

**Operations & Maintenance Budget  
And  
Capital Improvement Program  
Fiscal Year 2016/2017**

***Board of Directors***

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***General Manager***

Joseph Glowitz

**VALLEY SANITARY DISTRICT  
FISCAL YEAR 2016/2017 BUDGET**

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**

**June 14, 2016**

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 2016/2017 Budget
- 5.0 Annual Sewer Use Fee
- 6.0 Connection Capacity Charge
- 7.0 Reserve Funds
- 8.0 Recommendations

**1.0 Executive Summary**

The Fiscal Year 2016/2017 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 2016/2017 is projected at \$8,500,080 (an increase of \$45,394 from the prior year). Capital expenditures in Fund 11 are projected at \$1,592,081 (an increase of \$1,342,081 from the prior year). The increase is due to adding a total of \$982,381 for the State Revolving Fund (SRF) loan repayment (\$514,000) and the Revenue Refunding Bonds, 2015 (\$468,381). The SRF loan must be from revenue sources, per the USEPA guidelines, while the Revenue Refunding Bonds are being transferred from Fund 12 to Fund 11 for repayment. A total of \$3,644,000 will be invested in the Reserve Funds.

It is recommended that the salaries be raised with the cost of living increase at 1.0 percent (1%) with applicable merit increases for all employees.

It is recommended that the Sewer Use Fee be \$313 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 1.0 percent (1%), based on the consumer price index from January 2015 to December 2015. The salary schedules in Section 2 on Page 2.3 and 2.4 reflects an across the board 1.0 percent (1%) increase. In order to update the current salary schedule on page 2.3 to reflect a 5% merit increase for eligible employees, a second chart was created. It is proposed to adopt the new salary schedule for employees hired on or after July 1, 2016 and to continue to use

# VALLEY SANITARY DISTRICT FISCAL YEAR 2016/2017 BUDGET

the salary schedule on page 2.4 for employees hired on or before June 30, 2016. 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 401k defined contribution plan was terminated on September 8, 2015 because the last remaining employee on the plan elected to participate in CalPERS. The District currently maintains two (2) different mandatory retirement plans, as shown in Table 1.

**Table 1: District Mandatory Retirement Plans**

Plan Name	Type	Participants	Comment
Tier 1 - CalPERS 2.5% @ 55	Defined benefit	20	Legacy members in CalPERS
Tier 2 - CalPERS 2% @ 62	Defined benefit	7	New members to CalPERS

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

Table 2 illustrates the CalPERS retirement summary for the legacy CalPERS employees (Tier 1) for fiscal years 2009/2010 through 2016/2017.

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

	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	2016/2017 Fiscal Year
District Contribution  Established by CalPERS  (Legacy members)	<b>15.615%</b>	<b>16.478%</b>	<b>19.169%</b>	<b>19.662%</b>	<b>20.587%</b>	<b>16.035%</b>	<b>14.031%</b>	<b>15.272%</b>
Actual Employee Rate  (2.5% at 55)  (Legacy members)	<b>7.858%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>
Total Contribution  (Legacy members)	<b>23.615%</b> (15.615+8%)	<b>24.478%</b> (16.478+8%)	<b>27.169%</b> (19.169+8%)	<b>27.662%</b> (19.662+8%)	<b>28.587%</b> (20.587+8%)	<b>24.035%</b> (20.504+8%)	<b>22.031%</b> (14.031+8%)	<b>23.272%</b> (15.272+8%)

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FISCAL YEAR 2016/2017 BUDGET**

Table 3 illustrates the CalPERS retirement summary for the new CalPERS member employees (Tier 2) for fiscal years 2009/2010 through 2016/2017.

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

	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	2016/2017 Fiscal Year
District Contribution  Established by CalPERS  (New members)	-	-	-	-	6.70%	6.70%	6.73%	6.945%
Employee Rate for 2.0% at 62 Plan	-	-	-	-	6.50%	6.50%	6.50%	6.50%
Total Contribution  (New members)	-	-	-	-	13.20% (6.7+6.5%)	13.20% (6.7+6.5%)	13.073% (6.73+6.5%)	13.445% (6.945+6.5%)

### **3.0 Five Year Capital Improvement Program Budget**

Section 9 contains the proposed 2016/2017 budget for the Five Year Capital Improvement Program.

The Requa Interceptor Project is underway, with construction estimated to begin in June 2016 and be completed by December 2017. The District will use a loan from the Clean Water State Revolving Fund (SRF) for this project. The current interest rate is 1.7%. A \$12 million loan for 30 years at the 1.7% interest rate will result in an estimated payment of \$514,000. Payments are made annually and the first payment will be due one (1) year after the construction completion date of the Requa Interceptor Project.

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 2016/2017 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 2016/2017 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**

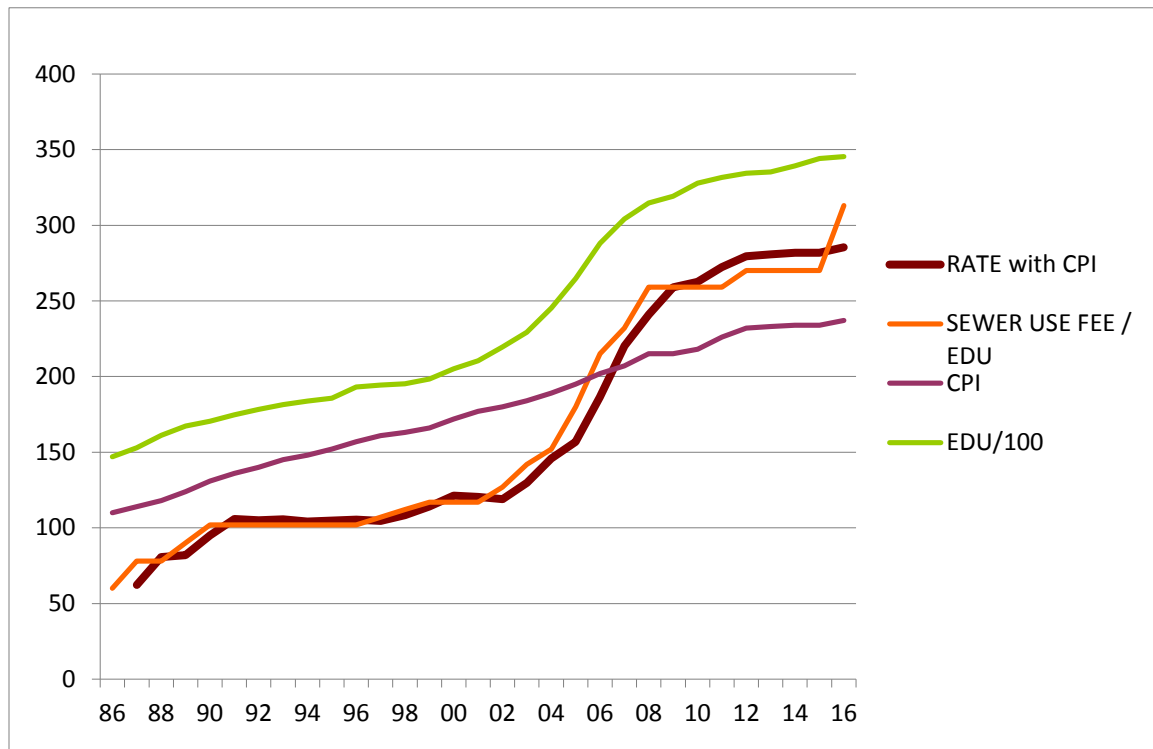


Figure 1 shows the historical relationships. Keeping rates stable is admirable; however, caution must be exercised in retaining flat sewer use fees for long periods of time when external upward pressures due to increased costs, additional regulations, safety requirements and the need to repair and maintain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

Comparable residential sewer use fees from other local agencies are:

City of Coachella	\$502.
Mission Springs Water District	\$443. (increases to \$602 by 2020)
City of Beaumont	\$426.
Desert Water Agency (Cathedral City)	\$415.
Coachella Valley Water District	\$341.
<b>Valley Sanitary District</b>	<b>\$313.</b>
City of Banning	\$271.
City of Palm Springs	\$240. (increases to \$420 by 2031)

**VALLEY SANITARY DISTRICT  
FISCAL YEAR 2016/2017 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.
Coachella Valley Water District	\$4,851.
<b>Valley Sanitary District</b>	<b>\$4,265.</b>
City of Coachella	\$3,815.
City of Beaumont	\$3,141.
City of Palm Springs	\$3,000.
City of Banning	\$2,786.
Mission Springs Water District	\$2,520.

**7.0 Summary of Reserve Funds\***

Prudent financial planning and fiscal responsibility includes anticipating and preparing for future funding requirements as well as unforeseen and unexpected emergencies, disasters, and other events. Valley Sanitary District has the following balances in its reserve funds as of June 1, 2016:

<b>Reserve Fund Description</b>	<b>2015/2016 Level</b>	<b>Year End Balance</b>
<b>Fund 11</b>		
Operating Reserve Fund (50% or six months of O & M budget)	\$ 4,228,000	<b>\$ 4,228,000</b>
Emergency Reserve Fund (5% of O & M budget)	423,000	<b>423,000</b>
<b>Fund 12</b>		
Capital Replacement Reserve Fund (40% of O & M budget annual contribution)	3,482,000	<b>16,630,116</b>
Debt Service Reserve Fund (Annual Payments)	428,000	<b>428,000</b>
Vehicle & Equipment Replacement Reserve Fund (O & M budget annual contribution)	319,000	<b>521,321</b>
<b>Fund 13</b>		
Debt Service Reserve Fund (Annual Payments)	467,000	<b>467,000</b>
<b>Total</b>	<b>\$ 9,347,000</b>	<b>\$ 22,697,437</b>

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

**VALLEY SANITARY DISTRICT  
FISCAL YEAR 2016/2017 BUDGET**

**8.0 Recommendations**

**8.1 Fiscal Year 2016/2017 Salary Adjustment**

**The recommendation** is to approve the salary schedules on pages 2.3 and 2.4 that does provide for a cost of living increase of 1.0 percent (1%) and allow applicable step increases for eligible employees.

**8.2 Fiscal Year 2016/2017 Pension Contribution**

**The recommendation** is that the District increase the employer contribution to the CalPERS Retirement Plan to 15.272 percent (15.272%) for current CalPERS members and increase the employer contribution to 6.945 percent (6.945%) for new CalPERS members. The employee contribution will be solely funded by employees at 8 percent (8%) for current CalPERS members and 6.5 percent (6.5%) for new CalPERS members.

**8.3 Adoption of Fiscal Year 2016/2021 Five Year Capital Plan**

**The recommendation** is that the Five Year Capital Improvement Program (2016/2017 - 2021/2022) be adopted.

**8.4 Adoption of the Sewer User Fee**

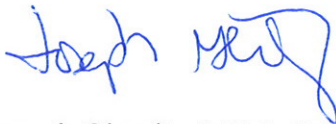
**The recommendation** is that the annual sewer use fee be increased to \$313.00 per EDU per year (\$26.08 per month).

**8.5 Adoption of the Capacity Connection Charge**

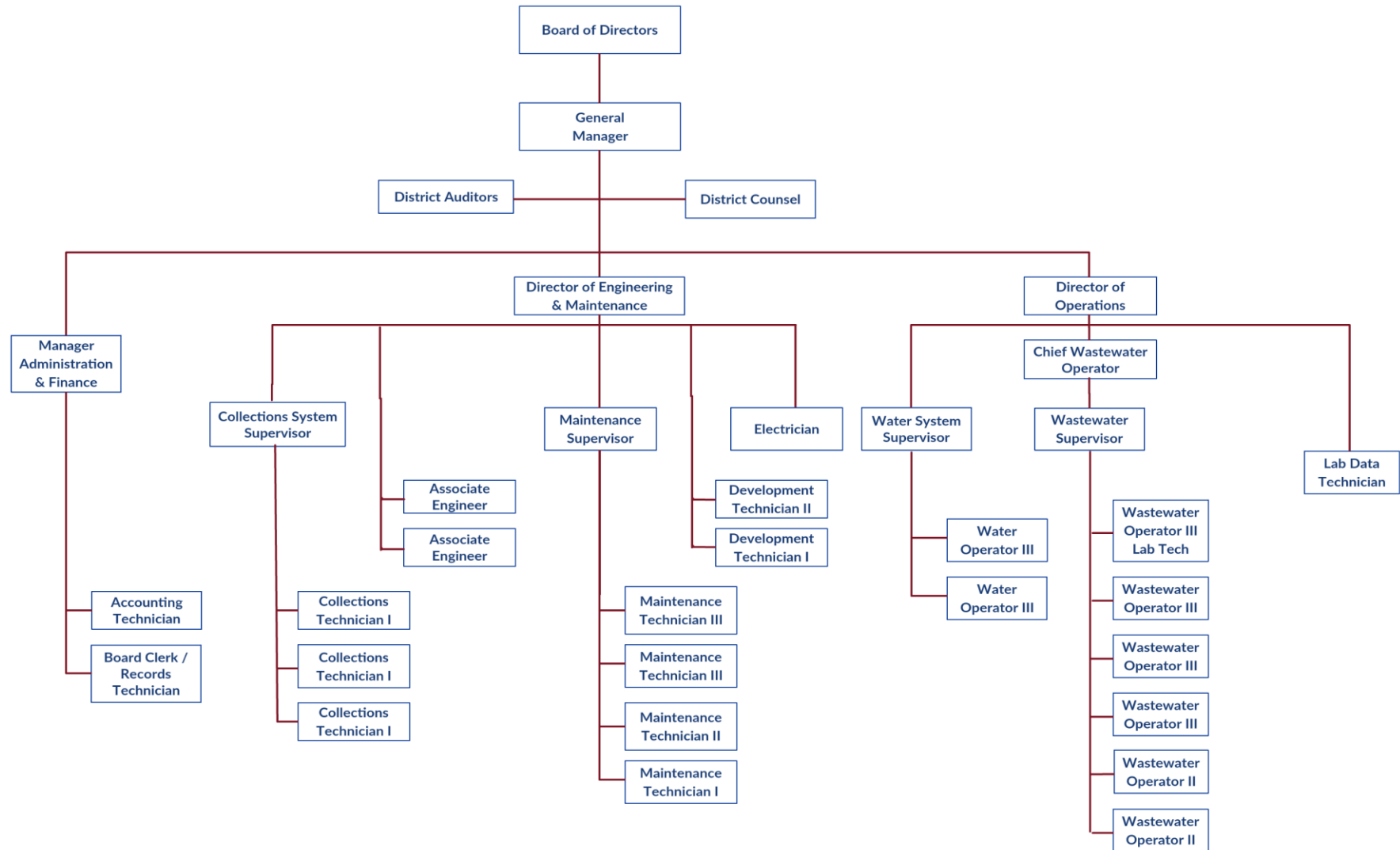
**The recommendation** is that the connection capacity fee be maintained at \$4,265 per equivalent dwelling unit (EDU).

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





### **Summary of Calculations for Sewer Use Fees**

Fund 11 O & M	2016/2017 Budget requirement	8,500,080
Fund 11 O & M	Capital expenditures	1,592,081
Fund 11	Capital reserve fund (40%)	3,644,000

**Projected Totals**

**13,736,161**

11-4430-000-0	Taxes-current secured	500,000
11-4440-000-0	Taxes-current unsecured	21,000
11-4450-000-0	Taxes-prior secured	25,000
11-4460-000-0	Taxes-prior unsecured	1,600
11-4465-000-0	Taxes-penalties	6,000
11-4470-000-0	Taxes-supplemental current	2,200
11-4480-000-0	Taxes-supplemental prior	3,000
11-4500-000-0	Homeowner's Tax Relief	6,700
11-4510-000-0	Interest revenue	45,000
11-4574-000-0	Non-operating income	12,500

**Less other taxes, interest & non-operating income**

**(623,000)**

11-1697-000-0	Depreciation	2,296,000
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**Less depreciation**

**(2,296,000)**

**REVENUE REQUIREMENT**

**10,817,161**

2016/2017 EDU

TAX ROLLS	32,406
DIRECT BILLING (Including CRH)	2,124
<b>TOTAL PROJECTED EDU</b>	<b>34,530</b>

**TOTAL REVENUE REQUIREMENT**

**10,817,161**

**Divided by EDU**

**34,530**

**SEWER USE FEE / EDU**

**\$313.27**

**SEWER USE FEE / EDU - ADOPTED**

**\$313.00**

# STAFFING RANGE ASSIGNMENTS

JOB CLASSIFICATION	RANGE	POSITIONS
ACCOUNTING TECHNICIAN	10	1
ADMINISTRATION & FINANCE MANAGER	18	1
ASSISTANT ENGINEER	14	2
CLERK OF THE BOARD/ACCOUNTING CLERK	8	1
CHIEF WASTEWATER OPERATOR	18	1
COLLECTION SYSTEMS IN-TRAINING	5	0
COLLECTION SYSTEMS TECH I	8	3
COLLECTION SYSTEMS TECH II	10	0
COLLECTION SYSTEMS TECH III	12	0
COLLECTION SYSTEMS SUPERVISOR	16	1
DEVELOPMENT SERVICES TECHNICIAN I	12	1
DEVELOPMENT SERVICES TECHNICIAN II	16	1
ELECTRICIAN/INSTRUMENTATION TECH III	14	1
GENERAL MANAGER	Board Established	1
DIRECTOR OF ENGINEERING & MAINTENANCE	25	1
DIRECTOR OF OPERATIONS	25	0
LABORATORY DATA TECHNICIAN	14	1
MAINTENANCE TECH I	7	1
MAINTENANCE TECH II	9	1
MAINTENANCE TECH III	11	2
MAINTENANCE SUPERVISOR	14	0
WASTEWATER OPERATOR-IN-TRAINING	5	0
WASTEWATER OPERATOR I	8	0
WASTEWATER OPERATOR II	10	2
WASTEWATER OPERATOR III	12	3
WASTEWATER OPERATOR III/LAB TECHNICIAN	14	1
WASTEWATER OPERATOR SUPERVISOR	16	1
WATER OPERATOR II	10	0
WATER OPERATOR III	12	0
WATER OPERATOR SUPERVISOR	14	0
TOTAL POSITIONS		27

VALLEY SANITARY DISTRICT									2016/2017 SALARY SCHEDULE						
FOR EMPLOYEES HIRED ON OR BEFORE 6/30/2016															
LEGACY	a	b	c	d	e	f	g	h	i	j	k	l	m	n	
1	2,768	2,837	2,907	2,979	3,052	3,128	3,205	3,284	3,365	3,449	3,533	3,621	3,710	3,802	
2	2,907	2,979	3,052	3,128	3,205	3,284	3,365	3,449	3,533	3,621	3,710	3,802	3,895	3,992	
3	3,052	3,128	3,205	3,284	3,365	3,449	3,533	3,621	3,710	3,802	3,895	3,992	4,090	4,192	
4	3,205	3,284	3,365	3,449	3,533	3,621	3,710	3,802	3,895	3,992	4,090	4,192	4,293	4,401	
5	3,365	3,449	3,533	3,621	3,710	3,802	3,895	3,992	4,090	4,192	4,293	4,401	4,509	4,621	
6	3,533	3,621	3,710	3,802	3,895	3,992	4,090	4,192	4,293	4,401	4,509	4,621	4,734	4,852	
7	3,710	3,802	3,895	3,992	4,090	4,192	4,293	4,401	4,509	4,621	4,734	4,852	4,971	5,095	
8	3,895	3,992	4,090	4,192	4,293	4,401	4,509	4,621	4,734	4,852	4,971	5,095	5,219	5,350	
9	4,090	4,192	4,293	4,401	4,509	4,621	4,734	4,852	4,971	5,095	5,219	5,350	5,480	5,617	
10	4,293	4,401	4,509	4,621	4,734	4,852	4,971	5,095	5,219	5,350	5,480	5,617	5,754	5,898	
11	4,509	4,621	4,734	4,852	4,971	5,095	5,219	5,350	5,480	5,617	5,754	5,898	6,042	6,193	
12	4,734	4,852	4,971	5,095	5,219	5,350	5,480	5,617	5,754	5,898	6,042	6,193	6,344	6,503	
13	4,971	5,095	5,219	5,350	5,480	5,617	5,754	5,898	6,042	6,193	6,344	6,503	6,661	6,828	
14	5,219	5,350	5,480	5,617	5,754	5,898	6,042	6,193	6,344	6,503	6,661	6,828	6,993	7,169	
15	5,480	5,617	5,754	5,898	6,042	6,193	6,344	6,503	6,661	6,828	6,993	7,169	7,345	7,528	
16	5,754	5,898	6,042	6,193	6,344	6,503	6,661	6,828	6,993	7,169	7,345	7,528	7,710	7,904	
17						6,828		7,169		7,528		7,904		8,299	
18						7,169		7,528		7,904		8,299		8,714	
19						7,528		7,904		8,299		8,714		9,150	
20						7,904		8,299		8,714		9,150		9,607	
21						8,299		8,714		9,150		9,607		10,088	
22						8,714		9,150		9,607		10,088		10,592	
23						9,150		9,607		10,088		10,592		11,122	
24						9,607		10,088		10,592		11,122		11,678	
25						10,088		10,592		11,122		11,678		12,262	
26						10,592		11,122		11,678		12,262		12,875	
27						11,122		11,678		12,262		12,875		13,519	

VALLEY SANITARY DISTRICT				2016/2017 SALARY SCHEDULE			
FOR EMPLOYEES HIRED ON OR AFTER 7/1/2016							
NEW	A	B	C	D	E	F	G
1	2,837	2,979	3,128	3,284	3,449	3,621	3,802
2	2,979	3,128	3,284	3,449	3,621	3,802	3,992
3	3,128	3,284	3,449	3,621	3,802	3,992	4,192
4	3,284	3,449	3,621	3,802	3,992	4,192	4,401
5	3,449	3,621	3,802	3,992	4,192	4,401	4,621
6	3,621	3,802	3,992	4,192	4,401	4,621	4,852
7	3,802	3,992	4,192	4,401	4,621	4,852	5,095
8	3,992	4,192	4,401	4,621	4,852	5,095	5,350
9	4,192	4,401	4,621	4,852	5,095	5,350	5,617
10	4,401	4,621	4,852	5,095	5,350	5,617	5,898
11	4,621	4,852	5,095	5,350	5,617	5,898	6,193
12	4,852	5,095	5,350	5,617	5,898	6,193	6,503
13	5,095	5,350	5,617	5,898	6,193	6,503	6,828
14	5,350	5,617	5,898	6,193	6,503	6,828	7,169
15	5,617	5,898	6,193	6,503	6,828	7,169	7,528
16	5,898	6,193	6,503	6,828	7,169	7,528	7,904
17	6,193	6,503	6,828	7,169	7,528	7,904	8,299
18	6,503	6,828	7,169	7,528	7,904	8,299	8,714
19	6,828	7,169	7,528	7,904	8,299	8,714	9,150
20	7,169	7,528	7,904	8,299	8,714	9,150	9,607
21	7,528	7,904	8,299	8,714	9,150	9,607	10,088
22	7,904	8,299	8,714	9,150	9,607	10,088	10,592
23	8,299	8,714	9,150	9,607	10,088	10,592	11,122
24	8,714	9,150	9,607	10,088	10,592	11,122	11,678
25	9,150	9,607	10,088	10,592	11,122	11,678	12,262
26	9,607	10,088	10,592	11,122	11,678	12,262	12,875
27	10,088	10,592	11,122	11,678	12,262	12,875	13,519
28	10,592	11,122	11,678	12,262	12,875	13,519	14,194
29	11,122	11,678	12,262	12,875	13,519	14,194	14,904
30	11,678	12,262	12,875	13,519	14,194	14,904	15,649

# 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:** 2005 to 2015

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
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
2015	-0.7	-0.4	0.2	0.0	0.9	0.4	1.2	1.0	0.4	0.7	1.4	1.9	0.6	0.1	1.1

12 month percent change from January 2015 through December 2015 = .6

BUDGET REVENUE PROJECTIONS				2016/2017 BUDGET	
ACCOUNT #	ACCOUNT TITLE	2015/2016 REVENUE PROJECTIONS	2015/2016 ANTICIPATED CLOSE	2015/2016 BUDGET VARIANCE	2016/2017 REVENUE PROJECTIONS
<b>FUND 11</b>					
OPERATING REVENUES:					
11-4120-000-0	SEWER SERVICE - CURRENT	9,292,320 (1)	9,292,320	-	10,807,890 (1)
11-4140-000-0	SEWER SERVICE - PENALTIES	1,000	1,000	-	1,000
11-4210-000-0	PERMIT/INSPECTION FEES	20,000	20,000	-	20,000
11-4270-000-0	PLAN CHECK FEES	15,000	8,000	(7,000)	15,000
11-4285-000-0	OTHER SERVICES	1,800	500	(1,300)	1,800
11-4310-000-0	SALE OF SURPLUS PROPERTY	-	13,500	13,500	-
SUB-TOTALS:		9,330,120	9,335,320	5,200	10,845,690
NON-OPERATING REVENUES:					
11-4510-000-0	INTEREST REVENUE	45,000	41,500	(3,500)	45,000
11-4430-000-0	TAXES - CURRENT SECURED	500,000	500,000	-	500,000
11-4440-000-0	TAXES - CURRENT UNSECURED	21,000	21,000	-	21,000
11-4450-000-0	TAXES - PRIOR SECURED	25,000	25,000	-	25,000
11-4460-000-0	TAXES - PRIOR UNSECURED	1,600	1,600	-	1,600
11-4465-000-0	TAXES - PENALTIES	6,000	6,000	-	6,000
11-4470-000-0	TAXES - SUPPLEMENTAL CURRENT	2,200	2,200	-	2,200
11-4480-000-0	TAXES - SUPPLEMENTAL PRIOR	3,000	3,000	-	3,000
11-4500-000-0	HOMEOWNER'S TAX RELIEF	6,700	6,250	(450)	6,700
11-4574-000-0	NON-OPERATING REVENUE	12,500	4,000	(8,500)	12,500
SUB-TOTALS:		623,000	610,550	(12,450)	623,000
FUND 11 GRAND TOTALS:		9,953,120	9,945,870	(7,250)	11,468,690
<b>FUND 13</b>					
OPERATING REVENUES					
13-4200-000-0	CONNECTION FEES	2,431,050 (2)	1,445,000	(986,050.00)	1,279,500 (2)
SUB-TOTALS		2,431,050 (2)	1,445,000	(986,050.00)	1,279,500
NON-OPERATING REVENUES					
13-4510-000-0	INTEREST REVENUE	14,000	13,000	(1,000)	14,000
SUB-TOTALS		14,000	13,000	(1,000)	14,000
FUND 13 GRAND TOTALS:		2,445,050	1,458,000	(987,050)	1,293,500
<b>TOTAL REVENUES:</b>		<b>12,398,170</b>	<b>11,403,870</b>	<b>(994,300)</b>	<b>12,762,190</b>

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

DEPARTMENT: COMBINED		2016/2017 BUDGET			
ACCOUNT #	ACCOUNT TITLE	2015/2016 CURRENT BUDGET (27 Staff)	2015/2016 ANTICIPATED CLOSE	2015/2016 BUDGET VARIANCE	2016/2017 BUDGET REQUEST (28 Staff)
11-5030-400-0	SALARIES	2,109,000	2,140,000	31,000	2,305,000
11-5070-400-0	OVERTIME	15,000	11,500	(3,500)	15,000
11-5080-400-0	CALLOUT	7,000	6,000	(1,000)	6,500
11-5090-400-0	STANDBY	32,000	32,400	400	34,000
	TOTAL SALARIES	2,163,000	2,189,900	26,900	2,360,500
11-5110-400-0	LONGEVITY	26,000	27,500	1,500	34,300
11-5112-400-0	RETIREMENT	376,560	271,000	(105,560)	309,100
11-5116-400-0	PAYROLL TAXES	165,700	165,700	-	180,700
11-5118-400-0	UNEMPLOYMENT INSURANCE	17,000	-	(17,000)	-
11-5122-400-0	WORKERS COMPENSATION	47,300	47,200	(100)	53,500
11-5124-400-0	GROUP LIFE INSURANCE	5,850	5,550	(300)	6,000
11-5126-400-0	GROUP HEALTH INSURANCE	309,400	337,000	27,600	409,800
11-5128-400-0	DENTAL/VISION INSURANCE	29,200	27,500	(1,700)	23,900
11-5132-400-0	DISABILITY INSURANCE	11,300	11,210	(90)	12,200
11-5152-400-0	CLOTHING/SAFETY	25,820	25,820	-	30,800
	TOTAL BENEFITS	1,014,130	918,480	(95,650)	1,060,300
	TOTAL SALARIES/BENEFITS	3,177,130	3,108,380	(68,750)	3,420,800
11-5150-400-0	DIRECTORS' FEES	13,500	16,300	2,800	36,500
11-5225-400-0	ELECTION	70,000	3,615	(66,385)	-
11-5250-400-0	GAS/OIL	49,000	30,000	(19,000)	49,000
11-5300-400-0	COMPREHENSIVE INSURANCE	323,000	322,230	(770)	295,500
11-5350-400-0	MEMBERSHIPS	38,011	26,062	(11,949)	34,990
11-5400-400-0	OFFICE EXPENSE	15,000	15,000	-	16,000
11-5410-400-0	COUNTY/CITY CHARGES	20,100	20,100	-	20,100
11-5420-400-0	PERMITS & FEES	71,100	67,500	(3,600)	67,700
11-5430-400-0	PRETREATMENT	-	-	-	20,000
11-5450-400-0	OPERATING SUPPLIES	106,970	106,220	(750)	115,300
11-5470-400-0	CHEMICALS	339,460	250,000	(89,460)	322,890
11-5500-400-0	CONTRACT SERVICES	502,605	469,500	(33,105)	270,265
11-5550-400-0	PROFESSIONAL/LEGAL	134,100	104,250	(29,850)	218,440
11-5600-400-0	PUBLICATIONS	4,500	3,000	(1,500)	4,500
11-5700-400-0	REPAIRS/MAINTENANCE	366,800	367,200	400	416,600
11-5720-400-0	SMALL TOOLS	6,800	7,800	1,000	5,500
11-5750-400-0	RESEARCH	114,100	30,000	(84,100)	87,575
11-5800-400-0	TRAVEL/MTGS/EDUCATION	68,600	32,000	(36,600)	69,200
11-5801-400-0	CERTIFICATIONS/TCPS	6,410	4,500	(1,910)	7,120
11-5901-400-0	TELEPHONE	13,000	13,000	-	13,000
11-5902-400-0	ELECTRICITY	639,000	554,600	(84,400)	632,100
11-5903-400-0	NATURAL GAS	7,000	3,500	(3,500)	7,000
11-5904-400-0	TRASH COLLECTION	21,000	21,000	-	21,000
11-5905-400-0	UTILITY WATER	24,500	21,000	(3,500)	23,000
11-5950-400-0	OTHER EXPENSES	40,000	35,000	(5,000)	30,000
11-7010-000-0	DEPRECIATION EXPENSE	2,283,000	2,283,000	-	2,296,000
	TOTAL SERVICES & SUPPLIES	5,277,556	4,806,377	(471,179)	5,079,280
	TOTAL OPERATING & MAINTENANCE BUDGET	8,454,686	7,914,757	(539,929)	8,500,080

**DEPARTMENTAL BUDGET REQUEST SUMMARY**
**2016/2017 BUDGET**

ACC NO.	DESCRIPTION	ENGINEERING & MAINTENANCE	OPERATIONS	ADMIN	TOTAL
11-5030-400-0	SALARIES	1,080,000	835,000	445,500	2,360,500
11-5110-400-0	LONGEVITY	13,500	20,000	800	34,300
11-5112-400-0	RETIREMENT	130,000	116,400	62,700	309,100
11-5116-400-0	PAYROLL TAXES	82,700	63,900	34,100	180,700
11-5118-400-0	UNEMPLOYMENT INSURANCE	-	-	-	-
11-5122-400-0	WORKERS COMPENSATION	30,000	22,500	1,000	53,500
11-5124-400-0	GROUP LIFE INSURANCE	2,700	2,200	1,100	6,000
11-5126-400-0	GROUP HEALTH INSURANCE	177,000	165,800	67,000	409,800
11-5128-400-0	DENTAL/VISION INSURANCE	10,700	9,600	3,600	23,900
11-5132-400-0	DISABILITY INSURANCE	5,500	4,700	2,000	12,200
11-5152-400-0	CLOTHING/SAFETY	16,900	13,900	-	30,800
	TOTAL BENEFITS	469,000	419,000	172,300	1,060,300
	TOTAL SALARIES/BENEFITS	1,549,000	1,254,000	617,800	3,420,800
11-5150-400-0	DIRECTORS' FEES	-	-	36,500	36,500
11-5225-400-0	ELECTION	-	-	-	-
11-5250-400-0	GAS/OIL	-	49,000	-	49,000
11-5300-400-0	COMPREHENSIVE INSURANCE	-	-	295,500	295,500
11-5350-400-0	MEMBERSHIPS/SUBSCRIPTIONS	2,550	2,190	30,250	34,990
11-5400-400-0	OFFICE EXPENSES	-	-	16,000	16,000
11-5410-400-0	COUNTY/CITY CHARGES	-	-	20,100	20,100
11-5420-400-0	PERMITS & FEES	12,500	52,200	3,000	67,700
11-5430-400-0	PRETREATMENT	20,000	-	-	20,000
11-5450-400-0	OPERATING SUPPLIES	25,800	78,000	11,500	115,300
11-5470-400-0	CHEMICALS	-	322,890	-	322,890
11-5500-400-0	CONTRACT SERVICES	105,100	111,105	54,060	270,265
11-5550-400-0	PROFESSIONAL/LEGAL	-	-	218,440	218,440
11-5600-400-0	PUBLICATIONS	-	-	4,500	4,500
11-5700-400-0	REPAIRS/MAINTENANCE	362,600	31,500	22,500	416,600
11-5750-400-0	SMALL TOOLS	4,500	1,000	-	5,500
11-5750-400-0	RESEARCH	-	87,575	-	87,575
11-5800-400-0	TRAVEL/MTGS/EDUCATION	13,000	16,200	40,000	69,200
11-5801-400-0	CERTIFICATIONS/TCPS	3,810	2,660	650	7,120
11-5901-400-0	TELEPHONE	-	-	13,000	13,000
11-5902-400-0	ELECTRICITY	5,100	627,000	-	632,100
11-5903-400-0	NATURAL GAS	-	7,000	-	7,000
11-5904-400-0	TRASH COLLECTION	-	21,000	-	21,000
11-5905-400-0	UTILITY WATER	6,500	16,500	-	23,000
11-5950-400-0	OTHER EXPENSES	10,000	10,000	10,000	30,000
11-7010-000-0	DEPRECIATION EXPENSE	432,000	1,860,000	4,000	2,296,000
	TOTAL SERVICES & SUPPLIES	1,003,460	3,295,820	780,000	5,079,280
	TOTAL OPERATING & MAINTENANCE BUDGET	2,552,460	4,549,820	1,397,800	8,500,080



BUDGET REVENUE PROJECTIONS				2016/2017 BUDGET	
ACCOUNT #	ACCOUNT TITLE	2015/2016 REVENUE PROJECTIONS	2015/2016 ANTICIPATED CLOSE	2015/2016 BUDGET VARIANCE	2016/2017 REVENUE PROJECTIONS
<b>FUND 11</b>					
OPERATING REVENUES:					
11-4120-000-0	SEWER SERVICE - CURRENT	9,292,320 (1)	9,292,320	-	10,807,890 (1)
11-4140-000-0	SEWER SERVICE - PENALTIES	1,000	1,000	-	1,000
11-4210-000-0	PERMIT/INSPECTION FEES	20,000	20,000	-	20,000
11-4270-000-0	PLAN CHECK FEES	15,000	8,000	(7,000)	15,000
11-4285-000-0	OTHER SERVICES	1,800	500	(1,300)	1,800
11-4310-000-0	SALE OF SURPLUS PROPERTY	-	13,500	13,500	-
SUB-TOTALS:		9,330,120	9,335,320	5,200	10,845,690
NON-OPERATING REVENUES:					
11-4510-000-0	INTEREST REVENUE	45,000	41,500	(3,500)	45,000
11-4430-000-0	TAXES - CURRENT SECURED	500,000	500,000	-	500,000
11-4440-000-0	TAXES - CURRENT UNSECURED	21,000	21,000	-	21,000
11-4450-000-0	TAXES - PRIOR SECURED	25,000	25,000	-	25,000
11-4460-000-0	TAXES - PRIOR UNSECURED	1,600	1,600	-	1,600
11-4465-000-0	TAXES - PENALTIES	6,000	6,000	-	6,000
11-4470-000-0	TAXES - SUPPLEMENTAL CURRENT	2,200	2,200	-	2,200
11-4480-000-0	TAXES - SUPPLEMENTAL PRIOR	3,000	3,000	-	3,000
11-4500-000-0	HOMEOWNER'S TAX RELIEF	6,700	6,250	(450)	6,700
11-4574-000-0	NON-OPERATING REVENUE	12,500	4,000	(8,500)	12,500
SUB-TOTALS:		623,000	610,550	(12,450)	623,000
FUND 11 GRAND TOTALS:		9,953,120	9,945,870	(7,250)	11,468,690
<b>FUND 13</b>					
OPERATING REVENUES					
13-4200-000-0	CONNECTION FEES	2,431,050 (2)	1,445,000	(986,050.00)	1,279,500 (2)
SUB-TOTALS		2,431,050 (2)	1,445,000	(986,050.00)	1,279,500
NON-OPERATING REVENUES					
13-4510-000-0	INTEREST REVENUE	14,000	13,000	(1,000)	14,000
SUB-TOTALS		14,000	13,000	(1,000)	14,000
FUND 13 GRAND TOTALS:		2,445,050	1,458,000	(987,050)	1,293,500
<b>TOTAL REVENUES:</b>		<b>12,398,170</b>	<b>11,403,870</b>	<b>(994,300)</b>	<b>12,762,190</b>

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

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## PROJECTED REVENUE

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### FUND 11

<b>11-4120-000-0</b>	<b>FY 2016/2017</b>
<b>Sewer Service - Current</b>	<b>Budget Request</b>
	<b>\$10,807,890</b>

SEWER SERVICE - CURRENT: Sewer service revenue for the FY 2015/2016 was based on 34,416 Equivalent Dwelling Units (EDUs) of service at an annual rate of \$270.00 per EDU. Anticipated sewer service revenue for the FY 2016/2017 is based on 34,530 EDUs at an annual rate of \$313.00.

<b>11-4140-000-0</b>	<b>FY 2016/2017</b>
<b>Sewer Service - Penalties</b>	<b>Budget Request</b>
	<b>\$1,000</b>

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

<b>11-4210-000-0</b>	<b>FY 2016/2017</b>
<b>Permit/Inspection Fees</b>	<b>Budget Request</b>
	<b>\$20,000</b>

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

<b>11-4270-000-0</b>	<b>FY 2016/2017</b>
<b>Plan Check Fees</b>	<b>Budget Request</b>
	<b>\$15,000</b>

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

<b>11-4285-000-0</b>	<b>FY 2016/2017</b>
<b>Other Services</b>	<b>Budget Request</b>
	<b>\$1,800</b>

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

<b>11-4430-000-0</b>	<b>FY 2016/2017</b>
<b>Taxes - Current Secured</b>	<b>Budget Request</b>
	<b>\$500,000</b>

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 .00030584% of the general purpose funds county-wide for 2014/2015. The Assembly Bill 8 (AB8) factor for 2015/2016 is .00030113%. At the time of budget preparation the 2016/2017 factor had not been calculated by the County. The factor will be calculated around September 2016.

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## PROJECTED REVENUE

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<b>11-4440-000-0</b>	<b>FY 2016/2017</b>
<b>Taxes - Current Unsecured</b>	<b>Budget Request</b>
	<b>\$21,000</b>

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 .00030584% of the general purpose funds county-wide for 2014/2015. The Assembly Bill 8 (AB8) factor for 2015/2016 is .00030113%. At the time of budget preparation the 2016/2017 factor had not been calculated by the County. The factor will be calculated around September 2016.

<b>11-4450-000-0</b>	<b>FY 2016/2017</b>
<b>Taxes - Prior Secured</b>	<b>Budget Request</b>
	<b>\$25,000</b>

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

<b>11-4460-000-0</b>	<b>FY 2016/2017</b>
<b>Taxes - Prior Unsecured</b>	<b>Budget Request</b>
	<b>\$1,600</b>

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.

<b>11-4465-000-0</b>	<b>FY 2016/2017</b>
<b>Taxes - Prior Secured Penalties</b>	<b>Budget Request</b>
	<b>\$6,000</b>

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

<b>11-4470-000-0</b>	<b>FY 2016/2017</b>
<b>Supplemental - Current</b>	<b>Budget Request</b>
	<b>\$2,200</b>

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

<b>11-4480-000-0</b>	<b>FY 2016/2017</b>
<b>Supplemental Taxes - Prior</b>	<b>Budget Request</b>
	<b>\$3,000</b>

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

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## PROJECTED REVENUE

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<b>11-4500-000-0</b>	<b>FY 2016/2017</b>
<b>Homeowner's Tax Relief</b>	<b>Budget Request</b>
	<b>\$6,700</b>

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

<b>11-4510-000-0</b>	<b>FY 2016/2017</b>
<b>Interest Revenue</b>	<b>Budget Request</b>
	<b>\$45,000</b>

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 .308% from LAIF for the period of 1/31/15 to 12/31/15. Other options are being considered that will yield a higher return of approximately .5%.

<b>11-4574-000-0</b>	<b>FY 2016/2017</b>
<b>Non-Operating Revenues</b>	<b>Budget Request</b>
	<b>\$12,500</b>

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

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## PROJECTED REVENUE

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### FUND 13

<b>13-4200-000-0</b>	<b>FY 2016/2017</b>
<b>Connection Fees</b>	<b>Budget Request</b>
	<b>\$1,279,500</b>

Total Anticipated Connections	330
Less Anticipated Connections paid by AD 2004 VSD or Prepayment Agreement	(30)
Anticipated Connections that are not in AD or prepaid	<u>300</u>

2016/2017 Connection Capacity Fee: \$4,265.00 per equivalent dwelling unit (EDU).

<b>13-4510-000-0</b>	<b>FY 2016/2017</b>
<b>Interest Revenue</b>	<b>Budget Request</b>
	<b>\$14,000</b>

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 .308% from LAIF for the period of 1/31/15 to 12/31/15. Other options are being considered that will yield a higher return of approximately .5%.

**DEPARTMENT: ENGINEERING AND MAINTENANCE****2016/2017 BUDGET**

ACCOUNT #	ACCOUNT TITLE	2015/2016 CURRENT BUDGET (7 Staff)	ACTUAL 5/31/2016	6/30/2016 ADDITION	2015/2016 ANTICIPATED CLOSE	2015/2016 BUDGET VARIANCE	2016/2017 BUDGET REQUEST (14 Staff)
11-5030-410-1	SALARIES	460,000	411,715	48,285	460,000	-	1,060,000
11-5070-410-1	OVERTIME	1,000	1,133	367	1,500	500	1,500
11-5080-410-1	CALLOUT	1,500	1,091	409	1,500	-	1,500
11-5090-410-1	STANDBY	16,000	14,549	1,851	16,400	400	17,000
	TOTAL SALARIES	478,500	428,488	50,912	479,400	900	1,080,000
11-5110-410-1	LONGEVITY	4,800	4,526	274	4,800	-	13,500
11-5112-410-1	RETIREMENT	64,600	47,480	7,520	55,000	(9,600)	130,000
11-5116-410-1	PAYROLL TAXES	36,700	33,761	2,939	36,700	-	82,700
11-5118-410-1	UNEMPLOYMENT INSURANCE	7,000	-	-	-	(7,000)	-
11-5122-410-1	WORKERS COMPENSATION	14,200	12,149	2,051	14,200	-	30,000
11-5124-410-1	GROUP LIFE INSURANCE	1,200	1,191	9	1,200	-	2,700
11-5126-410-1	GROUP HEALTH INSURANCE	70,000	70,400	2,600	73,000	3,000	177,000
11-5128-410-1	DENTAL/VISION INSURANCE	5,000	4,911	89	5,000	-	10,700
11-5132-410-1	DISABILITY INSURANCE	2,500	2,362	138	2,500	-	5,500
11-5152-410-1	CLOTHING/SAFETY	9,200	7,878	1,322	9,200	-	16,900
	TOTAL BENEFITS	215,200	184,658	16,942	201,600	(13,600)	469,000
	TOTAL SALARIES/BENEFITS	693,700	613,146	67,854	681,000	(12,700)	1,549,000
11-5150-410-1	DIRECTORS' FEES	-	-	-	-	-	-
11-5225-410-1	ELECTION	-	-	-	-	-	-
11-5250-410-1	GAS/OIL	-	-	-	-	-	-
11-5300-410-1	COMPREHENSIVE INSURANCE	-	-	-	-	-	-
11-5350-410-1	MEMBERSHIPS/SUBSCRIPTIONS	1,100	820	280	1,100	-	2,550
11-5400-410-1	OFFICE EXPENSE	-	-	-	-	-	-
11-5410-410-1	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-410-1	PERMITS & FEES	12,500	11,200	1,300	12,500	-	12,500
11-5430-410-1	PRETREATMENT	-	-	-	-	-	20,000
11-5450-410-1	OPERATING SUPPLIES	4,250	2,630	870	3,500	(750)	25,800
11-5470-410-1	CHEMICALS	-	-	-	-	-	-
11-5500-410-1	CONTRACT SERVICES	90,500	67,380	14,120	81,500	(9,000)	105,100
11-5550-410-1	PROFESSIONAL/LEGAL	-	-	-	-	-	-
11-5600-410-1	PUBLICATIONS	-	-	-	-	-	-
11-5700-410-1	REPAIRS/MAINTENANCE	99,600	68,726	21,274	90,000	(9,600)	362,600
11-5720-410-1	SMALL TOOLS	2,800	1,927	873	2,800	-	4,500
11-5750-410-1	RESEARCH	-	-	-	-	-	-
11-5800-410-1	TRAVEL/MTGS/EDUCATION	7,000	3,649	351	4,000	(3,000)	13,000
11-5801-410-1	CERTIFICATIONS/TCPS	3,255	511	2,489	3,000	(255)	3,810
11-5901-410-1	TELEPHONE	-	-	-	-	-	-
11-5902-410-1	ELECTRICITY	4,000	3,758	842	4,600	600	5,100
11-5903-410-1	NATURAL GAS	-	-	-	-	-	-
11-5904-410-1	TRASH COLLECTION	-	-	-	-	-	-
11-5905-410-1	UTILITY WATER	8,000	4,261	1,739	6,000	(2,000)	6,500
11-5950-410-1	OTHER EXPENSES	10,000	5,282	4,718	10,000	-	10,000
11-7010-000-0	DEPRECIATION EXPENSE	430,000	-	430,000	430,000	-	432,000
	TOTAL SERVICES & SUPPLIES	673,005	170,144	478,856	649,000	(24,005)	1,003,460
	TOTAL OPERATING & MAINTENANCE BUDGET	1,366,705	783,290	546,710	1,330,000	(36,705)	2,552,460

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## ENGINEERING AND MAINTENANCE

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### 11-5152-410-1

#### Clothing

**FY 2016/2017****Budget Request****\$16,900*****Justification:***

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

- Boots-twelve (12) employees (\$200 per employee) 2,400
- Uniforms-twelve (12) employees 10,000
- Gloves-twelve (12) employees 4,500

### 11-5350-410-1

#### Memberships/Subscriptions

**FY 2016/2017****Budget Request****\$2,550*****Justification:***

- California Water Environment Association (CWEA) membership renewal for twelve (12) staff members at \$164 each. This membership includes renewal to the Colorado River Basin Local Section. 2,000
- NASSCO Inc: 350  
National Association of Sewer Service Companies; updates new criteria related to PACP Inspection Standards
- AWWA for District Engineer 200

### 11-5420-410-1

#### Permits & Fees

**FY 2016/2017****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 2016/2017****Budget Request****\$20,000*****Justification:***

- Specialized software to track pretreatment facilities 15,000
- Lab tests as required by the EPA 5,000

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## ENGINEERING AND MAINTENANCE

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### 11-5450-410-1 Operating Supplies

**FY 2016/2017  
Budget Request  
\$25,800**

***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.
- 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.
- Landscaping supplies 8,000
- Cintas mats, shop towels, etc. 14,300



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## ENGINEERING AND MAINTENANCE

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### 11-5500-410-1 Contract Services

**FY 2016/2017  
Budget Request  
\$105,100**

***Justification:***

• Roach control program	41,000
• Root control program	14,000
• Dig Alert	3,500
• Arch Wireless Beepers	350
• Verizon Wireless	3,000
• Annual monitoring fee/pump stations	3,100
• ESRI ARCVIEW 10.0 annual renewal	3,000
• Lucity Program annual renewal	6,000
• Pipelogix annual renewal	2,500
• ERICA radio member fee	5,800
• Bentley Enterprise Annual Licensing - SewerGems	3,800
• Autodesk Infrastructure Design Suite Premium Government	2,500
• Plant instrument service contract	5,000
• Gantry crane service	1,000
• Safety Kleen parts, washer service, light bulb disposal and dry cell batteries	4,500
• Safety Kleen used oil filter disposal	1,050
• Tree trimming and spraying	5,000

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## ENGINEERING AND MAINTENANCE

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### 11-5700-410-1 Repairs and Maintenance

FY 2016/2017  
Budget Request  
\$362,600

**Justification:**

• <u>Vactor parts/repairs/planned expenditures:</u>	66,900
1) 800 feet of one-inch sewer jet hose	6,600
2) Proofer skid for jetting lines	1,000
3) Tiger tail hose guide	400
4) One-inch leader hose	1,000
5) Nozzles for jetting	2,500
6) Fire hose	400
7) High pressure pump parts	2,500
8) Tires	4,700
9) Vactor oil & lube service	7,100
10) Diesel exhaust fluid for new Vactor	700
11) Contingency for emergency repairs	40,000
• Equipment repairs	2,000
• TV van parts & repair	15,000
• Pump station repairs and parts	4,000
• Mainline repair	20,000
• Equipment rentals	8,500
• 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	10,000
• Brown Bear, Case tractor and dump truck repairs	5,000
• Vehicle repairs and smog checks	8,000
• 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 and spare parts	14,000
• General facility maintenance	20,000
• Service generators 2, 3 & 4	12,000
• Two (2) new de-chlor pumps and controllers	10,000
• Two (2) new Roto Torq valve operators	12,000
• Masserator rebuild kit	3,800
• Gear pump for ferric chloride	6,000
• Gas detectors for confined space entry	5,000
• Safety equipment for confined space entry	8,200
• Check valves for drainage pumps	4,500
• Belt press spare parts	11,000
• Arc flash safety equipment	2,700
• Grinder for beltpress	20,000

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## ENGINEERING AND MAINTENANCE

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**11-5720-410-1****Small Tools****FY 2016/2017****Budget Request****\$4,500****Justification:**

Miscellaneous small tool acquisition and replacement.

**11-5800-410-1****Travel, Meetings, & Education****FY 2016/2017****Budget Request****\$13,000****Justification:**

Travel expenses for conferences and training seminars, registration fees, meals, lodging and related expenses: Engineering and Maintenance has thirteen (13) employees at \$1,000 each.

**11-5801-410-1****Certifications****FY 2016/2017****Budget Request****\$3,810****Justification:**

- State Water Resource Control Board:

Operator Certification Program

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

- California Water Environment Association

Technical Certifications Program

Job Title	Renewal Date	Grade	Renewal Fee
Collection System Supervisor	September 2016	CST III	90
Collection System Tech I (3)	January 2017	CST I	240
Development Service Tech I	April 2016	CST I	80
Development Service Tech II	January 2017	CST IV	95
Environmental Inspector I	December 2016	ENV I	80
Maintenance Tech I	December 2016	I	85
Maintenance Tech II	January 2017	II	90
Maintenance Tech III	August 2016	III	90
Maintenance Tech III	July 2016	III	90
Electrician IV	July 2016	IV	95
Operator III (Electrician)	June 2017	III	300
Allowance for advancement (certification testing)			1,000

- PACP Certification for one (1) employee 700
- Professional Engineer (PE) (District Engineer & Associate Engineer) 500  
Due biennially at \$250
- CWEA, Grade D4/T3 (District Engineer) 105  
Due biennially at \$105

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## ENGINEERING AND MAINTENANCE

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**11-5902-410-1**  
**Electricity****FY 2016/2017**  
**Budget Request**  
**\$5,100*****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 \$4,800 for 2015/2016.

**11-5905-410-1**  
**Utility Water****FY 2016/2017**  
**Budget Request**  
**\$6,500*****Justification:***

VSD is billed for water service from the Indio Water Authority and the City of Coachella. Amount reflects 5% increase over the anticipated close of \$5,900 for 2015/2016.

**11-5950-410-1**  
**Other Expenses****FY 2016/2017**  
**Budget Request**  
**\$10,000*****Justification:***

Miscellaneous expense contingency fund.

**DEPARTMENT: OPERATIONS****2016/2017 BUDGET**

ACCOUNT #	ACCOUNT TITLE	2015/2016 CURRENT BUDGET (15 Staff)	ACTUAL 5/31/2016	6/30/2016 ADDITION	2015/2016 ANTICIPATED CLOSE	2015/2016 BUDGET VARIANCE	2016/2017 BUDGET REQUEST (10 Staff)
11-5030-411-1	SALARIES	1,097,000	1,044,149	55,851	1,100,000	3,000	800,000
11-5070-411-1	OVERTIME	13,500	8,779	1,221	10,000	(3,500)	13,000
11-5080-411-1	CALLOUT	5,500	4,118	382	4,500	(1,000)	5,000
11-5090-411-1	STANDBY	16,000	14,549	1,451	16,000	-	17,000
	<b>TOTAL SALARIES</b>	<b>1,132,000</b>	<b>1,071,595</b>	<b>58,905</b>	<b>1,130,500</b>	<b>(1,500)</b>	<b>835,000</b>
11-5110-411-1	LONGEVITY	21,200	21,391	1,309	22,700	1,500	20,000
11-5112-411-1	RETIREMENT	234,500	129,704	14,296	144,000	(90,500)	116,400
11-5116-411-1	PAYROLL TAXES	86,700	83,598	3,102	86,700	-	63,900
11-5118-411-1	UNEMPLOYMENT INSURANCE	-	-	-	-	-	-
11-5122-411-1	WORKERS COMPENSATION	31,400	30,019	981	31,000	(400)	22,500
11-5124-411-1	GROUP LIFE INSURANCE	4,400	2,803	197	3,000	(1,400)	2,200
11-5126-411-1	GROUP HEALTH INSURANCE	178,000	192,975	7,025	200,000	22,000	165,800
11-5128-411-1	DENTAL/VISION INSURANCE	17,700	14,062	1,938	16,000	(1,700)	9,600
11-5132-411-1	DISABILITY INSURANCE	7,300	5,804	196	6,000	(1,300)	4,700
11-5152-411-1	CLOTHING/SAFETY	16,620	13,746	2,874	16,620	-	13,900
	<b>TOTAL BENEFITS</b>	<b>597,820</b>	<b>494,102</b>	<b>31,918</b>	<b>526,020</b>	<b>(71,800)</b>	<b>419,000</b>
	<b>TOTAL SALARIES/BENEFITS</b>	<b>1,729,820</b>	<b>1,565,697</b>	<b>90,823</b>	<b>1,656,520</b>	<b>(73,300)</b>	<b>1,254,000</b>
11-5150-411-1	DIRECTORS' FEES	-	-	-	-	-	-
11-5225-411-1	ELECTION	-	-	-	-	-	-
11-5250-411-1	GAS/OIL	49,000	24,813	5,187	30,000	(19,000)	49,000
11-5300-411-1	COMPREHENSIVE INSURANCE	-	-	-	-	-	-
11-5350-411-1	MEMBERSHIPS/SUBSCRIPTIONS	2,962	2,265	697	2,962	-	2,190
11-5400-411-1	OFFICE EXPENSE	-	-	-	-	-	-
11-5410-411-1	COUNTY/CITY CHARGES	-	-	-	-	-	-
11-5420-411-1	PERMITS & FEES	56,250	48,078	3,922	52,000	(4,250)	52,200
11-5430-411-1	PRETREATMENT	-	-	-	-	-	-
11-5450-411-1	OPERATING SUPPLIES	91,220	88,406	2,814	91,220	-	78,000
11-5470-411-1	CHEMICALS	339,460	215,240	34,760	250,000	(89,460)	322,890
11-5500-411-1	CONTRACT SERVICES	361,505	253,150	76,850	330,000	(31,505)	111,105
11-5550-411-1	PROFESSIONAL/LEGAL	4,800	4,250	-	4,250	(550)	-
11-5600-411-1	PUBLICATIONS	-	-	-	-	-	-
11-5710-411-1	REPAIRS/MAINTENANCE	245,000	253,327	1,673	255,000	10,000	31,500
11-5720-411-1	SMALL TOOLS	4,000	4,694	306	5,000	1,000	1,000
11-5750-411-1	RESEARCH	114,100	22,341	7,659	30,000	(84,100)	87,575
11-5800-411-1	TRAVEL/MTGS/EDUCATION	21,600	5,306	2,694	8,000	(13,600)	16,200
11-5801-411-1	CERTIFICATIONS/TCPS	2,305	999	501	1,500	(805)	2,660
11-5901-411-1	TELEPHONE	-	-	-	-	-	-
11-5902-411-1	ELECTRICITY	635,000	437,640	112,360	550,000	(85,000)	627,000
11-5903-411-1	NATURAL GAS	7,000	2,555	945	3,500	(3,500)	7,000
11-5904-411-1	TRASH COLLECTION	21,000	20,373	627	21,000	-	21,000
11-5905-411-1	UTILITY WATER	16,500	13,888	1,112	15,000	(1,500)	16,500
11-5950-411-1	OTHER EXPENSES	20,000	9,058	5,942	15,000	(5,000)	10,000
11-7010-000-0	DEPRECIATION EXPENSE	1,851,000	-	1,851,000	1,851,000	-	1,860,000
	<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>3,842,702</b>	<b>1,406,383</b>	<b>2,109,049</b>	<b>3,515,432</b>	<b>(327,270)</b>	<b>3,295,820</b>
	<b>TOTAL OPERATING &amp; MAINTENANCE BUDGET</b>	<b>5,572,522</b>	<b>2,972,080</b>	<b>2,199,872</b>	<b>5,171,952</b>	<b>(400,570)</b>	<b>4,549,820</b>

## OPERATIONS

<b>11-5152-411-1</b>	<b>FY 2016/2017</b>
<b>Clothing</b>	<b>Budget Request</b>
	<b>\$13,900</b>

**Justification:**

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

• Boots-ten (10) employees (\$200 per employee)	2,000
• Uniforms-ten (10) employees	9,000
• Gloves, ear plugs, safety items-ten (10) employees	2,900

<b>11-5250-411-1</b>	<b>FY 2016/2017</b>
<b>Gas and Oil</b>	<b>Budget Request</b>
	<b>\$49,000</b>

**Justification:**

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

<b>11-5350-411-1</b>	<b>FY 2016/2017</b>
<b>Memberships/Subscriptions</b>	<b>Budget Request</b>
	<b>\$2,190</b>

**Justification:**

• Membership in the Water Environment Federation for Chief Wastewater Operator	250
• California Water Environment Association (CWEA) membership renewal for ten (10) employees @ \$164 each. This membership includes renewal to the Colorado River Basin Local Section.	1,640
• Membership in the National Fire Protection Agency (NFPA)	300

<b>11-5420-411-1</b>	<b>FY 2016/2017</b>
<b>Permits &amp; Fees</b>	<b>Budget Request</b>
	<b>\$52,200</b>

**Justification:**

• Annual NPDES permit fee	37,500
• South Coast Air Quality Management District (SCAQMD) facility permits	10,500
• 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
• State Health Department Laboratory certification	3,100
• Quality assurance testing	1,500

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

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## OPERATIONS

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**11-5450-411-1**

**Operating Supplies**

**FY 2016/2017**

**Budget Request**

**\$78,000**

***Justification:***

- Miscellaneous operating supplies including reagents for chlorination and dechlorination analyzers 8,000
- Polymer to belt press twelve (12) totes at \$2,500 per tote 30,000
- Miscellaneous operating supplies 7,000
- Three (3) belts for Belt Press at \$2,500 each 7,500
- 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
- Miscellaneous supplies 3,700
- Student materials for distribution for public relations efforts 1,600
- Laboratory chemicals, reagents, detergents, filters, glassware, instrument 10,000
- Miscellaneous small tools, torches, pliers, small air pumps, etc. 500

## OPERATIONS

**11-5470-411-1**  
**Chemicals**

**FY 2016/2017**  
**Budget Request**  
**\$322,890**

***Justification:***

The total water reclamation plant discharge for Fiscal Year 2016/2017 is estimated to decrease over the year 2015/2016 total flow of 2,106.200 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 2016/2017 is

MG    2,000.000

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

<b>Ferric Chloride</b>	<b>\$</b>	<b>75,650</b>
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	250,000
The cost of the Ferric Chloride based on \$37.20 per MG is	\$	74,400
The projected delivery cost based on \$125 per delivery and expecting 10 deliveries is	\$	1,250

<b>Sodium Bisulfite</b>	<b>\$</b>	<b>85,540</b>
The estimated total gallons of Sodium Bisulfite for Fiscal Year 2015/2016 based on the projected plant discharge using 40 gallons per MG usage is GAL		
	Gal	80,000
The projected cost of purchasing the Sodium Bisulfite at \$1.04 per gallon is	\$	83,200
The projected delivery cost based on \$123 per delivery and expecting 19 deliveries is	\$	2,337

<b>Calcium Hypochlorite</b>	<b>\$</b>	<b>3,500</b>
Calcium Hypochlorite comes in powder form and is used for disinfecting the Grit Chamber.		



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## OPERATIONS

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### 11-5500-411-1 Contract Services

**FY 2016/2017  
Budget Request  
\$111,105**

***Justification:***

• Miscellaneous contractual services	2,000
• 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	25,000
• Sludge disposal and transportation	60,000
• Pyro-Comm fire alarm monitoring	1,600
• Building alarm monitoring	4,250
• After hours answering service	1,450
• Annual fire extinguisher service	2,000
• Pest control service for building and facilities	2,000
• Mettler scale annual service	365
• OHAUS scale annual service	365
• Replacement and calibration of class 1 weights	1,275
• Recalibrate certified digital thermometer	250
• Fume hood calibration and certification	1,000
• Annual support for the Laboratory Information Management System (LIMS)	5,100

## OPERATIONS

<b>11-5710-411-1</b>	<b>FY 2016/2017</b>
<b>Repairs &amp; Maintenance</b>	<b>Budget Request</b>
	<b>\$31,500</b>

**Justification:**

• Miscellaneous instrument repairs & maintenance	2,500
• Service of Cl <sub>2</sub> residual titrator	2,000
• Probe and meter with flexible connectivity	3,000
• Laboratory grade refrigerator	7,000
• Lab grade analytical scale	16,000
• Photometer Hanna HI 83-200	1,000

<b>11-5720-411-1</b>	<b>FY 2016/2017</b>
<b>Small Tools</b>	<b>Budget Request</b>
	<b>\$1,000</b>

**Justification:**

Miscellaneous small tool acquisition and replacement.	1,000
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<b>11-5750-414-2</b>	<b>FY 2016/2017</b>
<b>Research &amp; Monitoring</b>	<b>Budget Request</b>
	<b>\$87,575</b>

**Justification:**

• Sludge testing for belt press and pond sludge-ten (10) samples: TPN, pH, solids, phosphates, metals, nutrients, etc.	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 <sup>1</sup>
• Cost for two (2) Toxicity Identification Evaluation Ph.II & III Base Line	16,200 <sup>1</sup>
• Cost for two (2) Toxicity Identification Evaluation (TIE) Ph.1 Base Line	7,750 <sup>2</sup>
• RSW-001 and RSW-002 storm channel up and downstream testing	2,000
• EFF-001C total plant effluent flow testing	2,000
• Nitrogen testing for influent and ponds	1,500
• Additional testing as required by new permit regulations (if regular test results for heptachlor and copper are over limits)	1,500
• Oil and grease (monthly sampling)	350
• California Toxics Rule (CTR) once annually	3,750
• Grit/screenings samples every two (2) years	500
• Estimated ten (10) accelerated monitoring of Bioassays	10,000
• Heptachlor testing plant treatment trains before CL <sub>2</sub> and total plant combined flows after SO <sub>2</sub>	15,000
• EPA 200.8 copper (at outfall)	250

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

<sup>2</sup> Additional Toxicity Reduction Evaluation (TRE) process, if required.

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

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## OPERATIONS

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**11-5800-411-1****Travel, Meetings, & Education****FY 2016/2017****Budget Request****\$16,200****Justification:**

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

- |  |        |
|--|--------|
| • Allowance for ten (10) employees at \$1,000 per employee | 10,000 |
| • Confined space training and rescue refresher             | 2,500  |
| • First aid and CPR Training for ten (10) employees        | 1,700  |
| • Arc Flash training                                       | 2,000  |

**11-5801-411-1****Certifications/Technical Certification Programs****FY 2016/2017****Budget Request****\$2,660****Justification:**

- State Water Resource Control Board:  
Operator Certification Program

Job Title	Renewal Date	Grade	Renewal Fee
Operator II	December 2016	II	230
Operator II	June 2017	II	230
Operator III	December 2016	III	300
Operator III	June 2017	III	300
Operator III	March 2017	III	300
Operator IV	June 2017	IV	340

- California Water Environment Association

Job Title	Renewal Date	Grade	Renewal Fee
Lab Supervisor	January 2017	Lab II	80
Lab Technician	May 2016	Lab II	80
Allowance for advancement (certification testing)			300

**11-5902-411-1****Electricity****FY 2016/2017****Budget Request****\$627,000****Justification:**

- |   |         |
|---|---------|
| • The 2016/17 budget reflects a 5% increase for IID over the 2015/16 anticipated close of \$550,000, less \$100,000 for the addition of solar in 2016/2017. | 477,000 |
| • Solar City PPA  | 150,000 |

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## OPERATIONS

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<b>11-5903-411-1</b>	<b>FY 2016/2017</b>
<b>Natural Gas</b>	<b>Budget Request</b>
	<b>\$7,000</b>

***Justification:***

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

<b>11-5904-411-1</b>	<b>FY 2016/2017</b>
<b>Trash Collection</b>	<b>Budget Request</b>
	<b>\$21,000</b>

***Justification:***

Screenings and grit hauled to Lambs Canyon, California.

<b>11-5905-411-1</b>	<b>FY 2016/2017</b>
<b>Untility Water</b>	<b>Budget Request</b>
	<b>\$16,500</b>

***Justification:***

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

<b>11-5950-411-1</b>	<b>FY 2016/2017</b>
<b>Other Expenses</b>	<b>Budget Request</b>
	<b>\$10,000</b>

***Justification:***

Miscellaneous expense contingency fund.

DEPARTMENT ADMINISTRATION/BOARD					2016/2017 BUDGET		
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ACCOUNT #	ACCOUNT TITLE	2015/2016 CURRENT BUDGET (5 Staff)	ACTUAL 5/31/2016	6/30/2016 ADDITION	2015/2016 ANTICIPATED CLOSE	2015/2016 BUDGET VARIANCE	2016/2017 BUDGET REQUEST (4 Staff)
11-5030-414-3	SALARIES	552,000	532,650	47,350	580,000	28,000	445,000
11-5070-414-3	OVERTIME	500	-	-	-	(500)	500
11-5080-414-3	CALLOUT	-	-	-	-	-	-
11-5090-414-3	STANDBY	-	-	-	-	-	-
	TOTAL SALARIES	552,500	532,650	47,350	580,000	27,500	445,500
11-5110-414-3	LONGEVITY	-	-	-	-	-	800
11-5112-414-3	RETIREMENT	77,460	67,781	4,219	72,000	(5,460)	62,700
11-5116-414-3	PAYROLL TAXES	42,300	34,979	7,321	42,300	-	34,100
11-5118-414-3	UNEMPLOYMENT INSURANCE	10,000	-	-	-	(10,000)	-
11-5122-414-3	WORKERS COMPENSATION	1,700	1,813	187	2,000	300	1,000
11-5124-414-3	GROUP LIFE INSURANCE	250	1,196	154	1,350	1,100	1,100
11-5126-414-3	GROUP HEALTH INSURANCE	61,400	57,432	6,568	64,000	2,600	67,000
11-5128-414-3	DENTAL/VISION INSURANCE	6,500	4,913	1,587	6,500	-	3,600
11-5132-414-3	DISABILITY INSURANCE	1,500	2,480	230	2,710	1,210	2,000
11-5152-414-3	CLOTHING/SAFETY	-	-	-	-	-	-
	TOTAL BENEFITS	201,110	170,594	20,266	190,860	(10,250)	172,300
	TOTAL SALARIES/BENEFITS	753,610	703,244	67,616	770,860	17,250	617,800
11-5150-414-4	DIRECTORS' FEES	13,500	14,150	2,150	16,300	2,800	36,500
11-5225-414-3	ELECTION	70,000	3,615	-	3,615	(66,385)	-
11-5250-414-3	GAS/OIL	-	-	-	-	-	-
11-5300-414-3	COMPREHENSIVE INSURANCE	323,000	295,377	26,853	322,230	(770)	295,500
11-5350-414-3	MEMBERSHIPS/SUBSCRIPTIONS	33,949	20,193	1,807	22,000	(11,949)	30,250
11-5400-414-3	OFFICE EXPENSES	15,000	12,955	2,045	15,000	-	16,000
11-5410-414-3	COUNTY/CITY CHARGES	20,100	18,261	1,839	20,100	-	20,100
11-5420-414-3	PERMITS & FEES	2,350	2,921	79	3,000	650	3,000
11-5430-414-3	PRETREATMENT	-	-	-	-	-	-
11-5450-414-3	OPERATING SUPPLIES	11,500	1,417	10,083	11,500	-	11,500
11-5470-414-3	CHEMICALS	-	-	-	-	-	-
11-5500-414-3	CONTRACT SERVICES	50,600	57,883	117	58,000	7,400	54,060
11-5552-414-3	PROFESSIONAL/LEGAL	129,300	80,149	19,851	100,000	(29,300)	218,440
11-5600-414-3	PUBLICATIONS	4,500	2,223	777	3,000	(1,500)	4,500
11-5700-414-3	REPAIRS/MAINTENANCE	22,200	16,229	5,971	22,200	-	22,500
11-5720-414-3	SMALL TOOLS	-	-	-	-	-	-
11-5750-414-3	RESEARCH	-	-	-	-	-	-
11-5800-414-3	TRAVEL/MTGS/EDUCATION	40,000	16,426	3,574	20,000	(20,000)	40,000
11-5801-414-3	CERTIFICATIONS/TCPS	850	-	-	-	(850)	650
11-5901-414-3	TELEPHONE/VOIP	13,000	11,538	1,462	13,000	-	13,000
11-5902-414-3	ELECTRICITY	-	-	-	-	-	-
11-5903-414-3	NATURAL GAS	-	-	-	-	-	-
11-5904-414-3	TRASH COLLECTION	-	-	-	-	-	-
11-5905-414-3	UTILITY WATER	-	-	-	-	-	-
11-5950-414-3	OTHER EXPENSES	10,000	9,845	155	10,000	-	10,000
11-7010-000-0	DEPRECIATION EXPENSE	2,000	-	2,000	2,000	-	4,000
	TOTAL SERVICES & SUPPLIES	761,849	563,182	78,763	641,945	(119,904)	780,000
	TOTAL OPERATING & MAINTENANCE BUDGET	1,515,459	1,266,426	146,379	1,412,805	(102,654)	1,397,800

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## ADMINISTRATION/BOARD

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### **11-5150-414-4 Directors Fees**

**FY 2016/2017  
Budget Request  
\$36,500**

***Justification:***

The Board of Directors adopted Ordinance No. 2015-119 increasing their compensation to \$250 per meeting or for each day's service rendered as a director by request of the Board. Currently, with five (5) members, the anticipated maximum expense for FY 2016/2017 is \$32,500 for regular meetings, plus \$4,000 additional for CASA, committee meetings, etc. Employer taxes are factored into this budget request.

### **11-5350-414-3 Comprehensive Insurance**

**FY 2016/2017  
Budget Request  
\$295,500**

***Justification:***

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

### **11-5350-414-3 Memberships/Subscriptions**

**FY 2016/2017  
Budget Request  
\$30,250**

***Justification:***

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

• California Association of Sanitation Agencies (CASA)	12,500
• California Society of Municipal Finance Offices (CSMFO)	110
• California Special Districts Association (CSDA)	6,550
• Indio Chamber of Commerce	500
• National Notary Association	85
• Membership for General Manager in CWEA/WEF	135
• ASCE Membership for General Manager	300
• Design Build Institute of America	200
• WateReuse Association of California	870
• Association of California Water Agencies (ACWA)	9,000 <sup>A</sup>

<sup>A</sup>The Agency's annual dues are determined based on the Operations and Maintenance Budget.

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## ADMINISTRATION/BOARD

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**11-5400-414-3  
Office Expenses****FY 2016/2017  
Budget Request  
\$16,000*****Justification:***

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

**11-5410-414-3  
Riverside County Charges****FY 2016/2017  
Budget Request  
\$20,100*****Justification:***

Pursuant to Sections 29142, 27013, 29304 and 50077 of the Government Code, the County Auditor is allowed to charge for the cost of applying special assessments to the tax roll. This cost is estimated at \$.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.

In accordance with Section 50077 of the Government Code and numerous other code sections, the County Treasurer is authorized to charge for the collection of special assessments included on the tax bill. For 2016/2017 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 2016/2017  
Budget Request  
\$3,000*****Justification:***

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

**11-5450-414-3  
Operating Supplies****FY 2016/2017  
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 |

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## ADMINISTRATION/BOARD

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### 11-5500-414-3 Contract Services

**FY 2016/2017  
Budget Request  
\$54,060**

***Justification:***

Encompasses all expenses related to:

- CalPERS Health Plan annual fee 1,275
- CalPERS Actuarial Study for GASB 68 requirements 1,700
- Pitney Bowes (lease on postage meter) 700
- Section 125 Plan 500
- Computer maintenance (Southwest Networks) 23,460
- Backup/disaster recovery storage (Southwest Networks) 7,200
- Rate model update (CARRY OVER FROM 2014/2015 BUDGET - \$7,500) -
- OPEB Health Insurance (11-5545-414-3)
  - CalPERS OPEB Health Insurance fees 4,000
  - OPEB Annual Required Contribution (ARC) 15,225
  - Biennial OPEB Actuarial Study (due in 2017/2018) -

### 11-5550-414-3 Professional/Legal

**FY 2016/2017  
Budget Request  
\$218,440**

***Justification:***

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

- Legal services (11-5552-414-3) 40,000
- Other professional services (11-5553-414-3)
  - Computer consulting 25,000
  - Printing & mailing of District Newsletter/Proposition 218 notices - twice/year 20,000
  - Laserfiche annual renewal 2,700
  - Federal advocacy 60,000
  - Executive recruitment 20,000
- Accounting services (11-5554-414-3)
  - Annual audit 15,000
  - CAFR submittal to GFOA 740
  - Payroll processing 3,500
  - Time clock system 3,000
- Medical services (11-5555-414-3)
  - Medical exams-DMV & pre-employment 1,000
  - Drug/alcohol testing-four (4) employees 500
  - First aid medical 500
  - Wellness program 26,500



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## ADMINISTRATION/BOARD

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**11-5600-414-3****Publications****FY 2016/2017****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 2016/2017****Budget Request****\$22,500*****Justification:***

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

- Blackbaud accounting software-annual maintenance 8,500
- Monthly maintenance costs for copier 2,500
- IT contingency 10,000
- Miscellaneous 1,500

**11-5800-414-3/4****Travel, Meetings & Education****FY 2016/2017****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, Administrative & Finance Manager and an additional \$1,000 for each of the other two (2) Administration Employees.

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

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## ADMINISTRATION/BOARD

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<b>11-5801-414-3</b>	<b>FY 2016/2017</b>
<b>Certifications/Technical Certification Programs</b>	<b>Budget Request</b>
	<b>\$650</b>

***Justification:***

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

<b>11-5901-414-3</b>	<b>FY 2016/2017</b>
<b>Telephone</b>	<b>Budget Request</b>
	<b>\$13,000</b>

***Justification:***

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

<b>11-5950-414-3/4</b>	<b>FY 2016/2017</b>
<b>Other Expenses</b>	<b>Budget Request</b>
	<b>\$10,000</b>

***Justification:***

Miscellaneous expense contingency fund.

**COMBINED CAPITAL EXPENDITURES & O&M BUDGET****2016/2017 BUDGET**

ACCOUNT #	DESCRIPTION	2015/2016 BUDGET	ACTUAL 5/31/2016	6/30/2016 ADDITION	2015/2016 ANTICIPATED CLOSE	2015/2016 BUDGET VARIANCE	2016/2017 BUDGET REQUEST
<b>FUND 11/O&amp;M</b>							
11-8630-000-0	E & M - FACILITIES	15,000	-	15,000	15,000	-	189,000
11-8640-000-0	OPERATIONS	35,000	36,566	-	36,566	1,566	250,700
11-8660-000-0	GENERAL FACILITIES	200,000	25,000	-	25,000	(175,000)	170,000
11-8680-000-0	ADMIN FACILITIES	-	-	-	-	-	-
11-9160-000-0	TRANSFER - REFUNDING BONDS	-	-	-	-	-	468,381
11-9180-000-0	TRANSFER - SRF LOAN	-	-	-	-	-	514,000
	RESERVE ACCOUNT	3,481,900	3,482,000	-	3,482,000	100	3,644,000
<b>TOTAL FUND 11</b>		3,731,900	3,543,566	15,000	3,558,566	(173,334)	5,236,081
<b>FUND 13</b>							
13-8623-000-0	E & M - SEWER LINES	2,352,800	298,685	301,315	600,000	(1,752,800)	3,883,111
13-8630-000-0	E & M FACILITIES	-	-	-	-	-	-
13-8643-000-0	OPERATIONS	-	-	-	-	-	-
13-8660-000-0	GENERAL FACILITIES	3,500,000	15,827	4,173	20,000	3,480,000	-
13-8680-000-0	ADMIN FACILITIES	-	-	-	-	-	-
13-9120-000-0	COPS/REFUNDING BONDS	466,146	465,176	970	466,146	-	-
<b>TOTAL FUND 13</b>		6,318,946	779,688	306,458	1,086,146	1,727,200	3,883,111
<b>TOTAL CAPITAL OUTLAY BUDGET</b>		10,050,846	4,323,254	321,458	4,644,712	1,553,866	9,119,192
<b>TOTAL O &amp; M BUDGET</b>		8,454,686	-	-	-	-	8,500,080
<b>TOTAL BUDGET</b>		18,505,532	4,323,254	321,458	4,644,712	1,553,866	17,619,272

<b>PROJECTED EXPENSES OUT OF RESERVES</b>							
12-8632-000-0	E & M - SEWER LINES	3,125,200	322,676	277,324	600,000	(2,525,200)	4,670,170
12-8642-000-0	OPERATIONS	404,350	91,891	84,555	176,446	(227,904)	807,300
12-8660-000-0	GENERAL FACILITIES	589,800	544,490	329,200	873,690	283,890	645,200
12-8670-000-0	LABORATORY	10,400	4,715	5,685	10,400	-	-
12-8680-000-0	ADMIN FACILITIES	20,800	725	-	725	(20,075)	21,200
12-9140-000-0	TRANSFER - REFUNDING BONDS	427,507	426,177	1,330	427,507	-	429,557
<b>TOTAL FROM RESERVES</b>		4,578,057	1,390,674	698,094	2,088,768	(2,489,289)	6,573,427

CAPITAL EXPENDITURES	2016/2017 BUDGET
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## FUND 11

<b>CAPITAL O &amp; M FUND</b>	<b>FUND TOTAL REQUEST</b>	<b>\$1,592,081</b>
<b>11-8630-000-0</b>		<b>FY 2016/2017</b>
<b>ENGINEERING AND MAINTENANCE</b>		<b>Budget Request</b>
		<b>\$189,000</b>

- A) Manhole frame and covers: 15,000  
Riverside County is planning on doing street improvements on Van Buren north toward Indio Blvd. The Collection Systems Department is budgeting \$15,000 to replace older manhole frames and covers when they become damaged and/or when road improvements are made on city streets.
- B) Replace CCTV van generator: 8,000  
Existing generator needs to be replaced due to a constant issue with it overheating. Unit has been taken in for service and repairs numerous times without any improvement on the issue.
- C) Secondary clarifier flight coating: 166,000  
Coating secondary clarifier flights with epoxy coating to minimize corrosion.

<b>11-8640-000-0</b>	<b>FY 2016/2017</b>
<b>OPERATIONS</b>	<b>Budget Request</b>
	<b>\$250,700</b>

- A) Decommissioning of the Biological Treatment System: 250,700  
Decommissioning of the Biological Treatment System consists of draining the cells, removing the vegetation, piping, intake and outlet structures, ripping holes in the liner and finally filling the cells with the soil surrounding the cells. This project is estimated to take about 15 to 18 months to complete. The remaining costs can be found in the CIP budget.
- B) Composite sampler:  
(CARRY OVER FROM 2015/2016 BUDGET - \$8,000)  
This is for a replacement sampler for backup in the event that one fails and is not repairable.

<b>11-8660-000-0</b>	<b>FY 2016/2017</b>
<b>GENERAL FACILITIES</b>	<b>Budget Request</b>
	<b>\$170,000</b>

- A) Water Reuse Project (EVRA JPA): -  
(CARRYOVER FROM 2015/2016 BUDGET - \$275,000)  
The District will continue efforts for the East Valley Reclamation Authority on the Reclaimed/Recycled Water Project. This is for consulting services to assist both agencies as a jointly funded project.
- B) Coachella Valley Integrated Regional Water Management Plan (IRWMP): 70,000  
The Coachella Valley Regional Water Management Group was formed as a collaboration of the six (6) Coachella Valley public water and/or sewer agencies: City of Coachella/Coachella Water Authority, Coachella Valley Water District, Desert Water Agency, City of Indio/Indio Water Authority, Mission Springs Water District and Valley Sanitary District to coordinate and share information concerning water supply planning and projects that address the long-term and short-term solutions to the Coachella Valley's critical water related needs.
- C) Front fence extension Project: 100,000  
Once the Requa Interceptor and Solar Projects are complete, the front fence will be extended to fill in the gap.

**11-8680-000-0****ADMINISTRATION****FY 2016/2017****Budget Request****\$0**A) Codification Services:

-

(CARRYOVER FROM 2015-2016 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.

**11-9160-000-0****Transfer to Fund 06****FY 2016/2017****Budget Request****\$468,381**A) Principal and interest payment for Revenue Refunding Bonds, 2015:

465,881

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

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

2,500

**11-9180-000-0****Transfer to Fund 08****FY 2016/2017****Budget Request****\$514,000**A) Principal and interest payment for State Revolving Fund:

514,000

The District applied for a loan from the Clean Water State Revolving Fund (SRF). The current interest rate is 1.7%. A \$12 million loan for 30 years at the 1.8% rate would result in an estimated payment of \$514,000.

Payments are made annually and the first payment will be due one (1) year after the construction completion date of the Requa Interceptor Project.

## FUND 12

## CAPITAL REPLACEMENT FUND

FUND TOTAL REQUEST \$6,573,427

12-8632-000-0

FY 2016/2017

## ENGINEERING AND MAINTENANCE

Budget Request

\$4,670,170

A) Requa Interceptor - Construction:

3,330,000

The total construction cost is estimated at \$9,990,000 which includes the entire Requa Interceptor project as well as the Shields Lift Station by-pass connection. The construction costs do not include support services, but do include a 10 percent (10%) contingency for expenses incurred due to unforeseen circumstances. Construction is estimated to begin in June 2016 and be completed by December 2017. Construction cost will be split equally between Fund 12 and Fund 13. Construction will cover three (3) Fiscal Years as shown below.

FY 2015/2016	300,000	FY 2016/2017	3,330,000	FY 2017/2018	1,365,000
Total	300,000	Total	3,330,000	Total	1,365,000

B) Requa Interceptor - Construction Management:

447,600

The Requa Interceptor is a significant project for VSD. A construction management consultant has been solicited to provide project support and inspection services during construction of this project. Consultant costs to provide public relations, and environmental monitoring and design assistance from the Engineer of Record are also included. The cost for construction management is \$1,892,500 and the cost will be apportioned similarly as with the construction cost above.

FY 2015/2016	275,000	FY 2016/2017	447,600	FY 2017/2018	223,800
Total	275,000	Total	447,600	Total	223,800

C) Private lateral grant program:

50,000

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

D) Collection system repairs/rehabilitation/replacement design:

255,000

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:

255,000

The sewer mainlines are video inspected as part of the scheduled preventive 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) Avenue 48 sewer main upgrade design: 35,170  
As listed in the 2013 Collection System Master Plan, the Avenue 48 Sewer Main Upgrade will provide additional sewer main capacity along Avenue 48 by adding a parallel sewer main from Madison Street to just west of Shields Road.
- H) Modifications to the flare gas line: 15,000  
Modifications are needed to meet the requirements of the gas flow meter per SCAQMD.
- I) 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.
- J) Shade structure for District and Vector trucks: -  
(CARRYOVER FROM 2015/2016 BUDGET - \$200,000)  
The District is in need of two shade structures, one for the District vehicles and one for the two Vector trucks. Currently, no shade structures exist for these vehicles. This causes increased wear on the vehicles as well as increased time to cool the vehicles down before travel.
- K) Sodium bisulfite tank: 40,000  
One (1) of the two (2) sodium bisulfite tanks is over ten (10) years old. The tank is showing signs of cracks and is becoming weathered. This tank was relocated from the original sodium bisulfite location and tied into the new system built in 2008.
- L) Contingency for emergency repairs: 42,400  
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.
- M) Steel waterline activated sludge plant: -  
(CARRYOVER FROM 2015/2016 BUDGET - \$200,000)  
The above ground, steel waterline adjacent to the aeration basins is old and prone to leaks, especially at the grooved joints. It has outlived its useful life. The new steel waterline will have traditional joints that will provide a longer life.

**12-8642-000-0**  
**OPERATIONS**

**FY 2016/2017**  
**Budget Request**  
**\$807,300**

- A) Decommissioning of the Biological Treatment System: 807,300  
Decommissioning of the Biological Treatment System consists of draining the cells, removing the vegetation, piping, intake and outlet structures, ripping holes in the liner and finally filling the cells with the soil surrounding the cells. This project is estimated to take about 15 to 18 months to complete. The remaining costs can be found in the Operations budget.

**12-8660-000-0****GENERAL FACILITIES****FY 2016/2017****Budget Request****\$645,200**A) Vehicle & Equipment Replacement Fund:

624,000

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 2016/2017 include:

- Four (4) aeration basin diffusers
- Two (2) golf carts
- Washer/compactor for grinder system at the headworks

B) Contingency for emergency repairs:

21,200

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

**12-8680-000-0****ADMINISTRATION****FY 2016/2017****Budget Request****\$21,200**A) Contingency for emergency repairs:

21,200

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 2016/2017****Budget Request****\$429,557**A) Principal and interest payment for Revenue Refunding Bonds, 2015:

427,057

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

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

2,500



## FUND 13

## CAPITAL IMPROVEMENT FUND

FUND TOTAL REQUEST \$3,883,111

13-8623-000-0

FY 2016/2017

## ENGINEERING AND MAINTENANCE

Budget Request

\$3,883,111

A) Requa Interceptor - Construction:

3,330,000

The total construction cost is estimated at \$9,990,000 which includes the entire Requa Interceptor project as well as the Shields Lift Station by-pass connection. The construction costs do not include support services, but do include a 10 percent (10%) contingency for expenses incurred due to unforeseen circumstances. Construction is estimated to begin in June 2016 and be completed by December 2017. Construction cost will be split equally between Fund 12 and Fund 13. Construction will cover three (3) Fiscal Years as shown below.

FY 2015/2016	300,000	FY 2016/2017	3,330,000	FY 2017/2018	1,365,000
Total	300,000	Total	3,330,000	Total	1,365,000

B) Requa Interceptor - Construction Management:

447,600

The Requa Interceptor is a significant project for VSD. A construction management consultant has been solicited to provide project support and inspection services during construction of this project. Consultant costs to provide public relations, and environmental monitoring and design assistance from the Engineer of Record are also included. The cost for construction management is \$1,892,500 and the cost will be apportioned similarly as with the construction cost above.

FY 2015/2016	275,000	FY 2016/2017	447,600	FY 2017/2018	223,800
Total	275,000	Total	447,600	Total	223,800

C) Avenue 48 sewer main upgrade design:

105,511

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

## Section 8

### FY 2016 / 2017 Budget

#### Table of Valley Sanitary District Capital Projects

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## Wastewater Revenue Refunding Bonds Series 2015

### **Description**

On August 15, 2006, the District issued \$12,915,000 Certificates of Participation to fund phase I of the District's treatment plant expansion. The bonds were refinanced on June 1, 2015 for \$7,540,000 at 2.14% interest payable semi-annually on December 1 and June 1, commencing December 1, 2015. Fund 12 cost is 47.826% of annual total. This includes annual administrative expenses.

### **Anticipated Schedule**

Description	Start	Complete
Environmental clearance	NA	NA
Planning & permitting	NA	NA
Design	NA	NA
Construction	NA	NA

### **Budget (Current \$)**

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Administrative expenses	2,500.	00.
Annual Bond amount	427,057.	00.
TOTAL	427,057.	00.
TOTAL BUDGET	429,557.	

### **Location**

**VSD Water Reclamation Facility**

## Biological Treatment System Decommissioning

### *Description*

Decommissioning of the Biological Treatment System consists of draining the cells, removing the vegetation, piping, intake, and outlet structures, ripping holes in the liner and finally filling the cells with the soil surrounding the cells. This project is estimated to take about 15 to 18 months to complete. A portion of the project cost can be found in Fund 11.

### *Anticipated Schedule*

Description	Start	Complete
Environmental clearance	Completed	Completed
Planning & permitting	Completed	Completed
Design	Completed	Completed
Construction	May 2016	June 30, 2017

### *Budget (Current \$)*

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Design	00.	00.
Construction	807,300.	00.
TOTAL	807,300.	00.
TOTAL BUDGET	807,300.	

### *Location*

**VSD Water Reclamation Facility**

## Shade Structures for District Vehicles and Vactor Trucks

### **Description**

The District is in need of two (2) shade structures; one (1) for the District Vehicles and one (1) for the two (2) Vactor Trucks. Currently, no shade structures exist for these vehicles. This causes increased wear on the vehicles as well as increased time to cool the vehicles down before travel.

### **Anticipated Schedule**

<b>Description</b>	<b>Start</b>	<b>Complete</b>
Environmental clearance	NA	NA
Design	July 1, 2016	June 30, 2017
Bidding & permitting	NA	NA
Construction	July 1, 2016	June 30, 2017

### **Budget (Current \$)**

<b>Description</b>	<b>Fund 12</b>	<b>Fund 13</b>
Environmental clearance	00.	00.
Design	00.	00.
Bidding & permitting	00.	00.
Construction	200,000.	00.
TOTAL	200,000.	00.
TOTAL BUDGET	200,000.	

### **Location**

This vehicle shade structure will be located between the shop and the operation building where asphalt already exists. The Vactor shade structure will be located adjacent to the storage building near where the trash dumpsters are located.

## Steel Waterline Replacement Project

### **Description**

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

### **Anticipated Schedule**

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2016	June 30, 2017
Bidding & permitting	NA	NA
Construction	July 1, 2016	June 30, 2017

### **Budget (Current \$)**

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

### **Location**

Adjacent to the aeration basins

## Phase 2B Plant Expansion

### **Description**

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

### **Anticipated Schedule**

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

### **Budget (Current \$)**

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	993,121.	2,685,106.
Bidding & permitting	00.	00.
CM & Construction	7,902,117.	21,364,982.
TOTAL	8,895,238.	24,050,088.
TOTAL BUDGET		32,945,326.

### **Location**

**VSD Water Reclamation Facility**

## Phase 2C Plant Expansion

### **Description**

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

### **Anticipated Schedule**

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

### **Budget (Current \$)**

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Design	615,643.	1,664,517.
Bidding & permitting	00.	00.
CM & Construction	4,650,047.	12,572,350.
TOTAL	5,265,690.	14,236,867.
TOTAL BUDGET		19,502,557.

### **Location**

**VSD Water Reclamation Facility**



## Modification to Flare Gas Line

### Description

The gas flow meter for the flare is not reading accurately. Typically, most meters need several pipe diameters of straight, unobstructed pipe before and after the gas meter for an accurate flow meter reading, but not always. After the installation of the current gas meter, the accuracy of the flow readings did not follow the gas flow readings from the digester, and it often read twice the amount produced. As part of the Southern California Air Quality Management District's (SCAQMD) inspection to permit the flare, they are requiring that the gas meter be properly installed in order to improve accuracy.

### Anticipated Schedule

Description	Start	Complete
Environmental clearance	NA	NA
Planning & permitting	April 2016	May 2016
Design	May 2016	June 2016
Construction	July 2016	August 2016

### Budget (Current \$)

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Design	00.	00.
Construction	15,000.	00.
TOTAL	15,000.	00.
TOTAL BUDGET		15,000.

### Location

**VSD Water Reclamation Facility**

## Sodium Bisulfite Tank

### **Description**

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

### **Anticipated Schedule**

<b>Description</b>	<b>Start</b>	<b>Complete</b>
Environmental clearance	NA	NA
Planning & permitting	NA	NA
Design	NA	NA
Construction	July 1, 2016	June 30, 2017

### **Budget (Current \$)**

<b>Description</b>	<b>Fund 12</b>	<b>Fund 13</b>
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Design	00.	00.
New tank	40,000.	00.
TOTAL	40,000.	00.
TOTAL BUDGET		40,000.

### **Location**

**VSD Water Reclamation Facility**

## Vehicle and Equipment Replacement Fund

### **Description**

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

### **Anticipated Schedule**

Description	Start	Complete
Environmental clearance	NA	NA
Planning & permitting	NA	NA
Design	July 1, 2016	December 31, 2016
Construction	January 1, 2017	June 30, 2017

### **Budget (Current \$)**

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Design	00.	00.
Annual fund amount	624,000.	00.
TOTAL	624,000.	00.
TOTAL BUDGET	624,000.	

### **Location**

**VSD Water Reclamation Facility**

## Requa Interceptor Project

### **Description**

The total construction cost is estimated at \$11,882,500 and includes the entire Requa Interceptor Project as well as the Shields Lift Station by-pass connection. The construction costs include support services, construction management, and a ten (10%) contingency for expenses incurred due to unforeseen circumstances.

### **Anticipated Schedule**

Description	Start	Complete
Environmental clearance	Completed	Completed
Planning & permitting	Completed	Completed
Design	Completed	Completed
Construction	June 2016	December 2017

### **Budget (Current \$)**

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Construction	4,995,000.	4,995,000.
Construction Management	946,250.	946,250.
TOTAL	5,941,250.	5,941,250.
TOTAL BUDGET	11,882,500.	

### **Location**

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

## Sewer Main Rehabilitation or Replacement

### **Description**

The sewer mains are video inspected as part of the scheduled preventive maintenance. A sewer main will need to be lined or replaced when the condition of the sewer main has deteriorated to an extent that point repairs cannot return the sewer main to a serviceable condition. In order to properly bid the rehabilitation and/or replacement of the sewer mains, 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.

### **Anticipated Schedule**

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2016	December 31, 2016
Bidding & permitting	January 1, 2017	February 28, 2017
Construction	March 1, 2017	June 30, 2017

### **Budget (Current \$)**

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Design	255,000.	00.
Construction	255,000.	00.
TOTAL	510,000.	00.
TOTAL BUDGET	510,000.	

### **Location**

**Collection System within District boundaries.**

## Manhole Rehabilitation

### **Description**

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

### **Anticipated Schedule**

Description	Start	Complete
Environmental clearance	NA	NA
Design	July 1, 2016	December 31, 2016
Bidding & permitting	January 1, 2017	February 28, 2017
Construction	March 1, 2017	June 30, 2017

### **Budget (Current \$)**

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Bidding & permitting	00.	00.
Design	00.	00.
Construction	100,000.	00.
TOTAL	100,000.	00.
TOTAL BUDGET	100,000.	

### **Location**

### **Collection System within District boundaries**

## Sewer Main Point Repairs

### **Description**

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

### **Anticipated Schedule**

<b>Description</b>	<b>Start</b>	<b>Complete</b>
Environmental clearance	NA	NA
Design	July 1, 2016	December 31, 2016
Bidding & permitting	January 1, 2017	February 28, 2017
Construction	March 1, 2017	June 30, 2017

### **Budget (Current \$)**

<b>Description</b>	<b>Fund 12</b>	<b>Fund 13</b>
Environmental clearance	00.	00.
Bidding & permitting	00.	00.
Design	00.	00.
Construction	100,000.	00.
TOTAL	100,000.	00.
TOTAL BUDGET	100,000.	

### **Location**

**Collection System within District boundaries**

## Private Lateral Grant Program

### **Description**

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

### **Anticipated Schedule**

<b>Description</b>	<b>Start</b>	<b>Complete</b>
Environmental clearance	NA	NA
Planning & permitting	July 1, 2016	June 30, 2017
Design	NA	NA
Construction	July 1, 2016	June 30, 2017

### **Budget (Current \$)**

<b>Description</b>	<b>Fund 12</b>	<b>Fund 13</b>
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Design	00.	00.
Construction	50,000.	00.
<b>TOTAL</b>	<b>50,000.</b>	<b>00.</b>
<b>TOTAL BUDGET</b>	<b>50,000.</b>	

### **Location**

### **Collection System within District boundaries**



## Avenue 48 Sewer Main Upgrade Project

### **Description**

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

### **Anticipated Schedule**

<b>Description</b>	<b>Start</b>	<b>Complete</b>
Environmental clearance	NA	NA
Design	July 1, 2016	March 31, 2017
Bidding & permitting	April 1, 2017	June 30, 2017
Construction	July 1, 2017	June 30, 2018

### **Budget (Current \$)**

<b>Description</b>	<b>Fund 12</b>	<b>Fund 13</b>
Environmental clearance	00.	00.
Bidding & permitting	00.	00.
Design	35,170.	105,511.
Construction	337,996.	1,013,988.
TOTAL	373,166.	1,119,499.
TOTAL BUDGET		1,492,665.

### **Location**

**Avenue 48 from Madison Street to Shields Road**

## Year 5 Collection System CIP Project Upgrades

### **Description**

This CIP Upgrade Project consists of four (4) separate sewer main locations throughout the District that were identified in the 2013 Collection System Master Plan of needing additional capacity by 2018 and beyond. The need for additional capacity is based on current zoning and population growth rates. These four (4) sewer main projects will be identified separately in future budgets.

### **Anticipated Schedule**

<b>Description</b>	<b>Start</b>	<b>Complete</b>
Environmental clearance	July 1, 2018	May 1, 2019
Design	July 1, 2018	May 1, 2019
Bidding & permitting	May 1, 2019	June 30, 2019
Construction	July 1, 2019	June 30, 2020

### **Budget (Current \$)**

<b>Description</b>	<b>Fund 12</b>	<b>Fund 13</b>
Environmental clearance	00.	00.
Design	42,871.	128,614.
Bidding & permitting	00.	00.
CM & Construction	412,322.	1,236,965.
TOTAL	455,193.	1,365,579.
TOTAL BUDGET	1,820,772.	

### **Location**

**Within the VSD Collection System**

## Contingency for Emergency Repairs

### **Description**

Each department budgets a contingency amount annually to cover unexpected/unbudgeted items. The combined total contingency for all departments is \$84,800.

### **Anticipated Schedule**

Description	Start	Complete
Environmental clearance	NA	NA
Planning & permitting	NA	NA
Design	July 1, 2016	June 30, 2017
Construction	July 1, 2016	June 30, 2017

### **Budget (Current \$)**

Description	Fund 12	Fund 13
Environmental clearance	00.	00.
Planning & permitting	00.	00.
Design	00.	00.
Contingency	84,800.	00.
TOTAL	84,800.	00.
TOTAL BUDGET	84,800.	

### **Location**

**Within the Engineering/Maintenance, Operations, and Administration Departments**

VALLEY SANITARY DISTRICT - CAPITAL IMPROVEMENT AND CAPITAL REPLACEMENT PLAN

			2016-2017		2017-2018		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2023-2024		2024-2025		2025-2026		Total for Future Years		
			Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	Fund 12 Costs	Fund 13 Costs	
NOTES	PROJECT																								
Capital Projects - Plant																									
		<sup>1</sup> Revenue Refunding Bonds 2015 - pymt over 11 yrs	\$429,557		\$428,002			\$428,241			\$427,763			\$428,959		\$426,926		\$426,567		\$426,119		\$426,956		\$426,836	
		<sup>2</sup> Phase 2B Plant Expansion Design						\$993,121	\$2,685,106																
		<sup>2</sup> Phase 2B Plant Expansion Construction & CM									\$7,902,117	\$21,364,982													
		<sup>2</sup> Phase 2C Plant Expansion Design									\$615,643	\$1,664,517													
		<sup>2</sup> Phase 2C Plant Expansion Construction & CM											\$4,650,047	\$12,572,350											
		<sup>2</sup> Phase 3 Plant Expansion Design																					\$928,150	\$2,509,442	
		<sup>2</sup> Phase 3 Plant Expansion Construction & CM																					\$7,012,098	\$18,958,636	
		<sup>2</sup> Future Plant Expansion 2040 & beyond																					\$57,454,132	\$138,016,645	
		<sup>3</sup> Shade structure for District Vehicles (Carry Over)																							
		<sup>5</sup> Steel Water Line Replacement (Carry Over)																							
		<sup>5</sup> Asset Management System (Carry Over)																							
		<sup>5</sup> Vehicle & Major Equipment Replacement Fund	\$624,000		\$624,000			\$624,000		\$624,000		\$624,000		\$624,000		\$624,000		\$624,000		\$624,000		\$624,000		\$624,000	
		<sup>5</sup> Sodium Bisulfite Tank Replacement	\$40,000																						
		<sup>5</sup> Modification to Flare Gas Line	\$15,000																						
		<sup>5</sup> Biological Treatment System Decommissioning	\$807,300																						
Capital Projects - COLLECTION																									
		<sup>4</sup> Requa Interceptor Construction (SRF)	\$3,330,000	\$3,330,000	\$1,365,000	\$1,365,000																			
		<sup>4</sup> Requa Interceptor Construction Management (SRF)	\$447,600	\$447,600	\$223,800	\$223,800																			
		<sup>5</sup> Lateral Grant Program	\$50,000		\$51,000			\$52,020		\$53,060		\$54,121		\$55,203		\$56,307		\$57,433		\$58,582		\$59,754		\$594,532	
		<sup>5</sup> Sewer Main Rehabilitation or Replacement Design	\$255,000		\$1,202,037					\$1,275,241				\$1,352,903										\$0	
		<sup>5</sup> Sewer Main Rehabilitation or Replacement Const.	\$255,000		\$260,000			\$5,777,792		\$5,951,126		\$6,129,659		\$6,313,549		\$6,502,956		\$6,698,044						\$0	
		<sup>5</sup> Manhole Rehabilitation	\$100,000		\$103,000			\$106,090		\$109,273		\$112,551		\$115,928		\$119,406		\$122,988		\$126,678		\$130,478		\$1,365,308	
		<sup>5</sup> 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	
		<sup>7</sup> Avenue 48 Sewer Main Upgrade Design	\$35,170	\$105,511																					
		<sup>7</sup> Avenue 48 Sewer Main Upgrade Construction			\$337,996	\$1,013,988																			
		<sup>7</sup> Avenida Esmeralda Interceptor Design			\$3,989	\$11,968																			
		<sup>7</sup> Avenida Esmeralda Interceptor Construction			\$37,105	\$111,316																			
		<sup>7</sup> 5 year Collection System CIP Design						\$42,871	\$128,614																
		<sup>7</sup> 5 year Collection System CIP Construction								\$412,322	\$1,236,965														
		<sup>6</sup> Build-out Collection System CIP projects																						\$5,837,397	

<sup>1</sup> 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.

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

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

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

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

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

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

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

