



**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

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*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.*

## **NOTICE OF SPECIAL MEETING**

# **AGENDA**

**District Board of Directors**

**June 10, 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.**

Directors, staff and the public may participate remotely via the application ZOOM:

ZOOM MEETING INFORMATION:

WEBSITE: <https://us02web.zoom.us/j/89581184985?pwd=Vjg5R25VYk92c2FpWWR1bWFXWU5VZz09>

MEETING ID: 895 8118 4985

Password: 312043

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](mailto: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](http://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](mailto: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**

1. [Review and Possible Action Concerning Approval of Sewer Authority Mid-Coastside General and Collections Budget for Fiscal Year 2020-2021.](#)
2. [Review and Possible Action Concerning Approval of MWSD Water and Sewer Budgets and Capital Improvement Programs.](#)

## **NEW BUSINESS (none)**

### **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. District Water and Sewer Budgets.
2. District Water and Sewer Capital Improvement Programs.
3. MWSD District General Obligation Bonds Refinancing.
4. MWSD Defined Benefit Plan Actuarial Evaluation.

### **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. Ct. No. 17CV316927)

#### **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(4))

Initiation of Litigation

Number of cases: 3

### **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: **June 10, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in black ink, appearing to be 'Clemens'.

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

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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 and Collections Budgets were presented and discussed at the May 21 MWSD Board meeting.

## RECOMMENDATION:

Adopt Resolution, No.\_\_\_\_, Resolution of the Montara Water and Sanitary District Consenting to Approval by Sewer Authority Mid-Coastside of its General Budget for Fiscal Year 2020-2021, and adopt Resolution No. \_\_\_\_, Resolution of the Monatar Water and Sanitary District Approving and Adopting Fiscal Year 2020-2021 Sewer Authority Mid-Coastside Wastewater Collection System Contract Services Budget.

Attachments

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT  
APPROVING AND ADOPTING FISCAL YEAR 2020 – 2021 SEWER  
AUTHORITY MID-COASTSIDE WASTEWATER COLLECTION SYSTEM  
CONTRACT SERVICES BUDGET**

**WHEREAS**, pursuant to Section V of that certain Agreement entitled, "Agreement for Maintenance and Operation Services Between the Montara Sanitary District and Sewer Authority Mid-Coastside," [said District subsequently renamed] dated April 7, 1988, for wastewater collection system maintenance and operation services, the Authority has submitted its Fiscal Year July 1, 2020 – June 30, 2021 budget for such services; and

**WHEREAS**, this Board has reviewed the budget and desires to signify its approval thereof;

**NOW THEREFORE**, be it resolved by the Board of the Montara Water and Sanitary District, a public agency in the County of San Mateo, California, as follows:

1. That certain budget entitled, "Contract Collection Services Budget – Fiscal Year 2020/21," for collection system maintenance and operation services to be provided by Sewer Authority Mid-Coastside to the Montara Water and Sanitary District for said fiscal year, a copy of which is on file in the District Administrative Offices to which reference is hereby made for the particulars thereof, is hereby approved.

2. The District Secretary is hereby authorized and directed to transmit a certified copy of this resolution to Sewer Authority Mid-Coastside.

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President, Montara Water and Sanitary District

COUNTERSIGNED:

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Secretary, Montara Water and Sanitary District

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT  
APPROVING AND ADOPTING FISCAL YEAR 2020 – 2021 SEWER  
AUTHORITY MID-COASTSIDE WASTEWATER COLLECTION SYSTEM  
CONTRACT SERVICES BUDGET**

\* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_  
was duly and regularly adopted and passed by the Board of the Montara Water  
and Sanitary District, San Mateo County, California, at a Regular Meeting thereof  
held on the 10th day of June, 2020, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT CONSENTING TO APPROVAL BY SEWER AUTHORITY MID-COASTSIDE OF ITS GENERAL BUDGET FOR FISCAL YEAR 2020-2021**

**WHEREAS**, Sewer Authority Mid-Coastside has, pursuant to Article III, Section (F)(3) of the joint exercise of powers agreement dated February 3, 1976, as amended, establishing said Authority, submitted its General Budget for fiscal year July 1, 2020 – June 30, 2021 for the consent of this District; and

**WHEREAS**, this Board has reviewed the aforesaid budget and desires to signify its approval thereof;

**NOW THEREFORE**, be it resolved by the Board of the Montara Water and Sanitary District, a public agency in the County of San Mateo, California, as follows:

1. Consent is hereby given to the approval by Sewer Authority Mid-Coastside of its General Budget for fiscal year 2020-2021 entitled, “General Budget – Fiscal Year 2020/21,” a copy of which is on file in the District’s Administrative Offices to which reference is hereby made for the particulars thereof.

2. The District Secretary is hereby authorized and directed to transmit a certified copy of this resolution to Sewer Authority Mid-Coastside, the Granada Community Services District and the City of Half Moon Bay.

\_\_\_\_\_  
President, Montara Water and Sanitary District

COUNTERSIGNED:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT CONSENTING TO APPROVAL BY SEWER AUTHORITY MID-COASTSIDE OF ITS GENERAL BUDGET FOR FISCAL YEAR 2020-2021**

\* \* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly passed and adopted by the Board of the Montara Water and Sanitary District, County of San Mateo, California, at a Regular Meeting thereof held on the 10th day of June, 2020, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District



**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**

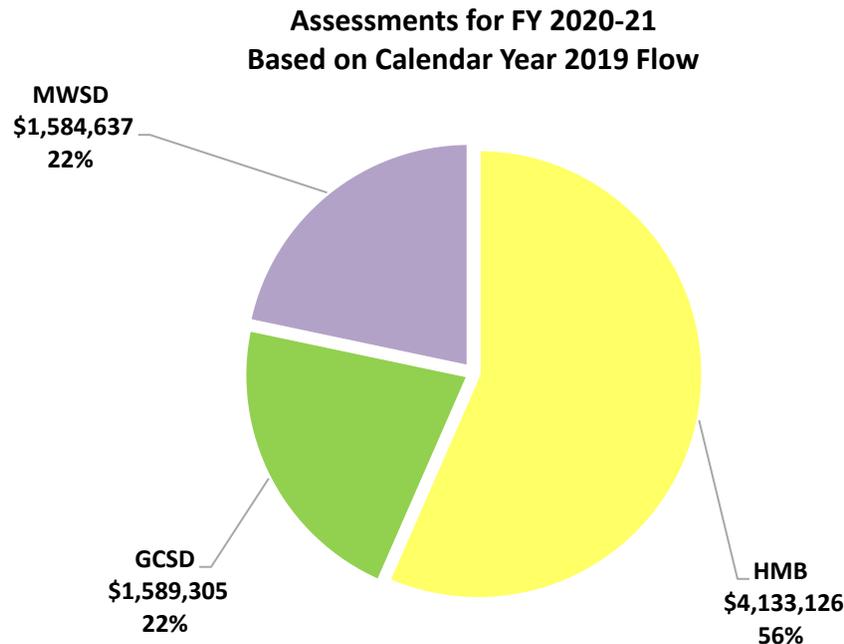
The purpose of this report is to discuss the proposed General Budget for Fiscal Year 2020-21 and Authorize the General Manager to submit it to Member Agencies for Approval.

**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.

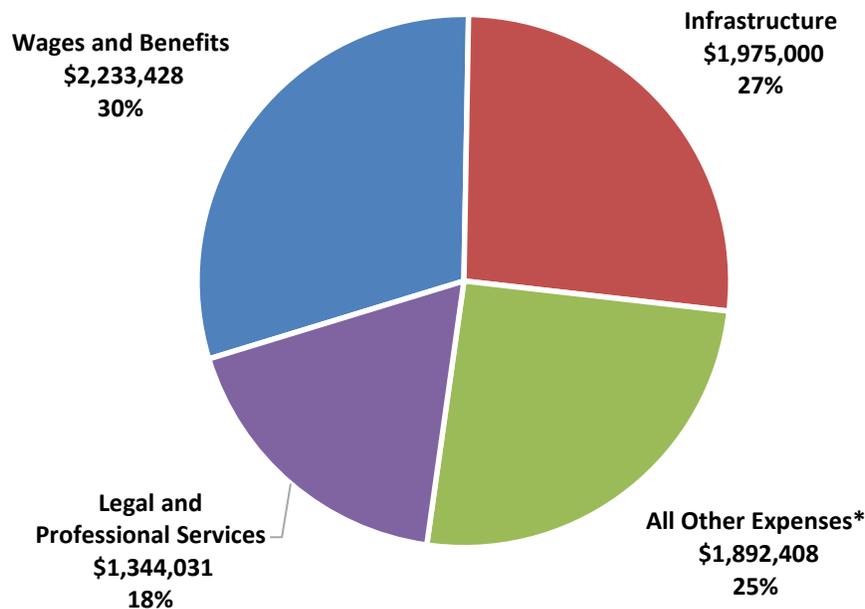
**Budget Overview**

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).

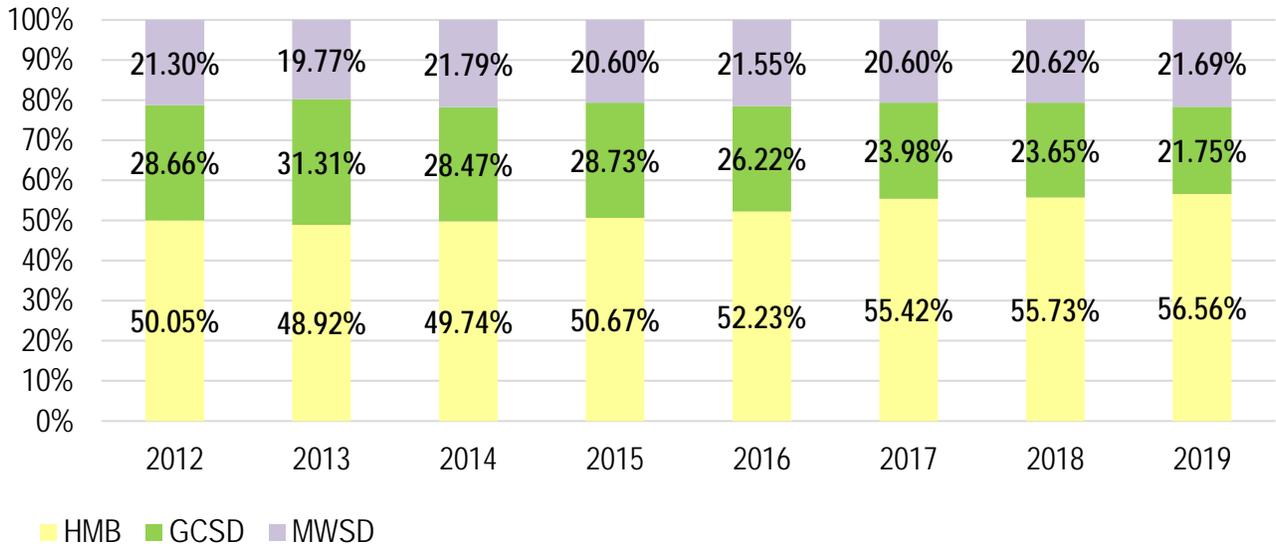
9. Engineering Services: decreased \$367,000 for design and project management services for projects identified in the Infrastructure/Capital Improvement Plan with the engineering costs reclassified into the infrastructure project budgets.
10. Professional Services: increased \$344,222 to reflect increased 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**

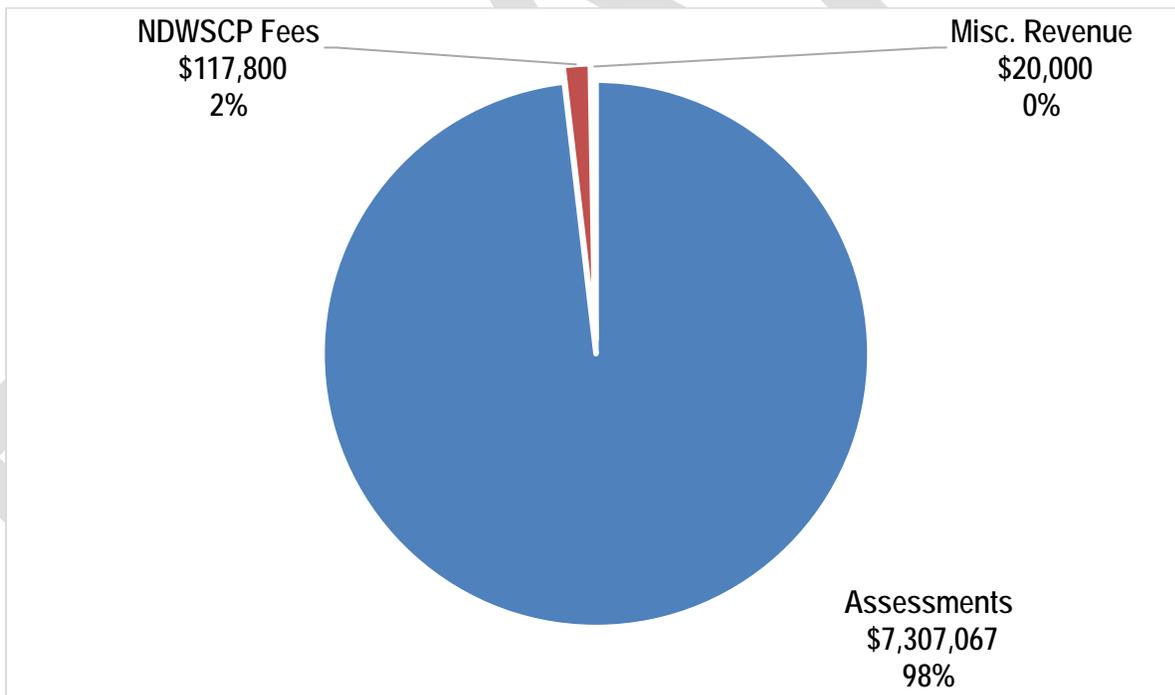
Of the total O & M revenue, the majority (98%) is from assessments paid by the JPA

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**

<b>Operating Income</b>		
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	
<b>Total Operating Income</b>		<b>\$ 7,444,867</b>
<b>Operating Expenses</b>		
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	

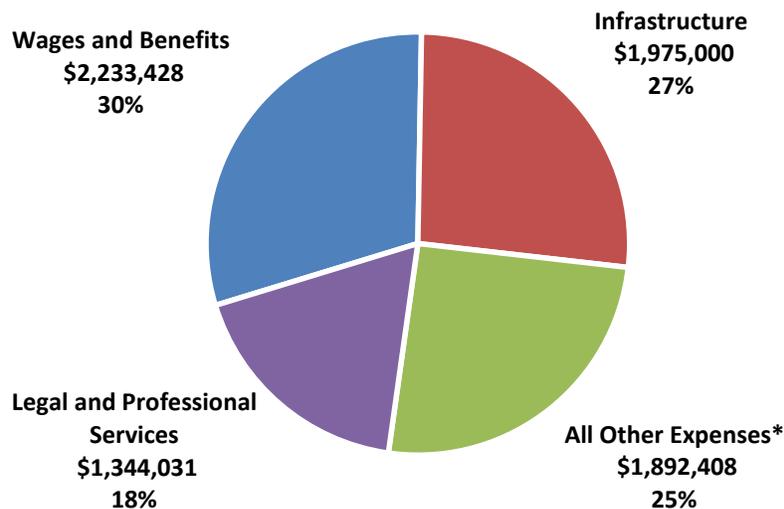
## GENERAL BUDGET FISCAL YEAR 2019/20

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	
<b>Total Expenses</b>		<b>\$ 7,444,867</b>
<b>Total Operating Expenses (less Infrastructure)</b>		<b>\$ 5,469,867</b>
<b>Contribution to Reserve Funds (Revenues less Expenses)</b>		<b>\$ 0</b>

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\***

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

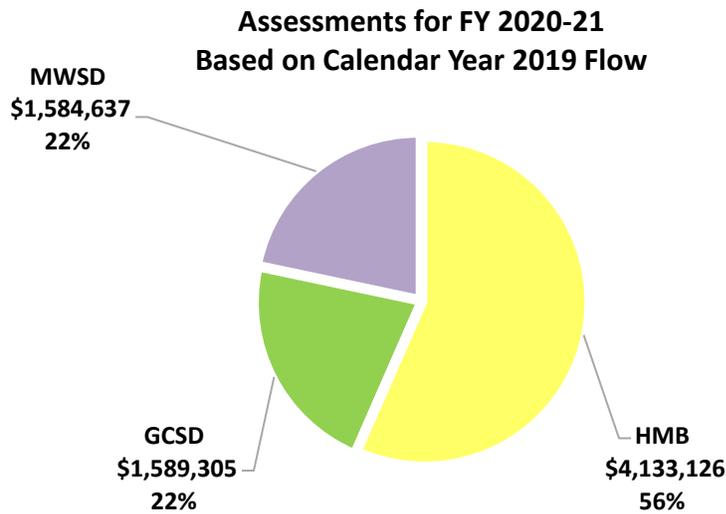
\*The member agency assessments are allocated based on flow percentages from the previous calendar year. This allocation varies each year.

**GENERAL BUDGET FISCAL YEAR 2020/21**

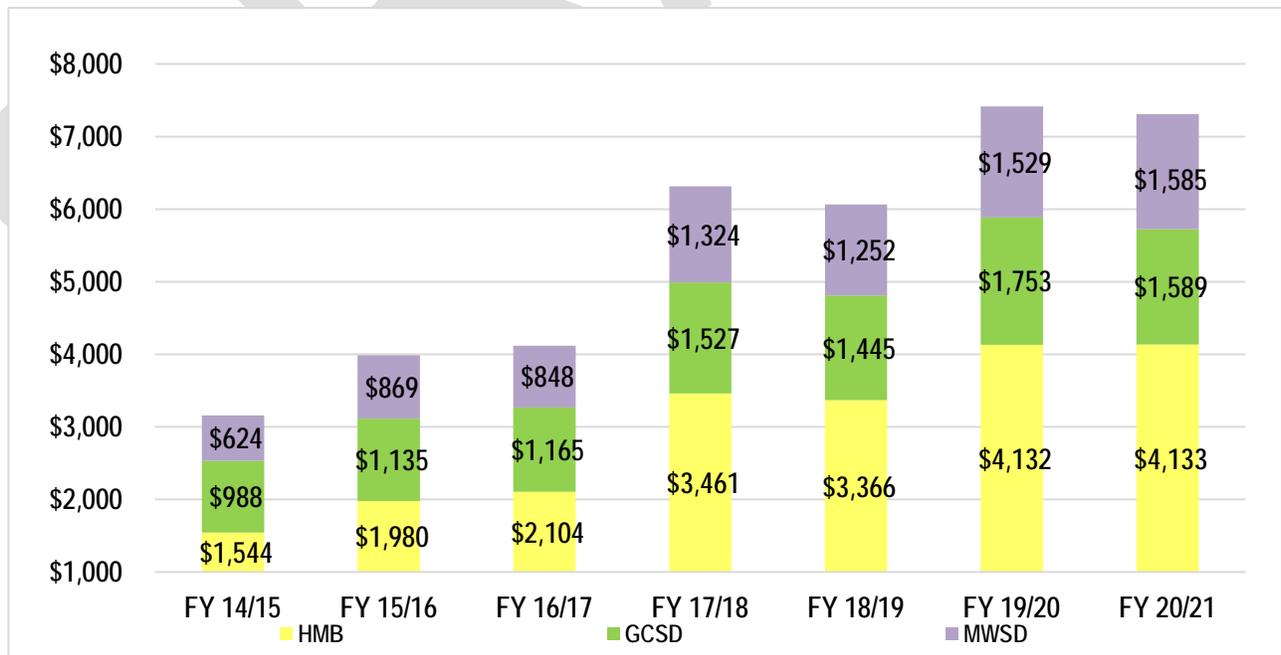
**Total Assessments for Each Member Agency\***

	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 <sup>1</sup>

<sup>1</sup>FY 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	
<b>EXPENDITURES</b>							
<b>Personnel</b>							
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%
<b>Non-Personnel</b>							
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%
<b>Total</b>	<b>6,509,290</b>	<b>6,757,169</b>	<b>7,760,763</b>	<b>7,506,713</b>	<b>7,444,867</b>	<b>(315,896)</b>	<b>-4.1%</b>

**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%
	<b>6,313,041</b>	<b>6,391,748</b>	<b>7,414,433</b>	<b>7,414,433</b>	<b>7,307,067</b>	<b>(107,366)</b>	<b>-1.4%</b>

**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)
<b>TOTAL GENERAL OPERATING BUDGET REVENUE DECREASE</b>	<b>(315,896)</b>

## 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. <b>Personnel Subtotal</b> Subtotal of all wage and benefit costs.	<b>\$2,485,113</b>	<b>\$2,223,428</b>
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**

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<b>Budget Line #</b>	<b>FY 2019/20</b>	<b>FY 2020/21</b>
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. <b>Non-Personnel Subtotal</b> Subtotal of all costs not associated with wages and benefits.	<b>\$5,149,120</b>	<b>\$5,444,867</b>
25. <b>Total</b> Total of all costs (sum of Personnel and Non-Personnel subtotals).	<b>\$7,634,233</b>	<b>\$7,444,867</b>

## 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	
	<b>EXPENDITURES</b>						
	<b>Personnel</b>						
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%
	<b>Non-Personnel</b>					-	
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	<b>TOTAL</b>	<b>1,155,846</b>	<b>1,573,851</b>	<b>1,249,451</b>	<b>1,355,424</b>	<b>105,973</b>	<b>8%</b>

#### 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
<b>TOTAL ADMINISTRATION EXPENDITURES BUDGET INCREASE</b>	<b>105,973</b>

**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	
	<b>REVENUE</b>						
	<b>By Type:</b>						
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		<b>903,386</b>	<b>1,822,761</b>	<b>1,269,951</b>	<b>1,355,424</b>	<b>85,473</b>	<b>7%</b>
	<b>By Agency:</b>						
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		<b>816,375</b>	<b>1,799,447</b>	<b>1,249,451</b>	<b>1,335,424</b>	<b>85,973</b>	<b>16%</b>

**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

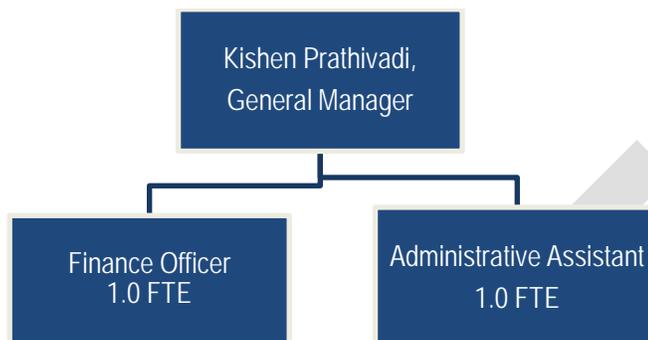
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The Administrative Services division provides administrative and financial support to the Board of Directors, the General Manager and all SAM divisions. Its function includes: planning and coordination of SAM activities related to the following: finance, 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**

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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>
<b>7.</b>	<b><u>Personnel Subtotal</u></b> Subtotal of all costs associated with SAM staff wages and benefits	<b>\$785,588</b>	<b>\$616,576</b>
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**

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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. <b>Non-Personnel Subtotal</b>	<b>\$463,863</b>	<b>\$738,848</b>
Subtotal of all costs not associated with wages and benefits.		
25. <b>Total</b>	<b>\$1,249,45</b>	<b>\$1,355,424</b>
Total of all costs for Administrative Services (sum of Personnel and Non-Personnel subtotals).		

**GOALS**

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- 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**

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- 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**

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- 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**

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- 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

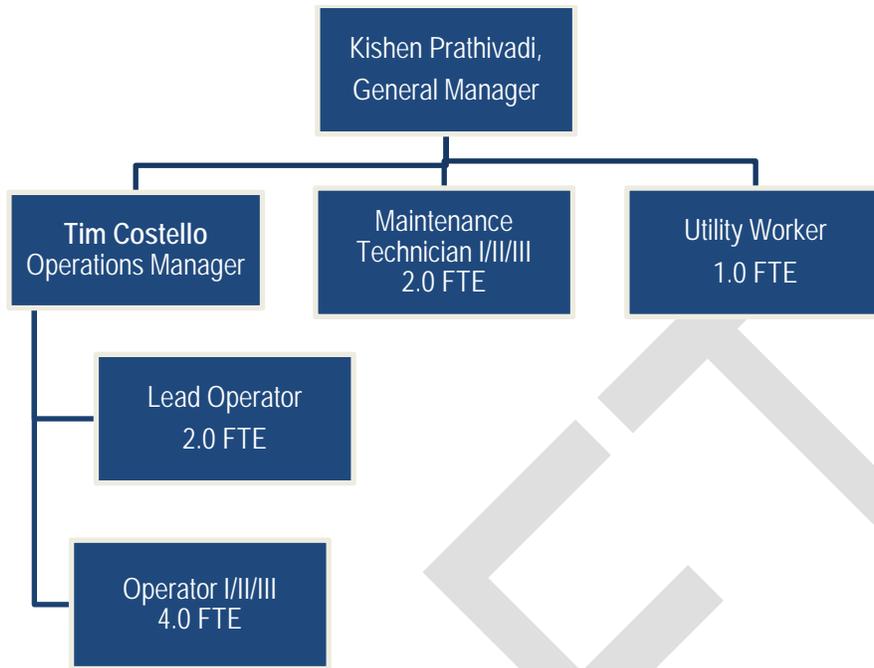


### PROGRAM DESCRIPTION

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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.

	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>JPA</b>	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	
<b>EXPENDITURES</b>							
<b>Personnel</b>							
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%
<b>Non-Personnel</b>							
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	
<b>REVENUE</b>								
<b><u>By Type:</u></b>								
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		<b>2,653,578</b>	<b>2,995,158</b>	<b>3,784,910</b>	<b>2,688,075</b>	<b>3,936,735</b>	<b>151,825</b>	<b>4%</b>
<b><u>By Agency:</u></b>								
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		<b>2,562,043</b>	<b>2,654,337</b>	<b>3,461,880</b>	<b>2,596,410</b>	<b>3,821,735</b>	<b>359,855</b>	<b>10%</b>

**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>
<b>TOTAL TREATMENT REVENUE BUDGET INCREASE</b>	<b>\$151,825</b>

**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
<b>7. Personnel Subtotal</b> Subtotal of all costs associated with wages and benefits.	<b>\$1,641,663</b>	<b>\$1,554,741</b>
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. <b>Non-Personnel Subtotal</b> Subtotal of all costs not associated with wages and benefits.	<b>\$2,037,217</b>	<b>\$2,381,994</b>
25. <b>Total</b> Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).	<b>\$3,678,880</b>	<b>\$3,936,735</b>

## **GOALS**

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- 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**

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- 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**

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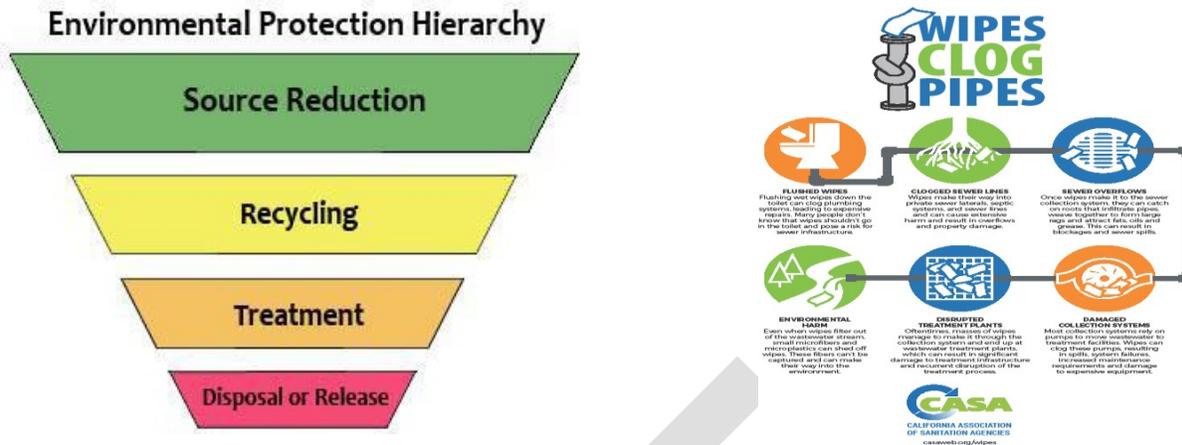
- Perform required preventive and predictive maintenance to eliminate spills, overflows, bypasses, or discharge permit violations, and to minimize the possibility of equipment breakdowns
- Promote comprehensive training of division personnel.
- Continue to promote and provide a safe and healthy environment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

## **PERFORMANCE MEASURES**

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- 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	
<b>EXPENDITURES</b>							
<b>Personnel</b>							
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%
<b>Non-Personnel</b>							
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)
<b>TOTAL ENVIRONMENTAL COMPLIANCE EXPENDITURES DECREASE</b>	<b>\$ (60,993)</b>

**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	
	<b>REVENUE</b>							
	<b>By Type:</b>							
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%
	<b>By Agency:</b>							
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

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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.	<b>Personnel Sub-total</b> Subtotal of all wage and benefit costs.	<b>\$57,861</b>	<b>\$62,110</b>
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**

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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. <b>Non-Personnel Subtotal</b>	Subtotal of all costs not associated with wages and benefits.	<b><u>\$163,041</u></b>	<b><u>\$97,799</u></b>
25. <b>Total</b>	Total of all costs for EC (sum of Personnel and Non-Personnel subtotals).	<b><u>\$220,902</u></b>	<b><u>\$137,825</u></b>

## **GOALS**

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- 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**

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- 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**

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- 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**

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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**

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- 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.

	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
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	
<b>EXPENDITURES</b>							
<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%
						-	0%
<b>25 TOTAL</b>	<b>3,047,274</b>	<b>792,677</b>	<b>2,485,000</b>	<b>553,755</b>	<b>1,992,799</b>	<b>(492,201)</b>	<b>-20%</b>

### 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	
	<b>REVENUE</b>							
	<b>By Type:</b>							
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%
	<b>By Agency:</b>						-	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. <b>Personnel Subtotal</b> Subtotal of all wage and benefit costs.	<b>\$0</b>	<b>\$0</b>
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. <b>Non-Personnel Subtotal</b> Subtotal of all costs not associated with wages and benefits.	<b>\$2,485,000</b>	<b>\$1,992,799</b>
25. <b>Total</b> Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).	<b>\$2,485,000</b>	<b>\$1,992,799</b>

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**

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- 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**

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- 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**

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- 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**

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



**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

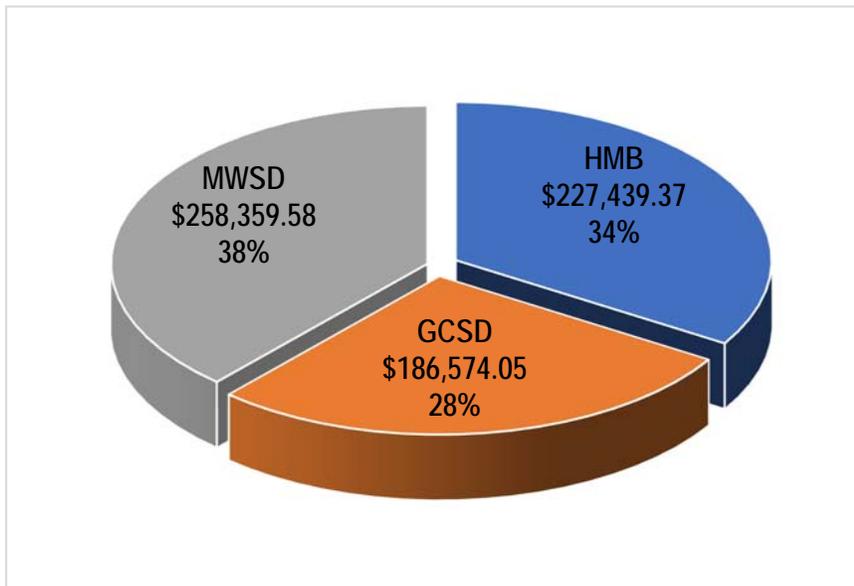
**BOARD MEMBERS:** J. Blanchard B. Dye R. Lohman  
 D. Penrose D. Ruddock K. Slater-Carter

**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.”*

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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

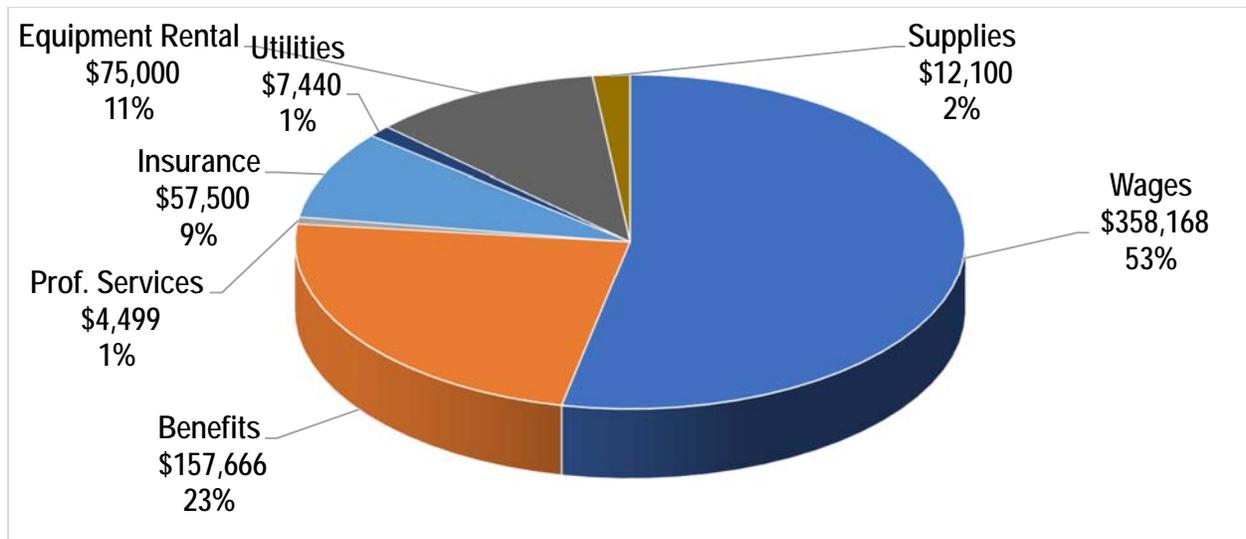
**Background and Discussion/Report**

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.




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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

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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)**

	<b>FY 2017/18 ACTUAL</b>	<b>FY 2018/19 ADOPTED</b>	<b>FY 2018/19 ACTUAL</b>	<b>FY 2019/20 ADOPTED</b>	<b>SAM FY 2020/21 PROPOSED</b>	<b>CHANGE FROM FY 2019/20 ADOPTED</b>	
<b>EXPENDITURES</b>							
<b><u>Personnel</u></b>							
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%
<b><u>Non-Personnel</u></b>							
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	<b>TOTAL</b>	<b>771,166</b>	<b>905,613</b>	<b>892,080</b>	<b>816,669</b>	<b>672,373</b>	<b>(144,296) -18%</b>

**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)**

	<b>FY 2018/19 ADOPTED</b>	<b>FY 2018/19 ACTUAL</b>	<b>FY 2019/20 BUDGETED</b>	<b>FY2020/21 PROPOSED</b>		<b>CHANGE FROM FY 2019/20 BUDGET</b>	
<b>REVENUE</b>							
<b><u>By Type:</u></b>							
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		<b>930,616</b>	<b>988,981</b>	<b>823,813</b>	<b>672,373</b>	<b>(151,440)</b>	<b>-18%</b>
<b><u>By Agency:</u></b>							
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		<b>923,441</b>	<b>977,409</b>	<b>816,638</b>	<b>672,373.00</b>	<b>(144,265)</b>	<b>-18%</b>

<b>Funded Positions:</b>	5.00	5.00	4.00	4.00		-	0%
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# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **June 10, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Review and Possible Action Concerning Approval of Water and Sewer Budgets and Capital Improvement Programs.**

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A Draft Water and Sewer Budget was presented at the May 7 and May 21 meetings for Board Review. The Finance Committee provided input throughout the process and met on May 13 to review the Draft Budget and suggest changes. The Finance Committee recommends approval of the Budget at this time.

The Budget contains a sewer service charge increase of 9%, as suggested in the Sewer Service Study and Prop 218 notice. It also contains \$1,000,000 revenue from the new suggested Water System Reliability Charge.

A 1.11% Cost of Living increase for all non-exempt employees is also included in the Budget.

MWSD expects a total combined cash flow income of \$8,341,023 and combined expenses of \$9,314,115, dipping into reserves in the amount of \$973,092 to balance the budget.

Infrastructure improvement costs total \$3,094,022, or 33% of expenses. Sewer Authority Mid-Coastside assessment for the next FY will be \$1,948,790, or 21%. Loan and other financing expenses amount to \$1,597,063, or 17% of combined expenses. Of the overall expenses, 14%, or \$1,305,928, are expected personnel costs.

## RECOMMENDATION:

Authorize a 1.11% Cost of Living increase for all non-exempt employees, and adopt Resolution No.\_\_\_\_\_, RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT APPROVING BUDGET FOR THE FISCAL YEAR 2020-2021.

Attachments

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE MONTARA WATER AND  
SANITARY DISTRICT APPROVING BUDGET FOR THE  
FISCAL YEAR 2020-2021**

RESOLVED, by the Board of the Montara Water and Sanitary District, San Mateo County, California, as follows:

1. That the balances on hand as of June 30, 2020, in each of funds of the District shall be reserved for use by the District during the Fiscal Year 2020-2021.
2. That the budget for said District for the Fiscal Year 2020-2021 heretofore presented to this Board and a copy of which is hereto attached and the same is hereby approved.
3. That the Secretary of this District be, and hereby is, authorized and directed to file a certified copy of this resolution with the budget of this District thereto attached, with the County Controller of San Mateo County.

COUNTERSIGNED:

\_\_\_\_\_  
President, Montara Water and Sanitary District

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District

\* \* \*

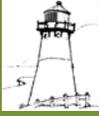
I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, San Mateo County, California, at a meeting held on the 10<sup>th</sup> day of June 2020, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District

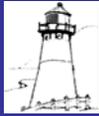


# Montara Water & Sanitary Budgeted Cash Flow - Sewer Fiscal year 2020-2021

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
<b>Total operating income</b>	<b>\$ 3,362,312</b>	<b>\$ 3,592,087</b>		
<b>Operating expenses</b>				
Personnel	\$ (350,129)	\$ (362,039)	3.40%	\$ 11,910
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
<b>Total operating expenses</b>	<b>\$ (3,044,827)</b>	<b>\$ (2,733,639)</b>		
<b>Net Cash Flow Provided by Operations</b>	<b>\$ 317,485</b>	<b>\$ 858,448</b>		
<b>Investment cash flow</b>				
<b>Investment income</b>				
Interest Revenue	\$ 50,000	\$ 60,000	20.00%	\$ 10,000
<b>Total investment income</b>	<b>\$ 50,000</b>	<b>\$ 60,000</b>		
<b>Investment expenses</b>				
Capital Improvement Program	\$ (1,486,085)	\$ (1,985,272)	33.59%	\$ 499,187
<b>Total investment expenses</b>	<b>\$ (1,486,085)</b>	<b>\$ (1,985,272)</b>		
<b>Net Cash Flow Used by Investments</b>	<b>\$ (1,436,085)</b>	<b>\$ (1,925,272)</b>		
<b>Financing cash flow</b>				
<b>Financing income</b>				
Connection Fees	\$ 200,000	\$ 150,000	-25.00%	\$ (50,000)
<b>Total financing income</b>	<b>\$ 200,000</b>	<b>\$ 150,000</b>		
<b>Financing expenses</b>				
Loan Interest Expense	\$ (37,803)	\$ (35,116)	-7.11%	\$ (2,688)
Loan Principal Payment	\$ (87,133)	\$ (93,512)	7.32%	\$ 6,379
<b>Total financing expenses</b>	<b>\$ (124,936)</b>	<b>\$ (128,627)</b>		
<b>Net Cash Flow Provided by Financing Activities</b>	<b>\$ 75,064</b>	<b>\$ 21,373</b>		
<b>Overall projected cash flow</b>	<b>\$ (1,043,536)</b>	<b>\$ (1,045,451)</b>		
<b>Transfer from Sewer Reserves</b>	<b>\$ 1,043,536</b>	<b>\$ 1,045,451</b>		*
<b>Net cash flow</b>	<b>\$ -</b>	<b>\$ -</b>		

\* Please see discussion of Sewer operating reserve funds on page 15. In addition, please review the Sewer CIP project summary list on page 11.



# Montara Water & Sanitary

## Budgeted Cash Flow - Water

### Fiscal year 2020-2021

Cash flow summary  
Operating cash flow

Operating income		<u>FY 2019-2020</u>	<u>FY 2020-2021</u>	<u>Variance (%)</u>	<u>Variance (\$)</u>
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%	\$ -
<b>Total operating income</b>	<b>\$</b>	<b>2,288,000</b>	<b>\$ 2,238,500</b>		
<b>Operating expenses</b>					
Personnel	\$	(886,161)	\$ (939,877)	6.06%	\$ 53,716
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
<b>Total operating expenses</b>	<b>\$</b>	<b>(2,206,511)</b>	<b>\$ (1,885,377)</b>		
<b>Net Cash Flow Provided by Operations</b>	<b>\$</b>	<b>81,489</b>	<b>\$ 353,123</b>		
<b>Investment cash flow</b>					
<b>Investment income</b>					
GO Bonds, Assessment Receipts	\$	1,150,436	\$ 1,150,436	0.00%	\$ -
Water System Reliability Charge	\$		\$ 1,000,000		\$ 1,000,000
<b>Total investment income</b>	<b>\$</b>	<b>1,150,436</b>	<b>\$ 2,150,436</b>		
<b>Investment expenses</b>					
Capital Improvement Program	\$	(549,500)	\$ (1,108,750)	101.77%	\$ 559,250
<b>Total investment expenses</b>	<b>\$</b>	<b>(549,500)</b>	<b>\$ (1,108,750)</b>		
<b>Net Cash Flow Used by Investments</b>	<b>\$</b>	<b>600,936</b>	<b>\$ 1,041,686</b>		
<b>Financing cash flow</b>					
<b>Financing income</b>					
Connection Fees	\$	280,000	\$ 150,000	-46.43%	\$ (130,000)
<b>Total financing income</b>	<b>\$</b>	<b>280,000</b>	<b>\$ 150,000</b>		
<b>Financing expenses</b>					
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)
<b>Total financing expenses</b>	<b>\$</b>	<b>(1,508,081)</b>	<b>\$ (1,468,436)</b>		
<b>Net Cash Flow Provided by Financing Activities</b>	<b>\$</b>	<b>(1,228,081)</b>	<b>\$ (1,318,436)</b>		
<b>Overall projected cash flow</b>	<b>\$</b>	<b>(545,656)</b>	<b>\$ 76,372</b>		
<b>Transfer to Water Reserves</b>	<b>\$</b>	<b>(545,656)</b>	<b>\$ 76,372</b>	*	
<b>Net cash flow</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>		

\* Please see discussion of Water operating reserve funds on page 14. In addition, please review the Water CIP project summary list on page 12.



## 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%
<b>Total Operating Revenue:</b>		<b>2,499,269</b>	<b>3,090,039</b>	<b>3,362,312</b>	<b>3,213,625</b>	<b>95.58%</b>	<b>3,490,473</b>	<b>103.81%</b>	<b>3,592,087</b>	<b>229,775</b>	<b>6.83%</b>
<b>Operating Expenses</b>											
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%	17,508	507	2.98%
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%	1,876	475	33.88%
Payroll Taxes:	5840	16,063	15,610	18,580	13,180	70.94%	15,816	85.12%	19,134	554	2.98%
Worker's Compensation Insurance:	5960	4,082	2,622	5,473	1,402	25.62%	1,682	30.74%	3,688	(1,785)	-32.62%
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%	133,905	7,379	5.83%
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%	17,062	574	3.48%
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%
<b>Total Operations Expense:</b>		<b>3,249,479</b>	<b>2,932,411</b>	<b>3,044,827</b>	<b>2,074,998</b>	<b>68.15%</b>	<b>2,489,998</b>	<b>81.78%</b>	<b>2,733,639</b>	<b>(311,188)</b>	<b>-10.22%</b>
<b>Net Change in position from Operations:</b>		<b>(750,211)</b>	<b>157,629</b>	<b>317,485</b>	<b>1,138,627</b>	<b>358.64%</b>	<b>1,000,475</b>	<b>315.13%</b>	<b>858,448</b>	<b>540,963</b>	<b>170.39%</b>

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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) %
<b>Non Operating Revenue</b>											
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%
<b>Total Non Operating Revenue:</b>		<b>270,333</b>	<b>411,451</b>	<b>250,000</b>	<b>243,434</b>	<b>97.37%</b>	<b>292,121</b>	<b>116.85%</b>	<b>210,000</b>	<b>(40,000)</b>	<b>-16.00%</b>
<b>Non Operating Expense</b>											
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%
<b>Total Non Operating Expense:</b>		<b>163,563</b>	<b>39,874</b>	<b>37,803</b>	<b>23,865</b>	<b>63.13%</b>	<b>28,638</b>	<b>75.76%</b>	<b>35,116</b>	<b>(2,687)</b>	<b>-7.11%</b>
<b>Net Change in position from Non Operating</b>		<b>106,770</b>	<b>371,577</b>	<b>212,197</b>	<b>219,569</b>		<b>263,483</b>		<b>174,884</b>	<b>(37,313)</b>	

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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%
<b>Total Operating Revenue:</b>		<b>2,360,513</b>	<b>2,365,369</b>	<b>2,288,000</b>	<b>2,107,554</b>	<b>92.11%</b>	<b>2,527,169</b>	<b>110.45%</b>	<b>2,238,500</b>	<b>(49,500)</b>	<b>-2.16%</b>
<b>Operating Expenses</b>											
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%	44,948	1,712	3.96%
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%	4,752	1,285	37.05%
Payroll Taxes:	5840	39,499	39,124	49,062	35,236	71.82%	42,283	86.18%	51,267	2,206	4.50%
Worker's Compensation Insurance:	5960	19,208	12,579	23,324	6,954	29.82%	8,345	35.78%	22,444	(880)	-3.77%
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%	464,762	17,922	4.01%
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%	54,781	6,677	13.88%
Staff Standby:	5950	25,125	24,705	23,249	21,298	91.61%	25,558	109.93%	23,003	(246)	-1.06%
PARS:	5850	31,691	37,916	37,636	8	28.069	33,683	89.50%	38,695	1,059	2.81%



## 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	
<b>Total Operations Expense:</b>		<b>1,451,758</b>	<b>1,773,218</b>	<b>2,206,511</b>	<b>1,364,862</b>	<b>61.86%</b>	<b>1,630,254</b>	<b>73.88%</b>	<b>1,885,377</b>	<b>(324,134)</b>	<b>-14.69%</b>
<b>Net Change in position from Operations:</b>		<b>908,754</b>	<b>592,152</b>	<b>81,489</b>	<b>742,692</b>	<b>911.40%</b>	<b>896,915</b>	<b>1100.66%</b>	<b>353,123</b>	<b>274,634</b>	<b>337.02%</b>

**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) %
<b>Non Operating Revenue</b>											
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!
<b>Total Non Operating Revenue:</b>		<b>1,510,768</b>	<b>1,500,125</b>	<b>1,430,436</b>	<b>1,225,028</b>	<b>85.64%</b>	<b>1,357,818</b>	<b>94.92%</b>	<b>1,300,436</b>	<b>(130,000)</b>	<b>-9.09%</b>
<b>Non Operating Expense</b>											
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%
<b>Total Non Operating Expense:</b>		<b>368,729</b>	<b>383,970</b>	<b>321,633</b>	<b>408,596</b>	<b>127.04%</b>	<b>411,285</b>	<b>127.87%</b>	<b>295,561</b>	<b>(26,072)</b>	<b>-8.11%</b>
<b>Net Change in position from Non Operating activities:</b>		<b>1,142,039</b>	<b>1,116,155</b>	<b>1,108,803</b>	<b>816,432</b>		<b>946,533</b>		<b>1,004,875</b>	<b>(103,928)</b>	<b>-9.37%</b>

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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
<b>Operations Manager</b>	\$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
<b>Superintendent</b>	\$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
<b>Water System Operator</b>	\$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
<b>Maintenance Worker I</b>	\$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
<b>Account Specialist</b>	\$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
<b>District Clerk</b>	\$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 1.11%	1-Jul-20
Operations Manager	1.027	<b>\$109,394</b>	1.0379	<b>\$113,540</b>	1.0283	<b>\$121,178</b>	1.0401	<b>\$121,435</b>	1.011	<b>\$122,771</b>
Superintendent	1.027	<b>\$102,521</b>	1.0379	<b>\$106,407</b>	1.0283	<b>\$113,565</b>	1.0401	<b>\$113,806</b>	1.011	<b>\$115,058</b>
Water System Operator	1.027	<b>\$62,528</b>	1.0379	<b>\$64,898</b>	1.0283	<b>\$69,264</b>	1.0401	<b>\$69,410</b>	1.011	<b>\$70,174</b>
Maintenance Worker	1.027	<b>\$54,289</b>	1.0379	<b>\$56,347</b>	1.0283	<b>\$60,137</b>	1.0401	<b>\$60,265</b>	1.011	<b>\$60,927</b>
Account Specialist	1.027	<b>\$51,905</b>	1.0379	<b>\$53,873</b>	1.0283	<b>\$57,497</b>	1.0401	<b>\$57,619</b>	1.011	<b>\$58,252</b>
District Clerk	1.027	<b>\$51,905</b>	1.0379	<b>\$53,873</b>	1.0283	<b>\$57,497</b>	1.0401	<b>\$57,619</b>	1.011	<b>\$58,252</b>

**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
										7%	6.92%	1.45%	6.20%	
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	\$ 69,142.78	\$ 1,009.72	\$ 731.32		\$ 1,800.00	\$ 72,683.81	\$ 7,182.09	\$ 537.86	\$ 1,998.80	\$ 5,087.87	\$ 4,784.68	\$ 1,053.92	\$ 4,506.40	\$ 97,835.42
Account Specialist	\$ 63,427.88					\$ 63,427.88	\$ 27,942.50	\$ 469.37	\$ 545.48	\$ 4,439.95	\$ 4,389.21	\$ 919.70	\$ 3,932.53	\$ 106,066.62
Water Operator	\$ 88,610.47	\$ 7,019.61	\$ 9,691.77	\$ 6,216.37	\$ 2,400.00	\$ 113,938.22	\$ 10,191.81	\$ 843.14	\$ 5,127.22	\$ 7,975.68	\$ 6,131.84	\$ 1,652.10	\$ 7,064.17	\$ 152,924.18
Water Operator	\$ 84,340.72	\$ 6,409.19	\$ 8,129.96	\$ 5,731.93	\$ 2,400.00	\$ 107,011.79	\$ 10,191.81	\$ 791.89	\$ 4,815.53	\$ 7,490.83	\$ 5,836.38	\$ 1,551.67	\$ 6,634.73	\$ 144,324.62
Water Operator	\$ 64,722.49	\$ 4,404.94	\$ 6,021.06	\$ 3,919.76	\$ 2,400.00	\$ 81,468.24	\$ 10,191.81	\$ 602.86	\$ 3,666.07	\$ 5,702.78	\$ 4,478.80	\$ 1,181.29	\$ 5,051.03	\$ 112,342.88
Water Operator	\$ 72,726.74	\$ 2,661.69	\$ 5,594.36	\$ 3,985.98	\$ 2,400.00	\$ 87,368.78	\$ 27,942.50	\$ 646.53	\$ 3,931.60	\$ 6,115.81	\$ 5,032.69	\$ 1,266.85	\$ 5,416.86	\$ 137,721.62
Temp. Operator	\$ 20,000.00	\$ 1,650.70	\$ 1,457.17	\$ 3,149.30		\$ 26,257.16			\$ 1,181.57			\$ 380.73	\$ 1,627.94	\$ 29,447.41
Part Time Admin	\$ 1,790.75					\$ 1,790.75			\$ 15.40			\$ 25.97	\$ 111.03	\$ 1,943.14
<b>Totals</b>	<b>\$ 580,973.20</b>	<b>\$ 23,155.84</b>	<b>\$ 31,625.64</b>	<b>\$ 23,003.33</b>	<b>\$ 11,400.00</b>	<b>\$ 670,158.01</b>	<b>\$ 107,613.76</b>	<b>\$ 4,751.61</b>	<b>\$ 22,443.79</b>	<b>\$ 44,947.71</b>	<b>\$ 38,695.43</b>	<b>\$ 9,717.29</b>	<b>\$ 41,549.80</b>	<b>\$ 939,877.40</b>
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	\$ 69,142.78	\$ 1,020.83	\$ 739.37		\$ 1,800.00	\$ 72,702.98	\$ 7,182.09	\$ 545.27	\$ 1,999.33	\$ 5,089.21	\$ 4,784.68	\$ 1,054.19	\$ 4,507.58	\$ 97,865.33
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
<b>Totals</b>	<b>\$ 246,555.67</b>	<b>\$ 1,020.83</b>	<b>\$ 739.37</b>	<b>\$ -</b>	<b>\$ 1,800.00</b>	<b>\$ 250,115.87</b>	<b>\$ 49,095.84</b>	<b>\$ 1,875.87</b>	<b>\$ 3,687.78</b>	<b>\$ 17,508.11</b>	<b>\$ 17,061.65</b>	<b>\$ 3,626.68</b>	<b>\$ 15,507.18</b>	<b>\$ 358,478.98</b>

**MWSD SEWER Capital Improvement Program**  
**2020-21**  
**SEWER SYSTEM**

PROJECT	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
<b>MWSD CAPITAL PROJECTS</b>					
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
<b>MWSD CAPITAL PROJECTS TOTAL:</b>	<b>\$ 760,125</b>	<b>\$ 1,277,775</b>	<b>\$ 1,828,235</b>	<b>1,893,950</b>	<b>1,813,875</b>
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			
<b>TOTAL ANNUAL COST</b>	<b>1,985,272</b>	<b>1,993,275</b>	<b>2,355,210</b>	<b>2,393,950</b>	<b>2,482,125</b>

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**MWSD**  
**Five Year Capital Improvement Program**  
**WATER SYSTEM**

<b>Existing Customer CIP - WATER</b>						
	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25</b>	<b>5-Year CIP Total</b>
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
<b>EXISTING CUSTOMER CIP TOTAL</b>	<b>\$ 508,750</b>	<b>\$ 909,013</b>	<b>\$ 1,570,418</b>	<b>\$ 582,328</b>	<b>\$ 550,783</b>	<b>\$ 4,121,292</b>
<b>New Customer CIP - WATER</b>						
	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25</b>	<b>5-Year CIP Total</b>
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
<b>NEW CUSTOMER CIP TOTAL</b>	<b>\$ 600,000</b>	<b>\$ 1,647,250</b>	<b>\$ 1,796,668</b>	<b>\$ 2,347,568</b>	<b>\$ 2,450,322</b>	<b>\$ 8,841,807</b>
<b>Total Annual Capital Cost</b>	<b>\$ 1,108,750</b>	<b>\$ 2,556,263</b>	<b>\$ 3,367,086</b>	<b>\$ 2,929,896</b>	<b>\$ 3,001,105</b>	<b>\$ 12,963,099</b>
<b>CAPITAL FUND BALANCE</b>						
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Annual Capital Fund TOTAL:</b>	<b>\$ -</b>					
<b>Less CIP</b>	<b>\$ (1,108,750)</b>	<b>\$ (2,556,263)</b>	<b>\$ (3,367,086)</b>	<b>\$ (2,929,896)</b>	<b>\$ (3,001,105)</b>	<b>\$ (12,963,099)</b>
<b>Total</b>	<b>\$ (1,108,750)</b>	<b>\$ (2,556,263)</b>	<b>\$ (3,367,086)</b>	<b>\$ (2,929,896)</b>	<b>\$ (3,001,105)</b>	<b>\$ (12,963,099)</b>
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
<b>Sewer</b>						
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>
<b>Water</b>						
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

\$	1,885,377	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	157,115	Monthly budgeted operating expenses
	x 2	Two months expenditures
<hr/>		
\$	314,230	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:

<b>Minimum Target</b>		
\$	2,733,639	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	227,803	Monthly budgeted operating expenses
	x 2	Monthly budgeted operating expenses
<hr/>		
\$	455,607	Minimum Target Reserve
<hr/> <hr/>		

<b>Maximum Target</b>		
\$	2,733,639	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	227,803	Monthly budgeted operating expenses
	x 10	Monthly budgeted operating expenses
<hr/>		
\$	1,822,426	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
-----------------------------	------

## **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 <b>NOTE:</b> 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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5/27/2020

**DRAFT**  
**Montara Water and Sanitary District**  
**2020 - 2030**

**Draft - Sewer Repairs - 10 Year Capital Improvement Priority (CIP) List**

**Status: Updated April 29, 2020**

Fiscal Year	CIP Capital Improvement Needs	Notes/Status
<b>2020-2021 Fiscal Year Capital Improvement Needs</b>		
	Nevada St, Virginia, Steson and Moss Beach Area Sewers 1,000 LF @ \$300 ./LF Pipe Burst \$300,000 Date Harte Area Sewers 750 LF @ \$300 ./LF Pipe Burst \$225,000 <u>Contingencies (30%) \$90,000</u> <b>\$615,000</b>	Multiple Fractures Dropped Wyes I&I Hot Spots
	Pump Station Mechanical, Electrical and Coating Upgrades, Seal Cove Cover 1 EA @ \$5,000 ./EA Pipe works \$5,000 1 EA @ \$12,500 ./EA Pump rebuilds \$12,500 6 EA @ \$15,000 ./EA Electric/Comm/Radio \$90,000 <u>Contingencies (35%) \$37,625</u> <b>\$145,125</b>	High Priority Corrosion/Leak Risks, Scheduled Repairs, Durability issues and Regulatory compliance
	<b>BASE BUDGET FOR FY 2020-2021 \$760,125</b>	
	<b><u>ALTERNATIVE BUDGET ITEMS</u></b>	
	Cabrillo Highway PHASE 1B - Trunk Sewer (16th to 14th)  990 LF @ \$920 ./LF Open Trench \$910,800 Remaining work for 2018 \$110,000 <u>Contingencies and Incidentals Est remaining* (20%) \$204,160</u>  (*Design 90% completed, permitting and CM still required) \$1,225,147 <b>BASE + ALTERNATIVE BUDGET FOR FY 2020-2021 \$1,985,272</b>	Caltrans Permit Review Possible Delay to FY 21-22 Project Plan F.Y. 12/13 High Priority,SSO Risk  Roots, Cracks, water conflict Clean in roadway requires night wrk.
<b>2021-2022 Fiscal Year Capital Improvement Needs</b>		
	Cedar Street Area and Moss Beach Stetson Area 600 LF @ \$300 ./LF Pipe Burst \$180,000 660 LF @ \$300 ./LF Pipe Burst \$198,000 <u>Contingencies (30%) \$113,400</u> <b>\$491,400</b>	Moved from 13/14 pipe ok, flat grade  may need open cut repair (SAM Hot List, but reduced)
	Pump Station Mechanical, Electrical and Coating Upgrades 5 EA @ \$5,000 ./EA pipe works \$25,000 2 EA @ \$10,000 ./EA pump rebuilds \$20,000 3 EA @ \$12,500 ./EA Electrical/Radios \$37,500 <u>Contingencies (35%) \$28,875</u> <b>\$111,375</b>	High Priority Corrosion/Leak Risk Scheduled Repairs and Un-scheduled Repairs Regulatory compliance

Pump Station -Date Harte PS Update	High Priority
1 EA @ \$500,000 /LF Date Harte Upgrades \$500,000	Move from 15/16
Contingencies (35%) \$175,000	(Recent Repairs, 17, 19)
<u>\$675,000</u>	
<b>BASE BUDGET FOR FY 2021-2022</b>	<b>\$1,277,775</b>
<b>ALTERNATIVE BUDGET ITEMS</b>	
Pump Station Mechanical, Electrical and Coating Upgrades, Seal Cove Cover	High Priority
1 EA @ \$80,000 /EA Coatings/Mechan. \$80,000	Corrosion
1 LS @ \$450,000 /EA Vallemar Sumr Pump \$450,000	Durability issues and
Contingencies (35%) \$185,500	Regulatory compliance
<u>\$715,500</u>	
<b>BASE + ALTERNATIVE BUDGET FOR FY 2021-2022</b>	<b>\$1,993,275</b>

<b>2022-2023 Fiscal Year Capital Improvement Needs</b>	
Cabrillo Highway PHASE 2 - Trunk Sewer (14th - 11th)	Move from 13/14
900 LF @ \$450 /LF CIPP-Lining \$405,385	Clean CCTV PSI/SAM
Contingencies (30%) \$121,616	Longitudinal Cracks
<u>\$526,975</u>	
Various Moss Beach Sewers Near Carlos St., Seal Cove	Added 2009, Update 2018
1,200 LF @ \$350 /LF Pipe Burst \$420,000	Mediu Priority
Contingencies (30%) \$126,000	Long term plan
<u>\$546,000</u>	
Sun Valley Area Trunk Sewer Sam Hot List	Moved from 13/14
950 LF @ \$450 /LF Open Cut \$427,500	Infiltration Area
Contingencies (30%) \$128,250	Monitor Recent MH Repairs
<u>\$555,750</u>	2018
Kannoff-3rd St	I & I, Flow Balance WW.
900 LF @ \$450 /LF Pipe Burst \$405,000	Monitor with Smart Covers
Contingencies (30%) \$119,825	
<u>\$524,825</u>	
Pump Station Mechanical, Electrical and Coating Upgrades	High Priority
3 EA @ \$25,000 /EA Coatings/Mechan. \$75,000	Corrosion
2 EA @ \$8,000 /EA pipe works \$16,000	Corrosion/Leak Risk
1 EA @ \$9,000 /EA Electrical Work \$9,000	Un-scheduled Repairs
1 EA @ \$50,000 /LF Distillary Forcemain \$50,000	Move from 15/16
Contingencies (35%) \$52,100	(spot repaired)
<u>\$202,100</u>	
<b>2022-23 Total</b>	<b>\$2,355,650</b>

<b>2023-2024 Fiscal Year Capital Improvement Needs</b>	
Cabrillo Highway PHASE 3a - Parallel Pipes (10th St to 6th Street)	Move from 15/16
1,420 LF @ \$550 /LF Open Cut \$781,000	Caltrans Permit Delay
Contingencies (30%) \$234,300	(Pending above projects)
<u>\$1,015,300</u>	Clean CCTV PSI/SAM
	Montor Condition
Montara Montara Easements Sewers Various Locations.	Added 2018
1,500 LF @ \$300 /LF Pipe Burst and Open C \$450,000	Mediu Priority
Contingencies (30%) \$135,000	Long term plan
<u>\$582,400</u>	
Various Moss Beach Sewers Near Cypress, Nevada & Buena Vista St.	Monitor with Smart Cover

	1,750 LF @ \$350 /LF Pipe Burst and Open C	\$612,500	Added 2009, updated 2019
	<u>Contingencies (30%)</u>	<u>\$183,750</u>	Mediu Priority
		\$796,250	Long term plan
	<b>2023-24 Total</b>	<b>\$2,393,950</b>	
<b>2024-2025 Fiscal Year Capital Improvement Needs</b>			
	Cabrillo Highway PHASE 3b - Trunk Sewer (11th - 7th + Crossing)		Move from 16/17
	900 LF @ \$550 /LF CIPP	\$495,000	Caltrans Permit Delay
	<u>Contingencies (35%)</u>	<u>\$173,250</u>	(Pending above projects)
		\$668,250	Clean CCTV PSI/SAM
	Various Sewers Seal Cove.		Revised 2018
	750 LF @ \$375 /LF Pipe Burst and Open C	\$281,250	Mediu Priority
	<u>Contingencies (30%)</u>	<u>\$84,375</u>	Long term plan
		\$365,625	
	Montara Montara Easements Sewers Various Locations.		Revised 2018
	750 LF @ \$350 /LF Pipe Burst and Open C	\$262,500	Repair and Cleaning Priority
	<u>Contingencies (30%)</u>	<u>\$78,750</u>	Long term plan
		\$341,250	
	Pump Station Mechanical, Electrical and Coating Upgrades		High Priority
	2 EA @ \$30,000 /EA Coatings/Mechan.	\$60,000	Corrosion
	2 EA @ \$10,000 /EA pipe works	\$20,000	Corrosion/Leak Risk
	2 EA @ \$20,000 /EA pump rebuilds	\$40,000	Scheduled Repairs
	2 EA @ \$350,000 /EA Vallemar New MCC	\$700,000	Un-scheduled Repairs
	<u>Contingencies (35%)</u>	<u>\$287,000</u>	
		\$1,107,000	
	<b>2024-25 Total</b>	<b>\$2,482,125</b>	
<b>2025-2026 Fiscal Years Capital Improvement Needs</b>			
	Various Moss Beach Sewers Carlos St area		
	1,500 LF @ \$450 /LF Pipe Burst and Open C	\$675,000	Revised 2018
	<u>Contingencies (30%)</u>	<u>\$202,500</u>	Mediu Priority
		\$877,500	Long term plan
	Montara Montara Easements Sewers Various Locations.		Revised 2018
	1,500 LF @ \$250 /LF Pipe Burst and Open C	\$375,000	Mediu Priority
	<u>Contingencies (30%)</u>	<u>\$112,500</u>	Long term plan
		\$487,500	
	Pump Station Mechanical, Electrical and Coating Upgrades		High Priority
	2 EA @ \$30,000 /EA Coatings/Mechan.	\$60,000	Corrosion
	2 EA @ \$20,000 /EA pump rebuilds	\$40,000	Corrosion/Leak Risk
	1 EA @ \$200,000 /EA Date Harte MCC	\$200,000	Scheduled Repairs
	1 EA @ \$200,000 /EA Airport MCC	\$200,000	Un-scheduled Repairs
	<u>Contingencies (35%)</u>	<u>\$175,000</u>	
		\$675,000	
	<b>BASE BUDGET FOR FY 2025-2026</b>	<b>\$2,040,000</b>	
	<u>ALTERNATIVE BUDGET ITEM</u>		
	Vallimar Sewer Main Relocation Part 1 (Strand, Niagara, Private Pumps)		Added 2010, Errosion Risk
	2,000 LF @ \$475 /LF Open Cut	\$950,000	Mediu Priority
	<u>Contingencies (30%)</u>	<u>\$285,000</u>	

		\$1,235,000	
	<b>BASE + ALTERNATIVE FY 2025-26 Total</b>	<b>\$3,275,000</b>	
<b>2026-2027 Fiscal Years Capital Improvement Needs</b>			
	Cabrillo Highway PHASE 4 - Force Mains (7th to Kanoff PS) 1,800 LF @ \$750 /LF CIPP	\$1,350,000	Move from 17/18 Monitor Via CCTV
	Contingencies (35%)	\$472,500	
		\$1,822,500	
	Various Moss Beach Sewers Varginia down town area 1,500 LF @ \$475 /LF Pipe Burst and Open C	\$712,500	Revised 2018 Mediu Priority
	Contingencies (30%)	\$213,750	Long term plan
		\$926,250	
	Virginia St and frontage road 1,500 LF @ \$500 /LF Open Cut	\$750,000	Multiple Sags Grease problem
	Contingencies (30%)	\$225,000	(Spot Repairs needed now)
		\$975,000	
	<b>BASE BUDGET FOR FY 2026-2027</b>	<b>\$3,723,750</b>	
	Vallimar Street Sewer PUMPS Part 2 (Strand, Niagara, Private Pumps) 10 EA @ \$20,000 /EA Open Cut	\$200,000	Added 2010, Errosion Risk Long term plan
	Electrical + Distribution	\$300,000	
	PS Niagra Abandonment	\$50,000	
	Contingencies (35%)	\$192,500	
		\$742,500	
	<b>BASE + ALTERNATIVE FY 2026-27 Total</b>	<b>\$4,466,250</b>	
<b>2027-2028 Fiscal Years Capital Improvement Needs</b>			
	Pump Station Mechancial, Electrical and Coating Upgrades 2 EA @ \$30,000 /EA Coatings/Mechan.	\$60,000	High Priority Corrosion
	2 EA @ \$10,000 /EA Pipe works	\$20,000	Corrosion/Leak Risk
	2 EA @ \$20,000 /EA Pump rebuilds	\$40,000	Scheduled Repairs
	2 EA @ \$10,000 /EA Electrical Work	\$20,000	and Un-scheduled Repairs
	Contingencies (35%)	\$49,000	
		\$189,000	
	Various Montara Sewers , including 7th st easements 2,500 LF @ \$450 /LF Pipe Burst and Open C	\$1,125,000	Revised 2018 Mediu Priority
	Contingencies (30%)	\$337,500	Long term plan
		\$1,462,500	
	Moss Beach Costal Side Sewers, California St vacinity 2,000 LF @ \$475 /LF Open Cut	\$950,000	Multiple Sags, tlat grade Roots
	Contingencies (30%)	\$285,000	(Spot Repairs needed now)
		\$1,235,000	
	Airport Pump Station Rebuild 1 LS @ \$1,250,000 /EA Open Cut	\$1,250,000	Added 2010, Errosion Risk Long term plan
	Electrical + Generator	\$150,000	
	Contingencies (35%)	\$490,000	
		\$1,890,000	
	<b>2027-28 Total</b>	<b>\$4,776,500</b>	
<b>2028-2029 Fiscal Years Capital Improvement Needs</b>			
	Pump Station Mechancial, Electrical and Coating Upgrades 2 EA @ \$30,000 /EA Coatings/Mechan.	\$60,000	High Priority Corrosion

2	EA	@	\$10,000	./EA	Pipe works	\$20,000	Corrosion/Leak Risk Scheduled Repairs and Un-scheduled Repairs
2	EA	@	\$20,000	./EA	Pump rebuilds	\$40,000	
2	EA	@	\$10,000	./EA	Electrical Work	\$20,000	
<u>Contingencies (35%)</u>						\$49,000	
						\$189,000	
Various Montara Sewers , including 8-12th streets							
2,750	LF	@	\$450	./LF	Pipe Burst, Open Cut	\$1,237,500	Revised 2018 Mediu Priority Long term plan
<u>Contingencies (30%)</u>						\$371,250	
						\$1,608,750	
Moss Beach Costal Side Sewers, Seal Cove							
2,500	LF	@	\$475	./LF	Open Cut	\$1,187,500	Multiple Sags, flat grade Roots (Spot Repairs needed now)
<u>Contingencies (30%)</u>						\$356,250	
						\$1,543,750	
5th St Pump Station Rebuild							
1	LS	@	\$1,000,000	./EA	Open Cut	\$1,000,000	Added 2010, Errosion Risk Long term plan
<u>Contingencies (35%)</u>						\$350,000	
						\$1,350,000	
<b>2028-29 Total</b>						<b>\$4,691,500</b>	
<b>2029-2030 Fiscal Years Capital Improvement Needs</b>							
Various Moss Beach Sewers Sunshine Valley							
1,500	LF	@	\$425	./LF	Pipe Burst and Open C	\$637,500	Long term plan
<u>Contingencies (30%)</u>						\$191,250	
						\$828,750	
Montara Costal Sewers							
3,000	LF	@	\$450	./LF	Open Cut	\$1,350,000	I&I, roots
<u>Contingencies (30%)</u>						\$405,000	
						\$1,755,000	
<b>BASE BUDGET FOR FY 2029-2030</b>						<b>\$2,583,750</b>	
Airport Force Main Rehabilitation							
7,500	LF	@	\$350	./EA	CIPP	\$2,625,000	Long term plan, corrosion,
<u>Contingencies (30%)</u>						\$787,500	
						\$3,412,500	
<b>BASE + ALTERNATIVE FY 2029-30 Total</b>						<b>\$5,996,250</b>	



# Montara Water and Sanitary District

## **Water System Capital Improvement Program**

***Update FY2020/21 – FY2024/25***

***June 2020***

### ***Board of Directors***

Kathryn Slater-Carter, President

Jim Harvey, President Pro Tem

Ric Lohman, Secretary

Peter Dekker, Treasurer

Scott Boyd, Director

Clemens Heldmaier, General Manager

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

The Montara Water and Sanitary District (the District or MWSD) water system requires improvements to address system renewal and replacement needs, continue to improve water supply reliability, and ensure sufficient response under daily operational scenarios, fire flow, and emergency conditions. These potential improvements make up the District's Capital Improvement Program (CIP) and include the rehabilitation of the existing infrastructure, addition of new facilities, development of new supply sources, and implementation of repair, replacement, and preventive maintenance programs.

In 2003, the District's Board of Directors established the CIP prioritization criteria that serve as the foundation for the District's capital improvements decision-making process to determine an achievable implementation schedule and ensure that adequate funding is secured for the needed improvements. In 2011 the Board of Directors began allowing new domestic connections to the water system, resulting in the need for capital projects designed exclusively for or shared by the new customers connecting to the water system. These projects are funded by the Water Capacity Charge (WCC). Capital projects designed to provide appropriate levels of renewal and replacement for customers that are using the existing water system are funded by water system revenues.

The CIP prioritization criteria provide a method to rate the relative importance of a particular project for projects serving either new or existing customers based on factors such as protection of public health, employee safety, legal and regulatory requirements, and funding constraints. These criteria determine which projects should be implemented in any given year and over the CIP 20-year planning horizon. The prioritization criteria used by MWSD are presented in Table 1, below, categorized into three priority levels that are listed from most to least critical for implementation.

<b>Table 1. CIP Prioritization Criteria</b>		
<b>Priority Level</b>	<b>Description</b>	<b>Examples</b>
Level One <i>Mandatory Projects</i>	<i>“Must do” – highest priority,</i> District has little or no control to defer	<ol style="list-style-type: none"> <li>1. Projects required by law/legislation, regulations;</li> <li>2. Projects protecting health and safety of employees and the public; and</li> <li>3. Projects funded by others.</li> </ol>
Level Two <i>Necessary Projects</i>	<i>Must be done,</i> District has moderate level of control over the timing of implementation	<ol style="list-style-type: none"> <li>1. Projects required for providing adequate emergency storage and meeting fire flow requirements;</li> <li>2. Projects reducing water system losses and reducing pipeline leaks.</li> </ol>
Level Three <i>Discretionary Projects</i>	<i>Should be done,</i> District has significant level of control over the timing of implementation	Required projects that can be deferred to a later date. Level Three Projects can be completed as needed, if Level One or Level Two Projects are postponed or outside funding sources become available.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

The planning-level cost estimates included in this CIP are total project costs with the +50%/-30% estimating accuracy and include the following elements:

1. Engineer’s opinion of probable construction cost
2. Planning, permitting, legal, and administrative costs at 40%
3. Planning-level contingency at 25%

Table 2 includes the net present value (NPV) for the replacement costs of existing MWSD assets that are due for replacement within the next 20 years and the other projects required to optimize operations. These projects would be funded through water system revenues.

<b>Table 2. 20-Year Water System Asset Replacement Program</b>		
<b>Water System Capital Improvement Projects</b>	<b>MWSD Program Description</b>	<b>NPV (2020\$\$)</b>
Water Storage Tanks	Replacement of the Alta Vista Tank No. 1, Portola Tank and the 2 Pillar Ridge Tanks	\$3,972,000
Groundwater Supply Wells	Rehabilitation of the Alta Vista Well, Drake, North Airport well, South Airport Well, the Portola Wells (Nos. 1, 2, 3, and 4) and the Pillar Ridge Wells (Retiro, Corona and Culebra)	\$3,525,000
PRV Stations	Rehabilitation of all of the 16 PRV Stations	\$1,170,000
Water Mains	Replacement of approximately 45,000 linear feet of water mains, including associated valves and appurtenances	\$9,577,000
Treatment Plants	Replacement of the Pillar Ridge and the Alta Vista treatment plants	\$5,570,000
Hydrants	Replacement of 123 hydrants	\$738,000
Booster Pump Stations	Replacement of the Schoolhouse booster pump station	\$3,286,000
Service Meters	Replacement of the Service Meters	\$1,171,000
Generators	Installation of generators at locations that do not currently have any and replacement of aging generators	\$987,000
Vehicles	Replacement of the service vehicles every 7 years	\$425,000
SCADA Upgrades	Necessary upgrades of the water system’s electronic controls and monitoring equipment	\$500,000
Supply Reliability Program	Groundwater exploration studies to better understand local aquifers and identify potential groundwater well sites to augment water system supply reliability	\$2,000,000
Office Systems Upgrades	Various improvements required for the functioning MWSD office	\$850,000
<b>20-year CIP Total</b>		<b>\$33,771,000</b>

While the CIP projects and programs included in Table 2 provide the long-range projects for the water system, the summary presented in Table 3, Project Cost Distribution and Fiscal Year Schedule, includes capital projects and portions of the capital programs that the District anticipates completing the next five (5) fiscal years. Project descriptions that follow include the cost of the entire project or program that may extend beyond the initial five (5) years of the CIP.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

<b>Table 3. Total Project Cost Distribution and Fiscal Year Schedule – Five-Year Water System CIP</b>						
<b>Existing Customer CIP - WATER</b>	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25</b>	<b>5-Year CIP Total</b>
Distribution System Renewal and Replacement Program <sup>1</sup>	\$455,000	\$464,100	\$473,382	\$482,850	\$492,507	<b>\$2,367,838</b>
Water Conservation Program	\$8,750	\$9,013	\$9,018	\$9,288	\$9,567	<b>\$45,636</b>
Storage Tank Rehabilitation Program <sup>2</sup>		\$350,000	\$1,000,000			<b>\$1,350,000</b>
Emergency Generator Replacement Program	\$45,000	\$45,900	\$46,818	\$7,754	\$48,709	<b>\$234,182</b>
Vehicle Replacement Fund		\$40,000	\$41,200	\$42,436		<b>\$123,636</b>
<b>EXISTING CUSTOMER CIP TOTAL</b>	<b>\$508,750</b>	<b>\$909,013</b>	<b>\$1,570,418</b>	<b>\$582,328</b>	<b>\$550,783</b>	<b>\$4,121,292</b>
<b>New Customer CIP - WATER</b>	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25</b>	<b>5-Year CIP Total</b>
Water Main Upgrade Program <sup>3</sup>	\$525,000	\$1,000,000	\$1,030,000	\$1,060,900	\$1,092,727	<b>\$4,708,627</b>
Existing Well Upgrade Program <sup>4</sup>		\$320,000	\$329,600	\$339,488		<b>\$989,088</b>
New and Upgraded PRV Stations' Program <sup>5</sup>		\$250,000	\$257,500	\$265,225	\$273,182	<b>\$1,045,907</b>
Emergency Generator Upgrade Program	\$75,000	\$77,250	\$79,568	\$81,955	\$84,413	<b>\$398,185</b>
Portola Tank Telemetry Upgrade				\$250,000		<b>\$250,000</b>
Develop Additional Supply Reliability			\$100,000	\$350,000	\$1,000,000	<b>\$1,450,000</b>
<b>NEW CUSTOMER CIP TOTAL</b>	<b>\$600,000</b>	<b>\$1,647,250</b>	<b>\$1,796,668</b>	<b>\$2,347,568</b>	<b>\$2,450,322</b>	<b>\$8,841,807</b>
<b>Total Annual Capital Cost</b>	<b>\$1,108,750</b>	<b>\$2,556,263</b>	<b>\$3,367,086</b>	<b>\$2,929,896</b>	<b>\$3,001,105</b>	<b>\$12,963,099</b>

<sup>1</sup> This program includes 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.

<sup>2</sup> This project includes urgent repairs needed to the Portola Tank and is coupled with the above project (1) for cost efficiency.

<sup>3</sup> This program includes 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.

<sup>4</sup> This project is for the Pillar Ridge wells' rehabilitation and upgrades.

<sup>5</sup> This project would add new PRV stations, sampling stations, valves, and upgrade existing PRVs.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL ONE – MANDATORY PROJECTS

*Priority Level One* projects almost exclusively address the projected system deficiencies related to adding new customers to the system. Most of the anticipated system deficiencies are due to adding new connections to the system and increasing water demands.

**Priority Level One** – These are the highest priority, “must do” capital projects. The District has little or no control to defer these projects. Examples of such projects include: (1) Projects required by law/legislation, regulations; (2) Projects protecting health and safety of employees and the public; and (3) Projects funded by others.

The projects and actions described below are designed to allow the District addressing system deficiencies while continue to operate an efficient and reliable water system. The proposed *Priority Level One* near-term improvements continue the District’s progress toward sustainability through investments that:

- (1) Diversify water supply sources,
- (2) Improve water quality,
- (3) Encourage water and energy conservation, and
- (4) Meet current and future infrastructure needs.

Table 4 below, contains *Priority Level One* projects and programs that have been formulated to provide benefit to, and be paid for by, new District customers. A detailed discussion of the projects follows.

<b>Table 4. Priority Level One – Mandatory Projects</b>
1. Water Main Upgrade Program
2. Existing Well Upgrade Program
3. New and Upgraded PRV Stations’ Program
4. Emergency Generator Upgrade Program
5. Portola Tank Telemetry Upgrade
6. Develop Additional Supply Reliability

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 1:** Water Main Upgrade Program

**Priority:** Level One

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Under the water main upgrade program, the District will undertake the effort of designing and constructing upsizing of the existing distribution system mains to accommodate increasing demands due to the addition of new water customers. This program includes an estimated 12,800 linear feet of 8-inch- and 10-inch-diameter mains installed in the water system replacing existing 2-inch, 4-inch, and 6-inch-diameter mains.

Upsizing of existing water mains and isolation and control valves will be required to accommodate new water customers.

The Water Main Upgrade Program will involve the strategic upgrade of existing water mains to incorporate “arterial distribution loops” throughout the system. These arterial loops will provide added redundancy and reinforcement to handle the addition of new customers or potential leaks and pipe failures. The loops will be designed utilizing the existing distribution system and the installation of short spans of new pipelines. Isolation and control valves will also be installed in critical locations as part of the loop design. As a whole, the arterial loops will provide the District’s Operations staff the ability to isolate and repair critical sections of the distribution system while still conveying water throughout the system. Additionally, this program includes upsizing of the existing mains that would become deficient due to added new customer demands.

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**Project:** Water Main Upgrade Program

**CIP Total Cost:** \$7.5 million

**Project Funding:** This program will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures redundancy and reinforcement of the distribution system to handle the addition of new customers or potential leaks and pipe failures.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 2:** Existing Well Upgrade Program

**Priority:** Level One

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The existing District's wells operate within their design parameters in the existing water system. Hydraulic analysis demonstrates, however, that with increased demands due to new water customers, existing wells' pumps and motors would need to be upsized to pump into the system. The pump and motor replacement and piping modifications are required to accommodate new customers. This program would involve replacement of all existing motor control centers (MCCs) and associated power supply improvements.

---

**Project:** Existing Well Upgrade Program

**CIP Total Cost:** \$3.4 million

**Project Funding:** This project will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it is required to accommodate new customers

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 3:** New and Upgraded Pressure-Regulating Stations' Program

**Priority:** Level One

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Due to the District's water system configuration and the terrain of the service area, the District operates over 20 existing pressure-regulating stations (PRVs). With the addition of new customers throughout the service area, this project will install up to 5 new PRV stations and increase the capacity of 13 existing PRV stations.

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**Project:** New and Upgraded Pressure-Regulating Stations Program

**CIP Total Cost:** \$1.86 million

**Project Funding:** This project will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures reliable and efficient water distribution under new demand conditions

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 4:** Emergency Generator Upgrade Program

**Priority:** Level One

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Existing generators at the District’s pumping and treatment facilities will become undersized following upgrades of the existing pumps and motors and would require replacement. This program would secure safe and reliable emergency power to the District’s critical water treatment and delivery facilities and provide safe operation by staff under the increased demand conditions due to new customers. The associated appurtenances, including automatic transfer switches (ATS) would also have to be replaced due to the increased generator and system capacities.

---

**Project:** Emergency Generator Upgrade Program

**CIP Total Cost:** \$889,500

**Project Funding:** This project will be funded by new customers WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures reliability and efficiency of operations under new demand conditions

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Project 5:** Portola Tank Telemetry Upgrade

**Priority:** Level One

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The existing Portola Tank currently operates with no telemetry link to the District's SCADA system. While this arrangement works to serve existing water customers, addition of new customers throughout the District's service area will require adding the tank to SCADA to ensure operational optimization of the tank under new demand conditions.

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**Project:** Portola Tank Telemetry Upgrade

**CIP Total Cost:** \$250,000

**Project Funding:** This project will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures operational optimization of the Portola Tank under new demand conditions

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## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 6:** Develop Additional Supply Reliability

**Priority:** Level One

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This project provides for planning, permitting, and implementation of water supply augmentation to ensure that the water system's reliability remains intact with the addition of the new water customers to the system. Currently, the District has over 20 percent reliability and redundancy in its water supply portfolio achieved by existing District's customers through adding new sources, implementing water system improvements, securing the existing Airport Wells for its water supply portfolio, and through conservation. This portion of the water supply portfolio will initially be utilized to add new customers to the system; however, the supply reliability needs to be replenished and paid for by the new customers to ensure consistent continued reliability of the water system. The project includes new groundwater source planning, permitting, and development.

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**Project:** Develop Additional Supply Reliability

**CIP Total Cost:** \$1.98 million

**Project Funding:** This project will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures consistent continued reliability of the District's water system

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## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL TWO – NECESSARY PROJECTS

The District's water system requires improvements to address system renewal and replacement needs and ensure sufficient response under daily operational scenarios, fire flow, and emergency conditions. These necessary improvements make up the District's Priority Level Two, Necessary Projects, which include the rehabilitation of the existing infrastructure, repair and replacement, and preventative maintenance programs.

**Priority Level Two** programs provide measurable progress in achieving the District's goals, however, the District has a moderate level of control over the timing of implementation. Examples of such projects include projects reducing water system losses and pipeline leaks, treatment plant and storage tank rehabilitation, and other asset replacement programs.

Table 5 below provides a list of the Priority Two Level programs. These projects serve existing District's customers and are funded by the water rate revenues.

<b>Table 5. Priority Level Two – Necessary Projects</b>
1. Distribution System Renewal and Replacement Program
2. Groundwater Supply Wells Rehabilitation Program
3. Storage Tank Rehabilitation Program
4. Generator Replacement Program
5. Vehicle Replacement Fund
6. Water Treatment Plant Rehabilitation Program
7. Water Conservation Program

## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 1:** Distribution System Renewal and Replacement Program

**Priority:** Level Two

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This program is an on-going annual rehabilitation program that includes the following projects:

- Mechanical systems replacement
- Water meter replacement
- Water lateral replacement
- Water main replacement
- Fire hydrant replacement
- Booster Pump Station replacement

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**Project:** Distribution System Renewal and Replacement Program

**CIP Total Cost:** \$15.94 million

**Project Funding:** This program will be funded by existing customers through water revenues

**Basis of Priority:** This program is ranked as Priority Level Two because it addresses system renewal and replacement needs to ensure sufficient response under daily operational scenarios, fire flow, and emergency conditions, and protects public health and safety.

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## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 2:** Groundwater Supply Well Rehabilitation Program

**Priority:** Level Two

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This program is an on-going rehabilitation program that includes rehabilitation of the Alta Vista Well, Drake, North Airport well, South Airport Well, the Portola Wells (Nos. 1, 2, 3, and 4) and the Pillar Ridge Wells (Retiro, Corona and Culebra).

**Project:** Groundwater Supply Well Rehabilitation Program

**CIP Total Cost:** \$3.53 million

**Project Funding:** This program will be funded by existing customers through water revenues

**Basis of Priority:** This program is ranked as Priority Level Two because it addresses water supply reliability and protects public health and safety.

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## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 3:** Storage Tank Rehabilitation Program

**Priority:** Level Two

The existing Alta Vista Tank No.1 was inspected in 2016 and found needing to be taken off line for rehabilitation. It was determined that the tank floor and areas on the wall of the AVT 1 shows signs of significant corrosion. AVT 1 will be rehabilitated, including: cleaning, recoating and corrosion spot repair. Some areas, such as the tank floor, may require more extension corrosion repair. Additionally, the Portola Tank is in an immediate need of roof replacement and other appurtenances' rehabilitation.

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**Project:** Storage Tank Rehabilitation Program

**CIP Total Cost:** \$3.97 million

**Project Funding:** This program will be funded by existing customers through water revenues.

**Basis of Priority:** This program is ranked as Priority Level Two because it ensures continued operation of the existing water system and protects the emergency and fire storage capacity and protects public health and safety.

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 4:** Emergency Generator Replacement

**Priority:** Level Two

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This program is for the replacement of the existing emergency generators that reached the end of their useful life.

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**Project:** Emergency Generator Replacement

**CIP Total Cost:** \$987,000

**Project Funding:** This project will be funded by existing customers through water revenues.

**Basis of Priority:** This project is ranked as Priority Level Two because it ensures efficiency of water operations and provides business continuity assurance and resiliency of the water infrastructure and protects public health and safety.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 5:** Vehicle Replacement Fund

**Priority:** Level Two

This funding is earmarked for the District's fleet of trucks renewal over the 20-year CIP cycle.

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**Project:** Vehicle Replacement Fund

**CIP Total Cost:** \$425,000

**Project Funding:** This project will be funded by existing customers through water revenues.

**Basis of Priority:** This project is ranked as Priority Level Two because it ensures efficiency of water operations.

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 6:** Water Treatment Plant Rehabilitation Program

**Priority:** Level Two

The District owns and operates two water treatment plants, the Alta Vista WTP and Pillar Ridge WTP. Both plants contain treatment units and facilities that are approaching the end of their respective useful life and would need to be either rehabilitated or replaced. This program includes funding for the two WTPs overhaul.

---

**Project:** Water Treatment Plant Rehabilitation Program

**CIP Total Cost:** \$5.57 million

**Project Funding:** This program will be funded through water revenues.

**Basis of Priority:** This program is ranked as Priority Level Two because it ensures existing facility functionality and reliability and protects public health and safety.

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 7:** Water Conservation Program

**Priority:** Level Two

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The District continues its multi-year rebate program to encourage customers to replace their fixtures and appliances with water-efficient units.

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**Project:** Water Conservation Program

**CIP Total Cost:** \$100,000

**Project Funding:** This program will be funded by existing customers through water revenues.

**Basis of Priority:** This program is ranked as Priority Level Two because it continues to promote water conservation.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21-FY2024/25)

#### PRIORITY LEVEL THREE – DISCRETIONARY PROJECTS

Projects not meeting the criteria for Priority Level One or Two are ranked as Priority Level Three. These projects are needed, albeit may not yet have defined scopes, schedules, or funding sources. Many factors exist that may promote Level Three projects to Level One or Two such as the release of new regulations and legislation or the availability of funding.

**Priority Level Three** – Projects that are required but can be deferred to a later date. Level Three Projects can be completed as needed, if Level One or Level Two Projects are postponed. District has significant level of control over the timing of implementation.

Table 6 below provides a list of the Priority Level Three projects. Funding for these projects is not currently included as part of this CIP.

<b>Table 6. Priority Level Three – Discretionary Projects</b>	
1. SCADA Upgrades	\$500,000
2. Supply Reliability Program	\$2,000,000
3. Office Systems Upgrades	\$850,000
4. New Large Service Connections – paid for entirely by the project owner who applies for water service from the District	Example: Big Wave NPA will be funding and constructing a new 12-inch-diameter water main that will serve the Wellness Center domestic and fire demands, also a series of new distribution mains.

**CPI for All Urban Consumers (CPI-U)  
Original Data Value**

Series Id: CUURS49BSA0  
 Not Seasonally Adjusted  
 Series Title: All items in San Francisco-Oakland-Hayward, CA, all  
 Area: San Francisco-Oakland-Hayward, CA  
 Item: All items  
 Base Period: 1982-84=100  
 Years: 2010 to 2020

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010		226,145		227,697		228,110		227,954		228,107		227,655
2011		229,981		234,121		233,646		234,608		235,331		234,322
2012		236,880		238,985		239,806		241,170		242,834		239,533
2013		242,677		244,675		245,935		246,072		246,617		245,711
2014		248,615		251,495		253,317		253,354		254,503		252,277
2015		254,910		257,622		259,117		259,917		261,019		260,288
2016		262,600		264,565		266,041		267,853		270,306		269,488
2017		271,626		274,589		275,304		275,893		277,570		277,411
2018		281,308		283,422		286,062		287,664		289,673		289,899
2019		291,227		294,801		295,259		295,490		298,443		297,000
2020		299,690		298,074								

$$\frac{298,074 - 294,801}{294,801} = 3.273\%$$

$$\frac{299,690 - 294,801}{294,801} = 1.110\%$$