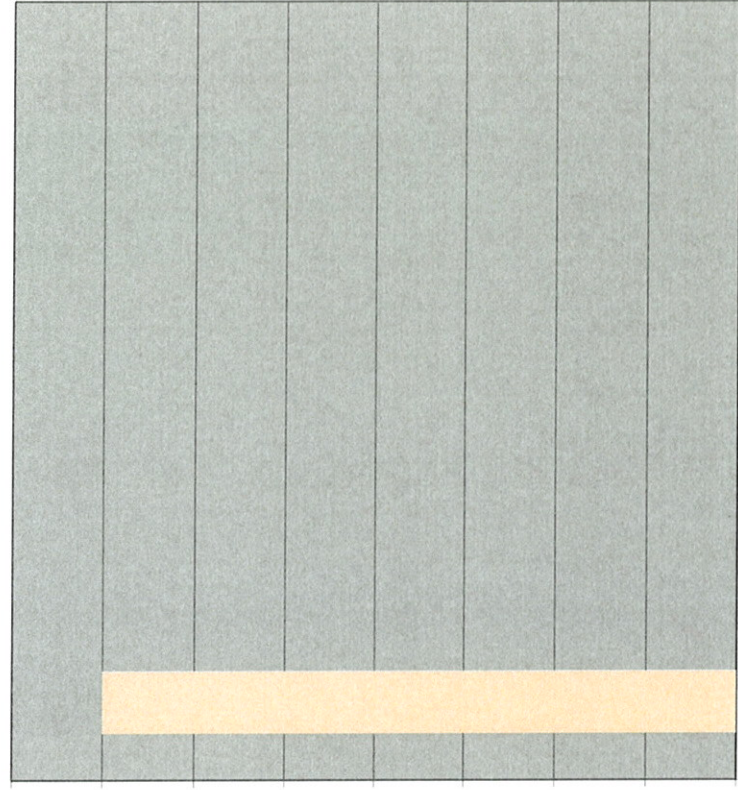
\$1,000,000

\$500,000

\$-

Projected Cost to Fund 13

Projected Cost to Fund 12



FY 2015/2016 FY 2016/2017 FY 2017/2018 FY 2018/2019 FY 2019/2020

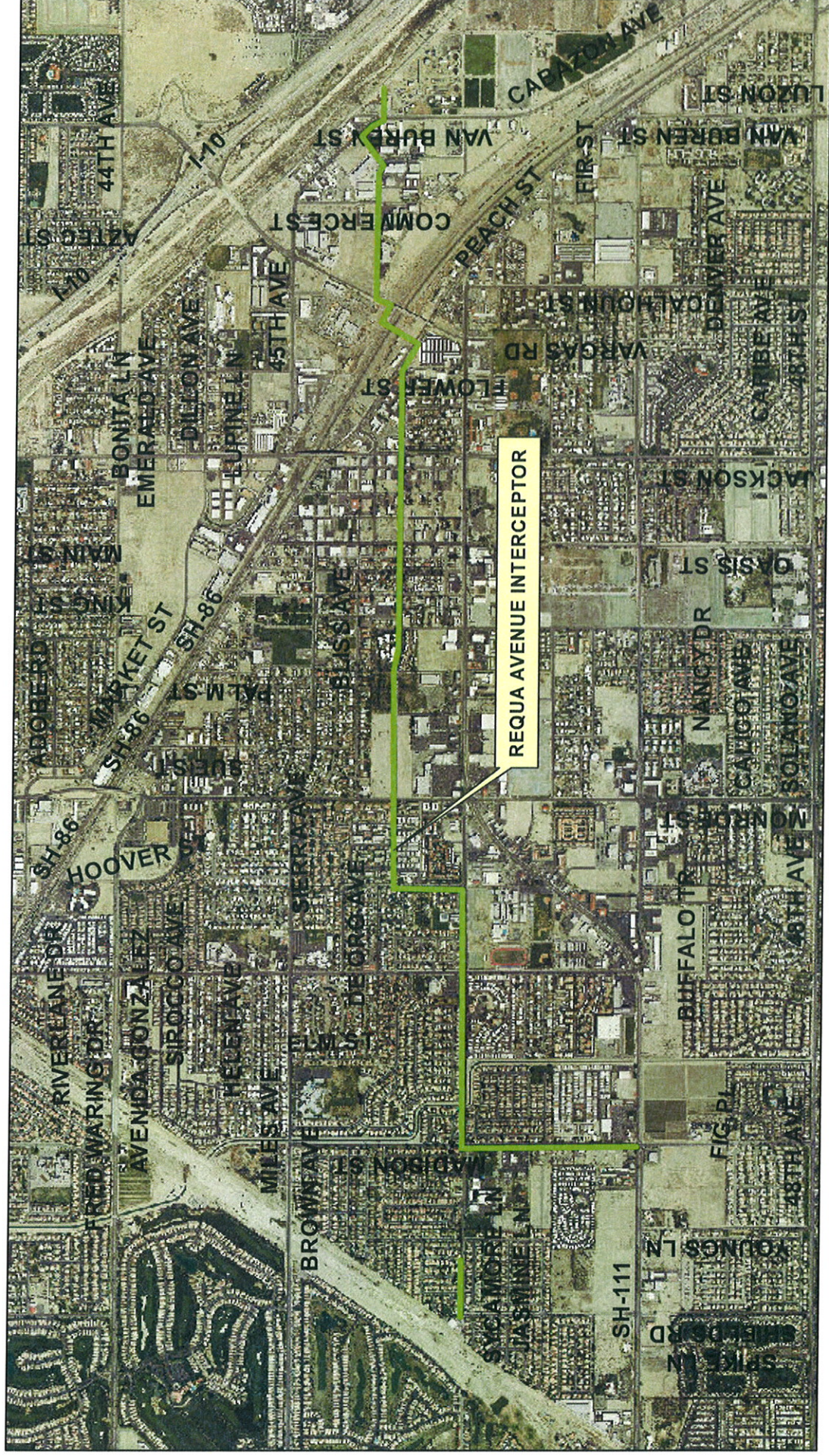
Percent Distribution Between Fund 12 and Fund 13



PROJECT: STATE REVOLVING FUND DEBT SERVICE

PROJECT DESCRIPTION

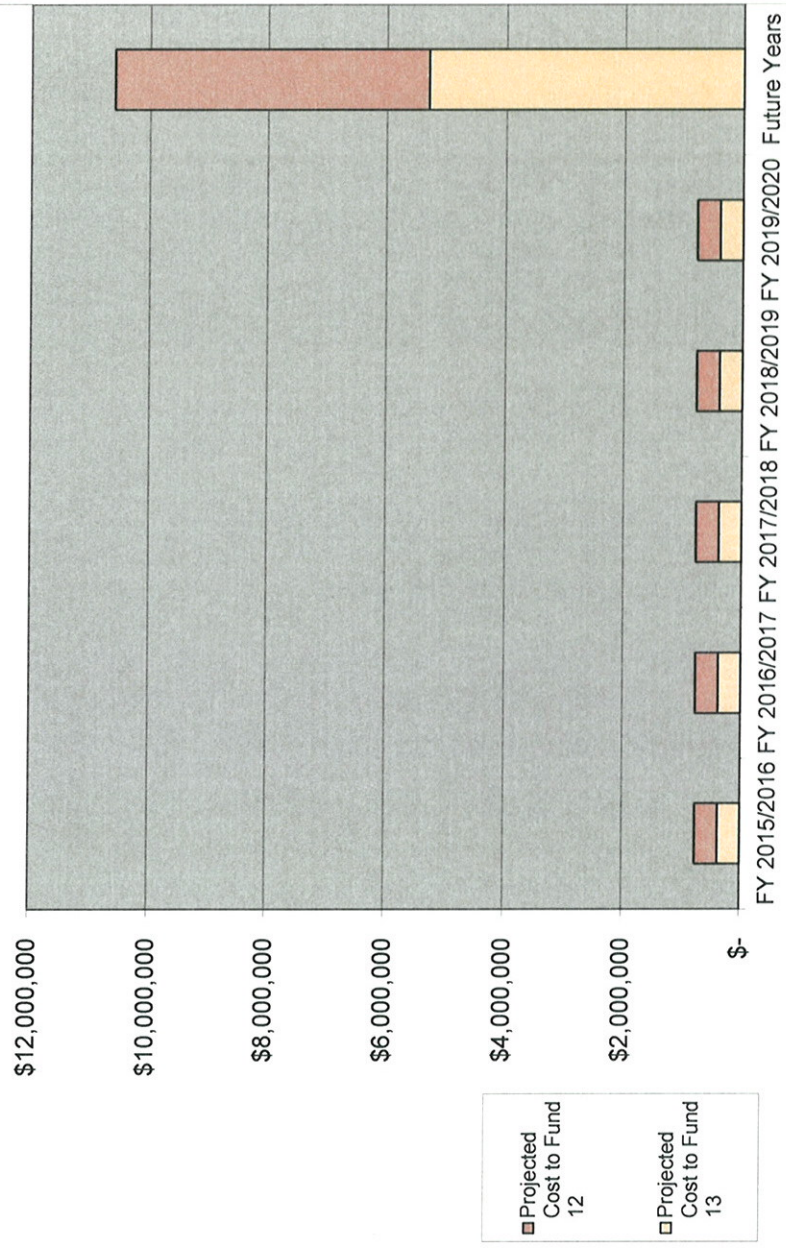
Payment of principal and interest to repay a low interest loan from the State of California through the State Revolving Fund. The loan is to pay for the Requa Interceptor Project.



	Project Name
	State Revolving Fund Debt Service
	Total Project Cost \$ 14,384,900 Remaining Balance \$ 13,627,800
	Project Description The District has an opportunity to acquire a low interest loan from the State of California through the State Revolving Fund. This program is designed to help public agencies pay for projects such as the Requa Interceptor. The District anticipates applying for a loan up to \$15,000,000.
	Justification Since both Fund 12 and Fund 13 will fall short of paying for the Requa Interceptor and future Treatment Plant expansion projects, acquiring this loan will help pay for the Requa Interceptor project.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	Future Years
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	Projected Cost to Fund 12
50.00	\$ 378,550	\$ 378,550	\$ 378,550	\$ 378,550	\$ 378,550	\$ 5,299,700

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	Future Years
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	Projected Cost to Fund 13
50.00	\$ 378,550	\$ 378,550	\$ 378,550	\$ 378,550	\$ 378,550	\$ 5,299,700



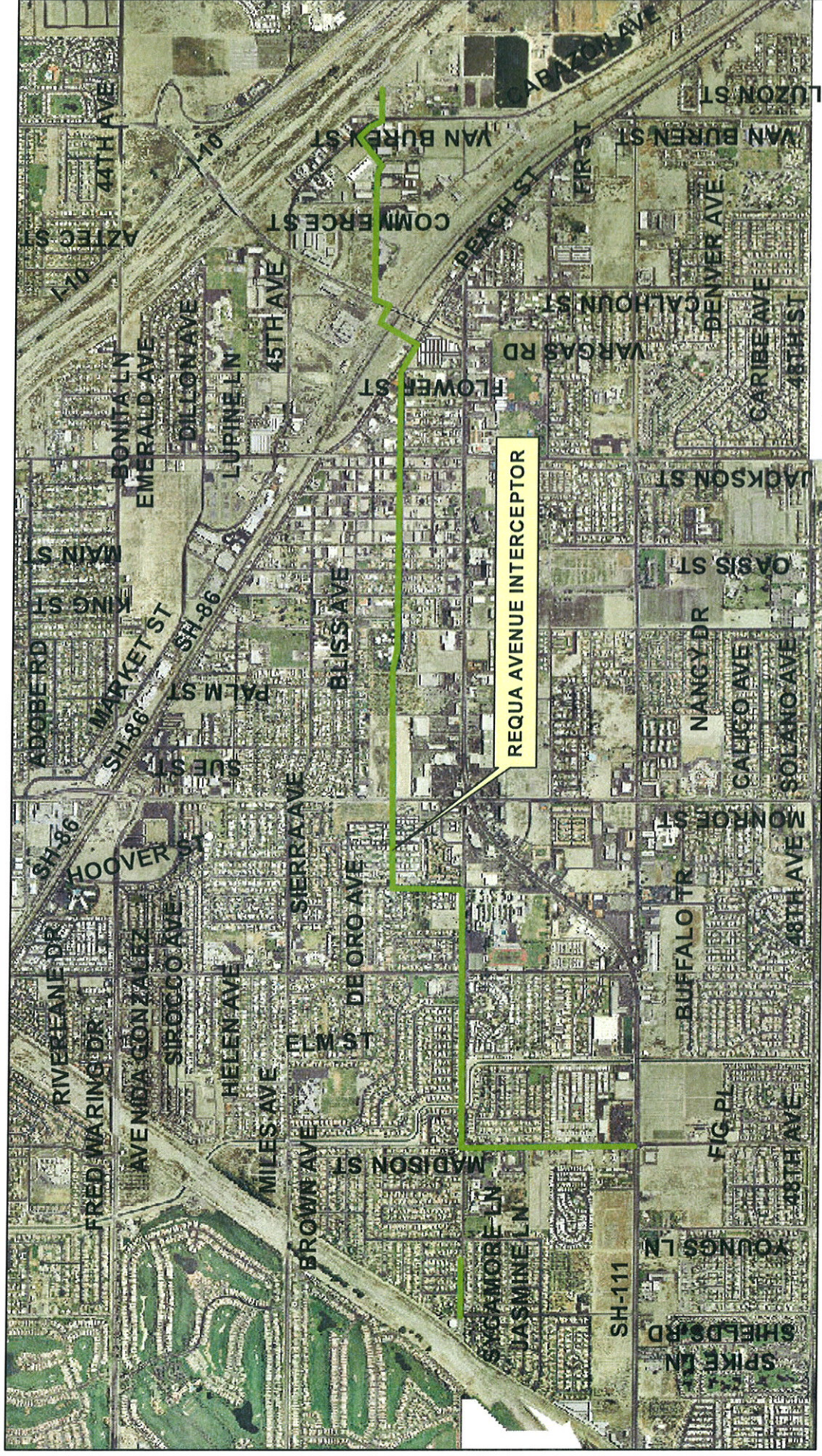
Percent Distribution Between Fund 12 and Fund 13



PROJECT: REQUA AVENUE INTERCEPTOR CONSTRUCTION

PROJECT DESCRIPTION

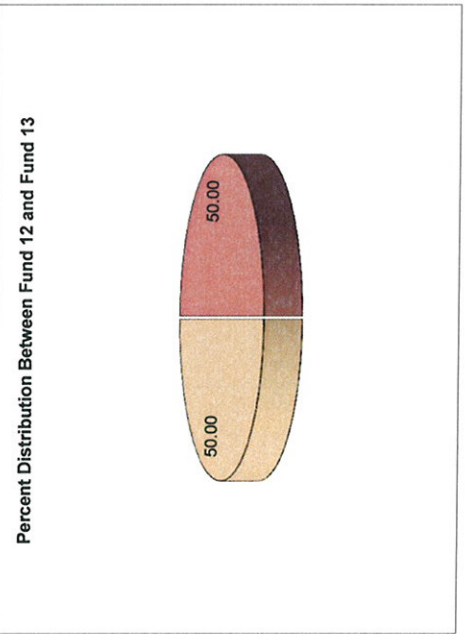
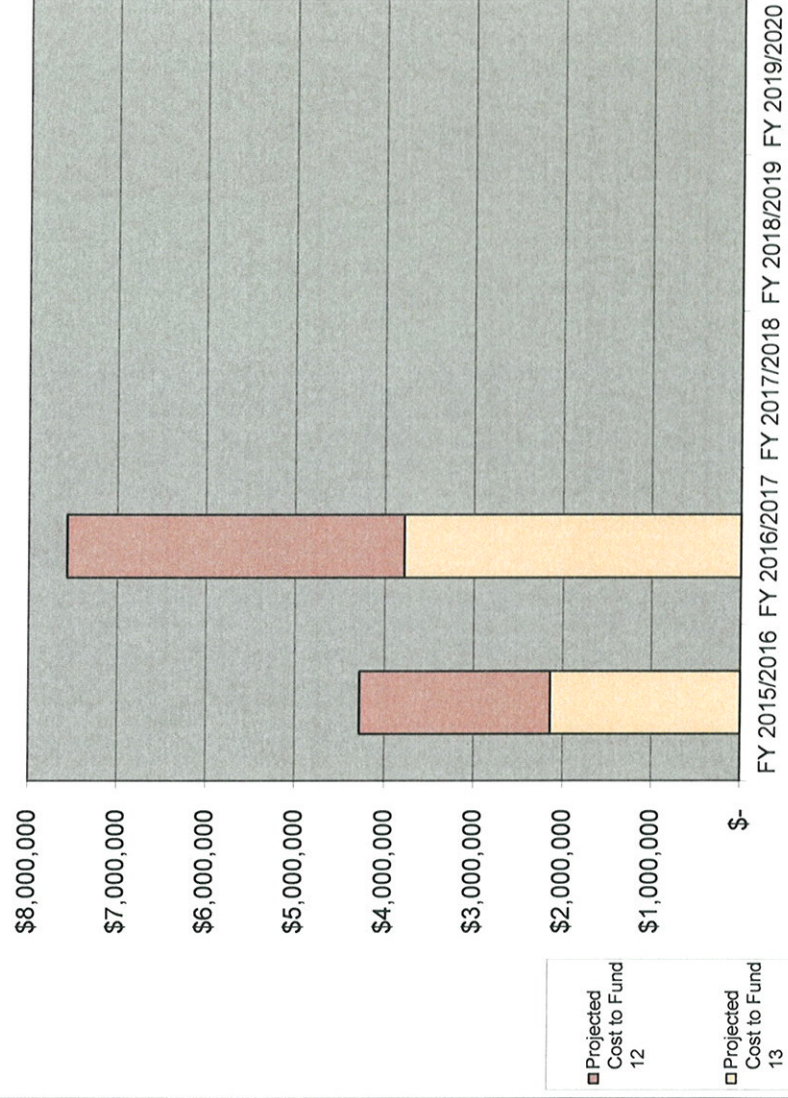
Construction of the Requa Avenue Interceptor. The Requa Avenue Interceptor project extends a major sewer interceptor from the water reclamation facility west to near the District's western boundary.



	Project Name
	Requa Interceptor Construction
	<div> <div>Total Project Cost \$ 11,000,000</div> <div>Remaining Balance \$ 7,565,896</div> </div>
	Project Description Construction of the Requa Interceptor. The Requa 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 flow into the Highway 111 and Dr. Carreon Blvd sewer mains, relieving the deficiency in those mains.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Replacement Facilities Fund 12	50.00				
	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12	Projected Cost to Fund 12
	\$ 2,138,900	\$ 3,782,948	\$ -	\$ -	\$ -

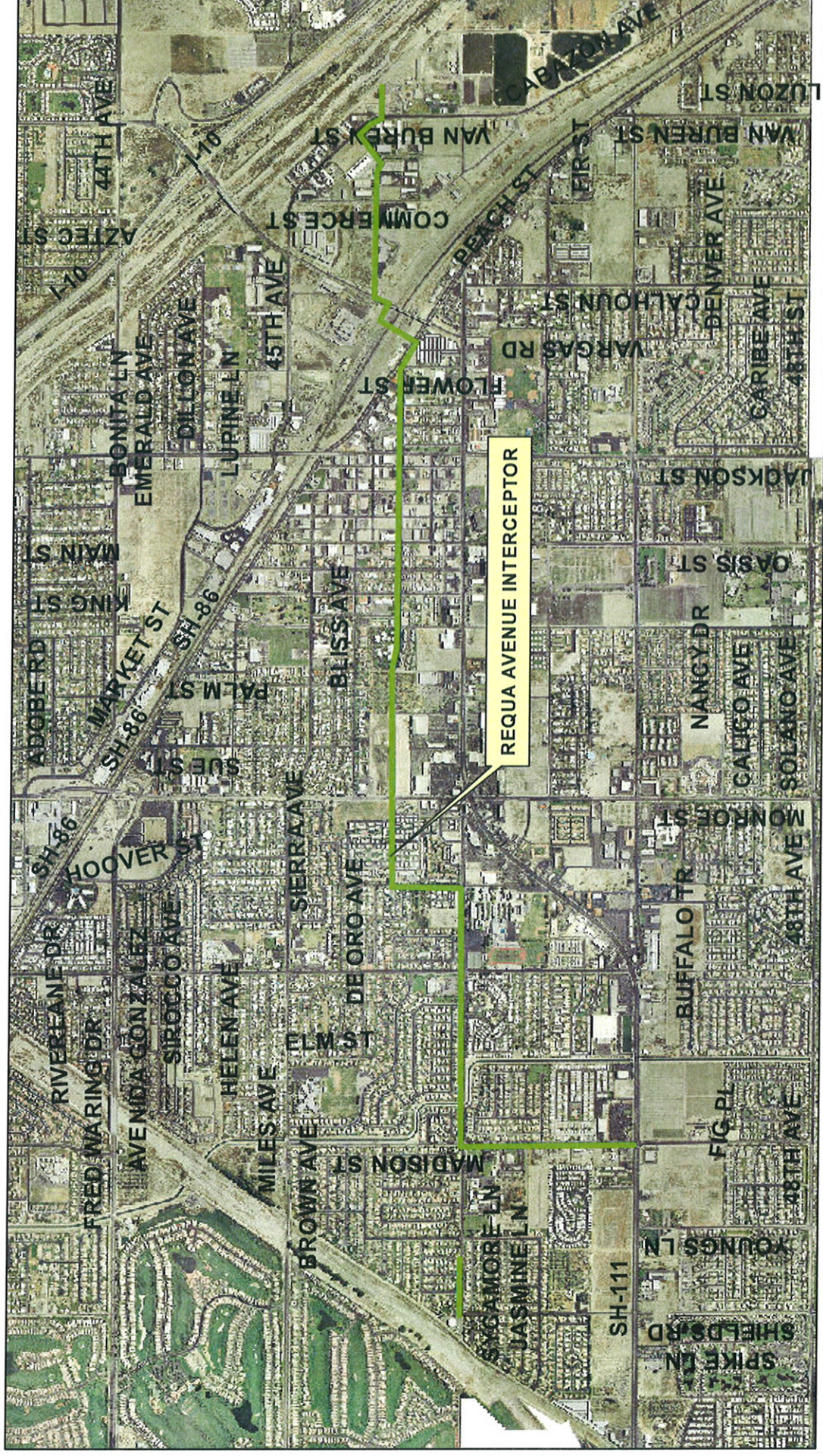
	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Capacity Expansion Fund 13	50.00				
	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
	\$ 2,138,900	\$ 3,782,948	\$ -	\$ -	\$ -



PROJECT: REQUA AVENUE INTERCEPTOR CONSTRUCTION MANAGEMENT

PROJECT DESCRIPTION

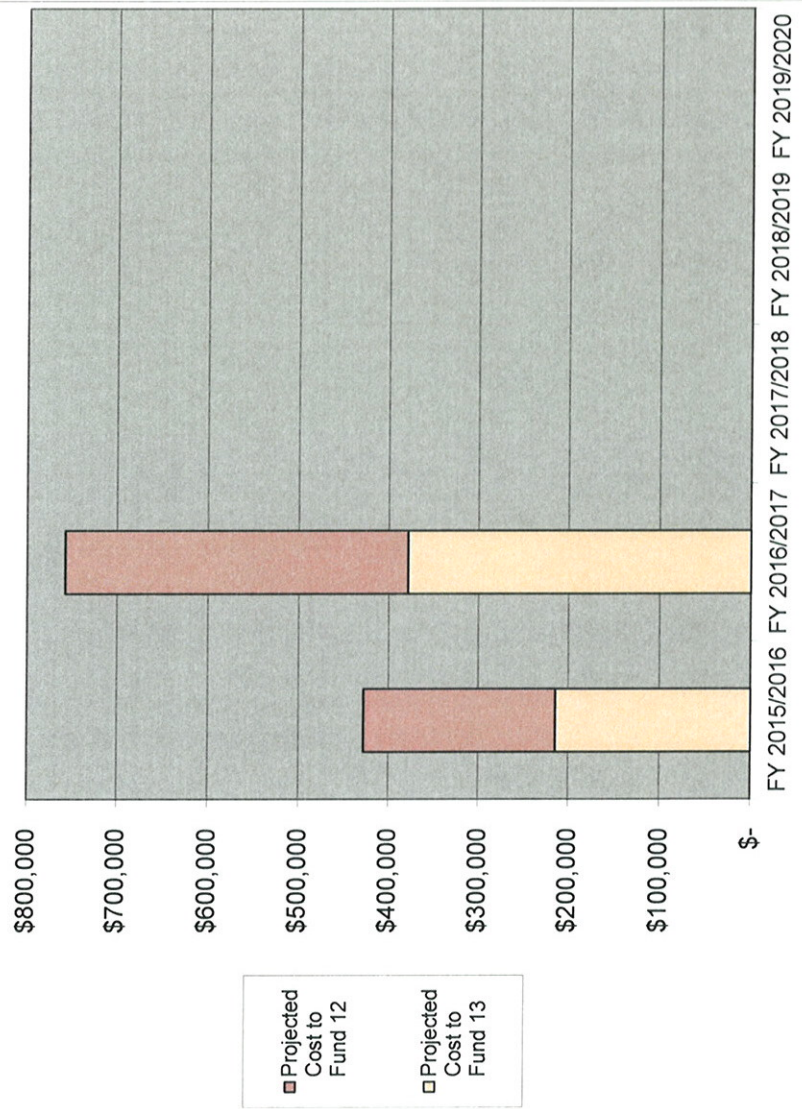
Construction management services during construction of the Requa Avenue Interceptor. The Requa Avenue Interceptor project extends a major sewer interceptor from the water reclamation facility west to near the District's western boundary.



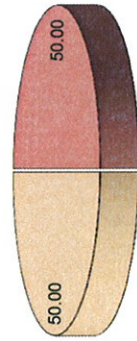
	Project Name
	Requa Interceptor Construction Management
	<div> <div>Total Project Cost \$ 1,100,000</div> <div>Remaining Balance \$ 756,567</div> </div>
	Project Description Construction management services during construction of the Requa Street Interceptor. The Requa Street Interceptor is a major sewer 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 flow into the Highway 111 and Dr. Carreon Blvd sewer mains, relieving the deficiency in those mains.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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	\$ 213,900	\$ 378,284	\$ -	\$ -	\$ -

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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	\$ 213,900	\$ 378,284	\$ -	\$ -	\$ -



Percent Distribution Between Fund 12 and Fund 13



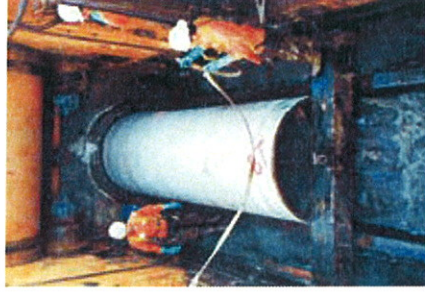
PROJECT: COLLECTION SYSTEM REHABILITATION/REPLACEMENT

PROJECT DESCRIPTION

Design to rehabilitate or replace existing sewer lines that are found to be damaged or deteriorated. This includes the preparation of the bidding documents and specifications.



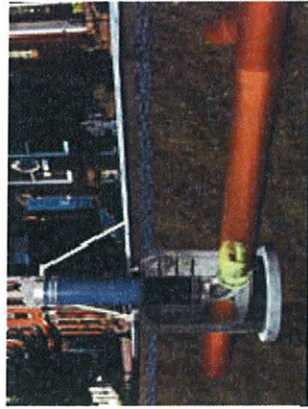
Defective orangeburg mainline sewer pipe was removed from the Sage Street Alley and replaced with plastic PVC pipe



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



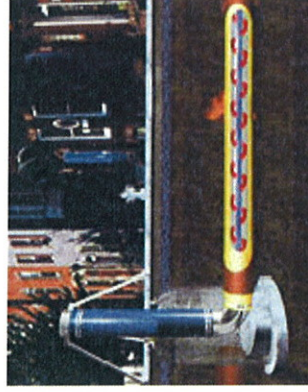
Defective orangeburg mainline sewer pipe was removed from the Deglet Noor Alley and replaced with plastic PVC pipe.



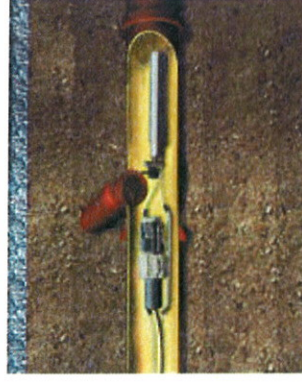
Cured In Place Pipe (CIPP): A resin saturated, coated felt tube is inverted (above picture) or pulled (right picture) into a damaged pipe



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
	Collection System Rehab / Replacement Design
	Project Cost Varies
	Project Description Design of the rehabilitation and/or replacement of sewer mains due to various deficiencies, including preparation of the bidding documents. The amount to hire a consultant is included in the CIP budget. The amount is \$250,000 in Fiscal Year 2015/16 and rises by 2% per year thereafter to cover inflation.
	Justification Consultants are better equipped to prepare the plans, specifications and cost estimates in order to properly bid the various types of sewer main improvements.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
100	\$ 250,000	\$ 255,000	\$ 260,100	\$ 265,302	\$ 270,608

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
0	\$ -	\$ -	\$ -	\$ -	\$ -

\$275,000

\$270,000

\$265,000

\$260,000

\$255,000

\$250,000

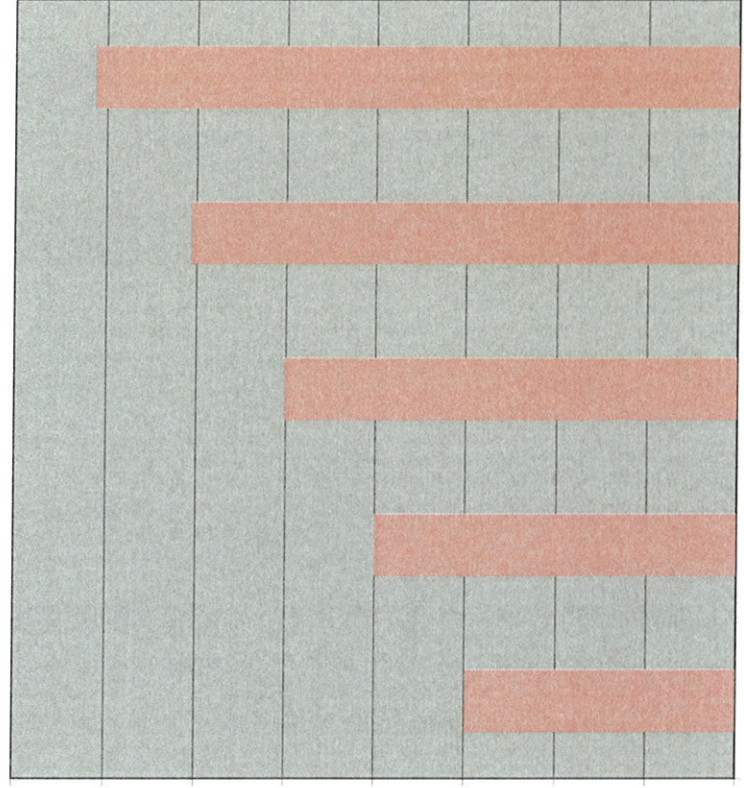
\$245,000

\$240,000

\$235,000

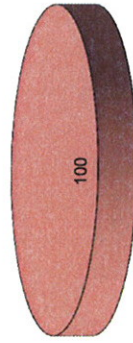
Projected Cost to Fund 13

Projected Cost to Fund 12



FY 2015/2016 FY 2016/2017 FY 2017/2018 FY 2018/2019 FY 2019/2020

Percent Distribution Between Fund 12 and Fund 13



PROJECT: LATERAL GRANT PROGRAM

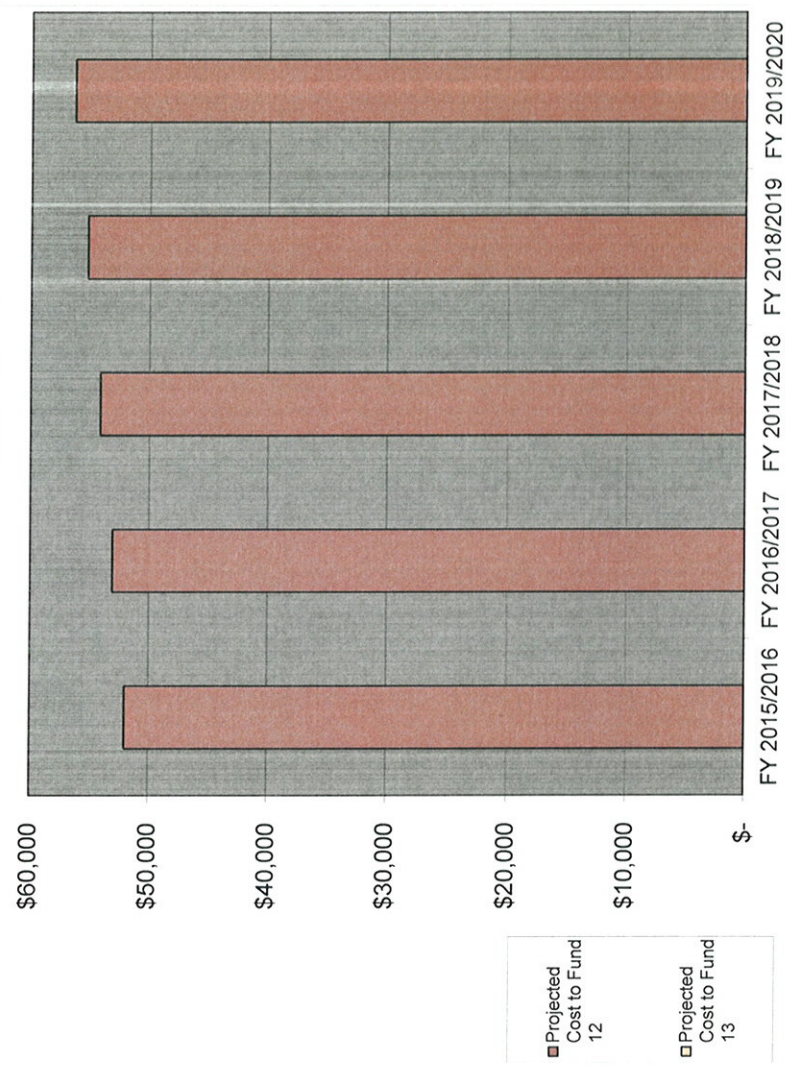
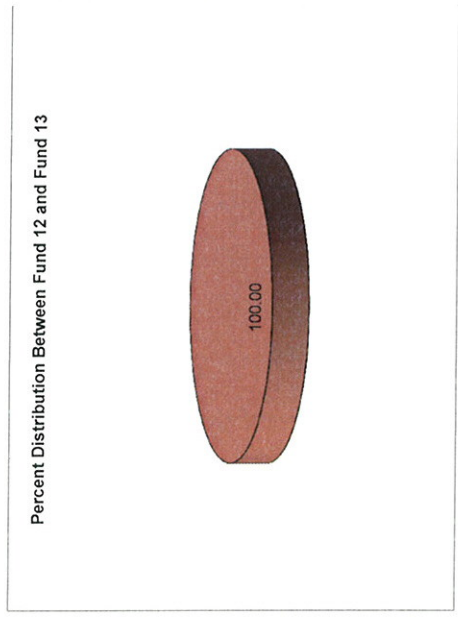
PROJECT DESCRIPTION

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

	Project Name
	Lateral Grant Program
	Project Cost \$50,000 plus
	<p>Project Description</p> <p>The Lateral 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.</p> <p>Justification</p> <p>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.</p>

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
100.00	\$ 52,000	\$ 53,040	\$ 54,101	\$ 55,183	\$ 56,287

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
0.00	\$ -	\$ -	\$ -	\$ -	\$ -



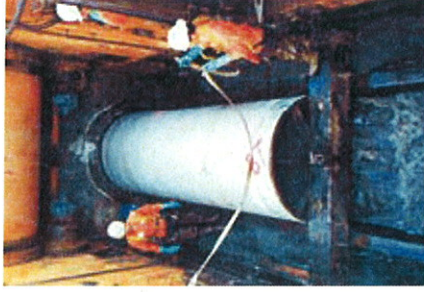
PROJECT: SEWER PIPELINE REHABILITATION

PROJECT DESCRIPTION

Ongoing rehabilitation of existing lines that are found to be damaged or deteriorated. Rehabilitation may be by "no-dig" technology or by conventional removal and replacement.



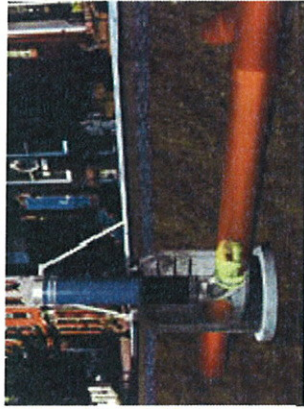
Defective orangeburg mainline sewer pipe was removed from the Sage Street Alley and replaced with plastic PVC pipe



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



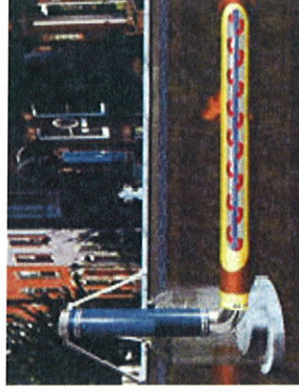
Defective orangeburg mainline sewer pipe was removed from the Deglet Noor Alley and replaced with plastic PVC pipe.



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

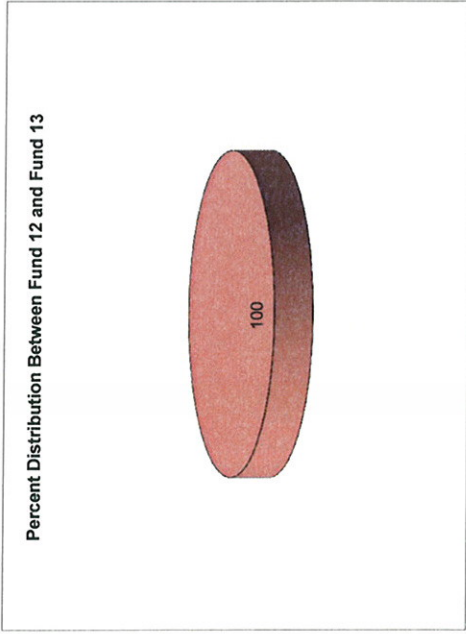
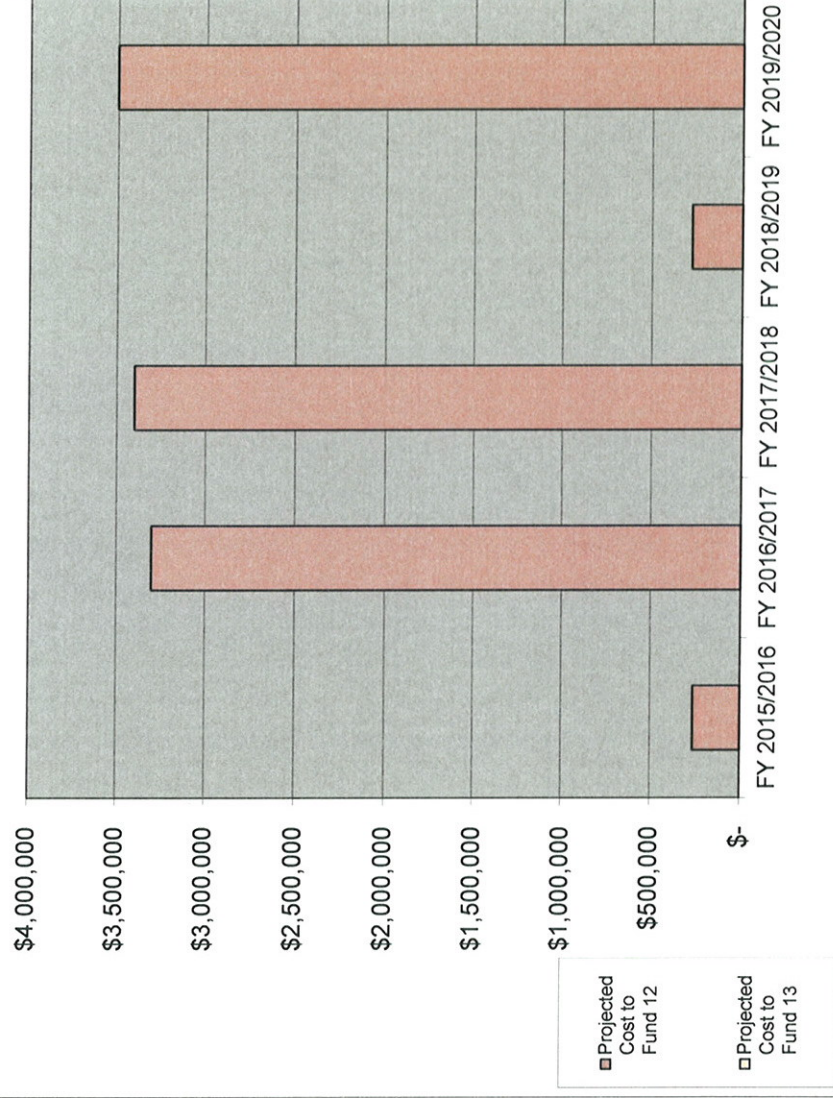


Service laterals are restored internally with robotically controlled cutting devices

	Project Name
	Sewer Main Rehabilitation
	Project Cost Varies
	Project Description 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.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
100	\$ 260,000	\$ 3,300,000	\$ 3,399,000	\$ 273,000	\$ 3,500,970

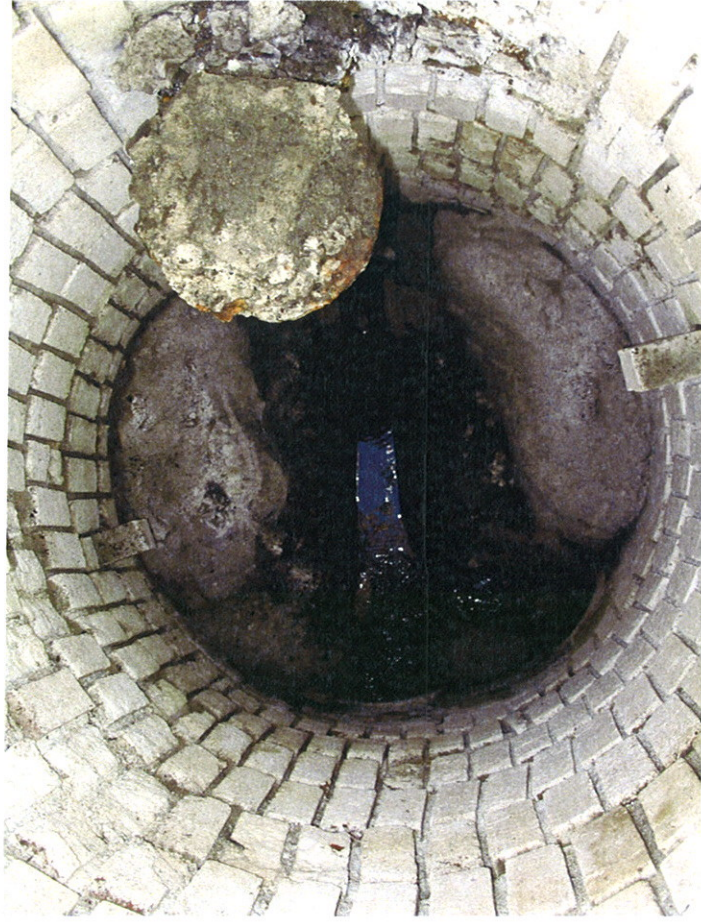
	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Capacity Expansion Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
0	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT: MANHOLE REHABILITATION

PROJECT DESCRIPTION

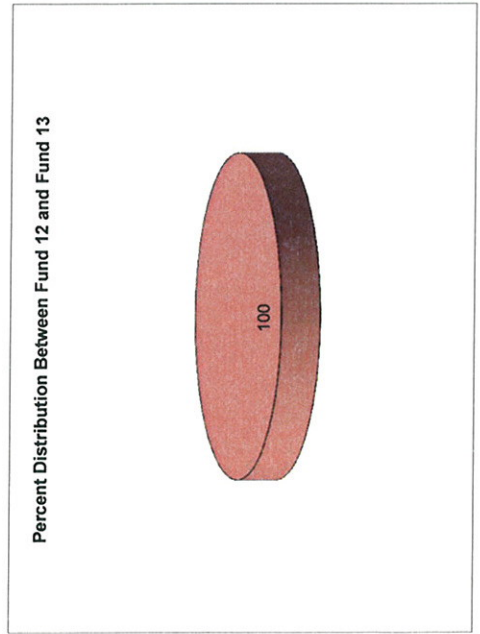
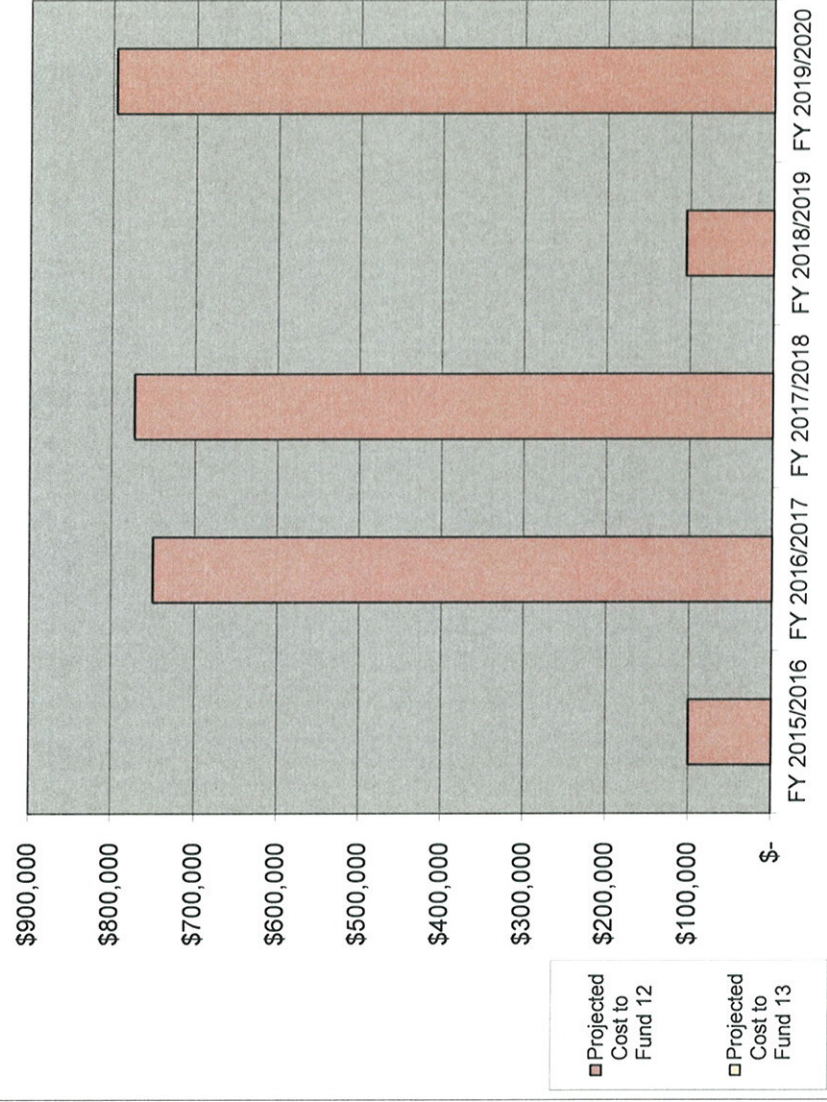
Ongoing rehabilitation existing sewer manholes that are found to be damaged or deteriorated. Interior surfaces of deteriorated manholes are repaired and then a corrosion resistant lining is applied to the interior surface.



	Project Name
	Manhole Rehabilitation
	Project Cost Varies
	Project Description 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.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
100	\$ 100,000	\$ 750,000	\$ 772,500	\$ 105,000	\$ 795,675

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
0	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT: SEWER MAIN POINT REPAIRS

PROJECT DESCRIPTION

Sewer main point repairs are performed on sewer lines 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 8 INCH CLAY PIPE REPAIRED WITH 8 INCH PLASTIC PIPE & ADAPTERS

BEFORE

AFTER



DAMAGE TO VSD LATERAL BY UTILITY CONTRACTOR



DAMAGED PIPE REMOVED AND REPLACED

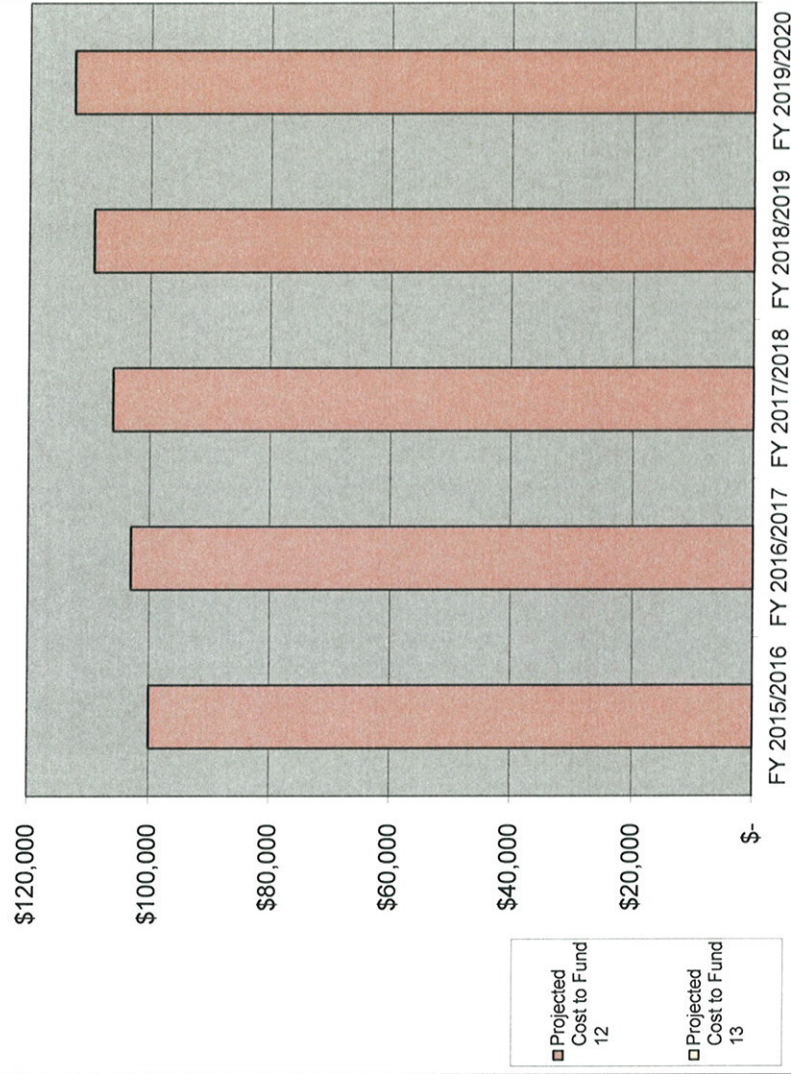


DAMAGED PIPE REMOVED AND REPLACED

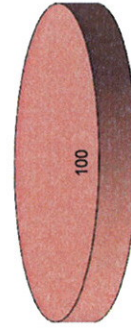
	Project Name
	Sewer Main Point Repairs
	Project Cost Varies
	Project Description Sewer main point repairs are performed on sewer mains that have defects in specific locations, but the remainder of the line is in relatively good shape.
	Justification Deteriorated or damaged sewer mains and manholes must 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.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
100	\$ 100,000	\$ 103,000	\$ 106,090	\$ 109,273	\$ 112,551

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
0	\$ -	\$ -	\$ -	\$ -	\$ -



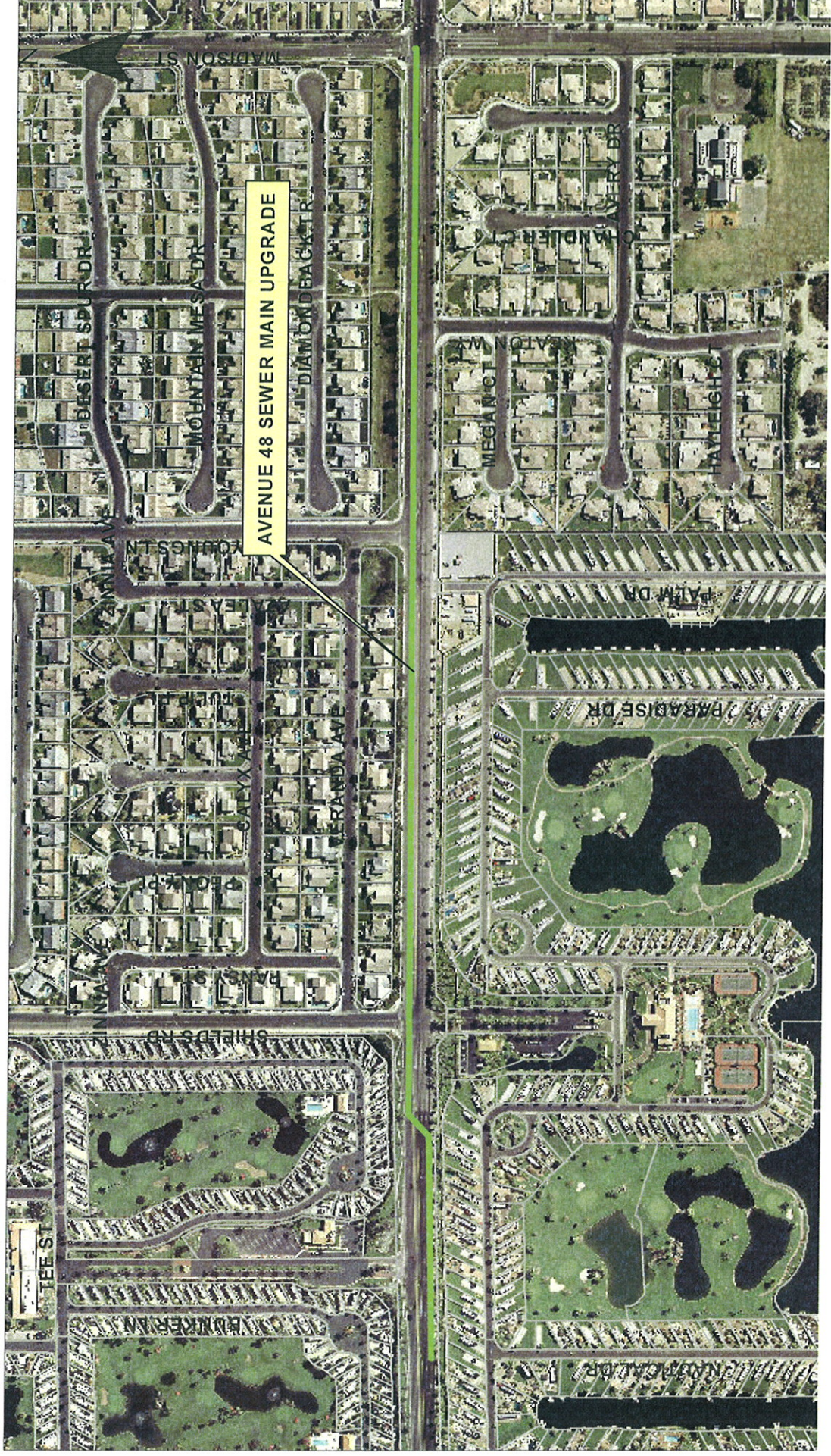
Percent Distribution Between Fund 12 and Fund 13



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 \$ 143,035
	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.

Percent for Replacement Facilities Fund 12	25	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
		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
		\$ -	\$ 35,759	\$ -	\$ -	\$ -

Percent for Capacity Expansion Fund 13	75	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
		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
		\$ -	\$ 107,276	\$ -	\$ -	\$ -

\$160,000

\$140,000

\$120,000

\$100,000

\$80,000

\$60,000

\$40,000

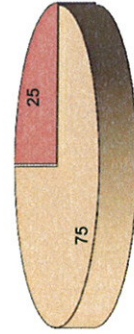
\$20,000

\$-



FY 2015/2016 FY 2016/2017 FY 2017/2018 FY 2018/2019 FY 2019/2020

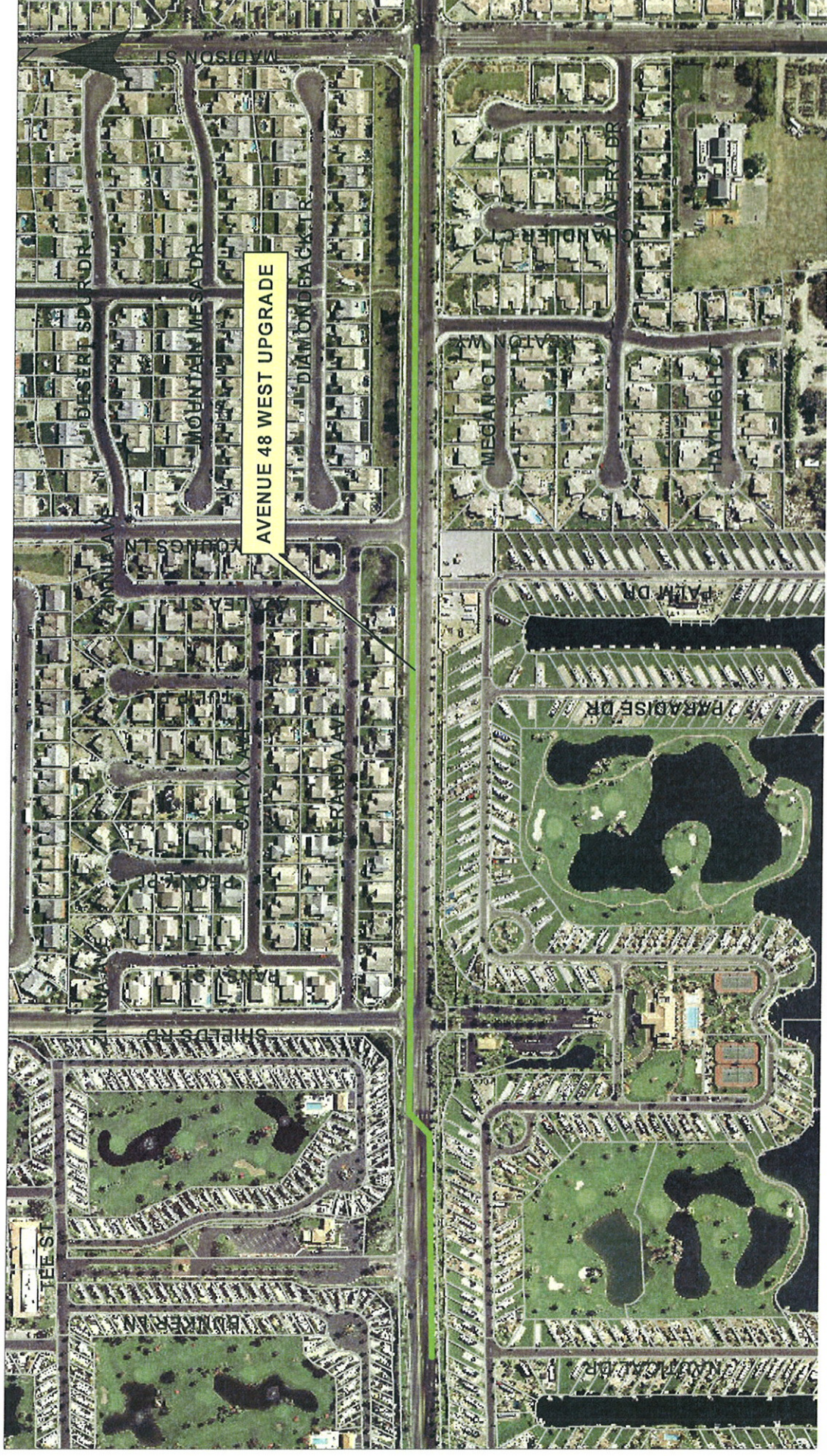
Percent Distribution Between Fund 12 and Fund 13



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 \$ 1,374,605
	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.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
25	\$ -	\$ -	\$ 343,651	\$ -	\$ -

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
75	\$ -	\$ -	\$ 1,030,954	\$ -	\$ -

\$1,600,000

\$1,400,000

\$1,200,000

\$1,000,000

\$800,000

\$600,000

\$400,000

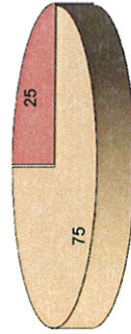
\$200,000

\$-

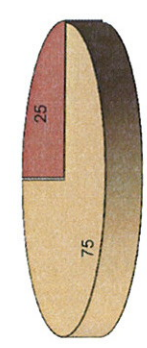


FY 2015/2016 FY 2016/2017 FY 2017/2018 FY 2018/2019 FY 2019/2020

Percent Distribution Between Fund 12 and Fund 13



	Project Name
	Avenida Esmeralda Interceptor Design
	ENR Adjusted Total Project Cost \$ 15,751
	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 Blvd.
	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 Blvd.



Percent Distribution Between Fund 12 and Fund 13



FY 2015/2016 FY 2016/2017 FY 2017/2018 FY 2018/2019 FY 2019/2020

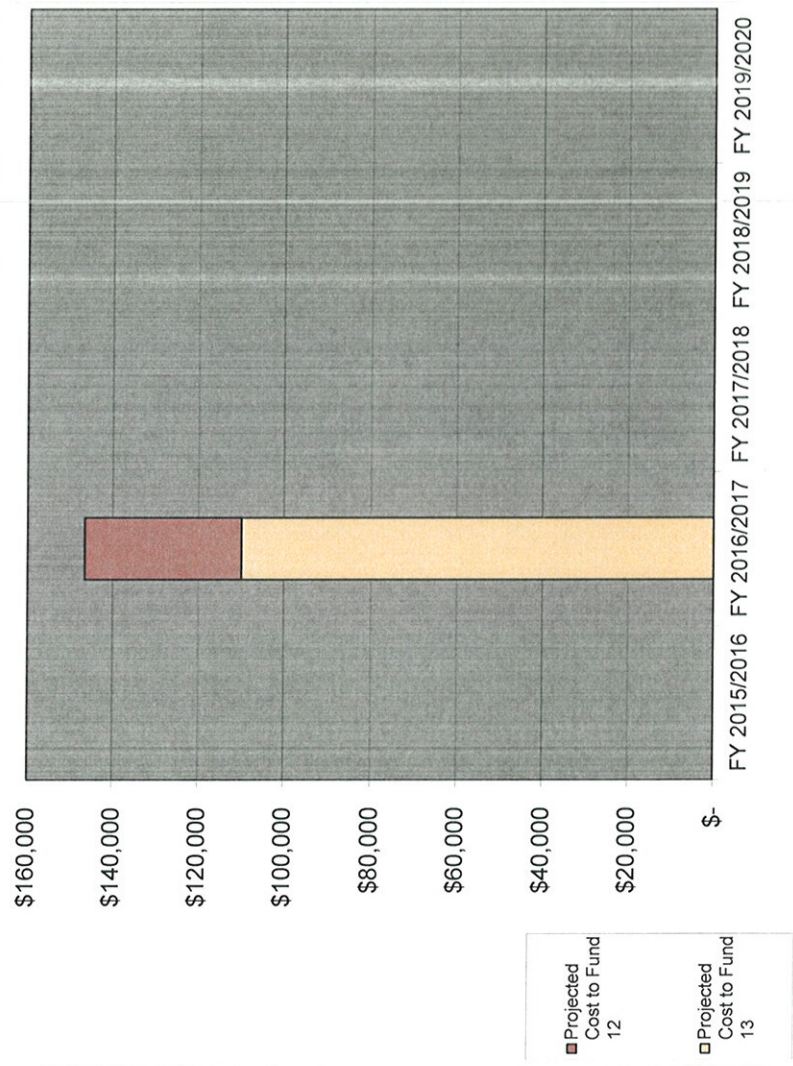
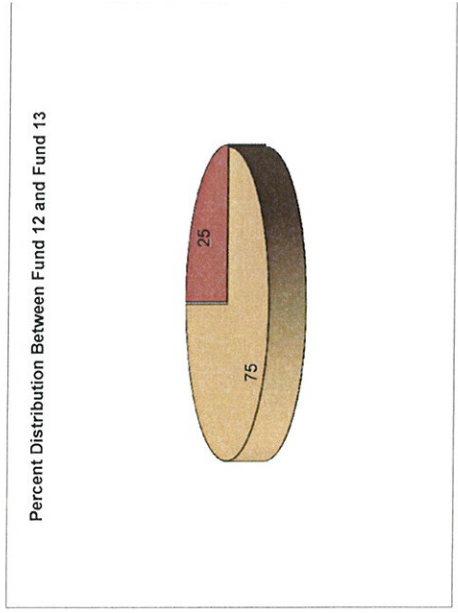
	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Replacement Facilities Fund 12	25	25	25	25	25
Projected Cost to Fund 12	\$0	\$3,938	\$0	\$0	\$0

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Percent for Capacity Expansion Fund 13	75	75	75	75	75
Projected Cost to Fund 13	\$0	\$11,813	\$0	\$0	\$0

	Project Name
	Avenida Esmeralda Interceptor Construction
ENR Adjusted Total Project Cost \$	146,509
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 Blvd.	
Justification Existing sewer main capacity is very limited along Highway 111 and Dr. Carreon Blvd. Even with the Requia Interceptor being constructed, additional capacity is needed for future development along this portion of Highway 111 & Dr. Carreon Blvd.	

Percent for Replacement Facilities Fund 12	25	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
		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
		\$ -	\$ 36,627	\$ -	\$ -	\$ -

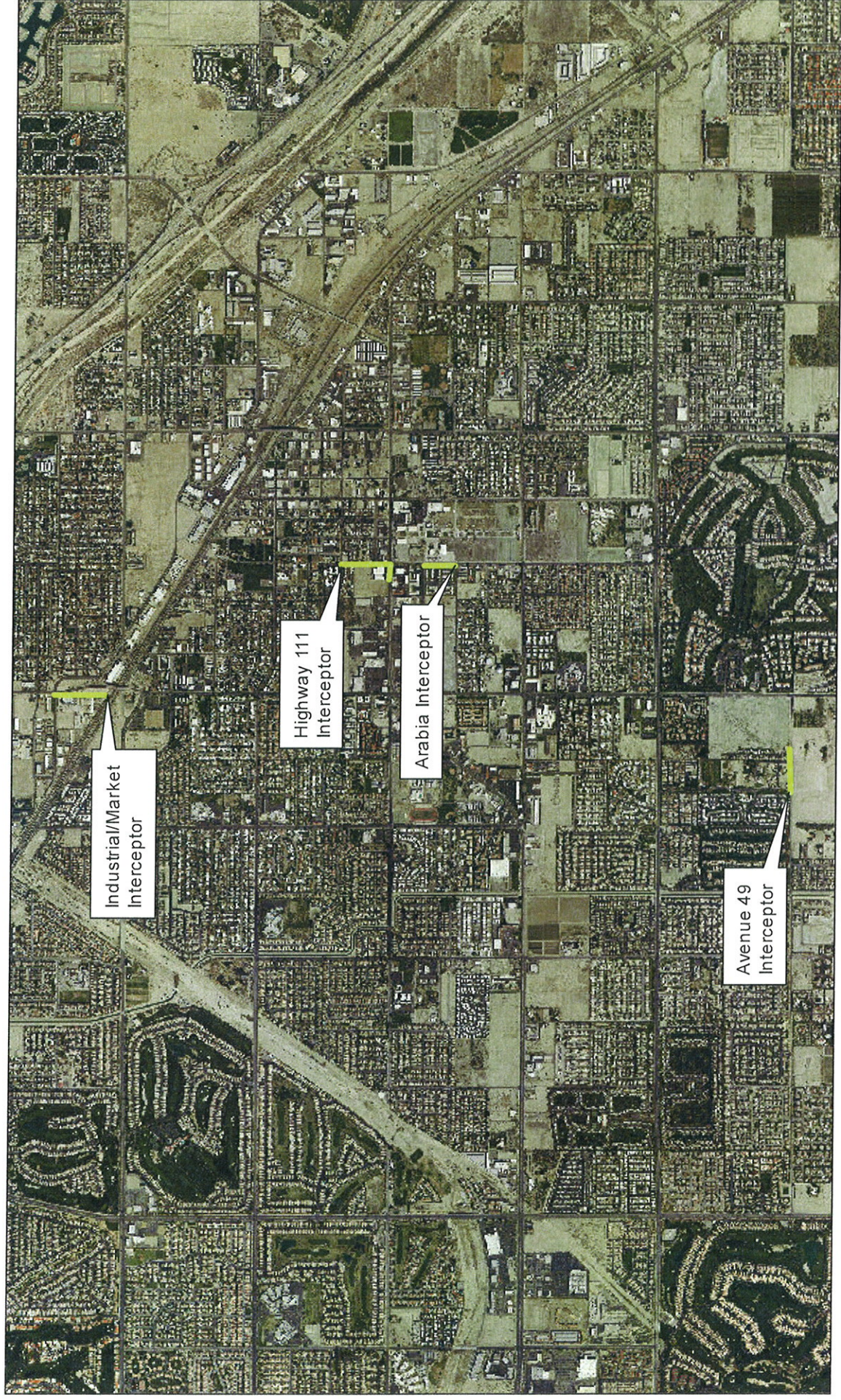
Percent for Capacity Expansion Fund 13	75	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
		Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13	Projected Cost to Fund 13
		\$ -	\$ 109,882	\$ -	\$ -	\$ -



PROJECT: 5 YEAR COLLECTION SYSTEM CIP PROJECTS

PROJECT DESCRIPTION

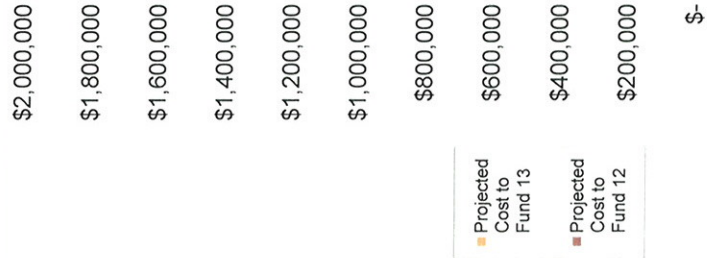
This is a collection of 4 sewer main enlargement projects that were identified in the 2013 Collection System Master Plan.



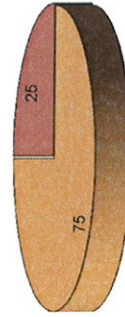
	Project Name
	5 Year Collection System CIP Projects
	ENR Adjusted Total Project Cost \$ 1,509,375
	Project Description This is a collection of 4 sewer main enlargement projects that were identified in the 2013 Collection System Master Plan. These projects will provide additional sewer main capacity that will be needed for the 2018 and beyond time range. These 4 projects will be listed individually in future budgets.
	Justification A Collection System Master Plan was completed in 2013 that studied the District's sewer main collection system. These 4 projects were identified as becoming deficient with future growth of the District.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
25	\$ -	\$ -	\$ -	\$ 450,568	\$ -

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
75	\$ -	\$ -	\$ -	\$ 1,351,705	\$ -



Percent Distribution Between Fund 12 and Fund 13



PROJECT: CONTINGENCY-ALL DEPARTMENTS COMBINED

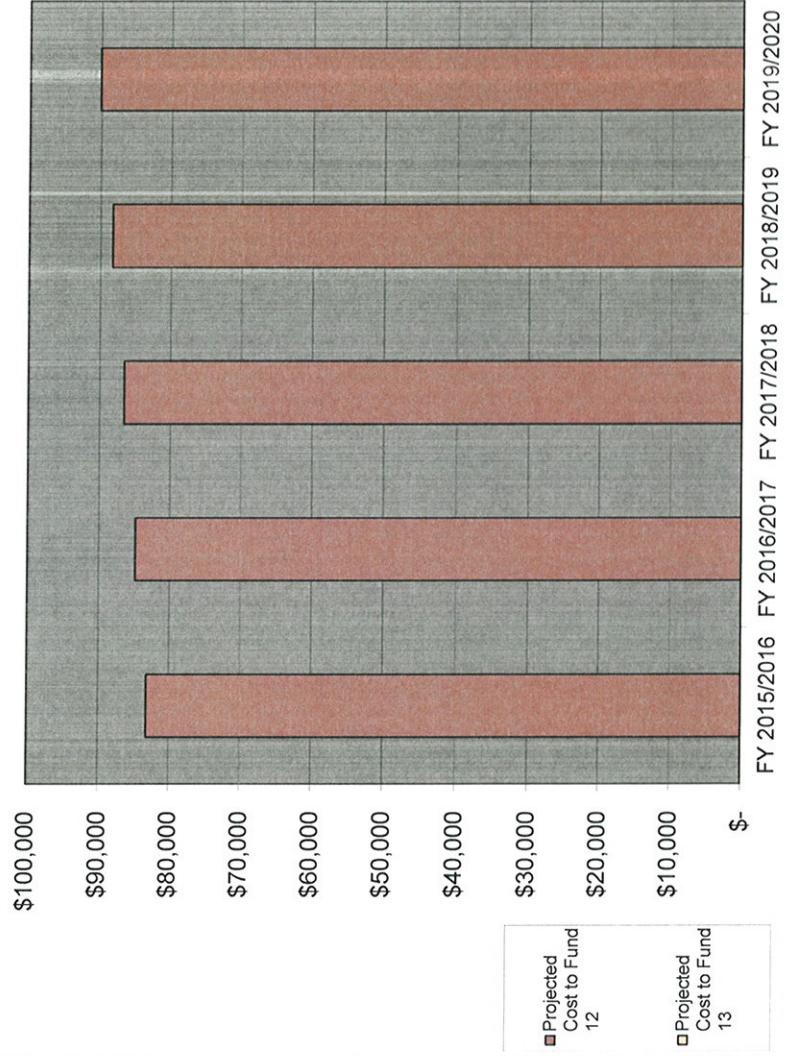
PROJECT DESCRIPTION

Each department budgets a contingency amount each year to cover unexpected/unbudgeted items. The combined total contingency for all departments is \$83,200.00.

	Project Name
	Contingency-All Departments Combined
	Project Cost \$ 83,200
	Project Description Each department budgets a contingency amount annually to cover unexpected/unbudgeted items. The combined total contingency for all departments was \$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.

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
100	\$ 83,200	\$ 84,864	\$ 86,561	\$ 88,292	\$ 90,058

	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
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
0	\$ -	\$ -	\$ -	\$ -	\$ -



Percent Distribution Between Fund 12 and Fund 13



VALLEY SANITARY DISTRICT - CAPITAL IMPROVEMENT AND CAPITAL REPLACEMENT PLAN

			2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2023-2024		2024-2025		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 Revenue Refunding Bonds 2015 - pymt over 11 yrs	\$427,507	\$466,146	\$429,557	\$468,381	\$428,002	\$466,686	\$428,241	\$466,947	\$427,763	\$466,425	\$428,959	\$467,729	\$426,926	\$465,512	\$426,567	\$465,121	\$426,119	\$464,631	\$426,956	\$465,544	\$426,836	\$465,414
		² Phase 3 Plant Expansion Design											\$3,591,977	\$3,451,115										
		² Phase 3 Plant Expansion Construction													\$36,997,361	\$35,546,484								
		⁵ Renovation of the Zimpro Building to storage	\$73,550																					
		Shade structure for District Vehicles & Vactors	\$110,000																					
		⁵ Steel Water Line Replacement	\$200,000																					
		Asset Management System (Carry Over)																						
		SCADA Master Plan (Carry Over)																						
		Hypochloride Chemical Feeder (Carry Over)																						
SLUDGE																								
		³ Solids Handling Construction Phase 2B							\$5,961,034	\$18,876,607														
		³ Solids Handling Const. Phase 2B Const. Management							\$476,883	\$1,510,129														
LABORATORY																								
GENERAL FACILITIES																								
		⁵ Vehicle & Major Equipment Replacement Fund	\$319,000		\$319,000		\$319,000		\$319,000		\$319,000		\$319,000		\$319,000		\$319,000		\$319,000		\$319,000		\$2,871,000	
		⁶ Front Wall Replacement (plus Carry Over)	\$250,000																					
		⁶ Solar PV Installation Project		\$3,500,000																				
COLLECTION																								
		⁴ SRF Debt Service - \$12,500,000 - pymt over 20 yrs	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$378,550	\$3,406,950	\$3,406,950
		⁴ Requa Interceptor Construction (SRF)	\$2,138,900	\$2,138,900	\$3,782,948	\$3,782,948																		
		⁴ Requa Interceptor Construction Management (SRF)	\$213,900	\$213,900	\$378,284	\$378,284																		
		⁵ Lateral Grant Program	\$52,000		\$53,040		\$54,101		\$55,183		\$56,287		\$57,413		\$58,561		\$59,732		\$60,927		\$62,146		\$618,335	
		⁵ Collection System Rehabilitation/Replacement Design	\$250,000		\$255,000		\$260,100		\$265,302		\$270,608		\$276,020		\$281,540		\$287,171		\$292,914		\$298,772		\$2,972,692	
		⁵ Sewer Main Rehabilitation or Replacement	\$260,000		\$3,300,000		\$3,399,000		\$273,000		\$3,500,970		\$281,190		\$3,605,999		\$289,626		\$3,714,179		\$298,315		\$21,596,126	
		⁵ Manhole Rehabilitation	\$100,000		\$750,000		\$772,500		\$105,000		\$795,675		\$108,150		\$819,545		\$111,395		\$844,131		\$114,737		\$5,110,471	
		⁷ Sewer Main Point Repairs	\$100,000		\$103,000		\$106,090		\$109,273		\$112,551		\$115,928		\$119,406		\$122,988		\$126,678		\$130,478		\$1,365,308	
		⁷ Avenue 48 Sewer Main Upgrade Design			\$35,759	\$107,276																		
		⁷ Avenue 48 Sewer Main Upgrade Construction				\$343,651	\$1,030,954																	
		⁷ Avenida Esmeralda Interceptor Design			\$3,938	\$11,813																		
		⁷ Avenida Esmeralda Interceptor Construction			\$36,627	\$109,882																		
		⁶ 5 year Collection System CIP projects							\$450,568	\$1,351,705														
		Build-out Collection System CIP projects																						\$5,935,069
CONTINGENCY - All Departments Combined			\$83,200		\$84,864		\$86,561		\$88,292		\$90,058		\$91,859		\$93,696		\$95,570		\$97,481		\$99,431		\$989,314	
		TOTAL	\$2,603,807	\$4,344,696	\$5,749,335	\$1,075,903	\$6,147,555	\$1,876,190	\$8,910,326	\$22,583,937	\$5,951,462	\$844,975	\$5,649,046	\$4,297,394	\$43,100,584	\$36,390,546	\$2,090,599	\$843,671	\$6,259,979	\$843,181	\$2,128,385	\$844,094	\$39,357,032	\$9,807,433
		Cumulative total	\$2,603,807	\$4,344,696	\$8,353,142	\$5,420,599	\$14,500,697	\$7,296,789	\$23,411,023	\$29,880,726	\$29,362,485	\$30,725,701	\$35,011,531	\$35,023,095	\$78,112,115	\$71,413,641	\$80,202,714	\$72,257,312	\$86,462,693	\$73,100,493	\$88,591,078	\$73,944,587	\$127,948,110	\$83,752,020
		Fund 13																						
		Fund 13 Capital Expenses		\$4,344,696		\$1,075,903		\$1,876,190		\$22,583,937		\$844,975		\$4,297,394		\$36,390,546		\$843,671		\$843,181		\$844,094		
		Projected Fund 13 Revenue		\$2,441,979		\$2,730,851		\$4,738,614		\$4,773,316		\$5,303,136		\$5,462,230		\$5,626,097		\$5,794,880		\$6,565,344		\$6,762,305		
		Projected Fund 13 Reserve beginning of year		\$2,778,318		\$875,601		\$2,530,549		\$5,392,973		(\$12,417,648)		(\$7,959,487)		(\$6,794,651)		(\$37,559,101)		(\$32,607,892)		(\$26,885,729)		
		Projected Fund 13 Reserve end of year		\$875,601		\$2,530,549		\$5,392,973		(\$12,417,648)		(\$7,959,487)		(\$6,794,651)		(\$37,559,101)		(\$32,607,892)		(\$26,885,729)		(\$20,967,518)		
		Fund 12																						
		Fund 12 Capital Expenses	\$2,603,807		\$5,749,335		\$6,147,555		\$8,910,326		\$5,951,462		\$5,649,046		\$43,100,584		\$2,090,599		\$6,259,979		\$2,128,385			
		Projected Fund 12 Revenue	\$3,678,218		\$3,786,363		\$3,899,639		\$4,004,832		\$4,114,118		\$4,232,210		\$4,348,500		\$4,478,955		\$4,613,323		\$4,751,723			
		Projected Fund 12 Reserve beginning of year	\$14,048,212		\$15,122,623		\$13,159,651		\$10,911,734		\$6,006,241		\$4,168,896		\$2,752,061		(\$36,000,024)		(\$33,611,668)		(\$35,258,324)			
		Projected Fund 12 Reserve end of year	\$15,122,623		\$13,159,651		\$10,911,734		\$6,006,241		\$4,168,896		\$2,752,061		(\$36,000,024)		(\$33,611,668)		(\$35,258,324)		(\$32,634,986)			

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 15/16 - FY 24/25)

