EL TORO WATER DISTRICT 2013/2014 BUDGET



EL TORO WATER DISTRICT BOARD OF DIRECTORS 2013-2014

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Regional School Water Education Program



Budget Overview

MISSION STATEMENT

The mission of the El Toro Water District is to plan and invest appropriately to provide its customers a safe, adequate and reliable supply of water, wastewater and recycled water service in an environmentally and economically responsible way.

FINANCIAL OBJECTIVES

Fiscal 2013-14

- Establish a revenue cash flow plan that is sufficient to fund the operating budget including the capital replacement & refurbishment program.
- Establish a reliable, stable and predictable rate adjustment strategy that minimizes impact to customers
- ♦ Maintain a minimum reserve level sufficient to fund legal, board mandated and working capital requirements.
- ♦ Employ cost containment and reduction strategies and practices as appropriate to cost effectively maintain reliable service levels.

FISCAL YEAR 2013-14

Revenue:

- WATER SALES is based on the purchase of 8,800 acre-feet (af) of water and delivery of 8,500 af to customers. This is in line with last year's budget.
- WATER USEAGE CHARGE to cover purchasing water from Metropolitan Water District through Municipal Water District of Orange County has been increased effective July 1, 2013 to match the costs charged to the District for that water. The local water use charge, which covers the District's costs to deliver water, has not increased; however, effective July 1, 2010 the amount was integrated into the overall water usage charge in connection with the Water Budget-Based Tiered Conservation Rate Structure.
- WATER SERVICE CHARGE (Water System Operations & Maintenance "O & M") has been increased effective July 1, 2013 to reflect the current cost of maintaining the system and is supported by an independent cost of service study.
- RECYCLED WATER SALES are projected on the average annual sales to the Golden Rain Foundation. The rate has been adjusted to reflect the current cost of maintaining the system and is supported by an independent cost of service study.
- NON-RATE REVENUE reflects shared maintenance of joint facilities with neighboring agencies, communication site leases and other miscellaneous revenues.
- PROPERTY TAX REVENUE represents our share of the 1% general property taxes paid to the State. The Stand-by Fee initiated in the 1995-96 fiscal year amounted to \$35.00 per equivalent dwelling unit in prior years. The Stand-by fee has been discontinued in the current year since sufficient funds have been collected to retire the related debt.
- SEWER USAGE AND FIXED RATE the Sewer Usage and Fixed Rate has been increased effective July 1, 2013 to reflect the current cost of maintaining the system and is supported by an independent cost of service study.
- INTEREST INCOME is expected to decrease as a result of reduced reserves and declining interest rates.
- CAPITAL REPLACEMENT & REFURBISHMENT WATER AND SEWER CHARGE is designed to assist in covering the cost of water and sewer capital R&R during the year. No changes to this rate are contemplated.

FISCAL YEAR 2013-14

Revenue (continued):

- OTHER CASH FLOWS includes anticipated proceeds from the 1994-95 sale of the Allen-McColloch Pipeline (AMP) to the Metropolitan Water District of Southern California (MWD) the return of unused funds from SOCWA and the use of reserves.
- All rate adjustments will comply with the terms and conditions imposed by Proposition 218.

FISCAL YEAR 2013-14

Expenses:

- PURCHASED WATER costs are increased as a result of rate changes initiated by Metropolitan Water District of Southern California and Municipal Water District of Orange County.
- ENERGY (electrical power) costs have been adjusted (increased) based on expected system operations and information provided by electrical power providers.
- SOCWA OPERATIONS costs for regional bio-solids and effluent treatment disposal have increased.
- LABOR/BENEFITS COST are projected to increase. The increase is driven by partial implementation of the succession plan, increases in medical premiums and administration of a performance based staff merit pool. The proposed increases are partially offset by increased employee contributions to medical benefits.
- OPERATING COSTS exclusive of purchased water and labor are consistent with previous year's budget.

FISCAL YEAR 2013-14

CAPITAL REPLACEMENT & REFURBISHMENT PROGRAM:

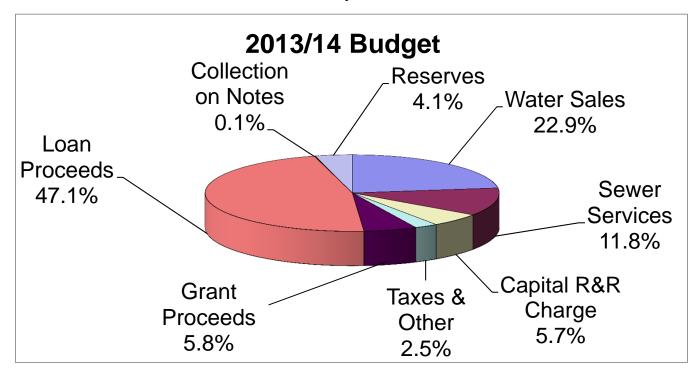
Five-Year Capital Replacement & Refurbishment Program

Staff continues to evaluate and update the on-going five-year Water and Sewer Capital Replacement & Refurbishment Plan (CR&R) to preserve its water and sewer infrastructure investment, meet regulatory requirements and ensure a continuous high level of service. CR&R expenditures for fiscal years 2013/14 total to \$3,999.112. The 2013/14 CR&R costs will be funded by 1) revenue generated by the CR&R charge, 2) grant and loan proceeds and 3) dedicated CR&R reserves.

RESERVES:

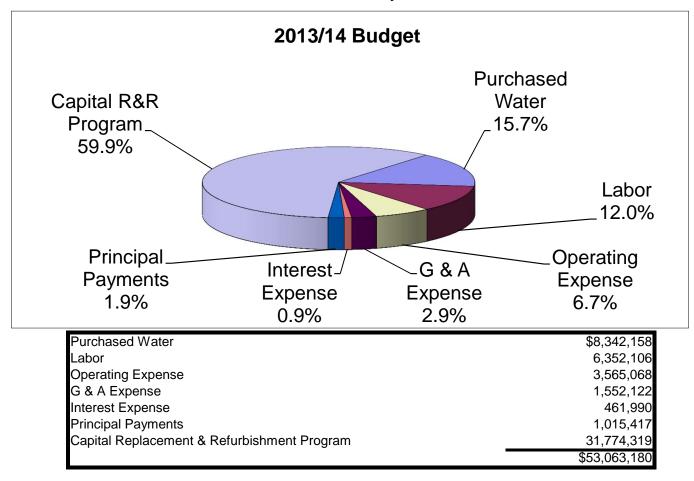
The District maintains two categories of reserves: (1) those legally required to be held as the result of contractual agreement (2) Board Mandated reserves. Board mandated reserves include (1) Capital Replacement & Refurbishment Program reserves for projects approved by the Board of Directors, (2) rate stabilization reserves, (3) operating reserves and (4) working capital. The current minimum reserve level for Board mandated reserves, established by Board policy, is \$8.5 million. The District's fiscal year 2013-14 Budget includes a provision to utilize reserves to fund a portion of the five-year Capital Replacement & Refurbishment Plan.

Where The Money Comes From



Water Sales	\$12,163,009
Sewer Services	6,260,029
Capital R & R Charge	3,000,000
Taxes & Other	1,341,874
Grant Proceeds	3,100,000
Loan Proceeds	24,980,577
Collection On Notes	53,500
Reserves	2,164,191
	\$53,063,180

Where The Money Goes



ETWD Confined Space Training Program



Operations

EL TORO WATER DISTRICT ORGANIZATION CHART 2013- 2014

ı	Positions		Positions
Department		Department	
Administrative Services		Customer Service	
General Manager	1	Customer Services Mgr.	1
Chief Financial Officer/Assist GM	1	C.S. Admin. Coordinator	1
Director of Operations & Eng.	1	Recycled Water Coordinator	1
Administrative Assistant	1	C.S. Office Rep. I/II	2
Human Resources Manager	1	Billing Clerk I / II	1
Exec.Assistant to BOD & GM	1	C.S. Field Rep. I	1
Office Assistant	1	C.S. Field Rep. II	1
Total	7	C.S. Field Rep. III	1
rotai	•	Total	9
<u>Accounting</u>		Collections & Transmissions	
Controller	1	Technical/Regulatory	1
Accountant	2	Analyst/Mgr. Collections	I
Sr.Accountant	1	Industrial Waste Inspector	1
Total	4	Crew Chief	1
		Maintenance Man III	1
		Maintenance Man II	0
		Maintenance Man I	2
Treatment Plant		Total	6
Chief Plant Operator	1		· ·
Truck Driver	2	Information Systems	
Waste Water Operator III	2	Systems Administrator	- 1
Waste Water Operator II	2	Total	1
Waste Water Operator I	0	rotai	•
WRP OIT	0	Engineering	
_	1	Engineer Associate	1
Lab Supervisor		-	
Lab Technician II	<u>1</u> 9	Project Engineer	1
Total	9	Inspector	2
Pumping Crew		Total	2
Foreman	1	Purchasing/Receiving	
Crew Chief	2	Purchasing Agent	1
Maintenance Man III	2	Total	1
Maintenance Man II	3	lotai	ı
		Automotivo	
Maintenance Man I	<u>1</u> 9	<u>Automotive</u>	4
Total	9	Senior Mechanic Total	1
Transmission & Distribution Crew		i Otai	I
Foreman	1		
Crew Chief	2		
Maintenance Man III	1		
Maintenance Man II	1		
Maintenance Man I	3	Total Positi	
Total	8	<u>Total Positions</u>	<u>57</u>

EL TORO WATER DISTRICT LABOR / BENEFITS COMPARISON 2012-13

	Budget 2011/12	Budget 2012/13	Budget 2013/14	Change
Labor	\$4,346,865	\$4,442,437	\$4,635,358	\$192,921
Benefits	1,495,422	1,510,179	1,572,525	\$62,346
Workers Compensation and Unemployment Ins.	96,821	134,200	144,223	\$10,023
	\$5,939,108	\$6,086,816	\$6,352,106	\$265,290
Benefits as % of Labor	25.18%	24.81%	24.76%	

BUDGET COMPARISON - Income Statement

		Budget 2011/12	Budget 2012/13	Budget 2013/14
Operating Revenue	•			
Water		\$11,777,226	\$11,518,692	\$12,163,009
Sewer		5,722,047	5,860,029	6,260,029
Capital Facilities Charge		3,000,000	3,000,000	3,000,000
Standby Fee		915,000	915,000	0
Total O	perating Revenue	21,414,273	21,293,721	21,423,038
Operating Expense	•			
Labor		5,939,108	6,086,816	6,352,106
Source of Supply		897,509	891,659	996,954
Purchased Water		7,831,776	7,949,948	8,342,158
Pumping Expense		443,665	460,184	497,984
Treatment Expense		899,175	849,135	819,620
Trans. & Dist. Expense		716,042	725,112	699,306
Operating Support		460,038	463,214	513,704
Customer Accounts Expense		8,000	8,000	37,500
General & Administrative		1,431,621	1,481,500	1,552,122
Depreciation & Amortization		2,506,000	2,906,850	2,906,850
Total O	perating Expense	21,132,934	21,822,418	22,718,304
	Operating Income	281,339	(528,697)	(1,295,266)
Non Operating Revenue		1,549,000	1,374,000	1,341,874
Non Operating Expense		(585,000)	(515,000)	(461,990)
Internal Resources		769,861	2,454,713	2,164,191
То	tal Non Operating	1,733,861	3,313,713	3,044,075
Excess of Revenues and Cash Flow	vs Over Expense	\$ 2,015,200	\$ 2,785,016	\$ 1,748,809

BUDGET COMPARISON - Operating Expenses

	Budget 2011/12	Budget 2012/13	Budget 2013/14
Operating Expense			
Labor	\$5,939,108	\$6,086,816	\$6,352,106
Purchased Water	7,831,776	7,949,948	8,342,158
Source of Supply	897,509	891,659	996,954
Pumping Expense	443,665	460,184	497,984
Treatment Expense	899,175	849,135	819,620
Trans. & Dist. Expense	716,042	725,112	699,306
Operating Support	460,037	463,213	513,703
Customer Accounts Expense	8,000	8,000	37,500
General & Administrative	1,431,621	1,481,500	1,552,122
Depreciation & Amortization Total Operating Expense	2,506,000 \$21,132,933	2,906,850 \$21,822,417	2,906,850 \$22,718,303

BUDGET COMPARISON - Source of Supply

	Budget 2011/12	Budget 2012/13	Budget 2013/14
SOCWA	\$777,660	\$787,900	\$895,745
Sources of Supply	119,849	103,759	101,209
Source of Supply	\$897,509	\$891,659	\$996,954
Purchased Water	\$7,831,776	\$7,949,948	\$8,342,158

BUDGET COMPARISON - Pumping

	Budget 2011/12	Budget 2012/13	Budget 2013/14
Fuel & Power	\$308,900	\$302,200	\$292,500
Operating & Maintenance Exp.	134,765	157,984	205,484
	\$443,665	\$460,184	\$497,984

BUDGET COMPARISON - Treatment

-	Budget 2011/12	Budget 2012/13	Budget 2013/14
Fuel & Power	\$614,000	\$595,100	\$568,200
Operating & Maintenance Exp.	285,175	254,035	251,420
	\$899,175	\$849,135	\$819,620

BUDGET COMPARISON - Transmission & Distribution

_	Budget 2011/12	Budget 2012/13	Budget 2013/14
Operating & Maintenance Exp	\$716,042	\$725,112	\$699,306
<u>=</u>	\$716,042	\$725,112	\$699,306

BUDGET COMPARISON - Operations Support

	Budget 2011/12	Budget 2012/13	Budget 2013/14
Vehicle Maintenance	\$252,078	\$257,700	\$305,390
Warehouse & Facilities	207,960	205,514	208,314
	\$460,038	\$463,214	\$513,704

BUDGET COMPARISON - Customer Accounts

	Budget 2011/12	Budget 2012/13	Budget 2013/14
Conservation Programs	\$8,000	\$8,000	\$37,500
Total Customer Accounts	\$8,000	\$8,000	\$37,500

BUDGET COMPARISON - General & Adminstration

\$439,000 100,000 35,000 100,000
\$439,000 100,000 35,000
100,000 35,000
35,000
100.000
113,000
63,322
78,700
29,000
76,000
70,000
3,000
25,000
15,000
25,000
39,600
30,000
14,500
25,000
75,000
18,000
0
3,000
0
165,000
10,000
1,552,122
\$2,906,850

BUDGET COMPARISON - Non-Operating Income & Expense

	Budget 2011/12	Budget 2012/13	Budget 2013/14
Tax Revenue	\$700,000	\$700,000	\$700,000
Interest Income	300,000	131,000	84,000
Other Revenue	549,000	543,000	557,874
Total Non-Operating Revenue	\$1,549,000	\$1,374,000	\$1,341,874
Interest Expense	\$585,000	\$515,000	\$461,990
Total Non-Operating Expense	\$585,000	\$515,000	\$461,990



EL TORO WATER DISTRICT FIVE YEAR CAPITAL REPLACEMENT & REFURBISHMENT PROGRAM F.Y. 2013/14 - 2017/2018

Item #	Description	2013/14	2014/15	2015/16	2016/17	2017/18	TOTAL	Water	Sewer
	Source of Supply / Storage								
1	R-2 Reservoir Interior Recoating (E/C)				250,000		250,000	250,000	
2	R-2 Reservoir Exterior Recoating (E/C)				75,000		75,000	75,000	
3	Baker Water Treatment Plant	4,589,644	4,589,644				9,179,289	9,179,289	
3a	Baker Water Treatment Plant Loan Funding	(4,589,644)	(4,589,644)				(9,179,289)	(9,179,289)	
4	Baker Pipeline Capacity Purchase	1,500,000					1,500,000	1,500,000	
5	JRWSS Capital Budget	98,695	25,950	11,300			135,945	135,945	
	Total Source of Supply	1,598,695	25,950	11,300	325,000	0	1,960,945	1,960,945	0
	Recycled Water								
1	Recycled Water Expansion Project	22,844,954	6,532,822	875,000			30,252,776	30,252,776	
1a	Recycled Water Expansion Project Funding Sources	(22,844,954)	(6,532,822)	(875,000)			(30,252,776)	(30,252,776)	
	Total Treatment (Water)	0	0	0	0	0	0	0	0
	Pumping (Water)								
1	P-3 New MCC with TS, Nema 3R Main & Generator Installation.				320,000		320,000	320,000	
2	Cherry Booster Station Generator Set, ASCO T/S & Installation					200,000	200,000	200,000	
3	Water Stations PLC Upgrade to Control Logix (PLC 5 Discontinued)	50,000	50,000	50,000	50,000	50,000	250,000	250,000	
4	Second Street Pump Station		850,000				850,000	850,000	
	Total Pumping (Water)	50,000	900,000	50,000	370,000	250,000	1,620,000	1,620,000	0
	Pumping (Sanitation)						=00.000		
1	Oso Improvement Projet	700,000					700,000		700,000
2	Replace Aliso Creek L.S. VFDs	100,000					100,000		100,000
3	Install Discharge Flow Meters & Pressure Transducers with SCADA	60,000		40000	60,000		120,000		120,000
4	Aliso Creek Lift Station Skid Pump and Piping	= 0.05 -	= 0.00-	120,000	= 0.00-	= 0.05-	120,000		120,000
5	Sewer Stations PLC Upgrade to Control Logix (PLC 5 Discontinued)	50,000	50,000	50,000	50,000	50,000	250,000		250,000
6	4920 Siphon Stabilization	040.000	E 0.000	150,000	440.000	# 0.000	150,000		150,000
	Total Pumping (Sanitation)	910,000	50,000	320,000	110,000	50,000	1,440,000	0	1,440,000

EL TORO WATER DISTRICT FIVE YEAR CAPITAL REPLACEMENT & REFURBISHMENT PROGRAM F.Y. 2013/14 - 2017/2018

Item #	Description	2013/14	2014/15	2015/16	2016/17	2017/18	TOTAL	Water	Sewer
	Treatment (Sanitation)								
1	WRP Main Electrical Power Transfer Switches Upgrade	120,000					120,000		120,000
2	WRP Main Electrical Power Breaker Upgrade				35,000		35,000		35,000
3	Aeration Basin Piping Coating			30,000			30,000		30,000
4	PS (3) PLC Upgrade to Control Logix L-6 (PLC 5 Discontinued)	20,000					20,000		20,000
5	Grit Chamber Rehab/Re-Coating					85,000	85,000		85,000
6	New Scum Station for Clarifiers #3 & #4		30,000				30,000		30,000
7	Turbo Blower for the Aeration System			300,000			300,000		300,000
8	Secondary Clarifier Component Replacement			250,000		250,000	500,000		500,000
9	New MCCS-D Elecrical Cabinet & Breakers (DAF Unit #1)				45,000		45,000		45,000
10	Reconstruct (west side) drainage swayle at the Holding Pond				65,000		65,000		65,000
11	WAC Cleaning (Grit Removal)			65,000			65,000		65,000
	Total Treatment (Sanitation)	140,000	30,000	645,000	145,000	335,000	1,295,000	0	1,295,000
	Outside Treatment (SOCWA)								
1	PC-17 (R)	134,992	639,369	247,321	180,956	261,442	1,464,080		1,464,080
2	PC-21	230,000	51,500		191,227		472,727		472,727
3	PC-24	12,225					12,225		12,225
	Total Treatment (SOCWA)	377,217	690,869	247,321	372,183	261,442	1,949,032	0	1,949,032
	<u>Transmission & Distribution</u>								
1	Replace Cla Val Stems on all Surge Relief Valves	12,250					12,250	12,250	
2	Gate 11 Hydraulic Improvement Project					180,000	180,000	180,000	
	Total Mainline	12,250	0	0	0	180,000	192,250	192,250	0

EL TORO WATER DISTRICT FIVE YEAR CAPITAL REPLACEMENT & REFURBISHMENT PROGRAM F.Y. 2013/14 - 2017/2018

Item #		Description		2013/14	2014/15	2015/16	2016/17	2017/18	TOTAL	Water	Sewer
	Contingency										
1	Contingency			75,000	50,000	325,000	300,000	425,000	1,175,000	587,500	587,500
2	Inflation @ 5%				51,450	53,288	49,875	42,788	197,400	98,700	98,700
			Total Contingency	75,000	101,450	378,288	349,875	467,788	1,372,400	686,200	686,200
		Total Capital Projects	=	3,163,162	1,798,269	1,651,909	1,672,058	1,544,230	9,829,627	4,459,395	5,370,232
		WATER		1,698,445	976,675	250,444	869,938	663,894	4,459,395	4,459,395	T 270 222
		SEWER		1,464,717	821,594	1,401,465	802,121	880,336	5,370,232		5,370,232
		Total Capital Projects	=	3,163,162	1,798,269	1,651,909	1,672,058	1,544,230	9,829,627	4,459,395	5,370,232
		Total Capital Equipment	_	835,950	688,348	842,539	834,230	953,272	4,154,338	1,558,044	2,596,294
		Total Capital Budget		3,999,112	2,486,617	2,494,447	2,506,288	2,497,501	13,983,965	6,017,439	7,966,526
		WATER		2,041,045	1,156,349	588,963	1,127,053	1,104,030	6,017,439	6,017,439	
		SEWER		1,958,067	1,330,268	1,905,484	1,379,236	1,393,472	7,966,526		7,966,526

EL TORO WATER DISTRICT FIVE YEAR CAPITAL EQUIPMENT REPLACEMENT & REFURBISHMENT PROGRAM F.Y. 2013/14 - 2017/2018

Item#	Description	2013/14	2014/15	2015/16	2016/17	2017/18	TOTAL	Water	Sewer
	Source of Supply / Storage Equipment								
1	Chloramination Station Generator	95,000					95,000	95,000	
	Total Source of Supply	95,000	0	0	0	0	95,000	95,000	0
	Pumping (Water) Equipment								
1	Spare P-3 40 Hp Motor	5,000					5,000	5,000	
2	Spare P-4 40 Hp Motor	6,750					6,750	6,750	
	Total Pumping (Water)	11,750	0	0	0	0	11,750	11,750	0
	Pumping (Sanitation) Equipment								
1	Aliso Creek Lift Station Suction Plug Valves	6,000					6,000		6,000
	Total Pumping (Sanitation)	6,000	0	0	0	0	6,000		6,000
	<u>Treatment (Sanitation) Equipment</u>								
1	Aeration Basin Diffusers			8,500			8,500		8,500
2	Automatic Weir Washer System for Clarifiers #3 & #4		55,000				55,000		55,000
3	RAS Pumps Upgrade			25,000		25,000	50,000		50,000
4	Extend DAF Unit #2's Catwalk/Handrail across to its other side		15,000				15,000		15,000
5	One Set of Stairs/Handrails to be Installed at each Biofilter			12,000			12,000		12,000
6	OOPS Butterfly Valves				10,000		10,000		10,000
7	Rotostrainer Drum Replacement				10,000		10,000		10,000
8	Pathway, Small Retaining Wall/Handrail for Spill Prevention Gate Access		7,000				7,000		7,000
9	Effluent Pump Station Pump Replacements				100,000		100,000		100,000
10	Convert EQ Basin Influent Gates to MOV Control			15,000			15,000		15,000
11	Cerlic TSS Sensor & Controller for RAS Suspended Solids Measurement		12,000				12,000		12,000
12	Grinder / Muffin Monster for Headworks Bypass Channel			50,000			50,000		50,000
	Total Treatment (Sanitation)	0	89,000	110,500	120,000	25,000	344,500	0	344,500

EL TORO WATER DISTRICT FIVE YEAR CAPITAL EQUIPMENT REPLACEMENT & REFURBISHMENT PROGRAM F.Y. 2013/14 - 2017/2018

Item#	Descr	iption	2013/14	2014/15	2015/16	2016/17	2017/18	TOTAL	Water	Sewer
	<u>Laboratory</u>									
1	Autoclave		16,500					16,500		16,500
2	Composite Samplers			5,000				5,000		5,000
3	Ion Chromatography System				30,000			30,000		30,000
'		Total Laboratory	16,500	5,000	30,000	0	0	51,500	0	51,500
	Collection Equipment									
1	P332 Flexiprobe Inspection System				15,000			15,000		15,000
2	P350 Flexiprobe Inspection System						38,000	38,000		38,000
3	24" Smart Covers Manhole Covers		10,000	10,000	10,000	10,000	10,000	50,000		50,000
4	Arrow Board Trailer					15,000		15,000		15,000
		Total Collection	10,000	10,000	25,000	25,000	48,000	118,000	0	118,000
	<u>Safety Equipment</u>									
1	Confined Space Egression Beam		12,200					12,200	6,100	6,100
		Total Safety	12,200	0	0	0	0	12,200	6,100	6,100
	Earthquake / Emergency Preparedness									
1	Radio Equipment							0	0	0
2	Yard Generator Enclosure				65,000			65,000	32,500	32,500
		Total Earthquake/Emerg. Preparedness	0	0	65,000	0	0	65,000	32,500	32,500
	Vehicles/Vehicle Equipment									
1	Vehicle Replacement		100,000	80,000	65,000	50,000	50,000	345,000	172,500	172,500
2	Backhoe				145,000			145,000	72,500	72,500
3	Hydrocleaner			225,000				225,000	0	225,000
4	Portable Motorized Hydro Jetter					25,000		25,000	0	25,000
	WRP Tractor					150,000		150,000	0	150,000
	TV Van and New TV Equipment		225,000					225,000	0	225,000
7	Dump Truck Replacement (Unit 88)		150,000					150,000	75,000	75,000
8	Dump Truck Replacement (Unit 50)					135,000		135,000	67,500	67,500
9	Hydro Excavator						400,000	400,000	200,000	200,000
10	Warehouse Forklift		4== 000	207.000	50,000	240.000	450.000	50,000	25,000	25,000
		Total Vehicles / Vehicle Equipment	475,000	305,000	260,000	360,000	450,000	1,850,000	612,500	1,237,500

EL TORO WATER DISTRICT FIVE YEAR CAPITAL EQUIPMENT REPLACEMENT & REFURBISHMENT PROGRAM F.Y. 2013/14 - 2017/2018

Item#	Description	2013/14	2014/15	2015/16	2016/17	2017/18	TOTAL	Water	Sewer
	Construction/Mechanical/Electical Equipment								
1	Bearing Press	9,500					9,500	4,750	4,750
	Total Consruction Equipmen	t 9,500	0	0	0	0	9,500	4,750	4,750
	<u>Office Equipment/Furniture</u>								
1	GIS / IMS	150,000	150,000				300,000	150,000	150,000
	Total Office Equipment / Furniture	150,000	150,000	0	0	0	300,000	150,000	150,000
	<u>Contingency</u>								
1	Contingency	50,000	100,000	325,000	300,000	400,000	1,175,000	587,500	587,500
2	Inflation @ 5%		29,348	27,039	29,230	30,272	115,888	57,944	57,944
	Total Miscellaneous	50,000	129,348	352,039	329,230	430,272	1,290,888	645,444	645,444
	<u>Total Capital Equipment</u>	\$835,950	\$688,348	\$842,539	\$834,230	\$953,272	\$4,154,338	\$1,558,044	\$2,596,294
	WATER	342,600	179,674	338,519	257,115	440,136	1,558,044	1,558,044	
	SEWER	493,350	508,674	504,019	577,115	513,136	2,596,294		2,596,294
	Total Constal Francisco	\$925.050	¢(00 240	¢042.520	\$924.220	\$052.252	¢4.154.220	Ø1 550 044	#2 507 204
	Total Capital Equipment	\$835,950	\$688,348	\$842,539	\$834,230	\$953,272	\$4,154,338	\$1,558,044	\$2,596,294
	Total Capital Projects	¢2 162 162	\$1,798,269	\$1,651,909	\$1,672,058	\$1,544,230	\$9,829,627	\$4,459,395	\$5,370,232
	<u> 10tai Capuat Projects</u>	\$3,163,162	\$1,798,209	\$1,051,909	\$1,072,058	\$1,544,230	\$9,829,027	\$4,459,595	\$5,570,252
	Total Camital Durdwat	¢2 000 112	\$2.49 <i>C</i> (17	¢2 404 447	¢2 507 200	¢2 407 501	¢12.002.075	¢ € 017 420	\$7.066.536
	<u>Total Capital Budget</u>	\$3,999,112	\$2,486,617	\$2,494,447	\$2,506,288	\$2,497,501	\$13,983,965	\$6,017,439	\$7,966,526
	WATER	2,041,045	1,156,349	588,963	1,127,053	1,104,030	6 017 420	\$6,017,439	
		, ,	· / /	· · · · · · · · · · · · · · · · · · ·	, ,	, ,	6,017,439	φ0,017,439	\$7.066.536
	SEWER	1,958,067	1,330,268	1,905,484	1,379,236	1,393,472	7,966,526		\$7,966,526



2013/14 CAPITAL REPLACEMENT & REFURBISHMENT PROGRAM

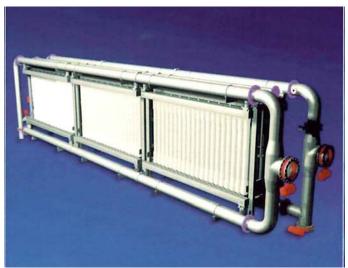
	Source of Supply / Storage			Source of Supply / Storage Equipment	
1	Baker Water Treatment Plant	4,589,644	1	Chloramination Station Generator	95,000
1a	Baker Water Treatment Plant Loan Funding	(4,589,644)		Total Source of Supply	95,000
2	Baker Pipeline Capacity Purchase	1,500,000			· · · · · · · · · · · · · · · · · · ·
3	JRWSS Capital Budget	98,695		Pumping (Water) Equipment	
	Total Source of Supply	1,598,695	2	Spare P-3 40 Hp Motor	5,000
			3	Spare P-4 40 Hp Motor	6,750
	Recycled Water			Total Pumping (Water)	11,750
4	Recycled Water Expansion Project	22,844,954			
4a	Recycled Water Expansion Project Funding Sources	(22,844,954)		Pumping (Sanitation) Equipment	
	Total Treatment (Water)	0	4	Aliso Creek Lift Station Suction Plug Valves	6,000
				Total Treatment (Sanitation)	6,000
	Pumping (Water)				
5	Water Stations PLC Upgrade to Control Logix (PLC 5 Discontinued)	50,000		<u>Laboratory</u>	
	Total Pumping (Water)	50,000	5	Autoclave	16,500
	-			Total Laboratory	16,500
	Pumping (Sanitation)				
6	Oso Improvement Projct	700,000		Collection Equipment	
7	Replace Aliso Creek L.S. VFDs	100,000	6	24" Smart Covers Manhole Covers	10,000
8	Install Discharge Flow Meters & Pressure Transducers with SCADA	60,000		Total Collection	10,000
9	Sewer Stations PLC Upgrade to Control Logix (PLC 5 Discontinued)	50,000			
	Total Pumping (Sanitation)	910,000		Safety Equipment	
		,	7	Confined Space Egression Beam	12,200
	Treatment (Sanitation)			Total Safety	12,200
10		120,000			
	PS (3) PLC Upgrade to Control Logix L-6 (PLC 5 Discontinued)	20,000		Vehicles/Vehicle Equipment	
	Total Treatment (Sanitation)	140,000	8	Vehicle Replacement	100,000
			9		225,000
	Outside Treatment (SOCWA)			Dump Truck Replacement (Unit 88)	150,000
12	PC-17 (R)	134,992		Total Vehicles / Vehicle Equipment	475,000
13	PC-21	230,000			,
14	PC-24	12,225		Construction/Mechanical/Electical Equipment	
	Total Treatment (SOCWA)	377,217	11	Bearing Press	9,500
	Total Treatment (500 H11)	377,217		Total Consruction Equipment	9,500
	Transmission & Distribution			Tour Constitution Equipment	7,500
15	Replace Cla Val Stems on all Surge Relief Valves	12,250		Office Equipment/Furniture	
.0	Total Collection	12,250	12	GIS / IMS	150,000
	Tom Concuston	12,230		Total Office Equipment / Furniture	150,000
	Contingency			Тош бујие Ециртеш / Гигнииге	150,000
16	Short Term Contingency	75,000		Contingency	
10	Total Contingency	75,000	12	Short Term Contingency	50,000
	Total Contingency	73,000	13	Total Miscellaneous	50,000
	Total Capital Projects	\$2 162 162		Total Miscenaneous	30,000
	Total Capital Projects	\$3,163,162		Total Capital Equipment	¢925 050
	Total Conital Business (Lana Bahan Binalina Conseits Bunch and	\$1.663.163		Total Capital Equipment	\$835,950
	Total Capital Projects (Less Baker Pipeline Capacity Purchase)	\$1,663,162			
	Total One ital Business (I are Bullet Bireline One of the Business)	Φ2 400 442		Total Control Business	2.1/2.1/2
	Total Capital Budget (Less Baker Pipeline Capacity Purchase)	\$2,499,112		Total Capital Projects	3,163,162
				Total Capital Equipment	925 050
				Total Capital Equipment	835,950
				Total Capital Budget	3,999,112
				rotai Gapitai Buuget	3,777,114
					LEGEND
					WATER

SEWER BOTH



PROJECT TITLE: BAKER WATER TREATMENT PLANT CONSTRUCTION





CAPITAL PLAN SOURCE OF SUPPLY / STORAGE

CLASSIFICATION: (PROJECT #1)

LOCATION: IRWD FACILITY

PROJECT BASIS: Reliability

DESCRIPTION: The proposed project constructs a new 28 mgd water treatment

plant supplied by raw water through the Baker Pipeline from Lake Matthews. The project will improve water system reliability in South Orange County by providing a source of water that is unaffected by service interruptions to the upper reaches of the AMP or the MWD Diemer Plant. Participation in the Baker Water Treatment Plant project at a capacity of 5 cfs will further extend the District's ability to withstand service interruptions of the import supply. The project schedule anticipates award of a construction contract in late 2013 and plant start-up in late 2015. ETWD's share of the project cost is 11.5 percent. The project budget is the District's projected share of engineering design and

project construction during the 2013/14 fiscal year.

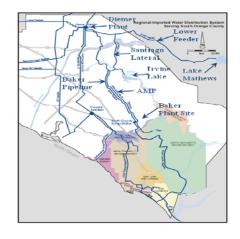
PROJECT BUDGET: \$4,589,644

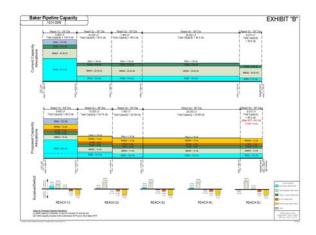
BASIS OF

COST ESTIMATE: Engineer's construction cost estimates and Staff cash flow

projection

PROJECT TITLE: BAKER PIPELINE CAPACITY PURCHASE





CAPITAL PLAN SOURCE OF SUPPLY / STORAGE

CLASSIFICATION: (PROJECT #2)

LOCATION: IRWD MANAGED FACILITY

PROJECT BASIS: Reliability

DESCRIPTION: The District's participation in the previously defined Baker Water

Treatment Plant Project requires the acquisition of capacity in the Baker Pipeline. The 2013/14 Capital Budget for this purchase provides for the acquisition of 5 cfs in the Baker Pipeline to match the District's capacity in the Baker Water Treatment Plant. The purchase price was negotiated amongst the participating agencies and defined in the Baker Pipeline Capacity Transfer Memorandum of Understanding. The number has been escalated to reflect the projected cost at the time of the Baker Project Go/No Go decision

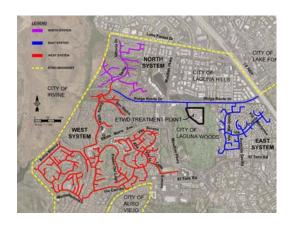
point.

PROJECT BUDGET: \$1,500,000

BASIS OF

COST ESTIMATE: Memorandum of Understanding.

PROJECT TITLE: RECYCLED WATER EXPANSION PROJECT





CAPITAL PLAN RECYCLED WATER

CLASSIFICATION: (PROJECT #4)

LOCATION: SYSTEM WIDE

PROJECT BASIS: Water Supply Reliability

DESCRIPTION: The District has secured grant funding as well as a State Revolving

Fund Loan for the Recycled Water Expansion Project taking supply from a new Tertiary Treatment Plant to be constructed at the ETWD WRP. The Distribution System will install over 100,000 feet of pipe and convert over 200 dedicated irrigation meters to recycled water. The project is currently in construction. The estimated total project cost is \$36.4 million over a three year period through December, 2014. The 13/14 budget anticipates the

continuation of the construction phase of the project.

PROJECT BUDGET: \$22,844,954

BASIS OF

COST ESTIMATE: Bid results, design construction cost estimates and staff cash flow

estimate

PROJECT TITLE: WATER STATIONS PLC UPGRADE TO CONTROL LOGIX





CAPITAL PLAN PUMPING - WATER **CLASSIFICATION:** (PROJECT #5)

LOCATION: VARIOUS LOCATIONS

PROJECT BASIS: Reliability; Operational Efficiency; End of Useful Life

DESCRIPTION: The District's remote water facilities are controlled at the site by

programmable logic controllers (PLC). The PLCs provide local control, communication to Central and are fully capable of controlling and operating the facility in the event of a communication failure. The existing PLCs are from the Allen Bradley PLC5 family of controllers. Allen Bradley has stopped manufacturing and supporting the PLC5s. The technology is over 20 years old and spare parts are no longer available. The latest Allen Bradley PLC technology is the Control Logix 6.1L which the District has migrated to at the WRP over the last year. The systematic replacement of the PLC5s and migration to the Control Logix PLCs is an essential, critical element for the continued reliability and operation of all of the District water and sewer

stations.

PROJECT BUDGET: \$40,000

BASIS OF

COST ESTIMATE: Staff estimates based on consultant and vendor cost estimates.

PROJECT TITLE: OSO LIFT STATION IMPROVEMENT PROJECT





CAPITAL PLAN PUMPING - SEWER CLASSIFICATION: (PROJECT #6)

LOCATION: OSO LIFT STATION

PROJECT BASIS: End of Useful Life; Protect Facilities; Reliability; Safety;

Energy Efficiency; Environmental Protection

DESCRIPTION: The Oso Lift Station conveys raw wastewater from the western

edge of the District's service area. The pumps are over 25 years old while the motors are over 30 years old. Both are worn out and The current configuration utilizes an extended driveshaft between the motors on the upper level and the pumps on the lower level. The lower level is extremely small making maintenance of these pumps both difficult and hazardous. The safety of the maintenance of this facility will be significantly enhanced by the proposed project. The proposed project will replace the existing worn-out pumps with new submersible pumps. The project also contemplates the negotiation with the Moulton Niguel Water District for the addition of an emergency overflow connection to a nearby MNWD lift station to enhance reliability. The elimination of the extended driveshaft and the replacement of the aged pumps with new submersible pumps, similar to the Northline Lift Station Project, will make the Oso Lift Station

consistent with other ETWD sewer pumping facilities.

PROJECT BUDGET: \$700,000

BASIS OF

COST ESTIMATE: Staff Estimate.

PROJECT TITLE: REPLACE ALISO CREEK LIFT STATION VFDS





CAPITAL PLAN PUMPING - SEWER

CLASSIFICATION: (PROJECT #7)

LOCATION: ALISO CREEK LIFT STATION

PROJECT BASIS: End of Useful Life; Reliability; Environmental Protection

DESCRIPTION: The Aliso Creek Lift Station pumps are driven by variable

frequency drives (VFD). The existing drives are over 14 years old and have reached the end of their useful service life. It is increasingly difficult to obtain spare parts for these obsolete drives. The installation of new drives will represent an improvement in the technology as well as provide ramp up/ramp down bypass starters

to improve the reliability of the facility.

PROJECT BUDGET: \$80,000

BASIS OF

COST ESTIMATE: Staff estimate based on vendor cost estimates.

PROJECT TITLE: INSTALL DISCHARGE FLOW METERS & PRESSURE TRANSDUCERS WITH SCADA AT SEWER LIFT STATIONS





CAPITAL PLAN PUMPING - SEWER

CLASSIFICATION: (PROJECT #8)

LOCATION: VARIOUS LOCATIONS

PROJECT BASIS: Reliability; Environmental Protection; Efficiency

DESCRIPTION: This project is part of a multi-phase project to add sewer flow

meters and pressure transducers at the District's existing sewer lift stations. These facilities will provide flow data to assist Staff in evaluating pump performance as well as planning for future capital

investments in the sewer collection system.

PROJECT BUDGET: \$50,000

BASIS OF

COST ESTIMATE: Staff Estimate.

PROJECT TITLE: SEWER STATIONS PLC UPGRADE TO CONTROL LOGIX





CAPITAL PLAN TREATMENT - SEWER

CLASSIFICATION: (PROJECT #9)

LOCATION: VARIOUS LOCATIONS

PROJECT BASIS: End of Useful Life; Reliability; Environmental Protection

DESCRIPTION: The District's remote sewer facilities are controlled at the site by

programmable logic controllers (PLC). The PLCs provide local control, communication to Central and are fully capable of controlling and operating the facility in the event of a communication failure. The existing PLCs are from the Allen Bradley PLC5 family of controllers. Allen Bradley has stopped manufacturing and supporting the PLC5s. The technology is over 20 years old and spare parts are no longer available. The latest Allen Bradley PLC technology is the Control Logix 6.1L which the District has migrated to at the WRP over the last year. The systematic replacement of the PLC5s and migration to the Control Logix PLCs is an essential, critical element for the continued reliability and operation of all of the District water and sewer

stations.

PROJECT BUDGET: \$40,000

BASIS OF

COST ESTIMATE: Staff Estimate based on similar previous projects.

PROJECT TITLE: WRP TRANSFER SWITCHES UPGRADE





CAPITAL PLAN TREATMENT - SEWER

CLASSIFICATION: (PROJECT #10)

LOCATION: WATER RECYCLING PLANT

PROJECT BASIS: End of Useful Life; Reliability; Environmental Protection

DESCRIPTION: The transfer of power to the generator during an interruption in the

power supply from SCE at the WRP is accomplished by two power breakers equipped with electromechanical activators. This complicated and cumbersome system is not specifically designed for the transfer switch application. The continual engaging and disengaging of the breakers, resulting from the District's standard testing and maintenance program, results in more wear on the internal main contacts potentially leading to premature failure and possible single phasing on the whole electrical system. The additional load of the new Tertiary Treatment Plant makes it that much more important to replace the WRP transfer switches. The existing breakers are over 15 years old. The installation of new ASCO Transfer Switches designed specifically for this application will help ensure the standby power reliability of all the WRP

processes.

PROJECT BUDGET: \$120,000

BASIS OF

COST ESTIMATE: Staff Estimate based on contractor cost estimates.

PROJECT TITLE: CHLORAMINATION STATION GENERATOR





CAPITAL PLAN TREATMENT – SEWER EQUIPMENT

CLASSIFICATION: (EQUIPMENT #1)

LOCATION: R-6 RESERVOIR SITE

PROJECT BASIS: Reliability; End of Useful Life

DESCRIPTION: Backup power is provided at the R-6 Reservoir site by an existing

15 kilowatt Generac generator. The existing generator is over 25 years old and does not represent current air quality emissions technology. The generator was installed prior to the addition of the chemical feed facilities and is now undersized for the current load. The existing generator stalls when trying to accommodate the full load it is now required to supply. The replacement of the generator has been recommended by the Fire Department in recent inspections. The proposed project will install a new 25 kW generator, meeting current AQMD engine technology requirements, sized to properly accommodate all of the R-6

electrical loads.

PROJECT BUDGET: \$95.000

BASIS OF

COST ESTIMATE: Staff estimates based on vendor cost estimates.

PROJECT TITLE: VEHICLE REPLACEMENTS





CAPITAL PLAN VEHICLES / VEHICLE EQUIPMENT

CLASSIFICATION: (EQUIPMENT #8)

PROJECT BASIS: End of Useful Life

DESCRIPTION: The El Toro Water District fleet includes 50 vehicles ranging from

small pickup trucks to large crew trucks and dump trucks. The District's Senior Mechanic does an excellent job preserving and extending the useful life of each vehicle to the maximum extent possible. As vehicles age and accumulate significant mileage they are replaced or rotated to less intensive duty to further extend their usefulness. The proposed budget contemplates the purchase of

three new Ford pick-up trucks.

PROJECT BUDGET: \$100,000

BASIS OF

COST ESTIMATE: The cost estimate was developed by the ETWD Mechanic and is

inclusive of vehicle purchase costs, tax and license fees as well as

associated costs to outfit the vehicles for District service.

PROJECT TITLE: TV VAN REPLACEMENT





CAPITAL PLAN VEHICLES / VEHICLE EQUIPMENT

CLASSIFICATION: (EQUIPMENT #9)

PROJECT BASIS: End of Useful Life; Maintenance Efficiency

DESCRIPTION: The District's TV Van is used extensively in the on-going video

inspection of the District's sewer collection system. The sewer video inspection program is a key element of the District's

successful Sewer System Management Plan.

The existing van has reached the end of its useful service life and must be replaced. In addition, the present TV camera and inspection system reliability has declined as the District experiences break downs, increased cost of repairs and the daily effort working with an older technology. The existing camera and inspection equipment is over 15 years old. The improvement in technology will improve efficiency and help maintain the effectiveness of the District's efforts to maintain the collection

system and avoid sewer spills.

PROJECT BUDGET: \$225,000

BASIS OF

COST ESTIMATE: Staff Estimate

PROJECT TITLE: DUMP TRUCK REPLACEMENT



CAPITAL PLAN VEHICLES / VEHICLE EQUIPMENT

CLASSIFICATION: (EQUIPMENT #10)

PROJECT BASIS: End of Useful Life; Maintenance Efficiency

DESCRIPTION: The District operates three dump trucks. These trucks are used to

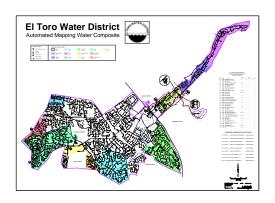
haul material to and from jobsites, to haul spoils to the landfill, to haul 3,000 pound steel trench plates and to tow a trailer with a backhoe to and from jobsites. One of these existing dump trucks, Unit #88, is a 1986 Ford ten wheel dump truck with 55,000 miles. The truck has provided service to the District for over 25 years. Recent Air Quality Management District regulations required the installation of an aftermarket exhaust regeneration filter. While achieving compliance with AQMD regulations this device also resulted in a significant reduction in the truck's power. The truck now struggles to make 45 miles per hour on the freeway with a minimum load to the landfill and can barely make it up Ridge Route drive with a trailer and backhoe attached. The truck has reached the end of its useful service life and is no longer capable of providing the reliable, safe service needed to support the operations of the District. The truck is in need of repairs and paint. The time has come to invest in a new dump truck, meeting current regulatory requirements, that can restore the service Unit #88 was originally designed to provide.

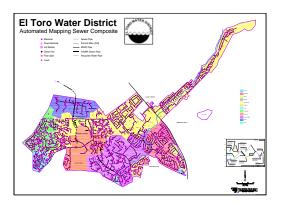
PROJECT BUDGET: \$150,000

BASIS OF

COST ESTIMATE: Staff Estimate

PROJECT TITLE: GIS / IMS





CAPITAL PLAN OFFICE EQUIPMENT / FURNITURE

CLASSIFICATION: (EQUIPMENT #12)

LOCATION: MAIN OFFICE

PROJECT BASIS: Operational Efficiency, Maintenance Efficiency

DESCRIPTION: The proposed project continues the implementation phase of an

integrated GIS and Computer Maintenance/Asset Management System. The project contemplates the further development of

certain applications.

PROJECT BUDGET: \$200,000

BASIS OF

COST ESTIMATE: Staff Estimate Based on Consultant Provided Cost Estimate