



"District of Distinction"
Serving the Public –
Respecting the Environment

EL TORO WATER DISTRICT BUDGET 2019/2020

A wide-angle photograph of the Laguna Woods Village Golf Course. The foreground shows a lush green fairway with several trees and a small sand trap. In the middle ground, there are more trees and a path. The background features a range of mountains under a clear blue sky. The text "Laguna Woods Village Golf Course" and "Irrigated by Recycled Water" is overlaid in white at the bottom right.

Laguna Woods Village Golf Course
Irrigated by Recycled Water

EL TORO WATER DISTRICT
BOARD OF DIRECTORS
2019-2020

JOSE F. VERGARA, PRESIDENT
MARK MONIN, VICE-PRESIDENT
KATHRYN FRESHLEY, DIRECTOR
MIKE GASKINS, DIRECTOR
KAY HAVENS, DIRECTOR

OFFICERS

ROBERT R. HILL, GENERAL MANAGER
DENNIS P. CAFFERTY, ASSISTANT GENERAL MANAGER/DISTRICT ENGINEER

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Water Recycling Plant Girl Scout Tour

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 2019-20

- ◆ 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.

BUDGET ASSUMPTIONS

FISCAL YEAR 2019-20

Revenue:

- POTABLE WATER SALES is based on the purchase of 7,350 acre-feet (af) of water and delivery of 7,050 af to customers.
- POTABLE WATER USAGE CHARGE to cover purchasing water from Metropolitan Water District through Municipal Water District of Orange County and from the Baker Water Treatment Plant will be increased effective July 1, 2019 and is supported by an independently prepared Cost of Service Study Report.
- POTABLE WATER SERVICE CHARGE (Water System Operations & Maintenance “O&M”) will increase effective July 1, 2019 and is supported by an independently prepared Cost of Service Study Report.
- RECYCLED WATER SERVICE CHARGE (Recycled Water System Operations & Maintenance “O&M”) will increase effective July 1, 2019 and is supported by an independently prepared Cost of Service Study Report.
- RECYCLED WATER USAGE CHARGE will be increased effective July 1, 2019 and is supported by an independently prepared Cost of Service Study Report.
- NON-RATE REVENUE reflects shared maintenance of joint facilities with neighboring agencies, communication site leases and other miscellaneous revenues.
- PROPERTY TAX REVENUE represents the District’s share of the 1% general property taxes paid to the State.
- SEWER USAGE AND FIXED RATE the Sewer Usage and Fixed Rate will not be increased.
- INTEREST INCOME is expected to increase as a result of increase in the interest rate.
- CAPITAL REPLACEMENT & REFURBISHMENT WATER, SEWER & RECYCLED WATER CHARGES are designed to assist in covering the cost of water, sewer and recycled water capital R&R expenditures during the fiscal year. No changes to these charges for the 2019/20 fiscal year are contemplated.
- Rate increases will comply with all applicable state constitutional and statutory mandates.

BUDGET ASSUMPTIONS

FISCAL YEAR 2019-20

Expenses:

- PURCHASED WATER costs are affected by the anticipated increase in potable water sales along with increased rates charged by Metropolitan Water District of Southern California and Municipal Water District of Orange County and increased O&M costs associated with the District's capacity in the Baker Water Treatment Plant.
- ENERGY (electrical power) costs have been increased based on expected system operations, capital improvements and rate information provided by Southern California Edison.
- SOCWA OPERATIONS costs for regional bio-solids and effluent treatment and disposal have decreased.
- LABOR/BENEFITS COST are projected to increase. The increase is driven by continued implementation of the District's Succession Plan, increases in medical premiums, the District's contributions to the employees 401(k) Retirement Savings Plan and administration of a Performance Based Merit Program. The proposed increases are partially offset by employee contributions to medical benefits.
- OPERATING COSTS exclusive of purchased water, interest, labor and depreciation remain relatively flat compared to 2018/19.

BUDGET ASSUMPTIONS

FISCAL YEAR 2019-20

CAPITAL REPLACEMENT & REFURBISHMENT PROGRAM:

Five-Year Capital Replacement & Refurbishment Program

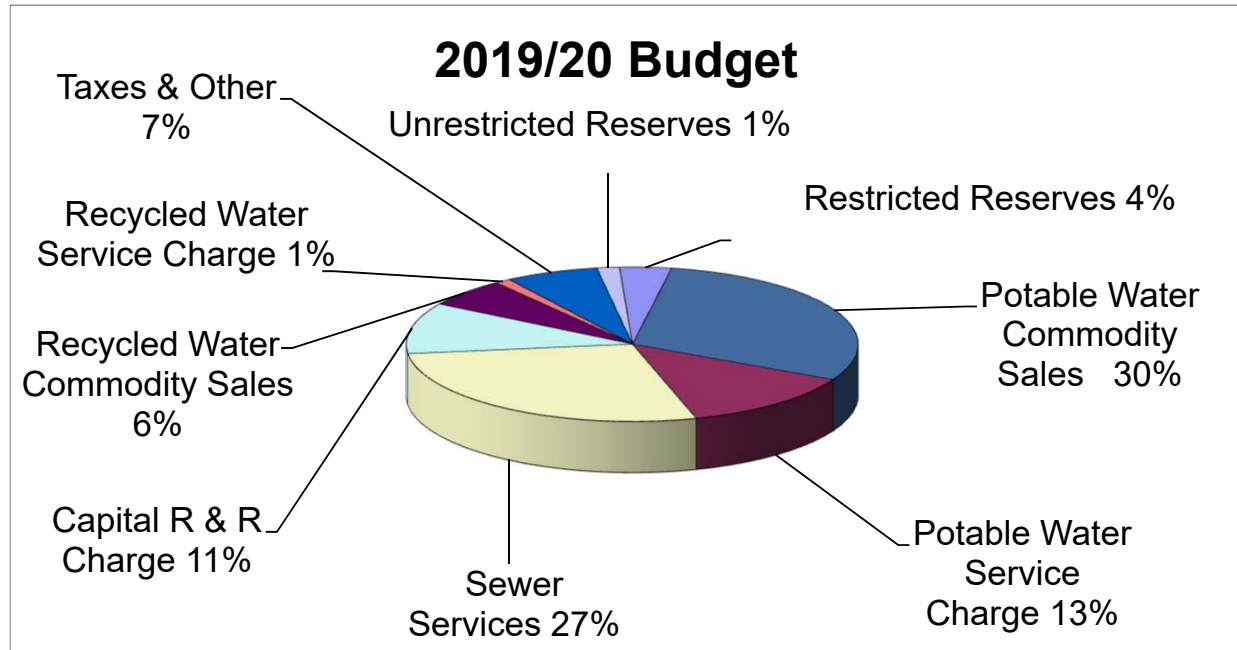
Staff continues to evaluate and update the on-going five-year Water, Sewer and Recycled Capital Replacement & Refurbishment Plan (CR&R) to preserve its water and sewer infrastructure investment, meet regulatory requirements and ensure a continuous high level of service. Water and Sewer CR&R expenditures for fiscal year 2019/20 total \$2,367,656. The 2019/20 CR&R costs will be funded by revenue generated by the CR&R charge. Revenue generated from the Recycled Water CR&R charge amounts to \$147,000. This revenue will be used to offset the cost of the Recycled Water program debt service.

RESERVES:

The District maintains three categories of reserves: (1) those legally required to be held as the result of contractual agreement (2) Board Mandated reserves (3) Board Restricted. 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 2019-20 Budget includes a provision to utilize reserves to fund a portion of the five-year Capital Replacement & Refurbishment Plan.

EL TORO WATER DISTRICT

Where The Money Comes From

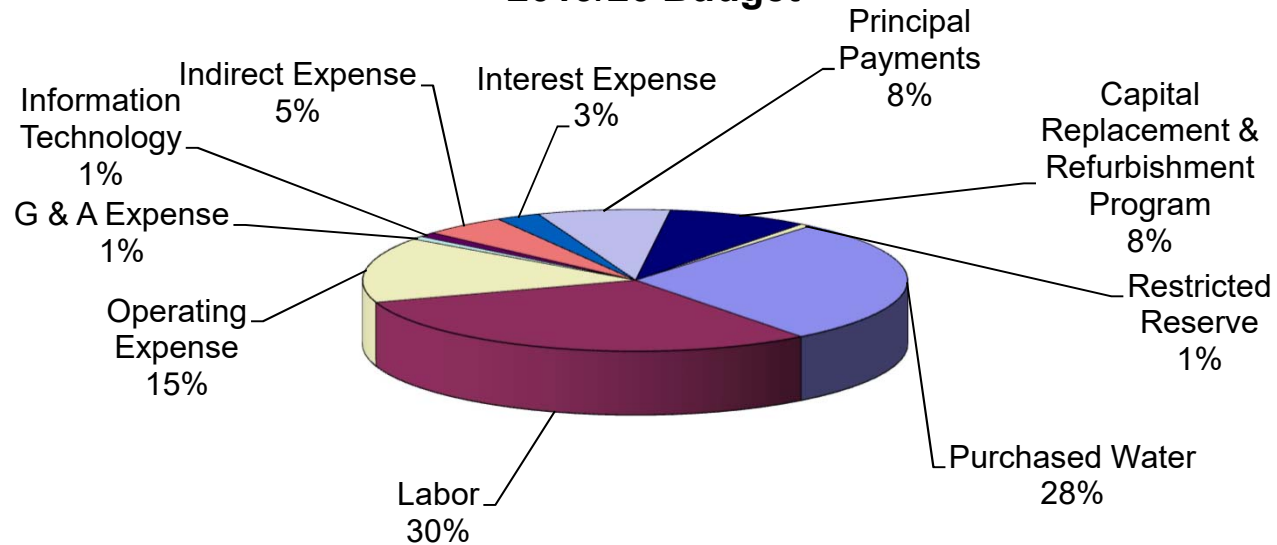


Potable Water Commodity Sales	\$8,412,735
Potable Water Service Charge	3,621,504
Other Operating Revenue	55,000
Sewer Services	7,775,000
Capital R & R Charge	3,014,656
Recycled Water Commodity Sales	1,686,426
Recycled Water Service Charge	318,707
Taxes & Other	1,820,440
Unrestricted Reserves	455,185
Restricted Reserves Recycled Water / Conservation	759,853
Restricted Reserves Baker Debt Service	100,000
Restricted Reserves	183,853
	<hr/>
	\$28,203,359

EL TORO WATER DISTRICT

Where The Money Goes

2019/20 Budget



Purchased Water	\$8,041,949
Labor	8,546,083
Operating Expense	4,211,269
G & A Expense	207,900
Information Technology	299,000
Indirect Expense	1,390,020
Interest Expense	731,557
Principal Payments	2,224,072
Capital Replacement & Refurbishment Program	2,367,656
Restricted Reserve	183,853
	<hr/>
	\$28,203,359

Water Recycling Plant Laboratory

Operations



**EL TORO WATER DISTRICT
ORGANIZATION CHART 2019 - 2020**

Department	Positions
<u>Administrative Services</u>	
General Manager	1
Asst GM / District Engineer	1
Human Resources Manager	1
Public Relations / EP Admin	1
Exec.Assistant to BOD & GM	1
Administrative Assistant	0
Office Assistant	1
Total	<u>6</u>
<u>Information Systems</u>	
Information Technology Manager	1
Total	<u>1</u>
<u>Accounting</u>	
Manager Finance / Controller	1
Accountant / Sr Accountant	2
Supervisor Accounting	1
Total	<u>4</u>
<u>Purchasing/Receiving</u>	
Purchasing Agent	1
Total	<u>1</u>
<u>Customer Service - Office</u>	
C.S / Billing Supervisor	1
C.S. Office Rep. II / Senior	2
Billing Clerk	1
Total	<u>4</u>
<u>Customer Service - Field</u>	
Crew Chief	1
C.S. Field Rep. III	1
C.S. Field Rep. I	2
Total	<u>4</u>
<u>Engineering</u>	
Project Engineer	1
Engineer Associate	1
Inspector	1
Recycled Water Coordinator	1
Total	<u>4</u>
<u>Electrical</u>	
Electrical Sys/SCADA Supv	1
Total	<u>1</u>

Department	Positions
<u>Operations</u>	
Operations Superintendent	1
Compliance Program Coordinator	1
Total	<u>2</u>
<u>Transmission & Distribution Crew</u>	
Foreman	1
Crew Chief	2
Maintenance Worker III	0
Maintenance Worker II	2
Maintenance Worker I	4
Total	<u>9</u>
<u>Pumping Crew</u>	
Foreman	1
Crew Chief	2
Maintenance Worker III	4
Maintenance Worker II	1
Maintenance Worker I	1
Total	<u>9</u>
<u>Treatment Plant</u>	
Chief Plant Operator	1
Truck Driver	2
Waste Water Operator III	2
Waste Water Operator II	2
Waste Water Operator I	1
Lab Supervisor	1
Lab Technician I	1
Total	<u>10</u>
<u>Collections & Transmissions</u>	
Industrial Waste Inspector	1
Crew Chief	1
Coll. Maintenance Worker III	1
Coll. Maintenance Worker II	1
Coll. Maintenance Worker I	1
Total	<u>5</u>
<u>Automotive</u>	
Senior Mechanic	1
Total	<u>1</u>
<u>Total Positions</u>	<u>61</u>

EL TORO WATER DISTRICT

BUDGET COMPARISON - Income Statement

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
Operating Revenue			
Water	\$12,036,741	\$12,835,373	\$13,032,945
Sewer	7,565,000	7,800,000	7,775,000
Capital Facilities Charge	3,015,000	3,015,000	3,014,656
Tertiary	1,658,000	1,920,000	2,005,133
Total Operating Revenue	24,274,741	25,570,373	25,827,734
Operating Expense			
General Operating Expense	8,674,939	9,018,483	9,281,786
Water Enterprise Operating Expense	8,680,085	8,976,271	9,045,392
Sewer Enterprise Operating Expense	2,348,690	2,349,926	2,377,623
Recycled Water Operating Expense	190,300	256,950	302,400
Total Operating Expense	19,894,014	20,601,630	21,007,201
Operating Income	4,380,727	4,968,743	4,820,533
Non Operating Revenue	1,483,500	1,692,750	1,820,440
Interest Expense	(805,729)	(769,061)	(731,557)
Information Technology	(189,400)	(262,500)	(299,000)
Indirect Expense	(1,349,250)	(1,468,100)	(1,390,020)
Depreciation & Amortization	(4,006,850)	(4,306,850)	(4,476,850)
Total Non Operating	(4,867,729)	(5,113,761)	(5,076,987)
Excess of Operating Revenues and Cash Flows Over Expense	\$ (487,002)	\$ (145,018)	\$ (256,454)
Capital Improvement Program Expenditures	(2,400,000)	(2,384,000)	(2,367,656)
Depreciation & Amortization (Non-Cash)	4,006,850	4,306,850	4,476,850
Debt Service Principle Payments	(1,737,631)	(1,776,305)	(2,224,072)
Restricted Reserves used for Baker Debt Service		100,000	100,000
Restricted Reserves	(93,596)	(582,151)	(183,853)
Total Deficit	(711,379)	(480,624)	(455,185)

EL TORO WATER DISTRICT

BUDGET COMPARISON - General Operations Expenses

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
General Operations Expense			
Labor	\$7,902,953	\$8,287,837	\$8,546,083
Operations Support	240,111	232,911	256,466
Vehicle Maintenance	250,175	237,885	271,337
General & Administrative	<u>281,700</u>	<u>259,850</u>	<u>207,900</u>
Total General Operations Expense	<u>\$8,674,939</u>	<u>\$9,018,483</u>	<u>\$9,281,786</u>

EL TORO WATER DISTRICT

BUDGET COMPARISON - Information Technology Expenses

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
General Operations Expense			
Data Processing Supply & Accessories	\$20,000	\$36,500	\$23,000
Data Processing Equipment	40,000	40,000	36,000
Data Processing Consultants	50,000	25,000	75,000
Software Maintenance & Licenses	79,400	161,000	165,000
Total General Operations Expense	<u>\$189,400</u>	<u>\$262,500</u>	<u>\$299,000</u>

EL TORO WATER DISTRICT

LABOR / BENEFITS COMPARISON

Fiscal Years Ending June 30

	<u>Budget 2017/18</u>	<u>Budget 2018/19</u>	<u>Budget 2019/20</u>	<u>Change</u>
Labor	\$5,663,492	\$5,893,903	\$6,171,106	\$277,203
Benefits	2,063,738	2,233,934	2,239,977	6,043
Workers Compensation and Unemployment Ins.	<u>175,723</u>	<u>160,000</u>	<u>135,000</u>	<u>-25,000</u>
Total Labor	<u>\$7,902,953</u>	<u>\$8,287,837</u>	<u>\$8,546,083</u>	<u>\$258,246</u>
Benefits as % of Labor	26.11%	26.95%	26.21%	

EL TORO WATER DISTRICT

BUDGET COMPARISON - Administration

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
Electricity	\$38,700	\$39,900	\$40,200
Repair Parts and Materials	1,000	1,000	1,000
Equipment Maintenance and Repair	500	500	2,500
Structure Maintenance and Repair	15,000	10,000	10,000
Consultants	125,000	100,000	45,000
Contractors	56,000	56,200	56,200
Equipment Rental	12,000	12,000	12,700
Operating Supplies	3,500	3,500	3,500
Temporary Help	7,500	7,500	7,500
Other Employee Costs	15,000	22,000	22,300
Employee and Training	7,500	7,250	7,000
Total General & Administrative	\$281,700	\$259,850	\$207,900

EL TORO WATER DISTRICT

BUDGET COMPARISON - Indirect Expenses

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
Insurance and Damages	\$405,200	\$470,650	\$535,000
Advertising and Publicity	2,500	2,500	2,000
Annual Events	5,350	5,350	6,000
Auditing Fee	30,000	30,000	30,000
Bad Debts	20,000	20,000	20,000
Bank and Paycheck Services	54,000	56,500	57,000
Director's Fees	93,000	105,000	110,000
Dues and Memberships	75,000	82,000	93,390
Elections/Other	0	30,000	0
Employee Service Awards	4,000	5,800	3,800
Janitorial	34,500	33,800	33,800
Legal Fees	150,000	150,000	100,000
Meetings and Conventions - Administration	35,000	39,000	39,000
Meetings and Conventions - Directors	26,000	28,000	29,690
Office Supplies	23,000	23,000	19,800
Postage	20,500	20,500	20,500
Printing and Reproduction	21,000	21,000	18,000
Property Taxes	5,500	5,500	5,500
Public Relations	240,200	223,200	150,000
Publications and Subscriptions	3,000	3,000	3,000
Voice and Data Communications	83,000	102,000	105,540
Utilities	18,500	11,300	8,000
Total Indirect Expenses	\$1,349,250	\$1,468,100	\$1,390,020
 Depreciation and Amortization	 \$4,006,850	 \$4,306,850	 \$4,476,850

EL TORO WATER DISTRICT

BUDGET COMPARISON - Water Enterprise Operating Expenses

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
Water Enterprise Operations Expense			
Source of Supply	\$132,349	\$134,999	\$151,504
Purchased Water	7,691,757	8,027,968	8,041,949
Pumping Expense	290,971	247,971	256,281
Treatment Expense	41,866	49,641	40,851
Trans. & Dist. Expense	523,142	515,692	554,807
Customer Accounts Expense	<u>0</u>	<u>0</u>	<u>0</u>
Total Water Enterprise Operations Expense	<u>\$8,680,085</u>	<u>\$8,976,271</u>	<u>\$9,045,392</u>

EL TORO WATER DISTRICT

BUDGET COMPARISON - Sewer Enterprise Operating Expenses

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
Sewer Enterprise Operations Expense			
SOCWA	\$974,100	\$906,250	\$900,000
Pumping Expense	377,832	369,848	335,724
Treatment Expense	699,658	789,578	862,449
Trans. & Dist. Expense	297,100	284,250	279,450
Total Sewer Enterprise Operations Expense	<u>\$2,348,690</u>	<u>\$2,349,926</u>	<u>\$2,377,623</u>

EL TORO WATER DISTRICT

BUDGET COMPARISON - Recycled Water Operating Expenses

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
Recycled Water Operations Expense			
Tertiary Treatment Expense	\$190,300	\$256,950	\$296,400
Trans. & Dist. Expense	0	0	6,000
Total Recycled Water Operations Expense	\$190,300	\$256,950	\$302,400

EL TORO WATER DISTRICT

BUDGET COMPARISON - Non-Operating Income & Expense

Fiscal Years Ending June 30

	Budget 2017/18	Budget 2018/19	Budget 2019/20
Tax Revenue	\$835,000	\$875,000	\$925,000
Interest Income	100,000	135,000	200,000
Other Revenue	<u>548,500</u>	<u>682,750</u>	<u>695,440</u>
Total Non-Operating Revenue	<u><u>\$1,483,500</u></u>	<u><u>\$1,692,750</u></u>	<u><u>\$1,820,440</u></u>
Interest Expense	<u>\$805,729</u>	<u>\$769,061</u>	<u>\$731,557</u>
Total Non-Operating Expense	<u><u>\$805,729</u></u>	<u><u>\$769,061</u></u>	<u><u>\$731,557</u></u>



P-3 Generator

**5 – Year Capital Facilities
Replacement & Refurbishment Program**

**EL TORO WATER DISTRICT
FIVE YEAR CAPITAL IMPROVEMENT PLAN
F.Y. 2019/20 - 2023/24**

ITEM #	DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL	WATER	SEWER
<u>Source of Supply / Storage Projects</u>									
1	R-2 Reservoir Interior Recoating (E/C)			262,500			262,500	262,500	
2	R-2 Reservoir Exterior Recoating (E/C)			80,000			80,000	80,000	
3	JRWSS Capital Budget	41,309	4,740	975	1,110	66,390	114,524	114,524	
4	Baker WTP Replacement Fund	52,795	52,795	52,795	52,795	52,795	263,975	263,975	
5	R-6 Chlorine & Ammonia Chemical Feed Pump Replacement					110,000	110,000	110,000	
<i>Total Source of Supply / Storage Projects</i>		94,104	57,535	396,270	53,905	229,185	830,999	830,999	0
<u>Pumping (Water) Projects</u>									
1	P-3 New MCC w/ TS, Nema 3R Main & Generator and Pump Replacements	480,000					480,000	480,000	
2	Water Stations PLC Upgrade to Control Logix	25,000	25,000				50,000	50,000	
<i>Total Pumping (Water) Projects</i>		505,000	25,000	0	0	0	530,000	530,000	0
<u>Pumping (Water) Equipment</u>									
1	Spare Rectifier for Chlorine Generators	15,000					15,000	15,000	
2	Cherry Booster Station Pump Replacement		100,000				100,000	100,000	
3	Shenandoah Booster Station Pump Replacement		100,000				100,000	100,000	
<i>Total Pumping (Water) Equipment</i>		15,000	200,000	0	0	0	215,000	215,000	0
<u>Pumping (Sanitation) Projects</u>									
1	Sewer Stations PLC Upgrade to Control Logix	25,000	25,000				50,000		50,000
2	4920 Siphon Stabilization	20,000	150,000				170,000		170,000
<i>Total Pumping (Sanitation) Projects</i>		45,000	175,000	0	0	0	220,000	0	220,000
<u>Pumping (Sanitation) Equipment</u>									
1	Aliso Creek Emergency Generator 350 KW (Unit 215)			200,000			200,000		200,000
2	La Paz MCC and PLC Upgrade	20,000	140,000				160,000		160,000
<i>Total Pumping (Sanitation) Equipment</i>		20,000	140,000	200,000	0	0	360,000	0	360,000
<u>Treatment (Sanitation) Projects</u>									
1	WRP Main Electrical Power Breaker Upgrade		35,000				35,000		35,000
2	Grit Chamber Rehab/Re-Coating	85,000					85,000		85,000
3	Secondary Clarifier # 1 Component Replacement			150,000			150,000		150,000
4	Secondary Clarifier # 4 Component Replacement					150,000	150,000		150,000
5	New MCC S-D Electrical Cabinet & Breakers (DAF Unit #1)		30,000				30,000		30,000
6	HACH (WIMS) Maint. Job Cal Database Management Software System		10,500				10,500		10,500
<i>Total Treatment (Sanitation) Projects</i>		85,000	75,500	150,000	0	150,000	460,500	0	460,500

**EL TORO WATER DISTRICT
FIVE YEAR CAPITAL IMPROVEMENT PLAN
F.Y. 2019/20 - 2023/24**

ITEM #	DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL	WATER	SEWER
<u>Treatment (Sanitation) Equipment</u>									
1	Aeration Basin Diffusers		10,000				10,000		10,000
2	Rotostrainer Drum Replacement		30,000				30,000		30,000
3	Effluent Pump Station Pump Replacements		100,000				100,000		100,000
4	OOPS Emergency Generator Replacement	220,000					220,000		220,000
5	Aqua-Aerobic CMD Filter Sock Replacements for Filters #1 & #2	25,000					25,000		25,000
6	Main Emergency Generator Control Panel & Auxiliary Power Up-Grade	28,000					28,000		28,000
	<i>Total Treatment (Sanitation) Equipment</i>	273,000	140,000	0	0	0	413,000	0	413,000
<u>Laboratory Equipment</u>									
1	Ion Chromatography		45,000				45,000		45,000
2	Undercounter Glassware Washer	8,000					8,000		8,000
	<i>Total Laboratory Equipment</i>	8,000	45,000	0	0	0	53,000	0	53,000
<u>Outside Treatment (SOCWA)</u>									
1	SOCWA Capital Budget	592,512	989,484	917,000	409,000	1,200,000	4,107,996		4,107,996
	<i>Total Treatment (SOCWA)</i>	592,512	989,484	917,000	409,000	1,200,000	4,107,996	0	4,107,996
<u>Transmission & Distribution Projects</u>									
1	AMI Implementation	200,000	200,000	200,000	200,000	200,000	1,000,000	1,000,000	
2	Moulton/El Toro Cathodic Protection Repairs	50,000					50,000	50,000	
3	21" PCCP Valve Replacements and Pipeline Repair					150,000	150,000	150,000	
	<i>Total Transmission & Distribution (Water) Projects</i>	250,000	200,000	200,000	200,000	350,000	1,200,000	1,200,000	
<u>Collection Equipment</u>									
1	P332 Flexiprobe (Push Camera) Inspection System - PearPoint			20,000			20,000		20,000
2	P350 Flexiprobe (Mobile-Portable Camera) Inspection System - PearPoint				40,000		40,000		40,000
	<i>Total Collection Equipment</i>	0	0	20,000	40,000	0	60,000	0	60,000
<u>Vehicles/Vehicle Equipment</u>									
1	Vehicle Replacement	50,000	100,000	100,000	75,000	75,000	400,000	200,000	200,000
2	Dump Truck/Traffic Control Truck (Unit 4)	80,000					80,000	40,000	40,000
3	Hydro Excavator				480,000		480,000	240,000	240,000
4	Warehouse Forklift			50,000			50,000	25,000	25,000
5	F-550 w/ Valve Maintenance Skid				150,000		150,000	150,000	
6	Vactor 2100 Combo Machine (Replace Unit 80)				500,000		500,000		500,000
7	Boom Truck (Diesel - Regulatory Compliance)				200,000		200,000	100,000	100,000
8	Forklift WRP (Diesel - Regulatory Compliance)			85,000			85,000		85,000
9	10-Wheel Dump Truck (Unit #50, Regulatory Compliance)				175,000		175,000	87,500	87,500
	<i>Total Vehicles / Vehicle Equipment</i>	130,000	100,000	235,000	1,580,000	75,000	2,120,000	842,500	1,277,500

**EL TORO WATER DISTRICT
FIVE YEAR CAPITAL IMPROVEMENT PLAN
F.Y. 2019/20 - 2023/24**

ITEM #	DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL	WATER	SEWER
<u>Construction/Mechanical/Electrical Equipment</u>									
1	Backhoe			150,000			150,000	75,000	75,000
	<i>Total Construction Equipment</i>	0	0	150,000	0		150,000	75,000	75,000
<u>General Building Projects</u>									
1	HVAC Replacement, Field Office Multi-Purpose Room	33,000					33,000	16,500	16,500
2	HVAC Replacement, Main Office (Bob Hill)	17,000					17,000	8,500	8,500
	<i>Total General Building Projects</i>	50,000	0	0	0	0	50,000	25,000	25,000
<u>Office Equipment/Furniture</u>									
1	Firewall Replacement	30,000					30,000	15,000	15,000
2	Nimble Storage Array Replacement	75,000					75,000	37,500	37,500
3	SCADA Server Upgrade Water/Sewer	32,500					32,500	16,250	16,250
4	SCADA Server Upgrade WRP		32,500				32,500		32,500
5	Exchange Server Replacement	20,000					20,000	10,000	10,000
6	Replace Servers		50,000				50,000	25,000	25,000
	<i>Total Office Equipment / Furniture</i>	157,500	82,500	0	0	0	240,000	103,750	136,250
<u>Contingency</u>									
1	Contingency	142,540	78,637	31,386	84,751	723,471	1,060,785	530,393	530,393
2	Inflation @ 5%	0	59,000	68,000	100,000	40,000	267,000	133,500	133,500
	<i>Total Contingency</i>	142,540	137,637	99,386	184,751	763,471	1,327,785	663,893	663,893
 <u>Total Capital Budget</u>									
		2,367,656	2,367,656	2,367,656	2,467,656	2,767,656	12,338,280	4,486,142	7,852,139
 <u>Total Capital Projects</u>									
		1,692,886	1,591,338	1,712,963	755,281	2,310,921	8,063,388	2,917,945	5,145,442
	WATER	909,739	316,944	621,117	300,093	770,053	2,917,945		
	SEWER	783,147	1,274,393	1,091,847	455,188	1,540,868	5,145,442		
 <u>Total Capital Equipment</u>									
		674,770	776,319	654,693	1,712,376	456,736	4,274,893	1,568,196	2,706,696
	WATER	194,385	309,409	174,847	661,188	228,368	1,568,196		
	SEWER	480,385	466,909	479,847	1,051,188	228,368	2,706,696		
 <u>Total Capital Budget</u>									
		2,367,656	2,367,656	2,367,656	2,467,656	2,767,656	12,338,280	4,486,142	7,852,139
	WATER	1,104,124	626,354	795,963	961,281	998,421	4,486,142		
	SEWER	1,263,532	1,741,303	1,571,693	1,506,376	1,769,236	7,852,139		

Ocean Outfall Pump Station Emergency Generator



**2019/2020 Capital Facility
Replacement and Refurbishment Program**

2019/20 CAPITAL REPLACEMENT & REFURBISHMENT PROGRAM

Projects

<u>Source of Supply / Storage Projects</u>		
1	JRWSS Capital Budget	41,309
2	Baker WTP Replacement Fund	52,795
<i>Total Source of Supply</i>		94,104
<u>Pumping (Water) Projects</u>		
3	P-3 New MCC w/ TS, Nema 3R Main & Generator and Pump Replacements	480,000
4	Water Stations PLC Upgrade to Control Logix	25,000
<i>Total Pumping (Water)</i>		505,000
<u>Pumping (Sanitation) Projects</u>		
5	Sewer Stations PLC Upgrade to Control Logix	25,000
6	4920 Siphon Stabilization	20,000
<i>Total Pumping (Sanitation)</i>		45,000
<u>Treatment (Sanitation) Projects</u>		
7	Grit Chamber Rehab/Re-Coating	85,000
<i>Total Treatment (Sanitation)</i>		85,000
<u>Outside Treatment (SOCWA)</u>		
8	SOCWA Capital Budget	592,512
<i>Total Treatment (SOCWA)</i>		592,512
<u>Transmission & Distribution Projects</u>		
9	AMR / AMI Implementation	200,000
10	Moulton/El Toro Cathodic Protection Repairs	50,000
<i>Total Mainline</i>		250,000
<u>General Building Projects</u>		
11	HVAC Replacement, Field Office Multi-Purpose Room	33,000
12	HVAC Replacement, Main Office (Bob Hill)	17,000
<i>Total General Building</i>		50,000
<u>Contingency</u>		
13	Contingency	71,270
<i>Total Contingency</i>		71,270
Total Capital Projects		\$1,692,886

Equipment

<u>Pumping (Water) Equipment</u>		
1	Spare Rectifier for Chlorine Generators	15,000
<i>Total Pumping (Water)</i>		15,000
<u>Pumping (Sanitation) Equipment</u>		
2	La Paz MCC and PLC Upgrade - Engineering	20,000
<i>Total Pumping (Sanitation)</i>		20,000
<u>Treatment (Sanitation) Equipment</u>		
3	OOPS Emergency Generator Replacement	220,000
4	Aqua-Aerobic CMD Filter Sock Replacements for Filters #1 & #2	25,000
5	Main Emergency Generator Control Panel & Auxiliary Power Up	28,000
<i>Total Treatment (Sanitation)</i>		273,000
<u>Laboratory Equipment</u>		
6	Undercounter Glassware Washer	8,000
<i>Total Laboratory Equipment</i>		8,000
<u>Vehicles/Vehicle Equipment</u>		
7	Vehicle Replacement	50,000
8	Dump Truck/Traffic Control Truck (Unit 4)	80,000
<i>Total Vehicles / Vehicle Equipment</i>		130,000
<u>Office Equipment/Furniture</u>		
9	Firewall Replacement	30,000
10	Nimble Storage Array Replacement	75,000
11	SCADA Server Upgrade Water/Sewer	32,500
12	Exchange Server Replacement	20,000
<i>Total Construction Equipment</i>		157,500
<u>Contingency</u>		
13	Contingency	71,270
<i>Total Contingency</i>		71,270
Total Capital Equipment		\$674,770
Total Capital Projects		1,692,886
Total Capital Equipment		674,770
Total Capital Budget		2,367,656

LEGEND

WATER
SEWER
BOTH

A large, tan-colored cylindrical water reservoir, likely made of metal or composite material, stands prominently against a clear blue sky. The reservoir has a smooth, slightly reflective surface. Two white pipes are visible: one on the left side and a larger one on the right side that extends from the top of the tank down to the ground. At the base of the tank, several yellow safety bollards are positioned around a horizontal pipe. The ground in front of the tank is dark asphalt. In the background, some green trees and a small building are visible.

Recycled Water Reservoir

**2019/2020
Capital Facility Project
Descriptions > \$50,000**

PROJECT TITLE: JOINT REGIONAL WATER SUPPLY SYSTEM

CAPITAL PLAN CLASSIFICATION:	SOURCE OF SUPPLY / STORAGE PROJECTS (PROJECT #1)
PROJECT BASIS:	Reliability
DESCRIPTION:	The Baker WTP Project Agreement established a Replacement Fund to provide for ongoing capital replacements of the Baker WTP equipment. The District pays a proportionate share of the Replacement Fund based on its owned capacity in the Baker Water Treatment Plant.
PROJECT BUDGET:	\$41,309
BASIS OF COST ESTIMATE:	JRWSS Budget provided by South Coast Water District.

PROJECT TITLE: BAKER WTP REPLACEMENT FUND



**CAPITAL PLAN
CLASSIFICATION:**

**SOURCE OF SUPPLY / STORAGE PROJECTS
(PROJECT #2)**

PROJECT BASIS:

Reliability

DESCRIPTION:

The Baker WTP Project Agreement established a Replacement Fund to provide for ongoing capital replacements of the Baker WTP equipment. The District pays a proportionate share of the Replacement Fund based on its owned capacity in the Baker Water Treatment Plant.

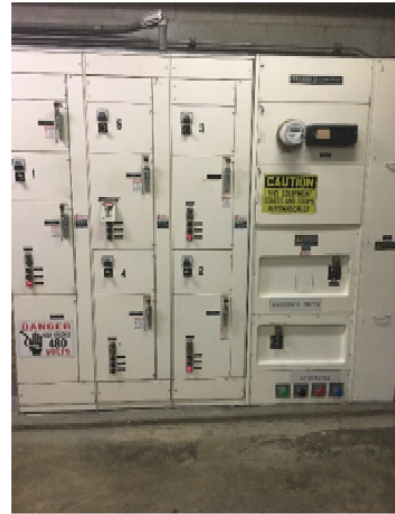
PROJECT BUDGET:

\$52,795

**BASIS OF
COST ESTIMATE:**

Baker Treatment Plant Budget provided by Irvine Ranch Water District.

PROJECT TITLE: P-3 NEW MCC W/ TS, NEMA 3R MAIN & GENERATOR AND PUMP REPLACEMENT PROJECT



CAPITAL PLAN CLASSIFICATION:

PUMPING (WATER) PROJECTS
(PROJECT #3)

LOCATION:

PUMP STATION NO. 3

PROJECT BASIS:

Water Supply Reliability; End of Useful Life; Safety

DESCRIPTION:

The existing pumping facility was installed in 1977. The MCC was manufactured in 1968, and is no longer supported. Internal components, such as motor starters, breakers and fuses are no longer readily available. The facility is also supported by a propane powered, 454 Oldsmobile driven, emergency back-up booster pump. Both the booster pump and Oldsmobile engine are in poor condition, and replacement parts are not readily available.

The proposed project will install a new MCC for pump/motor controls, as well as the facility lighting circuits that are currently in a separate wall panel. A new 500KW diesel powered emergency generator is also being proposed, to provide backup power during electrical service outages.

PROJECT BUDGET:

\$480,000

BASIS OF COST ESTIMATE:

Staff estimate based on components pricing and estimated installation costs.

PROJECT TITLE: GRIT CHAMBER REHAB / RE-COATING PROJECT



**CAPITAL PLAN
CLASSIFICATION:**

TREATMENT (SANITATION) PROJECTS
(PROJECT #7)

LOCATION:

WATER RECYCLING PLANT

PROJECT BASIS:

Preservation of Infrastructure, Reliability, Environmental Protection

DESCRIPTION:

The Grit Chamber, located at the Water Recycling Plant Headworks, was last lined over 15-years ago. The existing liner has deteriorated, exposing concrete surfaces in several areas. The concrete structure walls have deteriorated due to exposure to hydrogen sulfide gases. The inlet channels isolation valve has significant bleed-by, and needs to be replaced.

The proposed project will remove the existing liner and repair all damaged concrete. A new urethane liner will be installed throughout the chamber and overlap approximately 6-inches onto the chambers deck surface. A new stainless steel, channel framed, rising stem isolation gate valve will be installed in the inlet channel leading into the main chamber.

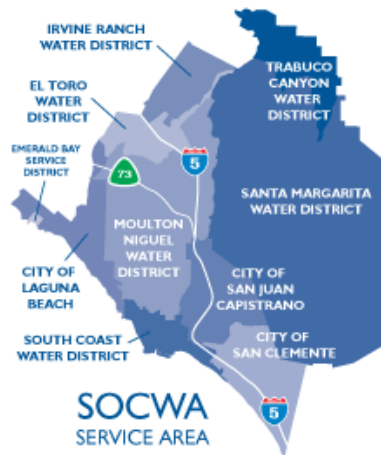
PROJECT BUDGET:

\$85,000

**BASIS OF
COST ESTIMATE:**

Staff estimate based on vendor and contractor quotes.

PROJECT TITLE: SOCWA



**CAPITAL PLAN
CLASSIFICATION:**

OUTSIDE TREATMENT - SOCWA
(PROJECT #8)

LOCATION:

SOCWA

PROJECT BASIS:

End of Useful Life; Reliability; Environmental Protection;
Regulatory Compliance

DESCRIPTION:

The District's share of the South Orange County Wastewater Authority capital budget is based on capacity ownership in the various Project Committees. SOCWA collects funding to support the capital improvements on a cash flow basis. The funds collected are intended to support actual costs rather than project budgets.

PROJECT BUDGET:

\$ 592,512

**BASIS OF
COST ESTIMATE:**

SOCWA Budget

PROJECT TITLE: AMR / AMI IMPLEMENTATION



**CAPITAL PLAN
CLASSIFICATION:**

TRANSMISSION & DISTRIBUTION PROJECTS
(PROJECT #9)

LOCATION:

SYSTEM WIDE

PROJECT BASIS:

Efficiency, Revenue Stability, Customer Service, Planning

DESCRIPTION:

Advanced Metering Infrastructure (AMI) systems consist of small, low-power radio transmitters connected to individual water meters that send readings to a network of receivers throughout the system on a daily basis. AMI systems allow remote monitoring of billing meters and have the potential to reduce operating costs for meter reading and billing, and improve customer service. The direct benefits to the District and its customers could include:

- Highly accurate data collection which decreases the possibility of incorrect meter readings.
- Timely information on water usage and cost that allows staff to provide better customer service and plan necessary improvements in efficiency and performance.
- Timely identification of water leaks which reduces water waste and increased water bills due to leaks.
- Multiple meter reads daily, instead of once every month.
- Quicker and more efficient customer service.
- Online access to the Water Customer Portal so customers can monitor and manage their water usage.

The current project budget assumes a phased implementation of an AMI system over multiple years.

PROJECT BUDGET:

\$200,000

**BASIS OF
COST ESTIMATE:**

Annual Budget Assuming Phased Implementation

PROJECT TITLE: OOPS EMERGENCY GENERATOR REPLACEMENT



CAPITAL PLAN CLASSIFICATION:

TREATMENT (SANITATION) EQUIPMENT
(EQUIPMENT #3)

LOCATION:

WATER RECYCLING PLANT

PROJECT BASIS:

Reliability; End of Useful Life; Environmental Protection

DESCRIPTION:

The existing emergency generator is 24-years old and has come to the end of its useful life. Repair parts for this generator have been difficult to locate, with many parts being obsolete. The radiator is weeping in numerous locations, and would need to be replaced. The estimates to replace the radiator, including backup generator rental, is \$33,000. The generator remains functional, but needs to be replaced to assure reliability.

The proposed project includes removing the existing generator, purchasing and installing a new SCAQMD compliant Tier 4 Final generator.

PROJECT BUDGET:

\$220,000

BASIS OF COST ESTIMATE:

Estimates from generator manufacturers and an electrical contractor for the removal and installation.

PROJECT TITLE: VEHICLE REPLACEMENTS



CAPITAL PLAN CLASSIFICATION:

VEHICLES / VEHICLE EQUIPMENT
(EQUIPMENT #7)

PROJECT BASIS:

End of Useful Life

DESCRIPTION:

The El Toro Water District fleet includes over 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 two new Ford F-150 pick-up trucks.

PROJECT BUDGET:

\$80,000

BASIS OF COST ESTIMATE:

The cost estimate was developed by the District's Senior 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: DUMP TRUCK / TRAFFIC CONTROL TRUCK



CAPITAL PLAN CLASSIFICATION:

VEHICLES / VEHICLE EQUIPMENT
(EQUIPMENT #8)

PROJECT BASIS:

Efficiency, Safety, End of Useful Life

DESCRIPTION:

The existing vehicle is a 1990 Ford Dump Truck. It is a small dump truck, in comparison to the District's other dump trucks. The vehicle is used for a variety of duties, including transporting smaller loads of materials, such as sand, rock, base and temporary asphalt, as well as steel trench plates to and from job sites. It is also used to transport and set, traffic control devices, for larger jobs, or jobs on the major arterial streets. The bed lift is electrically driven and is no longer capable of raising the bed with any significant amount of material.

The proposed replacement vehicle will be a Ford F-550 chassis, with a Specialty Equipment 8' x 12' dump body bed, with standing wells designed for the safe installation of traffic control devices. These standing wells (one on each side) have hinged steel covers that are set in place when only using the dump body function. It will have a hydraulic hoist and significantly more capacity than the existing truck.

PROJECT BUDGET:

\$80,000

BASIS OF COST ESTIMATE:

The cost estimate was developed by the District's Senior Mechanic and is inclusive of vehicle purchase costs, tax and license fees, as well as associated costs to outfit the vehicle for District Service.

PROJECT TITLE: NIMBLE STORAGE ARRAY REPLACEMENT PROJECT



**CAPITAL PLAN
CLASSIFICATION:**

OFFICE EQUIPMENT / FURNITURE
(EQUIPMENT #10)

PROJECT BASIS:

End of Life

DESCRIPTION:

Nimble will “End of Life” the District’s current CS240 storage array in December 2019, no longer providing updates or support for the device. This device will need to be replaced to provide network storage for the District’s production network.

PROJECT BUDGET:

\$75,000

**BASIS OF
COST ESTIMATE:**

The cost estimate was based on a previous quote.