



**Montara Water
and Sanitary District**
Serving the Community of Montara and Moss Beach

P.O. Box 370131
8888 Cabrillo Hwy
Montara, CA 94037-0131
t: 650.728.3545 • f: 650.728.8556

To sensitively manage the natural resources entrusted to our care, to provide the people of Montara - Moss Beach with reliable, high – quality water, wastewater, and trash disposal at an equitable price, and to ensure the fiscal and environmental vitality of the district for future generations. Be open to providing other services desired by our community.

AGENDA

District Board of Directors

May 21, 2020 at 7:30 p.m.

DUE TO COVID-19, THIS MEETING WILL BE CONDUCTED REMOTELY PURSUANT TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 TEMPORARILY SUSPENDING AND MODIFYING CERTAIN TELECONFERENCE REQUIREMENTS UNDER THE RALPH M. BROWN ACT. MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON.

ZOOM MEETING INFORMATION:

WEBSITE: <https://us02web.zoom.us/j/88214491644>

MEETING ID: 882 1449 1644

CALL IN PHONE NUMBER: +1 669 900 9128

INSTRUCTIONS for remote access are available at <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting>. You also may view video during the meeting via live stream or after the meeting at <https://videoplayer.telvue.com/player/wuZKb9gwEY7sMACIIsr7VSJglB35kNZA/stream/159?fullscreen=true&showtabssearch=false&autostart=false> . If you experience technical difficulties or have technical questions prior to or during the meeting, please contact MWSD's IT support at (650) 728-7843.

Note: Public participation is not permitted during closed session discussion items.

Public Comment

In accordance with the Government Code, members of the public may address the Board on specific agenda items when the matter is announced by the Board President. Any other item of interest that is within the subject matter jurisdiction of the District may be addressed during the Oral Comments portion of the meeting. A “raise hand” button available for every Zoom user can be used to alert the President of the intent to comment.

Public comment also may be submitted in writing (in accordance with the three-minute per speaker limit) via email to info@mwsd.net up to one-hour prior to the scheduled meeting time. Please indicate in your email the agenda item to which your comment applies. The District Clerk will read all comments into the record. Comments and materials related to an item on this Agenda submitted after distribution of the Agenda Packet are available in the District Clerk’s office during normal business hours and may also be available on the District’s web site (www.mwsd.montara.org) subject to staff’s ability to post the documents before the meeting.

Upon request, this Agenda and written agenda materials will be made available in appropriate alternative formats to persons with a disability. Request for a disability-related modification or accommodation in order to participate in the public meeting should be emailed to info@mwsd.net or submitted by phone at 650-728-3545 at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, and local orders, the format of this meeting may be altered, or the meeting may be canceled. You may check on the status of the meeting by visiting the District’s website at: <http://mwsd.montara.org> .

CALL TO ORDER

ROLL CALL

PRESIDENT’S STATEMENT

ORAL COMMENTS (Items other than those on the agenda)

PUBLIC HEARING

CONSENT AGENDA

OLD BUSINESS (none)

NEW BUSINESS

1. [Review and Possible Action Concerning Sewer Authority Mid-Coastside Fiscal Year 2020/2021 Budget.](#)

2. [Review and Possible Action Concerning Draft FY 2020/2021 MWSD Water and Sewer Budget.](#)
3. [Review and Possible Action Concerning Request of MWSD Directors to Forego Pay during Covid-19 SIP.](#)

REPORTS

1. Sewer Authority Mid-Coastside Meetings (Slater-Carter).
2. MidCoast Community Council Meeting (Slater-Carter).
3. CSDA Report (Lohman).
4. LAFCo Report (Lohman).
5. Attorney's Report (Fitzgerald).
6. Directors' Reports.
7. General Manager's Report (Heldmaier).

FUTURE AGENDAS

1. June 4 Public Hearing for Water System Reliability Charge and Sewer Service Charge Increase.
2. June 4 Public Hearing for Master Fee Schedule Adjustment.
3. June 4 Establishing Hardship Rate for Water and Sewer Customers.
4. June 4 SAM Budget Consideration of Approval
5. June 4 MWSD Budget Consideration of Approval
6. MWSD District General Obligation Bonds Refinancing.
7. MWSD Defined Benefit Plan Actuarial Evaluation.
8. Strategic Community Planning Workshop.

CONVENE IN CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Government Code §54956.9(d)(1))

Case Name: *City of Half Moon Bay v. Granada Community Services District, et al.*

(Santa Clara County Super. Crt. No. 17CV316927)

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

(Government Code §54956.9(d)(4))

Initiation of Litigation

Number of cases: 1

REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY

ADJOURNMENT

The District has a curfew of 10:30 p.m. for all meetings. The meeting may be extended for one hour by vote of the Board.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 21, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

SUBJECT: Review and Possible Action Concerning Sewer Authority Mid-Coastside Fiscal Year 2020-2021 Budgets.

At the SAM Board of Directors meeting on May 11 2020, the SAM Board approved the SAM General Budget and SAM Collections Budget for Fiscal Year 2020/21 to be sent to the member agencies for consideration and approval.

The overall Collections Budget is suggested to decrease by \$144,265, or 17% over the prior Fiscal Year due to the City of HMB's separate Collections Services Agreement expiring this current FY. The 2018/19 assessment for MWSD for the Collections Contract Services would decrease by \$83,1898, or 24%.

SAM is suggesting an assessment decrease of the General Budget by \$107,366 or 1% to a total of \$7,307,067. The General Budget contains an Infrastructure Division Budget \$1,975,000. MWSD's assessment would increase by \$55,498 or 4% to \$1,584,637.

The SAM General Manager Kishen Prathivadi will be presenting the SAM draft Budgets to the MWSD board.

RECOMMENDATION:

This is for board information and discussion only. The draft SAM budget will be brought back to this board for consideration of approval at the June 4 meeting.

Attachments



SEWER AUTHORITY MID-COASTSIDE

Staff Report

TO: Honorable Board of Directors

FROM: Kishen Prathivadi, General Manager

SUBJECT: **Discuss Proposed Contract Collection Services Budget for FY 2020/21 and Authorize the General Manager to submit it to the Participating Agencies for approval**

Executive Summary

The purpose of the report is to discuss the contract collection services budget for FY 2020/21 and authorize the General Manager to submit it to the Participating Agencies for approval

Fiscal Impact

The total cost to provide the Member Agency requested services for Fiscal Year 2020/21 is \$672,373. This amount is payable to SAM as contract service fees from the served agencies. This is an overall decrease in fees of \$144,265 attributed to collection systems contract maintenance for the agencies. The following table reflects the history of fees for each agency for the past three years, the current year, and the upcoming year.

Contract Fees for Each Contracting Agency

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY2020/21	\$	%
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>	<u>Change</u>
Half Moon Bay	\$351,881	\$274,596	\$310,908	\$178,888	\$227,439	\$ 48,551	27%
GCSD	\$242,350	\$239,954	\$284,500	\$296,201	\$186,574	- \$ 109,627	- 37%
MWSD	<u>\$321,608</u>	<u>\$279,411</u>	<u>\$328,036</u>	<u>\$341,549</u>	<u>\$258,360</u>	- \$ 83,189	- 24%
Total	\$915,839	\$793,961	\$923,444	\$816,638	\$672,373	- \$ 144,265	- 17%

The proposed budget is impacted mostly by the decision to remove \$180,000 Overhead Charges. Upon review of the process with staff and accounting/budgeting consultants it was determine that the recent

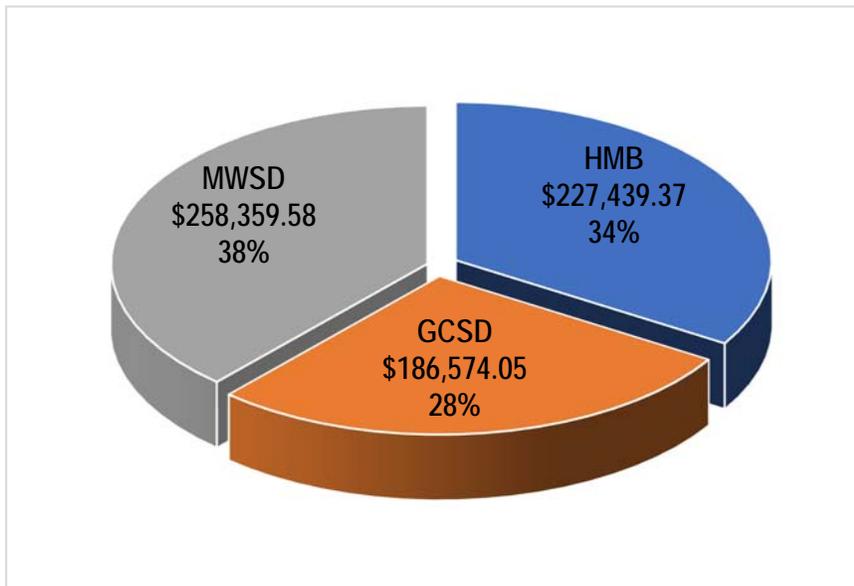
BOARD MEMBERS: J. Blanchard B. Dye R. Lohman
 D. Penrose D. Ruddock K. Slater-Carter

ALTERNATE MEMBERS: S. Boyd M. Clark A. Eisen
 J. Harvey H. Rarback

practice of allocating a portion of SAM Administrative Overhead costs to the Collection Budget should cease as it is more transparent to have those costs entirely attributed to the SAM General Budget Administrative costs. This decision is consistent with SAM's goal of simplifying the budget process going forward.

There is an increased cost to the proposed budget of approximately \$46,000 which is almost entirely attributable to costs incurred over the last year due to actual levels of "Hot Spot" cleaning required to prevent pipeline plugging and expected to continue into the future.. The removal of the misapplied funds plus the added cost of Hot Spot cleaning requirements results in a net reduction of \$144,265.00 compared to last year's approved budget for collections system maintenance services.

The pie-chart below details the allocation of the proposed budget for each Member Agency.



Strategic Plan Compliance

The recommendations in the proposed budget comply with SAM Strategic Plan Goal 5.6: *“SAM is committed to providing quality collection system maintenance service for the Coastside. It will seek to offer the type of agile and responsive service and cost that wins that business. However, SAM resources should not be used to backstop collection service without appropriate compensation and pre-planning so it does not impact SAM operations and maintenance.”*

BOARD MEMBERS:	J. Blanchard D. Penrose	B. Dye D. Ruddock	R. Lohman K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd J. Harvey	M. Clark H. Rarback	A. Eisen

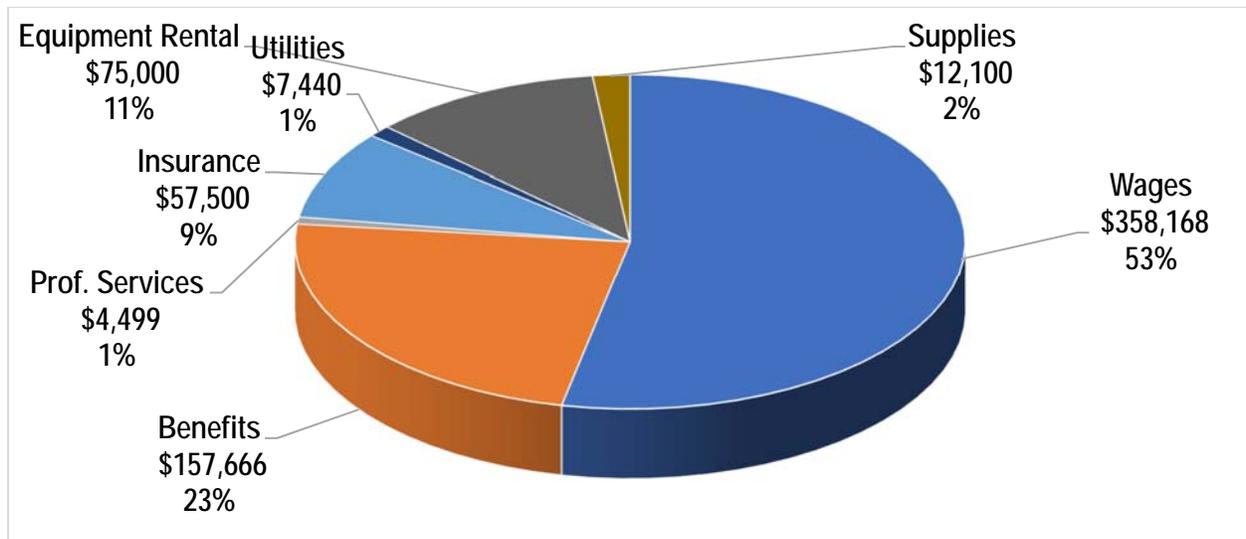
Background and Discussion/Report

SAM has provided collection system maintenance services to its member agencies since 1988. The scope of services has changed over the years to meet regulatory requirements and individual needs of the Member Agencies. While the cost allocation methodology has changed over the years, the Member Agency Managers along with the SAM Manager and consultants have worked together to develop a method of allocation, beginning this year and hoped to be used in the future, based on the needed services of each agency. The cost allocation presented reflect that method and those needs.

Beginning July 1, 2020 the minimum service level provided by SAM will entail cleaning at least fifty percent (50%) of the collection system’s pipelines, cleaning of designated Hot Spots per an agreed upon schedule, provide lift station services as defined, provide emergency response throughout the year and performance of reporting and planning as needed to ensure all needs of each Member Agency’s service area collection system is met.

The proposed budget includes obligations for wages and benefits as stipulated in employment and bargaining contracts, utilities, fuel, rental equipment, insurance and other expenses needed to perform all needed and required services.

The pie chart below details budget expenditures.



BOARD MEMBERS:	J. Blanchard	B. Dye	R. Lohman
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	M. Clark	A. Eisen
	J. Harvey	H. Rarback	

The performance of collection system maintenance is a very staff intensive activity and, thereby, most costs (76%) as shown above are for wages and benefits for personnel to perform the work. Other significant costs are insurance provided for the Member Agencies related to their collection systems and rental equipment needed as support for the work. All other costs combined are less than 5% of the total overall budget.

Staff Recommendation

Staff recommends that the Board of Directors authorize the General Manager to submit the Contract Collection Services Budget for Fiscal Year 2020/21 to the participating agencies for approval.

Supporting Documents

Attachment A: Contract Collection Services Budget for FY 2020/21

BOARD MEMBERS:	J. Blanchard	B. Dye	R. Lohman
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	M. Clark	A. Eisen
	J. Harvey	H. Rarback	

CONTRACT COLLECTION SERVICES
Consolidated (Half Moon Bay, GCSD, MWSD)

	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	SAM FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
EXPENDITURES							
<u>Personnel</u>							
1	Wages	347,149	401,639	173,534	246,191	356,029	109,837 45%
2	Premium Pay	40,519	44,243	55,314	35,733	2,139	(33,594) -94%
3	Health Benefits	95,961	70,298	55,271	41,204	97,914	56,710 138%
4	Retirement Cont.	30,156	52,497	29,710	31,347	30,683	(665) -2%
5	Retiree Med/OPEB	1,668	5,660	3,371	3,362	4,584	1,222 36%
6	Misc. Benefits	23,027	31,812	13,354	18,229	24,486	6,257 34%
7	Subtotal	538,480	606,149	330,555	376,067	515,834	139,767 37%
<u>Non-Personnel</u>							
8	Legal Services	-	-	-	-	-	-
9	Engineering Services	-	-	-	-	-	-
10	Professional Services	49,004	-	48,269	44,988	4,499	(40,489) -90%
11	Prof. Memberships	-	175	-	50	-	(50) -100%
12	Insurance Premiums	59,204	37,000	43,960	35,744	57,500	21,756 61%
13	Misc. Expenses	9,211	175,494	186,865	176,030	-	(176,030) -100%
14	Utilities	10,001	10,950	9,642	12,627	7,440	(5,187) -41%
15	Travel & Training	2,180	1,081	921	50	-	(50) -100%
16	Equipment Rental	-	52,139	150,373	148,843	75,000	(73,843) -50%
17	Bldg & Maint Services	115,430	-	97,042	-	-	-
18	Chemicals	4,089	1,025	1,855	1,000	-	(1,000) -100%
19	Permits & Licenses	1,044	-	-	-	-	-
20	Supplies	21,176	21,600	21,178	21,270	12,100	(9,170) -43%
21	Equipment	-	-	-	-	-	-
22	Infrastructure	-	-	-	-	-	-
23	Claims/Penalties	(38,653)	-	1,419	-	-	-
24	Subtotal	232,686	299,464	561,525	440,602	156,539	(284,063) -64%
25	TOTAL	771,166	905,613	892,080	816,669	672,373	(144,296) -18%

Key Budget Points:

- Additional Hot Spot Cleanings result in approximately \$36,000 increase
- Actual headcount is budgeted and reflected vs under budgeting last year
- Removal of Other Miscellaneous Expenses and reclassified to the General Budget
- Includes required COLA per MOU and Step Increases

CONTRACT COLLECTION SERVICES
Consolidated (Half Moon Bay, GCSD, MWSD)

	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 BUDGETED	FY2020/21 PROPOSED		CHANGE FROM FY 2019/20 BUDGET	
REVENUE							
<u>By Type:</u>							
26	JPA Assessments	-	-	-		-	
27	Contract Services	923,441	977,409	816,638	672,373	(144,265)	-18%
28	NDWSCP Fees	7,175	11,571	7,175		(7,175)	-100%
29	Misc. Fees	-	-	-		-	
30	Interest Earnings	-	-	-		-	
31	Misc. Revenue	-	-	-		-	
32	From/(To) Reserves	-	-	-		-	
33		930,616	988,981	823,813	672,373	(151,440)	-18%
<u>By Agency:</u>							
34	Half Moon Bay	310,905	271,906	178,888	227,439.37	48,551	27%
35	Granada CSD	284,500	290,128	296,201	186,574.05	(109,627)	-37%
36	Montara WSD	328,036	415,376	341,549	258,359.58	(83,189)	-24%
37		923,441	977,409	816,638	672,373.00	(144,265)	-18%

Funded Positions:	5.00	5.00	4.00	4.00		-	0%
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SEWER AUTHORITY MID-COASTSIDE

T0: Board of Directors

FROM: Kishen Prathivadi, General Manager

SUBJECT: **Discuss proposed General Budget for Fiscal Year 2020-21 and Authorize the General Manager to submit it to Member Agencies for Approval.**

Executive Summary

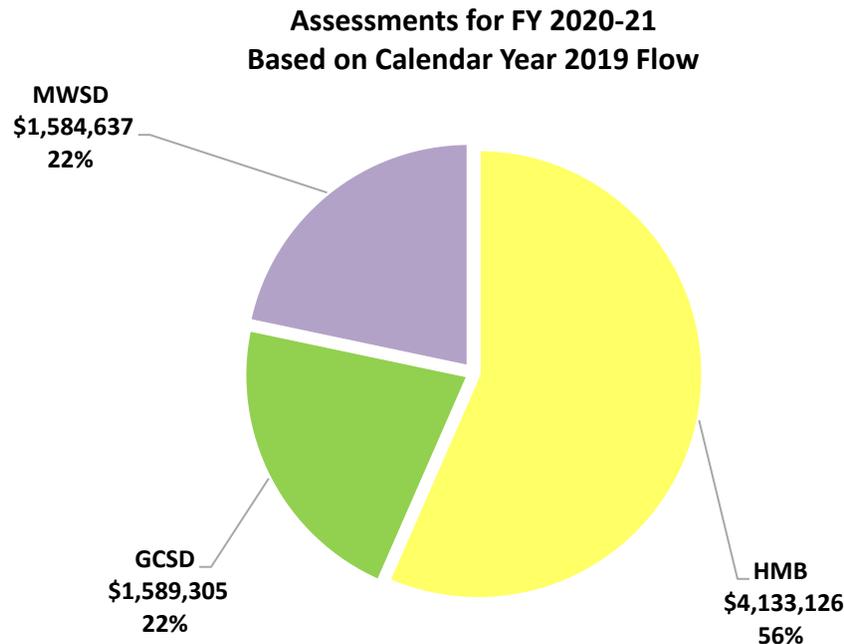
The purpose of this report is to discuss the proposed General Budget for Fiscal Year 2020-21 and Authorize the General Manager to submit it to Member Agencies for Approval.

Fiscal Impact

The operation and maintenance expenditure budget for Fiscal Year 2020/21 is \$7.4 million, including infrastructure project expenses. This is an *overall decrease* of \$190,000 from the FY 2019/20 adopted budget, which is primarily due to decreasing wages and benefits by \$250,000 and reducing the infrastructure budget by \$0.5M partly offset by increases in professional and legal services. The impact, net of miscellaneous revenues of \$138,000, to the member agency assessments is:

Assessments for Each Member Agency

	FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
Half Moon Bay	\$ 3,461,445	\$ 3,542,142	\$ 4,131,899	\$ 4,133,126	\$ 1,226	0%
Granada CSD	\$ 1,527,134	\$ 1,532,891	\$ 1,753,394	\$ 1,589,305	\$ (164,090)	-9%
Montara WSD	\$ 1,324,462	\$ 1,316,715	\$ 1,529,139	\$ 1,584,637	\$ 55,498	4%
	\$ 6,313,041	\$ 6,391,748	\$ 7,414,433	\$ 7,307,067	\$ (107,366)	-1.4%



Strategic Plan Compliance

The recommendations in the proposed budget comply with SAM Strategic Plan Goal 3: *“Consider long-term costs and ensure that finances are stable and understandable by the board, member agencies, and the public.”*

Background and Discussion/Report

The General Budget includes all operation and maintenance (O&M) costs for SAM and are allocated to four divisions (Administrative Services, Treatment, Environmental Compliance, and Infrastructure). The proposed budget includes obligations for wages and benefits defined in employment and bargaining contracts, increases in retirement contributions, and other non-discretionary expenses.

Staff made the following assumptions in determining changes from the FY 2020/21 adopted budget.

- Projects in the SAM Board of Directors approved FY 2020-2021 Infrastructure Plan will be implemented, except for five projects totaling \$0.66M that are proposed to be deferred.
- The positions of Engineering & Construction Contracts Manager and Accounting Technician have been defunded.
- All applicable merit step increases will be earned per the MOU with Local No. 39.
- All authorized positions are funded. Salaries for filled positions are estimated at one step up and for currently vacant positions are estimated at mid-step.

- All services, supplies, and utilities will be increased by a 3% CPI unless specific adjustment was deemed necessary based on actual experience or known factors.
- Removed overhead charge of approximately \$180,000 to collection contract services.

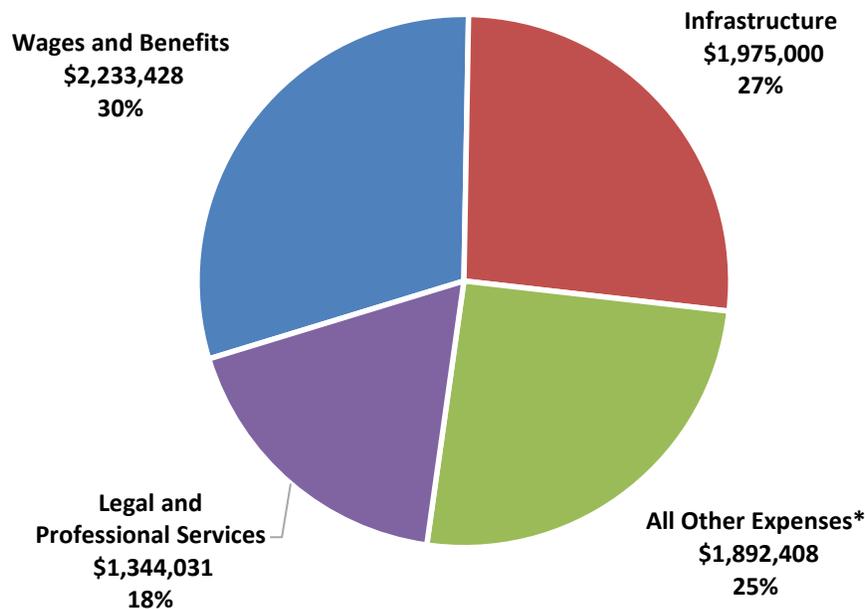
Budget Overview

The General Budget, including the proposed infrastructure projects, has been discussed by the member agency managers. The presentation today is for the Board to review and follow-up with agency staff and government leaders for comment. Approval of the proposed budget will take place later.

Of the total General Budget of \$7.44 million, \$2.233 million (30%) is for wages and benefits. The cost of infrastructure improvements is \$1.975 million (27%). Professional, Engineering and Legal services is \$1.344 million (18%) and accounts for a significant percentage of the budget due to SAM's dependency on contractors and consultants for technical and specialized services.

All other expenses (liability insurance, professional memberships, uniform services, conferences, training, permits, licenses, etc.) make up approximately 25% of the total budget.

**Expense by Category
Total \$7.44 million**



*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.

The most significant changes in the Administrative Services division budget are the defunding of the accounting technician position (\$116,000) resulting in a net reduction of \$80,000 in wages and benefits and increasing the legal and professional services (\$160,000) to respond to the recent litigation and to outsource key accounting functions.

The most significant changes in the Treatment division budget are defunding of the Engineering & Construction Contracts Manager position resulting in a net decrease of \$117,538 in wages and benefits, increases in professional services and engineering (\$363,000), building and maintenance services (\$90,000), and a reduction in equipment purchases (\$120,000).

The Infrastructure division decreased by \$0.5 million from \$2.485 million in Fiscal Year 2019/20 to \$1.993 million (conservative scenario) in FY 2020/21 to address critical and urgent projects identified in the approved FY 2020-2021 Capital Improvement Plan.

Changes in Expenses

The significant overall changes in the expense categories are as follows. The numbers are correlated to the line items on the budget spreadsheets.

1. Wages: net decrease of \$198,484 to reflect the defunding of the Accounting Technician and Engineering & Construction Contracts Manager positions, negotiated COLA, and application of step increases, where appropriate.
2. Premium Pay: increased \$775 for negotiated changes in standby pay, certification pay, and overtime pay.
3. Health Benefits: decreased \$60,673 based on the negotiated health premiums and the net decrease in staffing.
4. Retirement Contributions: increased \$24,348 primarily due to the underestimation of retirement costs related to the unfunded liability portion in the prior year's budget.
5. Retirement Medical: increased \$1,021 for contributions as negotiated in the MOU and the Unrepresented Employees.
6. Misc. Benefits: decreased \$16,629 for benefits as negotiated in the MOU and the Unrepresented Employees.
7. Personnel Subtotal: total decrease in personnel costs is \$251,684 (-10%) primarily due to defunding of two positions.
8. Legal Services: increased \$47,500 based on anticipated expenses for FY 2020/21 (does not include any expense related to the HMB lawsuit).

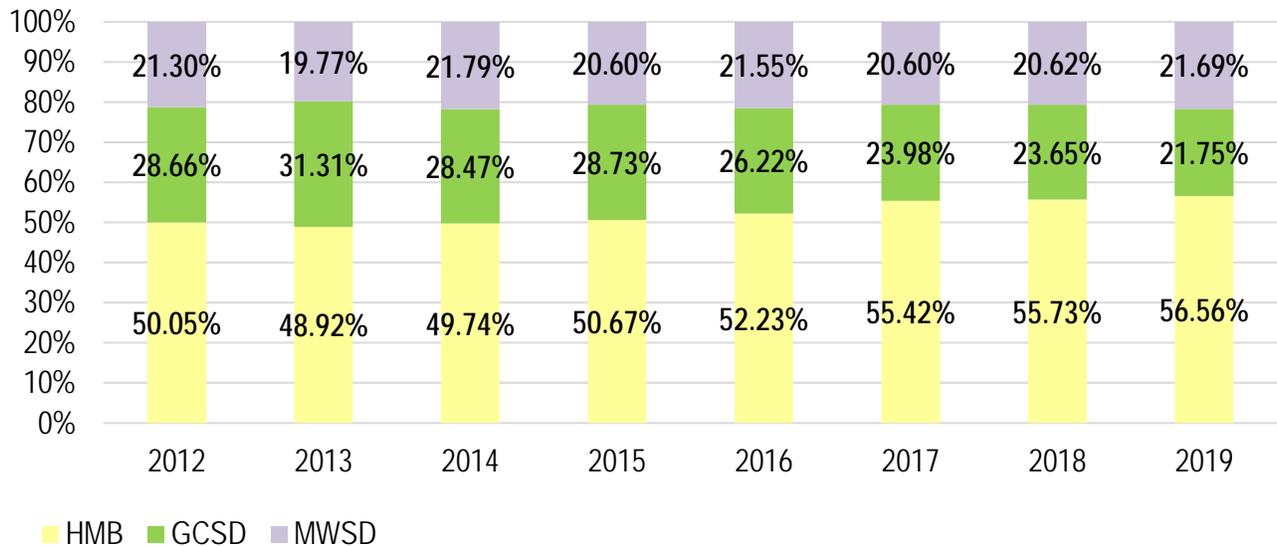
9. Engineering Services: decreased \$367,000 for design and project management services for projects identified in the Infrastructure/Capital Improvement Plan with the engineering costs reclassified into the infrastructure project budgets.
10. Professional Services: increased \$344,222 to reflect increased reliance on contractors and one-time expenses (such as GIS software hosting, electrical maintenance, safety training, etc.)
11. Professional Memberships: increased \$990 based on current year spending.
12. Insurance Premiums: increased \$42,000 to reflect anticipated increases in property, liability, pollution, and professional liability premiums.
13. Misc. Expenses: increased \$34,463 to reflect current needs year-to-date.
14. Utilities: increased \$39,965 for electricity, gas, and water to reflect current costs.
15. Travel & Training: decreased \$1,437 based on existing training needs of staff and participation in industry conferences for management team.
16. Equipment Rental: decreased \$29,685 to reflect reduced expenses to reflect actual rent experience in the current year.
17. Building & Maintenance Services: increased \$101,453 for contractors to perform necessary maintenance tasks at the treatment plant and pump stations.
18. Chemicals: increased \$5,520 based on anticipated expenses to reflect actual recent experience and expected vendor increases.
19. Permits & Licenses: decreased \$5,500 based on current spending.
20. Supplies: decreased \$833 based on current spending.
21. Equipment: decreased \$89,445 to reflect anticipated needs
22. Infrastructure: decreased \$60,000 to address the projects identified in the approved FY2020-2021 Capital Improvement Plan budget, including engineering costs.
23. Claims/Penalties: increased \$105 based on CPI increase of 3%.
24. Non-Personnel Subtotal: total increase in non-personnel costs is \$62,319 (1%).

Revenue Allocation

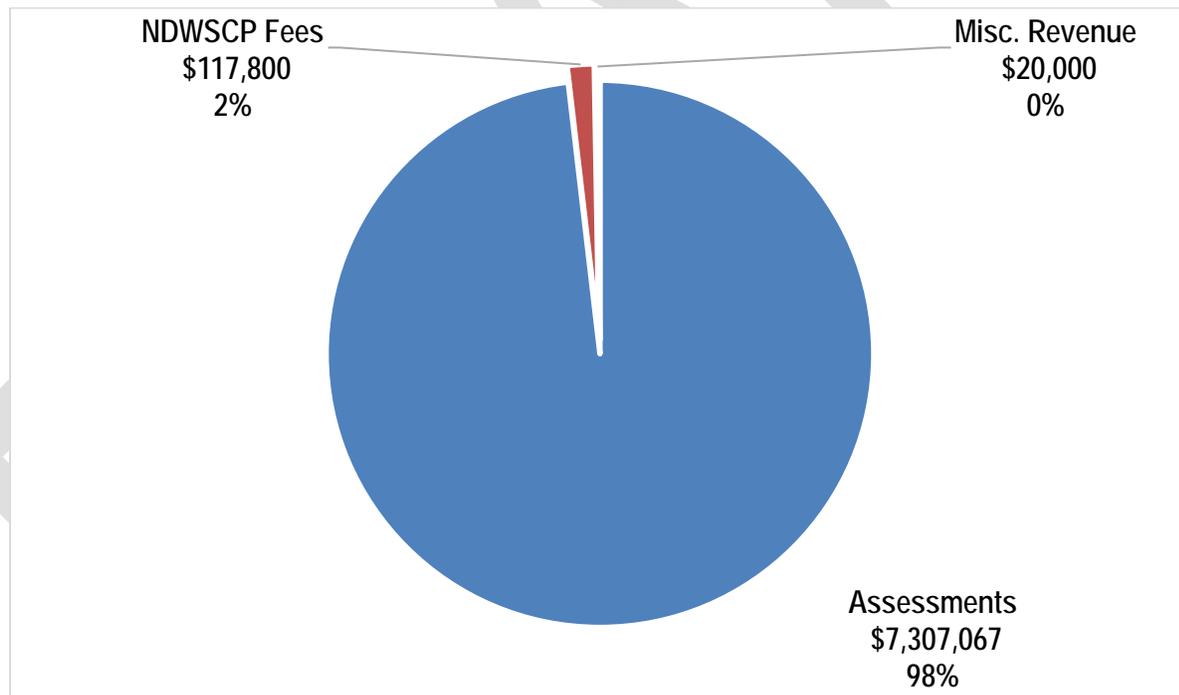
Of the total O & M revenue, the majority (98%) is from assessments paid by the JPA

member agencies. The allocation between the agencies is based on the flow from the preceding calendar year. The flow allocations fluctuate from year to year.

Historical Flow Allocations



The remaining revenue comes from the Non-Domestic Waste Source Control Program fees (2%), and miscellaneous revenue (0%).



Fiscal Reserve

The Authority has two types of reserves identified in its reserve policy – Emergency Repair Reserve) and Operating Reserve. The specific requirements for those reserves are as follows:

Emergency Repair Reserve

1. Objective: To ensure that adequate cash is available to stabilize and avoid sudden

budget impacts in a particular year from material, unplanned repairs or replacements that require immediate attention to continue operations.

Target: An emergency reserve of \$1,250,000. If and to the extent the reserve is used, a plan for replenishment will be presented by the SAM Manager to the Board within 60 days.

Uses:

- a. A repair or replacement resulting from an event causing sudden, significant failure of facilities that threatens continuation of operations.*
- b. Any repair or replacement which was scheduled to commence in a future fiscal year, but is critical to complete earlier than planned in order to insure continuation of operations, with Board approval.*

Operating Reserve

1. Objective: To ensure that adequate cash is available when needed to pay SAM's normal and recurring operating costs.

Target: An operating and cash flow reserve equal to two months of the fiscal year budgeted operating expenses.

Uses: Payment of budgeted operating expenditures.

SAM maintains their reserve in cash accounts (LAIF, Money Market and checking)

Staff Recommendation

Staff recommends that the Board of Directors review the budget with their respective staff and contemporaries and return comments to the SAM General Manager on or before May 20, 2020 for evaluation and approve a final budget before June 1, 2020.

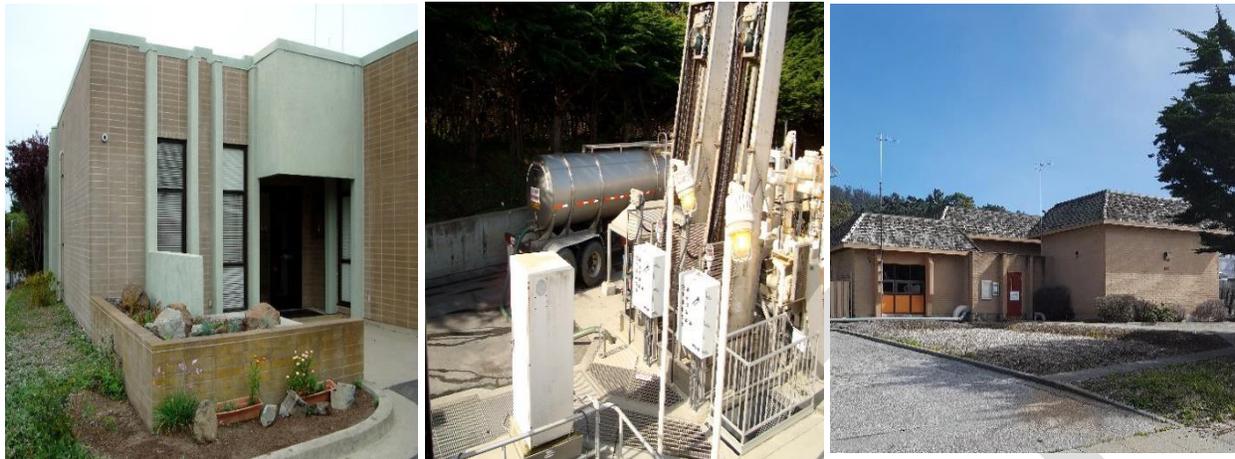
Supporting Documents

Attachment A: SAM General Budget for FY 2020/21



General Budget
Fiscal Year 2020/21

OPERATIONS BUDGET



EXECUTIVE SUMMARY

The Joint Exercise of Powers Agreement (Agreement) that created SAM and governs its day-to-day operations specifies that “The total expenses of operation and maintenance shall be shared in a manner based on flows into the single consolidated plant. The General Budget is divided into Administrative Services, Treatment, Environmental Compliance, and Infrastructure.

The General Budget includes obligations for wages and benefits defined in employment and bargaining contracts, increases in retirement contributions, and other non- discretionary expenses.

JPA Income & Expenses – General Budget

Operating Income		
Assessments - City of Half Moon Bay	4,133,126	
Assessments - Granada Community Services District	1,589,305	
Assessments - Montara Water & Sanitary District	1,548,637	
Interest Income	20,000	
NDWSCP Fees	117,800	
Total Operating Income		\$ 7,444,867
Operating Expenses		
Wages	1,427,794	
Benefits	805,634	
Legal Services	150,000	
Engineering Services	100,000	
Professional & Technical Services	1,094,031	
Professional Memberships	34,090	
Insurance Premiums	105,000	
Miscellaneous Expenses	75,736	
Utilities	561,173	
Travel & Training	42,164	
Equipment Rental/Lease	110,815	

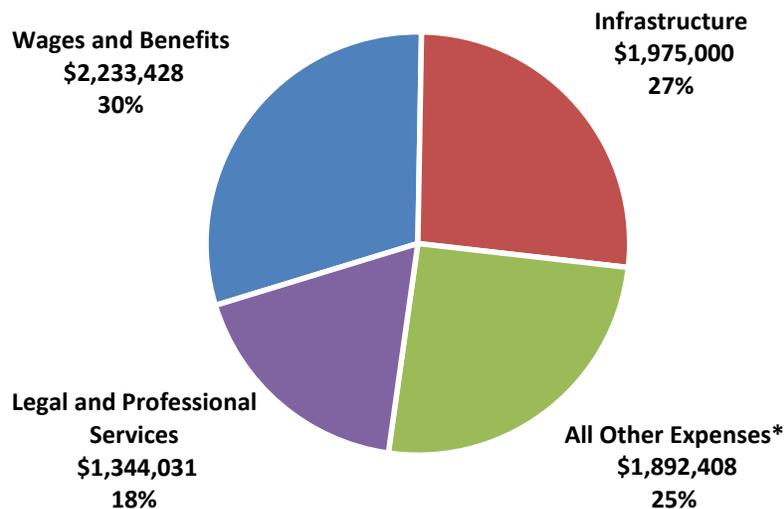
GENERAL BUDGET FISCAL YEAR 2019/20

Building & Maintenance Services	329,553	
Chemicals	189,520	
Permits & Licenses	27,500	
Supplies	104,198	
Equipment	309,055	
Infrastructure Projects	1,975,000	
Claims & Penalties	3,605	
Total Expenses		\$ 7,444,867
Total Operating Expenses (less Infrastructure)		\$ 5,469,867
Contribution to Reserve Funds (Revenues less Expenses)		\$ 0

The overall decrease from the adopted budget for Fiscal Year 2019/20 to the proposed budget for Fiscal Year 2020/21 is \$190,000 (-2%). This is primarily due to a decrease in infrastructure and increase in professional and legal services in addition to COLA and CPI adjustments net of defunding two positions (approximately \$280,000).

Of the total General Budget, \$2.233 million (30%) is for wages and benefits. The cost of infrastructure improvements is \$1.975 million (27%). Engineering, Legal, and Professional Services is \$1.344 million (18%) and accounts for a significant percentage of the budget due to SAM's dependency on contractors and consultants for technical and specialized services. Other expenses (including Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims) represent 25% of the budget.

Expense by Category Total \$7.44 million



*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims

Division Budgets by Fiscal Year

	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	\$	%
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>	<u>Change</u>
Administration	\$1,155,846	\$1,573,851	\$1,249,451	\$1,355,424	\$ 105,973	8%
Treatment	\$2,994,735	\$3,457,677	\$3,678,880	\$3,936,735	\$ 257,856	7%
Environmental	\$ 151,643	\$ 133,563	\$ 220,902	\$ 159,910	\$ (60,993)	-28%
Infrastructure	<u>\$ 3,047,274</u>	<u>\$792,677</u>	<u>\$2,485,000</u>	<u>\$1,992,799</u>	<u>\$ (492,201)</u>	<u>-20%</u>
Total	\$7,349,498	\$5,957,769	\$7,634,233	\$7,444,867	\$(189,365)	-2%
Total Operating	\$4,302,224	\$5,165,092	\$5,149,233	\$5,469,867	\$320,634	6%

The Administrative Services division increased \$105,973 (8%). The net increase is a result from the COLA adjustment of 4% and an overall increase in professional and legal services from the prior year and defunding of the Accounting Technician position.

The Treatment division increased \$257,856 (7%), which is mostly due to the COLA increase of 4%, shift in unfunded PERS liability from the administrative services division, and increased budget for professional services and defunding of the Engineering & Construction Contracts Manager position.

The Environmental Compliance division budget decreased \$60,993 (-28%) primarily due to reduction in professional services based on year-to-date expenditures.

The Infrastructure division decreased \$0.5 million to address the projects in the approved FY2020-2021 Capital Improvement Plan, with the exception of five non urgent projects totaling \$0.66 million. This amount is inclusive of engineering project costs.

BUDGET ALLOCATION AND ASSESSMENTS

The Joint Exercise of Powers Agreement (JEPA) stipulates that the total expenses of operation and maintenance of all of the components of the Present Project (intertie pipeline and attendant pump facilities, ocean outfall, treatment plant) shall be shared in a manner based on flows.

Flow Results for Budget Allocations*

	HMB	GCS D	MWSD	
FY 2020/21	56.6%	21.8%	21.7%	(Based on Calendar Year 2019)
FY 2019/20	<u>55.7%</u>	<u>23.6%</u>	<u>20.6%</u>	(Based on Calendar Year 2018)
Variance	0.9%	-1.8%	1.1%	

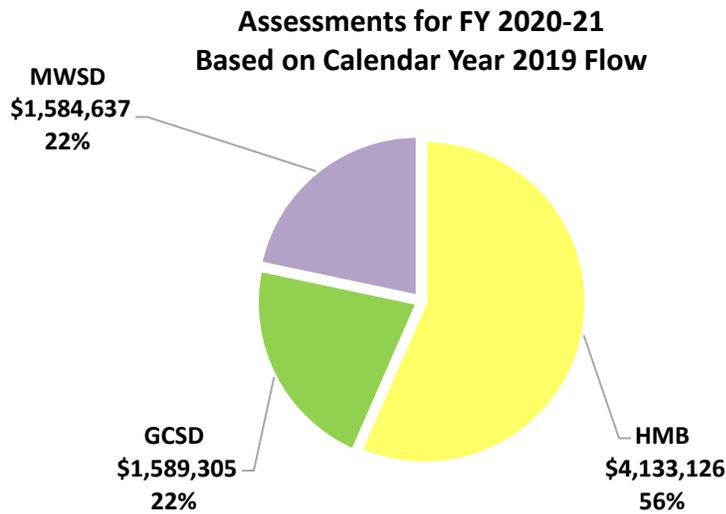
*The member agency assessments are allocated based on flow percentages from the previous calendar year. This allocation varies each year.

GENERAL BUDGET FISCAL YEAR 2020/21

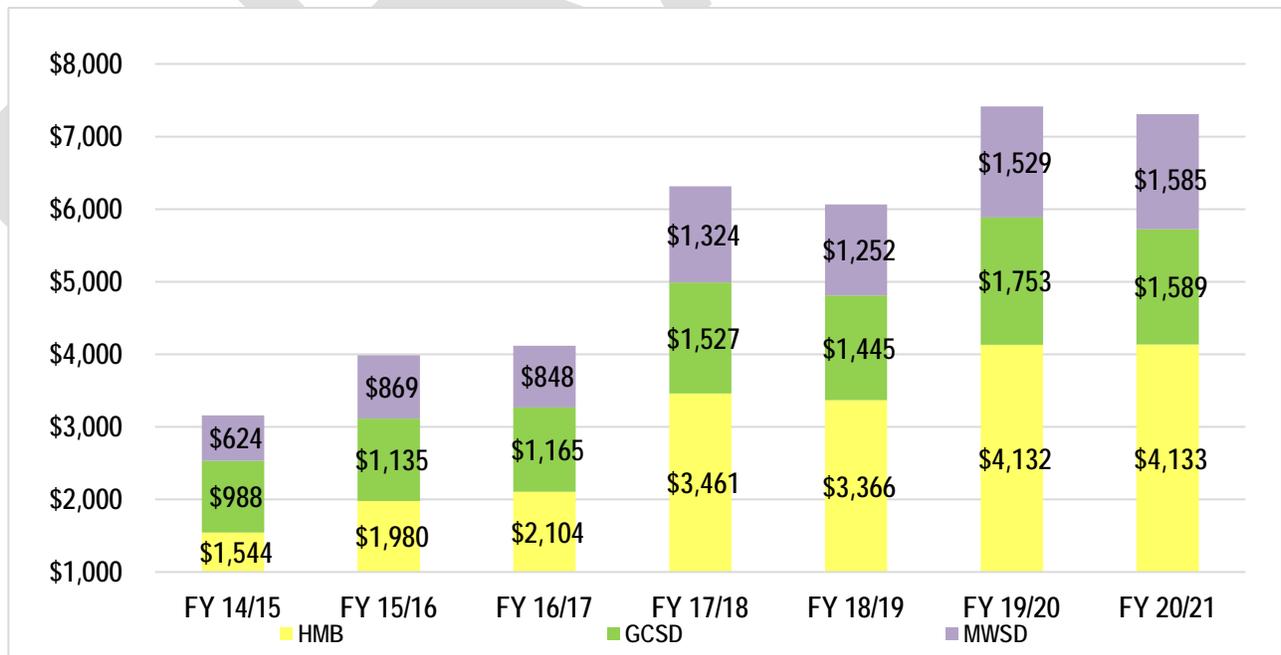
Total Assessments for Each Member Agency*

	FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
Half Moon Bay	\$ 3,461,445	\$ 3,542,142	\$ 4,131,899	\$ 4,133,126	\$ 1,226	0%
Granada CSD	\$ 1,527,134	\$ 1,532,891	\$ 1,753,394	\$ 1,589,305	\$ (164,090)	-9%
Montara WSD	\$ 1,324,462	\$ 1,316,715	\$ 1,529,139	\$ 1,584,637	\$ 55,498	4%
	\$ 6,313,041	\$ 6,391,748	\$ 7,414,433	\$ 7,307,067	\$ (107,366)	-1.4%

* The assessments to the Member Agencies are rounded to nearest dollar.



Assessments History by Agency (in 1,000's)



STAFFING

SAM continues to keep staffing levels as low as possible in order to hold costs down. This results in less impact on Member Agency assessments and lower rates to the end users. SAM struggles with filling vacant positions with qualified persons due to the requirement for Operations, Maintenance and Collections staff to live within 60 minutes of the service area in order to respond to emergency callouts. The high cost of living in the bay area and on the mid-coast makes it difficult to replace retiring staff and other vacancies as new employees are often unable to find suitable housing in an area that allows them to comply with the 60 minute response requirement. SAM will continue to develop programs to retain employees that are able to start in lower level positions and grow within SAM as positions that require higher skill levels open and provides opportunity for staff to make higher wages. The development of a succession plan and staff training programs are underway and over time will help with this challenge.

The following table reflects the operating staff level for SAM over the past six years.

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
JPA	8.85	8.525	10.75	11.00	13.00	14.00	12.0 ¹

¹FY 2020-21 staffing reflects defunded positions of Accounting Technician and Engineering & Construction Contracts Manager.

GENERAL BUDGET FISCAL YEAR 2020/21

OVERALL OPERATIONS BUDGET SUMMARY

(Includes: Administrative Services, Treatment, Environmental Compliance, and Infrastructure)

	FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2019/20 ESTIMATE	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
EXPENDITURES							
Personnel							
1 Wages	1,225,723	1,443,587	1,626,278	1,457,296	1,427,794	(198,484)	-12%
2 Premium Pay	73,243	62,748	85,700	112,758	86,475	775	1%
3 Health Benefits	255,994	299,804	343,982	273,344	283,309	(60,673)	-18%
4 Retirement Cont.	145,698	294,314	296,658	278,164	321,006	24,348	8%
5 Retiree Med/OPEB	22,331	32,415	35,628	29,066	34,607	(1,021)	-3%
6 Misc. Benefits	58,682	76,678	96,866	77,779	80,237	(16,629)	-17%
7 Subtotal	1,781,671	2,209,545	2,485,113	2,228,407	2,233,428	(251,684)	-10%
Non-Personnel							
8 Legal Services	98,537	282,251	102,500	316,210	150,000	47,500	46%
9 Engineering Services	292,396	237,689	467,000	182,235	100,000	(367,000)	-79%
10 Professional Services	680,764	911,700	749,809	943,195	1,094,031	344,222	46%
11 Prof. Memberships	38,670	30,724	33,100	113,369	34,090	990	3%
12 Insurance Premiums	205,646	107,808	63,000	156,845	105,000	42,000	67%
13 Misc. Expenses	44,656	55,777	41,273	77,267	75,736	34,463	84%
14 Utilities	425,533	584,894	521,208	535,386	561,173	39,965	8%
15 Travel & Training	16,054	40,306	43,600	38,898	42,164	(1,437)	-3%
16 Equipment Rental	169,149	133,766	140,500	72,435	110,815	(29,685)	-21%
17 Bldg & Maint Services	281,465	320,185	228,100	353,244	329,553	101,453	44%
18 Chemicals	131,994	186,273	184,000	192,332	189,520	5,520	3%
19 Permits & Licenses	51,194	23,588	33,000	40,302	27,500	(5,500)	-17%
20 Supplies	61,412	89,193	105,031	101,704	104,198	(833)	-1%
21 Equipment	1,067,664	532,350	398,500	681,367	309,055	(89,445)	-22%
22 Infrastructure Projects	1,952,693	208,443	2,035,000	101,974	1,975,000	(60,000)	-3%
23 Claims/Penalties	-	3,275	3,500	-	3,605	105	3%
24 Subtotal	5,517,827	3,748,224	5,149,120	3,906,763	5,211,439	62,319	1%
25 TOTAL	7,299,498	5,957,769	7,634,233	6,135,170	7,444,867	(189,365)	-2%

Key Changes

GENERAL BUDGET FISCAL YEAR 2020/21

Personnel costs: net decrease as a result of the eliminated two positions	\$ (251,684)
Engineering services: net decrease in miscellaneous engineering, accounted for in infrastructure	\$ (367,000)
Legal services: net increase as a result of ongoing and potential legal cases and due to underbudgeting in prior fiscal year	\$ 47,500
Professional services: net increase driven by year-to-date actuals	\$ 344,222
Insurance premiums: net increase due to underbudgeting in prior fiscal year	\$ 42,000
All other operating expenses: net increase due to CPI and adjustments to other operating expenses	\$ 55,597
Infrastructure: net decrease result of CIP (includes engineering costs, reclassified)	\$ (60,000)

TOTAL GENERAL OPERATING EXPENDITURES BUDGET DECREASE \$ (189,365)

	FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2019/20 ESTIMATE	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
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REVENUE

By Type:

JPA Assessments	6,313,041	6,391,748	7,414,433	7,414,433	7,307,067	(107,366)	-1%
NDWSCP Fees	109,238	158,908	149,800	91,665	117,800	(32,000)	-21%
Interest Earnings	20,184	23,314	20,000	615	20,000	-	0%
Misc. Revenue	66,827	183,200	176,530	-	-	(176,530)	-100%
Total	6,509,290	6,757,169	7,760,763	7,506,713	7,444,867	(315,896)	-4.1%

By Agency:

Half Moon Bay	3,461,445	3,542,142	4,131,899	4,131,899	4,133,126	1,226	0%
Granada CSD	1,527,134	1,532,891	1,753,394	1,753,394	1,589,305	(164,090)	-9%
Montara WSD	1,324,462	1,316,715	1,529,139	1,529,139	1,584,637	55,498	4%
	6,313,041	6,391,748	7,414,433	7,414,433	7,307,067	(107,366)	-1.4%

Key Changes

Assessments reflect decreased funding for infrastructure projects, maintenance, staff	(107,366)
Reduction in FOG	(32,000)
Overhead revenue from Contract Services removed from General Budget	(176,530)
TOTAL GENERAL OPERATING BUDGET REVENUE DECREASE	(315,896)

GENERAL BUDGET FISCAL YEAR 2020/21**FINANCIAL DETAILS**

The following is a list of key budget lines for FY2019/20 and 2020/21 budgets with brief explanations of the changes from year to year. This is a “budget to budget” comparison and does not necessarily represent current expenditures. Underlined items indicate a budget change in excess of \$10,000 year to year.

Budget Line #	FY 2019/20	FY 2020/21
1. Wages Increased for COLA adjustments, step increases and staffing changes.	\$1,626,278	\$1,427,794
2. Premium Pay Overtime paid for staff to perform tasks outside of normal work times.	\$85,700	\$86,475
3. Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU and Unrepresented Employees.	\$343,982	\$283,309
4. Retirement Contributions SAM pays the employer contribution to CalPERS for retirement benefits in compliance with PEPRA.	\$296,658	\$321,006
5. Retiree Medical/OPEB Includes contributions to a Health Retirement Account for future retirees as well as current retiree medical premiums.	\$35,628	\$34,607
6. Misc. Benefits Includes Medicare, long-term and short-term disability, workers compensation, and matching funds to a 457 plan.	\$96,866	\$80,237
7. Personnel Subtotal Subtotal of all wage and benefit costs.	\$2,485,113	\$2,223,428
8. Legal Services Increased based on anticipated number of meetings special projects, and ongoing cases.	\$102,500	\$150,000
9. Engineering Services Increased to provide design and project management related to treatment division.	\$17,000	\$100,000

GENERAL BUDGET FISCAL YEAR 2020/21

Budget Line #	FY 2019/20	FY 2020/21
10. Professional Services Includes ongoing services that are specialized and need to be performed by consultants rather than staff.	\$749,809	\$1,094,031
11. Professional Membership Includes memberships in professional organizations for SAM and employees that keeps them current in industry practices and improves how SAM serves the community.	\$33,100	\$34,090
12. Insurance Premiums Property, liability, and pollution premiums based on utilization rates.	\$63,000	\$105,000
13. Misc. Expenses Includes incidental expenses (uniforms laundry services, radio and alarm systems, offsite storage, postage, claims, copier, phone system support, etc.) not reflected in other categories.	\$41,273	\$75,736
14. Utilities Electricity, water, telephone, solid waste, etc.	\$521,208	\$561,173
15. Travel & Training Training and travel related costs for attendance at industry conferences and seminars, and other related events to allow staff to keep current on technical skills and industry best practices.	\$43,600	\$42,164
16. Equipment Rental/Lease Short-term rental or lease of equipment (generators, storage tanks, etc.).	\$140,500	\$110,815
17. Building & Maintenance Services Includes janitorial, landscaping, and other regular building maintenance services.	\$228,100	\$329,553
18. Chemicals Includes chemicals used in the treatment of wastewater to meet regulatory standards.	\$184,000	\$189,520

GENERAL BUDGET FISCAL YEAR 2020/21

Budget Line #	FY 2019/20	FY 2020/21
19. Permits & Licenses Annual costs for permits with local, regional and state agencies.	\$33,000	\$27,500
20. Supplies Office, computer, breakroom, and safety supplies.	\$105,031	\$104,198
21. Equipment Purchase Purchase of equipment use at SAM facilities not included in infrastructure projects.	\$398,500	\$309,055
22. Infrastructure Projects Includes costs of projects included in 5-Year CIP. Includes engineering costs associated. Includes costs associated with projects that exceed \$50,000 each.	\$2,485,000	\$1,975,000
23. Claims/Penalties Reflects claims expenses not covered by insurance.	\$3,500	\$3,605
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$5,149,120	\$5,444,867
25. Total Total of all costs (sum of Personnel and Non-Personnel subtotals).	\$7,634,233	\$7,444,867

ADMINISTRATIVE SERVICES

By Category

		FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
	EXPENDITURES						
	Personnel						
1	Wages	481,408	472,383	522,759	444,357	(78,402)	-15%
2	Premium Pay	1,896	8,134	7,600	7,500	(100)	-1%
3	Health Benefits	87,037	75,085	98,532	66,623	(31,909)	-32%
4	Retirement Cont.	62,917	112,423	112,318	62,041	(50,277)	-45%
5	Retiree Med/OPEB	13,184	16,754	19,172	21,111	1,939	10%
6	Misc. Benefits	18,812	20,666	25,207	14,944	(10,263)	-41%
7	Subtotal	665,254	705,447	785,588	616,576	(169,012)	-22%
	Non-Personnel					-	
8	Legal Services	93,089	276,663	102,500	150,000	47,500	46%
9	Engineering Services	-	-	2,000	-	(2,000)	-100%
10	Professional Services	94,563	316,436	165,631	273,483	107,852	65%
11	Prof. Memberships	27,586	25,324	25,000	25,750	750	3%
12	Insurance Premiums	205,646	107,808	63,000	105,000	42,000	67%
13	Misc. Expenses	13,034	26,685	16,751	46,479	29,728	177%
14	Utilities	19,382	28,654	25,200	30,356	5,156	20%
15	Travel & Training	7,444	16,664	17,500	18,025	525	3%
16	Equipment Rental	13,567	12,475	10,500	10,815	315	3%
17	Bldg & Maint Services	11,511	17,135	10,500	21,725	11,225	107%
18	Chemicals	-	-	-	-	-	
19	Permits & Licenses	-	-	-	-	-	
20	Supplies	4,770	7,449	9,280	10,734	1,454	16%
21	Equipment	-	29,836	12,500	42,875	30,375	243%
22	Infrastructure Projects	-	-	-	-	-	
23	Claims/Penalties	-	3,275	3,500	3,605	105	3%
24	Subtotal	490,592	868,405	463,863	738,848	274,985	59%
25	TOTAL	1,155,846	1,573,851	1,249,451	1,355,424	105,973	8%

Key Changes

Wages: Result of net change of elimination of Accounting Technician	(78,402)
Medical, dental, vision premiums and misc. benefits: net decrease due to eliminated position benefits	(42,272)
Retirement: net decrease due to shift in unfunded liabilities allocation; PERS contribution rates increased by less than 1%	(50,277)
Professional services: increased based on actual year-to-date experience	107,852
Legal services: net increase due to continuing cases from prior year	47,500
Utilities, supplies, misc. expenses: increased by 3% CPI	121,572
TOTAL ADMINISTRATION EXPENDITURES BUDGET INCREASE	105,973

GENERAL BUDGET FISCAL YEAR 2019/20

**ADMINISTRATIVE SERVICES
By Category**

		FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
	REVENUE						
	By Type:						
26	JPA Assessments	816,375	1,799,447	1,249,451	1,335,424	85,973	7%
27	Contract Services	-	-	-	-	-	-
28	NDWSCP Fees	-	-	-	-	-	-
29	Misc. Fees	-	-	-	-	-	-
30	Interest Earnings	20,184	23,314	20,000	20,000	-	0%
31	Misc. Revenue	66,827	-	500	-	(500)	-100%
32	(From) Reserves	-	-	-	-	-	-
33		903,386	1,822,761	1,269,951	1,355,424	85,473	7%
	By Agency:						
34	Half Moon Bay	538,137	997,177	696,291	755,361	59,070	8%
35	Granada CSD	55,561	431,580	295,475	290,458	(5,017)	-2%
36	Montara WSD	222,677	370,690	257,684	289,605	31,920	12%
37		816,375	1,799,447	1,249,451	1,335,424	85,973	16%

Key Changes

Assessments reflect net increase in budget for wages, benefits, and other expenses

85,973

TOTAL ADMINISTRATION REVENUE BUDGET INCREASE

85,973

ADMINISTRATIVE SERVICES DIVISION



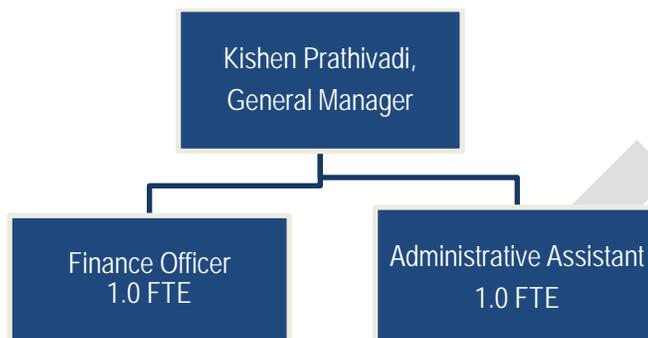
PROGRAM DESCRIPTION

The Administrative Services division provides administrative and financial support to the Board of Directors, the General Manager and all SAM divisions. Its function includes: planning and coordination of SAM activities related to the following: finance, human resources, risk management; management of SAM's information systems and web site; and Board services. Public contact by Administrative Services staff is generally the first interaction citizens have with the agency and are often related to complaints or reports of perceived problems. The ability to communicate clearly and understand the concerns of the caller is a skill demonstrated by those in the office. Contact with Member Agency staff and vendors is often first addressed via Administrative Services staff and communications and routing of information is a critical role of those in Administrative Services.

The financial staff in Administrative Services is responsible for maintaining detailed financial records; accounts payable processing; issuing, tracking and collection of accounts receivables; payroll processing including CalPERS reporting and benefits accounting; fixed asset management; financial planning; budget development; debt administration; centralized procurement; coordination of the District's audits and administration of SAM's self-insurance and loss prevention programs.

GENERAL BUDGET FISCAL YEAR 2019/20

Administrative Services operations are managed by the General Manager. The following organizational chart reflects the reporting structure for this division.



The following staffing summary reflects the historical cost allocation for this division.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
JPA	4.00	3.93	3.98	4.00	3.50	4.00	4.00	3.00

FINANCIAL DETAILS

The following is a list of key budget lines for FY2019/20 and 2020/21 budgets with brief explanations of the changes from year to year. This is a “budget to budget” comparison and does not necessarily represent current expenditures. Underlined items indicate a budget change in excess of \$10,000 year to year.

Budget Line #		FY 2019/20	FY 2020/21
1.	Wages Increased for COLA adjustments and step increases per MOU and Unrepresented Employees and defunding of positions.	\$522,759	<u>\$444,357</u>
2.	Premium Pay Overtime paid for staff to perform tasks outside of normal work times.	\$7,600	\$7,500
3.	Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU and Unrepresented Employees.	\$98,532	<u>\$66,623</u>
4.	Retirement Contributions SAM pays the employer contribution to CalPERS for retirement benefits in compliance with PEPRA.	\$112,318	<u>\$68,283</u>

GENERAL BUDGET FISCAL YEAR 2019/20

5.	Retiree Medica/OPEB Includes contributions to Health Retirement Account for current retiree medical premiums and OPEB trust for future retirees.	\$19,172	\$21,111
6.	Misc. Benefits Includes Medicare, long-term and short-term disability, workers compensation, and matching funds to a 457 plan.	\$25,207	<u>\$14,944</u>
7.	<u>Personnel Subtotal</u> Subtotal of all costs associated with SAM staff wages and benefits	\$785,588	\$616,576
8.	Legal Services Increased based on anticipated number of meetings special projects, and ongoing cases for SAM.	\$102,500	<u>\$150,000</u>
9.	Engineering Services There are no engineering services charged to Administrative Services.	\$2,000	\$0
10.	Professional Services Includes technical/specialized services that need to be performed by consultants.	\$165,631	<u>\$273,483</u>
11.	Professional Membership Includes memberships in professional organizations for SAM and employees that keeps them current in industry practices and improves how SAM serves the community.	\$25,000	\$25,750
12.	Insurance Premiums Insurance premiums for property and liability.	\$63,000	<u>\$105,000</u>
13.	Misc. Expenses Incidental expenses (offsite storage, postage, claims, phone system, etc.) not reflected in other categories.	\$16,751	<u>\$46,479</u>
<hr/>			
14.	Utilities Telephone, cellular service, internet connections, etc.	\$25,200	\$30,356

GENERAL BUDGET FISCAL YEAR 2019/20

15. Travel & Training		
Training and travel related costs for attendance at industry conferences and seminars, and other related events to allow staff to keep current on technical skills and industry best practices.	\$17,500	\$18,025
16. Equipment Rental		
Short-term rental of equipment for less than a fiscal year and annual cost of multi-year leased equipment (copier, phones, etc.).	\$10,500	\$10,815
17. Building & Maintenance Services		
Includes janitorial, landscaping, and other regular building maintenance services.	\$10,500	<u>\$21,725</u>
18. Chemicals		
There are no chemical costs charged to Administrative Services.	\$0	\$0
19. Permits & Licenses		
There are no permit and license costs charged to Administrative Services.	\$0	\$0
20. Supplies		
Office, computer, breakroom, and general supplies.	\$9,280	\$10,734
21. Equipment		
Purchase of replacement computers, small office and ergonomic equipment.	\$12,500	<u>\$42,875</u>
22. Infrastructure Projects		
Project costs that exceed \$50,000 each. There are no infrastructure projects charged to Administrative Services	\$0	\$0
23. Claims/Penalties		
Costs not covered by insurance.	\$3,500	\$3,605
24. Non-Personnel Subtotal	\$463,863	\$738,848
Subtotal of all costs not associated with wages and benefits.		
25. Total	\$1,249,45	\$1,355,424
Total of all costs for Administrative Services (sum of Personnel and Non-Personnel subtotals).		

GOALS

- Provide effective and efficient administrative support to the Board and other divisions.
- Maintain responsive and efficient customer service.
- Ensure that SAM is protected against loss through risk and claim management.
- Manage information systems, web site, and social media pages.
- Review administrative, financial, and personnel policies each year for compliance and relevance.

ACHIEVEMENTS

- Worked hand in hand with financial consultants to resolve past due audits and continue to do so
- Developed, posted to SAM website and distributed Board Meeting agendas twice per month.
- Worked hand in hand with Board Finance and Operations Committees to overcome significant changes in management of SAM
- Developed and delivered FY2020-2021 budget to Board and Member Agencies.

PROGRAM OBJECTIVES

- Manage the processing and review of SAM contracts.
- Maintain records of benefits, including employee leave balances, retirement contributions, and employer-provided insurance policies.
- Recruit and retain highly qualified candidates for vacant positions.
- Maintain up-to-date personnel files.
- Work with consultants to update policies and procedures and make appropriate revisions.
- Process employee payroll per employee contracts. Process accounts payable on a biweekly basis. issue, track and collect accounts receivable.
- Provide monthly budget reports each month.
- Conform with GAAP (Generally Accepted Accounting Principles).
- Work with other divisions to implement procedures that result in cost savings, increased efficiencies, and improved customer service.
- Provide general administrative support to all divisions for centralized services.
- Efficiently and effectively manage information technology and systems, including the SAM website and social media sites.

PERFORMANCE MEASURES

- Submit the Annual Financial and Salary & Compensation reports to the State Controller's Office by the deadline.
- Review and update, as necessary, administrative, financial, and personnel policies.
- Complete annual audit and present it to the Board no later than December 31.
- Present budget to Board and Member Agencies in a timely manner.

DRAFT

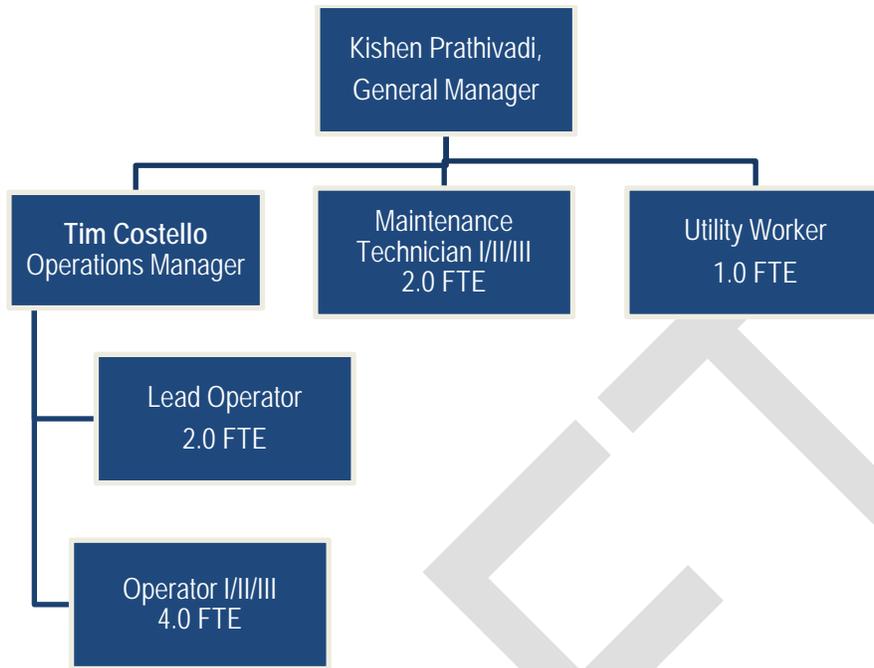
TREATMENT DIVISION



PROGRAM DESCRIPTION

The Treatment division is responsible for the safe, economical, and environmentally acceptable treatment and reclamation of all sanitary wastewater flows from the City of Half Moon Bay, Granada Community Services District, and the Montara Water & Sanitary District. The division is responsible for the reliability and integrity of systems and equipment at the Plant and the operation and maintenance of three SAM pump stations and the transmission pipeline. Staff performs predictive and preventive maintenance programs, corrective and rehabilitative maintenance, and in-house equipment and process improvements.

While staff is trying to keep up with the current needs of an aging system, we have had to bring in people that specialize in certain pieces of equipment as necessary. Staff finds that key pieces of equipment no longer have parts available on the primary market which can be problematic. Division services are currently supervised by the Supervisor of Treatment/Field Operations and Engineering & Construction Contracts Manager. The organizational chart on the following page reflects the reporting structure of the division.



The following staffing summary reflects the historical staffing level for the division.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
JPA	4.60	4.70	4.275	5.95	6.25	8.75	9.75	8.75

**TREATMENT
By Category**

	FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2019/20 ESTIMATE	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
EXPENDITURES							
Personnel							
1 Wages	711,375	937,882	1,063,771	1,023,545	945,359	(118,413)	-11%
2 Premium Pay	70,432	54,309	77,500	83,457	78,375	875	1%
3 Health Benefits	163,163	217,792	240,000	212,263	210,827	(29,173)	-12%
4 Retirement Cont.	78,267	173,230	175,000	205,530	243,921	68,921	39%
5 Retiree Med/OPEB	8,645	15,166	15,957	15,086	12,986	(2,971)	-19%
6 Misc. Benefits	38,234	54,407	69,435	63,462	63,275	(6,161)	-9%
7 Subtotal	1,070,116	1,452,786	1,641,663	1,603,344	1,554,741	(86,922)	-5%
Non-Personnel							
8 Legal Services	-	-	-	-	-	-	-
9 Engineering Services	129,141	111,457	15,000	40,081	100,000	85,000	567%
10 Professional Services	446,662	548,209	466,600	667,404	743,819	277,219	59%
11 Prof. Memberships	11,084	5,401	8,000	6,301	8,240	240	3%
12 Insurance Premiums	-	-	-	-	-	-	-
13 Misc. Expenses	18,860	16,510	16,917	33,833	21,424	4,508	27%
14 Utilities	406,151	549,947	495,950	506,236	530,809	34,859	7%
15 Travel & Training	8,385	23,380	22,500	19,972	23,175	675	0
16 Equipment Rental	155,582	121,291	130,000	61,020	100,000	(30,000)	-23%
17 Bldg & Maint Services	269,954	303,050	217,600	341,057	307,828	90,228	41%
18 Chemicals	129,656	178,911	175,000	189,688	180,250	5,250	3%
19 Permits & Licenses	51,194	19,322	33,000	40,302	27,500	(5,500)	-17%
20 Supplies	47,677	71,957	73,650	80,570	75,860	2,210	3%
21 Equipment	200,273	55,455	383,000	389,539	263,090	(119,910)	-31%
22 Infrastructure Projects	-	-	-	-	-	-	-
23 Claims/Penalties	-	-	-	-	-	-	-
24 Subtotal	1,874,619	2,004,891	2,037,217	2,376,004	2,381,994	344,777	17%
25 TOTAL	2,944,735	3,457,677	3,678,880	3,979,347	3,936,735	257,856	7%

Key Changes

Personnel: Net decrease due to defunding of Engineering & Construction Contracts Manager position and COLA increase of 4%, underbudgeting payment for unfunded PERS liability, shift in a portion of unfunded liabilities from admin, and health benefit adjustment \$ (86,922)

Professional Services: net increase based on year-to-date actuals. \$ 277,219

Increase services, supplies, chemicals, etc. by 3% CPI \$ 67,558

TOTAL TREATMENT EXPENDITURES BUDGET INCREASE \$257,856

**TREATMENT
By Category**

		FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2019/20 ESTIMATE	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
REVENUE								
<u>By Type:</u>								
26	JPA Assessments	2,562,043	2,654,337	3,461,880	2,596,410	3,821,735	359,855	10%
27	Contract Services	-	-	-	-	-	-	
28	NDWSCP Fees	91,535	157,622	147,000	91,665	115,000	(32,000)	-22%
29	Misc. Fees	-	-	-	-	-	-	
30	Interest Earnings	-	-	-	-	-	-	
31	Misc. Revenue	-	183,200	176,030	-	-	(176,030)	-100%
32	(From) Reserves	-	-	-	-	-	-	
33		2,653,578	2,995,158	3,784,910	2,688,075	3,936,735	151,825	4%
<u>By Agency:</u>								
34	Half Moon Bay	1,364,809	1,470,978	1,929,229	1,446,922	2,161,703	232,474	12%
35	Granada CSD	671,255	636,560	818,679	614,009	831,237	12,558	2%
36	Montara WSD	525,979	546,799	713,972	535,479	828,795	114,823	16%
37		2,562,043	2,654,337	3,461,880	2,596,410	3,821,735	359,855	10%

Key Changes

Assessments reflect net increased funding for wages, benefits, and other expenses	\$359,855
Increased leachate deliveries per contract	(\$32,000)
Removed overhead revenue from Collection Contract Services	<u>(\$176,030)</u>
TOTAL TREATMENT REVENUE BUDGET INCREASE	\$151,825

FINANCIAL HIGHLIGHTS

The following is a list of key budget lines for FY2019/20 and 2020/21 budgets with brief explanations of the changes from year to year. This is a “budget to budget” comparison and does not necessarily represent current expenditures. Underlined items indicate a budget change in excess of \$10,000 year to year.

Budget Line #	FY 2019/20	FY 2020/21
1. Wages Increased for COLA adjustments and merit step increases and defunded positions.	\$1,063,771	<u>\$945,359</u>
2. Premium Pay Overtime paid for staff to perform tasks outside of normal work times as well as standby pay.	\$77,500	\$78,375
3. Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU or Unrepresented Employees.	\$240,000	<u>\$210,827</u>
4. Retirement Contributions SAM pays the employer contribution to CalPERS for retirement benefits in compliance with PEPRA.	\$175,000	<u>\$243,827</u>
5. Retiree Medical/OPEB Includes contributions to Health Retirement Account for current retiree medical premiums and OPEB trust for future retirees.	\$15,957	\$12,986
6. Misc. Benefits Includes Medicare, long-term and short-term disability, and workers compensation.	\$69,435	\$63,275
7. Personnel Subtotal Subtotal of all costs associated with wages and benefits.	\$1,641,663	\$1,554,741
8. Legal Services There are no legal services budgeted to Treatment.	\$0	\$0

GENERAL BUDGET FISCAL YEAR 2019/20

Budget Line #	FY 2019/20	FY 2020/21
9. Engineering Services Specialized services related to small (<\$50,000) projects.	\$15,000	<u>\$100,000</u>
10. Professional Services Services that are specialized and need to be performed by contractors rather than staff (GIS software hosting, electrical maintenance, safety training, permit compliance assistance, SSMP audit and updates, outfall inspection, inspections, SCADA support, etc.).	\$466,600	<u>\$743,819</u>
11. Professional Membership Memberships in professional organizations for SAM and employees that keeps them current in industry practices and improves how SAM serves the community.	\$8,000	\$8,240
12. Insurance Premiums There are no insurance premiums charged to Treatment.	\$0	\$0
13. Misc. Expenses Includes incidental expenses (uniform services, radio and alarm systems, etc.) not captured in other categories.	\$16,917	\$21,424
14. Utilities Electricity, water, telephone, solid waste, etc.	\$495,950	<u>\$530,809</u>
15. Travel & Training Training and travel related costs for attendance at industry conferences and seminars, and other related events to allow staff to keep current on technical skills and industry best practices and safety training.	\$22,500	\$23,175
16. Equipment Rental/Lease Short-term rental or lease of equipment (generators, storage tanks, etc.).	\$130,000	\$100,000

GENERAL BUDGET FISCAL YEAR 2019/20

Budget Line #	FY 2019/20	FY 2020/21
17. Building & Maintenance Services Preventive maintenance and emergency repairs on structures and stationary equipment that do not extend the life expectancy of the asset. Includes small (<\$50,000) repair projects.	\$217,600	<u>\$307,828</u>
18. Chemicals Includes chemicals (sodium hypochlorite, polymer, ferric chloride) used in the treatment of wastewater to meet regulatory standards.	\$175,000	\$180,250
19. Permits & Licenses Annual costs for permits with local, regional and state agencies.	\$33,000	\$27,500
20. Supplies Office, computer, safety, and general supplies.	\$73,650	\$75,860
21. Equipment Purchase of equipment for repair and rehabilitation of SAM facilities not captured in infrastructure projects.	\$383,000	<u>\$263,090</u>
22. Infrastructure There are no project costs budgeted to Treatment. These costs are generally reflected in the Infrastructure division and exceed \$50,000 per project.	\$0	\$0
23. Claims/Penalties There are no claims/penalties budgeted to Treatment.	\$0	\$0
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$2,037,217	\$2,381,994
25. Total Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).	\$3,678,880	\$3,936,735

GOALS

- Operate the wastewater system for current and future customers with safe, efficient, and cost-effective treatment services.
- Achieve 100% compliance with all NPDES limits for conventional pollutants.
- Maintain appropriate capacities and effective operations and assure no spills or overflows at SAM facilities.
- Maintain and upgrade SAM facilities at a level that assures uninterrupted quality service and no process interruptions due to equipment failures.
- Promote the development and education of staff to assure the ongoing ability to operate, maintain, troubleshoot and repair all systems and equipment.
- Maintain equipment and facilities to improve reliability and reduce operating and maintenance costs.

HIGHLIGHTS

- Performed process related laboratory analysis for the Environmental Compliance division on weekends.
- Conducted all required annual safety training programs.
- Administered the Trucked Waste Acceptance Program.
- Worked to optimize processes to improve reliability.

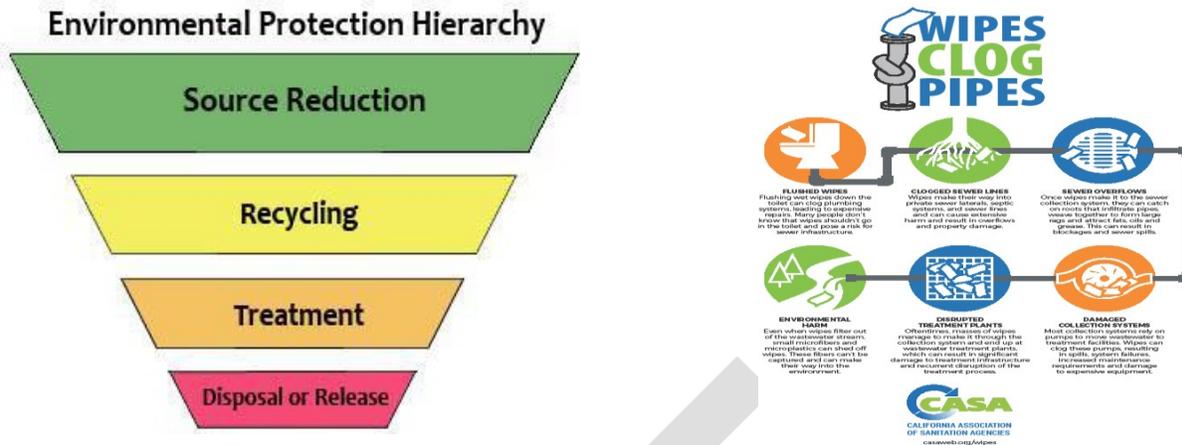
PROGRAM OBJECTIVES

- Perform required preventive and predictive maintenance to eliminate spills, overflows, bypasses, or discharge permit violations, and to minimize the possibility of equipment breakdowns
- Promote comprehensive training of division personnel.
- Continue to promote and provide a safe and healthy environment for all staff, contractors, and community.
- Develop and implement maintenance plan for routine maintenance on all equipment.

PERFORMANCE MEASURES

- Meet all effluent quality targets described in the NPDES permit.
- Perform all duties in a safe manner to avoid OSHA recordable and lost time accidents.
- Perform all routine maintenance tasks in a timely manner.

ENVIRONMENTAL COMPLIANCE DIVISION



PROGRAM DESCRIPTION

The Environmental Compliance division provides services and oversight in four areas: National Pollutant Discharge Elimination System (NPDES) permit compliance, Laboratory Operations, Non-Domestic Waste Source Control (NDWSCP) Program, and Pollution Prevention (P2) Program. NPDES permit compliance involves maintaining compliance with permit parameters, implementing investigations and additional sampling programs to address specific pollutants, developing action plans to reduce these pollutants and reporting levels of progress to the Regional Board. The in-house laboratory conducts analyses of various plant samples for process control, some NPDES permit parameters, and special projects as needed. SAM contracts with outside laboratories for NPDES requirements that the in-house lab is not certified to complete.

The NDWSC Program includes evaluating facilities and dischargers within SAM's service area that could adversely affect the SAM collection system and/or treatment plant, evaluating discharge permit applications and issuing permits, performing inspections, sampling and monitoring and conducting enforcement when needed. The P2 Program focuses on educating commercial businesses and residents on pollutants that are harmful to the collection system, treatment plant and the environment, including fats, oils, and grease (F.O.G.), and how to reduce or eliminate them. Public information, plant tours, and participation in outreach activities are significant elements.

Division functions are supervised by the Operations Superintendent. The following organizational chart reflects the reporting structure of the division.

Supervisor of Treatment & Field Operations

GENERAL BUDGET FISCAL YEAR 2020/21

The following staffing summary reflects the historical cost allocation for the division.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
JPA	0.25	0.225	0.275	0.50	0.25	0.25	0.25	0.25

ENVIRONMENTAL COMPLIANCE

By Category

	FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2019/20 ESTIMATE	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
EXPENDITURES							
Personnel							
1 Wages	32,940	33,321	39,748	33,344	38,078	(1,669)	-4%
2 Premium Pay	915	305	600	-	600	-	0%
3 Health Benefits	5,794	6,927	5,450	7,898	5,858	408	7%
4 Retirement Cont.	4,514	8,660	9,340	10,536	15,044	5,704	61%
5 Retiree Med/OPEB	502	494	500	499	511	11	2%
6 Misc. Benefits	1,636	1,605	2,223	1,663	2,019	(205)	-9%
7 Subtotal	46,301	51,313	57,861	53,940	62,110	4,249	7%
Non-Personnel							
8 Legal Services	-	-	-	-	-	-	
9 Engineering Services	-	-	-	-	-	-	
10 Professional Service	79,753	43,940	117,578	60,673	58,930	(58,647)	-50%
11 Prof. Memberships	-	-	100	150	100	-	0%
12 Insurance Premiums	-	-	-	-	-	-	
13 Misc. Expenses	12,474	12,583	7,605	7,125	7,833	228	3%
14 Utilities	-	6,293	57	(150)	8	(49)	-86%
15 Travel & Training	225	261	3,600	267	964	(2,637)	-73%
16 Equipment Rental	-	-	-	-	-	-	
17 Bldg & Maint Service	-	-	-	-	-	-	
18 Chemicals	2,338	7,362	9,000	2,644	9,270	270	3%
19 Permits & Licenses	-	-	-	-	-	-	
20 Supplies	8,965	9,786	22,101	13,177	17,604	(4,497)	-20%
21 Equipment	1,587	2,026	3,000	-	3,090	90	3%
22 Infrastructure Project	-	-	-	-	-	-	
23 Claims/Penalties	-	-	-	-	-	-	
24 Subtotal	105,342	82,251	163,041	83,885	97,799	(65,242)	-40%
25 TOTAL	151,643	133,563	220,902	137,825	159,910	(60,993)	-28%

Key Changes

Professional services: net decrease due to change in services used	\$ (58,647)
Net decrease in utilities, services, and supplies	\$ (2,346)
TOTAL ENVIRONMENTAL COMPLIANCE EXPENDITURES DECREASE	\$ (60,993)

GENERAL BUDGET FISCAL YEAR 2020/21

ENVIRONMENTAL COMPLIANCE

By Category

		FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2019/20 ESTIMATE	FY 2020/21 PROPOSED	CHANGE FROM FY 2018/19 ADOPTED	
	REVENUE							
	By Type:							
26	JPA Assessments	162,064	134,423	218,102	163,577	157,110	(60,993)	-28%
27	Contract Services	-	-	-	-	-	-	
28	NDWSCP Fees	17,703	1,286	2,800	-	2,800	-	0%
29	Misc. Fees	-	-	-	-	-	-	
30	Interest Earnings	-	-	-	-	-	-	
31	Misc. Revenue	-	-	-	-	-	-	
32	(From) Reserves	-	-	-	-	-	-	
33		179,767	135,708	220,902	163,577	159,910	(60,993)	-28%
	By Agency:							
34	Half Moon Bay	84,597	74,495	121,544	91,158	88,866	(32,677)	-27%
35	Granada CSD	42,461	32,236	51,578	38,683	34,172	(17,406)	-34%
36	Montara WSD	35,006	27,692	44,981	33,736	34,071	(10,910)	-24%
37		162,064	134,423	218,102	163,577	157,110	(60,993)	-28%

Key Changes

Assessments reflect net decreased funding for wages, benefits, and other expenses

	\$ (60,993)
TOTAL ENVIRONMENT COMPLIANCE REVENUE BUDGET DECREASE	\$ (60,993)

FINANCIAL HIGHLIGHTS

The following is a list of key budget lines for FY2019/20 and 2020/21 budgets with brief explanations of the changes from year to year. This is a “budget to budget” comparison and does not necessarily represent current expenditures. Underlined items indicate a budget change in excess of \$10,000 year to year.

Budget Line #		FY2019/20	FY 2020/21
1.	Wages Cost of 0.25 FTE allocated to division.	\$39,748	\$38,078
2.	Premium Pay Special compensation for certification above that required by the position.	\$600	\$600

GENERAL BUDGET FISCAL YEAR 2020/21

3.	Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU or Unrepresented Employees.	\$5,450	\$5,858
4.	Retirement Contributions SAM pays the employer contribution to CalPERS for retirement benefits. SAM is in compliance with PEPRA.	\$9,340	\$15,044
5.	Retiree Medical/OPEB Includes contributions to Health Retirement account for current retiree medical premiums and OPEB trust for future retirees.	\$500	\$511
6.	Misc. Benefits Includes Medicare, long-term and short-term disability, workers compensation.	\$2,223	\$2,019
7.	Personnel Sub-total Subtotal of all wage and benefit costs.	\$57,861	\$62,110
8.	Legal Services There are no legal services budgeted to EC.	\$0	\$0
9.	Engineering Services There are no engineering costs budgeted to EC.	\$0	\$0
10.	Professional Services Services that are specialized and must be performed by outside laboratories and consultants (SVCW, laboratories, SMCRCD, event registration, etc.).	\$117,578	\$58,930
11.	Professional Membership The cost of maintaining membership in CWEA.	\$100	\$100
12.	Insurance Premiums There are no insurance premiums budgeted to EC.	\$0	\$0
13.	Misc. Expenses Includes incidental expenses (outreach materials, postage, etc.) not reflected in other categories.	\$7,605	\$7,833
14.	Utilities There are no utility costs budgeted to EC.	\$57	\$8

GENERAL BUDGET FISCAL YEAR 2020/21

15. Travel & Training		
Training and travel related costs for attendance at industry conferences, seminars, and other related events to keep current on technical skills and industry practices and required safety training.	\$3,600	\$964
16. Equipment Rental/Lease		
Short-term rental or lease of equipment (generators, storage tanks, etc.) for less than a fiscal year.	\$0	\$0
17. Building & Maintenance Services		
There are no building maintenance services budgeted to EC.	\$0	\$0
18. Chemicals		
Includes chemicals used in the laboratory.	\$9,000	\$9,270
19. Permits & Licenses		
There are no permits or licenses budgeted to EC.	\$0	\$0
20. Supplies		
Lab and general supplies including materials for biology student field trips to the plant.	\$22,101	\$17,604
21. Equipment		
Purchase of equipment and tools for the laboratory to replace noncompliant or inoperable equipment.	\$3,000	\$3,090
22. Infrastructure Projects		
There are no project costs budgeted to EC.	\$0	\$0
23. Claims/Penalties		
There are no claims or penalties budgeted to EC.	\$0	\$0
24. Non-Personnel Subtotal		
Subtotal of all costs not associated with wages and benefits.	<u>\$163,041</u>	<u>\$97,799</u>
25. Total		
Total of all costs for EC (sum of Personnel and Non-Personnel subtotals).	<u>\$220,902</u>	<u>\$137,825</u>

GOALS

- Achieve and maintain 100% compliance with the District's NPDES permit requirements, including the NDWSC and Pollution Prevention (P2) programs.
- Promote and maintain a positive, safe and productive work environment while cultivating a sense of environmental stewardship.
- Promote and maintain representative sampling, perform exceptional analyses and accurately report data collected to evaluate industrial and commercial discharges, the operational status of the treatment plant and the quality of the bio-solids generated.
- Effectively regulate dischargers of industrial, commercial and other types of wastewater to protect the sanitary sewer system, the treatment plant, staff, the public and the environment.
- Effectively implement the Pollution Prevention (P2) Program and provide public outreach to reduce and or prevent the discharge of pollutants, with emphasis on educating the public regarding "flushable wipes" and the fact they are harmful to their collection system, treatment plant and the environment
- Effectively build and maintain partnerships with other agencies that have similar requirements and goals (Green Business Program, Household Hazardous Waste/Pharmaceutical Collection, Bay Area Pollution Prevention Group, etc.)
- Maintain Environmental Laboratory Accreditation Program (ELAP) certification for conventional pollutants and coliform bacteria.

ACHIEVEMENTS

- Identified deficiencies in the necessary ELAP certification requirements and implemented necessary changes.
- Performed the annual NDWSC program inspections and sampling at commercial facilities and inspections at food service establishments (FSEs) and dentists in the SAM's service area.
- Conducted classroom tours of the treatment plant for over 280 students.
- Implemented a public awareness program regarding flushable wipes.

PROGRAM OBJECTIVES

- Perform all required sampling, inspections, studies and outreach to comply with the District's NPDES permit, NDWSCP and Pollution Prevention programs, F.O.G. program, and process control.
- Maintain compliance with all programs and requirements listed above.
- Maintain ELAP certification for laboratory functions.
- Continue to educate and increase the level of awareness on pollution prevention

GENERAL BUDGET FISCAL YEAR 2020/21

and water quality issues with the goals of changing behavior and decreasing the volume of pollutants entering the treatment plant and the bay.

- Participate in public outreach activities such as the Half Moon Bay Art & Pumpkin Festival and Pacific Coast Dream Machines with focus on the negative impacts of flushable wipes
- Distributed informational materials, brochures, and notices regarding proper discharge of wastes to residents, commercial businesses, and public events.
- Coordinate Plant Tour program for Half Moon Bay High School biology students and the mid-coast population.

PERFORMANCE MEASURES

- Complete 100% NDWSCP inspections as required by SAM permits.
- Meet and maintain ELAP compliance requirements.
- Complete all of the necessary annual continued learning units to maintain required Environmental Compliance Inspector and Laboratory Analyst certifications from the California Water Environment Association.

INFRASTRUCTURE DIVISION



PROGRAM DESCRIPTION

The Infrastructure Division is responsible for the management and technical support necessary to develop and manage an infrastructure program and provide project management and construction inspection services of SAM facilities.

Division services are managed by the Engineer; however, none of the related personnel costs are allocated to this division. The following staffing summary reflects the historical cost allocation to this division.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
JPA	0.00	0.00	0.00	0.80	0.50	0.0	0.0	0.0

INFRASTRUCTURE

By Category

	FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2019/20 ESTIMATE	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
EXPENDITURES							
<u>Personnel</u>							
1 Wages	-	-	-	-	-	-	-
2 Premium Pay	-	-	-	-	-	-	-
3 Health Benefits	-	-	-	-	-	-	-
4 Retirement Cont.	-	-	-	-	-	-	-
5 Retiree Med/OPEB	-	-	-	-	-	-	-
6 Misc. Benefits	-	-	-	-	-	-	-
7 Subtotal	-	-	-	-	-	-	-
<u>Non-Personnel</u>							
8 Legal Services	5,448	5,588	-	-	-	-	-
9 Engineering Services	163,255	126,231	450,000	142,155	-	(450,000)	-100%
10 Professional Services	59,786	3,115	-	17,799	17,799	17,799	-
11 Prof. Memberships	-	-	-	-	-	-	-
12 Insurance Premiums	-	-	-	-	-	-	-
13 Misc. Expenses	288	-	-	-	-	-	-
14 Utilities	-	-	-	-	-	-	-
15 Travel & Training	-	-	-	-	-	-	-
16 Equipment Rental	-	-	-	-	-	-	-
17 Bldg & Maint Service	-	-	-	-	-	-	-
18 Chemicals	-	-	-	-	-	-	-
19 Permits & Licenses	-	4,266	-	-	-	-	-
20 Supplies	-	-	-	-	-	-	-
21 Equipment	865,804	445,033	-	291,828	-	-	-
22 Infrastructure Projects	1,952,693	208,443	2,035,000	101,974	1,975,000	(60,000)	-3%
23 Claims/Penalties	-	-	-	-	-	-	0%
24 Subtotal	3,047,274	792,677	2,485,000	553,755	1,992,799	(492,201)	-20%
25 TOTAL	3,047,274	792,677	2,485,000	553,755	1,992,799	(492,201)	-20%

Key Changes

Engineering costs are included in the overall project cost on line 22 of the budget. Overall soft costs for design, permits and construction inspection and management are based on 40% of the construction cost estimate.

TOTAL INFRASTRUCTURE REVENUE BUDGET DECREASE

\$ (492,201)

INFRASTRUCTURE

By Category

		FY 2017/18 ACTUAL	FY 2018/19 ACTUAL	FY 2019/20 ADOPTED	FY 2019/20 ESTIMATE	FY 2020/21 PROPOSED	CHANGE FROM FY 2019/20 ADOPTED	
	REVENUE							
	By Type:							
26	JPA Assessments	2,772,559	1,803,542	2,485,000	1,863,750	1,992,799	(492,201)	-20%
27	Contract Services	-	-	-	-	-	-	0%
28	NDWSCP Fees	-	-	-	-	-	-	0%
29	Misc. Fees	-	-	-	-	-	-	0%
30	Interest Earnings	-	-	-	-	-	-	0%
31	Misc. Revenue	-	-	-	-	-	-	0%
32	To/(From) Reserves	-	-	-	-	-	-	0%
33		2,772,559	1,803,542	2,485,000	1,863,750	1,992,799	(492,201)	-20%
	By Agency:						-	0%
34	Half Moon Bay	1,473,902	999,493	1,384,836	1,038,627	1,127,195	(257,641)	-19%
35	Granada CSD	757,857	432,515	587,663	440,747	433,438	(154,224)	-26%
36	Montara WSD	540,800	371,534	512,502	384,376	432,166	(80,336)	-16%
37		2,772,559	1,803,542	2,485,000	1,863,750	1,992,799	(492,201)	-20%

Key Changes

TOTAL INFRASTRUCTURE REVENUE BUDGET DECREASE \$ (492,201)

FINANCIAL HIGHLIGHTS

The following is a list of key budget lines for FY 2019/20 and 2020/21 budgets.

Budget Line #		FY2019/20	FY 2020/21
1.	Wages No personnel costs are allocated to Infrastructure.	\$0	\$0
2.	Premium Pay No personnel costs are allocated to Infrastructure.	\$0	\$0
3.	Health Benefits No personnel costs are allocated to Infrastructure.	\$0	\$0
4.	Retirement Contributions No personnel costs are allocated to Infrastructure.	\$0	\$0

GENERAL BUDGET FISCAL YEAR 2019/20

Budget Line #	FY2018/19	FY 2019/20
5. Retiree Medical/OPEB No personnel costs are allocated to Infrastructure.	\$0	\$0
6. Misc. Benefits No personnel costs are allocated to Infrastructure.	\$0	\$0
7. Personnel Subtotal Subtotal of all wage and benefit costs.	\$0	\$0
8. Legal Services No legal services costs are allocated to Infrastructure.	\$0	\$0
9. Engineering Services Engineering services requiring specialized certification or skills will be performed by consulting engineers. <i>Costs for 2020/21 included in infrastructure projects line.</i>	\$0	\$0
10. Professional Services Specialized services that cannot be provided by staff.	\$0	\$17,799
11. Professional Memberships There are no professional memberships budgeted to Infrastructure.	\$0	\$0
12. Insurance Premiums There are no insurance premiums budgeted to Infrastructure.	\$0	\$0
13. Misc. Expenses There are no utilities budgeted to Infrastructure.	\$0	\$0
14. Utilities There are no utilities budgeted to Infrastructure.	\$0	\$0
15. Travel & Training There are no costs budgeted to Infrastructure.	\$0	\$0
16. Equipment Rental Short-term rental or lease of equipment (generators, storage tanks, etc.).	\$0	\$0

GENERAL BUDGET FISCAL YEAR 2019/20

Budget Line #	FY2018/19	FY 2019/20
17. Building & Maintenance Services Preventive maintenance and emergency repairs on structures and stationary equipment that do not extend the life expectancy of the asset.	\$0	\$0
18. Chemicals There are no chemical costs budgeted to Infrastructure.	\$0	\$0
19. Permits & Licenses Permits related to projects.	\$0	\$0
20. Supplies There are no supply costs budgeted to Infrastructure.	\$0	\$0
21. Equipment Equipment costs associated with projects that exceed \$50,000.	\$0	\$0
22. Infrastructure Contract construction costs are included in this category. Includes costs associated with projects that exceed \$50,000 each.	\$2,035,000	\$1,975,000
23. Claims/Penalties There are no costs budgeted to Infrastructure.	\$0	\$0
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$2,485,000	\$1,992,799
25. Total Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).	\$2,485,000	\$1,992,799

The projects planned for this fiscal year, as specified in the approved FY2020-2021 Capital Improvement Plan, are:

- Improve Chemical Treatment to Eliminate Issues \$125,000
- WWTP – Evaluate Electric and I&C Needs \$300,000
- WWTP – Digester 2 and Holding Tank Cleaning \$250,000
- WWTP – Digester 1 & 2, Holding Tank Structural Design \$200,000
- WWTP – Implement Digester #1 Structural Repair \$500,000

GENERAL BUDGET FISCAL YEAR 2019/20

- Administration – Replace Two Vehicles in Fleet \$75,000
- WWTP – Purchase Critical Parts for BFP/Conveyor \$100,000
- Montara PS – Repair Access Road and Erosion Control \$100,000
- IPS – Analysis/Initial Design of Upgrade or Replacement \$200,000
- Princeton PS – Analysis/Design Replacement and Bidding Support \$125,000

The following projects have been deferred from FY 2020/21 to a future year:

- WWTP – Design Screening System Replacement \$125,000
- WWTP – Evaluate WWTP Liquid and Solid Process Needs \$200,000
- WWTP – Install Metal Building for Rotary Drum Thickener \$125,000
- WWTP – Replace Flammables Material Storage Building \$75,000
- WWTP – Replace all WWTP Plant Building Ventilators \$135,000

GOALS

- To provide engineering analysis and project development for cost effective implementation of all SAM facility infrastructure projects.
- To effectively plan and implement, inspect and manage future rehabilitation and replacement of the facilities to maintain an efficient, reliable system and to provide timely response with plan review for new development.
- To maintain accurate reproducible records of facility improvements and records.
- To keep informed of all construction that may affect SAM facilities.

HIGHLIGHTS

- Directed design approval, implementation and construction inspection for all facility projects.
- Infrastructure Projects completed in FY 2019/20:
 - ✓ Portola Pump Station – Replace Pump #1
 - ✓ Portola Pump Station – Replace ATS
 - ✓ WWTP – Replace Chemical Pump System

PROGRAM OBJECTIVES

- Manage research, design, bidding and construction inspection services for infrastructure projects.
- Prioritize infrastructure projects to meet SAM needs, compliance with new regulatory requirements, and update 5-Year CIP.

Position Control List

<u>Classifications</u>	<u>Authorized Positions</u>
<u>Administrative Services:</u>	
General Manager	1.0
Finance Officer	1.0
<i>Accounting Technician (Defunded)</i>	0.0
Administrative Assistant	<u>1.0</u>
	3.0
<u>Operations & Maintenance:</u>	
<i>Engineering & Construction Contracts Manager (Defunded)</i>	0.0
Supervisor of Treatment / Field Operations	0.75
Maintenance Mechanic I/II/III	2.0
Operator I/II/III	3.0
Lead Operator	2.0
Utility Worker	<u>1.0</u>
	8.75
<u>Environmental Compliance:</u>	
Supervisor of Treatment / Field Operations	.25
Total Authorized – General Budget	12.0
<u>Collection Services:</u>	
Collection Maintenance Worker I/II/III	3.0
Maintenance Mechanic I/II/III	<u>1.0</u>
Total Authorized – Collections Services	4.0
Grand Total Authorized Authority	16.0



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 21, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Draft
Water and Sewer Budget.**

The initial draft Budget was presented at the May 7 Board Meetings. The Finance Committee met on May 12 and recommended some changes to the draft budget.

In preparation for the Budget discussion, staff has considered the potential for significant financial impacts to customers and the District resulting from the COVID-19 pandemic. Fortunately, despite the difficulties reported across the state and to individuals and businesses, the District is not experiencing, nor anticipating, a significant reduction in District revenues. Current financials indicate only minor reductions in water sales projections, and to date, staff have received very limited inquiries or requests from customers for financial assistance. Water sales have increased slightly due to Shelter In Place. The District is well prepared to assist customers with a Hardship Assistance Program, based on the Board's advance thinking and early action.

As we continue to examine the Budget, staff have upheld the Board's commitment and direction to increase capital infrastructure investment to maintain the health and security of our critical water and wastewater systems. The District's current infrastructure need remains at \$2 million per year as documented by staff and SRT Engineering during our rate and budget discussions over the last year. The proposed 2020-2021 water system reliability charge (generating \$1 million for capital improvements) and the 9% annual sewer rate increases – which begin to secure adequate funding for the District's current infrastructure repair and replacement needs – are included in the attached draft Budget.

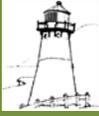
The Finance Committee asks for the opportunity to present their findings and comments to the Board.

The District's accountant Peter Medina will also be available to address any questions.

RECOMMENDATION:

Review the draft budget and direct staff. The finalized budget and CIPs will be presented for adoption at the June 4 meeting.

Attachments



Montara Water & Sanitary

Budgeted Cash Flow - Sewer

Fiscal year 2020-2021

Cash flow summary
Operating cash flow

Operating income	FY 2019-2020	FY 2020-2021	Variance (%)	Variance (\$)
Sewer Service Charges	\$ 3,006,212	\$ 3,242,487	7.86%	\$ 236,275
Cell Tower Lease	\$ 37,000	\$ 37,500	1.35%	\$ 500
Fees & Other	\$ 21,100	\$ 13,100	-37.91%	\$ (8,000)
Property Tax	\$ 275,000	\$ 275,000	0.00%	\$ -
Waste Collection Revenues	\$ 23,000	\$ 24,000	4.35%	\$ 1,000
Total operating income	\$ 3,362,312	\$ 3,592,087		
Operating expenses				
Personnel	\$ (350,129)	\$ (362,510)	3.54%	\$ 12,381
Professional Services	\$ (500,200)	\$ (189,700)	-62.08%	\$ (310,500)
Facilities & Administration	\$ (56,950)	\$ (57,000)	0.09%	\$ 50
Engineering	\$ (62,000)	\$ (60,000)	-3.23%	\$ (2,000)
Pumping	\$ (45,000)	\$ (45,000)	0.00%	\$ -
Sewer Authority Mid-Coastside	\$ (1,960,688)	\$ (1,948,790)	-0.61%	\$ (11,898)
All other Accounts	\$ (69,860)	\$ (71,110)	1.79%	\$ 1,250
Total operating expenses	\$ (3,044,827)	\$ (2,734,110)		
Net Cash Flow Provided by Operations	\$ 317,485	\$ 857,977		
Investment cash flow				
Investment income				
Interest Revenue	\$ 50,000	\$ 60,000	20.00%	\$ 10,000
Total investment income	\$ 50,000	\$ 60,000		
Investment expenses				
Capital Improvement Program	\$ (1,486,085)	\$ (1,985,272)	33.59%	\$ 499,187
Total investment expenses	\$ (1,486,085)	\$ (1,985,272)		
Net Cash Flow Used by Investments	\$ (1,436,085)	\$ (1,925,272)		
Financing cash flow				
Financing income				
Connection Fees	\$ 200,000	\$ 150,000	-25.00%	\$ (50,000)
Total financing income	\$ 200,000	\$ 150,000		
Financing expenses				
Loan Interest Expense	\$ (37,803)	\$ (35,116)	-7.11%	\$ (2,688)
Loan Principal Payment	\$ (87,133)	\$ (93,512)	7.32%	\$ 6,379
Total financing expenses	\$ (124,936)	\$ (128,627)		
Net Cash Flow Provided by Financing Activities	\$ 75,064	\$ 21,373		
Overall projected cash flow	\$ (1,043,536)	\$ (1,045,922)		
Transfer from Sewer Reserves	\$ 1,043,536	\$ 1,045,922		*
Net cash flow	\$ -	\$ -		

* Please see discussion of Sewer reserve funds on page 23. In addition, please review the Sewer CIP project summary list on page 17.



Montara Water & Sanitary

Budgeted Cash Flow - Water

Fiscal year 2020-2021

Cash flow summary
Operating cash flow

Operating income	FY 2019-2020	FY 2020-2021	Variance (%)	Variance (\$)
Water Sales	\$ 1,944,000	\$ 1,893,000	-2.62%	\$ (51,000)
Cell Tower Lease	\$ 37,000	\$ 37,500	1.35%	\$ 500
Fees & Other	\$ 14,000	\$ 15,000	7.14%	\$ 1,000
Property Tax	\$ 275,000	\$ 275,000	0.00%	\$ -
Backflow Testing & Other	\$ 18,000	\$ 18,000	0.00%	\$ -
Total operating income	\$ 2,288,000	\$ 2,238,500		
Operating expenses				
Personnel	\$ (886,161)	\$ (943,418)	6.46%	\$ 57,257
Professional Services	\$ (377,500)	\$ (206,500)	-45.30%	\$ (171,000)
Facilities & Administration	\$ (114,300)	\$ (71,000)	-37.88%	\$ (43,300)
Engineering	\$ (380,500)	\$ (220,000)	-42.18%	\$ (160,500)
Pumping	\$ (105,700)	\$ (110,700)	4.73%	\$ 5,000
Supply	\$ (47,500)	\$ (37,500)	-21.05%	\$ (10,000)
Collection/Transmission	\$ (82,500)	\$ (80,500)	-2.42%	\$ (2,000)
Treatment	\$ (85,000)	\$ (85,000)	0.00%	\$ -
All Other Accounts	\$ (127,350)	\$ (134,300)	5.46%	\$ 6,950
Total operating expenses	\$ (2,206,511)	\$ (1,888,918)		
Net Cash Flow Provided by Operations	\$ 81,489	\$ 349,582		
Investment cash flow				
Investment income				
GO Bonds, Assessment Receipts	\$ 1,150,436	\$ 1,150,436	0.00%	\$ -
Water System Reliability Charge	\$ -	\$ 1,000,000		\$ 1,000,000
Total investment income	\$ 1,150,436	\$ 2,150,436		
Investment expenses				
Capital Improvement Program	\$ (549,500)	\$ (1,108,750)	101.77%	\$ 559,250
Total investment expenses	\$ (549,500)	\$ (1,108,750)		
Net Cash Flow Used by Investments	\$ 600,936	\$ 1,041,686		
Financing cash flow				
Financing income				
Connection Fees	\$ 280,000	\$ 150,000	-46.43%	\$ (130,000)
Total financing income	\$ 280,000	\$ 150,000		
Financing expenses				
Long Term Debt - Interest Expense	\$ (318,633)	\$ (292,561)	-8.18%	\$ (26,072)
Long Term Debt - Principal Payment	\$ (1,189,448)	\$ (1,175,875)	-1.14%	\$ (13,573)
Total financing expenses	\$ (1,508,081)	\$ (1,468,436)		
Net Cash Flow Provided by Financing Activities	\$ (1,228,081)	\$ (1,318,436)		
Overall projected cash flow	\$ (545,656)	\$ 72,831		
Transfer to Water Reserves	\$ (545,656)	\$ 72,831	*	
Net cash flow	\$ -	\$ -		

* Please see discussion of Water reserve funds on page 22.

MWSD — Fiscal Year 2020-21 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2017-18	2018-19	Approved	Income/Expenditures		Projected	Projected as	Proposed Budgeted	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	Budget 2019-	as of April 30, 2020	% To date		% of Budget	amounts 2020-21	from 2019-2020 \$	%
Cell Tower Lease:	4220	35,632	36,752	37,000	33,174	89.66%	37,913	102.47%	37,500	500	1.35%
Administrative Fees (New Construction):	4410	4,040	3,647	3,600	3,794	105.39%	4,553	126.47%	3,600	0	0.00%
Administrative Fees (Remodel):	4420	0	0	2,000	542	27.10%	650	32.52%	1,000	(1,000)	-50.00%
Inspection Fees (New Construction):	4430	3,339	3,448	3,500	3,584	102.40%	4,301	122.88%	3,500	0	0.00%
Inspection Fees (Remodel):	4440	0	0	4,000	512	12.80%	614	15.36%	1,000	(3,000)	-75.00%
Mainline Extension Fees:	4450	1,500	0	0	0	0.00%	0	0.00%	0	0	#DIV/0!
Remodel Fees:	4460	10,278	5,376	8,000	2,239	27.99%	2,687	33.59%	4,000	(4,000)	-50.00%
Grants:	4510	0	0	0	112	100.00%	134	100.00%	0	0	#DIV/0!
Property Tax Receipts:	4610	367,805	404,079	275,000	376,255	136.82%	410,000	149.09%	275,000	0	0.00%
Sewer Service Charges:	4710	2,053,963	2,610,244	3,010,212	2,777,240	92.26%	3,010,212	100.00%	3,246,487	236,275	7.85%
Sewer Service Refunds, Customer:	4720	(2,343)	496	(4,000)	(6,245)	156.12%	(7,494)	187.34%	(4,000)	0	0.00%
Waste Collection Revenues:	4760	21,677	23,172	23,000	20,413	88.75%	24,496	106.50%	24,000	1,000	4.35%
Other Revenue:	4990	3,378	2,825	0	2,005	100.00%	2,406	100.00%	0	0	0.00%
Total Operating Revenue:		2,499,269	3,090,039	3,362,312	3,213,625	95.58%	3,490,473	103.81%	3,592,087	229,775	6.83%
Operating Expenses											
Bank Fees:	5190	6,654	6,875	7,500	4,723	62.97%	5,668	75.57%	6,750	(750)	-10.00%
Board Meetings:	5210	1,836	3,928	3,000	2,617	87.23%	3,140	104.68%	3,000	0	0.00%
Director Fees:	5220	3,900	2,288	4,000	3,075	76.88%	3,690	92.25%	2,000	(2,000)	-50.00%
Election Expenses:	5230	0	4,265	5,000	0	0.00%	0	0.00%	5,000	0	0.00%
Conference Attendance:	5250	3,131	2,467	5,000	35	0.70%	35	0.70%	2,500	(2,500)	-50.00%
Information Systems:	5270	1,224	1,725	4,000	8,223	205.58%	9,868	246.69%	4,000	0	0.00%
Fidelity Bond:	5310	0	438	500	0	0.00%	0	0.00%	500	0	0.00%
Property & Liability Insurance:	5320	2,161	7,737	2,000	0	0.00%	0	0.00%	8,000	6,000	300.00%
LAFCO Assessment:	5350	1,601	1,794	2,000	1,766	88.30%	2,119	105.96%	2,500	500	25.00%
Meeting Attendance, Legal:	5420	6,951	14	0	0	0.00%	0	0.00%	0	0	#DIV/0!
General Legal:	5430	209,412	183,515	412,500	92,523	22.43%	111,028	26.92%	100,000	(312,500)	-75.76%
Maintenance, Office:	5510	4,020	7,230	8,000	3,338	41.73%	4,006	50.07%	8,000	0	0.00%
Meetings, Local:	5520	0	0	0	0	0.00%	0	0.00%	0	0	0.00%
Memberships:	5530	0	0	0	0	0.00%	0	0.00%	0	0	0.00%
Office Supplies:	5540	6,243	5,681	8,000	4,698	58.73%	5,638	70.47%	6,000	(2,000)	-25.00%
Postage:	5550	277	2,043	2,650	544	20.53%	653	24.63%	2,000	(650)	-24.53%
Printing & Publishing:	5560	2,909	2,490	5,000	620	12.40%	744	14.88%	5,000	0	0.00%
Accounting:	5610	31,276	26,503	30,000	27,225	90.75%	32,670	108.90%	32,000	2,000	6.67%
Audit:	5620	18,000	13,000	13,000	8,150	62.69%	9,780	75.23%	13,000	0	0.00%
Consulting:	5630	35,859	25,261	35,000	37,282	106.52%	44,738	127.82%	35,000	0	0.00%
Data Services:	5640	5,851	6,079	6,200	7,173	115.69%	8,608	138.83%	6,200	0	0.00%
Labor & HR Support:	5650	2,484	2,442	2,500	2,135	85.40%	2,562	102.48%	2,500	0	0.00%
Payroll Services:	5660	940	949	1,000	822	82.20%	986	98.64%	1,000	0	0.00%
Other Professional Services:	5690	0	0	0	0	0.00%	0	0.00%	0	0	0.00%
San Mateo County Tax Roll Charges:	5710	0	119	1,000	119	11.90%	143	14.28%	1,000	0	0.00%
Telephone & Internet:	5720	18,961	25,300	24,000	23,713	98.80%	28,456	118.57%	20,000	(4,000)	-16.67%
Mileage Reimbursement:	5730	564	1,570	1,500	327	21.83%	393	26.20%	1,500	0	0.00%
Reference Materials:	5740	0	87	200	0	0.00%	0	0.00%	200	0	0.00%
Other Administrative:	5790	0	448	0	608	100.00%	730	100.00%	0	0	0.00%
CalPERS 457 Deferred Plan:	5810	18,386	18,955	17,002	17,403	102.36%	20,884	122.83%	17,534	533	3.13%
Employee Benefits:	5820	39,107	52,115	48,307	35,494	73.48%	42,593	88.17%	49,096	789	1.63%
Disability Insurance:	5830	1,360	1,360	1,401	1,275	91.00%	1,530	109.20%	1,879	478	34.08%
Payroll Taxes:	5840	16,063	15,610	18,580	13,180	70.94%	15,816	85.12%	19,163	582	3.13%
Worker's Compensation Insurance:	5960	4,082	2,622	5,473	1,402	25.62%	1,682	30.74%	3,698	(1,775)	-32.43%
Management:	5910	114,908	112,113	111,733	96,020	85.94%	115,224	103.13%	116,211	4,479	4.01%
Staff:	5920	127,015	125,760	126,526	111,497	88.12%	133,796	105.75%	134,281	7,755	6.13%
Staff Certification:	5930	1,800	1,800	1,800	1,825	101.39%	2,190	121.67%	1,800	0	0.00%
Staff Overtime:	5940	918	1,435	2,821	1,539	54.56%	1,847	65.47%	1,760	(1,061)	-37.60%
Staff Standby:	5950	32	0	0	0	0.00%	0	0.00%	0	0	0.00%
PARS:	5850	16,909	19,459	16,487	14,006	84.95%	16,807	101.94%	17,088	600	3.64%
Claims, Property Damage:	6170	12,811	20,514	20,000	0	0.00%	0	0.00%	20,000	0	0.00%
Education & Training:	6195	717	559	1,000	0	0.00%	0	0.00%	1,000	0	0.00%
Meeting Attendance, Engineering:	6210	0	0	2,000	0	0.00%	0	0.00%	0	(2,000)	-100.00%



MWSD — Fiscal Year 2020-21 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2017-18	2018-19	Approved	Income/Expenditures		Projected	Projected as	Proposed Budgeted	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	Budget 2019-	as of April 30, 2020	% To date		% of Budget	amounts 2020-21	from 2019-2020 \$	%
General Engineering:	6220	68,682	33,584	60,000	25,334	42.22%	30,401	50.67%	60,000	0	0.00%
Equipment & Tools, Expensed:	6320	0		1,000		0.00%	0	0.00%	1,000	0	0.00%
Alarm Services:	6335	5,146	5,028	5,700	4,457	78.19%	5,348	93.83%	10,000	4,300	75.44%
Landscaping:	6337	2,280	2,588	3,600	2,468	68.56%	2,962	82.27%	6,000	2,400	66.67%
Pumping Fuel & Electricity:	6410	39,312	44,881	45,000	31,117	69.15%	37,340	82.98%	45,000	0	0.00%
Uniforms:	6770	0	0	0	126	100.00%	151	100.00%	0	0	#DIV/0!
Maintenance, Collection System:	6660		550	10,000		0.00%	0	0.00%	10,000	0	0.00%
Fuel:	6810	988	1,021	1,000	801	80.10%	961	96.12%	1,000	0	0.00%
Truck Equipment, Expensed:	6820	2	27	160	439	274.38%	527	329.25%	160	0	0.00%
Truck Repairs:	6830	780	423	1,000	622	62.20%	746	74.64%	1,000	0	0.00%
Total Other Operations:	6890	0	0			0.00%	0	0.00%		0	
SAM Collections:	6910	232,841	329,965	341,549	256,162	75.00%	307,394	90.00%	254,153	(87,396)	-25.59%
SAM Operations:	6920	1,625,331	1,316,715	1,529,139	1,146,855	75.00%	1,376,226	90.00%	1,584,637	55,498	3.63%
Depreciation:	5260	555,756	408,078			0.00%	0	0.00%		0	
SAM Maintenance, Collection System:	6940	0	0	40,000		0.00%	0	0.00%	40,000	0	0.00%
SAM Maintenance, Pumping:	6950	0	82,999	50,000	83,260	166.52%	99,912	199.82%	70,000	20,000	40.00%
Total Operations Expense:		3,249,479	2,932,411	3,044,827	2,074,998	68.15%	2,489,998	81.78%	2,734,110	(310,717)	-10.20%
Net Change in position from Operations:		(750,211)	157,629	317,485	1,138,627	358.64%	1,000,475	315.13%	857,977	540,492	170.24%

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MWSD — Fiscal Year 2020-21 Non-Operating Budget - SEWER ENTERPRISE

GL Codes	2017-18 Actual	2018-19 Actual	Approved Budget 2019-20	Income/Expenditure s as of April 30,	% To date	Projected	Projected as % of Budget	Proposed Budgeted amounts 2020-21	Increase/(Decrease) from 2019-2020 \$	Increase/(decrease) %	
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	221,658	246,161	150,000	105,512	70.34%	126,614	84.41%	100,000	(50,000)	-33.33%
Connection Fees, Residential Remodel:	7120	7,605	66,218	50,000	55,708	111.42%	66,850	133.70%	50,000	0	0.00%
LAIF, Interest:	7200	41,070	99,073	50,000	82,214	164.43%	98,657	197.31%	60,000	10,000	20.00%
Total Non Operating Revenue:		270,333	411,451	250,000	243,434	97.37%	292,121	116.85%	210,000	(40,000)	-16.00%
Non Operating Expense											
PNC Equipment Lease:	9125	18,222	17,492	15,221	12,802	84.11%	15,221	100.00%	13,461	(1,760)	-11.57%
Capital Assessment, SAM:	9175	121,345	0		0	0.00%	0	0.00%		0	#DIV/0!
I-Bank Loan:	9200	23,996	22,382	22,582	11,063	48.99%	22,582	100.00%	21,655	(927)	-4.11%
Total Non Operating Expense:		163,563	39,874	37,803	23,865	63.13%	28,638	75.76%	35,116	(2,687)	-7.11%
Net Change in position from Non Operating		106,770	371,577	212,197	219,569		263,483		174,884	(37,313)	

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MWSD — Fiscal Year 2020-21 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2017-18	2018-19	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Proposed Budgeted	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2019-20	as of April 30, 2020			of Budget	amounts 2020-21	from 2019-2020 \$	%
Cell Tower Lease:	4220	35,632	36,752	37,000	33,174	89.66%	37,913	102.47%	37,500	500	1.35%
Administrative Fees (New Construction):	4410	4,545	3,126	5,000	4,336	86.72%	5,203	104.06%	5,000	0	0.00%
Administrative Fees (Remodel):	4420	1,679	0	0	1,084	100.00%	1,301	100.00%	0	0	#DIV/0!
Inspection Fees (New Construction):	4430	4,293	2,956	4,000	4,096	102.40%	4,915	122.88%	4,000	0	0.00%
Inspection Fees (Remodel):	4440	1,908	0	0	1,536	100.00%	1,843	100.00%	1,000	1,000	#DIV/0!
Mainline Extension Fees:	4450	0	3,119	3,000	0	0.00%	0	0.00%	3,000	0	0.00%
Grants:	4510				112	100.00%	134	100.00%		0	#DIV/0!
Remodel Fees:	4460	4,425	5,561	2,000	1,421	71.05%	1,705	85.26%	2,000		
Property Tax Receipts:	4610	367,805	404,079	275,000	376,255	136.82%	451,506	164.18%	275,000	0	0.00%
Testing, Backflow:	4740	17,858	18,420	18,000	19,454	108.08%	23,345	129.69%	18,000	0	0.00%
Water Sales:	4810	1,922,677	1,892,091	1,947,000	1,607,533	82.57%	1,929,040	99.08%	1,896,000	(51,000)	-2.62%
Water Sales Refunds, Customer:	4850	(1,488)	(4,670)	(3,000)	(2,258)	75.28%	(2,710)	90.33%	(3,000)	0	0.00%
Other Revenue:	4990	1,180	3,936		60,811	100.00%	72,973	100.00%		0	0.00%
Total Operating Revenue:		2,360,513	2,365,369	2,288,000	2,107,554	92.11%	2,527,169	110.45%	2,238,500	(49,500)	-2.16%
Operating Expenses											
Bank Fees:	5190	1,618	3,495	3,750	1,018	27.15%	1,222	32.58%	1,500	(2,250)	-60.00%
Board Meetings:	5210	1,836	3,928	4,000	2,617	65.43%	3,140	78.51%	3,000	(1,000)	-25.00%
Director Fees:	5220	3,900	2,288	3,300	3,075	93.18%	3,690	111.82%	2,000	(1,300)	-39.39%
Election Expenses:	5230	0	4,265			0.00%	0	0.00%	5,000	5,000	#DIV/0!
CDPH Fees:	5240	10,832	10,530	15,750	9,156	58.14%	9,156	58.13%	11,000	(4,750)	-30.16%
Conference Attendance:	5250	5,697	2,467	6,000	943	15.72%	1,132	18.86%	3,000	(3,000)	-50.00%
Information Systems:	5270	9,488	10,185	3,000	8,223	274.10%	9,868	328.92%	5,000	2,000	66.67%
Fidelity Bond:	5310	0	438	500	0	0.00%	0	0.00%	500	0	0.00%
Property & Liability Insurance:	5320	0	2,215	2,500	1,173	46.92%	1,408	56.30%	5,000	2,500	100.00%
LAFCO Assessment:	5350	2,208	2,520	2,750	2,465	89.64%	2,465	89.64%	2,500	(250)	-9.09%
Meeting Attendance, Legal:	5420	3,211	14	0	0	0.00%	0	0.00%	0	0	#DIV/0!
General Legal:	5430	24,643	24,250	231,000	80,466	34.83%	96,559	41.80%	100,000	(131,000)	-56.71%
Maintenance, Office:	5510	5,561	11,015	8,000	5,137	64.21%	6,164	77.06%	8,000	0	0.00%
Meetings, Local:	5520	0	41		0	0.00%	0	0.00%	0	0	0.00%
Memberships:	5530	20,298	22,236	24,000	26,275	109.48%	26,275	109.48%	27,000	3,000	12.50%
Office Supplies:	5540	8,452	7,244	8,000	4,835	60.44%	5,802	72.53%	6,000	(2,000)	-25.00%
Postage:	5550	6,379	9,318	9,000	8,231	91.46%	9,877	109.75%	4,000	(5,000)	-55.56%
Printing & Publishing:	5560	1,739	3,213	3,000	1,474	49.13%	1,769	58.96%	7,000	4,000	133.33%
Accounting:	5610	31,276	26,503	30,000	27,225	90.75%	32,670	108.90%	32,000	2,000	6.67%
Audit:	5620	18,000	13,000	13,000	8,150	62.69%	9,780	75.23%	13,000	0	0.00%
Consulting:	5630	19,678	28,471	100,000	43,676	43.68%	52,411	52.41%	55,000	(45,000)	-45.00%
Data Services:	5640	0			900	100.00%	1,080	100.00%	3,000	3,000	
Labor & HR Support:	5650	2,484	2,442	2,500	2,214	88.56%	2,657	106.27%	2,500	0	0.00%
Payroll Services:	5660	940	949	1,000	822	82.20%	986	98.64%	1,000	0	0.00%
Other Professional Services:	5690	0	480		0	0.00%	0	0.00%	0	0	0.00%
San Mateo County Tax Roll Charges:	5710	0	119		119	100.00%	143	100.00%	3,000		
Telephone & Internet:	5720	22,460	31,642	27,000	27,432	101.60%	32,918	121.92%	20,000	(7,000)	-25.93%
Mileage Reimbursement:	5730	564	2,188	2,000	623	31.13%	747	37.36%	2,000	0	0.00%
Reference Materials:	5740	0	0	800	0	0.00%	0	0.00%	800	0	0.00%
Other Administrative:	5790	615	791		2,156	100.00%	2,587	100.00%	1,000	1,000	
CalPERS 457 Deferred Plan:	5810	37,021	38,266	43,235	35,559	82.25%	42,671	98.69%	45,144	1,908	4.41%
Employee Benefits:	5820	74,878	84,851	88,110	57,524	65.29%	69,029	78.34%	107,614	19,504	22.14%
Disability Insurance:	5830	3,366	3,366	3,467	2,565	73.98%	3,078	88.78%	4,772	1,305	37.65%
Payroll Taxes:	5840	39,499	39,124	49,062	35,236	71.82%	42,283	86.18%	51,484	2,422	4.94%
Worker's Compensation Insurance:	5960	19,208	12,579	23,324	6,954	29.82%	8,345	35.78%	22,552	(772)	-3.31%
Management:	5910	114,908	112,113	111,733	96,020	85.94%	115,224	103.13%	116,211	4,479	4.01%
Staff :	5920	360,388	356,877	446,840	334,135	74.78%	400,962	89.73%	467,171	20,332	4.55%
Staff Certification:	5930	10,042	9,275	11,400	9,183	80.55%	11,020	96.66%	11,400	0	0.00%
Staff Overtime:	5940	42,425	45,516	48,105	38,789	80.63%	46,547	96.76%	55,079	6,975	14.50%
Staff Standby:	5950	25,125	24,705	23,249	21,298	91.61%	25,558	109.93%	23,128	(121)	-0.52%
PARS:	5850	31,691	37,916	37,636	28,069	74.58%	33,683	89.50%	38,862	1,226	3.26%



MWSD — Fiscal Year 2020-21 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2017-18	2018-19	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Proposed Budgeted	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2019-20	as of April 30, 2020			of Budget	amounts 2020-21	from 2019-2020 \$	%
Backflow Prevention:	6160	473	764	1,000	326	32.60%	391	39.12%	1,000	0	0.00%
Claims, Property Damage:	6170	0	22	10,000	392	3.92%	470	4.70%	10,000	0	0.00%
SCADA Maintenance:	6185	9,802	12,061	13,000	226	1.74%	271	2.09%	13,000	0	0.00%
Education & Training:	6195	9,911	5,098	9,000	3,610	40.11%	4,332	48.13%	9,000	0	0.00%
Meeting Attendance, Engineering:	6210	16		500	0	0.00%	0	0.00%	0	(500)	-100.00%
General Engineering:	6220	8,503	1,467	30,000	12,390	41.30%	14,868	49.56%	20,000	(10,000)	-33.33%
Water Quality Engineering:	6230	178,764	420,284	350,000	118,115	33.75%	141,738	40.50%	200,000	(150,000)	-42.86%
Equipment & Tools, Expensed:	6320	7,441	11,867	8,000	16,314	203.93%	19,577	244.71%	12,000	4,000	50.00%
Alarm Services:	6335	671	718	800	539	67.38%	647	80.85%	5,000	4,200	525.00%
Landscaping:	6337	5,947	5,811	56,000	5,150	9.20%	6,180	11.04%	15,000	(41,000)	-73.21%
Lab Supplies & Equipment:	6370	3,698	2,251	2,500	7,196	287.84%	8,635	345.41%	4,000	1,500	60.00%
Meter Reading:	6380	21	0		10	100.00%	12	100.00%		0	
Pumping Fuel & Electricity:	6410	68,177	77,011	90,000	58,363	64.85%	70,036	77.82%	90,000	0	0.00%
Pumping Maintenance, Generators:	6420	7,777	21,339	10,000	20,908	209.08%	25,090	250.90%	15,000	5,000	50.00%
Pumping Maintenance, General:	6430	4,137	3,448	5,000	17	0.35%	21	0.41%	5,000	0	
Pumping Equipment, Expensed:	6440	210	478	700	8,562	1223.16%	10,275	1467.79%	700	0	0.00%
Maintenance, Raw Water Mains:	6510	1,474	1,857	2,500	27	1.10%	33	1.32%	2,500	0	
Maintenance, Wells:	6520	16,851	8,635	5,000	10,687	213.74%	12,824	256.49%	5,000	0	0.00%
Water Purchases:	6530	25,508	26,826	40,000	21,585	53.96%	25,902	64.76%	30,000	(10,000)	-25.00%
Hydrants:	6610	375	0	1,000	6,481	648.10%	7,777	777.72%	1,000	0	0.00%
Maintenance, Water Mains:	6620	39,633	46,952	50,000	32,350	64.70%	38,820	77.64%	50,000	0	0.00%
Maintenance, Water Service Lines:	6630	12,389	3,506	20,000	3,519	17.60%	4,223	21.11%	15,000	(5,000)	-25.00%
Maintenance, Tanks:	6640	741	1,593	1,000	4,146	414.60%	4,975	497.52%	4,000	3,000	300.00%
Maintenance, Distribution General:	6650	273	7,341	8,000	10,829	135.36%	12,995	162.44%	8,000	0	0.00%
Maintenance, Collection System:	6660	33	414			0.00%	0	0.00%			
Meters:	6670	2,373	8,177	2,500	6,253	250.14%	7,504	300.17%	2,500	0	0.00%
Chemicals & Filtering:	6710	18,681	20,233	20,000	38,989	194.95%	46,787	233.93%	20,000	0	0.00%
Maintenance, Treatment Equipment:	6720	10,508	28,456	20,000	12,640	63.20%	15,168	75.84%	20,000	0	0.00%
Treatment Analysis:	6730	35,504	45,055	45,000	16,716	37.15%	20,059	44.58%	45,000	0	0.00%
Uniforms:	6770	11,166	11,459	2,000	3,483	174.15%	4,180	208.98%	2,000	0	0.00%
Fuel:	6810	5,598	6,541	10,000	5,035	50.35%	6,042	60.42%	10,000	0	0.00%
Truck Equipment, Expensed:	6820	12	309	1,000	2,686	268.60%	3,223	322.32%	2,000	1,000	100.00%
Truck Repairs:	6830	4,422	2,411	5,000	3,524	70.48%	4,229	84.58%	5,000	0	0.00%
Other Operations:	6890	238		0	55	100.00%	66	100.00%	0	0	
Total Operations Expense:		1,451,758	1,773,218	2,206,511	1,364,862	61.86%	1,630,254	73.88%	1,888,918	(320,593)	-14.53%
Net Change in position from Operations:		908,754	592,152	81,489	742,692	911.40%	896,915	1100.66%	349,582	271,093	332.68%

MWSD — Fiscal Year 2020-2021 Non-Operating Budget - WATER ENTERPRISE

	GL Codes	2017-18 Actual	2018-19 Actual	Approved Budget 2019-20	Income/Expenditures as of April 30, 2020	% To date	Projected	Projected as % of Budget	Proposed Budgeted amounts 2020-21	Increase/(Decrease) from 2019-20 \$	Increase/(decrease) %
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	145,168	151,098	150,000	100,608	67.07%	120,730	80.49%	100,000	(50,000)	-33.33%
Connection Fees, Residential Remodel:	7120					0.00%	0	0.00%		0	#DIV/0!
Connection Fees, Residential Fire:	7130	118,691	164,056	130,000	57,430	44.18%	68,916	53.01%	50,000	(80,000)	-61.54%
Connection Fees, Residential Remodel Fire:	7140	12,893	2,032		14,780	100.00%	17,736	100.00%		0	
Connection Fees, Well Conversion:	7150	7,800				0.00%	0	0.00%		0	
General Obligation Bonds, Assessment Receipts:	7600	1,226,216	1,182,939	1,150,436	1,052,210	91.46%	1,150,436	100.00%	1,150,436	0	0.00%
Water System Reliability:									1,000,000	1,000,000	#DIV/0!
Total Non Operating Revenue:		1,510,768	1,500,125	1,430,436	1,225,028	85.64%	1,357,818	94.92%	1,300,436	(130,000)	-9.09%
Non Operating Expense											
General Obligation Bonds:	9100	265,164	242,762	230,539	230,539	100.00%	230,539	100.00%	208,611	(21,928)	-9.51%
PNC Equipment Lease:	9125	18,222	17,492	15,221	12,802	84.11%	15,221	100.00%	13,461	(1,760)	-11.57%
State Revolving Fund Loan:	9150	83,943	78,501	72,873	163,905	224.92%	163,905	224.92%	70,489	(2,384)	-3.27%
Water Rebates :	9210	1,400	1,500	3,000	1,350	45.00%	1,620	54.00%	3,000	0	0.00%
Total Non Operating Expense:		368,729	383,970	321,633	408,596	127.04%	411,285	127.87%	295,561	(26,072)	-8.11%
Net Change in position from Non Operating activities:		1,142,039	1,116,155	1,108,803	816,432		946,533		1,004,875	(103,928)	-9.37%

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SALARY RANGE
MONTARA WATER AND SANITARY DISTRICT
July 1, 2020

Position	Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
Operations Manager	\$153,324 \$122,771	\$122,771 \$59.02	\$125,840 \$60.50	\$128,986 \$62.01	\$132,211 \$63.56	\$135,516 \$65.15	\$138,904 \$66.78	\$142,376 \$68.45	\$145,936 \$70.16	\$149,584 \$71.92	\$153,324 \$73.71
Superintendent	\$143,691 \$115,058	\$115,058 \$55.32	\$117,934 \$56.70	\$120,882 \$58.12	\$123,905 \$59.57	\$127,002 \$61.06	\$130,177 \$62.59	\$133,432 \$64.15	\$136,767 \$65.75	\$140,187 \$67.40	\$143,691 \$69.08
Water System Operator	\$87,638 \$70,174	\$70,174 \$33.74	\$71,928 \$34.58	\$73,727 \$35.45	\$75,570 \$36.33	\$77,459 \$37.24	\$79,395 \$38.17	\$81,380 \$39.13	\$83,415 \$40.10	\$85,500 \$41.11	\$87,638 \$42.13
Maintenance Worker I	\$76,090 \$60,927	\$60,927 \$29.29	\$62,451 \$30.02	\$64,012 \$30.77	\$65,612 \$31.54	\$67,253 \$32.33	\$68,934 \$33.14	\$70,657 \$33.97	\$72,424 \$34.82	\$74,234 \$35.69	\$76,090 \$36.58
Account Specialist	\$72,749 \$58,252	\$58,252 \$28.01	\$59,709 \$28.71	\$61,202 \$29.42	\$62,732 \$30.16	\$64,300 \$30.91	\$65,907 \$31.69	\$67,555 \$32.48	\$69,244 \$33.29	\$70,975 \$34.12	\$72,749 \$34.98
District Clerk	\$72,749 \$58,252	\$58,252 \$28.01	\$59,709 \$28.71	\$61,202 \$29.42	\$62,732 \$30.16	\$64,300 \$30.91	\$65,907 \$31.69	\$67,555 \$32.48	\$69,244 \$33.29	\$70,975 \$34.12	\$72,749 \$34.98

2.5 % step increases

	Increase 2.70%	1-Jul-16	Increase 3.79%	1-Jul-17	Increase 2.83%	1-Jul-18	Increase 4.01%	1-Jul-19	Increase 1.66%	1-Jul-20
Operations Manager	1.027	\$109,394	1.0379	\$113,540	1.0283	\$121,178	1.0401	\$121,435	1.011	\$122,771
Superintendent	1.027	\$102,521	1.0379	\$106,407	1.0283	\$113,565	1.0401	\$113,806	1.011	\$115,058
Water System Operator	1.027	\$62,528	1.0379	\$64,898	1.0283	\$69,264	1.0401	\$69,410	1.011	\$70,174
Maintenance Worker	1.027	\$54,289	1.0379	\$56,347	1.0283	\$60,137	1.0401	\$60,265	1.011	\$60,927
Account Specialist	1.027	\$51,905	1.0379	\$53,873	1.0283	\$57,497	1.0401	\$57,619	1.011	\$58,252
District Clerk	1.027	\$51,905	1.0379	\$53,873	1.0283	\$57,497	1.0401	\$57,619	1.011	\$58,252

Operator in Training \$19 per hour
Temporary Worker \$19 per hour

Payroll	Water	Overtime	Doubletime	On Call	Cert Pay	Total	Health	Disability	WC	CalPERS	PARS	Medicare	SS	F/Y Total Water
GM	\$ 116,211.37					\$ 116,211.37	\$ 13,971.25	\$ 859.96	\$ 1,162.11	\$ 8,134.80	\$ 8,041.83	\$ 1,685.06	\$ 7,205.10	\$ 157,271.48
Superintendent	\$ 69,518.89	\$ 1,015.21	\$ 735.30		\$ 1,800.00	\$ 73,069.39	\$ 7,182.09	\$ 540.71	\$ 2,009.41	\$ 5,114.86	\$ 4,810.71	\$ 1,059.51	\$ 4,530.30	\$ 98,316.98
Account Specialist	\$ 63,772.91					\$ 63,772.91	\$ 27,942.50	\$ 471.92	\$ 548.45	\$ 4,464.10	\$ 4,413.09	\$ 924.71	\$ 3,953.92	\$ 106,491.59
Water Operator	\$ 89,092.48	\$ 7,057.79	\$ 9,744.49	\$ 6,250.18	\$ 2,400.00	\$ 114,544.94	\$ 10,191.81	\$ 847.63	\$ 5,154.52	\$ 8,018.15	\$ 6,165.20	\$ 1,660.90	\$ 7,101.79	\$ 153,684.94
Water Operator	\$ 84,799.50	\$ 6,444.05	\$ 8,174.18	\$ 5,763.10	\$ 2,400.00	\$ 107,580.84	\$ 10,191.81	\$ 796.10	\$ 4,841.14	\$ 7,530.66	\$ 5,868.13	\$ 1,559.92	\$ 6,670.01	\$ 145,038.60
Water Operator	\$ 65,074.55	\$ 4,428.90	\$ 6,053.81	\$ 3,941.08	\$ 2,400.00	\$ 81,898.34	\$ 10,191.81	\$ 606.05	\$ 3,685.43	\$ 5,732.88	\$ 4,503.16	\$ 1,187.53	\$ 5,077.70	\$ 112,882.89
Water Operator	\$ 73,122.35	\$ 2,676.17	\$ 5,624.80	\$ 4,007.67	\$ 2,400.00	\$ 87,830.98	\$ 27,942.50	\$ 649.95	\$ 3,952.39	\$ 6,148.17	\$ 5,060.07	\$ 1,273.55	\$ 5,445.52	\$ 138,303.13
Temp. Operator	\$ 20,000.00	\$ 1,659.68	\$ 1,465.09	\$ 3,166.43	\$ -	\$ 26,291.20			\$ 1,183.10			\$ 381.22	\$ 1,630.05	\$ 29,485.58
Part Time Admin	\$ 1,790.75					\$ 1,790.75			\$ 15.40			\$ 25.97	\$ 111.03	\$ 1,943.14
Totals	\$ 583,382.79	\$ 23,281.80	\$ 31,797.67	\$ 23,128.46	\$ 11,400.00	\$ 672,990.73	\$ 107,613.76	\$ 4,772.32	\$ 22,551.95	\$ 45,143.61	\$ 38,862.17	\$ 9,758.37	\$ 41,725.43	\$ 943,418.34
Payroll	Sewer	Overtime	Doubletime	On Call	Cert Pay	Total	Health	Disability	WC	CalPERS	PARS	Medicare	SS	F/Y Total Sewer
GM	\$ 116,211.37					\$ 116,211.37	\$ 13,971.25	\$ 871.59	\$ 1,162.11	\$ 8,134.80	\$ 8,041.83	\$ 1,685.06	\$ 7,205.10	\$ 157,283.11
Superintendent	\$ 69,518.89	\$ 1,020.83	\$ 739.37		\$ 1,800.00	\$ 73,079.09	\$ 7,182.09	\$ 548.09	\$ 2,009.67	\$ 5,115.54	\$ 4,810.71	\$ 1,059.65	\$ 4,530.90	\$ 98,335.74
District Clerk	\$ 61,201.53					\$ 61,201.53	\$ 27,942.50	\$ 459.01	\$ 526.33	\$ 4,284.11	\$ 4,235.15	\$ 887.42	\$ 3,794.49	\$ 103,330.54
Totals	\$ 246,931.78	\$ 1,020.83	\$ 739.37	\$ -	\$ 1,800.00	\$ 250,491.98	\$ 49,095.84	\$ 1,878.69	\$ 3,698.12	\$ 17,534.44	\$ 17,087.68	\$ 3,632.13	\$ 15,530.50	\$ 358,949.38

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MWSD SEWER Capital Improvement Program
2018-19
SEWER SYSTEM

PROJECT	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
MWSD CAPITAL PROJECTS					
Mechanical System Repairs & Replacements	\$ 75,000	\$ 612,500	\$ 164,600	\$ 50,000	\$ 974,500
Inflow & Infiltration Testing / Televising	\$ 25,000	\$ 15,000	\$ 30,000	\$ 15,000	\$ 15,000
Seal Cove Area Repair and Maint. Project	\$ 15,000	\$ 20,000	\$ 15,000	\$ 15,000	\$ 15,000
Replace Pump Station Pumps	\$ 20,000	\$ 20,000	\$ 5,000	\$ 50,000	\$ 20,000
Replace Medium High Priority Sewer Mains	\$ 580,000	\$ 577,775	\$ 1,571,135	\$ 1,211,150	\$ 681,875
Spot Repairs Program	\$ 35,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Replace Distillery Pump Station	\$ 5,000	\$ 5,000	\$ 15,000	\$ 10,000	\$ 80,000
Cabrillo Hwy Express Sewer				\$515,300	
Pump Station Communication Upgrades	\$ 5,125	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
MWSD CAPITAL PROJECTS TOTAL:	\$ 760,125	\$ 1,277,775	\$ 1,828,235	1,893,950	1,813,875
Alternative Budget Items					
Express Sewer					
Cabrillo Hwy Phase 1B	\$ 1,225,147		\$ 526,975	\$500,000	\$668,250
Pump Station MCC and Coatings		\$ 715,500			
TOTAL ANNUAL COST	1,985,272	1,993,275	2,355,210	2,393,950	2,482,125

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MWSD
Five Year Capital Improvement Program
WATER SYSTEM

Existing Customer CIP - WATER						
	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	5-Year CIP Total
Distribution System Renewal and Replacement Program (1)	\$ 455,000	\$ 464,100	\$ 473,382	\$ 482,850	\$ 492,507	\$ 2,367,838
Water Conservation Program	\$ 8,750	\$ 9,013	\$ 9,018	\$ 9,288	\$ 9,567	\$ 45,636
Storage Tank Rehabilitation Program (2)		\$ 350,000	\$ 1,000,000			\$ 1,350,000
Emergency Generator Replacement Program	\$ 45,000	\$ 45,900	\$ 46,818	\$ 47,754	\$ 48,709	\$ 234,182
Vehicle Replacement Fund		\$ 40,000	\$ 41,200	\$ 42,436		\$ 123,636
EXISTING CUSTOMER CIP TOTAL	\$ 508,750	\$ 909,013	\$ 1,570,418	\$ 582,328	\$ 550,783	\$ 4,121,292
New Customer CIP - WATER						
	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	5-Year CIP Total
Water Main Upgrade Program (1)	\$ 525,000	\$ 1,000,000	\$ 1,030,000	\$ 1,060,900	\$ 1,092,727	\$ 4,708,627
Existing Well Upgrade Program (3)		\$ 320,000	\$ 329,600	\$ 339,488		\$ 989,088
New and Upgraded PRV Stations' Program (4)		\$ 250,000	\$ 257,500	\$ 265,225	\$ 273,182	\$ 1,045,907
Emergency Generator Upgrade Program	\$ 75,000	\$ 77,250	\$ 79,568	\$ 81,955	\$ 84,413	\$ 398,185
Portola Tank Telemetry Upgrade				\$ 250,000		\$ 250,000
Develop Additional Supply Reliability			\$ 100,000	\$ 350,000	\$ 1,000,000	\$ 1,450,000
NEW CUSTOMER CIP TOTAL	\$ 600,000	\$ 1,647,250	\$ 1,796,668	\$ 2,347,568	\$ 2,450,322	\$ 8,841,807
Total Annual Capital Cost	\$ 1,108,750	\$ 2,556,263	\$ 3,367,086	\$ 2,929,896	\$ 3,001,105	\$ 12,963,099
CAPITAL FUND BALANCE						
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Capital Fund TOTAL:	\$ -					
Less CIP	\$ (1,108,750)	\$ (2,556,263)	\$ (3,367,086)	\$ (2,929,896)	\$ (3,001,105)	\$ (12,963,099)
Total	\$ (1,108,750)	\$ (2,556,263)	\$ (3,367,086)	\$ (2,929,896)	\$ (3,001,105)	\$ (12,963,099)
Notes:						
(1) These programs include a project to merge the Alta Vista and Portola Zones to improve system reliability and to provide service to new customers. Proposed split is 50/50. Additionally, in the following years of the CIP, these programs include a replacement of a failed main under and along Hwy 1						
(2) This project includes urgent repairs needed to the Portola Tank and is coupled with the above project (1) for cost efficiency						
(3) This project is for the Pillar Ridge wells' rehabilitation and upgrades						
(4) This project would add new PRV stations, sampling stations, valves, and upgrade existing						

Fiscal year 2020-2021 Budget Debt Service

	Original Issue Amount	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021	Interest Expense
Sewer						
CIEDB Loan (I Bank)	\$ 1,010,000	\$ 753,602		\$ 30,842	\$ 722,760	\$ 21,655
PNCEF Lease Obligation	\$ 927,222	\$ 531,678		\$ 62,669	\$ 469,008	\$ 13,461
Subtotal - Sewer		<u>\$ 1,285,280</u>	<u>\$ -</u>	<u>\$ 93,512</u>	<u>\$ 1,191,768</u>	<u>\$ 35,116</u>
Water						
General Obligation Bonds	\$ 15,635,000	\$ 9,661,690		\$ 941,825	\$ 8,719,866	\$ 208,611
PNCEF Lease Obligation	\$ 927,222	\$ 531,678		\$ 62,669	\$ 469,008	\$ 13,461
SRF Loan	\$ 4,248,354	\$ 3,289,866		\$ 171,381	\$ 3,118,485	\$ 70,489
Subtotal - Water		<u>13,483,234</u>	<u>-</u>	<u>1,175,875</u>	<u>12,307,359</u>	<u>292,561</u>
Total Debt Service		<u>\$ 14,768,514</u>	<u>\$ -</u>	<u>\$ 1,269,387</u>	<u>\$ 13,499,127</u>	<u>\$ 327,677</u>

PNCEF lease obligation is split evenly between Sewer and Water.

The District entered into an agreement with the State of California Department of health under the Safe Drinking Water State Revolving Fund Law of 1947. This agreement constitutes funding in the form of a loan and a grant made by the State to the District to assist in financing the cost of studies, planning and other preliminary activities for a project which will enable the district to meet safe drinking water standards.

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Fiscal year 2020-2021 Budget Impact Area

Operating Reserves

WATER

Water Operating Account as of April 30, 2020

Wells Fargo Checking: \$ 680,360

Current Operating Reserves as of April 30, 2020

Operating: \$ 46,009

Operating Reserve:

The District's Water Operating Reserve target is two months of operating expenses. Based on fiscal year 2020-21 budget the amount of operating reserves is as follows:

Target calculation

\$	1,888,918	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	157,410	Monthly budgeted operating expenses
	x 2	Two months expenditures
<hr/>		
\$	314,820	Target Reserve
<hr/> <hr/>		

Conclusion:

Currently, the District has sufficient Operating Water Reserves for Fiscal Year 2020-2021

Fiscal year 2020-2021 Budget Impact Area

Operating Reserves

SEWER

Sewer Operating Account as of April 30, 2020

Wells Fargo Checking \$ 2,720,144

Current Reserves as of April 30, 2020

Operating: \$ 406,882

Operating Reserve:

For the District's Sewer Operating Reserve, the maximum target amount shall equal ten months' of operating expenses and the minimum target amount shall equal two months' of operating expenses.

Based on fiscal year 2020-21 budget the amount of operating reserves is as follows:

Minimum Target		
\$	2,734,110	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	227,842	Monthly budgeted operating expenses
	x 2	Monthly budgeted operating expenses
<hr/>		
\$	455,685	Minimum Target Reserve
<hr/> <hr/>		

Maximum Target		
\$	2,734,110	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	227,842	Monthly budgeted operating expenses
	x 10	Monthly budgeted operating expenses
<hr/>		
\$	1,822,740	Maximum Target Reserve
<hr/> <hr/>		

Conclusion: Year

Currently, the District has insufficient dedicated operating Sewer Reserves for Fiscal Year 2020-21

Beginning in Fiscal Year 2020-21 the minimum target reserve amount will be set aside in the District's LAIF account and displayed on the balance sheet.

Fiscal year 2020-2021 Budget Impact Area Capital and Connection Reserves

CAPITAL RESERVE

Capital Reserve:

For the Water and Sewer capital reserves, the target amounts are based on district engineers' estimates of the annual costs to replace water and sewer facilities and the five year capital improvement plans (CIP). Each Utility enterprise shall have a separate capital reserve. The maximum target amount shall equal the highest total annual amount shown in the CIP applicable to existing customers plus the district engineer's estimate of annual replacement capital project costs. The minimum target amount shall equal the lowest total annual amount shown in the CIP applicable to existing customers plus the district engineers' estimate of annual replacement capital project costs.

WATER

Current Capital Reserves as of April 30, 2020

Capital: \$ 398,249

Minimum Target

\$ 1,108,750	Lowest year CIP existing customers (fiscal year 2020-21)
\$ 750,000	Engineer estimate
<u>\$ 1,858,750</u>	Minimum target

Maximum Target

\$ 3,367,086	Highest year CIP existing customers (fiscal year 2022-23)
\$ 750,000	Engineer estimate
<u>\$ 4,117,086</u>	Maximum target

Conclusion:

Based on the above, the District does not have sufficient reserves for the minimum target Capital reserve.

Fiscal year 2020-2021 Budget Impact Area

Capital and Connection Reserves

SEWER

Current Capital Reserves as of April 30, 2020

Capital: \$ 3,947,360

Minimum Target

\$ 1,985,272	Lowest year CIP existing customers (fiscal year 2020-21)
\$ 1,177,000	Engineer estimate
<u>\$ 3,162,272</u>	Minimum target

Maximum Target

\$ 2,482,125	Highest year CIP existing customers (fiscal year 2024-25)
\$ 1,177,000	Engineer estimate
<u>\$ 3,659,125</u>	Maximum target

Conclusion:

Based on the above, the District has sufficient reserves for Capital minimum & maximum target.

CONNECTION FEE RESERVE

Connection Fees:

Provides funds for expansion-related capital projects caused by increases in new water and sewer customers. The connection fee reserves are restricted pursuant to Government Code Section 66013.

The water and sewer connection fee reserves shall equal one year's revenue.

WATER

At the beginning of the fiscal year, the budgeted amounts will be set aside as a reserve.
Fiscal year 2020-21 amount to be reserved is \$150,000.

SEWER

At the beginning of the fiscal year, the budgeted amounts will be set aside as a reserve.
Fiscal year 2020-21 amount to be reserved is \$150,000.

Sewer

Personnel

CalPERS 457 Deferred Plan:	5810
Employee Benefits:	5820
Disability Benefits:	5830
Payroll Taxes:	5840
Worker's Compensation Insurance:	5960
Management:	5910
Staff :	5920
Staff Certification:	5930
Staff Overtime:	5940
Staff Standby:	5950

Professional Services

Accounting:	5610
Audit:	5620
Consulting:	5630
Data Services:	5640
Labor & HR Support:	5650
Payroll Services:	5660
Other Professional Services:	5690
Meeting Attendance, Legal:	5420
General Legal:	5430
Litigation:	5440

Facilities & Administration

Alarm Services:	6335
Landscaping:	6337
Office Supplies:	5540
Postage:	5550
Printing & Publishing:	5560
Telephone & Internet:	5720
Other Administrative:	5790
Maintenance, Office:	5510

Engineering

Meeting Attendance, Engineering:	6210
General Engineering:	6220

Pumping

Pumping Fuel & Electricity:	6410
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Sewer Authority Mid-Coastside

SAM Collections:	6910
SAM Operations:	6920
SAM Prior-Year Adjustment:	6930
SAM Maintenance, Collection System:	6940
SAM Maintenance, Pumping:	6950

All other Accounts

Bank Fees:	5190
Board Meetings:	5210
Director Fees:	5220
Election Expenses:	5230
Conference Attendance:	5250
Information Systems:	5270
Fidelity Bond:	5310
Property & Liability Insurance:	5320
LAFCO Assessment:	5350
Meetings, Local:	5520
San Mateo County Tax Roll Charges:	5710
Mileage Reimbursement:	5730
Reference Materials:	5740
Claims, Property Damage:	6170
Education & Training:	6195
Equipment & Tools, Expensed:	6320
Pumping Fuel & Electricity:	6410
Maintenance, Collection System:	6660
Fuel:	6810
Truck Equipment, Expensed:	6820
Truck Repairs:	6830
Total Other Operations:	6890

Water

Personnel

CalPERS 457 Deferred Plan:	5810
Employee Benefits:	5820
Disability Benefits:	5830
Payroll Taxes:	5840
Worker's Compensation Insurance:	5960
Management:	5910
Staff :	5920
Staff Certification:	5930
Staff Overtime:	5940
Staff Standby:	5950

Professional Services

Accounting:	5610
Audit:	5620
Consulting:	5630
Data Services:	5640
Labor & HR Support:	5650
Payroll Services:	5660
Other Professional Services:	5690
Meeting Attendance, Legal:	5420
General Legal:	5430
Litigation:	5440

Facilities & Administration

Alarm Services:	6335
Landscaping:	6337
Office Supplies:	5540
Postage:	5550
Printing & Publishing:	5560
Fidelity Bond:	5310
Maintenance, Office:	5510
Telephone & Internet:	5720
Other Administrative:	5790

Engineering

Meeting Attendance, Engineering:	6210
General Engineering:	6220
Water Quality Engineering:	6230

Pumping

Pumping Fuel & Electricity:	6410
Pumping Maintenance, Generators:	6420
Pumping Maintenance, General:	6430
Pumping Equipment, Expensed:	6440

Supply

Maintenance, Raw Water Mains:	6510
Maintenance, Wells:	6520
Water Purchases:	6530

Collection/Transmission

Hydrants:	6610
Maintenance, Water Mains:	6620
Maintenance, Water Service Lines:	6630
Maintenance, Tanks:	6640
Maintenance, Distribution General:	6650
Meters:	6670

Treatment

Chemicals & Filtering:	6710
Maintenance, Treatment Equipment:	6720
Treatment Analysis:	6730

All other Accounts

Bank Fees:	5190
Board Meetings:	5210
Director Fees:	5220
Election Expenses:	5230
CDPH Fees:	5240
Conference Attendance:	5250
Information Systems:	5270
Property & Liability Insurance:	5320
LAFCO Assessment:	5350
Meetings, Local:	5520
Memberships:	5530
Mileage Reimbursement:	5730
Reference Materials:	5740
Backflow Prevention:	6160
Claims, Property Damage:	6170
SCADA Maintenance:	6185
Internet & Telephone, Communications:	6187
Education & Training:	6195
Equipment & Tools, Expensed:	6320
Lab Supplies & Equipment:	6370
Meter Reading:	6380
Uniforms:	6770
Fuel:	6810
Truck Equipment, Expensed:	6820
Truck Repairs:	6830
Other Operations:	6890

MWSD 2020-21 Budget Prep

Schedule of changes

Date of change

- 1 reduced SAM general expense
- 2 reduced temp. operator to \$20K
- 3 Updated Water CIP - \$1,108,750
- 4 Inclusion of Water system reliability program \$1M
- 5 Updated SAM collections, reduced \$83,983.
- 6 Updated SAM operations, increased \$39,035.
- 7 Updated sewer CIP, based on Nute Engineering 5 year plan. \$1,985,272.
- 8 Updated Capital reserve discussion
- 9 Updated sewer service charges based on rate increase and calculation
- 13-May 10 Reduced SSC by \$4,000 in anticipation of hardship
- 13-May 11 Reduced Water revenue estimate by \$4,000 in anticipation of hardship rates
- 13-May 12 Updated COLA increase for Staff, to 1.11% from 1.66%
- 14-May 13 Updated April 2020 actuals
- 15-May 14 Reduced Water consulting expense to \$55,000, from \$75,000
- 15-May 15 Reduced Sewer Legal down to \$100,000, from \$200,000
- 15-May 16 Reduced both Water & Legal Director fee line item by \$2,000 per fund.
- 15-May 17 Reduced conference attendance by half for both Sewer and Water
- 18 **NOTE:** Water uniforms has been brought in house.
Purchase of Washer and dryer to eliminate Aramark
- 5/18/2020 19 Updated cash balances at 4/30/2020
- 20
- 21

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5/18/2020



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 21, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Review and Possible Action Concerning
Request of MWSD Directors to Forego Pay
during Covid-19 SIP**

Per MWSD Code directors receive a compensation of \$75 per meeting. This is the lowest compensation for elected officials on the Coastside. MWSD directors should receive this compensation for any meeting that they participated in. However, some MWSD directors have routinely asked to be only paid for board meetings and standing committee meetings, and forgo meeting compensation for any other type like, ad hoc meetings, meetings with other agencies, etc.

At the May 7 meeting several directors requested an agenda item to consider foregoing the directors pay during the Covid-19 Shelter in Place.

RECOMMENDATION:

Discuss and direct staff.