Operations Committee Meeting
Tuesday, April 5, 2022 at 1:00 PM
Valley Sanitary District Board Room
45-500 Van Buren Street, Indio, CA 92201

Valley Sanitary District is open to the public and board meetings will be conducted in person and remotely through Zoom. Members of the public may view and participate in meeting via the following Zoom link:
https://us06web.zoom.us/j/86476451629 ***Meeting ID:*** 864 7645 1629

To address the Board of Directors during the virtual live session via zoom, please email the Clerk of the Board at hgould@valley-sanitary.org or, alternatively, during the specific agenda item or general comment period (i.e. non-agenda items), please use the "raise your hand" function in zoom in order to be recognized by the Clerk of the Board in order to provide comments in real time.

The Clerk of the Board will facilitate to the extent possible any email requests to provide oral testimony that are sent during the live meeting. Oral testimony can be provided in person or during the virtual live session. Individual speakers are limited to three minutes each. To address the Board in person please complete speaker request card located at in the Board Room and give it to the Clerk of the Board.

If you are unable to provide comments during the meeting (whether in person or the virtual Zoom session), written public comments on agenda and non-agenda items, or both, may be submitted by email to the Clerk of the Board at hgould@valley-sanitary.org . **Email/Written comments must be received by the Clerk of the Board no later than 11:00 a.m. on the day of the meeting.**

Page

1. CALL TO ORDER

    1.1. Roll Call

    1.2. Pledge of Allegiance

2. PUBLIC COMMENT

This is the time set aside for public comment on any item not appearing on the agenda. Please notify the Secretary in advance of the meeting if you wish to speak on a non-hearing item.

3. DISCUSSION / ACTION ITEMS

3.1. Project Update: Recycled Water Project - Phase 1 — 3 - 14

3.1 Staff Report Recycled Water Project - Phase I.pdf

3.1 Attachment A Recycled Water Project – Phase I Update_ April 5_2022.pdf

3.2. Comparison of Design Build Versus Design Bid Build — 15 - 27

3.2 Staff Report Compare Design Build vs DBB.pdf

3.2 Attachment A Design Build vs DBB comparison.pdf

3.3. Project update: Collection System Rehabilitation & Replacement Project — 28 - 39

3.3 Staff Report Collection System Project.pdf

3.3 Attachment A Board Presentation_v06 Collection System Rehab.pdf

3.4. Capital Improvement Budget Update — 40 - 47

3.4 Review and Discussion of draft FY23 CIP Projects.pdf

3.4 Attachment A Proposed FY23 Capital Budget.pdf

3.4 Attachment B 20 Year Capital Improvement Program.pdf

3.4 Attachment C Financial Planning showing FY 24 deficit.pdf

3.4 Attachment D Ranking List of Top 5 CIP.pdf

4. FUTURE MEETING ITEMS

5. ADJOURNMENT

Pursuant to the Brown Act, items may not be added to this agenda unless the Secretary to the Board has at least 72 hours advance notice prior to the time and date posted on this notice.

Valley Sanitary District
Operations Committee
April 5, 2022

TO: Operations Committee

FROM: Ron Buchwald, Engineering Services Manager

SUBJECT: Project Update: Reclaimed Water Project – Phase I

Executive Summary
The purpose of this report is to provide a project update and information regarding the Recycled Water Project – Phase I.

Strategic Plan Compliance
This item complies with VSD Strategic Plan Goal 2: Increase Recycling, Reuse, and Sustainability.

Fiscal Impact
The current fiscal impact of this project is $71 million. This project will be financed through Bank of America over a 20-year term.

Background
The Recycled Water Project – Phase I is the first of three phases of a project that will allow VSD to be able to produce recycled water. This project will replace and improve needed treatment structures and provide redundancy for other treatment structures and is necessary for several reasons.

- There is only one digester, which requires maintenance on a 10-year cycle, and will hit that milestone in 2023.
- The grit chamber is undersized and does not filter out all the grit, which affects operation functionality and quality.
- The bar screens are reaching the end of their life cycle and will need to be replaced soon.

This project addresses all these items by adding a new digester, a new grit chamber, and a new bar screen, which will allow for preventive maintenance and the removal of the outdated bar screens.

The Design Build team has reached the 60% design milestone and determined the Guaranteed Maximum Price (GMP). The next steps in the project timeline are:

1. a public hearing at the April 12, 2022, Board meeting to accept the improved energy efficiencies; and
2. Board acceptance of the GMP; and
3. Board acceptance of the financing documents provided by Bank of America.

Once these steps are accomplished and the contract amendment signed, the final design and construction will begin. Construction for Phase I is expected to take approximately 2 years, with an estimated completion date by May 2025. This timeline is contingent on approval of this project in this month.

Recommendation
Staff recommends that the Operations Committee receive this report for information.

Attachments
Attachment A: PowerPoint Presentation

Recycled Water Phase 1 – Project Update

Design/Build for Energy Services Treatment Plant Project

April 5, 2022

Presented by Valerie Houchin, Schneider Electric

Agenda

1	Recap of Progress
2	Scope of Work Overview
3	Project Financials
4	Schedule and What’s Next

What we have accomplished thus far

- [x] VSD Board approved D-B contract in June 2020

- [x] **Phase1**
  - **Conceptual Scoping Phase**
  - July to September 2020

- [x] **Phase 2**
  - **Mid-term: BODR, 30% design and budgetary pricing**
  - September 2020 through June 2021

- [x] **Phase 3**
  - **Final: Scope, savings, financing and GMP pricing (60% design)**
  - July 2021- February 2022

- [ ] **Phase 4**
  - **Construction contract and funding~ April 2022;**
  - Followed by 100% design, equipment procurement
  - 2022-2025

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Scope of Work Overview

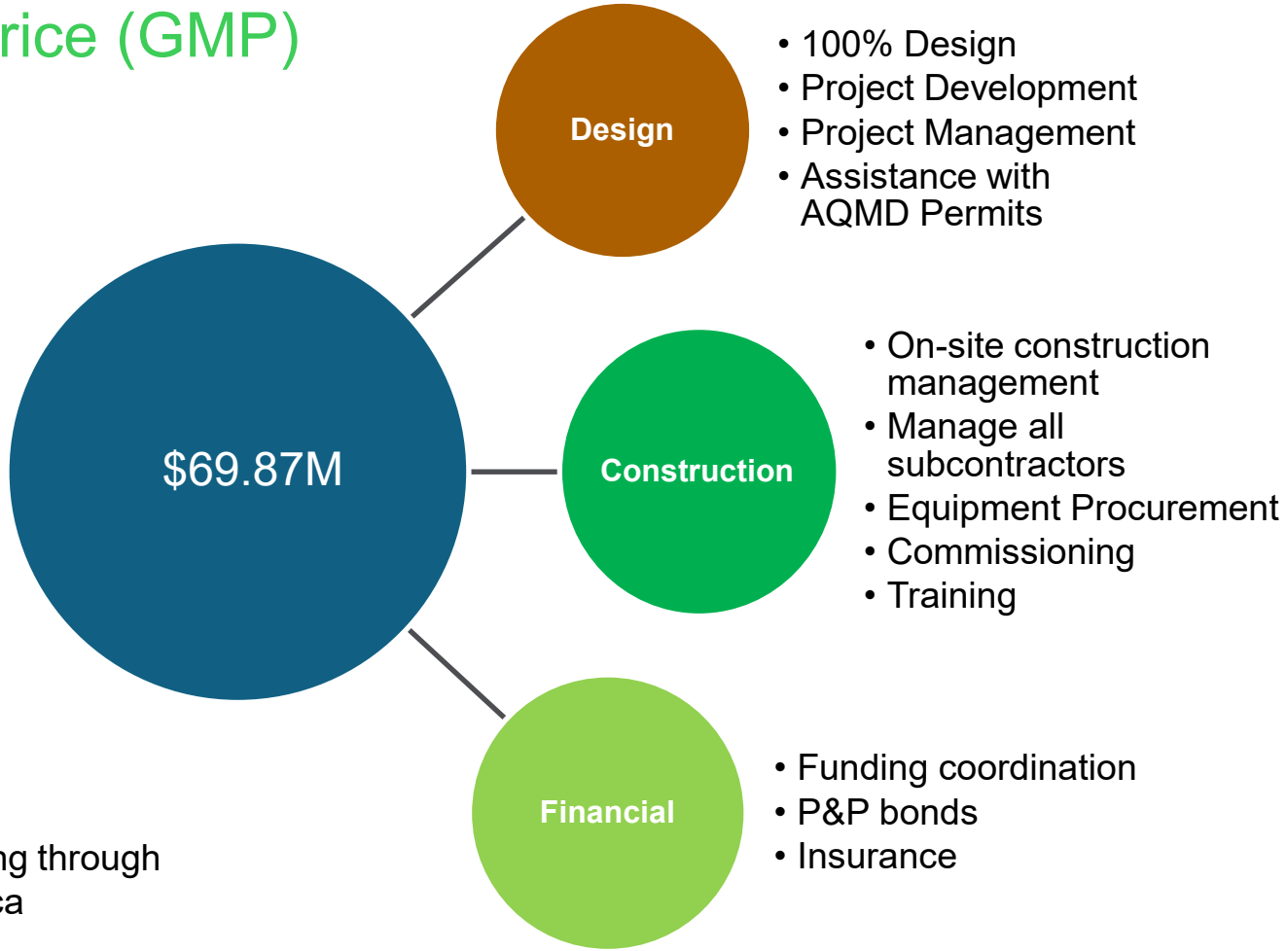
Recycled Water Project – Phase 1 Improvements

- **ECM 1** – Mechanical Bar Screen
- **ECM 2** – Grit Chamber
- **ECM 4** – 2nd Digester and related systems, including pumps including secondary flare
- **ECM 5** – SWBD MS Replacement (electrical switchgear)
- **ECM 6** – Subnatant and Filtrate Return

***ECM 3** – Waste Activated Sludge (WAS) Thickening (currently in design)

Project Financials

Project Price (GMP)



Project financing through Bank of America

Schedule and What’s Next

Upcoming Key Dates for this Project

	OCT	NOV	DEC	JAN	FEB	MAR	APR
Technical/ Scope	Potholing at VSD	Potholing at VSD	VSD 8 week - Kick-Off Mtg. Dec. 15th	60% design	Final Planning Mtg. (GMP) Feb. 15th	VSD Review of Report complete Mar. 11th	
Legal		reengage on contract	Draft structure of Amendment 1	Finalize Structure of Amendment 1	Draft Amendment 1 for review	Finalize Amendment 1	Post 4217 Public Hearing Notice – 2 weeks before BM
Financing	Connect Jeanette & Mike	Information exchange		Review funding scenarios	Review funding scenarios	VSD select funding option	Financing documents complete
Committee Meetings			Ron update Operations	Present: Budget & Finance	Present: Operations	Budget & Finance - Bank of A.	Present: Operations
Board of Directors			Work on 4217 findings		Finalize 4217 language	Present: Information Item	Board Approval- Amendment and financing

Blue = in person meetings

Thank you!

Valley Sanitary District
Operations Committee
April 5, 2022

TO: Operations Committee

FROM: Ron Buchwald, Engineering Services Manager

SUBJECT: Comparison of Design Build versus Design Bid Build for Improvement Projects

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Executive Summary
The purpose of this report is to provide a comparison of two different delivery methods for implementing capital improvement projects.

Strategic Plan Compliance
This item complies with VSD Strategic Plan Objective 6.3: Improve administration and management.

Fiscal Impact
There is no fiscal impact with this report.

Background
A few decades ago, a new improvement delivery method was developed to help increase the speed and efficiency of completing an improvement project. This new method was called design build which incorporates the design and construction of a project under one team and eliminating the divide between the design entity and construction entity. Design build is not suited for all improvement projects. The design-bid-build process is still a good delivery method for some improvement projects. A slide presentation will be presented to discuss the advantages of both methods.

The Recycled Water Project – Phase 1 (originally named Phase 2B Plant Expansion) is a complex and long-term project involving many staff members at the District. With long-term projects, the passage of time affects aspects of operational needs and construction technology, and the design of a project evolves. This also applies to the construction process. Design build handles these changes more efficiently and keeps costs lower (significantly reduces design amendments and construction change orders).

In September 2015, the VSD General Manager started exploring the design build process for use with the Phase 2B Plant Upgrade project. Over the next few months, a decision was made to present this delivery method to the Board of Directors. In May 2016, a presentation was made to the Board by Schneider Electric (Schneider) showing

the benefits of using this method in conjunction with using Government Code 4217 (Energy Code).

A Request for Qualifications (RFQ) for design build teams was published in August 2016 with a deadline of September 2016. After reviewing the proposals, the General Manager selected Schneider as the design build entity and began negotiating with them to select the design consultant to add to their team. Schneider selected Stantec (formally MWH) and, in March of 2017, they jointly presented to the Board their selection and process for developing a potential scope of work to be included in a negotiated contract that would come before the Board for approval.

Negotiations began in earnest in April 2017 and continued through February 2018. For many reasons, the Phase 2B project fell in priority and did not come to the forefront. In June 2019, a new General Manager joined VSD and the Operations department highlighted the urgent need for a new digester so that the existing digester could be properly maintained. The General Manager agreed, and the Project became the highest priority project.

Recommendation
Staff recommends that the Operations Committee receive this report and provide direction to staff.

Attachments
Attachment A: PowerPoint Presentation

VALLEY SANITARY DISTRICT

RECYCLED WATER PROJECT - PHASE 1

Give water a second chance

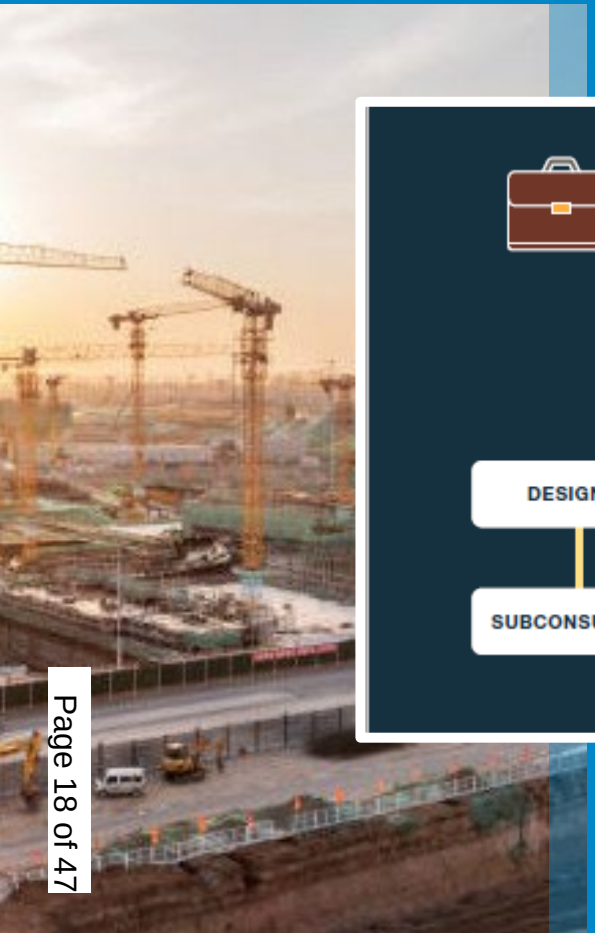
Operations Committee Meeting

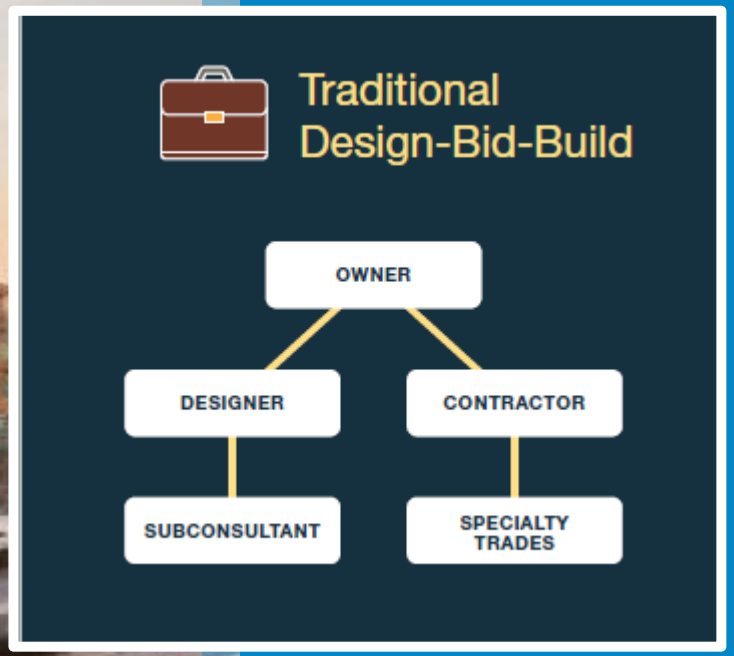
Presentation on Design Build

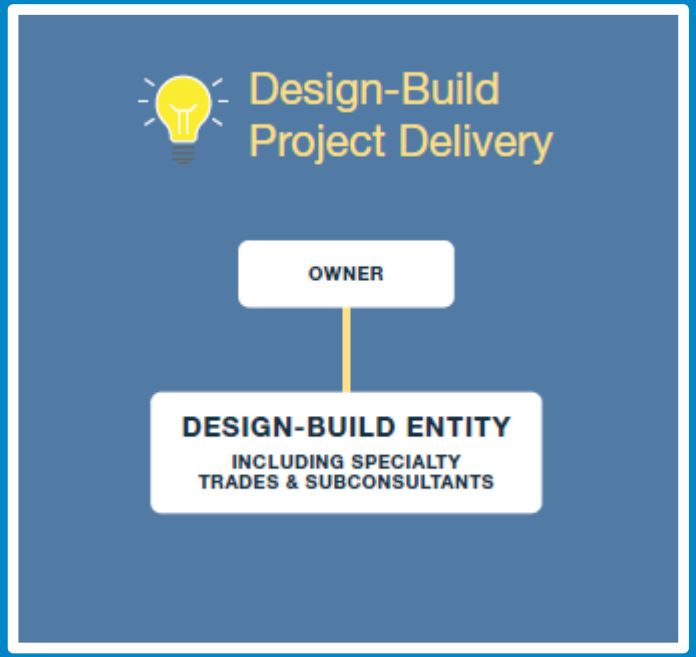
April 5, 2022

Schneider Electric

Comparison of D-B-B vs. D-B







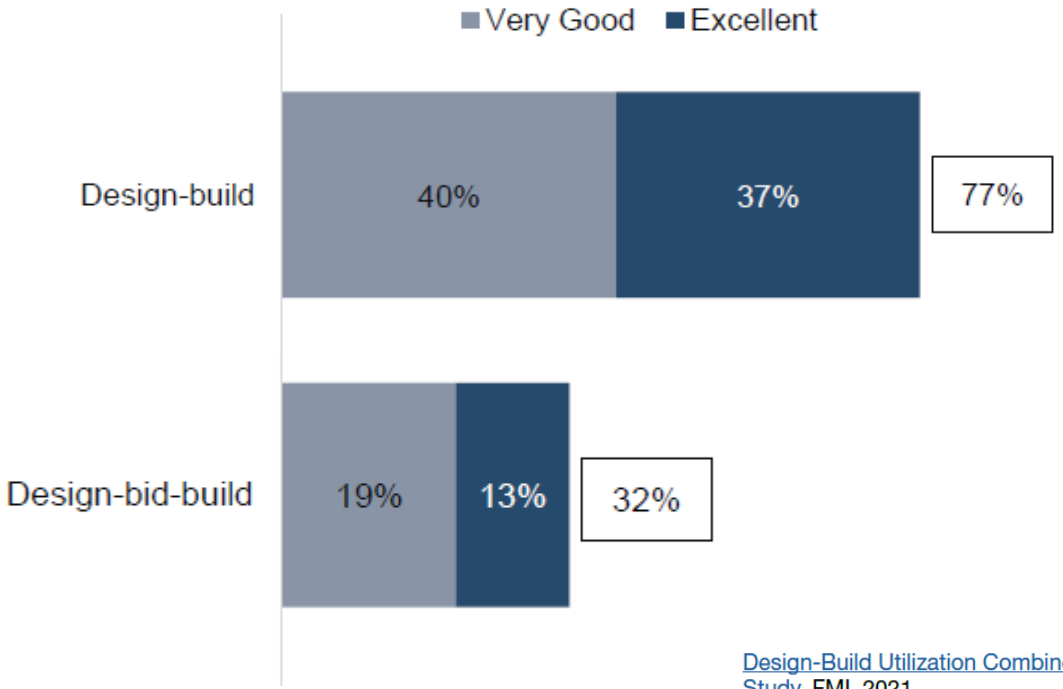
Comparison of D-B-B vs. D-B

Performance Measure	DB vs. DBB
Unit Cost	0.3% less
Cost Growth	3.8% less
Schedule Growth	1.7% less
Construction Speed	36% faster
Delivery Speed	102% faster

Revisiting Project Delivery Performance, CII/Pankow, 2018.

Comparison of D-B-B vs. D-B

Delivery method experience
Percentage of respondents that selected very good or excellent
Source(s): FMI



Design-Build Utilization Combined Market Study, FMI, 2021

How is Design-Build different?

Single point of responsibility to the owner

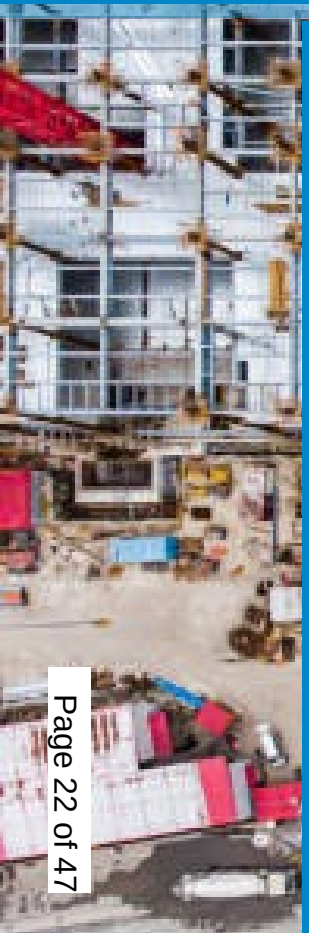
Used to **minimize risks** for the project owner

Reduces the delivery schedule by overlapping the design phase and construction phase of a project

Brings the entire team together <u>early</u> resulting in:

- more **collaboration**
- **input** from owner's operations and maintenance staff
- **constructability review** by subcontractors

Design Build: By the Numbers



47%

Nearly half of America's construction dollars will be spent on design-build projects.

600%

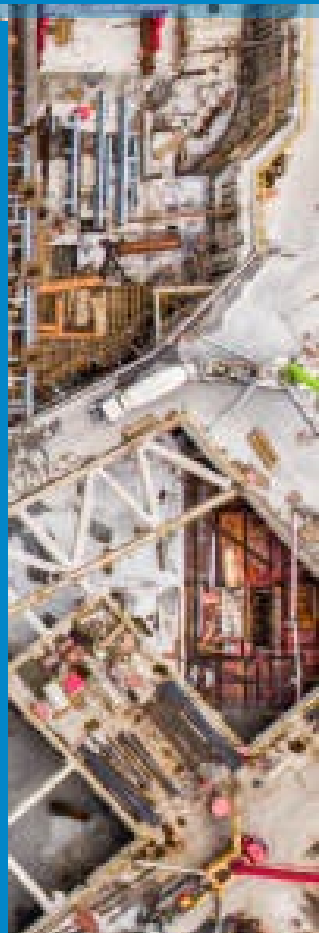
The Transportation sector has seen a huge increase in the number of Design-Build projects since 2002.

11%

Market projections show the water/wastewater sector with the highest annual growth rate over the coming years. (2021-25)

1.7 Trillion

Projected Design-Build construction spending (2021-25)



Owners Rank Top 3 Benefits of Design Build

Increase Collaboration

Opportunities to Innovate

Ability to Fast Track

Design-Build Utilization Combined Market Study, FMI, 2021

What factors influence a Design Build project?

(case study analysis)

Better

- The Owner placed a high emphasis on creating a relational project culture
- Familiarity with designer and/or builder

Worse

- Lack of experience with Design Build or poor project management in general
- Poor communication between the Owner and the Builder
- Understaffing or turnover within the Owner, designer or builder's organization

Revisiting Project Delivery Performance, CII/Pankow, 2018.

Construction Industry Institute

CHARLES PANKOW FOUNDATION

What delivery method is best?

Design-Bid-Build and Design-Build both have their place in the construction market.

It depends on several factors.

Some influencers may be:

- Owner goals and objectives
- Project complexity and innovation
- Project schedule

VSD's Recycled Water Phase 1 D-B Team

Sub-contractors

Walsh

Southern

Trimax

VSD

Schneider

Stantec

Thank you!

Valley Sanitary District
Operations Committee
April 5, 2022

TO: Operations Committee

FROM: Ron Buchwald, Engineering Services Manager

SUBJECT: Project Update: Collection System Rehabilitation & Replacement Project

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Executive Summary
The purpose of this report is to provide a project update and information regarding VSD's Collection System Rehabilitation & Replacement Project. A PowerPoint presentation will be provided (Attachment A).

Strategic Plan Compliance
This item complies with VSD Strategic Plan Goal 3: Excellent Facilities.

Fiscal Impact
The fiscal year impact for Fiscal 2023/24 for this project is $5.9 million for both design and construction and will be reflected in the proposed CIP budget. The total estimated construction cost of this project is $59.3 million to be spent over the next nine years. The previous estimate (August 2021) was $59 million.

Background
This project began in early 2018 and, at that time, was intended to be a 10-year project. Unfortunately, the project got off to a slower start than anticipated for several reasons. However, staff has built a strong foundational program that can be implemented over the next 10 years (12 years total). Staff also has developed a good design and construction management team with the consultant, Harris & Associates.

To date, the District has completed one cured in place pipeline (CIPP) project with good success. VSD also completed the CCTV inspection of large diameters and/or high flow mains along with other difficult to televise mains. The major findings from the CCTV inspections are that the main lines are in mostly good shape. Staff has added the four lift stations to the rehabilitation program based on their integral role in the overall collection system.

Currently, staff and Harris are waiting on the approval of the City of Indio's Downtown Improvement Plan from the State Division of Drinking Water regarding the limited spacing between the existing water main and proposed location of the replacement

sewer main. Harris is also working on the design of the next phase of the downtown improvements as well as the repairs to the lift stations for next year.

Recommendation
Staff recommends that the Operations Committee receive this report and provide direction.

Attachments
Attachment A: PowerPoint presentation

VALLEY SANITARY DISTRICT

COLLECTION SYSTEM INFRASTRUCTURE PROJECT

Board Operation Committee

April 5, 2022

PROGRAM OBJECTIVE

Evaluate, Prioritize, Cash Flow and Implement Systemwide Improvements that:

- Maintain excellence of VSD's service to rate payers
- Maintain VSD's high standard of operations and maintenance
- Apply best management practices in planning for facility & operational needs
- Optimize project sequencing and scheduling for lowest costs and least disruption to operations & the public
- Achieve overall program delivery cost efficiency and effectiveness

EXPENDITURES BY YEAR

VSD 12 Year Program - Forcasted Expenses By Year

Year	Progm 1 2019/20	Progm 2 2020/21	Progm 3 2021/22	Progm 4 2022/23	Progm 5 2023/24	Progm 6 2024/25	Progm 7 2025/26	Progm 8 2026/27	Progm 9 2027/28	Progm 10 2028/29	Progm 12 2029/30	Progm 12 2030/31	
Construction	0.00%	1.07%	5.69%	10.4%	12.9%	15.5%	15.5%	12.9%	10.4%	7.8%	5.3%	2.7%	
Program Delivery Cost	2.50%	3.43%	4.63%	12.92%	15.36%	15.36%	12.92%	10.48%	8.04%	5.60%	5.60%	3.16%	
													Total
Budgeted Annual Construction Cost	$529,510	$1,809,854	$2,200,000	$4,007,513	$4,992,480	$5,977,446	$5,977,446	$4,992,480	$4,007,513	$3,022,547	$2,037,581	$1,052,615	$38,995,003
Annual Escalation Construction Cost				$417,682	$705,571	$1,074,000	$1,310,928	$1,299,449	$1,212,781	$1,046,995	$797,986	$461,459	$8,326,851
Opinion of Probable Construction Cost	$0	$727,382	$2,200,000	$4,155,556	$5,944,444	$7,500,000							
Actual Construction Cost	$0	$412,002											
Budgeted Annual Program Soft Cost	$451,900	$834,074	$700,000	$1,299,242	$1,544,527	$1,544,527	$1,299,242	$1,053,957	$808,671	$563,386	$563,386	$318,100	$10,056,702
Annual Escalation Program Soft Cost	$0			$135,413	$218,283	$277,513	$284,940	$274,325	$244,726	$195,154	$220,641	$139,453	$1,990,448
Actual Program Soft Cost	$251,002	$344,957	$231,695										
Projected Program Soft Cost	$0	$0	$465,705	$1,185,010	$1,540,005	$1,575,000							
Total Annual Budgeted Cost	$981,410	$2,643,928	$2,900,000	$5,859,851	$7,460,861	$8,873,486	$8,872,556	$7,620,212	$6,273,690	$4,828,082	$3,619,594	$1,971,627	$59,285,320
Total Program Cost (Actual + Projected)	$251,002	$756,959	$2,897,400	$5,340,566	$7,484,450	$9,075,000							
Balance Forward		$1,886,969	$2,600	$519,285	($23,589)	($201,514)							

The Lift Station Project(s) will be added by next Fiscal Year, once the assessment/recommendations are completed.

3 YEAR FORECAST

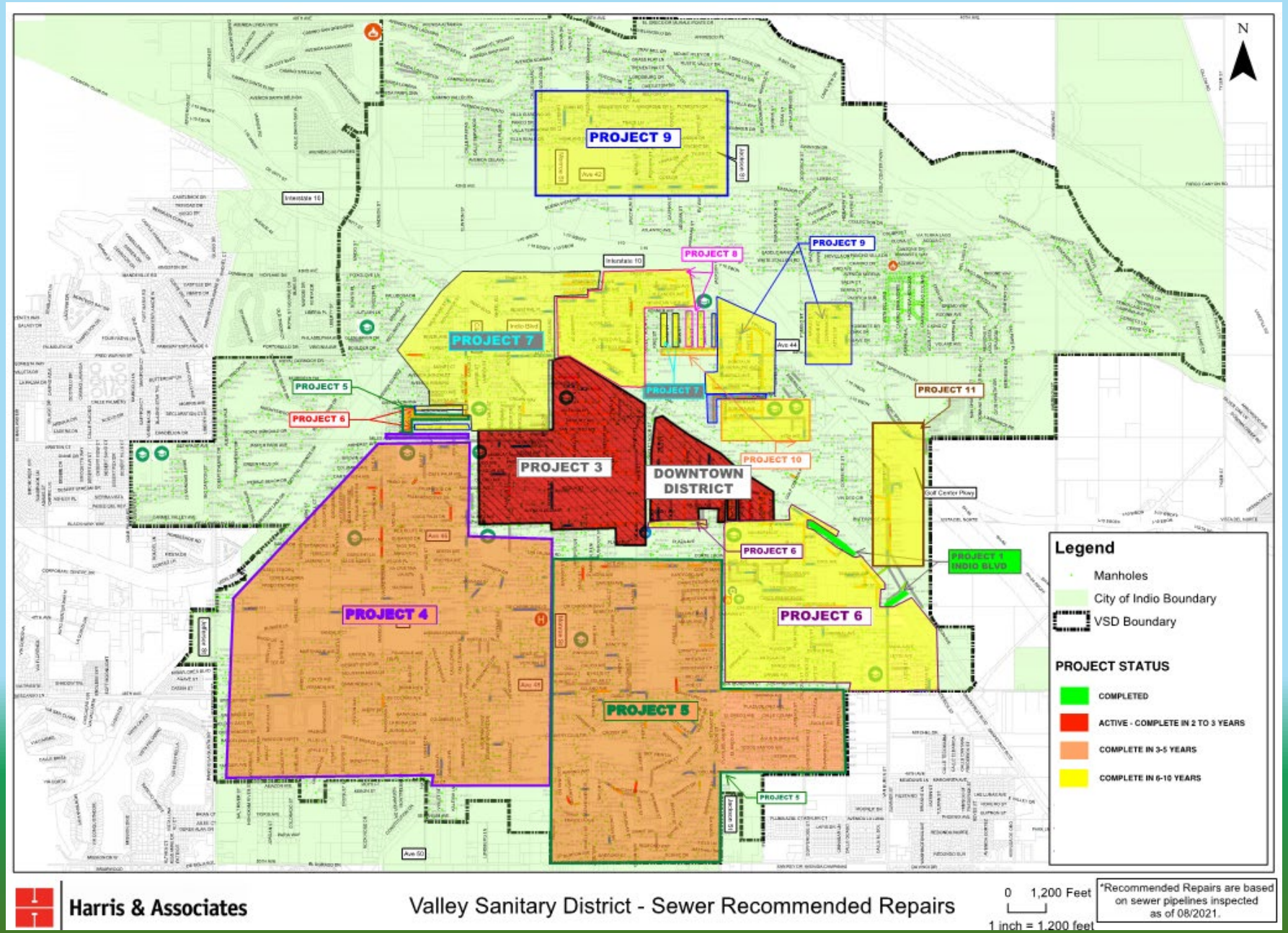
			FY 22-23											FY 23-24											FY 24-25										
			J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
Project 2	**D/T District**																																				
	Bid/Award (2 mo)	$ -																																			
	CM/Inspection	$ 220,000				$24,500 per month																															
	Construction (9 mo)	$ 2,200,000				$244,500 per month																															
Project 3	**SW/Central**																																				
	Admin/Des (1.5 yr)	$ 198,019				$11,000 per month																															
	Bid/Award (2 mo)	$ -																																			
	CM/Inspection	$ 352,000																																			
	Construction (9 mo)	$ 4,400,000																																			
Project 4																																					
	Admin/Des (1.5 yrs)	$ 810,000																																			
	Bid/Award (2 mo)	$ -																																			
	CM/Inspection	$ 360,000																																			
	Construction (9 mo)	$ 4,500,000																																			
Project 5																																					
	Admin/Des (1.5 yrs)	$ 810,000																																			
	Bid/Award (2 mo)	$ -																																			
	CM/Inspection	$ 360,000																																			
	Construction (9 mo)	$ 4,500,000																																			
Project 6																																					
	Admin/Des (1.5 yrs)	$ 810,000																																			
	Bid/Award (2 mo)	$ -																																			
	CM/Inspection	$ 360,000																																			
	Construction (9 mo)	$ 4,500,000																																			

$45,000 per month
$45,000 per month
$500,000 per month
$45,000 per month
$45,000 per month
$500,000 per month
$45,000 per month
$45,000 per mo.
$500,000 per mo.

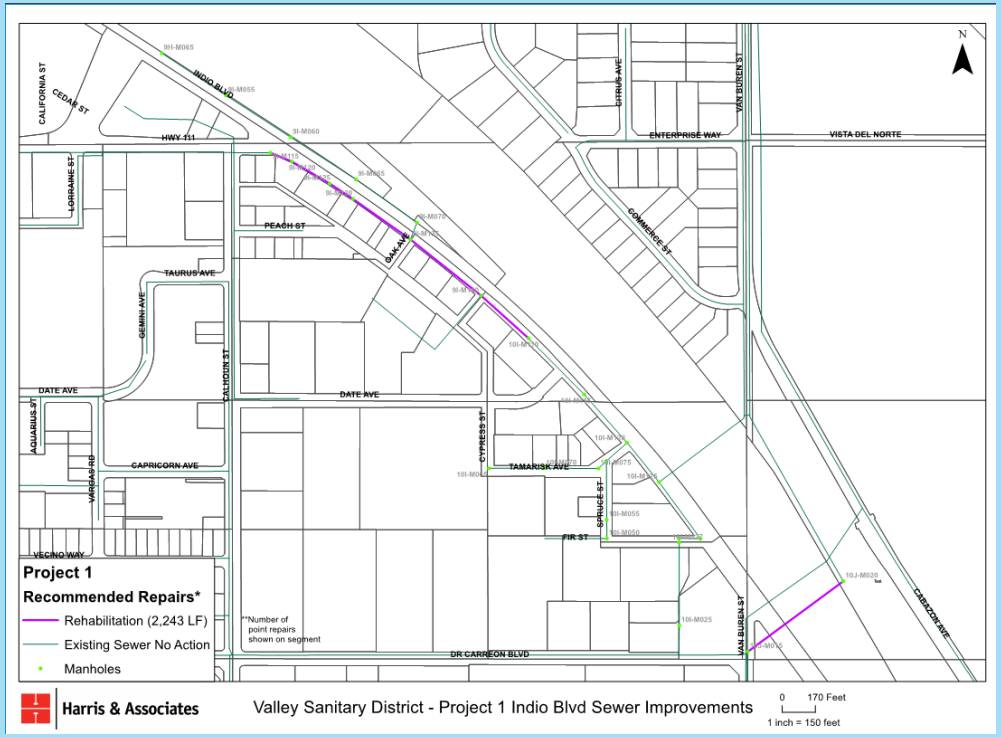
3 Year CF Forecast

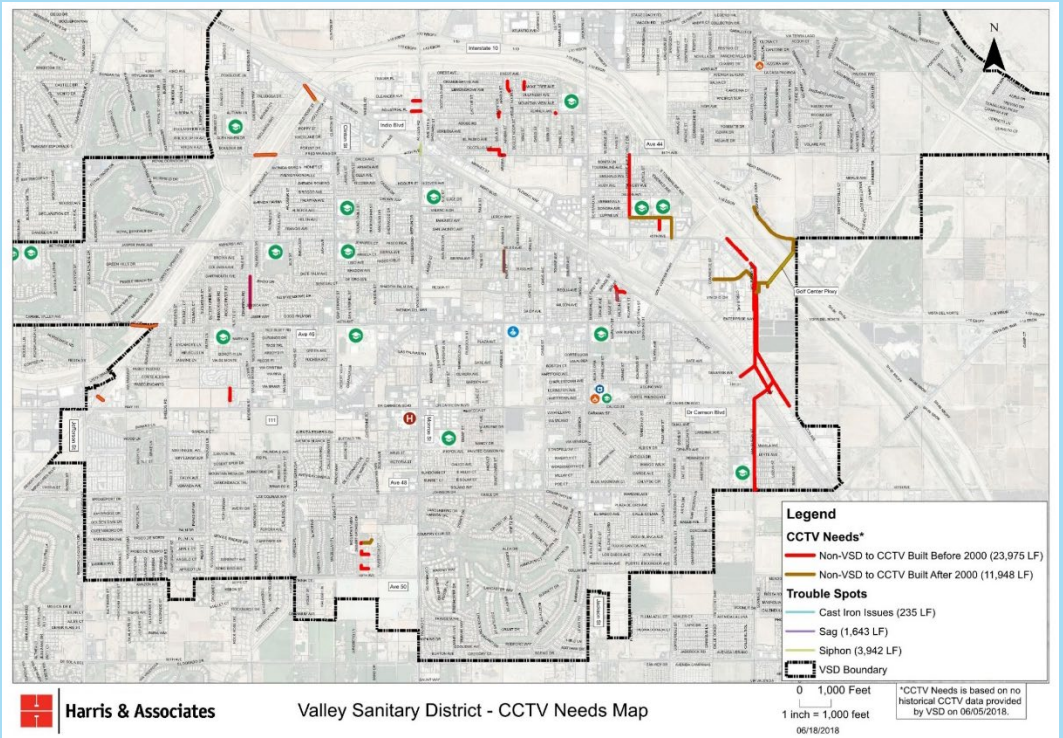
FY	Revenue	Soft Cost	Hard Cost	Total CF	Delta
22-23	$ 7,137,168	$ 1,185,010	$ 4,155,556	$ 5,340,566	$ 1,796,602
23-24	$ 7,398,388	$ 1,630,005	$ 5,944,444	$ 7,574,450	$ (176,062)
24-25	$ 7,646,975	$ 1,575,000	$ 8,500,000	$10,075,000	$ (2,428,025)
	$22,182,531	$ 4,390,015	$18,600,000	$22,990,015	$ (807,484)

CAPITAL IMPROVEMENT PLANNING



COMPLETED PROJECTS:





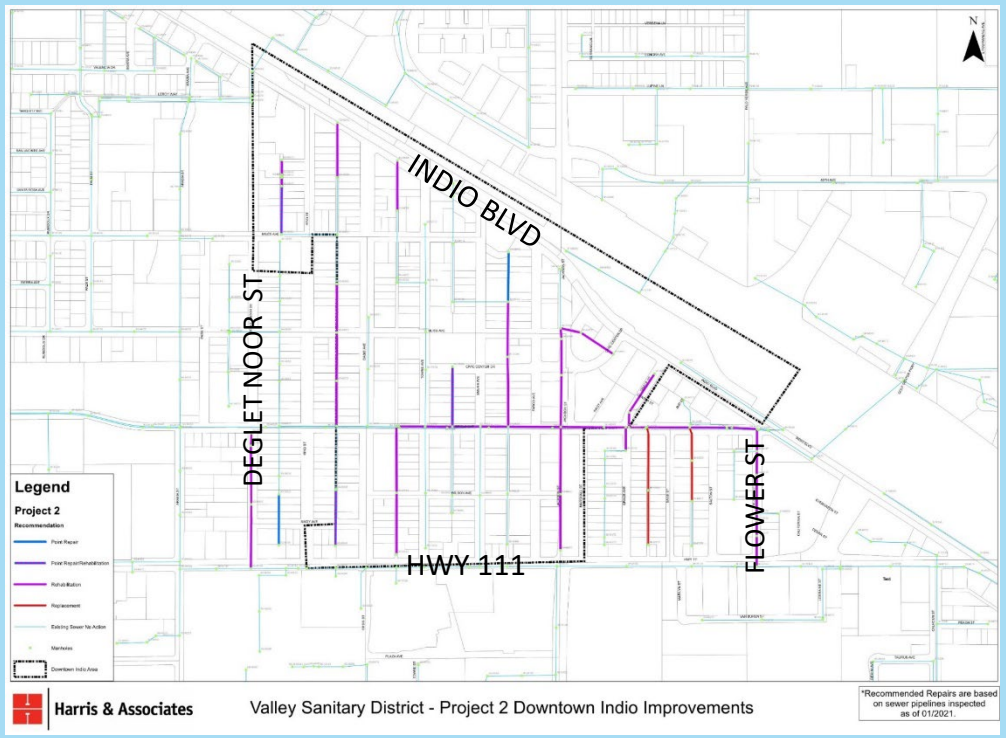
CIP PROJECT 1 – INDIO BLVD SEWER IMPROVEMENT PROJECT

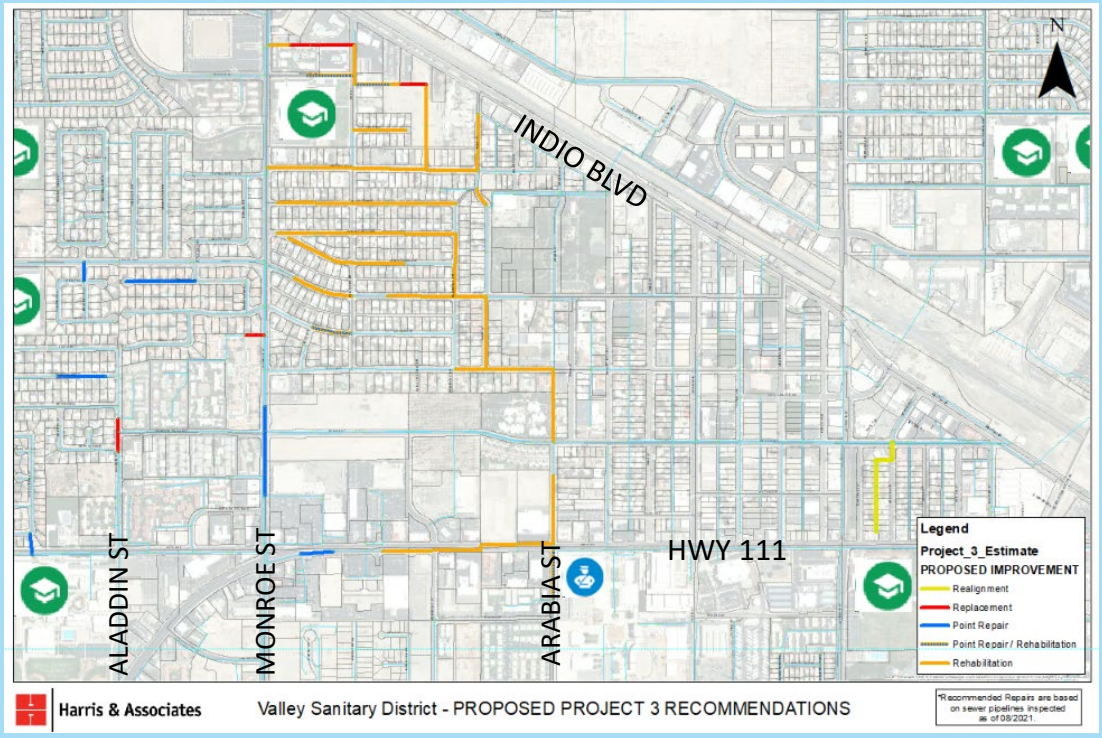
- COMPLETED MARCH 2021
- CONSTRUCTION COST: $234,953
- SCOPE: 2,255 LF OF PIPE REHABILITATION

SEWER CLEANING AND INSPECTION PROJECT

- COMPLETED JUNE 2021
- CONSTRUCTION COST: $186,547
- SCOPE: 35,923 LF OF SEWER INSPECTION

ACTIVE PROJECTS (IN DESIGN):





CIP PROJECT 2 – DOWNTOWN DISTRICT SEWER IMPROVEMENT PROJECT

- $2.2 M CONSTRUCTION BUDGET
- 100% DESIGN COMPLETE
- PENDING A DEPARTMENT OF DRINKING WATER PERMIT
- READY FOR BID MAY 2022

CIP PROJECT 3 – SOUTHWEST CENTRAL INDIO SEWER IMPROVEMENT PROJECT

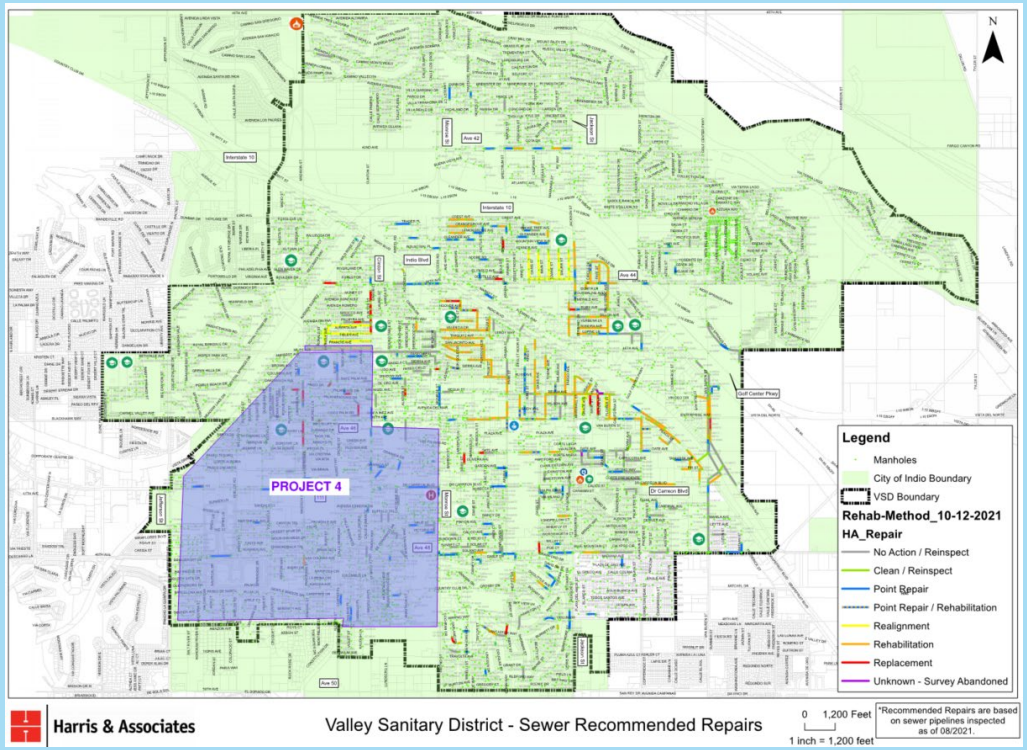
- $4.4 M CONSTRUCTION BUDGET
- 30% DESIGN COMPLETE
- READY FOR BID FEBRUARY 2023

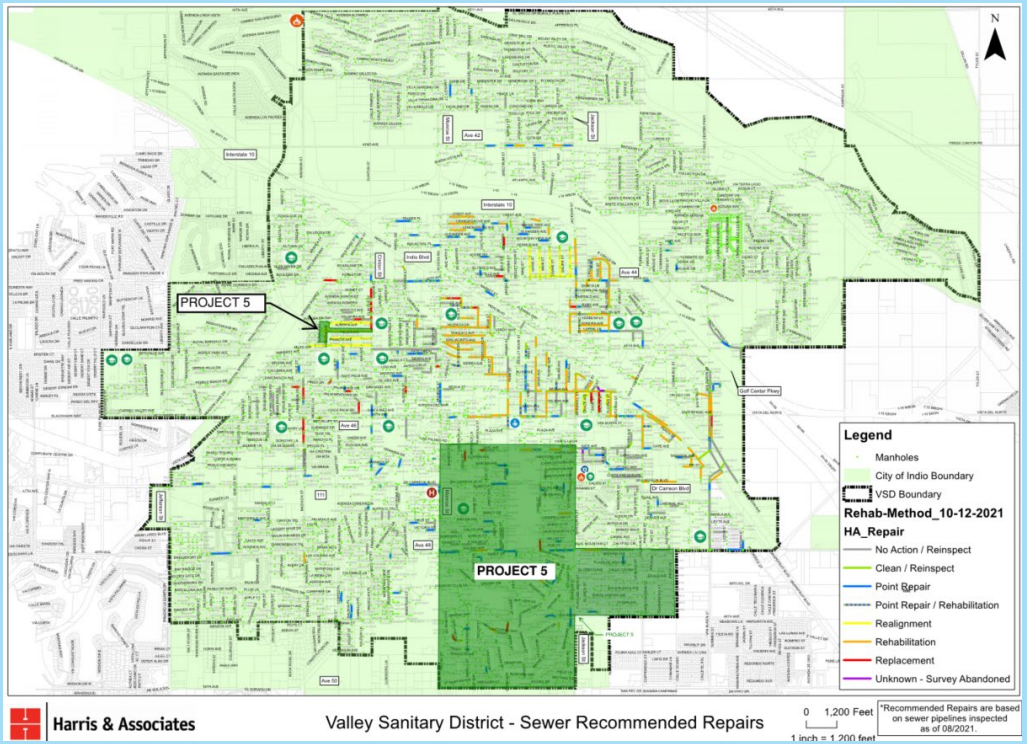
ACTIVE PROJECTS (PRELIMINARY DESIGN):

LIFT STATION ASSESSMENT

- SCOPE: ASSESS CONDITION OF 4 LIFT STATIONS
  - BARRYMORE,
  - CALHOUN,
  - CARVER AND
  - VANDENBURG
- 60% COMPLETE
- ASSESSMENT REPORT COMPLETE IN JUNE 2022

NEXT PROJECTS (IN PLANNING):





CIP PROJECT 4 – INDIO SOUTHWEST REGION SEWER IMPROVEMENT PROJECT

$5.7 M CONSTRUCTION BUDGET

SCHEDULE:

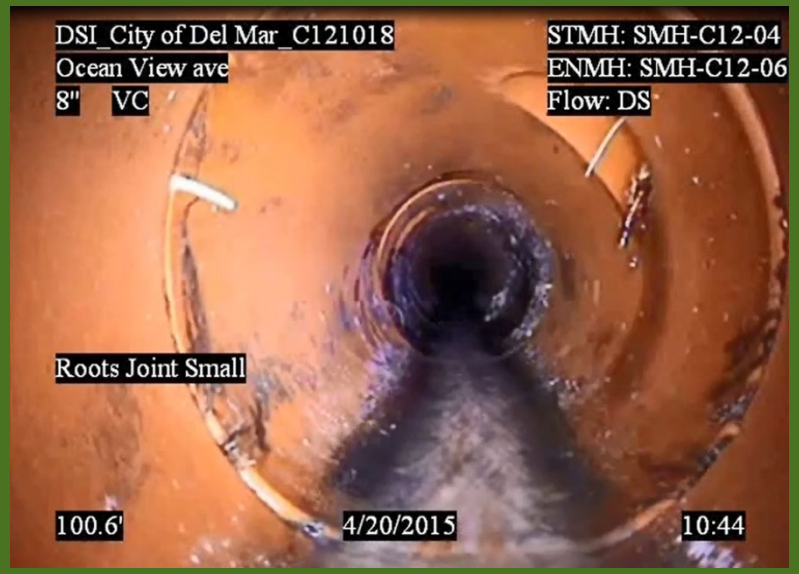
- START PRIORITIZING JULY 2022
- END DESIGN JAN 2024
- BIDDING MARCH 2024
- COMPLETED NOV 2024

CIP PROJECT 5 – INDIO SOUTHEAST SEWER IMPROVEMENT PROJECT

$7.1 M CONSTRUCTION BUDGET

SCHEDULE:

- START PRIORITIZING JULY 2023
- END DESIGN FEB 2025
- BIDDING APRIL 2025
- COMPLETED JAN 2026



THANK YOU

Valley Sanitary District

Valley Sanitary District
Budget & Finance Committee
April 5, 2022

TO: Operations Committee

FROM: Ron Buchwald, Engineering Services Manager

SUBJECT: Review and Discussion of the Draft Fiscal Year 2023 (FY23) Capital Improvement Projects and Project Ranking List

☐Board Action	☐New Budget Approval	☐Contract Award
☒ Board Information	☐Existing FY Approved Budget	☐Closed Session

Executive Summary
The purpose of this report is for the Operations Committee to review and discuss the draft FY23 Capital Improvement Projects and Project Ranking List.

Strategic Plan Compliance
This item complies with VSD Strategic Plan Objective 5.1: Align long-term financial planning with strategic priorities.

Fiscal Impact
There is no fiscal impact from this report.

Background
In preparation for the FY23 budget, staff has prepared a proposed list of Capital Improvement Program (CIP) Projects for the Operations Committee to review. The capital budget incorporates key projects to further advance the District's CIP. There are 19 new capital projects requested in FY23 at a total value of $33,940,307. The CIP for the upcoming fiscal year includes the Recycled Water Project Phase 1, the Influent Pump Station Rehabilitation Project and the Collection System Sewer Main Rehabilitation and Replacement Program. Please refer to Attachment A.

Included as Attachment B is the 20-year CIP showing the planned projects for the next 20 years. Included as Attachment C is the updated financial model showing the next 10 years with a deficit beginning in FY25. The deficit is attributed to an increase in the costs of the CIP projects in conjunction with acquiring financing with a 20-year term as opposed to a 30-year term as modeled in the revised financial plan.

The ranking list (Attachment D) was created to prioritize the top five (5), CIP projects based on the highest score. The list was created from a spreadsheet with scoring items encompassing health/safety/regulatory requirements, asset condition, funding source,

project readiness, etc. The prepared list will be shared with the Operations Committee to review and discuss.

Recommendation
Recommend that the Operations Committee receive this report for information.

Attachments
Attachment A – Proposed FY23 Capital Budget
Attachment B – 20-year Capital Improvement Program
Attachment C – Financial Planning showing FY24 deficit
Attachment D – Ranking list of the top five (5) CIP Projects

Proposed FY23 Capital Budget

Department	Project	Total	Fund 12	Fund 13	FEMA	B of A Loan
Plant	Asphalt Repairs Treatment Plant	$ 50,000	$ 50,000			
Plant	Concrete Repairs to ASP Plant	50,000	50,000			
Plant	Electrical Control Panel Replacements Blower Building	120,000	120,000			
Plant	New Office Building for Belt Filter Press	20,000		20,000		
Plant	Trimax PLC Upgrades SCADA	120,000	120,000			
Plant	Master Plan	600,000	600,000			
Plant	12.5 Ton Air conditioner, Blower Building	30,000	30,000			
Plant	Recycled Water Project Phase 1 Design-Build	17,763,656				17,763,656
Plant	Influent Pump Station Rehabilitation Design Build	3,000,000	3,000,000			
Plant	Vehicle & Major Equipment Replacement Fund	800,000	800,000			
Plant	Laboratory Information Management System (LIMS)	70,000	70,000			
Collections	Lateral Grant Program	50,000	50,000			
Collections	Sewer Main Rehabilitation or Replacement Design	1,601,798	1,601,798			
Collections	Sewer Main Rehabilitation or Replacement Const.	4,297,853	4,297,853			
Collections	Sewer Main Emergency Repairs	115,000	115,000			
Collections	Emergency Sewer Siphon Replacement Design/CM	638,000	95,700		542,300	
Collections	Emergency Sewer Siphon Replacement Const.	4,464,000	669,600		3,794,400	
Collections	Replacement of Calhoun Lift Station Pumps (2)	50,000	50,000			
Collections	Contingency	100,000	100,000			
	Total	**$ 33,940,307**	**$ 11,819,951**	**$ 20,000**	**$ 4,336,700**	**$ 17,763,656**

20 Year Capital Improvement Program

Project Description	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Recycled Water Project Phase 3 Construction	$ -	$ -	$ -			$ -	$ 35,005,414	$ 36,055,577	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 71,060,991**
Recycled Water Project Phase 1 Design Build	-	8,007,676	17,763,656	32,214,017	11,954,246	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**69,939,595**
Sewer Main Rehabilitation or Replacement Const.	201,110	2,200,000	4,297,853	5,539,703	6,860,142	7,090,643	6,117,078	5,070,071	3,945,813	2,740,266	1,449,267	-	-	-	-	-	-	-	-	-	-	**45,511,946**
Recycled Water Project Phase 2 Design Build	-	-		500,000	4,952,347	20,403,670	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**25,856,017**
Vehicle & Major Equipment Replacement Fund	-	740,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	**15,940,000**
Sewer Main Rehabilitation or Replacement Design	274,046	700,000	1,601,798	1,681,665	1,738,169	1,504,607	1,253,388	983,574	694,228	717,554	397,241	-	-	-	-	-	-	-	-	-	-	**11,546,270**
Recycled Water Project Phase 3 Design	-	-	-	-	-	10,456,564	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**10,456,564**
Training & Office Building - Construction	123,046	-	-	-	9,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**9,123,046**
Build-out Collection System CIP projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,020,147	-	-	-	-	-	**7,020,147**
Laboratory Building - Construction	-	-	-	-	4,000,000	3,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**7,000,000**
Emergency Sewer Siphon Replacement Const.	-	-	4,464,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**4,464,000**
Influent Pump Station Rehabilitation Design Build	281,137	1,000,000	3,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**4,281,137**
Sewer Main Emergency Repairs	-	115,000	115,000	118,450	122,004	125,664	129,434	133,317	137,317	141,437	145,680	150,050	154,552	159,189	163,965	168,884	173,951	179,170	184,545	190,081	195,783	**3,003,473**
Contingency	-	100,000	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,868	117,165	119,508	121,898	124,336	126,823	129,359	131,946	134,585	137,277	140,023	142,823	**2,384,039**
Interim Collection System CIP Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,184,582	-	-	-	-	-	-	**2,184,582**
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-	-	-	-	-	-	-	-	1,790,786	-	-	-	-	-	-	-	-	**1,790,786**
Manhole Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,015	195,715	**1,719,580**
Lateral Grant Program	-	50,000	50,000	51,000	52,020	53,060	54,121	55,203	56,307	57,433	58,582	59,754	60,949	62,168	63,411	64,679	65,973	67,292	68,638	70,011	71,411	**1,192,012**
Emergency Sewer Siphon Replacement Design	164,700	320,258	638,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1,122,958**
Training & Office Building - Design (Carry Over)	-	-	-	1,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1,000,000**
Laboratory Building - Final Design	-	-	-	1,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1,000,000**
Interim Collection System CIP Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	728,194	-	-	-	-	-	-	**728,194**
Master Plan	-	-	600,000		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**600,000**
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-	-	-	-	-	-	-	-	596,929	-	-	-	-	-	-	-	-	**596,929**
Additional Parking & Landscaping	-	-		500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**500,000**
Interim Collection System CIP Design	-	-	-	-	-	-	-	-	-	-	-	-	-	227,142	-	-	-	-	-	-	-	**227,142**
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-	-	-	-	-	-	-	186,341	-	-	-	-	-	-	-	-	-	**186,341**
Electrical Control Panel Replacements Blower Building			120,000																			**120,000**
SCADA	-	-	120,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**120,000**
Interim Collection System CIP Design	-	-	-	-	-	-	-	-	-	-	-	-	-	75,714	-	-	-	-	-	-	-	**75,714**
Laboratory Information Management System (LIMS)	-	-	70,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**70,000**
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-	-	-	-	-	-	-	62,114	-	-	-	-	-	-	-	-	-	**62,114**
Treatment Plant Asphalt Repair	-	-	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**50,000**
ASP Concrete Repair	-	-	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**50,000**
ment of Calhoun Lift Station Pumps (2)			50,000																			**50,000**
n Air conditioner, Blower Building	-	-	30,000			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**30,000**
fice Building for Belt Filter Press	-	-	20,000			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**20,000**
lant Expansion 2040 & beyond	10,450	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**10,450**
	$ 1,054,488	**$ 13,232,934**	**$ 33,940,307**	**$ 43,506,835**	**$ 39,582,968**	**$ 43,540,329**	**$ 43,467,678**	**$ 43,208,150**	**$ 5,746,281**	**$ 4,571,558**	**$ 2,967,935**	**$ 1,527,766**	**$ 3,679,613**	**$ 1,607,684**	**$ 4,230,884**	**$ 8,351,895**	**$ 1,345,761**	**$ 1,360,155**	**$ 1,374,941**	**$ 1,390,130**	**$ 1,405,732**	**301,094,026**

Financial Plan

RATE REVENUE REQUIREMENTS SUMMARY[1]	Actuals	Projected Rates for Adoption Period					Projected				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Sources of Sewer Funds											
Rate Revenue:											
Sewer Service Charge	$11,872,945	$14,575,652	$14,721,409	$14,868,623	$15,017,309	$ 15,167,482	$ 15,319,157	$ 15,472,349	$15,627,072	$15,783,343	$15,941,176
Revenue from Rate Increases[2]	-	-	1,840,176	3,949,478	6,364,758	6,860,323	7,596,369	8,366,673	8,931,888	9,269,253	9,614,976
Subtotal: Rate Revenue After Rate Increases	11,872,945	14,575,652	16,561,585	18,818,101	21,382,067	22,027,806	22,915,526	23,839,022	24,558,960	25,052,595	25,556,153
Non-Rate Revenue:											
Plan Check & Inspection Fees (incl. Permits)	48,545	48,000	48,480	48,965	49,454	49,949	50,448	50,953	51,462	51,977	52,497
Other Services	18,213	20,854	21,063	21,273	21,486	21,701	21,918	22,137	22,358	22,582	22,808
Interest Income[3]	29,507	533,475	595,839	457,957	359,398	189,624	162,049	179,119	197,595	216,506	235,861
Non-Operating Revenue	1,025,747	558,585	564,171	569,812	575,511	581,266	587,078	592,949	598,879	604,867	610,916
Subtotal: Non-Rate Revenue	1,122,012	1,160,914	1,229,552	1,098,007	1,005,849	842,540	821,494	845,159	870,295	895,933	922,081
Total Sources of Funds	**$12,994,958**	**$15,736,566**	**$17,791,137**	**$19,916,108**	**$22,387,916**	**$ 22,870,346**	**$ 23,737,020**	**$ 24,684,180**	**$25,429,255**	**$25,948,528**	**$26,478,234**
Uses of Funds											
Operating Expenses :											
Engineering	$ 633,696	$ 665,626	$ 838,156	$ 880,064	$ 924,067	$ 970,270	$ 1,018,784	$ 1,069,723	$ 1,123,209	$ 1,179,370	$ 1,238,338
Collections	1,183,857	784,371	996,492	1,046,317	1,098,632	1,153,564	1,211,242	1,271,804	1,335,395	1,402,164	1,472,273
Operations	2,845,694	2,576,085	3,336,972	3,503,821	3,679,012	3,862,962	4,056,110	4,258,916	4,471,862	4,695,455	4,930,227
Maintenance	1,335,676	1,217,593	1,679,923	1,763,919	1,852,115	1,944,721	2,041,957	2,144,055	2,251,257	2,363,820	2,482,011
Lab	414,620	483,847	626,047	657,349	690,217	724,728	760,964	799,012	838,963	880,911	924,957
Administration/Board	2,178,993	2,880,292	3,564,412	3,741,208	3,852,589	4,121,632	4,247,480	4,540,865	4,682,846	5,002,875	5,162,838
Additional Staffing	-	-	-	-	-	-	-	-	-	-	-
Subtotal: Operating Expenses	$ 8,592,537	$ 8,607,814	$11,042,002	$11,592,678	$12,096,632	$ 12,777,877	$ 13,336,537	$ 14,084,375	$14,703,532	$15,524,595	$16,210,644
Other Expenditures:											
Existing Debt Service	$ 1,445,048	$ 1,440,798	$ 1,440,048	$ 1,439,111	$ 1,440,861	$ 1,440,611	$ 553,361	$ 553,361	$ 553,361	$ 553,361	$ 553,361
Future Debt Service	-	-	2,970,421	3,828,748	3,656,335	4,685,282	4,825,699	5,860,712	6,011,129	5,951,941	5,892,369
Rate-Funded Capital Expenses	-	-	-	-	10,056,687	34,932,272	43,467,678	43,208,150	5,746,281	4,571,558	2,967,935
Subtotal: Other Expenditures	$ 1,445,048	$ 1,440,798	$ 4,410,469	$ 5,267,858	$15,153,883	$ 41,058,164	$ 48,846,738	$ 49,622,222	$12,310,770	$11,076,860	$ 9,413,664
Total Uses of Water Funds	**$10,037,585**	**$10,048,613**	**$15,452,471**	**$16,860,536**	**$27,250,515**	**$ 53,836,041**	**$ 62,183,275**	**$ 63,706,597**	**$27,014,302**	**$26,601,455**	**$25,624,308**
Annual Surplus/(Deficit)	**$ 2,957,373**	**$ 5,687,954**	**$ 2,338,665**	**$ 3,055,572**	**$ (4,862,599)**	**$(30,965,695)**	**$(38,446,255)**	**$(39,022,417)**	**$ (1,585,047)**	**$ (652,927)**	**$ 853,926**
Net Revenue Req't. *(Total Uses less Non-Rate*	**$ 8,915,573**	**$ 8,887,699**	**$14,222,919**	**$15,762,529**	**$26,244,666**	**$ 52,993,501**	**$ 61,361,782**	**$ 62,861,439**	**$26,144,008**	**$25,705,522**	**$24,702,227**

Westward Ho Sewer Siphon

Criteria	Strongly Disagree 1	2	3	4	Strongly Agree 5	Score	Weight	Weighted Score
1. Risk to Health, Safety and Environment and Regulatory or Mandated Requirements						**24**	**25%**	**6**
Project avoids or minimizes the risk to health, safety and environment associated with the infrastructure based on condition assessment of the asset, or the lack of an asset, that may include the age, size, material, capacity, and history of failure of the infrastructure.					x	5	5%	1.25
Urgency of the project to reduce the potential hazards to the public, property and environment					x	5	5%	1.25
Project is required by legal mandate or consent decree (less than 3 years, project specific or programmatic, e.g. Department of Health and Environmental Protection Agency's mandates).	x					1	1%	0.25
Project is required by other regulatory requirements (project specific or programmatic, e.g. General Permit Compliance).				x		4	4%	1
Project is required to comply with court orders and settlements or avoids plausible legal claims (project specific or programmatic).	x					1	1%	0.25
Project complies with Strategic Plan, General Plan, Community Plan, or Master plan.			x			3	3%	0.75
For Public Safety, this factor will also evaluate the potential in reducing the risks to the staff's health and safety minimizing the failure or maintenance of the existing deficient infrastructure.					x	5	5%	1.25
2. Asset Condition, Annual Recurring Costs and Asset Longevity:						**28**	**20%**	**5.6**
Existing conditions and capacity to meet the basic level of service is deficient.					x	5	4%	1
Avoids potential failure due to substandard conditions					x	5	4%	1
The project improves the overall reliability of the capital asset and infrastructure system.					x	5	4%	1
There are major implications of delaying the project such as significant future costs, or negative community impacts.					x	5	4%	1
The extent to which the project reduces District operations and maintenance expenditures.			x			3	2%	0.6
The project increases the longevity of the capital asset or extends the useful life of the asset in the long term					x	5	4%	1
3. Community Investment and Economic Prosperity:						**17**	**20%**	**3.4**
The project contributes toward economic development and revitalization efforts			x			3	4%	0.6
The project reduces or avoids impacts to the community when infrastructure fails.					x	5	6%	1
The project will benefit under-served communities including those with low income households, low community engagement			x			3	4%	0.6
The project implements the Economic Prosperity Element of the General Plan and/or other community plans.			x			3	4%	0.6
The project benefits communities that have the highest population served per acre.			x			3	4%	0.6
4. Level and Quality of Service:						**16**	**10%**	**1.6**

The project improves existing conditions and capacity to meet the minimum level and quality of services that is deficient. Avoids potential failure due to substandard conditions					x	5	3%	0.5
The project addresses an infrastructure or facility deficit identified in a community plan					x	5	3%	0.5
The project design shall provide the necessary flexibility to perform satisfactorily within the expected range of waste characteristics and volumes.					x	5	3%	0.5
The project design flow selected shall meet the appropriate effluent and water quality standards that are set forth in the discharge permit.	x					1	1%	0.1
5. Sustainability and Conservation:						**14**	**10%**	**1.4**
The project improves the health of the community and natural environment through sustainable designs with improved regional air quality and reduced greenhouse gas emission that contributes to climate change.			x			3	2%	0.3
Where appropriate, the project promotes infill development, open space and land form preservation, habitat protection and biological diversity, and enhanced urban runoff management.			x			3	2%	0.3
The project incorporates design that meets or exceeds recognized federal and state standards in the field of energy efficiency, such as State of California Title 24 Energy Efficiency Standards, LEED building standards, etc.			x			3	2%	0.3
The project results in greener neighborhoods and reduces or avoids the potential public exposure to pollutants, contamination and other hazards to public health and environment.					x	5	4%	0.5
6. Funding Availability:						**18**	**5%**	**0.9**
The greater a project leverages District funds against external funds (grant funds or cost sharing from outside entities) the greater priority said project shall receive.					x	5	1%	0.25
The project's rank is increased based on assessment of the amount of funding needed to complete the current project phase and the entire project.					x	5	1%	0.25
Have contingency and management reserves been estimated					x	5	1%	0.25
Are the latest staff rates and resource unit costs up-to-date and available?			x			3	1%	0.15
7. Project Readiness:						**31**	**10%**	**3.1**
The project is ready to enter the phase corresponding to the funding proposed. For example, a design-build project with a completed environmental document will score higher than a design-build project without a complete environmental document.					x	5	2%	0.5
Assessment of non-engineering issues involved in completing the project. (e.g., significant environmental issues, project complexity, and level of public support). For example, projects with complex environmental issues or known significant legal challenges shall be scored lower than projects without said complications.				x		4	1%	0.4
The project shall be scored based upon the delivery method. Project that can be delivered most expeditiously shall be preferred.					x	5	2%	0.5
A clear line of sight into project performance — particularly in terms of cost, schedule, and quality — at every stage in a project's life cycle				x		4	1%	0.4
Effective contracting strategies				x		4	1%	0.4

Are there sufficient resources in terms of time, budget, infrastructure, and people with relevant expertise?				x		4	1%	0.4
Risks and uncertainties can be effectively managed and responded to					x	5	2%	0.5
Grand Total						**148**	**100%**	**22.00**
						185		

Project	Score	Weighted	Funds
Recycled Water Phase 1	148	22.15	Bank of America
Westward Ho Sewer Siphon	148	22.00	FEMA
Influent Pump Station	139	21.00	District
New Office & Lab Buildings	130	18.65	I-Bank
Collection System Rehab	128	21.15	I-Bank