

MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY

5 Harris Court, Bldg. D, Monterey, California 93940-5756
(831) 372-3367 or (831) 422-1001 - FAX: (831) 372-6178

BUDGET WORKSHOP NOTICE AND AGENDA

For

Monday, June 13, 2011, 7:00 p.m.

BOARD OF DIRECTORS

[Note: MRWPCA Board Members are appointed from their respective Joint Powers Authority (JPA) jurisdictions.]

Ron Stefani, Chair	Castroville Community Services Water District
Dennis Allion, Vice Chair	Del Rey Oaks
Ramiro Cortez	Boronda County Sanitation District
Lou Calcagno	County of Monterey
Dan Burns	Marina Coast Water District
Libby Downey	Monterey
Chris Orman	Moss Landing County Sanitation District
Carmelita Garcia	Pacific Grove
Gloria De La Rosa	Salinas
David Pendergrass	Sand City
Felix Bachofner	Seaside
VACANT	United States Army - Ex-Officio

You are invited to visit our Website @ www.mrwPCA.org to access a description of MRWPCA and its Mission Statement.

NOTE: All enclosures and staff materials regarding the following agenda items are available for public review on Thursday, June 9 through Monday, June 13, 2011, at the MRWPCA's Administrative Office in Monterey at Ryan Ranch and at the public libraries located in Castroville, Marina, Monterey, Pacific Grove, Salinas, and Seaside, and on our website.

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. PUBLIC COMMENTS

Anyone wishing to address the Board on matters not appearing on the Agenda may do so now for not more than three (3) minutes. Comments on any other matter listed on the Agenda are welcome at the time the matter is being considered by the Board.

5. COMMITTEE REPORTS AND RELATED ACTION ITEMS

Action Items related to Committee Reports consist of business which requires a vote by the Board. These items are acted upon in the following sequence: 1) Summary Staff Report; 2) Committee Chair Comments; 3) Board Questions to Committee Chair and Staff; 4) Public Comments, if any; and 5) Board Discussion and Action. Unless otherwise noted, approval of a Committee's Minutes/Report includes approval of the listed recommendations of the Committee by the Board.

A. BUDGET/PERSONNEL COMMITTEE

1. Receive Committee Recommendations from BPC Meeting of June 3, 2011

A. Agenda Item 1 - CLOSED SESSION

- i. Conference with Labor Negotiator
 - a. Employee Organizations: GEA, MMEG, MEG
- ii. Personnel Matter
 - a. /Public Employee Performance Evaluation : General Manager

- Recommendations to full Board to consider in Workshop Closed Session.

ACTION 2. Approve BPC Minutes/Report of June 3, 2011

6. 2011/2012 BUDGET SUMMARY

- | | |
|-------------------------------|------------------------|
| A. Budget Comments: | General Manager |
| B. Rates/Rate Model Overview | Deputy GM |
| C. O&M Expenditures/Revenues: | Deputy GM |
| D. Reserves/Fund Balance: | Deputy GM |
| E. Capital Projects: | Assist General Manager |
| F. Investments Update: | Director of Finance |

7. RECESS TO CLOSED SESSION

As permitted by Government Code Section 54956 et seq., the Board may adjourn to a Closed or Executive Session to consider specific matters dealing with pending or prospective litigation, certain personnel matters, or confer with the MRWPCA's Meyers-Milias-Brown representative.

A. Conference with Labor Negotiator

- i. MRWPCA Negotiator: General Manager
- ii. Employee Organizations:
 - a. General Employees' Association (GEA)
 - b. Mid-Management Employees' (MMEG)
 - c. Management Employees' Group (MEG)

B. Personnel Matter

- i. Public Employee Performance Evaluation: General Manager
- ii. Agency Negotiator: Budget/Personnel Committee

8. POSSIBLE ACTION ON CLOSED SESSION ITEMS

The Board will report out on any action taken during Closed Session, and may take additional action in Open Session, as appropriate.

9. BOARD MEMBER COMMENTS

Board Members may comment on a matter within the jurisdiction of the MRWPCA. No discussion or action is appropriate other than referral to staff or setting a matter as a future Agenda item.

10. ADJOURNMENT

Set next meeting(s)/location(s)/date(s)/time(s):

Regular and/or Special Meeting(s):

- A. Location: MRWPCA Board Room - Ryan Ranch, Monterey**

Date(s)/Time(s):

Regularly-Scheduled Meeting -

Monday, June 27, 2011 at 7 p.m.

* * * * *

This Meeting Notice and Agenda was posted at the Administrative Offices of the MRWPCA, 5 Harris Court, Building D, Monterey, California, and action may be taken on any of the items agendized above.

POSTED: Thursday, June 9, 2011

BY: */s/ Betty Nebb*
Executive Assistant



Monterey Regional Water Pollution Control Agency

*"Dedicated to meeting the wastewater and reclamation needs
of our member agencies, while protecting the environment."*

Administration Office:
5 Harris Court, Bldg. D, Monterey, CA 93940-5756
(831) 372-3367 or 422-1001, FAX: (831) 372-6178
Website: www.mrwpc.org

COMMITTEE MINUTES / REPORT

BUDGET/PERSONNEL COMMITTEE

Friday, June 3, 2011
2:35 p.m. to 3:38 p.m.

DRAFT

5 Harris Court, Building D
Monterey, CA 93940

AGENDA: PUBLIC COMMENTS

1. RECESS TO CLOSED SESSION

A. Conference with Labor Negotiator

1. MRWPCA Negotiator – General Manager
2. Employee Organizations:
 - i. General Employees Association (GEA)
 - ii. Mid-Management Employees Group (MMEG)
 - iii. Management Employees' Group (MEG)

B. Personnel Matter

1. Public Employee Performance Evaluation – General Manager
2. Agency Negotiator: Budget/Personnel Committee

2. POSSIBLE ACTION ON CLOSED SESSION ITEMS

PRESENT: Budget/Personnel Committee

Gloria De La Rosa, Chair
Ron Stefani
Carmelita Garcia
Dave Pendergrass

ABSENT: Chris Orman

PRESENT: MRWPCA Staff

Keith Israel	General Manager
Rob Wellington	Legal Counsel

June 3, 2011

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Brad Hagemann
Betty Nebb

Assistant General Manager
Executive Assistant

OTHERS PRESENT: None

PUBLIC COMMENTS

At 2:35 p.m., Chair De La Rosa opened and closed Public Comments.

[At 2:35 pm, Chair De La Rosa adjourned the meeting, and opened Closed Session.

1) RECESS TO CLOSED SESSION

- A. Conference with Labor Negotiator
 - 1. MRWPCA Negotiator – General Manager
 - 2. Employee Organizations:
 - i. General Employees Association (GEA)
 - ii. Mid-Management Employees Group (MMEG)
 - iii. Management Employees Group (MEG)
- B. Personnel Matter
 - 1. Public Employee Performance Evaluation – General Manager
 - 2. Agency Negotiator: Budget/Personnel Committee

[At 3:37 pm, Chair De La Rosa reconvened Open Session.]

2) POSSIBLE ACTION ON CLOSED SESSION ITEMS

Legal Counsel announced that the Committee took up in Closed Session the matter listed on the agenda, and received information from the Agency's negotiators; no action was taken.

With no further business, Chair De La Rosa adjourned the meeting at 3:38 pm. The next regularly scheduled monthly meeting will be held on June 17, 2011, at 1:30 pm.

2011 - 2012 DRAFT BUDGET

June 13, 2011



Monterey Regional Water Pollution Control Agency

5 Harris Court, Building D, Monterey, CA 93940
(831) 372-3367 or (831) 422-1001 • www.mrwPCA.org

Monterey Regional Water Pollution Control Agency

Board of Directors* 2011/2012

Ron Stefani, Chair	Castroville Community Services Water District, President
Dennis Allion, Vice-Chair	Del Rey Oaks, Vice Mayor
Ramiro Cortez	Boronda County Sanitation District
Lou Calcagno	County of Monterey, Supervisor
Dan Burns	Marina Coast Water District, Vice President
Libby Downey	Monterey, Council Member
Chris Orman	Moss Landing County Sanitation District
Carmelita Garcia	Pacific Grove, Mayor
Gloria De La Rosa	Salinas, Mayor Pro Tem
Dave Pendergrass	Sand City, Mayor
Felix Bachofner	Seaside, Mayor
Vacant Seat – Ex-Officio	United States Army

**Note: MRWPCA Board Members are appointed from their respective jurisdictions.*

Executive Staff

Keith Israel	General Manager
Brad Hagemann	Assistant General Manager
Robert Wellington	Legal Counsel
John Tiernan	Director of Administrative Services/Deputy General Manager
Tom Buell	Director of Finance
Betty Nebb	Executive Assistant to General Manager/Board

Mission Statement

The Monterey Regional Water Pollution Control Agency is dedicated to meeting the wastewater and reclamation needs of our member agencies while protecting the environment.

Vision Statement

The Monterey Regional Water Pollution Control Agency will be a model customer service provider for the efficient, innovative utilization of wastewater.

Three-Year Goals

(2011/2014, not in priority order)

- ◆ Develop the use of recycled and replenishment water
 - ◆ Enhance and implement cooperation/collaboration with other agencies on projects of joint interest
 - ◆ Develop and implement a comprehensive energy plan
 - ◆ Enhance internal and external outreach and communication
-
-

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Message from the General Manager

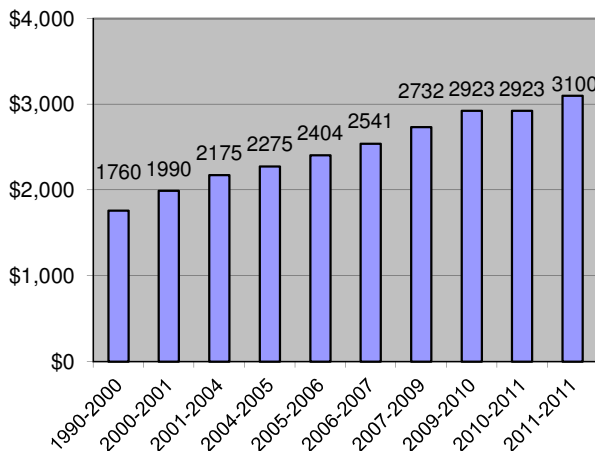
(This item will be included in the
Proposed Budget Report.)

Revenues and Expenditures Summary

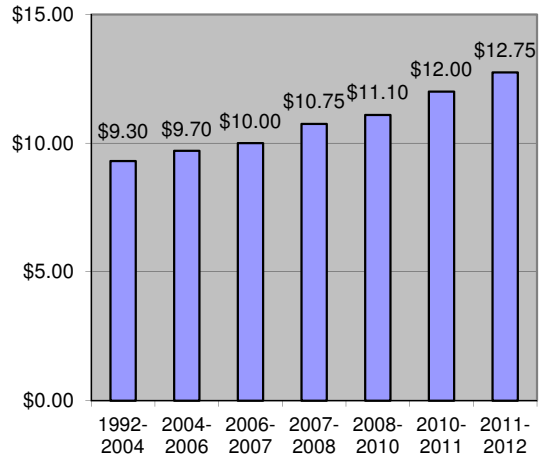
2009/10 Budget to 2011/12 Budget

	FY 09/10 Approved Budget	FY 10/11 Approved Budget	FY 11/12 Proposed Budget	% 10/11 Budget vs. 11/12 Budget
Revenue				
MRWPCA				
User Fees	\$14,926,606	\$16,217,940	\$17,279,580	6.55%
Other Operating	2,327,542	1,993,806	2,028,151	1.72%
Non-Operating	227,400	173,335	166,000	-4.23%
Reclamation Plant & Distr.	3,730,990	2,992,098	3,037,639	1.52%
Salinas River Diversion Facility	0	895,999	865,306	-3.43%
Total Revenue	\$21,212,538	\$22,273,178	\$23,376,676	4.95%
Expenditures				
MRWPCA				
Salaries and Benefits	\$9,188,260	\$9,331,142	\$9,431,386	1.07%
Services and Supplies	6,357,296	6,831,745	7,116,748	4.17%
Capital Projects	N/A	N/A	986,258	
Major O&M	N/A	N/A	450,000	
Debt Service Payments	1,645,083	1,545,708	1,471,646	-4.79%
Reclamation Plant & Distr.	3,730,990	2,992,098	3,037,639	1.52%
Salinas River Diversion Facility	0	895,999	865,306	-3.43%
Transfer to/from Reserves	290,909	676,486	17,693	-97.38%
Total Expenditures	\$21,212,538	\$22,273,178	\$23,376,676	4.95%
Balance	0	0	0	0%

Sewer Capacity Charge Rates



Residential User Rates



Notable Changes in Revenues and Expenditures

FY 11/12 Budget

Revenues		Changes
User Fees	\$0.75 rate increase	\$1,061,640
Brine Receiving	Decrease due to demand	-50,000
Liquid Waste Fees	Increased based on demand	25,000

Expenditures

• Salaries/Benefits	No employee COLA. Mandated PERS cost increases	\$100,244
• Chemicals	Increased in chemical cost	113,500
• Contract Services	Increase for NPDES permit	52,670
• Capital Projects	Amount required from user rates to cover capital projects	986,258
• Major O&M	Major O&M reserve fund closed – expensed out of O&M	450,000

Revenues

2010/11 Budget to 2011/12 Budget

Operating Revenues	2010/11 Budget	2011/12 Budget	10/11 Budget	
			Inc./(Decr.)	% Inc./(Decr.)
User Fees	\$16,217,940	\$17,279,580	\$1,061,640	6.55%
Transfer Reserves	0	0	0	0.00%
Other Operating Revenue				
Brine Receiving	400,000	350,000	-50,000	-12.50%
Liquid Waste Fees	350,000	375,000	25,000	7.14%
Grease Fees	130,000	140,000	10,000	7.69%
Diluted Oily Waste	100,000	120,000	20,000	20.00%
User Penalty Fees	250,000	275,000	25,000	10.00%
Lien Penalty Fees	25,000	25,000	0	0.00%
Lien Transfer Fees	70,000	75,000	5,000	7.14%
NSD Services Fees	69,500	68,400	-1,100	-1.58%
MOCO Wastewater Billings	14,400	14,400	0	0.00%
Fees - Outside Entities	175,000	200,000	25,000	14.29%
Reclamation - Reimbursements	228,096	235,960	7,864	3.45%
Salinas River Diversion Facility Reimbursement	51,810	52,391	581	1.12%
Lift Station Maintenance	80,000	80,000	0	0.00%
PG&E Auxiliary Power	20,000	7,000	-13,000	-65.00%
Misc. Operating Income	30,000	10,000	-20,000	-66.67%
Subtotal Operating Revenue	1,993,806	2,028,151	34,345	1.72%
Non-Operating Revenue				
Investment Gains/Interest	29,935	30,000	65	0.22%
Other Revenues	143,400	136,000	-7,400	-5.16%
Subtotal Non-Operating Revenue	173,335	166,000	-7,335	-4.23%
Revenues w/o Reclamation	\$18,385,081	\$19,473,731	\$1,088,650	5.92%
Reclamation - Plant	1,955,724	1,839,605	-116,119	-5.94%
Reclamation - Distribution	1,036,374	1,198,034	161,660	15.60%
Salinas River Diversion Facility - O&M	895,999	865,306	-30,693	-3.43%
General Fund Revenues	\$22,273,178	\$23,376,676	1,134,191	4.95%

Revenue Descriptions

User Fees - Direct billing to our customers who send their wastewater to our treatment plant via our interceptors and pump stations

The customer breakdown is as follows:

- | | | | |
|----------------|-----------------|---------------|-------------|
| a. Residential | 51,173 accounts | c. Industrial | 39 accounts |
| b. Commercial | 9,660 accounts | d. Military | 3 accounts |

Transfer Reserves - Amount transferred from the general fund reserves to balance the budget.

Brine Receiving - Liquid Waste - Grease - Oily Waste - Waste that is trucked to the treatment plant for processing.

User Penalty Fees - Amount assessed for late payments.

Lien Penalty & Transfer Fees - Amount assessed for transferring non-payments to property tax for collection.

NDS Service Fees - Admin. Fee for collecting fees on behalf of member entities.

MOCO Wastewater Billing - Admin. Fee for collecting fees on behalf of Monterey County.

Fees Outside Entities - Revenues for performing contract work for other entities; i.e., Salinas Industrial Ponds, city grease programs and maintenance/electrical work.

Recl. - Reimbursements - Admin. Fees for running the Reclamation Treatment and Distribution for the Monterey County Water Resources Agency (MCWRA).

SRDF - Reimbursements - Admin. Fees for running the Salinas River Diversion Facility for the Monterey County Water Resources Agency (MCWRA).

Lift Station Maintenance - Performing maintenance work on city lift stations for member entities.

PG&E Auxiliary Power - Revenue from selling power to PG&E.

Misc. Operating Income & Other Revenue - Permit, inspection and toxic monitoring fees.

Investment Interest - Amount of interest earned from general fund reserves.

Other Revenue - Insurance dividends, rebates and gain on sale of assets.

Reclamation - Reimbursement from MCWRA for cost of reclamation.

Salinas River Diversion Facility - Reimbursement from MCWRA for cost of facility operations and maintenance.

Revenues

Estimated 2010/11 Actual to 2011/12 Budget

Operating Revenues	2010/11 Est. Actual	2011/12 Budget	11/12 Budget	
			Cost Inc (Decr)	% Inc (Decr)
User Fees	\$16,026,000	\$17,279,580	\$1,253,580	7.82%
Transfer Reserves	0	0	0	0.00%
Other Operating Revenue				
Brine Receiving	340,000	350,000	10,000	2.94%
Liquid Waste Fees	393,000	375,000	-18,000	-4.58%
Grease Fees	148,000	140,000	-8,000	-5.41%
Diluted Oily Waste	123,000	120,000	-3,000	-2.44%
User Penalty Fees	320,000	275,000	-45,000	-14.06%
Lien Penalty Fees	25,000	25,000	0	0.00%
Lien Transfer Fees	75,000	75,000	0	0.00%
NSD Services Fees	68,400	68,400	0	0.00%
MOCO Wastewater Billings	14,400	14,400	0	0.00%
Fees - Outside Entities	200,000	200,000	0	0.00%
Recl. - Reimbursements	208,000	235,960	27,960	13.44%
Salinas River Diversion Facility Reim	32,000	52,391	20,391	63.72%
Lift Station Maintenance	80,000	80,000	0	0.00%
PG&E Auxiliary Power	6,500	7,000	500	7.69%
Misc. Operating Income	5,000	10,000	5,000	100.00%
Sub Total Other Operating Rev	2,038,300	2,028,151	-10,149	-0.50%
Non-Operating Revenue				
Investment Gains/Interest	28,000	30,000	2,000	7.14%
Other Revenues	136,000	136,000	0	0.00%
Sub Total Non-Operating	164,000	166,000	2,000	1.22%
Revenues w/o Reclamation	\$18,228,300	\$19,473,731	1,245,431	6.83%
Reclamation - Plant	1,955,724	1,839,605	(116,119)	-5.94%
Reclamation - Distribution	1,036,374	1,198,034	161,660	15.60%
Salinas River Diversion Facility	895,999	865,306	(30,693)	-3.43%
General Fund Revenues	\$22,116,397	\$23,376,676	\$1,260,279	5.70%



Expenditures

2010/11 Budget to 2011/12 Budget

Description	2010/11 Budget	2011/12 Budget	11/12 Budget	
			Cost Inc/-Decr	% Inc/-Decr
Salaries and Wages	\$5,630,729	\$5,600,195	(\$30,534)	-0.54%
Benefits	3,700,413	3,831,191	130,778	3.53%
Training & Administration	136,225	131,625	-4,600	-3.38%
Office Expenses	274,975	284,425	9,450	3.44%
Information Systems	252,090	266,075	13,985	5.55%
Professional Services	620,000	639,500	19,500	3.15%
Operating Supplies	374,673	384,200	9,527	2.54%
Contract Services	476,380	529,050	52,670	11.06%
Chemicals	1,125,800	1,239,300	113,500	10.08%
Utilities	2,394,072	2,425,793	31,721	1.32%
Maintenance & Repairs	1,158,530	1,193,280	34,750	3.00%
Billable Services	19,000	23,500	4,500	23.68%
Total O&M	\$16,162,887	\$16,548,134	\$385,247	2.38%
Debt Service	1,545,708	1,471,646	-74,062	-4.79%
Capital Projects	N/A	986,258	986,258	100%
Major O&M	N/A	450,000	450,000	100%
Transfer to (from) Reserves	676,486	17,693	-658,793	-97.38%
Total MRWPCA	\$18,385,081	\$19,473,731	\$1,088,650	5.92%
Reclamation - Plant	1,955,724	1,839,605	-116,119	-5.94%
Reclamation - Distrib.	1,036,374	1,198,034	161,660	15.60%
Salinas River Diversion Facility	895,999	865,306	-30,693	-3.43%
Total General Fund	\$22,273,178	\$23,376,676	\$1,103,498	4.95%

Expenditure Descriptions

Salaries and Wages - Wages for all regular and temporary positions.

Benefits - Includes health insurance, PERS retirement, and workers' compensation insurance.

Training and Administration - Includes training for employees, and conference and travel expenses.

Office Expense - Includes all office supplies, paper, printing and duplication, and computer equipment.

Information Systems - Includes postage and computer support.

Professional Services - Expenses such as insurance, engineering studies and legal services are included.

Operating Supplies - Plant expenses for vehicle fuel, small tools, and safety supplies make up this category.

Contract Services - Includes permit fees, laboratory analysis services, and laundry services.

Chemicals - All chemical costs to treat the wastewater are captured in this category.

Utilities - Includes the cost for utilities to our pump stations and plant and for sludge disposal fees.

Preventative Maintenance and Repairs - All building and grounds repair and plant equipment repairs are in this category.

Billable Services - This category of accounts is used to record costs that are reimbursable by other entities. There is an equal amount budgeted for revenue to offset these costs.

Reclamation Tertiary Plant and System O&M - Budget is based upon anticipated recycled and well water demand as provided by MCWRA. The anticipated revenue from MCWRA equals budgeted expenditures.

Salinas River Diversion Facility O&M - Budget is based upon anticipated recycled and well water demand as provided by MCWRA. The anticipated revenue from MCWRA equals budgeted expenditures.

Expenditures

Estimated 2010/11 Actual to 2011/12 Budget

Description	2010/11 Est. Actual	2011/12 Budget	11/12 Budget	
			Cost Inc./-Decr	% Inc./-Decr
Wages & Benefits	\$9,165,946	\$9,431,386	\$265,440	2.90%
Training & Administration	106,175	131,625	25,450	23.97%
Office Expenses	275,400	284,425	9,025	3.28%
Information Systems	247,500	266,075	18,575	7.51%
Professional Services	655,468	639,500	-15,968	-2.44%
Operating Supplies	411,355	384,200	-27,155	-6.60%
Contract Services	494,335	529,050	34,715	7.02%
Chemicals	1,148,800	1,239,300	90,500	7.88%
Utilities	2,272,283	2,425,793	153,510	6.76%
Maintenance & Repairs	1,272,888	1,193,280	-79,608	-6.25%
Billable Services	19,000	23,500	4,500	23.68%
Total O&M	\$16,069,150	\$16,548,134	\$478,984	2.98%
Debt Service	1,545,709	1,471,646	-74,063	-4.79%
Capital Projects	N/A	986,258	986,258	100%
Major O&M	N/A	450,000	450,000	100%
Transfer to (from) Reserves	613,441	17,693	-595,748	-97.12%
Total MRWPCA	\$18,228,299	\$19,473,731	\$1,245,432	6.83%
Reclamation - Plant	1,955,724	1,839,605	-116,119	-5.94%
Reclamation - Distrib.	1,036,374	1,198,034	161,660	15.60%
Salinas River Diversion Facility O&M	895,999	865,306	-30,693	-3.43%
Total General Fund	\$22,116,396	\$23,376,676	\$1,260,280	5.70%



Funds, Debt Service and Investments

Background/Overview

The Monterey Regional Water Pollution Control Agency (MRWPCA) operates with a General Fund (GF) and Reserve Account (GFR), Capacity Charges Fund (CCF), Capitalized Equipment Fund (CEF), O&M Repair Fund (OMRF), Urban Reclamation Fund (URF), Debt Service (DS), Capital Projects Fund (CPF) and various investment accounts. Below is a brief explanation of these:

Funds

General Fund (GF)

The GF is the MRWPCA's operating fund and generates its revenue from sewer user fees and a number of other revenues. The fund consists of seven separate departments (nine including two departments for Reclamation) for tracking expenses. The fund is also tracked by categories as shown on pages 2-7. The other substantial expense is Debt Service as shown on pages 10.

The MRWPCA approves a balanced budget each fiscal year beginning on July 1. The procedure for a balanced budget is, as follows:

1. Establish expenses for the upcoming year.
2. Establish other revenues for the upcoming year, plus prior year carryover.
3. Determine whether user fee rates will have to be adjusted to balance the budget.

Capitalized Equipment Fund (CEF)

The CEF was created for the purpose of stabilizing and avoiding sudden negative budgetary impacts in a particular year due to the purchase of capitalized equipment (\$2,500 and above). This fund is required as part of the Grant Revenue Program Guidelines. Funding for the CEF comes from the CPF. Details of the Equipment Fund can be found on pages 28-30.

Major O&M Repair Fund (OMRF)

The OMRF was created for the purpose of stabilizing and avoiding sudden negative budgetary impacts in a particular year due to the unforeseen repair of large O&M items (i.e., interceptors, pipeline, etc.). This fund is similar to the Equipment Replacement Fund, except that it will be used to account for large non-capitalized repairs. Details of the Repair Fund can be found on page 31.

General Fund Reserves (GFR)

The purpose of the GFR is to maintain adequate funds for the GF for unforeseen impacts and swings in revenues and expenses that may occur from year to year. Currently, the interest earned in the GFR is transferred to the GF. It is also used to pay a portion of various capital projects and funds the OMRF, as well as any large insurance deductibles that may occur. In addition, the GFR is currently funding the urban reclamation projects. It is anticipated that once urban reclamation customers are established, these funds will be returned to the GFR.

Capital Projects Fund (CPF)

The CPF is the MRWPCA's fund for providing construction capital for MRWPCA facilities, funding for the CEF and paying a portion of the Agency's Debt Service. Funding for the CPF is provided primarily from capacity charges and GFR. Depending on the size of projects, this fund may get additional funds from long-term financing. Details of the projects can be found on pages 24-27.

Urban Reclamation Fund (URF)

The URF was created for the purpose of funding the ongoing planning and public outreach for providing urban reclamation to a number of our entities. The current funding is coming from the GFR. It is anticipated that once urban reclamation customers are established, these funds will be returned to the GFR. Details of the projects can be found on page 32.

Investments

Policies and Objectives

The MRWPCA invests funds not required for day-to-day operations in financial instruments, as permitted by policy and state regulations. The investment objectives are:

1. To assure safety of principal.
2. To retain liquidity to meet projected and unexpected cash needs of MRWPCA.
3. To attain the best available yield, while returning liquidity and minimizing risk.

No speculative or "trading" activity on securities is permitted.

The Local Agency Investment Fund (LAIF) is used as the primary investment pool for the MRWPCA. In addition, funds are also invested with the California Asset Management Program (CAMP), Bank CD's and short-term US Treasuries when these other safe investment opportunities provide a better yield than we are currently getting with the Local Agency Investment Fund. Staff provides periodic updates and recommendations to the Board of Directors..

Debt Service

Marina Loan

This is a loan from the State Water Resources Control Board (SWRCB) for the construction of a pump station and tie-in to connect the Marina Coast Water District (MCWD) to the regional wastewater system.

2006 Bonds

In August 2006, the MRWPCA issued \$10 million Capital Appreciation Bonds for the purpose of upgrading the Regional Treatment Plant in the area of biosolids, liquid waste, co-generation, and other treatment facilities.

2003 Bonds

These refunding bonds were issued beginning June 2003 to replace the 1993 and 1994 bonds. The purpose was to take advantage of low interest rates.

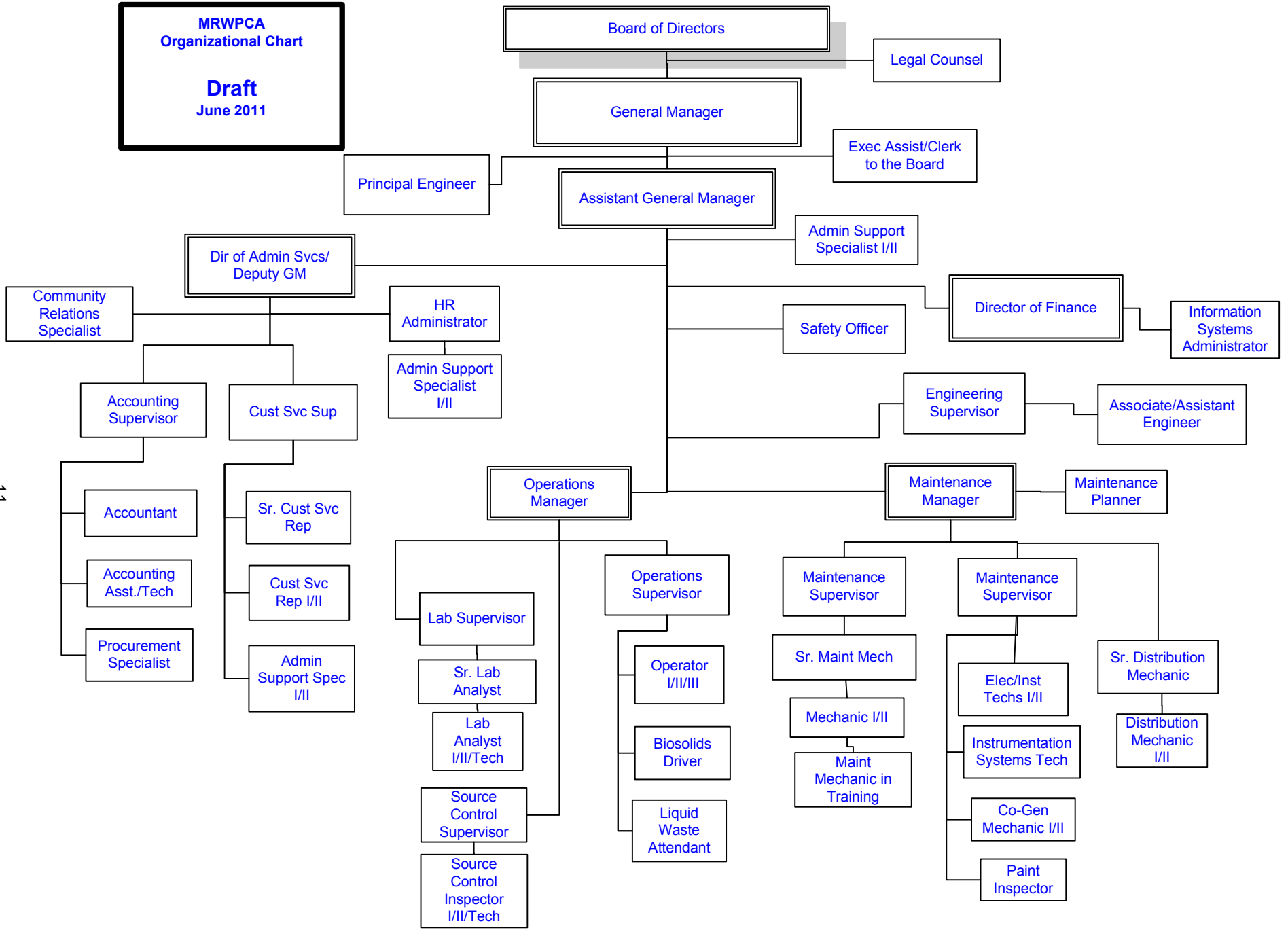
Summary of Debt Service				
<i>Fiscal Year 2011/12 Budget</i>				
Fiscal Year	SWRCB Loan	2003 Bonds	2006 Bonds	Total Annual Requirements
2011/12	224,632.31	1,256,250.00	481,312.50	1,962,194.81
2012/13	224,632.31	1,224,750.00	481,312.50	1,930,694.81
2013/14	224,632.31	660,125.00	931,312.50	1,816,069.81
2014/15		992,600.00	712,187.50	1,704,787.50
2015/16		917,200.00	701,562.50	1,618,762.50
2016/17		998,400.00	515,937.50	1,514,337.50
2017/18			1,412,750.00	1,412,750.00
2018/19			1,299,000.00	1,299,000.00
2019/20			1,203,500.00	1,203,500.00
2020/21			1,210,500.00	1,210,500.00
2021/22			1,230,000.00	1,230,000.00
2022/23			1,231,250.00	1,231,250.00
2023/24			1,180,000.00	1,180,000.00
2024/25			1,128,750.00	1,128,750.00
2025/26			1,102,500.00	1,102,500.00
2026/27				0.00
Totals	\$673,896.93	\$6,049,325.00	\$14,821,875.00	\$21,545,096.93

Debt Schedules			
<i>Fiscal Year 2011/12 Budget</i>			
General Fund 2011/12	Interest	Principal	Payments
Bonds:			
Series 2003	\$169,687.50	\$772,500.00	\$942,187.50
Series 2006	360,984.40	-0-	360,984.40
Loans: SWRCB	14,744.62	153,729.60	168,474.22
Totals:	\$545,416.52	\$926,229.60	\$1,471,646.12

Capital Improvement Program 2011/12	Interest	Principal	Payments
Bonds:			
Series 2003	\$56,562.50	\$257,500.00	\$314,062.50
Series 2006	120,328.10	-0-	120,328.10
Loans: SWRCB	4,914.88	51,243.20	56,158.08
Totals:	\$181,805.48	\$308,743.20	\$490,548.68

**MRWPCA
Organizational Chart**

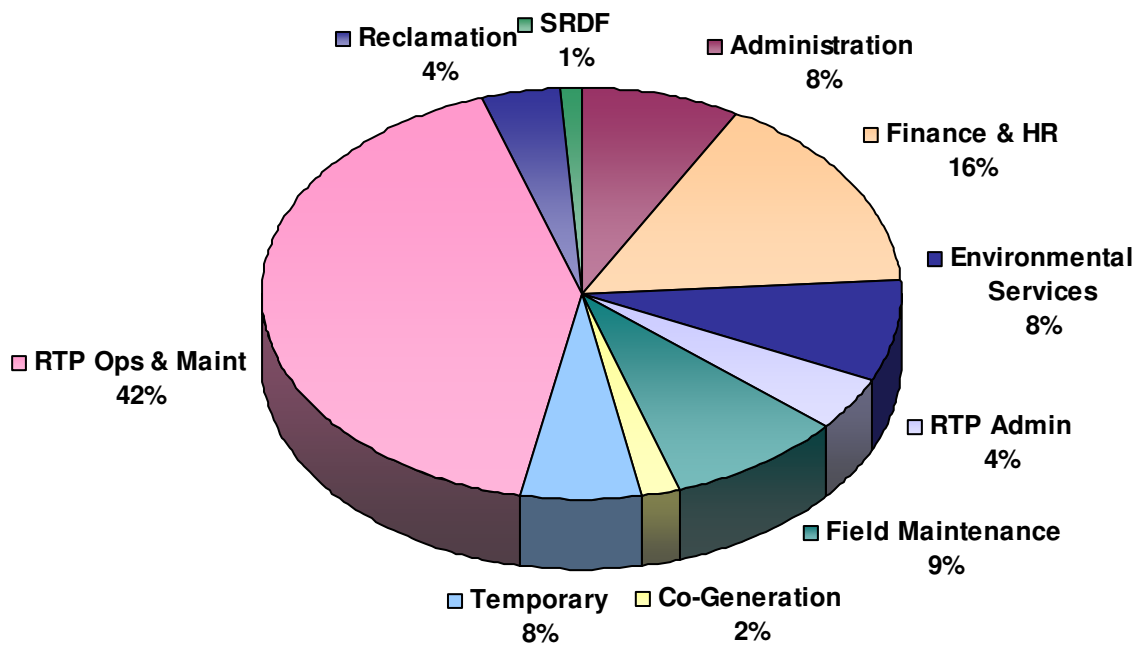
**Draft
June 2011**



Staff Position Allocations

FY 2011/12 Budget

	10/11 Budget	11/12 Budget	Change
Administration	6.0	6.0	0.0
Finance and HR	13.0	13.0	0.0
Environmental Services	6.0	6.0	0.0
RTP Administration	3.0	3.0	0.0
Field Maintenance	7.0	7.0	0.0
Co-Generation	1.0	2.0	1.0
RTP Operations & Maintenance	34.0	33.0	(1.0)
Total Regular Employees	70	70	0.0
Temporaries/Interns	6.0 FTE	5.0 FTE	(1.0)
Total Employees w/o Reclamation	76.0	76.0	(1.0)
Reclamation	4.0	3.0	(1.0)
Salinas River Diversion Facility (SRDF)	1.0	1.0	0.0
Total Employees w/Reclamation	81.0	79.0	(2.0)



Department 10 – Administration

Administration Department provides long-range planning, revenue-generating ideas, community relations, and information systems for MRWPCA.

General Manager and Deputy General Manager, while interfacing directly with the Board of Directors, work together to provide guidance and coordination to the various areas of responsibility overseeing the administrative operations of the Agency.



Community Relations Specialist is responsible for implementing the MRWPCA community relations programs. This includes public education, school outreach and service programs focusing on water recycling principles, water sources and conservation, pollution prevention, and proper waste disposal. The California Water Environment Association granted State recognition in 2007 for this program.

Information Systems Specialist is responsible for installation, integration, evaluation and maintenance of the Agency's local and wide area networks and serving as technical resource to staff on use of computers and related equipment. Additionally serves as communication resource for telephone and audio/visual equipment for Administration and Regional Treatment Plant.

2011/12 Expenditures	10/11 Budget	10/11 Est. Actual	11/12 Proposed
Wages and Salaries	\$454,464	\$493,511	\$500,227
Employee Benefits	392,853	394,892	412,414
Other Benefits	37,600	37,650	37,700
Office Expense	132,600	152,500	149,500
Information System	50,000	54,000	50,000
Professional Services	418,000	459,200	422,500
Operating Supplies	4,000	4,000	4,000
Contract Services	12,880	12,900	12,900
Utilities	35,150	35,983	36,220
Maintenance and Repairs	22,000	26,000	25,000
Billable Services	0	0	0
Totals	\$1,559,547	\$1,670,636	\$1,650,461

Department 13 – Finance/Human Resources/ Customer Service

The Finance/Human Resources/Customer Service Department is responsible for the overall financial management of MRWPCA. The entire department is committed to delivering exceptional financial and human resources services and support to our customers.

Finance is responsible for preparing and maintaining accurate records of MRWPCA's fiscal activities. The areas of responsibility include financial statements, investments, banking activities, purchasing, risk management, fixed assets, budget analysis and control, payroll, accounts payable, audits and grant/loan administration.



Customer Service is responsible for maintaining 55,000 customer accounts, billing for sewage treatment and disposal, and issuing sewer capacity permits for new construction. Customer Service ensures billing equity for all of its residential, commercial, industrial and military users.

Human Resources is responsible for coordinating recruitment, benefits administration, training and travel, and interpreting and applying current labor laws and MRWPCA personnel policies.

2011/12 Expenditures	10/11 Budget	10/11 Est. Actual	11/12 Proposed
Wages and Salaries	\$1,086,896	\$1,081,406	\$1,065,586
Employee Benefits	603,658	587,200	637,771
Other Benefits	80,100	51,100	73,700
Office Expense	58,450	47,200	51,050
Information Systems	183,090	186,400	185,075
Professional Services	70,500	70,800	67,000
Operating Supplies	0	0	0
Contract Services	250	0	0
Utilities	240	400	0
Maintenance and Repairs	0	0	450
Totals	\$2,083,184	\$2,024,506	\$2,080,632

Department 25 – Environmental Services

The Environmental Services Department includes the Laboratory, Source Control and Environmental Specialties. The Laboratory provides support services for treatment plant process control, permit compliance and industrial waste monitoring. Additionally, the Laboratory continues to participate in the Central Coast Long-Term Environmental Assessment Network (CCLEAN) monitoring programs and providing support to the National Marine Sanctuary in its ongoing research efforts. Source Control provides support services to the treatment plant by monitoring and controlling the discharge of toxic, hazardous and problem pollutants at the source before they become a problem at the treatment plant. The Environmental Specialties section is responsible for managing environmental aspects of MRWPCA.



2011/12 Expenditures	10/11 Budget	10/11 Est. Actual	11/12 Proposed
Wages and Salaries	\$563,022	\$603,567	\$552,450
Employee Benefits	388,804	349,405	349,286
Other Benefits	2,450	1,825	2,450
Office Expense	7,300	4,750	7,800
Information System	0	0	9,000
Operating Supplies	47,500	38,605	47,700
Contract Services	303,000	297,635	341,550
Utilities	1,500	1,500	1,500
Maintenance and Repairs	7,500	16,188	12,500
Billable Services	2,000	2,000	2,500
Totals	\$1,323,076	\$1,315,475	\$1,326,736

Department 30 – RTP Administration

RTP Administration Department is a centralized support service team located at the Regional Treatment Plant Facility. The services provided include, but are not limited to, the following:

- Under direction of the Assistant General Manager, provides leadership to all Agency departments.
- Monitor all aspects of the MRWPCA Safety Program.



2011/12 Expenditures	10/11 Budget	10/11 Est. Actual	11/12 Proposed
Wages and Salaries	\$326,439	\$324,032	\$328,186
Employee Benefits	180,263	180,508	189,491
Other Benefits	7,700	8,000	9,000
Office Expense	23,750	21,250	24,000
Information Systems	5,000	5,100	5,000
Professional Services	15,000	10,000	30,000
Operating Supplies	53,000	52,500	53,000
Contract Services	64,500	62,500	68,500
Utilities	1,400	1,400	1,400
Maintenance and Repairs	500	500	500
Totals	\$677,522	\$665,790	\$709,077

Department 32 – Field Maintenance

The Field Maintenance Department consists of mechanics, an instrumentation/electrician technician and the Field Maintenance Supervisor. The group's primary responsibility is the operation and maintenance of the Agency's 10 pump stations and 16 lift stations owned by Pacific Grove, Monterey and Seaside. Additionally, Field Maintenance is responsible for the Agency's 30 miles of transportation interceptors and 28 Air Relief Stations. MRWPCA's Spill Prevention Program is maintained by the department as well. Monterey County contracted Field Maintenance to assist with instrumentation/electrical needs.



2011/12 Expenditures	10/11 Budget	10/11 Est. Actual	11/12 Proposed
Wages and Salaries	\$654,975	\$656,839	\$643,750
Employee Benefits	356,544	373,786	374,509
Other Benefits	1,000	1,500	1,500
Office Expense	2,100	2,100	2,100
Information System	8,000	4,000	11,000
Professional Services	18,000	18,000	18,000
Operating Supplies	36,423	37,500	36,800
Contract Services	17,500	27,300	22,100
Chemicals	813,000	813,000	828,000
Utilities	1,301,482	1,309,700	1,277,000
Maintenance and Repairs	462,400	447,400	425,000
Billable Services	17,000	17,000	21,000
Totals	\$3,688,424	\$3,708,125	\$3,660,759

Department 37 – Cogeneration

The Cogeneration Department consists of mechanics whose primary responsibility includes the operation and maintenance of the three 580kW generator sets and auxiliary equipment necessary to provide power for the Plant. Cogeneration’s duties include operation and maintenance of the Agency’s 13 emergency generators at the pump stations and the additional 7 emergency generators for member entities. The portable pumps and generators are also maintained by Cogeneration.



2011/12 Expenditures	10/11 Budget	10/11 Est. Actual	11/12 Proposed
Wages and Salaries	\$114,324	\$172,776	\$183,821
Employee Benefits	51,119	67,945	101,435
Other Benefits	200	100	100
Office Expense	200	100	100
Information System	0	0	0
Professional Services	29,500	29,500	32,000
Operating Supplies	24,200	55,750	24,950
Contract Services	13,500	13,500	14,000
Chemicals	7,800	6,800	7,800
Utilities	500,450	475,450	565,423
Maintenance and Repairs	243,530	251,300	257,830
Totals	\$984,823	\$1,073,221	\$1,187,459

Department 40 - RTP Operations and Maintenance

The Operations Department, Equipment Maintenance Department, Utilities Department, and Engineering Services Department make up the RTP Operations and Maintenance Department. These groups work together to ensure the final effluent is of the highest quality and that the recycled water is safe for reuse.



2011/12 Expenditures	10/11 Budget	10/11 Est. Actual	11/12 Proposed
Wages and Salaries	\$2,430,609	2,279,169	\$2,326,175
Employee Benefits	1,727,172	1,600,910	1,766,285
Other Benefits	7,175	6,000	7,175
Office Expense	50,575	47,500	49,875
Information System	6,000	6,000	6,000
Professional Services	69,000	67,968	70,000
Operating Supplies	209,550	223,000	217,750
Contract Services	64,750	72,500	70,000
Chemicals	305,000	329,000	403,500
Utilities	553,850	447,850	544,250
Maintenance and Repairs	422,600	531,500	472,000
Totals	\$5,846,281	\$5,611,397	\$5,933,010

Department 50 – Water Recycling

The Water Recycling Department (or Reclamation Operations), in partnership with Monterey County Water Resources Agency (MCWRA), is responsible for reliably producing water that meets our Salinas Valley customers’ needs for irrigation and seawater intrusion reduction. An integral part of our mission is to continue to be responsive to our diverse customers and their ever-changing demands.



2011/12 Expenditures	10/11 Approved	10/11 Est. Actual	11/12 Proposed
Salaries and Benefits	\$427,499	\$427,499	\$413,056
Other Benefits	1,500	1,500	1,500
Office Expense	3,000	3,000	5,000
Professional Services	40,000	40,000	40,000
Operating Supplies	24,000	24,000	24,000
Contract Services	21,000	21,000	21,000
Chemicals	566,585	566,585	515,000
Utilities	427,520	427,520	391,307
Maintenance and Repairs	259,900	259,900	246,500
Billable Services	184,720	184,720	182,242
Capital Outlay	0	0	0
Totals	\$1,955,724	\$1,955,724	\$1,839,605

Department 55 – Reclamation Distribution

The Reclamation Distribution Department includes distribution operators and a half-time lab analysis technician. Additional funds are budgeted for support for a mechanic and/or instrumentation technician when needed. These employees operate the Reclamation Distribution System which provides recycled water to over 12,000 acres.

The system is designed to provide the agriculture industry in the Castroville area with recycled water to help prevent further seawater intrusion into the area’s aquifers. Customer service is provided by ensuring that the system can provide the growers with efficient recycled water delivery and optimize cost effectiveness.



2011/12 Expenditures	10/11 Approved	10/11 Est. Actual	11/12 Proposed
Salaries and Benefits	\$446,506	\$446,506	\$457,809
Other Benefits	3,200	3,200	3,400
Office Expenses	3,650	3,650	3,400
Professional Services	59,500	59,500	89,000
Operating Supplies	14,450	14,450	15,050
Contract Services	70,800	70,800	47,800
Utilities	260,150	260,150	370,950
Maintenance and Repairs	70,000	70,000	91,500
Billable Services	108,118	108,118	119,125
Totals	\$1,036,374	\$1,036,374	\$1,198,034

Department 57 – Salinas River Diversion Facility Operations & Maintenance

The SRDF includes an inflatable dam in the Salinas River with a fish ladder to allow for fish passage. A pump station and pipeline carry the water to the Regional Treatment Plant where the water is screened and disinfected. Finally, the water is mixed with recycled water from the SVRP and distributed to the growers through the CSIP system.

The SRDF Department includes portions of the distribution operator's time and most of a lab analysis technician's time. Additional funds are budgeted for support for operators to provide chlorine disinfection and mechanics for repairs.



2011/12 Expenditures	10/11 Approved	10/11 Est. Actual	11/12 Approved
Salaries and Benefits	\$189,570	\$189,570	\$193,356
Other Benefits	500	500	500
Office Expense	2,750	2,750	2,750
Professional Services	10,000	10,000	10,000
Operating Supplies	9,550	9,550	9,550
Contract Services	9,000	9,000	39,000
Chemicals	55,047	55,047	48,100
Utilities	465,500	465,500	400,500
Maintenance and Repairs	33,700	33,700	41,200
Billable Services	120,382	120,382	120,350
Capital Outlay	0	0	0
Totals	\$895,999	\$895,999	\$865,306

Summary of Agency Reserves

Fiscal Year 2011/12

General Fund Reserves (GFR)	Beg. Balance	Activity	End. Balance
Beginning Balance 7/1/11	\$6,000,000		
Interest Earned		30,000	
Transfer From Major O&M Repair Fund		300,000	
Transfer Interest to General Fund		-30,000	
Transfer To General Fund Operations		-68,767	
Transfer To Capital Projects Fund		0	
Transfer To Capitalized Equipment Fund		-100,000	
Transfer To Urban Reclamation Fund		-280,000	
Transfer To Major O&M Repair Fund		0	
Ending Balance 6/30/12	\$6,000,000	-148,767	\$5,851,233

Capital Projects Fund (CPF)	Beg. Balance	Activity	End. Balance
Beginning Balance 7/1/11	\$5,500,000		
Capital Borrowing			
Interest Earned		20,000	
Sewer Capacity Fees		705,653	
Transfer From General Fund		986,258	
Debt Service		-490,549	
Capital Projects		-3,815,000	
Ending Balance 6/30/12	\$5,500,000	-2,593,638	\$2,906,362

Capitalized Equipment Fund (CEF)	Beg. Balance	Activity	End. Balance
Beginning Balance 7/1/11	\$1,150,000		
Interest Earned		11,500	
Transfer From General Fund		100,000	
Capitalized Equipment Purchases		-750,000	
Ending Balance 6/30/12	\$1,150,000	-638,500	\$511,500

Major O&M Repair Fund (OMRF)	Beg. Balance	Activity	End. Balance
Beginning Balance 7/1/11	\$300,000		
Interest Earned		0	
Transfer To General Fund		-300,000	
Major O&M Projects - moved to General Fund			
Ending Balance 6/30/12	\$300,000	-300,000	\$0

Urban Reclamation Fund (URF)	Beg. Balance	Activity	End. Balance
Beginning Balance 7/1/11	\$0		
Interest Earned		0	
Transfer From General Fund Reserves		280,000	
Urban Reclamation Projects		-280,000	
Ending Balance 6/30/12	\$0	0	\$0

Totals	\$12,950,000	-3,680,905	\$9,269,095
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Capital Projects Fund

FY 2011/12 Budget

Capital Projects Fund	2010/11		2011/12 Budget	Change
	Est. Actual	Budget		10/11 vs. 11/12 Budget
Revenues				
Balance Forward	\$7,272,070	\$6,039,647	\$5,500,000	(\$539,647)
Interest Earned	20,000	20,000	20,000	0
Sewer Capacity Fees	500,000	667,411	705,653	38,242
Transfer from General Fund	1,223,166	0	986,258	986,258
Capital Borrowing				
Total Revenue	\$9,015,236	\$6,727,058	\$7,211,911	\$484,853
Expenses				
Debt Service	\$515,236	\$515,236	\$490,549	(24,687)
Transfer to Capitalized Eq. Fund	0	0	0	0
Capital Projects	3,000,000	4,282,000	3,815,000	(467,000)
Total Expenses	\$3,515,236	\$4,797,236	\$4,305,549	(\$491,687)
Balance	\$5,500,000	\$1,929,822	\$2,906,362	\$976,540

CAPITAL PROJECTS FOR FISCAL YEAR 2011/2012

CP203- Digester Mixing System Upgrades

In 2006, the gas mixing system on Digester #4 was replaced with a higher efficiency pump mixing system. In 2009 the design was completed for installation of two more pump mixing systems on Digesters #2 and 3. This project will construct the improvements to those two digesters. Total project cost is estimated at \$1,750,000. Expenses in FY 11/12 is estimated at \$1,350,000.

Requested FY12 Budget: \$1,350,000 (Construction)
 \$1,350,000

CP220- Bioflocculation Blowers, Diffusers, Control System

The existing biofloc system has low efficiency and sometimes is unable to provide a sufficient amount of dissolved oxygen in the system. This project will incorporate the recommendations of a study completed in 2009 to upgrade the blowers, diffusers, and control system to high-efficiency technology. Total project cost is estimated at \$1,855,000. Expenses in FY 11/12 is estimated at \$1,355,000

Requested FY12 Budget: \$ 200,000 (Design)
 \$1,155,000 (Construction)
 \$ 1,355,000

CP230- Headworks Wet Scrubber Replacement

The wet scrubbers at the headworks have required intensive maintenance and chemicals to remain in working order. Construction of one system was completed in FY10/11 and testing has been underway to obtain approval from the Air Board to go forward with the second wet scrubber in FY11/12.

Requested FY12 Budget: \$ 55,000 (Construction)
 \$ 55,000

CPXXX- Primary Clarifiers 1-4 Pump Pit Roof

The roof on the Primary Clarifier Pump Pit was removed several years ago due to corrosion. This project will include design and installation of a new metal roof over the pump pit to keep equipment from corroding due to exposure to the elements.

Requested FY12 Budget: \$ 30,000 (Design)
 \$ 140,000 (Construction)
 \$ 170,000

CPXXX- Screwpress Sampling and Monitoring Manhole

For process control and to determine the efficiency of the screw presses, a new manhole will be installed with a flow meter and composite sampler incorporated.

Requested FY12 Budget: \$ 25,000 (Construction)
 \$ 25,000

CPXXX- Biocell Wall

Several years ago the plant began accepting liquid waste loads known as “biocell loads”. These loads must be handled separately from the plant flows and are discharged directly from incoming trucks to a drying bed currently outfitted with a dirt berm to keep the water in a contained area. This project will result in a more permanent water-tight area for biocell loads to be discharged.

Requested FY12 Budget: \$ 5,000 (Design)
 \$ 45,000 (Construction)
 \$ 50,000

CPXXX- Maintenance Building Roof Replacement

Leaking areas of the Maintenance Building Roof were replaced in 2007. The remaining areas of the roof should be replaced before more leaks occur.

Requested FY12 Budget: \$ 50,000 (Construction)
 \$ 50,000

CPXXX- Fire Alarm System Upgrades

Some areas of the plant require upgrades to the existing fire alarm system including installation of visual strobes. These are safety upgrades so that alarms can be heard and/or seen in all areas of the plant.

Requested FY12 Budget: \$ 50,000 (Construction)
 \$ 50,000

CPXXX- Administration Building Roofs

This project will repair and replace the roofs on our two administration buildings, at the Treatment Plant and at Ryan Ranch.

Requested FY12 Budget: \$ 100,000 (Construction)
 \$ 100,000

CPXXX- Chemical Building Roof

This project will replace the roof on our old Chemical Building which has resulted in numerous leaks inside the electrical room over the years.

Requested FY12 Budget: \$ 60,000 (Construction)
 \$ 60,000

CPXXX- Seismic Evaluations

Seismic evaluation of several buildings at the Regional Treatment Plant including Trickling Filter Electrical Building, Bioflocculation Building, Storage Building, Chemical Building and the tank anchorage at the Fire Pump Station.

Requested FY12 Budget: \$ 100,000 (Design)
 \$ 100,000

CPXXX- Salinas Pump Station Capacity Enhancement

This project will begin the Environmental Review and Design necessary for capacity enhancements to the Salinas Pump Station. Staff has begun preparing a Request for Proposals for development of a Programmatic EIR for work to be done at the pump station.

Requested FY12 Budget: \$ 150,000 (Design)
 \$ 150,000

CP246- Coral St Pump Station Structural Rehab

The Coral Street Pump Station lid will be replaced and work on plans to move the electrical equipment out of the pump station and uphill from the ocean will continue.

Requested FY12 Budget: \$ 15,000 (Design)
 \$ 125,000 (Construction)

\$ 140,000

CPXXX- Castroville Pump Station Rebuild Influent Manhole

The influent manhole to the Castroville Pump Station has deteriorated significantly due to high H2S levels from the Moss Landing and Castroville influent pipeline flows. A new manhole will be constructed with a coating to combat future deterioration.

Requested FY12 Budget: \$ 100,000 (Construction)
 \$ 100,000

CPXXX- Castroville Pump Station Recoat Influent Sluice Gate Vault

The influent sluice gate vault to the Castroville Pump Station contains grinders and sluice gates to isolate the pump station in an emergency. The sluice gate vault will be coated to ensure that concrete deterioration is minimized or eliminated.

Requested FY12 Budget: \$ 60,000 (Construction)
 \$ 60,000

TOTAL FY11/12 CAPITAL PROJECTS = \$3,815,000



Capitalized Equipment Fund

FY 2011/12 Budget

Capitalized Equipment Fund	2010/11		2011/12 Approved Budget	Change
	Est. Actual	Budget		10/11 vs. 11/12 Budget
Revenues				
Balance Forward	\$1,481,861	\$1,501,268	\$1,150,000	
Interest Earned	14,000	14,250	11,500	
Transfer from General Fund Reserves	175,000	175,000	100,000	
Total Revenue	\$1,670,861	\$1,690,518	\$1,261,500	(\$295,774)
Expenses				
Capitalized Equipment Purchases	520,861	688,481	750,000	
Total Expenses	\$520,861	\$688,481	\$750,000	\$243,221
Balance	\$1,150,000	\$1,002,037	\$511,500	(\$538,995)

CAPITALIZED EQUIPMENT FOR FISCAL YEAR 2011/2012

1201- Pump Station SCADA Generator

This generator will provide emergency power so pump station SCADA alarms will remain active during power outages.

Requested FY11 Budget: \$ 15,500

1202-Digital Low Resistance Ohmmeter

A Digital Low Resistance Ohmmeter is an electrical test meter that measures continuity with a high amount of resolution. The existing grounding system at the RTP has deteriorated to the point where some of the electrical equipment is not properly grounded. This tool will be used to eliminate safety hazards from lack of grounding. This tool can also be used to perform predictive maintenance on motor and transformer windings as well as contact resistance measurements on transfer switches and breakers.

Requested FY11 Budget: \$ 5,000

1203- Castroville Pump Motor

A spare motor is need for the sewage pumps at the Castroville Pump Station to ensure reliability of the system when maintenance is necessary.

Requested FY11 Budget: \$ 70,000

1204- Castroville Emergency Generator

The existing generator will only power one VFD at full speed or two VFD's at a reduced percentage. The backup reduced voltage soft starts require more startup current and the existing generator shuts down if a soft start is activated. This is necessary to ensure power reliability when PG&E power is unavailable.

Requested FY11 Budget: \$ 120,000

1205- Salinas Dimminutor

This is the last of several grinders purchased over the past several years to replace aged equipment at the Salinas and Fort Ord Pump Stations. This unit is used for grinding solids at the pump station before the sewage flow reaches the sewage pumps.

Requested FY11 Budget: \$ 120,000

1206- Air Compressor 185 cfm

The Agency's existing towable compressor is a 375 cfm unit that is limited in use to 80 hours per year due to emissions controls on aging equipment. The new, smaller unit is needed for Seaside Pump Station to operate the air hoist in the wetwell when installing and removing the low flow pumps, as well as used at various locations around the RTP.

Requested FY11 Budget: \$ 15,500

1207- Vehicle Replacement Program

This is an on-going account originally intended to replace 10% of our vehicles annually. This request will replace four vehicles this fiscal year.

Requested FY11 Budget: \$ 58,200

1208- Snail Pump Guide Rails

Guide rails, piping, valve repositioning, and grating replacement to place the two snail pumps at the bioflocculation/aeration inlet channel on a proper guide system will allow removal of pumps without having to deal with discharge piping that is currently connected to pumps. It will clean up the area by not having holes with coming through the grating and makes it uniform with all other submersible pump locations in the plant.

Requested FY11 Budget: \$ 6,800

1209- Class "C"/Cooling Water NaOCl Pump Skid

Chemical pump will be installed in a weather-proof cabinet with electrical wiring and SCADA to bring tank level and pump controls to control room. This chemical pump station is needed for algae control at various locations throughout the RTP – clarifiers, thickeners, cogen, and screw press facility.

Requested FY11 Budget: \$ 10,000

1210- 6" Portable Dri-Prime Pump

This will be added to the Agency's emergency equipment and is necessary to pump sewage from a number of pump stations in emergency situations. We currently have one of these pumps that must be replaced due to Air Permit requirements.

Requested FY11 Budget: \$ 35,000

1211- Water Filtration System for Lab

The existing lab water filtration system is over 20 years old, and currently has warped filter housings. In addition, the system is not designed to treat the significantly reduced source water quality (well water degradation) that has occurred in recent years, and we are now seeing a significant decrease in the quality of the resulting product water. It is essential that the laboratory has access to a constant supply of high-quality water for analysis of all samples, preparation of standards and bacteriological media. The California ELAP Certification requires that reagent-grade water meets specific quality requirements, and the inconsistency of the existing treatment system puts the laboratory at risk of potentially failing to meet these requirements.

Requested FY11 Budget: \$ 15,000

1212- Ion Chromatograph

The Lab's existing Ion Chromatograph was declared obsolete for parts and servicing in 2008. This new unit has more advanced technology, resulting in reduced chemical costs, exposure and waste, reduced personnel time, greater productivity and analytical results that are more precise and accurate. This unit has built-in pre-treatment of samples, which will also minimize the cost of consumable parts needed to run the instrument.

Requested FY11 Budget: \$ 96,000

1214- Air Conditioning Unit in Admin Server Room

Replace the existing air conditioning unit in the server room of the Administration Building at Harris Court. The existing air conditioning unit has leaked in the past which poses a hazard in the server room and surrounding offices, and the refrigerant has leaked and needed to be recharged on more than one occasion.

Requested FY11 Budget: \$ 4,000

1215- Air Conditioning Unit in RTP Server Room

Replace the existing air conditioning unit in the server room of the Regional Treatment Plant. The existing air conditioning unit is very old and has caused a lot of problems recently. It has leaked in the past which poses a hazard in the server room, and the refrigerant has leaked and needed to be recharged on more than one occasion.

Requested FY11 Budget: \$ 4,000

1217- Salinas VFDs

The VFDs at the Salinas Pump Station are at the end of their useful life because of the capacitor life cycle for the units. The existing VFDs are no longer made and new capacitors would cost as much as new VFD units. This is year three of a four year program to install new VFDs at the Salinas Pump Station.

Requested FY11 Budget: \$ 60,000

1218- Struvite Chemical Pump Station Skid

This will automate chemical injection for struvite control at the Screwpress Facility. Struvite builds up as crystalline precipitate that plugs piping and the screwpress screens and lowers the efficiency of the process.

Requested FY11 Budget: \$ 15,000

1219- Unbudgeted Equipment

This fund is for any currently unforeseen needs that come up during the fiscal year. Each year there are inevitably issues that come up that were not anticipated. This will allow us to have some budgeted funds for replacement of equipment as necessary.

Requested FY11 Budget: \$ 100,000

TOTAL FY11/12 CAPITAL EQUIPMENT = \$ 750,000

Major O&M Projects Fund

FY 2011/12 Budget

Major O&M Projects Fund	2010/11		2011/12 Budget	Change 10/11 vs. 11/12 Budget
	Est. Actual	Budget		
Revenues				
Balance Forward	\$627,236	\$628,427	\$300,000	-\$328,427
Interest Earned	1,200	1,000	0	-1,000
Transfer from General Fund Reserves	0	0	0	0
Total Revenue	\$628,436	\$629,427	\$300,000	-\$329,427
Expenses				
Transfer To General Fund Reserves			300,000	300,000
Major O&M Projects - Included in the General Fund Expenditures	328,436	550,000	0	-550,000
Total Expenses	\$328,436	\$550,000	\$300,000	-\$550,000
Balance	\$300,000	\$79,427	\$0	\$220,573

Major O&M Projects

FY 2011/12 Budget

Project No.	Major O&M Projects	FY 11/12 Budget
NC404	Multiple Year facility Coating Project	\$450,000
TOTALS		\$450,000

Urban Reclamation Fund

FY 2011/12 Budget

Urban Reclamation Fund	Actual thru 6/30/10	2010/11		2011/12 Budget	Change
		Est. Actual	Budget		10/11 Budget VS. 11/12
Revenues					
Balance Forward	\$0	\$0	\$735	\$0	(\$735)
Interest Earned	59,549	100	500	0	(500)
Transfer from General Fund Reserves	4,452,620	299,900	300,000	280,000	(20,000)
Total Revenue	\$4,512,169	\$300,000	\$301,235	\$280,000	(\$21,235)
Expenses					
Urban Reclamation Projects	4,512,169	300,000	300,000	280,000	(20,000)
Total Expenses	\$4,512,169	\$300,000	\$300,000	\$280,000	(\$20,000)
Balance	\$0	\$0	\$1,235	\$0	(\$1,235)





Urban Reclamation Projects

FY 2011/12 Budget

Project No.	Urban Reclamation Projects	FY 10/11 Budget
501	Urban Recycled Water Project	\$80,000
502	Groundwater Replenishment Project	200,000
TOTALS		\$280,000

*	Desal Brine Disposal Project Handled on a Reimbursement Basis	
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LEGEND

-  INTERCEPTOR PIPELINE
-  OCEAN OUTFALL PIPELINE
-  MRWPCA OWNED PUMP STATION
-  CITY OWNED PUMP STATION
- MARINA* CITY OR DISTRICT SERVED BY MRWPCA
- MARINA NAME OF MRWPCA OWNED PUMP STATION

Monterey Bay

