

Union Sanitary District

Union City, California

Adopted Operating & CIP Budget FY 2018



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DATE: June 26, 2017

MEMO TO: Board of Directors - Union Sanitary District

FROM: Paul R. Eldredge, General Manager/District Engineer

SUBJECT: Fiscal Year 2018 Adopted Operating and CIP Budget

Union Sanitary District (USD) staff is pleased to present the comprehensive annual budget for Fiscal Year (FY) 2018 to the Board of Directors. This budget covers the period from July 1, 2017 through June 30, 2018. The District continues to focus on the operation and maintenance of its infrastructure and assets, capital project construction, planning, and effective use of technology.

Outstanding Performance and Cost Effective Service for the District's Customers

In keeping with our Mission, the District continues to provide a high level of award-winning service to its customers at very competitive rates. During FY 2016, USD conducted a major Cost of Service Analysis (COSA) to determine a five-year rate plan that met all requirements related to charges for services under Proposition 218. The COSA took into consideration current and future operational and capital costs, and reserve requirements for the next five years. The study provided the District with a baseline against which we can analyze future USD needs. The Sewer Service Charge for FY 2018 incorporates the second rate increase of the five-year rate increase plan. The annual single family rate will increase from \$380 to \$393 in FY 2018, and to \$436 by the fifth year (FY 2021). This increased rate is still below the national average annual sewer service charge of \$479, as reflected in the 2016 National Association of Clean Water Agencies price index. The average rate of the 26 Bay Area agencies the District surveys is \$542. On a monthly basis, at just under \$33, wastewater treatment by the District is by far the least expensive household utility when compared to other major household expenses such as power, water, garbage, and cable TV.

We continue the District's record of outstanding stewardship and service. Once again, USD received the Platinum Award from the National Association of Clean Water Agencies for Peak Performance for operating for seven consecutive years without exceeding the limits or conditions of the District's permit, and we have submitted our application for this year's award. This is a tribute to the outstanding work by District Operations and Maintenance teams. We continue to average less than one spill per hundred

miles of pipeline per year, ranking us among the best in the State. The District Collections Services and Environmental Compliance groups have successfully implemented measures to control roots and grease to help minimize spills and back-ups. We are responding to 100% of all customer call outs within one hour, up from 97.5% the previous year. The District's quality performance is also reflected in awards recently received for our procurement program, overall agency management, and financial reporting.

Financial State of the District

The current (general) improvement in the economy as a whole has had modest positive effects on the District. Revenues are increasing over the prior fiscal year and there has also been increased development activity in our service area. While economic improvements have proven beneficial, the District continues to exercise fiscal prudence in light of our ever-increasing expenses. It is because of this cautionary approach that the District has continued to remain financially healthy.

The local economy continues to show signs of improvement in increased development. USD has seen increases in permit applications in the past twelve months, although that is expected to level off a bit in FY 2018. A portion of USD capital projects is funded by capacity fees; however, the majority are funded through Sewer Service Charges. The District continues to be vigilant in its efforts to contain expenses. Similar to other agencies, USD faces significant pressures associated with the costs of health care and pensions, as well as costs for treatment plant utilities (primarily PG&E) and other capital expenditures.

Revenues

Sewer Service Charges are expected to increase from \$50.4 million in FY 2017 to \$54.9 million in FY 2018 due to previously approved rate increases and the addition of new users. With approximately 73% of the District's revenue based on residential customers, USD's income remains relatively stable despite the slight volatility in non-residential revenues.

Capacity Fee revenues incorporate increased Capacity Fees approved by the Board, effective July 1, 2016. As previously stated, the Tri-City area has experienced an increase in construction development, although we are expecting that to begin to slow a bit. As a result, total Capacity Fee revenues are expected to decrease 11.5% as compared to the FY 2017 budget. In addition, anticipated expenditures associated with capacity fees over the next five years indicate that there will be an overall declining balance in this fund.

Expenditures

Total expenditures in the Sewer Service Fund for the coming fiscal year are projected to decrease by 2.3%. Operating expenses are anticipated to increase by 6.5%, primarily due to salary and pension contribution rate increases, as well as the addition of three positions for succession planning purposes and to deal with increased inspection workloads. Chemical costs have been relatively stable and slightly lower due to the District's participation in the Bay Area Chemical Consortium.

No significant changes to the number of District employees are budgeted during this fiscal year, with the exception of the addition of one non-permanent Operator for Treatment and Disposal Services and one limited-term Construction Inspector in Technical Services, as well as a part-time Engineering Intern. The first requisition addresses succession planning due to one anticipated Operator retirement in FY 2018. In addition, in Technical Services, the Customer Service Team's workload continues to be affected by the

continued positive trend in the economy and construction activities, and it is in need of support, such as a limited-term Construction Inspector. A possible opportunity exists for this limited-term employee to be an internal candidate through attrition and succession planning. The District filled many vacancies during FY 2017, mostly attributable to planned retirements. Retirements during FY 2018 are expected to taper off as compared to the two prior fiscal years; however, balancing the District's ability to attract and retain a qualified workforce against the bottom line will continue to be a challenge.

Although the Capital Improvement Program will be decreasing this year from FY 2017 levels, this is a one-year anomaly, and spending will ramp up aggressively beginning in FY 2020. Staff conducted a thorough study of the infrastructure needs of the District and developed a 20-year Capital Improvement Plan (CIP) that totals approximately \$646 million. The total CIP budgeted for FY 2018 is \$10.1 million. USD continues to keep its CIP costs as low as possible by taking advantage of available low interest loans through the State and federally funded Clean Water State Revolving Fund (SRF) program administered by the State Water Resources Control Board.

Capital project spending will continue to focus on rehabilitation of the wastewater treatment plant and collections system pipeline. Many of the District's buildings and treatment processes are approaching 35 years in operation. Replacing and upgrading these facilities and equipment will ensure that we can efficiently operate the plant in the long-term. Projects for FY 2018 include plant facilities improvements, standby power generation system upgrades, and pump station improvements. The Information Systems Renewal and Replacement (R&R) Program will continue to fund new projects, such as a Lab/Plant Operations Data Management System (ODMS), and disaster recovery.

Special Projects Fund expenditures will decrease from \$2.1 million in FY 2017 to \$1.9 million in FY 2018. Of the \$1.9 million, \$289,000 is for special projects that will carry forward to FY 2018. Some of the studies planned for this year include the Force Main Condition Assessment, the Plant Master Plan, the Plant Solids System/Capacity Master Plan, and the Treatment Plant Information Technology Network Master Plan. Other expenditures include those for the Odor Control Study Update, and outreach programs including the USD newsletter, the 2018 Centennial, the Fats, Oils, and Grease (FOG) brochure, and anticipated election costs in Fremont.

Balanced Budget, Reserves and Rates

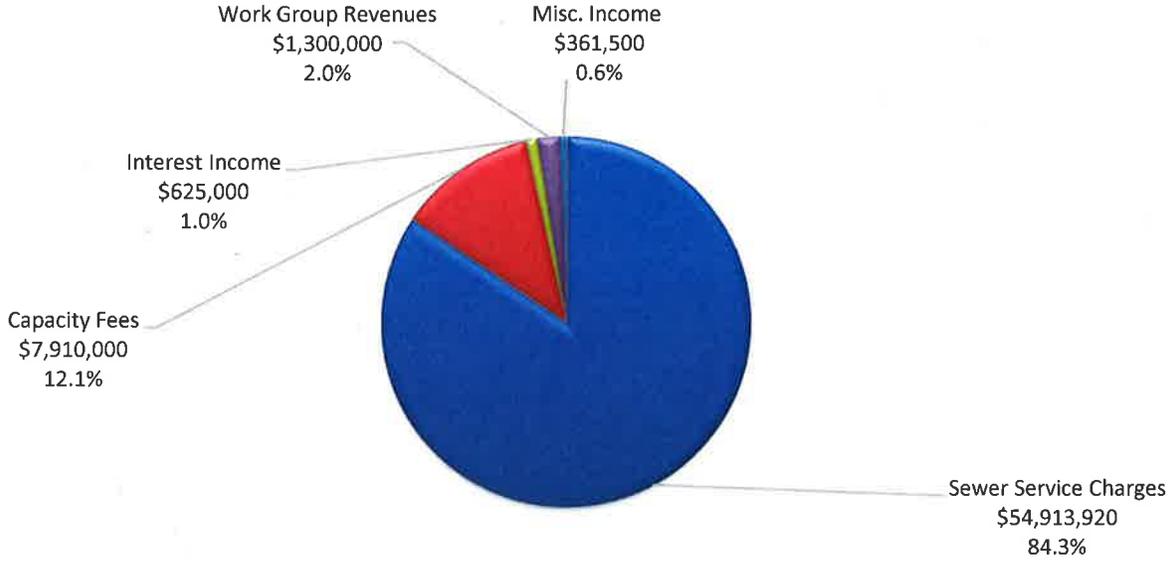
USD has long operated with a balanced budget and we anticipate continuing to do so. In some years, USD takes money from reserves for capital projects and in some years funds are added to the District's reserves. However, it is anticipated that reserves will be significantly reduced over the next few fiscal years due to the District's infrastructure needs. For FY 2018, we anticipate adding \$9.8 million to reserves, resulting in reserves that total \$47.4 million in the Sewer Service Fund and \$30.5 million in the Capacity Fund.

These reserves all exist in accordance with State law, debt covenants, and District policy. District reserves continue to be stable, although as the District operating budget increases, more of the District's reserves are dedicated to ensuring operating cash flow for the eight-month period in which we receive very limited Sewer Service Charge revenues. During FY 2018, a financial model will be completed that will allow the District to determine different rate models and financing plan scenarios to assist the District in making sound financial decisions on future infrastructure needs and the long-term sustainability of prospective policies and programs.

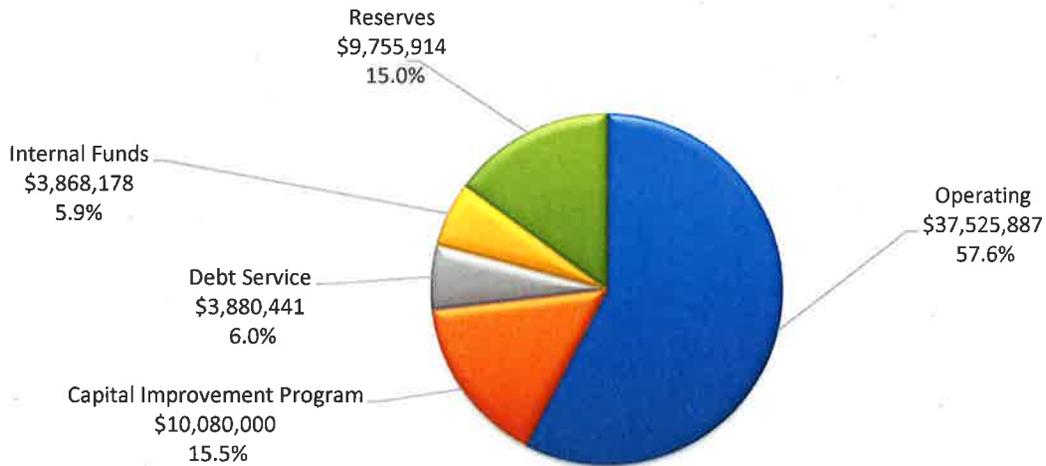
Conclusion

The District's high level of service and very competitive rates reflect our highly efficient and customer-oriented staff. The District is fortunate to have a very talented and dedicated workforce and we want to continue to make the District an employer of choice in the region. I would like to express my appreciation to all the employees of the District whose hard work is not taken for granted and whose dedication is reflected in the daily delivery of services to our customers. The District is firmly committed to meeting each and every challenge brought forth while building a premier organization. This budget enables us to continue to move forward in meeting those challenges. By continuing to follow the budget policy set forth by the District, we will continue to deliver the highest level of service.

FY 2018 Total Revenues
\$65,110,420



FY 2018 Total Expenditures
\$65,110,420



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**SUMMARY AND COMMENTS
FISCAL YEAR 2018 BUDGET**

Budget Summary – All Funds (Sewer Service and Capacity Funds)

	Budget FY 2017	Estimated Actual FY 2017	Adopted Budget FY 2018	% Change
Total Revenues				
Sewer Service Charges	\$50,404,690	\$52,395,633	\$54,913,920	8.9
Capacity Fees	8,935,000	9,686,000	7,910,000	(11.5)
Work Group Revenues	1,355,000	1,452,800	1,300,000	(4.1)
Interest	475,500	605,000	625,000	31.4
Other	505,000	718,395	361,500	(28.4)
SRF Loan Proceeds	2,800,000	2,938,300	0	(100.0)
Total Revenues	\$64,475,190	\$67,796,128	\$65,110,420	1.0
Total Expenditures				
Operating	\$35,224,203	\$35,013,094	\$37,525,887	6.5
Capital Projects (90%)	14,670,000	14,550,353	10,080,000	(31.3)
Debt Service	3,127,110	3,127,110	3,880,441	24.1
Special Projects	2,132,098	1,459,382	1,873,523	(12.1)
Other Internal Funds	2,151,320	977,473	1,994,655	(7.3)
Total Expenditures	\$57,304,731	\$55,127,412	\$55,354,506	(3.4)
Revenues in Excess of Expenditures – To Reserves	\$ 7,170,459	\$12,668,716	\$ 9,755,914	36.1

Adopted Combined Budget – Sewer Service and Capacity Funds

	Sewer Service Fund (Incl Fund 80)	Capacity Fund (Fund 90)	Total
Total Revenues			
Sewer Service Charges	\$54,913,920	\$ 0	\$54,913,920
Capacity Fees	0	7,910,000	7,910,000
Work Group Revenues	1,300,000	0	1,300,000
Interest	425,000	200,000	625,000
Other	261,500	100,000	361,500
SRF Loan Proceeds	0	0	0
Total Revenues	\$56,900,420	\$8,210,000	\$65,110,420
Total Expenditures			
Operating	\$37,525,887	\$ 0	\$37,525,887
Capital Projects (90%)	6,660,000	3,420,000	10,080,000
Debt Service	2,769,387	1,111,054	3,880,441
Special Projects	1,873,523	0	1,873,523
Other Internal Funds	1,994,655	0	1,994,655
Total Expenditures	\$50,823,452	\$4,531,054	\$55,354,506
Revenues in Excess of Expenditures – To Reserves	\$ 6,076,968	\$3,678,946	\$ 9,755,914

SEWER SERVICE FUND

The FY 2018 budget for the Sewer Service Fund is presented below:

	Budget FY 2017	Estimated Actual FY 2017	Adopted Budget FY 2018	% Change
Total Revenues				
Sewer Service Charges	\$50,404,690	\$52,395,633	\$54,913,920	8.9
Work Group Revenues	1,355,000	1,452,800	1,300,000	(4.1)
Interest	350,000	400,000	425,000	21.4
Other	405,000	618,395	261,500	(35.4)
SRF Loan Proceeds	2,100,000	2,203,300	0	(100.0)
Total Revenues	\$54,614,690	\$57,070,128	\$56,900,420	4.2
Total Expenditures				
Operating	\$35,224,203	\$35,013,094	\$37,525,887	6.5
Capital Projects (90%)	10,327,500	10,348,617	6,660,000	(35.5)
Debt Service	2,204,389	2,204,389	2,769,387	25.6
Special Projects	2,132,098	1,459,382	1,873,523	(12.1)
Other Internal Funds	2,151,320	977,473	1,994,655	(7.3)
Total Expenditures	\$52,039,510	\$50,002,955	\$50,823,452	(2.3)
Revenues in Excess of Expenditures – To Reserves	\$ 2,575,180	\$ 7,067,173	\$ 6,076,968	136.0

REVENUES: Revenues in the Sewer Service Fund are anticipated to increase 4.2% in comparison to the FY 2017 budget. With respect to the estimated actual amounts for FY 2017, the FY 2018 budget is 0.3% less. Each of the individual revenue elements is discussed below:

Sewer Service Charges: The principal revenue source for the Sewer Service Fund is the annual Sewer Service Charges, estimated to be \$54.9 million in FY 2018. This is 8.9% more than the prior year’s budget amount. Last year’s budget estimate was based on a new wastewater rate and cost of service study, resulting in the adoption of a five-year rate plan in January 2016, pursuant to the requirements of Proposition 218. Because of the change in methodology, the FY 2017 budget estimate was tempered for conservatism. However, actual sewer service charge revenues estimated to be collected in FY 2017 are \$52.4 million. As a result, the FY 2018 revenue estimate is 4.8% greater than the estimated actual amount for FY 2017. The existing annual sewer service charge for Single Family Dwellings (SFD) will increase from \$380.05 in FY 2017 to \$393.35 in FY 2018 (an increase of 3.5%), and the annual Multi-family Dwelling rate will increase from \$329.50 in FY 2017 to \$341.03 in FY 2018 (also an increase of 3.5%). Residential rates account for 73.3% of total sewer service charge revenues. For non-residential customers, rates are calculated annually using flow based on water usage and sewage strength.

Work Group Revenues: These revenues consist of things like field inspection fees, plan check fees, permits, external work orders, and services provided to the City of Fremont’s Urban Runoff program. Because these items tend to vary based on external demands, anticipated revenues are estimated in a conservative manner. As a result, even though the estimated actual amount to be collected in FY 2017 exceeds the FY 2017 budget, the FY 2018 budget estimate is \$55,000 (4.1%) lower than the prior year’s budget amount, based in part on a tempering of anticipated development activity in FY 2018.

Interest: Interest income is expected to increase 21.4% from the FY 2017 budget amount, and 6.3% from the FY 2017 estimated actual amount. This increase is based both on a higher average daily cash balance and increased interest rates. All indications are that the Federal Reserve will continue on its course of gradually raising interest rates as the overall economy continues to strengthen.

Other: Other revenues consist of rebates from the Self-Generation Incentive Program (SGIP) administered by the California Public Utilities Commission (CPUC) related to cogeneration, PG&E solar rebates for carports and Irvington solar panels (for which FY 2017 was the last year), and other miscellaneous income, including the sale of surplus equipment. This item is expected to decrease by 35.4% from the FY 2017 budget amount, primarily as a result of the end of the PG&E solar rebate program.

SRF Loan Proceeds: Although the State Revolving Fund (SRF) has been, and will likely continue to be, an ongoing source of funding for District capital needs, no SRF loan proceeds are anticipated to be received in FY 2018.

EXPENDITURES: Expenditures in the Sewer Service Fund are anticipated to decrease 2.3% in comparison to the FY 2017 budget. With respect to the estimated actual amounts for FY 2017, the FY 2018 budget is 1.6% higher. Each of the individual expenditure elements is discussed below:

Operating: Operating expenditures are those required for the day-to-day operations of the District, including maintenance, regulatory activities, engineering, and administration. Operating expenditures are estimated to increase 6.5% in FY 2018. Of that increase, 6.2% is due primarily to salaries and benefits adjustments in accordance with the District’s Memorandum of Understanding (MOU) with its classified employees, the addition of one overfill Operator position in Treatment & Disposal Services for succession planning purposes, the addition of a limited term Construction Inspector in Technical Services, the addition of an Engineering Intern, and increased California Public Employees’ Retirement System (CalPERS) contributions.

The total cost of the three new positions, without incorporating the 2% vacancy factor (discussed below), is as follows:

Plant Operator 3 (overfill in anticipation of retirement)	\$143,134
Construction Inspector 1 (limited term)	160,845
Engineering Intern	<u>22,446</u>
Total, New Positions	<u>\$326,425</u>

Below is additional information about the components of salaries and benefits:

	Budget FY 2017	Adopted Budget FY 2018	Dollar Change	% Change
Wages	\$15,823,903	\$16,540,650	\$ 716,747	4.5
CalPERS Contributions	3,351,694	3,822,623	470,929	14.1
Workers’ Compensation	263,362	299,232	35,870	13.6
Other (Medical, Medicare)	3,447,332	3,653,059	205,727	6.0
Vacancy Factor (2%)	(457,726)	(486,311)	(28,585)	6.2
Total Salaries and Benefits	\$22,428,565	\$23,829,253	\$1,400,688	6.2

Increased CalPERS contributions are the result of both increased wages and a 9.5% increase in the CalPERS contribution rate, from 20.362% in FY 2017 to 22.299% in FY 2018. The District has opted to take advantage of a CalPERS' program that allows prepayment of the unfunded actuarial liability in July 2018, rather than making a payment of a portion of the unfunded actuarial liability each pay period over the course of the fiscal year, which will result in savings to the District of \$76,000. Workers' compensation costs have increased because of increased wages (upon which workers' compensation premiums are based) and an anticipated 5% rate increase. Medical amounts are increasing in accordance with the MOU. Consistent with prior years, salaries and benefits include a 2% vacancy factor, in recognition of the fact that vacancies occur throughout the year and are not immediately refilled.

Below is information about the components of Operating expenditures, which include salaries and benefits:

Work Group	Budget FY 2017	Estimated Actual FY 2017	Adopted Budget FY 2018	% Change
Board of Directors	\$ 178,500	\$ 167,730	\$ 176,093	(1.3)
General Manager/Admin.	957,577	936,696	1,082,884	13.1
Business Services	4,753,045	4,767,045	5,023,943	5.7
Collection Services	6,116,287	6,111,118	6,551,768	7.1
Technical Services	5,511,940	5,429,261	5,995,655	8.8
Treatment & Disposal Services	10,631,833	10,670,933	11,122,285	4.6
Fabrication, Maintenance, and Construction	5,862,650	5,745,397	6,277,170	7.1
Non-Departmental	1,212,371	1,184,914	1,296,089	6.9
Total Operating Expenditures	\$35,224,203	\$35,013,094	\$37,525,887	6.5

Salaries and benefits account for 63.5% of total operating expenditures in FY 2018 (down slightly from 63.7% in FY 2017). In addition to salary and benefit increases discussed above, some of the other reasons for the 6.5% increase in operating expenditures are as follows:

- The budget increase for General Manager/Administration is due to an anticipated increase in legal fees.
- Collection Services is projecting increased costs for the root control program, and increased office supplies and small equipment purchases.
- Technical Services is adding a limited term Construction Inspector 1, resulting in increased personnel costs.
- Fabrication, Maintenance, and Construction expects to incur additional costs due to increased maintenance needs of aging infrastructure, additional media replacements at new contracted amounts for gas conditioning, the purchase of standby pumps as a contingency plan for a force main or pump station outage, and utility rate increases from Alameda County Water District (ACWD) and PG&E.

New this year is a line item called Non-Departmental. There are some things, such as District-wide training, property insurance, and telephones, that benefit the entire District, not just one or two individual work groups. The FY 2017 budget has been reallocated to reflect this change. In addition, two items that had been accounted for in separate sub-funds are now included in Non-Departmental. These are the Alameda County Sewer Service Collection fee and the District's contribution to the

California Employers' Retiree Benefit Trust (CERBT) Fund, an Internal Revenue Code Section 115 trust fund dedicated to prefunding other post-employment benefits (OPEB) and administered by CalPERS.

Below is additional information about the components of the Non-Departmental line item:

	Budget FY 2017	Estimated Actual FY 2017	Adopted Budget FY 2018	% Change
Retiree Medical (OPEB) Trust	\$ 583,771	\$ 583,771	\$ 602,009	3.1
Insurance Premiums	267,600	263,500	277,050	3.5
Telephones, Lease Lines, ETC	100,000	112,000	115,000	15.0
County Sewer Service Collection Fee	106,000	106,643	107,000	0.9
CalPERS Retirement Replacement	65,000	60,000	65,000	0.0
Districtwide Training	37,000	20,000	55,000	48.6
Team Safety - Clothing	35,000	35,000	35,000	0.0
Engineering Intern	0	0	22,030	N/A
Tuition Reimbursement	18,000	4,000	18,000	0.0
Total Non-Departmental	\$1,212,371	\$1,184,914	\$1,296,089	6.9

The District established its retiree medical (OPEB) trust with CalPERS (CERBT) in FY 2009. The budgeted amount for the District's contribution to the trust is based on an actuarial valuation dated June 2016. CalPERS requires the District to obtain a new actuarial valuation every two years.

The line item for insurance premiums includes all premiums except those for workers' compensation, which are included with salaries and benefits. A relatively modest increase of 3.5% is anticipated in FY 2018.

As for other line-item changes, the FY 2018 budget amount for telephones is increasing to more closely match actual expenditures in FY 2017. Districtwide training is anticipated to increase because there is now a full-time Training and Emergency Response Programs Manager to oversee these activities. Finally, an Engineering Intern is included for FY 2018 to assist with updating documentation for things like lockout tag out procedures. Because this position will likely assist several departments, it is included in the non-departmental budget line item.

Capital Projects: This line item is discussed separately later in this document.

Debt Service: This line item is discussed separately later in this document.

Special Projects: This line item includes non-routine expenditures for things like one-time studies, hiring consultants, and new programs where the long-term financial impact, if any, is not known. Major FY 2018 expenditures by category include Administrative and Regulatory projects (\$808,523) and Studies and Other projects (\$1,065,000). A detailed listing of Special Projects is included later in this document.

Other Internal Funds: These are separate components of the Sewer Services Fund that account for renewals and replacements of equipment and technology, as well as the pretreatment program. Below is detailed information about this line item:

	Budget FY 2017	Estimated Actual FY 2017	Adopted Budget FY 2018	% Change
Renewal & Replacement – Vehicles and Equipment (Fund 50)	\$ 662,220	\$111,187	\$1,139,555	72.1
Renewal & Replacement – Information Systems (Fund 60)	1,232,100	650,286	600,100	(51.3)
Renewal & Replacement – Plant and Pump Station (Fund 70)	250,000	210,000	250,000	0.0
Pretreatment Program (Fund 85)	7,000	6,000	5,000	(28.6)
Total Other Funds	\$2,151,320	\$977,473	\$1,994,655	(7.3)

- **Renewal & Replacement – Vehicles and Equipment:** Vehicles and equipment that are scheduled to be replaced due to age or obsolescence are purchased through this fund. The provision is based on a 10-year replacement schedule and expenditure projection. The vehicles and equipment scheduled for replacement in FY 2018 are as follows:

Vehicles:	
Hydro Jetter (encumbered from FY 2017)	\$ 273,584
Truck Mounted Jetter (encumbered from FY 2017)	186,935
Hydro Jet Vacuum Unit	492,036
Total Vehicles	952,555
Equipment:	
4" Trailer Mounted Trash Pump	68,000
Portable Gas Detector (28)	96,000
Issco Sampler (6)	23,000
Total Equipment	187,000
Total Vehicles and Equipment	\$1,139,555

As noted in the table above, two pieces of equipment were approved for purchase in FY 2017 and the purchase orders were issued. However, it is anticipated payment for these vehicles will not be made until FY 2018. As a result, \$460,519 (\$273,584 + \$186,935) for these two vehicles is included in the FY 2018 budget so that the invoices can be paid. This is why the estimated actual expenditures in FY 2017 are significantly less than the FY 2017 budget amount, and there is a corresponding increase in the FY 2018 budget as compared to FY 2017.

- **Renewal & Replacement – Information Systems:** The FY 2018 budget for Information Systems renewal and replacement consists of the following:

Computer Workstations and Other Hardware	\$215,100
Lab/Plant Operations Data Management System (ODMS)	100,000
Disaster Recovery	100,000
Collection Services GIS	75,000
GIS – Plant Vertical	60,000
IT Security Upgrades	50,000
Total Information Systems	\$600,100

This budget also initially included \$400,000 for Finance Enterprise Resource Planning (ERP) software. Because of staff turnover, this item will be deferred to a future fiscal year.

- **Renewal & Replacement – Plant and Pump Station:** Plant and pump station renewals and replacements anticipated in FY 2018 consist of the following:

Replace Site Waste Pumps	\$130,000
Replace Onsite Reclaim Pumps	45,000
New Polymer Blend Unit	45,000
Unplanned Maintenance	30,000
Total Plant and Pump Station	\$250,000

- **Pretreatment Program:** The Pretreatment Program budget consists of supplies, equipment and training that support the Pretreatment Program, as required by Ordinance 36.

Sewer Service Fund Reserves: In accordance with debt covenants and District Policy No. 2090, “Reserve Funds,” the District maintains a number of reserves in the Sewer Service Fund. In FY 2018, approximately \$6.1 million is anticipated to be transferred to reserves. A summary of the various reserves is shown in the following table:

Reserve Description	Adopted Budget FY 2018
Cash Flow	\$18,762,944
Structural Renewal & Replacement	16,137,500
Emergency	5,000,000
SRF Loan Contingency	3,880,441
Liquidity	1,160,200
Liability Insurance	1,000,000
Information Systems Renewal & Replacement	800,000
Vehicle & Equipment Renewal & Replacement	662,000
Total Reserves – Sewer Service Fund	\$47,403,085

A description of each reserve and its target funding level is as follows:

- **Cash Flow** – Sewer Service Charge revenues are collected by the Alameda County Tax Collector’s Office and remitted to the District in two major installments in April and December of each year.

In order for the District to pay its ongoing expenditures throughout the year, it reserves six months (50%) of gross operating expenditures at the start of each fiscal year.

- **Structural Renewal & Replacement** – To maintain the ability to renew and replace infrastructure, this reserve is funded at the average annual renewal/replacement capital costs based on the 10-year CIP, with a minimum 10-year target of \$5 million.
- **Emergency** – In order to help mitigate the financial impacts of an emergency or catastrophic event, the District has an Emergency Reserve. The target for FY 2018 is \$5 million.
- **SRF Loan Contingency** – The District is able to utilize low interest rate loans through the State of California to finance capital projects. A requirement of these loans is the establishment and maintenance of a contingency reserve that is defined in the loan documents. The reserve balance is set at the amount required in the loan documents, typically one annual payment per loan.
- **Liquidity** – The District maintains a minimum amount of immediately available funds, 125% of biweekly payroll, held in a local bank account, in cash deposits.
- **Liability Insurance** – The District is a member of and purchases liability insurance from the California Sanitation Risk Management Association (CSRMA). The deductible of \$500,000 reduces the amount of premiums charged to the District. In order to account for an event that is either not covered by insurance or under the deductible amount, the District reserves two times the annual deductible amount, based on claims history.
- **Information Systems Renewal & Replacement** – To maintain the ability to replace computer hardware and software, this reserve is funded at the average annual information systems renewal/replacement costs projected over the next 5 years, with a minimum of \$250,000.
- **Vehicle & Equipment Renewal & Replacement** – To maintain the ability to replace the District's fleet and major equipment, this reserve is funded at the average annual equipment renewal/replacement costs projected over the next 5 years, with a minimum of \$500,000.

CAPACITY FUND

The FY 2018 budget for the Capacity Fund is presented below:

	Budget FY 2017	Estimated Actual FY 2017	Adopted Budget FY 2018	% Change
Total Revenues				
Capacity Fees	\$8,935,000	\$ 9,686,000	\$7,910,000	(11.5)
Interest	125,500	205,000	200,000	59.4
Other	100,000	100,000	100,000	0.0
SRF Loan Proceeds	700,000	735,000	0	(100.0)
Total Revenues	\$9,860,500	\$10,726,000	\$8,210,000	(16.7)
Total Expenditures				
Capital Projects (90%)	\$4,342,500	\$ 4,201,736	\$3,420,000	(21.2)
Debt Service	922,721	922,721	1,111,054	20.4
Total Expenditures	\$5,265,221	\$ 5,124,457	\$4,531,054	(13.9)
Revenues in Excess of Expenditures – To Reserves	\$4,595,279	\$ 5,601,543	\$3,678,946	(19.9)

REVENUES: Revenues in the Capacity Fund are anticipated to decrease 16.7% in comparison to the FY 2017 budget. Each of the individual revenue elements is discussed below:

Capacity Fees: The principal revenue source for the Capacity Fund is Capacity Fees, estimated to be \$7.9 million in FY 2018. These fees are collected in accordance with the provisions of California Assembly Bill (AB) 1600 and are intended to mitigate the impacts of new development. In the case of the District, these fees are collected from new development as a requirement of connecting to the sewer system. As such, they can only be used for capital projects that increase the system’s capacity to serve that new development. The past two years have seen significant new development in the Tri-Cities area of Fremont, Newark, and Union City. The pace of that development is expected to slow down a bit in FY 2018, resulting in a lower revenue estimate. Pursuant to Ordinance No. 35.22, based on a capacity fee study and adopted by the Board in April 2016, capacity fees will increase annually through FY 2020. Capacity fees for Single Family Dwellings (SFD) will increase from \$6,421 in FY 2017 to \$7,247 in FY 2018 (an increase of 12.9%), and capacity fees for Multi-family Dwellings will increase from \$5,504 in FY 2017 to \$6,211 in FY 2018 (also an increase of 12.9%).

Interest: Interest income is expected to increase 59.4% from the FY 2017 budget amount, and decrease 2.4% from the FY 2017 estimated actual amount. This increase is based both on a higher average daily cash balance and increased interest rates. All indications are that the Federal Reserve will continue on its course of gradually raising interest rates as the overall economy continues to strengthen.

Other: Other revenues consist of rebates from the Self-Generation Incentive Program (SGIP) administered by the California Public Utilities Commission (CPUC) related to cogeneration.

SRF Loan Proceeds: Although the State Revolving Fund (SRF) has been, and will likely continue to be, an ongoing source of funding for District capital needs, no SRF loan proceeds are anticipated to be received in FY 2018.

EXPENDITURES: Expenditures in the Capacity Fund are anticipated to decrease 13.9% in comparison to the FY 2017 budget. This is attributable to decreased spending on capital projects, partially offset by increased debt service costs. Both of these items are discussed in more detail later in this document.

Capacity Fund Reserves: In FY 2018, approximately \$3.7 million is anticipated to be transferred to reserves. Because Capacity Fees are collected in accordance with AB 1600, they are subject to regulatory restriction. As a result, \$30,534,587 is restricted for use on capital projects that increase the District’s capacity to serve new development.

CAPITAL PROJECTS

Capital projects are accounted for in the Sewer Service Fund (Structural Renewal and Replacement [Fund 80]) and the Capacity Fund (Fund 90). The District adopts a 20-year Capital Improvement Plan (CIP) each year in conjunction with the adoption of the annual operating budget. Actual appropriations are established at 90% of the CIP amount for that year. Although spending for capital projects is anticipated to be lower in FY 2018 than in the prior year, it is expected to increase substantially in later years. Through FY 2027, the CIP includes projects totaling \$349 million. By FY 2037, this amount will grow to \$646 million.

Below is information about capital projects spending for FY 2017 and FY 2018:

	Budget FY 2017	Estimated Actual FY 2017	Adopted Budget FY 2018	% Change
Sewer Service Fund – Structural Renewal and Replacement	\$10,327,500	\$10,348,617	\$ 6,660,000	(35.5)
Capacity Fund	4,342,500	4,201,736	3,420,000	(21.2)
Total Capital Projects	\$14,670,000	\$14,550,353	\$10,080,000	(31.3)

Key elements of the FY 2018 capital improvement program include *design* of the following projects:

- **Digester No. 7** – The Plant Solids Capacity/Assessment Study identified a need for reliable solids capacity in the primary digester system and recommended the District construct new Primary Digester No. 7.
- **Standby Power Generation System Upgrade** – The plant’s standby diesel generators are at the end of their useful lives, and the generator controls are obsolete and complicated to update and maintain. This project will replace the existing equipment with new generators and updated controls.
- **Wet Weather Flow Management** – This project will study the options available to the District for managing the capacity of the effluent disposal system during high wet weather flow events.
- **Aeration System Improvements** – This project will replace the roof of the east aeration tanks and install interior baffles to extend the life of the structure and to improve the aeration process.
- **Alvarado Pump Station Pumps and VFD Replacement** – This project will replace the station’s wastewater pumps, variable frequency drives (VFDs), and electrical switchboard because they are at the end of their useful lives, and replacement parts are difficult to obtain because of lack of availability of original equipment and manufacturers’ support.

- **Headworks 3rd Bar Screen** – This project will install a new mechanical bar screen at the Headworks Building to improve removal of debris from the wastewater prior to the plant’s downstream processes, and to restore capacity and redundancy of the system.

Key elements of the FY 2018 capital improvement program include **construction** of the following projects:

- **Force Main Corrosion Repairs, Phase 1** – This project will make repairs and replace corroded steel pipe fittings located within the manholes on the east force main between the Newark Pump Station and the plant.
- **Newark Pump Station Valve and Wetwell Modifications** – This project will improve the transport system reliability and operation by installing a new actuator on the force main boost pipeline, extending the boost pipeline below the wetwell water level, and replacing the wetwell exhaust fan.
- **Third Degritter System** – This project will install a new sludge degritter in the plant’s Degritter Building to improve removal of grit from the primary sludge prior to the sludge thickening process, and to restore capacity and redundancy of the system.
- **Digester No. 3 Rehabilitation** – This project will make structural repairs to the digester and modify the digested sludge and digester gas systems serving the digester and the Heating and Mixing Building No. 2. These improvements will extend the useful life of the digester and improve the reliability and operation of the digester process.
- **Hypochlorite Tanks and PVC Pipe Replacements** – This project will replace the hypochlorite tanks, chemical metering pumps, and chemical piping at the Odor Control Building and replace the chemical metering pumps and piping at the Maintenance Shop Building. The tanks, pumps, and piping are at the end of their useful lives and are difficult to maintain.
- **Cast Iron/Pipe Lining at Various Locations throughout the Tri-Cities** – Phase 6 of the project will install full-length cured-in-place pipe (CIPP) lining of damaged sewer mains at several locations in Fremont and Union City.

DEBT SERVICE

Debt service is related to capital projects and is accounted for in the Sewer Service Fund (Structural Renewal and Replacement [Fund 80]) and the Capacity Fund (Fund 90). The District has nine outstanding loans from the State Water Resources Control Board's Clean Water State Revolving Fund (SRF). Details about debt service payments are presented below:

Related Project	Sewer Service Fund – Structural Renewal and Replacement		Capacity Fund		Total Debt Service – FY 2018	Maturity Date
	FY 2017	FY 2018	FY 2017	FY 2018		
Irvington Equalization	\$ 681,123	\$ 681,123	\$227,041	\$ 227,041	\$ 908,164	8/30/2021
Willow/Central Avenue	108,385	108,385	0	0	108,385	11/16/2027
Lower Hetch Hetchy	139,634	139,634	0	0	139,634	11/17/2028
Newark Pump Station	342,702	342,703	342,702	342,702	685,405	1/26/2030
Cedar Blvd. Corridor Rehab.	127,349	127,349	0	0	127,349	2/26/2030
Primary Clarifier Rehab.	442,337	442,337	147,446	147,446	589,783	1/15/2033
Substation 1	157,327	157,327	0	0	157,327	2/28/2032
Boyce Road Lift Station	205,532	205,532	205,532	205,532	411,064	8/31/2032
Thickener Control Building	0	564,997	0	188,333	753,330	3/31/2036
Total Debt Service	\$2,204,389	\$2,769,387	\$922,721	\$1,111,054	\$3,880,441	

SPECIAL PROJECT EXPENDITURES

<u>DESCRIPTION</u>	Adopted Budget FY17	Estimated Actual FY17	Estimated Carryover	New \$ (Provision)	Adopted Budget FY18
Administrative & Regulatory					
GIS JPA	\$22,000	\$22,000	\$0	\$22,000	\$22,000
Public Outreach (e.g., 2018 Centennial, FOG, Rebranding)	60,000	50,000	10,000	130,000	140,000
Public Information Program (USD newsletter)	105,000	85,000	20,000	80,000	100,000
Recruiter Services	0	0	0	20,000	20,000
IBB Labor Negotiations Facilitation	0	0	0	83,200	83,200
Anticipated Election Costs (Fremont Only - 102,384 registered voters at \$4.33 per voter)	0	0	0	443,323	443,323
Sub-Total Administrative & Regulatory	187,000	157,000	30,000	778,523	808,523
Studies & Other					
Alvarado Basin Master Plan/PACP Update	225,000	166,864	0	0	0
Alvarado Sub-Surface Investigation	10,000	2,706	7,294	2,706	10,000
Anticipated Biosolids Coalition Membership Dues	25,000	17,500	7,500	17,500	25,000
Evaluation of CS Preventive Maintenance Program	30,066	1,000			0
Financial Master Plan	100,000	33,070	66,930	3,070	70,000
Forcemain Condition Assessment	25,000	15,000	10,000	90,000	100,000
Influent Chemical Dosing Trial (Calcium Nitrate)	40,000				0
Lateral Pilot Program - Condition Assessment	47,932	0	25,000	0	25,000
Local Limits Study	70,000	50,000	20,000	60,000	80,000
NPDES Permit Support Services	10,000				0
Odor Control Study Update	70,000	55,000	15,000	40,000	55,000
Plant Hydraulic Capacity Assessment	100,000	95,000			0
Plant Master Plan	350,000	175,000	175,000	0	175,000
Plant Solids System/Capacity Master Plan	50,000	265,000	(215,000)	325,000	110,000
Project Implementation Master Plan	100,000	135,000			0
Reclaimed Water Feasibility Study	110,000	21,142			0
Seismic Evaluation	100,000	100,000	0	20,000	20,000
Standard Specs Update	25,000	75,000			0
Toilet Rebate Program (Funded by Capacity)	70,000	70,000	0	70,000	70,000
Treatment Plant IT Network Master Plan	150,000	0	150,000	0	150,000
Treatment Plant Master Plan	50,000	0	0	0	0
Water Reclamation Pilot Program (Fill Station)	125,000	0	0	0	0
Air Permitting Consultant Assistance	0	0	0	50,000	50,000
Newark Basin Master Plan/PACP Update	0	0	0	75,000	75,000
Plant Asset Condition Assessment Update	0	0	0	50,000	50,000
Sub-Total Studies & Other	1,882,998	1,277,282	261,724	803,276	1,065,000
<i>Hayward Marsh (Moved to Treatment & Disposal Services operating budget in FY18)</i>					
NPDES Permit Annual Fee	2,100	2,100	0	0	0
NPDES Permit Support Services	40,000	0	0	0	0
Regional Monitoring Plan (RMP) Annual Participant Fee	20,000	23,000	(3,000)	3,000	0
Sub-Total Hayward Marsh	62,100	25,100	(3,000)	3,000	0
Total Special Projects	\$2,132,098	\$1,459,382	\$288,724	\$1,584,799	\$1,873,523

68.4%

87.9%

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Annual Contract Purchases of Supplies, Services, and Vehicle and Equipment Renewal /Replacement Over \$100,000 for Fiscal Year 2018	
	<i>Estimated Expenditure</i>
Supplies:	
Sodium Hypochlorite, one-year contract with successful bidder	\$427,000
Hydrogen Peroxide, one-year contract with Evoqua	408,000
Ferrous Chloride, one-year contract with successful bidder	381,000
Biogas Treatment, two-year contract with Prominent Systems, Inc.	322,000
Polymer, emulsion, one-year contract with successful bidder	281,000
Total Supplies	\$1,819,000
Services:	
State Water Resources Control Board - Debt payments for nine SRF loans	\$3,880,441
CalPERS Retirement contribution payments for employees	3,799,732
CalPERS Medical - payments for employee coverage	3,309,035
EBDA Operations & Maintenance payments	1,489,000
PG&E, electrical service - Alvarado site (\$1,250,000) and Newark P.S. (\$213,000)	1,463,000
Biosolids, year two of five with Synagro	836,000
PERS Retiree Medical Trust payments (ARC)	602,009
Insurance (Property & Contents, Fleet, General Liability)	273,050
Tiger natural gas service, billed through PG&E	160,000
Total Services	\$15,812,267
Vehicle and Equipment Renewal/Replacement:	
Hydro Jet Vacuum Unit	\$492,036
Replace Site Waste Pumps	130,000
Total Vehicle and Equipment Renewal/Replacement	\$622,036

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Category	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
ADMINISTRATIVE FACILITIES																					
800	1	Admin Bldg. Seismic Upgrade and Leak Repairs	200	200	3,500	3,600	7,500	0	0	0	0	0	0	0	0	0	0	0	0	7,500	
900	1	Admin Bldg. Seismic Upgrade and Leak Repairs																		0	
800	1	Field Ops Bldg. Seismic Upgrade and Leak Repairs			200	1,400	1,500	3,100	0	0	0	0	0	0	0	0	0	0	0	3,100	
900	1	Field Ops Bldg. Seismic Upgrade and Leak Repairs																		0	
800	1	Control Bldg. Seismic Upgrade			200	1,300	1,300	200	0	0	0	0	0	0	0	0	0	0	0	2,800	
900	1	Control Bldg. Seismic Upgrade																		0	
800	3	Additional CS (Vehicle) Storage			250															250	
900	2	FMC Bldg. - New	300	300	4,000	4,100	6,700	0	0	0	0	0	0	0	0	0	0	0	0	8,700	
900	2	FMC Bldg. - New																		0	
800	2	FMC Bldgs Renovation and Seismic	100	100	2,000		2,200	0	0	0	0	0	0	0	0	0	0	0	0	2,200	
900	2	FMC Bldgs Renovation and Seismic																		0	
800	3	FMC Storage			250															250	
800	0.75	Lab Remodel and Expansion							300	1,300	1,300									2,900	
900	0.25	Lab Remodel and Expansion							100	350	350									800	
800	3	Plant Paving	50	150	250	300	750	0	0	0	0	0	0	0	0	0	0	0	0	1,750	
800	2	Radio Repeater Antenna Replacement							150											150	
800	0.50	Solar Panels at Alvarado - Phase II			150	1,500	1,650	0	0	0	0	0	0	0	0	0	0	0	0	100	
900	0.50	Solar Panels at Alvarado - Phase II																		100	
800	0.50	Solar Panel Replacement at Carport			50	300	300	50	0	0	0	0	0	0	0	0	0	0	0	350	
900	0.50	Solar Panel Replacement at Carport																		350	
800	0.50	Solar Panel Replacement at Livingston			150	900	900	150	0	0	0	0	0	0	0	0	0	0	0	1,050	
900	0.50	Solar Panel Replacement at Livingston																		1,050	
Total for ADMINISTRATIVE FACILITIES																					
			50	750	600	4,250	6,000	24,850	1,500	1,850	1,850	2,250	1,300	0	200	0	200	0	200	0	34,000
		Total Priority 1 Administrative Projects	0	200	0	0	0	10,800	1,300	1,300	0	0	0	0	0	0	0	0	0	0	13,400
		Total Priority 2 Administrative Projects	0	400	4,100	4,250	11,150	0	550	1,650	2,250	900	0	0	0	0	0	0	0	0	16,500
		Total Priority 3 Administrative Projects	50	150	0	150	1,750	2,900	200	200	0	400	0	0	200	0	200	0	200	0	4,100
		Total Fund 800 - Administrative Facilities	50	750	600	4,050	4,500	23,150	1,500	1,750	1,500	1,600	1,200	0	200	0	200	0	200	0	31,100
		Total Fund 900 - Administrative Facilities	0	0	0	200	1,500	1,700	0	100	350	650	100	0	0	0	0	0	0	0	2,900
COLLECTION SYSTEM																					
800	2	Casal Iron/Pipe Lining	500	500	500	500	3,000	0	0	0	0	0	0	0	0	0	0	0	0	5,500	
800	2	Gravity Sewer Rehab/Replacement	1,500	1,500	1,500	1,500	6,000	0	0	0	0	0	0	0	0	0	0	0	0	13,500	
800	1	RCP Sewer Rehab (Alvarado Basin)			300	3,000	3,300	0	0	0	0	0	0	0	0	0	0	0	0	3,300	
900	1	RCP Sewer Rehab (Alvarado Basin)																		0	
800	1	RCP Sewer Rehab (Livington Basin)			300	3,000	3,300	0	0	0	0	0	0	0	0	0	0	0	0	3,300	
900	1	RCP Sewer Rehab (Livington Basin)																		0	
800	1	RCP Sewer Rehab (Newark Basin)			300	3,000	3,300	0	0	0	0	0	0	0	0	0	0	0	0	3,300	
900	1	RCP Sewer Rehab (Newark Basin)																		0	
800	2	Stevenson at Davis St.	150	1,000			1,150	0	0	0	0	0	0	0	0	0	0	0	0	3,300	
Total for COLLECTION SYSTEM																					
			500	1,950	4,500	1,800	20,050	1,500	1,500	1,500	1,500	1,500	500	1,500	500	1,500	500	1,500	500	30,050	
		Total Priority 1 Collection Projects	0	0	300	3,000	3,300	0	0	0	0	0	0	0	0	0	0	0	0	0	9,900
		Total Priority 2 Collection Projects	500	1,650	1,500	1,500	10,150	0	0	0	0	0	0	0	0	0	0	0	0	0	26,150
		Total Priority 3 Collection Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Total Fund 800 - Collection System	500	1,800	3,500	1,800	18,900	1,500	1,500	1,500	1,500	1,500	500	1,500	500	1,500	500	1,500	500	28,900	
		Total Fund 900 - Collection System	0	0	0	0	1,150	0	0	0	0	0	0	0	0	0	0	0	0	0	1,150

Item	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total
900 2 3rd Degritter System																					500
800 2 30" ML Pipe Lining																					650
800 0.50 1 Aeration Blowers Replacement																					2,200
900 0.50 1 Aeration Blowers Replacement																					2,200
800 0.50 2 Aeration Internal Lift Pumps																					1,600
900 0.50 2 Aeration Internal Lift Pumps																					1,600
900 2 Aeration Tank (East) Baffling and Improvements																					6,000
800 2 Aeration Tank (East) Roof																					3,300
800 0.50 2 Alvarado Influent PS Pumps and VFDs																					1,125
900 0.50 2 Alvarado Influent PS Pumps and VFDs																					1,125
800 0.50 2 Alvarado Influent PS Roof Replacement																					100
900 0.50 2 Alvarado Influent PS Roof Replacement																					0
800 2 Alvarado Influent PS Switchboard 5 Replacement																					250
900 2 Alvarado Influent PS Switchboard 5 Replacement																					0
800 2 Alvarado Influent Valve Box Gate Valves 1-2																					300
800 0.50 3 Blower Bldg Channel Blower Demo & Repl																					300
900 0.50 3 Blower Bldg Channel Blower Demo & Repl																					300
800 2 Blower Bldg (East) Ventilation Improvements																					0
800 2 Cathodic Protection Improvements - Plant																					1,200
900 2 Cathodic Protection Improvements - Plant																					0
800 2 Centrifuge Building Water Lines Replacement																					200
900 2 Centrifuge Building Water Lines Replacement																					0
800 0.50 2 Centrifuge Conveyance																					3,000
900 0.50 2 Centrifuge Conveyance																					3,000
800 0.50 2 Centrifuge Replacement																					4,300
900 0.50 2 Centrifuge Replacement																					4,300
800 3 Co-Digestion																					0
900 3 Co-Digestion																					0
800 0.50 1 Cogen Project																					250
900 0.50 1 Cogen Project																					250
800 1 Cogen Engine Rebuild																					1,275
900 1 Cogen Engine Rebuild																					1,275
800 2 Cogen Retrofit																					700
900 2 Cogen Retrofit																					700
800 2 Condition Assessment of Structures																					3,800
900 2 Condition Assessment of Structures																					200
800 3 Contact Tank Retrofit																					3,250
900 3 Contact Tank Retrofit																					3,250
800 2 Contact Tank Valve Replacement																					1,650
800 2 Control Box No. 1 Improvements																					3,150
800 0.50 2 Degritters 1 and 2 Replacement																					0
900 0.50 2 Degritters 1 and 2 Replacement																					0
900 2 Degritter No. 4																					1,825
800 3 Diffuser Replacement																					4,450

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total
800	3																				43,050
800	2	150	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	3,400
800	1	1,500																			1,500
900	1	800	5,200	4,000																	10,000
800	2	100	250	850																	1,200
900	2	100	100	800																	900
800	2	100	300	3,000	4,400	500															8,300
900	2	150	1,350																		1,500
800	2	100	1,500																		1,600
800	2	300	2,000	1,000																	3,300
800	2	200																			200
800	1	650																			650
800	1	150	150	100	100																2,050
800	2	500	500	500	500																5,000
800	2	250	250	300	300																5,600
800	0.50																				53,500
900	0.50																				53,500
900	2	850	1,600	5,000																	9,150
800	2	50																			46,300
900	2																				0
800	2	600	700	1,200	2,900																28,350
900	2																				0
800	2	700	3,500																		4,200
900	2																				0
800	2	700	2,800																		3,500
900	2																				0
800	0.50	50	150																		650
900	0.50	50	150																		650
800	2	50	100																		150
900	2																				0
800	2	200																			1,500
900	1	350	2,100																		4,650
800	2	2,700																			0
900	2																				0
800	0.75	600	4,700																		9,900
900	0.25	200	1,590																		3,290
800	2	100																			100
900	2	100																			100
800	0.50	75	475	250																	800
900	0.50	75	475	250																	800
800	3																				0
900	3																				0
800	0.75	300	1,650																		3,600
900	0.25	100	550																		1,200

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total				
900	3	Secondary Clarifiers No. 7 & 8																							
800	2	Seismic Retrofit of Conc. Structures			200																	8,000			
900	2	Seismic Retrofit of Conc. Structures																				22,800			
800	0.50	2	Sile Waste Pump Station Improvements		200	2,300																2,500			
900	0.50	2	Sile Waste Pump Station Improvements		200	2,300																2,500			
800	0.50	2	Sludge Recirculation Pump Replacement		100	75																275			
900	0.50	2	Sludge Recirculation Pump Replacement		100	75																275			
800	2	Standby Power Generation System Upgrade	800	4,000	5,000	1,700																11,500			
800	2	Switchboard 3 Replacement			300																	350			
900	2	Switchboard 3 Replacement			0																	0			
800	2	Switchboard 4 Replacement			50	325																375			
900	2	Switchboard 4 Replacement			0																	0			
800	0.75	1	Thickener Control Bldg Improvements	150																		150			
900	0.25	1	Thickener Control Bldg Improvements	50																		50			
800	2	Thickener Mechanisms 1-2		200	2,000																	2,200			
900	2	Thickener Mechanisms 1-2			0																	0			
800	2	Truck Scales Improvements		100																		100			
800	2	Water Storage Tank						50	1,200													1,250			
900	2	Waste Recycling and Alternative Energy			500																	5,500			
Total for TREATMENT			6,850	15,600	30,300	32,050	22,650	31,150	19,290	20,300	27,300	38,650	34,750	37,400	24,000	11,000	2,400	2,400	14,100	13,950	13,100	24,600	15,700	435,141	
Total Priority 1 Treatment Projects			3,950	5,300	6,150	2,800	2,700	3,700	0	0	0	0	150	500	600	650	0	0	0	0	0	0	0	0	26,500
Total Priority 2 Treatment Projects			2,900	10,200	23,650	29,250	19,950	26,650	19,290	16,300	18,300	3,650	4,550	4,000	3,900	6,100	2,400	2,400	12,550	10,100	6,450	10,800	10,650	239,041	
Total Priority 3 Treatment Projects			0	100	500	0	0	600	0	4,000	9,000	35,000	33,050	32,900	19,900	4,250	0	0	1,550	3,850	6,650	13,800	4,850	169,600	
Total Fund 800 - Treatment Plant			4,625	7,800	20,125	22,175	13,525	20,600	15,575	16,150	20,150	20,650	17,700	19,450	8,200	6,425	2,300	2,300	12,550	10,100	6,450	12,000	11,800	268,351	
Total Fund 900 - Treatment Plant			2,225	7,800	10,175	9,975	9,125	10,550	3,715	4,150	7,150	18,000	17,050	17,950	15,800	4,575	100	100	1,950	3,850	6,650	12,600	3,900	166,790	
GRAND TOTAL			11,200	20,460	42,550	45,900	38,200	44,550	33,190	34,450	33,650	44,975	38,000	41,250	32,450	20,000	22,200	27,700	28,900	27,700	34,400	24,650	24,650	646,376	
TOTAL PRIORITY 1 PROJECTS			7,550	7,000	7,550	10,800	7,150	7,000	6,900	3,600	1,400	1,500	1,450	1,800	600	650	0	0	0	0	0	0	0	0	64,950
TOTAL PRIORITY 2 PROJECTS			3,600	13,050	32,500	34,850	26,700	30,350	23,190	19,950	21,150	8,200	3,200	5,550	7,050	14,000	7,800	7,800	13,050	11,750	6,950	12,300	11,500	306,691	
TOTAL PRIORITY 3 PROJECTS			50	410	2,500	250	4,350	7,200	3,100	10,900	11,100	35,275	33,350	33,900	24,800	5,350	14,400	14,650	17,150	20,750	22,100	22,100	13,150	274,735	
FUND 800 - Structural Renewal & Replacement			7,400	10,610	26,825	32,325	22,575	30,700	25,275	28,800	25,825	24,950	20,950	22,950	16,300	12,275	20,500	26,150	25,050	21,050	21,050	21,800	20,750	443,061	
FUND 900 - Capacity			3,800	9,850	15,725	13,575	15,625	13,850	7,915	5,650	7,825	20,025	17,050	18,300	16,150	7,725	1,700	1,550	3,850	6,650	6,650	12,600	3,900	203,315	

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