

RECOMMENDED



ENCINA
WASTEWATER
AUTHORITY



20 20

FISCAL YEAR

OPERATING & CAPITAL BUDGET

760.438.3941
www.encinajpa.com

6200 Avenida Encinas
Carlsbad, CA. 92011

MISSION STATEMENT



"AS AN ENVIRONMENTAL LEADER
EWA PROVIDES RELIABLE AND
FISCALLY RESPONSIBLE WASTEWATER
SERVICES TO THE COMMUNITIES
WE SERVE WHILE OPTIMIZING THE
USE OF RENEWABLE RESOURCES."



PROUDLY SERVING

CITY OF CARLSBAD
CITY OF VISTA
CITY OF ENCINITAS
VALLECITOS WATER DISTRICT
BUENA SANITATION DISTRICT
LEUCADIA WATER DISTRICT

ENCINA WASTEWATER AUTHORITY

FY2020 RECOMMENDED OPERATING & CAPITAL BUDGETS

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Date: April 24, 2019

To: Honorable Chair and Members of the Board of Directors
Encina Joint Advisory Committee
Boards and Councils of the Encina Member Agencies

From: Michael Steinlicht, General Manager

Subject: Transmittal of FY2020 Recommended Pension Policy, Operating & Capital Budgets

This letter transmits the Encina Wastewater Authority's (EWA) Recommended Fiscal Year 2020 Pension Policy, Operating and Capital Budgets. In conformance with the Revised Basic Agreement for Ownership, Operation and Maintenance of the Encina Joint Sewage System, this Recommended Budget estimates both the amount of money required to operate, maintain and administer the Joint System during Fiscal Year 2020; and, the proportionate amount to be paid by each Member Agency.

PENSION POLICY OVERVIEW

The Recommended FY2020 Pension Policy was developed and approved with the guidance and collaboration of EWA's Board of Directors and Member Agencies. Developing and implementing a funding policy to reduce EWA's pension liability has been a staff strategic initiative since mid-2016. The Funding Policy pays down approximately \$4.1M annually for three years towards the CalPERS Pension Liability from the following programs summarized below:

CalPERS Pension Funding Policy	Recommended FY2020
Encina Water Pollution Control Facility – Operations	\$ 2,550,374
Encina Water Pollution Control Facility – Capital	\$ 779,099
Environmental Compliance – Source Control	\$ 246,827
Agua Hedionda Pump Station	\$ 70,681
Buena Vista Pump Station	\$ 74,547
Buena Creek Pump Station	\$ 69,638
Carlsbad Water Recycling Facility	\$ 256,601
Raceway Basin Pump Station	\$ 48,333
Total CalPERS Pension Funding Policy	\$ 4,096,100

OPERATING BUDGET OVERVIEW

The Recommended FY2020 Operating Budget is comprised of seven (7) operational programs that provide services to the Encina Member Agencies. Each operational program includes direct personnel and non-personnel expenses and related internal service fund (ISF) charges. The Recommended FY2020 Budget reflects management's strategies and objectives to ensure continued achievement within each of the six (6) Business Principles identified in the Five-Year Strategic Business Plan: Protect Public Health and the Environment; Pursue Waste Resource Recovery Opportunities; Conduct Sound Planning and Invest Appropriately; Remain Efficient, Fiscally Responsible, and Innovative; Provide Meaningful Transparency; and Deliver Exceptional Member Agency Service.

The Recommended FY2020 Operating Budget totals approximately \$17.2 million for the seven (7) operational programs summarized below:

Operating Program		Actual FY2018		Budget FY2019		Recommended FY2020	FY 2019 vs FY 2020 % Change
Encina Water Pollution Control Facility	\$	12,080,625	\$	12,957,023	\$	13,623,775	5.1%
Environmental Compliance – Source Control	\$	692,301	\$	753,078	\$	930,472	23.6%
Agua Hedionda Pump Station	\$	315,269	\$	354,017	\$	558,489	57.8%
Buena Vista Pump Station	\$	627,262	\$	514,573	\$	636,877	23.8%
Buena Creek Pump Station	\$	334,278	\$	373,863	\$	412,218	10.3%
Carlsbad Water Recycling Facility	\$	1,028,469	\$	1,338,481	\$	1,370,486	2.4%
Raceway Basin Pump Station	\$	188,722	\$	238,335	\$	248,366	4.2%
Sub-Total: Expenses	\$	15,266,926	\$	16,529,370	\$	17,780,683	7.6%
Estimated Other Operating Revenue	\$	-	\$	(555,200)	\$	(555,200)	0.0%
Total Operating Budget	\$	15,266,926	\$	15,974,170	\$	17,225,483	7.8%

The FY2020 Operating Budget reflects EWA's continuing commitment to provide sustainable and fiscally responsible wastewater services to the communities it serves while maximizing the use of alternative and renewable resources. The Recommended FY2020 EWPCF Operating Budget includes \$250,000 in contingency funding to help each of the Member Agencies make sufficient appropriations for their share of EWA expenditures as part of their annual budgeting processes.

CAPITAL BUDGET OVERVIEW

The Recommended FY2020 Capital Budget totals approximately \$22.5 million for the following EWA capital programs summarized below:

Capital Program		Actual FY2018		Budget FY2019		Recommended FY2020	FY 2019 vs FY 2020 % Change
EWPCF – Capital Improvements	\$	12,899,137	\$	17,649,000	\$	17,594,480	-0.3%
EWPCF – Planned Asset Rehabilitation	\$	686,526	\$	924,500	\$	969,600	4.9%
EWPCF – Capital Acquisitions	\$	286,195	\$	301,500	\$	341,100	13.1%
Remotes Facilities – Acquisitions & Rehabilitation	\$	508,298	\$	726,300	\$	920,300	26.7%
Allocated Personnel Expenses	\$	2,341,663	\$	2,510,714	\$	2,665,096	6.1%
Total Capital Budget	\$	16,721,819	\$	22,112,014	\$	22,490,576	1.7%

Improvement Projects are planned, scoped, and prioritized through the Comprehensive Asset Management Program (CAMP). The most recent CAMP was published in February 2019 and will continue to be updated biannually. It considers anticipated changes in regulatory requirements, prospective operational efficiencies, funding availability and other factors.

The Recommended FY2020 Capital Budget includes approximately \$2.7 million in funding for 13.21 full-time equivalent (FTE) positions. These positions include full and part-time efforts of EWA executives, professionals, managers, and technical staff who plan, direct, and support EWA's Capital Program.

Significant Capital Improvement Projects recommended for FY2020 funding include: Primary Area Improvements (\$3,468,560); Digester Rehabilitation and Improvements (\$3,611,560) and the Secondary Clarifier and Strainer Improvements Project (\$3,128,660).

EWPCF – Planned Asset Rehabilitation and Replacement (PARR) reflects minor plant rehabilitation efforts undertaken by EWA staff to maintain the \$489 million worth of Joint System assets. Recommended PARR Projects total \$969,600. Recommended EWPCF – Capital Acquisitions total \$341,100 and reflect appropriate investment in minor infrastructure, equipment. Recommended Remote Facilities – Acquisitions and Rehabilitation total \$920,300 and reflect appropriate investment in remote facility improvements.

Please join me in recognizing the staff whose efforts produced this document. Joseph Spence, Senior Management Analyst, led staff efforts in the preparation and development of the FY2020 Recommended Budget with assistance from LeeAnn Warchol, Administrative Services Manager, and third-party quality control review by Financial Management Consultant, Daniel Langlois. The Executive Leadership Team coordinated the budget development processes within their respective departments. Assistant General Manager, Scott McClelland, made certain our constantly developing ideas were presented clearly, consistently and accurately.

Respectfully Submitted,

A handwritten signature in black ink that reads "Michael Steinlicht". The signature is written in a cursive, slightly stylized font.

Michael Steinlicht
General Manager

Policy Brief

Date: April 24, 2019

To: Honorable Chair and Members of the Board of Directors
Encina Joint Advisory Committee
Boards and Councils of the Encina Member Agencies

From: Michael Steinlicht, General Manager

Subject: CalPERS Pension Liability Funding Policy

It is the Encina Wastewater Authority's (EWA) commitment to excellence which drives staff to identify opportunities to remain efficient, fiscally responsible and innovative. Managing the CalPERS pension liability is one of EWA's most significant financial challenges and was therefore established as one of the organization's key strategic initiatives to address. Based on the most recent actuarial valuation report, dated June 30, 2017, EWA's pension liability is approximately \$13.5M.

On March 5, 2019, staff held the 2019 Policy Development Workshop and obtained clear policy direction on how to manage the pension liability over the next few years. Staff has been instructed to pay the entire pension liability off over the next three years. Based on the guidance and concerns received from the Board of Directors, EWA intends to address the pension liability by doing the following:

- 1) Strive to have the \$13.5M pension liability paid off at the end of three years (final payment in June 2022). For simplicity, we need to assume the underlying assumptions of the \$13.5M won't materially change during that time frame and assume a constant 7.0% interest rate being charged.
- 2) Maintain flexibility and control with this funding strategy, not locking into any formal arrangement with CalPERS.
- 3) Mitigate some investment market timing risk by paying into the pension monthly or quarterly over that three-year term, thereby dollar cost averaging over the three years-worth of market fluctuations.
- 4) Avoid over paying, or becoming super-funded, by reassessing the final year's payment as necessary.
- 5) Report back to the Policy & Finance Committee and Board of Directors on pension funding status on a regular basis.

Below approximates the fiscal impact of this funding policy in conjunction with the minimum required payments EWA would have been making regardless of the funding policy. This has been incorporated into the Recommended FY2020, 2021 and 2022 Budgets:

	Three Years to 100% Funded			Total
	FY 2020	FY 2021	FY 2022	
Funding Policy				
City of Carlsbad	\$ 1,210,106	\$ 1,210,106	\$ 1,210,106	\$ 3,630,318
City of Vista	\$ 1,016,600	\$ 1,016,600	\$ 1,016,600	\$ 3,049,800
Buena Sanitation District	\$ 367,994	\$ 367,994	\$ 367,994	\$ 1,103,982
Vallecitos Water District	\$ 788,954	\$ 788,954	\$ 788,954	\$ 2,366,862
Leucadia Wastewater District	\$ 547,626	\$ 547,626	\$ 547,626	\$ 1,642,878
City of Encinitas	\$ 164,820	\$ 164,820	\$ 164,820	\$ 494,460
Total Funding Policy	\$ 4,096,100	\$ 4,096,100	\$ 4,096,100	\$ 12,288,300
Normal Operations / Minimum Required	\$ 870,900	\$ 870,900	\$ 870,900	\$ 2,612,700
Pension Liability Payment	\$ 4,967,000	\$ 4,967,000	\$ 4,967,000	\$ 14,901,000
Total Interest Paid	\$ 1,410,000			(principal & interest)
Approximate Interest Savings	\$ 10,752,000			

Policy Brief

Date: April 24, 2019

To: Honorable Chair and Members of the Board of Directors
Encina Joint Advisory Committee
Boards and Councils of the Encina Member Agencies

From: Michael Steinlicht, General Manager

Subject: Workforce Staffing Strategy

The Encina Wastewater Authority's (EWA) workforce staffing strategy is linked directly to its mission, vision, values and strategic business and tactical plans. It includes a cost-effective blend of human resources that includes permanent employees, consultants, contract and limited duration employees. Staffing decisions are based on established criteria designed to add value to the organization, reduce risk, and complement or leverage existing staff competencies.

The staffing needs of EWA are reviewed annually. With few exceptions, decisions to expand or contract EWA's total complement of Full Time Equivalent (FTE) staff are made as part of the budget development process. Department Directors requesting additional staff are required to submit a written report to the General Manager justifying the request.

EWA's staffing strategy centers on identifying the core workforce needed for ongoing work, which is essential to its mission on a permanent basis and should therefore be permanently staffed, as opposed to work that may be equally important to EWA but has a limited timeframe, or which has a temporary (even if several years) peak workload but is then expected to diminish. Any temporary programmatic increase in workload should consider the use of Limited Duration Employees (LDE) with an established, predictable separation date based upon the temporary nature of the work. In evaluating the need for additional staff, written justification for any new FTEs should address the following criteria:

Evaluation Criteria	Justification Must Address
Permanence	Is the work permanent in nature and not likely to diminish over time?
Reprioritization	Can work within the department be reprioritized to meet the new need, while reducing or eliminating other existing work, redeploying existing staff and negating the need to add an FTE?
Cost Effectiveness and Budget Impact	Is adding an FTE more cost effective over the expected life of the position's work than alternative resourcing options (e.g. temporary, LDE or contract resources)?
Full Time vs. Part Time	Does the work require a full-time position, or can the work be accomplished with a half-time position?
Appropriate Classification	Can the position be filled at a lower classification and accomplish the work, while minimizing the costs to EWA?
Institutional Knowledge	Does the position require institutional knowledge that could not likely be built and sustained through the use of temporary employees, LDE's, or contract resources?
Market Availability	What is the market availability and competitive landscape for the desired skill set of the proposed position?
Special Skills or Certifications Required	Are special skills or certification required to perform the work?
Risk Management and Transparency	Does the critical nature of the position, or the consequence of error or failure to effectively and safely perform the work make the use of outside resources impractical or too risky? Is there a concern for loss of transparency if outside resources are utilized?
Logistical Issues	Does the position's workplace locations, demands or duties create logistical challenges that make the use of temporary or contract resources impractical?

Workforce Staffing Justification

The Recommended Fiscal Year 2020 Budget includes one additional entry level Industrial Waste Control Inspector. A reduction in temporary & part time labor has partially mitigated the cost impact of this staffing recommendation. The following table of justification is provided for your consideration:

Evaluation Criteria	Justification
Permanence	The recommended addition of one FTE Industrial Waste Control Inspector brings EWA closer in line with the Environmental Protection Agency's (EPA) estimate of personnel required based on the organization's plant size, service area and activities performed. Following the EPA's guidelines, EWA should consider having another staff member, in addition to the one being recommended, designated to sampling activities alone. This is the consequence of the pretreatment program having to continue expanding its reporting and ongoing responsibilities to meet increasing EPA guidelines (dental amalgam rule), permit issuances (ground water projects), Member Agency assistance and job duty diversity.
Reprioritization	EWA runs a lean staffing model and takes every opportunity to reprioritize existing positions before considering adding any staff. Since 1995, EWA's FTE count has only increased to accommodate two Operator positions which were needed to address increased plant complexity and safety concerns. Reassigning certified staff from other wastewater treatment operations is not feasible and puts the mission at risk.
Cost Effectiveness and Budget Impact	The additional FTE Inspector position is permanent and will remain so for as long as EWA maintains a pretreatment program. From an EWA perspective, this is a more cost-effective option than cycling through temporary labor or extended use of overtime by existing personnel. From a Member Agency perspective, this is far more cost-effective than having each Member Agency run their own Industrial Waste Control Inspector program. Furthermore, the Inspector position provides the plant insight with what flows are entering the treatment system or bypassing the system altogether which becomes invaluable when preventing process upsets.
Full Time vs. Part Time	The additional FTE Inspector position is required to catch up and maintain duties that exist in excess of just one position. Furthermore, this position requires training and knowledge that may take as much as four years to fully obtain.
Appropriate Classification	This inspector position is entry level and would typically advance to the Inspector II position as experience, certifications and knowledge builds.
Institutional Knowledge	It takes approximately four years for a new Inspector to learn EWA's pretreatment program, rotate and understand the Significant Industrial Users and become fully certified. Inspectors with prior knowledge can reduce some of that but will still take years to be fully trained. Furthermore, half of the department is eligible to retire, leaving temporary staffing as a poor long term strategy.
Market Availability	There is significant market competition for obtaining experienced staff in a pretreatment program and EWA does not anticipate finding anyone that would fit this criteria. Having the position set at an entry level Inspector position broadens the candidate pool and should allow EWA to find a science major candidate that would be a good fit for the organization long-term.
Special Skills or Certifications Required	To work in EWA's pretreatment program, Inspectors must be State-certified, requiring education and experience.
Risk Management and Transparency	EWA's pretreatment program is a requirement of the plant's National Pollutant Discharge Elimination System (NPDES) Permit. No peer agency of EWA's size has created a working model whereby this program has been outsourced and effectively performed. Outsourcing the program while still meeting EPA standards would be costly and still hold EWA the responsible party regarding any deficiencies or non-compliance concerns.
Logistical Issues	The additional one FTE Inspector position would replace a part time, temporary position and would report directly to the existing Source Control Manager.

OPERATING BUDGET: REVENUE *and* EXPENSE SUMMARY

Revenue Summary

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
City of Carlsbad	\$	4,723,232	\$	5,124,258	\$	5,063,836	\$	5,472,462	\$	348,204	6.8%
City of Vista	\$	4,112,639	\$	3,913,181	\$	4,115,860	\$	4,652,076	\$	738,895	18.9%
Buena Sanitation District	\$	1,512,988	\$	1,623,145	\$	1,602,462	\$	1,726,349	\$	103,204	6.4%
Vallecitos Water District	\$	2,499,530	\$	2,776,877	\$	2,708,369	\$	2,725,302	\$	(51,575)	-1.9%
Leucadia Wastewater District	\$	1,840,787	\$	1,887,269	\$	1,840,600	\$	2,007,116	\$	119,847	6.4%
City of Encinitas	\$	577,750	\$	649,440	\$	633,473	\$	642,178	\$	(7,262)	-1.1%
Sub Total	\$	15,266,926	\$	15,974,170	\$	15,964,600	\$	17,225,483	\$	1,251,313	7.8%
Estimated Other Revenue		*	\$	555,200	\$	629,332	\$	555,200	\$	-	0.0%
Total	\$	15,266,926	\$	16,529,370	\$	16,593,932	\$	17,780,683	\$	1,251,313	7.6%

*2018 Actual total is net of other revenue

Operating Revenues from Member Agencies by Program

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Encina Water Pollution Control Facility	\$	12,080,625	\$	12,401,823	\$	12,092,452	\$	13,068,575	\$	666,752	5.4%
Source Control	\$	692,301	\$	753,078	\$	738,701	\$	930,472	\$	177,394	23.6%
Agua Hedionda Pump Station	\$	315,269	\$	354,017	\$	664,935	\$	558,489	\$	204,472	57.8%
Buena Vista Pump Station	\$	627,262	\$	514,573	\$	595,794	\$	636,877	\$	122,304	23.8%
Buena Creek Pump Station	\$	334,278	\$	373,863	\$	383,957	\$	412,218	\$	38,355	10.3%
Carlsbad Water Recycling Facility	\$	1,028,469	\$	1,338,481	\$	1,262,447	\$	1,370,486	\$	32,005	2.4%
Raceway Basin Pump Station	\$	188,722	\$	238,335	\$	226,314	\$	248,366	\$	10,031	4.2%
Total	\$	15,266,926	\$	15,974,170	\$	15,964,600	\$	17,225,483	\$	1,251,313	7.8%

Operating Budget Expense Summary by Program

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Encina Water Pollution Control Facility	\$	12,080,625	\$	12,957,023	\$	12,721,784	\$	13,623,775	\$	666,752	5.1%
Source Control	\$	692,301	\$	753,078	\$	738,701	\$	930,472	\$	177,394	23.6%
Agua Hedionda Pump Station	\$	315,269	\$	354,017	\$	664,935	\$	558,489	\$	204,472	57.8%
Buena Vista Pump Station	\$	627,262	\$	514,573	\$	595,794	\$	636,877	\$	122,304	23.8%
Buena Creek Pump Station	\$	334,278	\$	373,863	\$	383,957	\$	412,218	\$	38,355	10.3%
Carlsbad Water Recycling Facility	\$	1,028,469	\$	1,338,481	\$	1,262,447	\$	1,370,486	\$	32,005	2.4%
Raceway Basin Pump Station	\$	188,722	\$	238,335	\$	226,314	\$	248,366	\$	10,031	4.2%
Total	\$	15,266,926	\$	16,529,370	\$	16,593,932	\$	17,780,683	\$	1,251,313	7.6%

Combined Operating Budget Expense

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Personnel	\$	6,354,015	\$	6,597,082	\$	6,734,462	\$	6,901,562	\$	304,480	4.6%
Non-Personnel	\$	4,208,860	\$	4,986,400	\$	4,870,849	\$	5,449,550	\$	463,150	9.3%
Internal Service Fund	\$	4,704,051	\$	4,945,888	\$	4,988,621	\$	5,429,571	\$	483,683	9.8%
Total	\$	15,266,926	\$	16,529,370	\$	16,593,932	\$	17,780,683	\$	1,251,313	7.6%

OPERATING BUDGET: EXPENSE SUMMARY

Encina Water Pollution Control Facility

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Personnel	\$	4,636,579	\$	4,772,396	\$	4,749,702	\$	4,800,204	\$	27,808	0.6%
Non-Personnel	\$	3,192,795	\$	3,769,700	\$	3,482,737	\$	3,954,750	\$	185,050	4.9%
Internal Service Fund	\$	4,251,251	\$	4,414,927	\$	4,489,345	\$	4,868,821	\$	453,894	10.3%
Total	\$	12,080,625	\$	12,957,023	\$	12,721,784	\$	13,623,775	\$	666,752	5.1%

Environmental Compliance – Source Control

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Personnel	\$	551,134	\$	564,678	\$	577,654	\$	708,022	\$	143,344	25.4%
Non-Personnel	\$	7,326	\$	17,850	\$	14,395	\$	52,000	\$	34,150	191.3%
Internal Service Fund	\$	133,841	\$	170,550	\$	146,652	\$	170,450	\$	(100)	-0.1%
Total	\$	692,301	\$	753,078	\$	738,701	\$	930,472	\$	177,394	23.6%

Agua Hedionda Pump Station

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Personnel	\$	154,279	\$	181,796	\$	416,240	\$	279,345	\$	97,549	53.7%
Non-Personnel	\$	122,452	\$	130,600	\$	208,250	\$	229,125	\$	98,525	75.4%
Internal Service Fund	\$	38,538	\$	41,621	\$	40,445	\$	50,019	\$	8,398	20.2%
Total	\$	315,269	\$	354,017	\$	664,935	\$	558,489	\$	204,472	57.8%

Buena Vista Pump Station

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Personnel	\$	282,274	\$	196,550	\$	185,197	\$	206,566	\$	10,016	5.1%
Non-Personnel	\$	295,453	\$	269,300	\$	363,250	\$	379,075	\$	109,775	40.8%
Internal Service Fund	\$	49,535	\$	48,723	\$	47,347	\$	51,236	\$	2,513	5.2%
Total	\$	627,262	\$	514,573	\$	595,794	\$	636,877	\$	122,304	23.8%

Buena Creek Pump Station

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Personnel	\$	146,606	\$	181,006	\$	173,221	\$	190,259	\$	9,253	5.1%
Non-Personnel	\$	148,364	\$	151,400	\$	170,450	\$	178,250	\$	26,850	17.7%
Internal Service Fund	\$	39,308	\$	41,457	\$	40,286	\$	43,709	\$	2,252	5.4%
Total	\$	334,278	\$	373,863	\$	383,957	\$	412,218	\$	38,355	10.3%

Carlsbad Water Recycling Facility

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Personnel	\$	472,001	\$	553,227	\$	493,954	\$	562,215	\$	8,988	1.6%
Non-Personnel	\$	389,828	\$	586,300	\$	572,765	\$	594,550	\$	8,250	1.4%
Internal Service Fund	\$	166,640	\$	198,954	\$	195,728	\$	213,721	\$	14,767	7.4%
Total	\$	1,028,469	\$	1,338,481	\$	1,262,447	\$	1,370,486	\$	32,005	2.4%

Raceway Basin Pump Station

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Personnel	\$	111,142	\$	147,429	\$	138,494	\$	154,951	\$	7,522	5.1%
Non-Personnel	\$	52,642	\$	61,250	\$	59,002	\$	61,800	\$	550	0.9%
Internal Service Fund	\$	24,938	\$	29,656	\$	28,818	\$	31,615	\$	1,959	6.6%
Total	\$	188,722	\$	238,335	\$	226,314	\$	248,366	\$	10,031	4.2%

OPERATING BUDGET: REVENUE SUMMARY

City of Carlsbad

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Encina Water Pollution Control Facility	\$	3,295,342	\$	3,372,198	\$	3,288,076	\$	3,551,285	\$	179,087	5.3%
Source Control	\$	236,767	\$	250,673	\$	245,887	\$	311,883	\$	61,210	24.4%
Agua Hedionda Pump Station	\$	97,418	\$	109,390	\$	205,463	\$	172,573	\$	63,183	57.8%
Buena Vista Pump Station	\$	65,236	\$	53,516	\$	61,963	\$	66,235	\$	12,719	23.8%
Carlsbad Water Recycling Facility	\$	1,028,469	\$	1,338,481	\$	1,262,447	\$	1,370,486	\$	32,005	2.4%
Total	\$	4,723,232	\$	5,124,258	\$	5,063,836	\$	5,472,462	\$	348,204	6.8%

City of Vista

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Encina Water Pollution Control Facility	\$	2,945,663	\$	2,772,992	\$	2,703,818	\$	3,178,793	\$	405,801	14.6%
Source Control	\$	198,377	\$	196,170	\$	192,425	\$	268,359	\$	72,189	36.8%
Agua Hedionda Pump Station	\$	217,851	\$	244,627	\$	459,472	\$	385,916	\$	141,289	57.8%
Buena Vista Pump Station	\$	562,026	\$	461,057	\$	533,831	\$	570,642	\$	109,585	23.8%
Raceway Basin Pump Station	\$	188,722	\$	238,335	\$	226,314	\$	248,366	\$	10,031	4.2%
Total	\$	4,112,639	\$	3,913,181	\$	4,115,860	\$	4,652,076	\$	738,895	18.9%

Buena Sanitation District

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Encina Water Pollution Control Facility	\$	1,110,530	\$	1,183,169	\$	1,153,654	\$	1,223,301	\$	40,132	3.4%
Source Control	\$	68,180	\$	66,113	\$	64,851	\$	90,830	\$	24,717	37.4%
Buena Creek Pump Station	\$	334,278	\$	373,863	\$	383,957	\$	412,218	\$	38,355	10.3%
Total	\$	1,512,988	\$	1,623,145	\$	1,602,462	\$	1,726,349	\$	103,204	6.4%

Vallecitos Water District

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Encina Water Pollution Control Facility	\$	2,389,949	\$	2,646,513	\$	2,580,494	\$	2,577,319	\$	(69,194)	-2.6%
Source Control	\$	109,581	\$	130,364	\$	127,875	\$	147,983	\$	17,619	13.5%
Total	\$	2,499,530	\$	2,776,877	\$	2,708,369	\$	2,725,302	\$	(51,575)	-1.9%

Leucadia Wastewater District

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Encina Water Pollution Control Facility	\$	1,781,655	\$	1,817,369	\$	1,772,034	\$	1,923,531	\$	106,162	5.8%
Source Control	\$	59,132	\$	69,900	\$	68,566	\$	83,585	\$	13,685	19.6%
Total	\$	1,840,787	\$	1,887,269	\$	1,840,600	\$	2,007,116	\$	119,847	6.4%

City of Encinitas

		Actual FY2018		Budget FY2019		Projected FY2019		Recommended FY2020		Change	%
Encina Water Pollution Control Facility	\$	557,486	\$	609,582	\$	594,376	\$	614,346	\$	4,764	0.8%
Source Control	\$	20,264	\$	39,858	\$	39,097	\$	27,832	\$	(12,026)	-30.2%
Total	\$	577,750	\$	649,440	\$	633,473	\$	642,178	\$	(7,262)	-1.1%

PERSONNEL EXPENSE SUMMARY *by* ACCOUNT

Salaries

	2019 Budget	% of Total	2020 Budget	% of Total	% Change
Regular	\$ 7,365,598		\$ 7,748,544		5.2%
Overtime	\$ 130,000		\$ 130,000		0.0%
Holiday	\$ 95,000		\$ 95,000		0.0%
Temporary & Part-Time Staff	\$ 250,000		\$ 175,000		-30.0%
Intern Program	\$ 29,800		\$ 29,800		0.0%
Shift Differential	\$ 38,060		\$ 39,000		2.5%
Incentive Awards	\$ 14,000		\$ 14,000		0.0%
Standby	\$ 9,000		\$ 2,000		-77.8%
Subtotal Salaries	\$ 7,931,459	69.2%	\$ 8,233,344	68.4%	3.8%

Benefits

	2019 Budget	% of Total	2020 Budget	% of Total	% Change
CalPERS Retirement Program — Normal Cost	\$ 1,456,815		\$ 1,554,716		6.7%
CalPERS Retirement Unfunded Liability	\$ 740,618		\$ 870,900		17.6%
CalPERS Employee Contribution	\$ (582,060)		\$ (611,946)		5.1%
Other Post-Employment Benefits	\$ 79,150		\$ 87,061		10.0%
Flexible Benefits 125 Plan	\$ 1,197,069		\$ 1,234,645		3.1%
Deferred Compensation	\$ 281,889		\$ 293,142		4.0%
Medicare	\$ 120,141		\$ 125,116		4.1%
Unemployment	\$ 20,000		\$ 12,000		-40.0%
Workers Compensation Insurance	\$ 181,000		\$ 201,000		11.0%
Professional Certification	\$ 10,000		\$ 10,000		0.0%
Employee Assistance Program	\$ 1,900		\$ 1,900		0.0%
General Manager Benefits	\$ 7,200		\$ 7,200		0.0%
Education Assistance	\$ 16,000		\$ 16,000		0.0%
Subtotal Benefits	\$ 3,529,723	30.8%	\$ 3,801,734	31.6%	7.7%

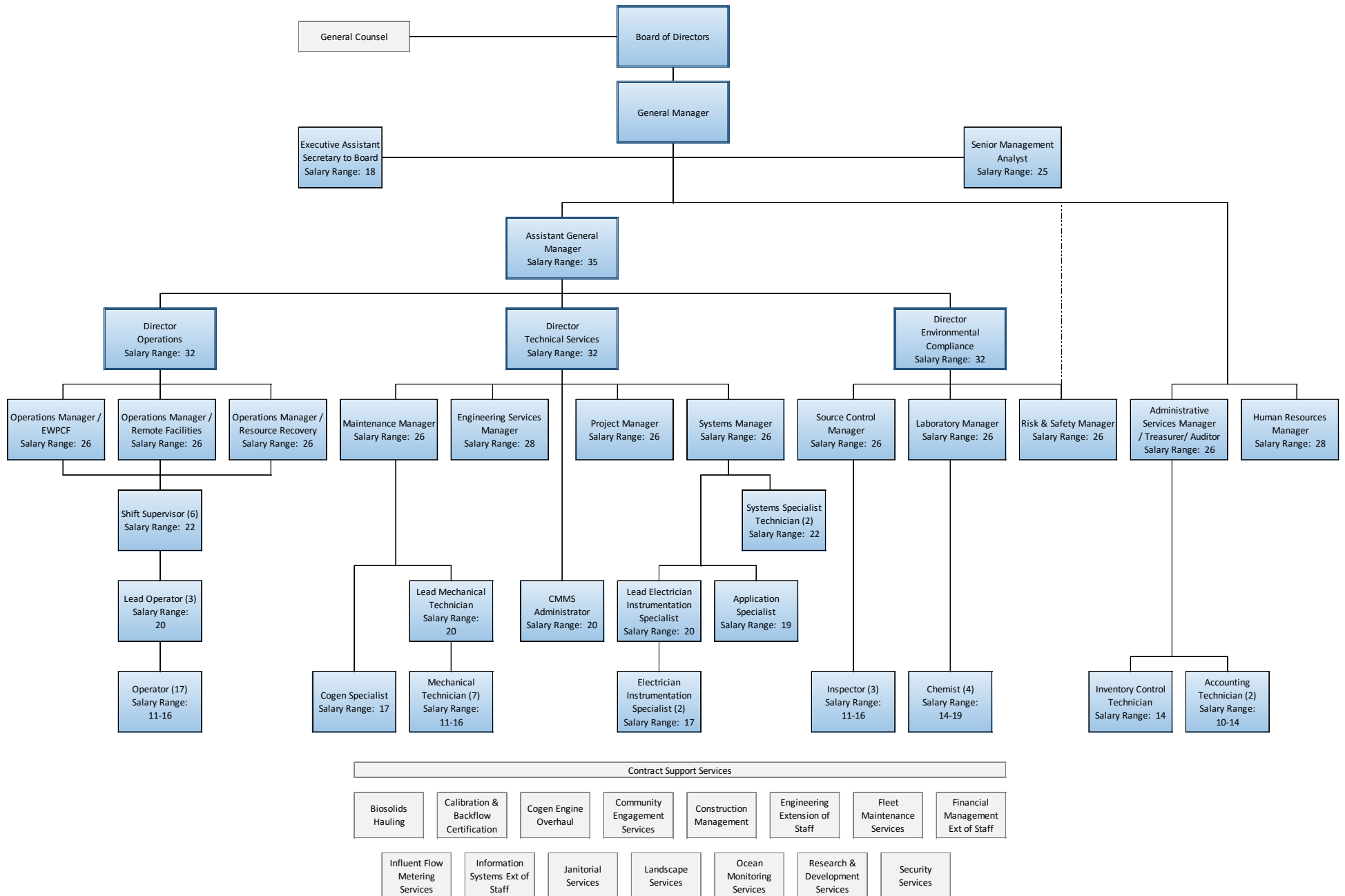
Total Personnel Expense	\$ 11,461,182	100.0%	\$ 12,035,079	100.0%	5.0%
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PERSONNEL EXPENSE SUMMARY *by* PROGRAM

Programs

	2019 Budget	2019 Positions	2020 Budget	2020 Positions	% Change
Encina Water Pollution Control Facility	\$ 4,772,394	32.10	\$ 4,800,204	32.52	0.6%
Source Control	\$ 564,678	3.35	\$ 708,022	4.35	25.4%
<i>Agua Hedionda Pump Station</i>	\$ 181,796	1.16	\$ 279,345	1.71	53.7%
<i>Buena Vista Pump Station</i>	\$ 196,550	1.24	\$ 206,566	1.24	5.1%
<i>Buena Creek Pump Station</i>	\$ 181,006	1.12	\$ 190,259	1.12	5.1%
<i>Carlsbad Water Reclamation Facilities</i>	\$ 553,227	3.52	\$ 562,215	3.38	1.6%
<i>Raceway Basin Pump Station</i>	\$ 147,429	0.93	\$ 154,951	0.93	5.1%
Remote Facilities	\$ 1,260,008	7.97	\$ 1,393,336	8.38	10.6%
Subtotal	\$ 6,597,080	43.43	\$ 6,901,562	45.25	4.6%
Internal Service Funds	\$ 2,353,388	13.36	\$ 2,468,421	12.54	4.9%
Subtotal Operating	\$ 8,950,468	56.79	\$ 9,369,983	57.79	4.7%
Capital Program	\$ 2,510,714	13.21	\$ 2,665,096	13.21	6.1%
Total Personnel Expense	\$ 11,461,182	70.00	\$ 12,035,079	71.00	5.0%

FISCAL YEAR 2020 ORGANIZATION (71 FTEs)



FY2020 SALARY SCHEDULE

Salary Range	Hourly		Annual	
	Minimum	Maximum	Minimum	Maximum
1	\$ 16.133	\$ 21.780	\$ 33,558	\$ 45,303
2	\$ 16.940	\$ 22.869	\$ 35,236	\$ 47,568
3	\$ 17.787	\$ 24.013	\$ 36,997	\$ 49,946
4	\$ 18.677	\$ 25.213	\$ 38,847	\$ 52,444
5	\$ 19.610	\$ 26.474	\$ 40,790	\$ 55,066
6	\$ 20.591	\$ 27.798	\$ 42,829	\$ 57,819
7	\$ 21.620	\$ 29.188	\$ 44,970	\$ 60,710
8	\$ 22.701	\$ 30.647	\$ 47,219	\$ 63,746
9	\$ 23.836	\$ 32.179	\$ 49,580	\$ 66,933
10	\$ 25.028	\$ 33.788	\$ 52,059	\$ 70,280
11	\$ 26.280	\$ 35.478	\$ 54,662	\$ 73,793
12	\$ 27.594	\$ 37.252	\$ 57,395	\$ 77,483
13	\$ 28.973	\$ 39.114	\$ 60,265	\$ 81,357
14	\$ 30.422	\$ 41.070	\$ 63,278	\$ 85,425
15	\$ 31.943	\$ 43.123	\$ 66,442	\$ 89,696
16	\$ 33.540	\$ 45.279	\$ 69,764	\$ 94,181
17	\$ 35.217	\$ 47.543	\$ 73,252	\$ 98,890
18	\$ 36.978	\$ 49.921	\$ 76,915	\$ 103,835
19	\$ 38.827	\$ 52.417	\$ 80,760	\$ 109,027
20	\$ 40.768	\$ 55.037	\$ 84,798	\$ 114,478

Salary Range	Hourly		Annual	
	Minimum	Maximum	Minimum	Maximum
21	\$ 42.807	\$ 57.789	\$ 89,038	\$ 120,202
22	\$ 44.947	\$ 60.679	\$ 93,490	\$ 126,212
23	\$ 47.195	\$ 63.713	\$ 98,165	\$ 132,522
24	\$ 49.554	\$ 66.898	\$ 103,073	\$ 139,149
25	\$ 52.032	\$ 70.243	\$ 108,227	\$ 146,106
26	\$ 54.634	\$ 73.755	\$ 113,638	\$ 153,411
27	\$ 57.365	\$ 77.443	\$ 119,320	\$ 161,082
28	\$ 60.234	\$ 81.315	\$ 125,286	\$ 169,136
29	\$ 63.245	\$ 85.381	\$ 131,550	\$ 177,593
30	\$ 66.408	\$ 89.650	\$ 138,128	\$ 186,472
31	\$ 69.728	\$ 94.133	\$ 145,034	\$ 195,796
32	\$ 73.214	\$ 98.839	\$ 152,286	\$ 205,586
33	\$ 76.875	\$ 103.781	\$ 159,900	\$ 215,865
34	\$ 80.719	\$ 108.970	\$ 167,895	\$ 226,658
35	\$ 84.755	\$ 114.419	\$ 176,290	\$ 237,991
36	\$ 88.992	\$ 120.140	\$ 185,104	\$ 249,891
37	\$ 93.442	\$ 126.147	\$ 194,360	\$ 262,385
38	\$ 98.114	\$ 132.454	\$ 204,078	\$ 275,505
39	\$ 103.020	\$ 139.077	\$ 214,281	\$ 289,280
40	\$ 108.171	\$ 146.031	\$ 224,996	\$ 303,744

Labor Relations Resolution # 2018-02

Standby Duty: \$1.50 / hour

Shift Differential: \$2.50 / hour

Lead Operator Pay: \$2.50 / hour when in absence of Shift Supervisor

Certification Stipend: \$60 / pay period for Class B Drivers License, Crane Operator Certificate or Welding Certificate

Meal Allowance: \$15 / meal for 2+ hours of overtime

Safety Boot Allowance: \$150 - \$300 / year depending on job classification

Safety Prescription Eyewear Allowance: \$400 / year

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ENCINA WATER POLLUTION CONTROL FACILITY

The Encina Water Pollution Control Facility (EWPCF), located in Carlsbad, California, provides wastewater treatment services to approximately 377,000 residents in a 123 square mile service area of northwest San Diego County. The EWPCF consists of three major components: the treatment plant; the Encina Ocean Outfall (EOO); and the Joint Flow Metering System (JFMS). The EWPCF was constructed in 1963 to treat wastewater from the Cities of Carlsbad and Vista, with the City of Encinitas, Vallecitos Water District, Buena Sanitation District and Leucadia Wastewater District joining the partnership in the subsequent years. Since its original design and construction, the treatment plant has undergone four (4) major expansions – the latest completed in 2009, and is beginning another round of construction to address reliability and aging infrastructure. Today, the EWPCF is a modern resource recovery facility that produces: clean water for recycling and Pacific Ocean discharge (via preliminary and primary treatment processes; activated sludge secondary treatment; secondary flow equalization facilities; and a 1.5 mile EOO, which discharges treated effluent at an average depth of one-hundred-fifty (150) feet; a granular fertilizer marketed under the name PureGreen (via anaerobic digesters; solids dewatering centrifuges; and a triple-pass rotary drum heat dryer); and, about 83% of the electricity required to power the EWPCF (via a Combined Heat & Cogeneration Power System). In addition, the JFMS consists of sixteen flow meters strategically placed throughout the collection system. The data collected at these metering sites, which is analyzed and certified by an independent consultant, is a critical element in allocating EWPCF costs among the EWA Member Agencies.

Capacity – The EWPCF has a rated liquid treatment capacity of 40.51 million gallons per day (MGD) and a rated solids treatment capacity of 43.53 MGD. During FY2020, the EWPCF will: (1) clean more than 8 billion gallons of water; (2) recycle nearly 3.3 billion gallons for on-site use and regional irrigation; and, (3) process nearly 18 million pounds of solids into 6,300 tons of PureGreen fertilizer.

Cost Allocation – The EWPCF costs are allocated among member agencies based on ownership and usage charges in accordance with the Financial Plan and Revenue Program. EOO costs are allocated among Member Agencies based on the volume of effluent discharged. JFMS costs are allocated among the Member Agencies based on the number, location and type of meters.



Encina Water Pollution Control Facility

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OPERATING EXPENSE SUMMARY: ENCINA WATER POLLUTION CONTROL FACILITY

PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
5100	Salaries	\$ 3,240,630	\$ 3,317,561	\$ 3,365,075	\$ 3,291,866	-1%
5200	Benefits	\$ 1,395,947	\$ 1,454,835	\$ 1,384,627	\$ 1,508,338	4%
Total Personnel Expenses		\$ 4,636,576	\$ 4,772,396	\$ 4,749,702	\$ 4,800,204	1%

NON-PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
21001	7330 Specialty Services	\$ 121,486	\$ 125,450	\$ 123,300	\$ 130,000	4%
22001	5400 CEPT Polymer	\$ 145,693	\$ 107,300	\$ 109,065	\$ 109,100	2%
22001	5401 Ferric Chloride	\$ 214,984	\$ 298,100	\$ 318,100	\$ 414,400	39%
22001	5405 Atmospheric Control (Nitrogen)	\$ 10,895	\$ 17,700	\$ 13,128	\$ 19,550	10%
22001	5406 Pellet Dust Control	\$ 58,164	\$ 96,700	\$ 61,900	\$ 73,000	-25%
22001	5407 Sodium Hypochlorite	\$ 57,119	\$ 56,450	\$ 63,600	\$ 72,150	28%
22001	5408 Coagulation Polymer	\$ 26,680	\$ -	\$ -	\$ -	0%
22001	5409 Dewatering Polymer	\$ 547,069	\$ 563,450	\$ 623,500	\$ 651,700	16%
22001	5420 Biosolids Disposal	\$ 367,103	\$ 389,500	\$ 396,100	\$ 429,400	10%
22001	5422 Pure Green Marketing	\$ 9,593	\$ 16,500	\$ 13,200	\$ 10,000	-39%
22001	5423 Grit Hauling	\$ 129,813	\$ 133,900	\$ 112,700	\$ 113,300	-15%
22001	5431 Water	\$ 14,008	\$ 15,600	\$ 12,800	\$ 16,200	4%
22001	6450 Professional Services	\$ 34,857	\$ 39,000	\$ 38,789	\$ 24,000	-38%
22001	6720 Specialty Equipment	\$ 2,477	\$ 1,600	\$ 1,573	\$ 6,600	313%
22001	6920 Permits	\$ 25,216	\$ 26,650	\$ 26,200	\$ 26,350	-1%
22001	7130 Public Information	\$ 5,908	\$ 2,000	\$ -	\$ -	-100%
22001	7310 Safety & Medical Services	\$ 18,434	\$ 25,100	\$ 21,600	\$ 24,600	-2%
22001	7320 Safety Equipment	\$ 92,004	\$ 91,600	\$ 88,500	\$ 90,000	-2%
22001	7330 Specialty Services	\$ 896	\$ 1,000	\$ 1,000	\$ 1,500	50%
22001	7611 Hazwoper Training	\$ 4,207	\$ 7,200	\$ 4,100	\$ 6,000	-17%
22001	7616 First Aid Training	\$ 2,821	\$ 750	\$ 750	\$ 3,900	420%
22001	7617 Safety Other	\$ 5,562	\$ 54,000	\$ 54,000	\$ 6,500	-88%
22001	7620 Contingency	\$ -	\$ 250,000	\$ -	\$ 250,000	0%
23001	5410 Chemicals	\$ 4,065	\$ 7,500	\$ 7,301	\$ 7,500	0%
23001	5530 Misc. Corrosion Protection	\$ 2,319	\$ 2,000	\$ 2,000	\$ 2,000	0%
23001	5910 Equipment Rental	\$ 1,777	\$ 8,000	\$ 8,000	\$ 13,000	63%
23001	6120 Fuel & Lube	\$ 22,572	\$ 22,800	\$ 23,900	\$ 23,100	1%
23001	6230 Janitorial	\$ 83,214	\$ 99,500	\$ 97,181	\$ 100,000	1%

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NON-PERSONNEL EXPENSES (cont.)

				Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
23001	6410	Laundry & Uniforms	\$	12,615	\$ 18,750	\$ 18,250	\$ 18,000	-4%
23001	6424	Information Systems	\$	353,532	\$ 331,500	\$ 327,500	\$ 381,900	15%
23001	6510	Mobile Equipment Repair	\$	13,180	\$ 19,000	\$ 18,200	\$ 20,000	5%
23001	6710	Equipment New	\$	6,712	\$ 6,000	\$ 5,700	\$ 6,000	0%
23001	6730	Non-Specific Repair & Maintenance	\$	92,774	\$ 90,000	\$ 91,000	\$ 95,000	6%
23001	6930	Piping & Electrical Repair	\$	97,938	\$ 110,000	\$ 110,000	\$ 112,000	2%
23001	6940	Planned Maintenance	\$	95,548	\$ 102,000	\$ 102,000	\$ 102,000	0%
23001	7010	Plant Contracts	\$	136,523	\$ 154,900	\$ 137,000	\$ 154,900	0%
23001	7330	Specialty Services	\$	101,795	\$ 132,700	\$ 116,000	\$ 114,000	-14%
23001	7510	Tools	\$	7,006	\$ 7,000	\$ 6,600	\$ 7,000	0%
24001	6730	Non-Specific Repair & Maintenance	\$	-	\$ 1,500	\$ -	\$ -	-100%
24001	6810	Ocean Monitoring	\$	4,188	\$ 55,000	\$ 40,500	\$ 27,000	-51%
24001	6911	Effluent Testing	\$	19,932	\$ 26,500	\$ 20,000	\$ 20,500	-23%
24001	6920	Permits	\$	190,432	\$ 188,600	\$ 205,000	\$ 205,000	9%
24001	6940	Planned Maintenance	\$	-	\$ 2,000	\$ -	\$ -	-100%
50001	BOD	Professional Development	\$	-	\$ 1,100	\$ 1,100	\$ 1,100	0%
50001	BOD	Board of Directors Fees	\$	51,684	\$ 63,800	\$ 61,600	\$ 66,500	4%
Total Non-Personnel Expenses			\$	3,192,795	\$ 3,769,700	\$ 3,482,737	\$ 3,954,750	5%

INTERNAL SERVICE FUNDS

				Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
11001		Administration	\$	1,594,182	\$ 1,637,966	\$ 1,591,694	\$ 1,716,344	5%
12001		Laboratory	\$	848,408	\$ 899,754	\$ 883,056	\$ 974,990	8%
13001		Energy Management	\$	1,808,661	\$ 1,877,207	\$ 2,014,595	\$ 2,177,487	16%
Total Internal Service Fund Expenses			\$	4,251,251	\$ 4,414,927	\$ 4,489,345	\$ 4,868,821	10%
Total Operating Expenses			\$	12,080,622	\$ 12,957,023	\$ 12,721,784	\$ 13,623,775	5%

ENVIRONMENTAL COMPLIANCE & REGIONAL SOURCE CONTROL

The EWPCF discharges clean water to the Pacific Ocean via the Encina Ocean Outfall pursuant to a National Pollutant Discharge Elimination System (NPDES) Permit issued under the authority of the federal Clean Water Act (CWA). The CWA also covers non-domestic sources of wastewater that discharge directly to a publicly owned treatment works like the EWPCF. Such discharges may be federally regulated or regulated by EWA's Pretreatment Ordinance, which are enforced by EWA in cooperation with the host Member Agency under authority derived from the federal CWA. The goal of Encina's Regional Source Control Program is to prevent the discharge of pollutants into the Member Agency sewer system, which may interfere with the operation of the EWPCF or pass through the system and negatively impact the ocean environment, the quality of PureGreen fertilizer or the ability to reclaim water. The Source Control Program achieves this goal by: identifying regulated industries; conducting facility inspections; issuing wastewater discharge permits; sampling industrial discharges to determine compliance; taking enforcement in response to noncompliance; responding to Member Agency requests to perform investigations regarding non-routine discharges; and, conducting related public outreach activities.

Capacity – During FY2020 staff estimates sixty (60) industries will be fully permitted, while another 540 businesses will participate in EWA's Best Management Practices Program.

Cost Allocation – Personnel Expenses make up over 88% of Source Control's budgeted expenses. Over 86% of personnel expenses are allocated to Member Agencies based on the actual level of effort by staff. Remaining personnel expenses and all non-personnel expenses are allocated to the Member Agencies on the basis of Encina Ocean Outfall flows.



Public Outreach at the City of Carlsbad Citizens Academy

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OPERATING EXPENSE SUMMARY: SOURCE CONTROL

PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
5100	Salaries	\$ 384,261	\$ 415,115	\$ 407,340	\$ 474,304	14%
5200	Benefits	\$ 166,872	\$ 149,563	\$ 170,314	\$ 233,718	56%
Total Personnel Expenses		\$ 551,133	\$ 564,678	\$ 577,654	\$ 708,022	25%

NON-PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
40001	5520 Books	\$ -	\$ 250	\$ 250	\$ 300	20%
40001	5930 Equipment Replacement	\$ 29	\$ 3,300	\$ 350	\$ 1,900	-42%
40001	6120 Fuel & Lube	\$ 1,332	\$ 1,750	\$ 2,000	\$ 2,100	20%
40001	6310 Lab Equipment Repair	\$ 3,833	\$ 5,200	\$ 5,200	\$ 10,100	94%
40001	6330 Lab Supplies	\$ -	\$ 750	\$ 750	\$ 750	0%
40001	6410 Laundry & Uniforms	\$ 1,535	\$ 1,600	\$ 1,595	\$ 1,850	16%
40001	6422 Legal Notices	\$ 554	\$ 1,500	\$ 750	\$ 1,500	0%
40001	6450 Professional Services	\$ -	\$ -	\$ -	\$ 30,000	0%
40001	7120 Printing & Reproduction	\$ -	\$ 500	\$ 500	\$ 500	0%
40001	7130 Public Information	\$ 43	\$ 3,000	\$ 3,000	\$ 3,000	0%
Total Non-Personnel Expenses		\$ 7,326	\$ 17,850	\$ 14,395	\$ 52,000	191%

INTERNAL SERVICE FUNDS

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
11001	Administration	\$ 84,002	\$ 97,396	\$ 94,645	\$ 113,076	16%
12001	Laboratory	\$ 48,029	\$ 71,275	\$ 49,990	\$ 55,194	-23%
13001	Energy Management	\$ 1,810	\$ 1,879	\$ 2,017	\$ 2,180	16%
Total Internal Service Fund Expenses		\$ 133,841	\$ 170,550	\$ 146,652	\$ 170,450	0%
Total Operating Expenses		\$ 692,300	\$ 753,078	\$ 738,701	\$ 930,472	24%

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REMOTE FACILITIES

AGUA HEDIONDA PUMP STATION

The Agua Hedionda Pump Station (AHPS) is part of the Encina Joint Sewerage System and is jointly owned by the City of Vista and the City of Carlsbad. This pump station is located on the southeast shore of the Agua Hedionda Lagoon and is currently in the process of being replaced with a new station on the existing site. The current station will remain operational until the new station is fully operational, which is anticipated to occur in late fiscal year 2019 or early 2020.

Capacity – The existing AHPS is equipped with four (4) pumps rated at 8,000 gallons per minute. This equipment will be replaced by the new pump station's four (4) lift pumps and four (4) force main pumps, providing ample redundancy and a broad operating range. This facility is operated 365 days a year on a 24 hour-a-day basis.

Cost Allocation – The AHPS is operated by EWA under a contract with the owner agencies. The costs of operating and maintaining the AHPS are allocated to the City of Vista (69.1%) and the City of Carlsbad (30.9%) in accordance with the May 2017 Memorandum of Understanding.



Newly Constructed Agua Hedionda Pump Station

REMOTE FACILITIES (cont.)

BUENA VISTA PUMP STATION

The Buena Vista Pump Station (BVPS) is part of the Encina Joint Sewerage System and is jointly owned by the City of Vista and the City of Carlsbad. This pump station is located on the southwest shores of the Buena Vista Lagoon.

Capacity – The BVPS, which is equipped with four (4) pumps rated at 11,000 gallons per minute, is operated 365 days a year on a 24 hour-a-day basis.

Cost Allocation – The BVPS is operated by EWA under a contract with the owner agencies. The costs of operating and maintaining the BVPS are allocated to the City of Vista (89.6%) and the City of Carlsbad (10.4%) in accordance with the May 2017 Memorandum of Understanding.



Buena Vista Pump Station

REMOTE FACILITIES (cont.)

BUENA CREEK PUMP STATION

The Buena Creek Pump Station (BCPS) is owned by the Buena Sanitation District (BSD). This pump station is located approximately two miles north of Palomar Airport Road and 1/8 mile east of Melrose Drive.

Capacity – The BCPS, which is equipped with five (5) pumps rated at 4,500 gallons per minute, is operated 365 days a year on a 24 hour-a-day basis.

Cost Allocation – The BCPS is operated by EWA under a contract with the BSD. 100% of the costs for operating and maintaining the BCPS are allocated to the BSD in accordance with the May 2017 Memorandum of Understanding.



Buena Creek Pump Station

REMOTE FACILITIES (cont.)

CARLSBAD WATER RECYCLING FACILITY

The Carlsbad Water Reclamation Facility (CWRF) is owned by the City of Carlsbad. The facility is located on nine (9) acres directly adjacent to the southwest border of the EWPCF.

Capacity – The CWRF recycles secondary effluent produced at the EWPCF, which is conveyed throughout the City for irrigation purposes. A plant expansion completed during FY 2017 increased the plant capacity to 7 MGD.

Cost Allocation – The CWRF is operated by EWA under a contract with the City of Carlsbad. 100% of the costs for operating and maintaining the CWRF are paid by the City of Carlsbad in accordance with the May 2005 Memorandum of Understanding. Recommended expenses are based on the expected recycled water production volume. Actual expenditures will reflect the actual volume of recycled water production.



Carlsbad Water Recycling Facility

REMOTE FACILITIES (cont.)

RACEWAY BASIN PUMP STATION

The Raceway Basin Pump Station (RBPS) is owned by the City of Vista. This pump station is located approximately 1/2 mile north of Palomar Airport Road and 1/8 mile west of Melrose Drive.

Capacity – The RBPS, which is equipped with three (3) pumps rated at 1,350 gallons per minute, is operated 365 days a year on a 24 hour-a-day basis.

Cost Allocation – The RBPS is operated by EWA under a contract with the City of Vista. 100% of the costs for operating and maintaining the RBPS are allocated to the City of Vista in accordance with the May 2017 Memorandum of Understanding.



Raceway Basin Pump Station

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OPERATING EXPENSE SUMMARY: AGUA HEDIONDA PUMP STATION

PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
5100	Salaries	\$ 107,125	\$ 120,715	\$ 287,206	\$ 187,993	56%
5200	Benefits	\$ 47,155	\$ 61,081	\$ 129,034	\$ 91,352	50%
Total Personnel Expenses		\$ 154,279	\$ 181,796	\$ 416,240	\$ 279,345	54%

NON-PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
31001	5431 Water	\$ 1,356	\$ 8,800	\$ 14,150	\$ 8,800	0%
31001	5435 Electricity	\$ 102,360	\$ 80,000	\$ 163,400	\$ 172,200	115%
31001	5910 Equipment Rental	\$ -	\$ 1,000	\$ 1,000	\$ -	-100%
31001	6120 Fuel & Lube	\$ 3,504	\$ 2,850	\$ 2,400	\$ 3,650	28%
31001	6410 Laundry & Uniforms	\$ 312	\$ 400	\$ 900	\$ 425	6%
31001	6730 Non-Specific Repair & Maintenance	\$ 634	\$ 2,500	\$ 3,150	\$ 2,500	0%
31001	6920 Permits	\$ 2,866	\$ 2,800	\$ 2,900	\$ 3,100	11%
31001	6930 Piping & Electrical Repair	\$ 387	\$ 3,500	\$ 3,000	\$ 3,500	0%
31001	6940 Planned Maintenance	\$ -	\$ 8,500	\$ 4,000	\$ 8,500	0%
31001	7010 Plant Contracts	\$ 2,900	\$ 2,700	\$ 2,550	\$ 2,700	0%
31001	7320 Safety Equipment	\$ 753	\$ 800	\$ 800	\$ 1,500	88%
31001	7330 Specialty Services	\$ 7,379	\$ 16,750	\$ 10,000	\$ 22,250	33%
Total Non-Personnel Expenses		\$ 122,452	\$ 130,600	\$ 208,250	\$ 229,125	75%

INTERNAL SERVICE FUNDS

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
11001	Administration	\$ 38,538	\$ 41,621	\$ 40,445	\$ 50,019	20%
Total Internal Service Fund Expenses		\$ 38,538	\$ 41,621	\$ 40,445	\$ 50,019	20%
Total Operating Expenses		\$ 315,269	\$ 354,017	\$ 664,935	\$ 558,489	58%

OPERATING EXPENSE SUMMARY: BUENA VISTA PUMP STATION

PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
5100	Salaries	\$ 202,996	\$ 131,066	\$ 127,982	\$ 135,320	3%
5200	Benefits	\$ 79,277	\$ 65,484	\$ 57,215	\$ 71,246	9%
Total Personnel Expenses		\$ 282,273	\$ 196,550	\$ 185,197	\$ 206,566	5%

NON-PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
32001	5431 Water	\$ 1,469	\$ 1,850	\$ 1,900	\$ 1,900	3%
32001	5435 Electricity	\$ 259,959	\$ 220,000	\$ 319,850	\$ 334,800	52%
32001	5910 Equipment Rental	\$ -	\$ 500	\$ -	\$ -	-100%
32001	6120 Fuel & Lube	\$ 4,606	\$ 3,750	\$ 4,500	\$ 4,350	16%
32001	6410 Laundry & Uniforms	\$ 312	\$ 400	\$ 450	\$ 425	6%
32001	6730 Non-Specific Repair & Maintenance	\$ 1,591	\$ 3,000	\$ 3,000	\$ 3,000	0%
32001	6920 Permits	\$ 1,842	\$ 2,550	\$ 2,000	\$ 2,550	0%
32001	6930 Piping & Electrical Repair	\$ 2,350	\$ 5,000	\$ 5,000	\$ 5,000	0%
32001	6940 Planned Maintenance	\$ 2,189	\$ 7,000	\$ 7,000	\$ 7,000	0%
32001	7010 Plant Contracts	\$ 6,461	\$ 3,200	\$ 3,000	\$ 3,500	9%
32001	7320 Safety Equipment	\$ 937	\$ 1,000	\$ 1,000	\$ 1,000	0%
32001	7330 Specialty Services	\$ 13,714	\$ 20,550	\$ 15,550	\$ 15,550	-24%
32001	7510 Tools	\$ 23	\$ 500	\$ -	\$ -	-100%
Total Non-Personnel Expenses		\$ 295,453	\$ 269,300	\$ 363,250	\$ 379,075	41%

INTERNAL SERVICE FUNDS

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
11001	Administration	\$ 49,535	\$ 48,723	\$ 47,347	\$ 51,236	5%
Total Internal Service Fund Expenses		\$ 49,535	\$ 48,723	\$ 47,347	\$ 51,236	5%
Total Operating Expenses		\$ 627,261	\$ 514,573	\$ 595,794	\$ 636,877	24%

OPERATING EXPENSE SUMMARY: BUENA CREEK PUMP STATION

PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
5100	Salaries	\$ 101,290	\$ 120,657	\$ 120,412	\$ 124,502	3%
5200	Benefits	\$ 45,316	\$ 60,349	\$ 52,809	\$ 65,757	9%
Total Personnel Expenses		\$ 146,606	\$ 181,006	\$ 173,221	\$ 190,259	5%

NON-PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
37001	5431 Water	\$ 2,202	\$ 2,500	\$ 2,500	\$ 2,600	4%
37001	5435 Electricity	\$ 121,435	\$ 105,000	\$ 130,000	\$ 136,500	30%
37001	6120 Fuel & Lube	\$ 4,470	\$ 3,200	\$ 3,950	\$ 3,650	14%
37001	6410 Laundry & Uniforms	\$ 312	\$ 500	\$ 500	\$ 450	-10%
37001	6710 Equipment New	\$ -	\$ 500	\$ -	\$ -	-100%
37001	6730 Non-Specific Repair & Maintenance	\$ 1,791	\$ 2,000	\$ 2,000	\$ 2,000	0%
37001	6920 Permits	\$ 1,755	\$ 2,850	\$ 1,800	\$ 2,850	0%
37001	6930 Piping & Electrical Repair	\$ 4,448	\$ 5,000	\$ 5,000	\$ 5,000	0%
37001	6940 Planned Maintenance	\$ 940	\$ 4,000	\$ 2,500	\$ 2,500	-38%
37001	7010 Plant Contracts	\$ 1,870	\$ 1,500	\$ 2,000	\$ 2,000	33%
37001	7320 Safety Equipment	\$ 637	\$ 700	\$ 700	\$ 700	0%
37001	7330 Specialty Services	\$ 8,505	\$ 23,650	\$ 19,500	\$ 20,000	-15%
Total Non-Personnel Expenses		\$ 148,364	\$ 151,400	\$ 170,450	\$ 178,250	18%

INTERNAL SERVICE FUNDS

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
11001	Administration	\$ 39,308	\$ 41,457	\$ 40,286	\$ 43,709	5%
Total Internal Service Fund Expenses		\$ 39,308	\$ 41,457	\$ 40,286	\$ 43,709	5%
Total Operating Expenses		\$ 334,278	\$ 373,863	\$ 383,957	\$ 412,218	10%

OPERATING EXPENSE SUMMARY: CARLSBAD WATER RECYCLING FACILITY

PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
5100	Salaries	\$ 323,476	\$ 368,713	\$ 338,847	\$ 367,608	0%
5200	Benefits	\$ 148,525	\$ 184,514	\$ 155,107	\$ 194,607	5%
Total Personnel Expenses		\$ 472,001	\$ 553,227	\$ 493,954	\$ 562,215	2%

NON-PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
38001	5394 Caustic Membrane Filtration	\$ 21,786	\$ 26,700	\$ 19,900	\$ 21,900	-18%
38001	5395 Citric Acid	\$ 26,799	\$ 27,000	\$ 22,900	\$ 25,600	-5%
38001	5407 Sodium Hypochlorite	\$ 72,387	\$ 120,600	\$ 139,750	\$ 152,300	26%
38001	5408 Coagulation Polymer	\$ -	\$ 3,300	\$ 3,300	\$ 3,300	0%
38001	5411 Sodium Bisulfate	\$ 25,850	\$ 28,600	\$ 27,000	\$ 26,500	-7%
38001	5412 Alum	\$ -	\$ 14,100	\$ 5,115	\$ 14,100	0%
38001	5435 Electricity	\$ 194,024	\$ 200,500	\$ 208,100	\$ 224,350	12%
38001	5530 Misc. Corrosion Protection	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	0%
38001	5910 Equipment Rental	\$ 414	\$ 3,500	\$ 3,500	\$ 3,500	0%
38001	6120 Fuel & Lube	\$ 73	\$ 2,600	\$ 700	\$ 700	-73%
38001	6230 Janitorial	\$ -	\$ 2,100	\$ 2,100	\$ 2,100	0%
38001	6410 Laundry & Uniforms	\$ 936	\$ 1,250	\$ 1,250	\$ 1,250	0%
38001	6424 Information Systems	\$ -	\$ 4,000	\$ 4,000	\$ 4,000	0%
38001	6450 Professional Services	\$ -	\$ 58,000	\$ 50,000	\$ 25,000	-57%
38001	6730 Non-Specific Repair & Maintenance	\$ 7,003	\$ 10,000	\$ 9,300	\$ 10,000	0%
38001	6920 Permits	\$ 17,544	\$ 17,450	\$ 18,850	\$ 18,850	8%
38001	6930 Piping & Electrical Repair	\$ 3,122	\$ 6,000	\$ 6,000	\$ 6,000	0%
38001	6940 Planned Maintenance	\$ 14,082	\$ 21,300	\$ 17,500	\$ 21,300	0%
38001	7010 Plant Contracts	\$ 1,921	\$ 4,550	\$ 4,250	\$ 4,550	0%
38001	7320 Safety Equipment	\$ 1,134	\$ 1,200	\$ 1,200	\$ 1,200	0%
38001	7330 Specialty Services	\$ 2,752	\$ 31,050	\$ 26,050	\$ 26,050	-16%
38001	7510 Tools	\$ -	\$ 500	\$ -	\$ -	-100%
Total Non-Personnel Expenses		\$ 389,828	\$ 586,300	\$ 572,765	\$ 594,550	1%

INTERNAL SERVICE FUNDS

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
11001	Administration	\$ 110,398	\$ 141,178	\$ 137,189	\$ 149,087	6%
12001	Laboratory	\$ 56,242	\$ 57,776	\$ 58,539	\$ 64,634	12%
Total Internal Service Fund Expenses		\$ 166,640	\$ 198,954	\$ 195,728	\$ 213,721	7%
Total Operating Expenses		\$ 1,028,469	\$ 1,338,481	\$ 1,262,447	\$ 1,370,486	2%

OPERATING EXPENSE SUMMARY: RACEWAY BASIN PUMP STATION

PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
5100	Salaries	\$ 75,156	\$ 97,697	\$ 95,772	\$ 101,502	4%
5200	Benefits	\$ 35,985	\$ 49,732	\$ 42,722	\$ 53,449	7%
Total Personnel Expenses		\$ 111,141	\$ 147,429	\$ 138,494	\$ 154,951	5%

NON-PERSONNEL

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
39001	5431 Water	\$ 603	\$ 750	\$ 800	\$ 800	7%
39001	5435 Electricity	\$ 28,210	\$ 23,000	\$ 25,200	\$ 26,450	15%
39001	5910 Equipment Rental	\$ -	\$ 300	\$ -	\$ -	-100%
39001	6120 Fuel & Lube	\$ 2,510	\$ 3,650	\$ 4,700	\$ 4,500	23%
39001	6410 Laundry & Uniforms	\$ 312	\$ 400	\$ 600	\$ 450	13%
39001	6710 Equipment New	\$ -	\$ 500	\$ -	\$ -	-100%
39001	6730 Non-Specific Repair & Maintenance	\$ 59	\$ 2,000	\$ 2,000	\$ 2,000	0%
39001	6920 Permits	\$ 2,205	\$ 2,100	\$ 2,300	\$ 2,300	10%
39001	6930 Piping & Electrical Repair	\$ 820	\$ 2,000	\$ 2,200	\$ 2,000	0%
39001	6940 Planned Maintenance	\$ 1,385	\$ 3,000	\$ 2,400	\$ 3,000	0%
39001	7010 Plant Contracts	\$ 1,870	\$ 2,250	\$ 1,002	\$ 2,500	11%
39001	7320 Safety Equipment	\$ 587	\$ 650	\$ 650	\$ 650	0%
39001	7330 Specialty Services	\$ 14,080	\$ 20,650	\$ 17,150	\$ 17,150	-17%
Total Non-Personnel Expenses		\$ 52,642	\$ 61,250	\$ 59,002	\$ 61,800	1%

INTERNAL SERVICE FUNDS

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
11001	Administration	\$ 24,938	\$ 29,656	\$ 28,818	\$ 31,615	7%
Total Internal Service Fund Expenses		\$ 24,938	\$ 29,656	\$ 28,818	\$ 31,615	7%
Total Operating Expenses		\$ 188,721	\$ 238,335	\$ 226,314	\$ 248,366	4%

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INTERNAL SERVICE FUNDS

Internal Service Funds (ISFs) make categorical and overhead charges to operating and capital programs. Categorical charges are costs incurred by the ISF that are directly attributable to a particular operating or capital program the ISF supports. Overhead charges are costs incurred by the ISF that support more than one operating or capital program. EWA's budget reflects three ISFs: (1) Administration; (2) Laboratory; and, (3) Energy Management. The existence of these ISFs traces back to the 1998 EWA Staffing Reorganization and management's effort to distinguish between costs required to ensure public health, produce effluent water compliant with NPDES Permit standards, and maintain the associated Encina Joint System infrastructure from costs associated with administering the Encina Joint System that could be taken on by a Member Agency or a third party administrator (Administration), permit compliance activities that could be contracted out (Laboratory), and power that could be purchased from San Diego Gas & Electric (Energy Management).

Administration – The Administration Internal Service Fund provides professional support services to EWA's Board of Directors as well as all Operating and Capital Programs. Administration plans and executes EWA's business, asset management, and financial plans; provides treasury and accountancy management; is responsible for required and supplemental financial reporting; administers all human resources functions, employee benefits, professional development, and other "Employer of Choice" initiatives; and, supports EWA's governance activities.

Laboratory – The Laboratory Internal Service Fund is responsible for monitoring and reporting activities required by: (1) EWA's National Pollutant Discharge Elimination System (NPDES) Permit; (2) permits related to facilities operated and maintained by EWA staff; (3) EWA's Storm Water Permit; and, (4) permits and contracts related to biosolids use. The Laboratory is also responsible for management of EWA's Joint Flow Metering System (JFMS), as well as the sampling and data compilation elements of EWA's Financial Plan and Revenue Program.

EWA's Laboratory, which is certified by the State of California's Environmental Laboratory Accreditation Program, analyzes over 32,000 samples per year including process control, plant influent and effluent, biosolids, industrial user samples, ocean water, storm water, and drinking water. A portion of the analyses is completed under contract for EWA's Member Agencies, which generated \$215,347 in revenue in FY2018, offsetting operating expenses.



Testing biochemical oxygen demand levels

Energy Management – The Energy Management Internal Service Fund utilizes the EWPCF's power production and heat exchange facilities to maximize the beneficial reuse of digester gas produced in the wastewater treatment process thus minimizing the amount of energy EWA must purchase to operate the EWPCF. EWPCF's Energy Management facilities generates about 12 million kilowatt hours of green electricity per year from biogas thus providing about 83% of the electricity required to operate the EWPCF. EWA is a member of the Environmental Protection Agency's Green Power Partnership and has been ranked in the Top 30 of the Green Power Leadership Club for On-Site Generation since 2011.

Cost Allocation – All ISF costs and revenues are allocated internally to one or more Operating or Capital program on the basis of use. Each Operating and Capital program has its own cost allocation that apportions its net costs the Member Agencies.

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OPERATING EXPENSE SUMMARY: INTERNAL SERVICE FUNDS

PERSONNEL EXPENSES

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
5100	Salaries	\$ 1,565,814	\$ 1,609,219	\$ 1,549,502	\$ 1,694,879	5%
5200	Benefits	\$ 659,632	\$ 744,169	\$ 665,907	\$ 773,542	4%
Total Personnel Expenses		\$ 2,225,446	\$ 2,353,388	\$ 2,215,409	\$ 2,468,421	5%

NON-PERSONNEL EXPENSES

		Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
11001	5445 Telephone	\$ 52,904	\$ 55,100	\$ 70,550	\$ 73,000	32%
11001	5510 Advertising	\$ 4,360	\$ 7,000	\$ 7,450	\$ 7,000	0%
11001	5810 Employee Recognition	\$ 10,273	\$ 12,000	\$ 12,412	\$ 12,000	0%
11001	5920 Equipment Repair Maint	\$ 24,518	\$ 26,800	\$ 24,426	\$ 26,800	0%
11001	6210 Independent Auditor/Actuary	\$ 23,000	\$ 29,000	\$ 28,850	\$ 29,500	2%
11001	6220 Insurance	\$ 169,278	\$ 189,250	\$ 197,650	\$ 207,000	9%
11001	6420 Legal Services	\$ 106,721	\$ 95,000	\$ 76,050	\$ 95,000	0%
11001	6430 Memberships	\$ 74,546	\$ 81,500	\$ 78,000	\$ 80,000	-2%
11001	6440 Mileage Reimbursement	\$ 2,979	\$ 4,800	\$ 4,450	\$ 4,800	0%
11001	6450 Professional Services	\$ 163,174	\$ 143,600	\$ 142,304	\$ 154,300	7%
11001	6830 Materials & Supplies	\$ 27,784	\$ 27,300	\$ 26,966	\$ 28,500	4%
11001	7110 Postage	\$ 4,449	\$ 4,750	\$ 4,820	\$ 4,750	0%
11001	7120 Printing & Reproduction	\$ 3,694	\$ 3,900	\$ 3,055	\$ 3,900	0%
11001	7410 Subscriptions	\$ 1,941	\$ 2,200	\$ 2,044	\$ 2,200	0%
11001	7610 Professional Development	\$ 111,828	\$ 129,000	\$ 139,733	\$ 138,350	7%
12001	5520 Books	\$ -	\$ 500	\$ 475	\$ 500	0%
12001	6120 Fuel & Lube	\$ 353	\$ 450	\$ 375	\$ 500	11%
12001	6310 Lab Equipment Repair	\$ 18,484	\$ 23,400	\$ 23,050	\$ 29,250	25%
12001	6320 Lab Minor Equip Replace	\$ 4,000	\$ 5,650	\$ 5,000	\$ 8,750	55%
12001	6330 Lab Supplies	\$ 71,657	\$ 77,550	\$ 75,550	\$ 79,950	3%
12001	6410 Laundry & Uniforms	\$ 3,952	\$ 4,150	\$ 4,100	\$ 4,150	0%
12001	6450 Professional Services	\$ 7,713	\$ 6,000	\$ 5,901	\$ 16,500	175%
12001	6910 Outside Analysis	\$ 14,988	\$ 9,400	\$ 9,000	\$ 9,400	0%
12001	6911 Effluent Testing	\$ 1,645	\$ 2,000	\$ 1,800	\$ 2,000	0%
12001	6912 Biosolids Testing	\$ 8,983	\$ 11,250	\$ 8,000	\$ 8,550	-24%
12001	6913 Industrial User Testing	\$ 24,442	\$ 33,000	\$ 32,000	\$ 33,000	0%
12001	6920 Permits	\$ 6,148	\$ 6,500	\$ 7,000	\$ 8,000	23%
12001	7120 Printing & Reproduction	\$ 493	\$ 500	\$ 500	\$ 500	0%
12001	7330 Specialty Services	\$ 11,165	\$ 12,750	\$ 19,000	\$ 14,250	12%
13001	5410 Chemicals	\$ 8,843	\$ 10,550	\$ 10,400	\$ 10,550	0%
13001	5435 Electricity	\$ 970,650	\$ 981,200	\$ 958,900	\$ 1,012,000	3%

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NON-PERSONNEL EXPENSES (cont.)			Actual FY2018	Budget FY2019	Projected FY2019	Recommended FY2020	% Change
13001	5440	Natural Gas	\$ 379,693	\$ 337,550	\$ 566,550	\$ 598,000	77%
13001	6120	Fuel & Lube	\$ 28,440	\$ 40,500	\$ 40,500	\$ 40,500	0%
13001	6230	Janitorial	\$ 1,855	\$ 2,500	\$ 1,650	\$ 2,500	0%
13001	6410	Laundry & Uniforms	\$ 1,196	\$ 1,200	\$ 1,200	\$ 1,200	0%
13001	6730	Non-Specific Repair & Maintenance	\$ 19,862	\$ 20,000	\$ 23,000	\$ 25,000	25%
13001	6920	Permits	\$ 15,194	\$ 21,600	\$ 18,000	\$ 18,000	-17%
13001	6940	Planned Maintenance	\$ 86,177	\$ 87,100	\$ 87,000	\$ 99,000	14%
13001	7330	Specialty Services	\$ 9,804	\$ 84,500	\$ 54,000	\$ 70,000	-17%
13001	7510	Tools	\$ 1,424	\$ 1,500	\$ 1,500	\$ 2,000	33%
Total Non-Personnel Expenses			\$ 2,478,605	\$ 2,592,500	\$ 2,773,212	\$ 2,961,150	14%
Total Operating Expenses			\$ 4,704,051	\$ 4,945,888	\$ 4,988,621	\$ 5,429,571	10%

CAPITAL PROGRAM

The Authority's Capital Program consists of the following elements: (1) EWPCF – Capital Improvements; (2) EWPCF – Planned Asset Rehabilitation & Replacement; (3) EWPCF – Capital Acquisitions; (4) Remote Facilities – Acquisitions & Rehabilitation; (5) Five-Year Capital Improvement Plan; and (6) Ten Year Capital Improvement Plan.

EWPCF – Capital Improvements – Capital Improvement Projects are those projects that increase or maintain the capacity of the Joint System and require a significant time commitment from staff. These projects regularly span multiple fiscal years and, therefore, unspent appropriations are typically carried forward by the Authority's annual Appropriations Resolution. Capital Project costs are allocated to Member Agencies based on ownership of the affected facilities. All Capital Projects are studied, designed, and executed pursuant to EWA's Comprehensive Asset Management Plan.



Primary Treatment Area

EWPCF – Planned Asset Rehabilitation & Replacement – Planned Asset Rehabilitation & Replacement projects extend the useful life of existing Joint System facilities and require a significant time commitment from staff. These projects are typically completed within a fiscal year, however, if a project cannot be completed, the Authority's annual Appropriations Resolution will identify unspent appropriations to be carried forward. Planned Asset Replacement costs are allocated based on ownership of the affected facilities.

EWPCF – Capital Acquisitions – Capital Acquisitions include the purchase of new items and minor facility projects that maintain the capacity and useful life of existing Joint System facilities. Expenditures are allocated based on the benefiting program or internal service fund.

CAPITAL PROGRAM (cont.)

Remote Facilities – Acquisitions & Rehabilitation – Remote Facility Acquisitions and Rehabilitation include the purchase of new items and minor facility projects that maintain the capacity and useful life of existing remote facilities operated by the Authority. Expenditures are allocated based on ownership of the affected facilities.

LONG TERM CAPITAL IMPROVEMENTS

Five-Year Capital Improvement Plan – The Five-Year Capital Improvement Plan includes expenditure projections for current and planned projects expected to require additional appropriations through FY2024, as identified by EWA’s Comprehensive Asset Management Plan (CAMP) documents. The Five-Year Capital Improvement Plan is developed and sequenced pursuant to EWA’s Comprehensive Asset Management Plan.

Ten-Year Capital Improvement Plan – The Ten-Year Capital Improvement Plan includes expenditure projections for current and planned projects expected to require additional appropriations through FY2029, as identified by EWA’s CAMP documents.

Engineering estimates for both the Five-Year and Ten-Year Programs assume annual inflation rate increases based on the Engineering News Record Construction Cost Index for Los Angeles (ENRCLA). The ENR cost index is a widely accepted method for tracking trends in industrial construction such as wastewater treatment plants. As planning reports are updated or other information becomes available, the long-term financial schedules may be revised. Capital Programs may also be modified due to unanticipated wastewater service requirements by one or more Member Agencies, changes in local population and development growth patterns, and new regulatory requirements.

SUMMARY of CAPITAL EXPENSES

	Actual FY2018		Budget FY2019		Recommended FY2020
EWPCF – Capital Improvements	\$	12,899,137	\$	17,649,000	\$ 17,594,480
EWPCF – Planned Asset Rehabilitation & Replacement	\$	686,526	\$	924,500	\$ 969,600
EWPCF – Capital Acquisitions	\$	286,195	\$	301,500	\$ 341,100
Remotes Facilities – Acquisitions & Rehabilitation	\$	508,298	\$	726,300	\$ 920,300
Subtotal	\$	14,380,156	\$	19,601,300	\$ 19,825,480
Salaries & Benefits	\$	2,341,663	\$	2,510,714	\$ 2,665,096
Total Capital Expense	\$	16,721,819	\$	22,112,014	\$ 22,490,576

ESTIMATED REVENUES

	Actual FY2018		Budget FY2019		Recommended FY2020
City of Carlsbad	\$	4,011,171	\$	5,506,254	\$ 5,489,799
City of Vista	\$	4,397,267	\$	5,680,343	\$ 5,881,286
Buena Sanitation District	\$	1,256,985	\$	1,629,047	\$ 1,734,253
Vallecitos Water District	\$	3,615,628	\$	4,794,677	\$ 4,847,867
Leucadia Wastewater District	\$	2,709,301	\$	3,592,800	\$ 3,621,242
City of Encinitas	\$	685,389	\$	908,893	\$ 916,129
Total Capital Revenue	\$	16,675,741	\$	22,112,014	\$ 22,490,576

CAPITAL IMPROVEMENT PROGRAM
MULTI-YEAR PROJECTS

	Actual FY2018		Budget FY2019		Recommended FY2020
<i>Liquid Process Improvements</i>	\$	6,800,240	\$	7,631,000	\$ 7,602,220
<i>Outfall</i>	\$	41,294	\$	-	\$ 567,000
<i>Solids Process Improvements</i>	\$	2,896,343	\$	4,650,000	\$ 3,611,560
<i>Energy Management</i>	\$	296,511	\$	1,174,000	\$ 460,000
<i>General Improvements</i>	\$	628,312	\$	2,244,000	\$ 4,178,700
<i>Professional Services</i>	\$	2,236,437	\$	1,950,000	\$ 1,175,000
Total EWPCF – Capital Improvements	\$	12,899,137	\$	17,649,000	\$ 17,594,480
EWPCF – Planned Asset Rehabilitation & Replacement	\$	686,526	\$	924,500	\$ 969,600
EWPCF – Capital Acquisitions	\$	286,195	\$	301,500	\$ 341,100
Remote Facilities – Acquisitions & Rehabilitation	\$	508,298	\$	726,300	\$ 920,300
Personnel	\$	2,341,663	\$	2,510,714	\$ 2,665,096
Total Capital Expense	\$	16,721,819	\$	22,112,014	\$ 22,490,576

EWPCF – CAPITAL IMPROVEMENTS

Org	Object	Project	Description	Amount
92002	8300	11005	Primary Area Improvements	\$ 3,468,560
92002	8300	13007	Secondary Clarifiers and Strainers Improvements	\$ 3,128,660
92002	8300	13022	Secondary Flow Equalization Basin Settlement	\$ 1,005,000
92002	8300	21008	Land Outfall Improvements	\$ 567,000
92002	8300	32013	Digester Rehabilitation and Improvements	\$ 3,611,560
92002	8300	41007	Cogen Engine Full Overhaul	\$ 460,000
92002	8300	51001	ORF I System Rehabilitation	\$ 107,000
92002	8300	51002	ORF Carbon Media Replacement	\$ 202,000
92002	8300	51014	ORF II Treatment System Improvements	\$ 126,200
92002	8300	52021	Climate Control for MCCs and Cogen Building	\$ 399,000
92002	8300	52032	Plant-Wide Asset Painting and Protective Coating	\$ 155,000
92002	8300	52035	Storm Drainage Pump Station Improvements	\$ 94,000
92002	8300	53004	Admin Building HVAC Chiller Replacement	\$ 613,500
92002	8300	53016	Cogen Wall Repair	\$ 1,482,000
92002	8300	54005	Implement Minor Condition Assessment Recommendations	\$ 150,000
92002	8300	54006	As-Needed Contractor Services	\$ 700,000
92002	8300	54007	Miscellaneous Building Rehabilitation	\$ 150,000
92002	8300	61514	As-Needed Integration Services	\$ 200,000
92002	8300	81011	Asset Condition Assessments - EWPCF	\$ 100,000
92002	8300	84001	Extension of Staff Engineering Services	\$ 650,000
92002	8300	84002	Research and Development Projects Services	\$ 100,000
92002	8300	84012	Air Permitting Assistance	\$ 25,000
92002	8300	33025	Dryer Components Rehabilitation Study	\$ 50,000
92002	8300	32015	Potable Reuse Study	\$ 50,000
Total EWPCF – Capital Improvements				\$ 17,594,480

EWPCF – PLANNED ASSET REHABILITATION & REPLACEMENT

Org	Object	Project	Description	Amount
80002	8010	80710	General Plant Repairs and Unplanned Repair	\$ 130,000
80002	8010	80720	Plant Security Services	\$ 60,000
80002	8010	80730	Door Hinge and Lock Repair	\$ 40,000
80002	8010	80740	Replace Carpet for Admin Bldg - Upper Floor	\$ 20,000
80002	8010	80750	Replace Plant Lighting	\$ 20,000
80002	8020	80760	RTO Media Replacement	\$ 35,000
80002	8020	80770	TWAS Pump Rebuild	\$ 31,000
80002	8020	80780	DAF Pressurization Pump rebuild	\$ 8,100
80002	8020	80790	DAF Poly Pump Rebuild	\$ 5,000
80002	8020	80800	Plug Valve Replacement	\$ 7,000
80002	8030	80810	Utility Water Valves	\$ 10,000
80002	8030	80820	Plant Water Systems Pump Rebuild (3W, 3WL, 3WLC, 3WHP)	\$ 36,500
80002	8050	80830	Grit Dewater 1 Replacement Parts	\$ 5,000
80002	8050	80840	Replacement Primary Sludge Pump	\$ 19,000
80002	8050	80850	Primary Area Odor Control Fan Rehabilitation	\$ 10,000
80002	8050	80860	Primary Sedimentary Tank Parts	\$ 20,000
80002	8050	80870	Primary Sludge Pump Parts	\$ 20,000
80002	8050	80880	Primary Area Tank Drainage Pump	\$ 10,000
80002	8050	80890	Replacement for Primary Grinder	\$ 12,000
80002	8050	80900	Primary Grit Pump Rebuild	\$ 29,000
80002	8050	80910	Rebuild Primary Chemical Treatment Pumps	\$ 5,000
80002	8050	80920	Replace Valves in Primary Gallery (8"=5, 6"=5)	\$ 10,000
80002	8060	80930	New Primary EQ Pump	\$ 40,000
80002	8060	80940	Secondary Clarifier Rinse System	\$ 8,000
80002	8060	80950	New RAS Rotating Assembly (2)	\$ 50,000
80002	8060	80960	New Chlorine Pump for Secondary Treatment	\$ 5,000
80002	8060	80970	RAS Pump Replacement	\$ 30,000
80002	8060	80980	Replace DO Probes for Aeration Basin #1	\$ 25,000
80002	8060	81000	Waste Activated Sludge Pump Rebuild	\$ 10,000
80002	8060	81020	Effluent Pump Rehabilitation	\$ 16,000
80002	8070	81030	Digester Drain Sump Pump Rebuild	\$ 5,000
80002	8080	81040	Centrifuge Feed Grinder Rebuild	\$ 10,000
80002	8080	81050	Centrifuge Feed Pump and Motor Rebuild	\$ 26,000
80002	8080	81060	Heat Dryer Drum Drive VFD Upgrade	\$ 14,500
80002	8080	81070	Wet Solids Feed 1& 2 VFD Upgrade	\$ 21,000
80002	8080	81080	Venturi Pac Panels	\$ 6,000
80002	8080	81090	Combustion Fan Replacement	\$ 30,000
80002	8080	81100	Venturi Drain Vacuum Valve	\$ 5,000
80002	8080	81110	Cake Pump Rebuild	\$ 50,000
80002	8080	81120	Heat Dryer Mixer Plows Replacement	\$ 24,000
80002	8090	81130	Cogeneration Control Module Upgrade	\$ 15,000
80002	8090	81140	Switchgear Thermography	\$ 15,000
80002	8090	81150	UPS Service and Warranty	\$ 6,500
80002	8090	81160	Replace Cogen Battery Bank	\$ 15,000
Total EWPCF – Planned Asset Rehabilitation & Replacement				\$ 969,600

EWPCF – CAPITAL ACQUISITIONS

Org	Object	Project	Description	Amount
23002	7710	70700	MUNIS Upgrades via TekWorks	\$ 30,000
23002	7710	70710	Tyler MUNIS Disaster Recovery (DHS)	\$ 15,000
23002	7710	70720	Phone Server Upgrade	\$ 40,000
23002	7710	70730	Business Computer Replacements	\$ 20,000
23002	7730	70740	Diesel Forklift Replacement	\$ 55,000
23002	7730	70750	Portable Generator Replacement	\$ 5,000
23002	7730	70760	New Emergency Solids Handling Pumps (2)	\$ 5,600
23002	7730	70770	Portable Hot Water Pressure Washer	\$ 8,000
23002	7730	70780	Cart Rehab/Replacement	\$ 30,500
23002	7740	70790	Two (2) Vehicle Replacements	\$ 70,000
23002	7750	70800	Cooling Tower Fan	\$ 25,000
23002	7750	70810	Boiler Header and Piping Repair	\$ 30,000
23002	7750	70820	Replace HVAC Vacuum Pumps	\$ 7,000
Total EWPCF – Capital Acquisitions				\$ 341,100

REMOTE FACILITIES – ACQUISITIONS & REHABILITATION

Org	Object	Project	Description	Amount
31002	7750	70830	AHPS - Grinder Rebuild	\$ 28,000
31002	7750	70840	AHPS - Pump Rebuild	\$ 15,000
31002	7750	70850	AHPS - Unplanned Minor Rehab	\$ 15,000
31002	7750	70860	AHPS - VFD Repairs	\$ 10,000
31002	7750	70870	AHPS - Integration Assistance & Router	\$ 15,000
31002	7750	70880	AHPS - R-CAMP	\$ 25,000
32002	7750	70890	BVPS - Spare Pump	\$ 70,000
32002	7750	70900	BVPS - Grinder Rebuild	\$ 28,000
32002	7750	70910	BVPS - Sewage Pump and Motor Rebuild	\$ 28,000
32002	7750	70920	BVPS - Coatings & Painting	\$ 6,000
32002	7750	70930	BVPS - Unplanned Minor Rehabilitation	\$ 9,000
32002	7750	70940	BVPS - Integration Assistance & Router	\$ 15,000
32002	7750	70950	BVPS - Float Switch for Flow Meter Vault	\$ 5,000
32002	7750	70960	BVPS - VFD Repairs	\$ 10,000
32002	7750	70970	BVPS - Critical Mechanical Spares	\$ 85,000
32002	7750	70980	BVPS - R-CAMP	\$ 20,000
37002	7750	70990	BCPS - Grinder Rebuild	\$ 24,000
37002	7750	71000	BCPS - Sewage Pump Rebuild	\$ 26,000
37002	7750	71010	BCPS - Sewage Pump Motor Rebuild	\$ 6,000
37002	7750	71020	BCPS - Vibration Analysis	\$ 12,000
37002	7750	71030	BCPS - Coatings & Painting	\$ 5,000
37002	7750	71040	BCPS - Unplanned Minor Rehab	\$ 8,000
37002	7750	71050	BCPS - VFD Repairs	\$ 15,000
37002	7750	71060	BCPS - Integration Assistance & Router	\$ 15,000
37002	7750	71070	BCPS - Critical Mechanical Spares	\$ 75,000
37002	7750	71080	BCPS - R-CAMP	\$ 20,000
38002	7750	71090	CWRF - Sodium Hypo Tank Replacement	\$ 40,000
38002	7750	71100	CWRF - Building Maintenance & Door Repair	\$ 30,000
38002	7750	71110	CWRF - Unplanned Minor Rehabilitation	\$ 13,000
38002	7750	71120	CWRF - Coatings & Painting	\$ 10,000
38002	7750	71130	CWRF - VFD Repairs	\$ 20,000
38002	7750	71140	CWRF - Replace Cascade Rings	\$ 9,800
38002	7750	71150	CWRF - Spare Parts for UF Upgrade	\$ 10,000
38002	7750	71160	CWRF - Integration Assistance & Audit Recommendations	\$ 45,000
38002	7750	71170	CWRF - R-CAMP	\$ 25,000
39002	7750	71180	RBPS - Grinder Rebuild	\$ 26,000
39002	7750	71190	RBPS - Sewage Sump and Motor Rebuild	\$ 23,000
39002	7750	71200	RBPS - Unplanned Minor Rehabilitation	\$ 5,500
39002	7750	71210	RBPS - VFD Repairs	\$ 8,000
39002	7750	71220	RBPS - Coatings & Painting	\$ 5,000
39002	7750	71230	RBPS - Integrate Electronic Door locks	\$ 5,000
39002	7750	71240	RBPS - Integration Assistance & Router	\$ 15,000
39002	7750	71250	RBPS - Critical Mechanical Spares	\$ 20,000
39002	7750	71260	RBPS - R-CAMP	\$ 20,000
Total Remote Facilities – Capital Acquisitions & Rehabilitation				\$ 920,300

LONG-TERM CAPITAL FINANCIAL PLAN

5 YEAR *and* 10 YEAR CAPITAL BUDGET

Fiscal Year	EWPCF Capital Improvements	EWPCF Planned Asset Rehabilitation & Replacement	EWPCF Capital Acquisitions	Remote Facilities Acquisitions & Rehabilitation	Personnel Expense	Total
2020	\$ 17,594,480	\$ 969,600	\$ 341,100	\$ 920,300	\$ 2,665,096	\$ 22,490,576
2021	\$ 20,374,951	\$ 989,000	\$ 348,000	\$ 939,000	\$ 2,718,000	\$ 25,368,951
2022	\$ 14,912,050	\$ 1,009,000	\$ 355,000	\$ 958,000	\$ 2,772,000	\$ 20,006,050
2023	\$ 18,517,492	\$ 1,029,000	\$ 362,000	\$ 977,000	\$ 2,827,000	\$ 23,712,492
2024	\$ 21,361,860	\$ 1,050,000	\$ 369,000	\$ 997,000	\$ 2,884,000	\$ 26,661,860
5 Year Total	\$ 92,760,833	\$ 5,046,600	\$ 1,775,100	\$ 4,791,300	\$ 13,866,096	\$ 118,239,929
2025	\$ 25,634,520	\$ 1,071,000	\$ 376,000	\$ 1,017,000	\$ 2,942,000	\$ 31,040,520
2026	\$ 22,715,504	\$ 1,092,000	\$ 384,000	\$ 1,037,000	\$ 3,001,000	\$ 28,229,504
2027	\$ 20,366,000	\$ 1,114,000	\$ 392,000	\$ 1,058,000	\$ 3,061,000	\$ 25,991,000
2028	\$ 20,773,000	\$ 1,136,000	\$ 400,000	\$ 1,079,000	\$ 3,122,000	\$ 26,510,000
2029	\$ 21,188,000	\$ 1,159,000	\$ 408,000	\$ 1,101,000	\$ 3,184,000	\$ 27,040,000
10 Year Total	\$ 203,437,857	\$ 10,618,600	\$ 3,735,100	\$ 10,083,300	\$ 29,176,096	\$ 257,050,953