

Flood Control Zone 3

Proposed Budget



For
Fiscal Year

2009-10



FLOOD CONTROL ZONE 3 2009/10 PROPOSED BUDGET

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SAN LUIS OBISPO COUNTY DEPARTMENT OF PUBLIC WORKS

County Government Center, Room 207 • San Luis Obispo, CA 93408 • (805)781-5252

Fax (805) 781-1229

email address: pwd@co.slo.ca.us

February 9, 2009

MEMORANDUM

TO: Flood Control Zone 3 Advisory Committee

FROM: Will Clemens, San Luis Obispo County Public Works Department Administrator

SUBJECT: Flood Control Zone 3 - Proposed Budget FY 2009-10

The 2009-2010 Flood Control Zone 3 Proposed Budget has been prepared by the County Department of Public Works for your review.

The budgets have been mailed to the contracting agency's Advisory Committee Members, Finance Directors and Technical Advisory Committee members. Although cost increases exist, the estimates are consistent with the five year cost projections provided to your agencies in April 2008. Nevertheless, detailed review with agency finance and technical staff will be held before final review by the Zone 3 Advisory Committee, scheduled for March 19th, 2009. A summary of the changes from the 2008-09 budget to the proposed 2009-10 budget is as follows:

Description	2008-09 Budget	2009-10 Budget	Dollar Change	Percent Change
Operations And Maintenance				
Billable Routine	3,116,908	3,660,744	543,836	23%
Billable Non-Routine	276,205	180,178	(96,027)	(36)%
Total O&M	3,393,113	3,840,921	447,808	17%
Billable Capital Outlay/Reserves	230,000	1,680,000	1,450,000	349%
Billable Debt Service	1,989,162	1,482,088	(507,074)	(25)%
Total Contractor Billings	5,612,275	7,003,009	1,390,734	28%

Variance Discussion:

The overall contractor billings will increase 28% for FY 2009/10. Overall operations and maintenance billings have increased 17%. Various schedules are provided within this document that will allow the reader to determine details related to the changes between the 2009/10 proposed budget and the 2008/09 current budget. The following summarizes the major reasons for the changes.

Billable Routine Expenditures - (Up 23%)

Routine expenditures have risen due to increased start up labor required at the Water Treatment Plant. In addition, the new plant is requiring increased chemical and electrical usage; therefore the costs for chemical supplies and utilities have also increased routine O&M.

Billable Non Routine - (Down 36%)

These are expenditures that run from one to three years for special projects and studies. This year the mix of projects is different from last year. An item by item variance can be found on page 7.

Billable Capital Outlay/Reserves - (Up 349%)

These are expenditures projected to be made during the fiscal year that are not generally funded through use of Flood Control Zone 3 reserves and/or other sources of funding such as grants or loans. These projects consisting of the Membrane Feed Wet Well Modifications, WTP Sludge Beds Upgrade, PH Suppression System, Habitat Conservation Plan, the Perimeter Security Fencing, Filtrate Flow Meter, Waterline Crossing Rodriguez Bridge, Filtered Water Hydraulic Standpipe, Access Road to Domestic Tank, Tractor and Future Capital Outlay Reserve are proposed to be billed to the Contractors. The details of each of these projects may be found on pages 15-16. In order to maintain annual billings consistent with the 5 year estimate provided in April 2008, a reserve for future Capital Outlay is proposed which can be used in future years to offset billings to agencies.

Billable Debt Service - (Down 25%)

The completion date of the upgrade project was extended to 12/31/09. No principal payments on the State Revolving Fund loan are anticipated for the 2009/10 budget year.

Reserve Policies

DISTRICT FUNDED RESERVES:

The balances within these reserves are derived from interest earnings and rents.

Operating Reserves - the District will strive to maintain an operating reserve at a minimum of 50% of routine operations and maintenance expenditures.

Designated Reserve Accounts - Reserves collected and set aside for significant scheduled maintenance, capital costs, and billing-stabilization will be separately identified as part of the annual proposed budget and will be incorporated in the annual final budget only after review by the Zone 3 Advisory Committee.

CONTRACTOR FUNDED RESERVES:

These reserves are funded by contributions from individual contractors or other participants of the District project. Additions to these reserves will be made via annual billings based on approved budgeted amounts. Any distributions of these reserves will be based on actual requirements. These reserves will be accounted for separately by contributor. The annual budget process will provide a statement of reserve activity.

Scheduled Maintenance Reserves - a portion of the costs of significant scheduled maintenance items, as identified in the long-range capital improvement plan, may be set aside in each annual budget of the District in anticipation of such requirements. Said reserves will be separately identified and will be incorporated in the annual final budget only after review by the Zone 3 Advisory Committee.

Capital Reserves - a portion of the costs of capital items, as identified in the long-range capital improvement plan, may be set aside in each annual budget of the District in anticipation of such requirements. Said reserves will be separately identified and will be incorporated in the annual final budget only after review by the Zone 3 Advisory Committee.

Billing Stabilization Reserve: Each agency may opt to establish reserves to be used to stabilize billings from year to year. Said reserves will be separately identified and will be incorporated in the annual final budget only after review by the Zone 3 Advisory Committee.

DEBT RESERVES:

Debt reserves are contractually mandated and are not addressed as part of this policy.

(See pages 8-10 for projected reserve levels)

Flood Control Zone 3
Funding Sources for Budget
For Fiscal Year 2009-10

	A	B	C	D	E	F	G	I	J	K	L	M
1	Expenditure Type	Amount	Contractor Bills	FCZ 3 Reserves	FCZ 3 Property Tax	Recreation Revenues	Prop Taxes- Unincorp Areas	G.O. Tax Collection	Interest Earnings	Rents	Other	Total
2	Debt Service	2,609,173	1,482,088	-	243,992	-	36,112	846,981			-	2,609,172
3	O & M - Routine	3,660,744	3,660,744	-	-	-	-	-			-	3,660,744
4	O & M - Non-Routine	180,178	180,178									180,178
5	Capital Outlay	1,015,000	1,015,000	-	-	-	-	-				1,015,000
6	Sub Total	7,465,094	6,338,009	-	243,992	-	36,112	846,981	-	-	-	7,465,094
7	Available for Reserves	52,000							46,000	6,000	-	52,000
8	Grand Total	7,517,094	6,338,009	-	243,992	-	36,112	846,981	46,000	6,000	-	7,517,094

Flood Control Zone 3
Funding Sources for Budget
For Fiscal Year 2008-09

	A	B	C	D	E	F	G	H	I	J	K	L
1	Expenditure Type	Amount	Contractor Bills	FCZ 3 Reserves	FCZ 3 Property Tax	Recreation Revenues	Prop Taxes-Unincorp Areas	G.O. Tax Collection	Interest Earnings	Rents	Other	Total
2	Debt Service	3,105,813	1,989,162	-	229,870	6,396	34,829	845,556	-	-	-	3,105,813
3	O & M - Routine	3,166,908	3,116,908	50,000	-	-	-	-	-	-	-	3,166,908
4	O & M - Non-Routine	276,205	276,205	-	-	-	-	-	-	-	-	276,205
5	Capital Outlay	530,000	230,000	300,000	-	-	-	-	-	-	-	530,000
6	Sub Total	7,078,925	5,612,275	350,000	229,870	6,396	34,829	845,556	-	-	-	7,078,925
7	Available for Reserves	52,000							46,000	6,000	-	52,000
8	Grand Total	7,130,925	5,612,275	350,000	229,870	6,396	34,829	845,556	46,000	6,000	-	7,130,925

Flood Control Zone 3
Funding Sources for Budget
For Fiscal Year 2009-10 vs. 2008-09

	A	B	C	D	E	F	G	H	I	J	K	L
1	Expenditure Type	Amount	Contractor Bills	FCZ 3 Reserves	FCZ 3 Property Tax	Recreation Revenues	Prop Taxes- Unincorp Areas	G.O. Tax Collection	Interest Earnings	Rents	Other	Total
2	Debt Service	(496,640)	(507,074)	-	14,122	(6,396)	1,283	1,425	-	-	-	(496,639)
3	O & M - Routine	493,836	543,836	(50,000)	-	-	-	-	-	-	-	493,836
4	O & M - Non-Routine	(96,027)	(96,027)	-	-	-	-	-	-	-	-	(96,027)
5	Capital Outlay	485,000	785,000	(300,000)	-	-	-	-	-	-	-	485,000
6	Sub Total	386,168	725,734	(350,000)	14,122	(6,396)	1,283	1,425	-	-	-	386,168
7	Available for Reserves	-	-	-	-	-	-	-	-	-	-	-
8	Grand Total	386,168	725,734	(350,000)	14,122	(6,396)	1,283	1,425	-	-	-	386,168

Flood Control Zone 3
 Summary of Proposed and Prior Year Budgets
 Fiscal Years 2009/10 and 2008/09

	A	B	C	D	E	F	G	H	
	Proposed Budget - 2009/10								
			Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	Other	Total Agency Budgets
1									
2									
3	Debt Service		881,949	238,734	133,752	141,905	85,748	-	\$ 1,482,088
4	Operations and Maintenance		1,741,744	618,974	673,631	335,821	255,896	34,678	3,660,744
5	Non routine Operations and Maintenance		91,083	31,819	31,819	13,404	12,052	-	180,178
6	Capital Outlay		513,102	179,249	179,249	75,509	67,891	-	1,015,000
7									
8	Total		\$ 3,227,878	\$ 1,068,776	\$ 1,018,452	\$ 566,639	\$ 421,587	\$ 34,678	\$ 6,338,009

	A	B	C	D	E	F	G	H	
	Prior Fiscal Year - 2008/09								
			Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	Other	Total Agency Budgets
9									
10									
11	Debt Service		1,132,315	323,322	235,090	180,801	117,634	0	\$ 1,989,162
12	Operations and Maintenance		1,476,714	523,458	576,646	289,664	219,436	30,989	3,116,908
13	Non routine Operations and Maintenance		126,989	45,131	62,895	22,066	16,803	2,321	276,205
14	Capital Outlay		116,269	40,618	40,618	17,110	15,384	0	230,000
15									
16	Total		\$ 2,852,288	\$ 932,529	\$ 915,249	\$ 509,642	\$ 369,257	\$ 33,310	\$ 5,612,275

	A	B	C	D	E	F	G	H	
	Proposed Budget Vs Prior Fiscal Year								
			Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	Other	Total Agency Budgets
17									
18									
19	Debt Service		(250,366)	(84,588)	(101,338)	(38,896)	(31,886)	0	\$ (507,075)
20	Operations and Maintenance		265,030	95,515	96,985	46,157	36,460	3,689	543,836
21	Non routine Operations and Maintenance		(35,906)	(13,311)	(31,075)	(8,662)	(4,751)	(2,321)	(96,027)
22	Capital Outlay		396,832	138,631	138,631	58,398	52,507	0	785,000
23									
24	Total		\$ 375,589	\$ 136,247	\$ 103,203	\$ 56,997	\$ 52,330	1,368	\$ 725,734

Flood Control Zone 3 Billing Analysis for 2009-10 Proposed Budget

6/30/2009

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	U
			Dist. Method	Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	FC Zone 3	Avila Beach CSD	Avila Mutual Water	San Miguelito Water	SL Coastal Unified	FCZ3	Property Tax	Recreation Revenues	Prop Taxes-Unincorp Areas	G.O. Tax Collection	Other	TOTAL
1																				
2	4530 ACRE FEET			2,290	800	800	337	303												4,530
3	Percentage based on Acre Feet Entitlement		A	50.55%	17.64%	17.64%	7.44%	6.69%												100.00%
4	Percentage used for Unit C		E		41.30%	41.30%	17.40%													100.00%
5	Percentage used for Unit E		F			70.36%	29.64%													100.00%
6	Percentage used for Unit F		G			54.27%	45.73%													100.00%
7	DEBT SERVICE																			
8	BONDS:																			
9	BOND INTEREST	1,288,173		359,983	79,531	9,576	61,045	27,004							162,584	0	24,063	564,388		1,288,173
10	BOND PRINCIPAL	645,000		180,248	39,821	4,794	30,565	13,520							81,408	0	12,049	282,594		645,000
11	STATE REVOLVING FUND LOAN:																			
12	LOAN INTEREST	676,000		341,718	119,382	119,382	50,294	45,224												676,000
13	LOAN PRINCIPAL	0		0	0	0	0	0												0
13	TOTAL DEBT SERVICE	2,609,173		881,949	238,734	133,752	141,905	85,748	0	0	0	0	0	0	243,992	0	36,112	846,981	0	2,609,173
	OPERATIONS AND MAINTENANCE																			
	Routine																			
14	UNIT A - MAIN DAM	196,954	A	99,564	34,782	34,782	14,652	13,174												196,954
15	TERMINAL DAM	70,209	A	35,492	12,399	12,399	5,223	4,696												70,209
16	WATER TREATMENT	2,648,760	A	1,338,998	467,772	467,772	197,049	177,169												2,648,760
17	ARROYO GRANDE GAGE STATION	10,362	A	5,238	1,830	1,830	771	693												10,362
18	UNIT B, Part 1	18,798	A	9,503	3,320	3,320	1,398	1,257												18,798
19	UNIT B, Part 2	24,812	A	12,543	4,382	4,382	1,846	1,660												24,812
20	ARROYO GRANDE METER STATION	5,929		5,929	0	0	0	0												5,929
21	UNIT C	13,558	E	0	5,599	5,599	2,359	0												13,558
22	UNIT D	8,458		0	0	0	0	8,458												8,458
23	GROVER BEACH METER STATION	6,976		6,976	0	0	0	0												6,976
24	UNIT E	17,421	F	0	0	12,257	5,164	0												17,421
25	PISMO BEACH METER STATION	6,061		6,061	0	0	0	0												6,061
26	UNIT F	12,379	G	0	0	6,718	5,661	0												12,379
27	UNIT G	5,684		0	0	0	5,684	0												5,684
28	UNIT H	11,576		0	0	0	11,576	0												11,576
29	UNIT I	29,082		0	0	0	29,082	0												29,082
30	UNIT J	20,851		0	0	0	20,851	0												20,851
31	GENERAL	182,063	A	92,036	32,152	32,152	13,544	12,178												182,063
32	COUNTYWIDE OVERHEAD	64,902	A	32,809	11,462	11,462	4,828	4,341												64,902
33	ACCOUNTING & ADMINISTRATION	86,017	A	43,483	15,191	15,191	6,399	5,753												86,017
34	UTILITIES DIVISION	43,126	A	21,801	7,616	7,616	3,208	2,885												43,126
35	SB2557 EXPENDITURES	6,078	A	3,073	1,073	1,073	452	407												6,078
36	SAN MIGUELITO LAB CHARGES (REIMBURSABLE)	3,420	A	0	0	0	0	0				3,420								3,420
37	CATHODIC PROTECTION MAINT	517	A	261	91	91	38	35												517
38	STREAM GAGES	36,750	A	18,578	6,490	6,490	2,734	2,458												36,750
39	QUAGGA MUSSEL STUDY	44,382	A	22,436	7,838	7,838	3,302	2,969												44,382
40	Adjust for State Water Wheeling	85,619		0	0	36,597	0	17,765		620	3,598	26,148	892							85,619
41	TOTAL ROUTINE O & M	3,660,744		1,741,744	618,974	673,631	335,821	255,896	0	620	3,598	29,568	892	0	0	0	0	0	0	3,660,744
	Non Routine																			
42	FCZ 3 LOPEZ WATER RIGHTS/HCP	61,054	A	30,864	10,782	10,782	4,542	4,084												61,054
43	DBP RULE	102,998	A	52,068	18,190	18,190	7,662	6,889												102,998
44	PIGGING - ENTITLEMENT	0	A	0	0	0	0	0												0
45	PIGGING - UNIT C	0	E	0	0	0	0	0												0
46	PIGGING - UNIT E	0	F	0	0	0	0	0												0
47	EMERGENCY RESPONSE PLAN	0	A	0	0	0	0	0												0
48	LOPEZ DAM ENVIRONMENTAL MONITORING	16,126	A	8,152	2,848	2,848	1,200	1,079												16,126
49	Adjust for State Water Wheeling - Pigging Portion	0		0	0	0	0	0		0	0	0	0							0
50	TOTAL NON-ROUTINE O & M	180,178		91,083	31,819	31,819	13,404	12,052	0	0	0	0	0	0	0	0	0	0	0	180,178
	Capital Outlay / Reserves																			
51	UPGRADE WTP SLUDGE BEDS	600,000	A	303,311	105,960	105,960	44,636	40,132												600,000
52	MEMBRANE FEED EFFLUENT SYSTEM MOD WPT	0	A	0	0	0	0	0												0
53	PH SUPPRESSION LOPEZ WTP	75,000	A	37,914	13,245	13,245	5,579	5,017												75,000
54	LADDER FOR CLEAR WATER RESERVOIR	0	A	0	0	0	0	0												0
55	PERIMETER SECURITY FENCING	0	A	0	0	0	0	0												0
56	MEMBRANE FEED WETWELL MODIFICATIONS	0	A	0	0	0	0	0												0
57	FILTRATE FLOW METER	0	A	0	0	0	0	0												0
58	WATER LINE CROSSING-RODRIGUEZ BRIDGE	200,000	A	101,104	35,320	35,320	14,879	13,377												200,000
59	FILTERED WATER HYDRAULIC STANDPIPE	0	A	0	0	0	0	0												0
60	ACCESS ROAD TO DOMESTIC TANK	0	A	0	0	0	0	0												0
61	TRACTOR	0	A	0	0	0	0	0												0
62	FUTURE CAPITAL OUTLAY RESERVE	140,000	A	70,773	24,724	24,724	10,415	9,364												140,000
63	TOTAL CAPITAL OUTLAY / RESERVES	1,015,000		513,102	179,249	179,249	75,509	67,891	0	0	0	0	0	0	0	0	0	0	0	1,015,000
64	GRAND TOTAL	7,465,094		3,227,878	1,068,776	1,018,452	566,639	421,587	0	620	3,598	29,568	892	243,992	0	36,112	846,981	0	0	7,465,094
	5			43.24%	14.32%	13.64%	7.59%	5.65%	0.00%	0.01%	0.05%	0.40%	0.01%	3.27%	0.00%	0.48%	11.35%	0.00%		100.00%

Flood Control Zone 3 Billing Analysis for 2008-09 Final Budget

6/30/2009

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	U
			Dist. Method	Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	FC Zone 3	Avila Beach CSD	Avila Mutual Water	San Miguelito Water	SL Coastal Unified	FCZ3	Property Tax	Recreation Revenues	Prop Taxes-Unincorp Areas	G.O. Tax Collection	Other	TOTAL
1																				
2				2,290	800	800	337	303												4,530
3			A	50.55%	17.66%	17.66%	7.44%	6.69%												100.00%
4			E		41.30%	41.30%	17.40%													100.00%
5			F			70.36%	29.64%													100.00%
6			G			54.27%	45.73%													100.00%
7				DEBT SERVICE																
8				BONDS:																
9		1,315,109		366,573	78,829	18,711	63,591	26,560							156,625	4,357	23,731	576,132		1,315,109
10		615,000		171,424	36,863	8,750	29,737	12,420							73,245	2,039	11,098	269,423		615,000
11				STATE REVOLVING FUND LOAN:																
12		669,504		338,434	118,234	118,234	49,811	44,790												669,504
13		506,200		255,884	89,395	89,395	37,661	33,865												506,200
13		3,105,813		1,132,315	323,322	235,090	180,801	117,634	0	0	0	0	0	0	229,870	6,396	34,829	845,556	0	3,105,813
				OPERATIONS AND MAINTENANCE Routine																
14		192,300	A	97,211	33,960	33,960	14,306	12,862												192,300
15		77,756	A	39,307	13,732	13,732	5,785	5,201												77,756
16		2,241,272	A	1,133,005	395,810	395,810	166,735	149,913												2,241,272
17		18,194	A	9,197	3,213	3,213	1,354	1,217												18,194
18		19,045	A	9,628	3,363	3,363	1,417	1,274												19,045
19		21,608	A	10,923	3,816	3,816	1,607	1,445												21,608
20		4,081		4,081	0	0	0	0												4,081
21		12,038	E	0	4,972	4,972	2,095	0												12,038
22		6,620		0	0	0	0	6,620												6,620
23		4,029		0	4,029	0	0	0												4,029
24		15,442	F	0	0	10,865	4,577	0												15,442
25		3,150		0	0	3,150	0	0												3,150
26		11,517	G	0	0	6,250	5,267	0												11,517
27		4,999		0	0	4,999	0	0												4,999
28		11,203		0	0	0	11,203	0												11,203
29		25,693		0	0	0	25,693	0												25,693
30		19,116		0	0	0	19,116	0												19,116
31		144,909	A	73,254	25,591	25,591	10,780	9,693												144,909
32		33,384	A	16,876	5,896	5,896	2,484	2,233												33,384
33		85,756	A	43,351	15,145	15,145	6,380	5,736												85,756
34		6,702	A	3,388	1,184	1,184	499	448												6,702
35		5,789	A	2,926	1,022	1,022	431	387												5,789
36		2,820		0	0	0	0	0				2,820								2,820
37		31,397	A	15,872	5,545	5,545	2,336	2,100												31,397
38		35,000		17,693	6,181	6,181	2,604	2,341												35,000
39		50,000							50,000											50,000
40		83,086		0	0	36,951	0	17,966		578	3,271	23,487	833							83,086
41		3,166,908		1,476,714	523,458	576,646	289,664	219,436	50,000	578	3,271	26,307	833	0	0	0	0	0	0	3,166,908
				Non Routine																
42		83,398	A	42,159	14,728	14,728	6,204	5,578												83,398
43		125,129	A	63,255	22,098	22,098	9,309	8,370												125,129
44		27,320	A	13,811	4,825	4,825	2,032	1,827												27,320
45		1,859	E	0	768	768	323	0												1,859
46		10,307	F	0	0	7,252	3,055	0												10,307
47		0	A	0	0	0	0	0												0
48		15,359	A	7,764	2,712	2,712	1,143	1,027												15,359
49		12,833		0	0	10,512	0	0		49	197	2,004	71							12,833
50		276,205		126,989	45,131	62,895	22,066	16,803	0	49	197	2,004	71	0	0	0	0	0	0	276,205
				Capital Outlay / Reserves																
51		300,000							300,000											300,000
52		50,000	A	25,276	8,830	8,830	3,720	3,344												50,000
53		150,000	A	75,828	26,490	26,490	11,159	10,033												150,000
54		30,000	A	15,166	5,298	5,298	2,232	2,007												30,000
55		0	A	0	0	0	0	0												0
56		0	A	0	0	0	0	0												0
57		0	A	0	0	0	0	0												0
58		0	A	0	0	0	0	0												0
59		0	A	0	0	0	0	0												0
60		0	A	0	0	0	0	0												0
61		0	A	0	0	0	0	0												0
62		0	A	0	0	0	0	0												0
63		530,000		116,269	40,618	40,618	17,110	15,384	300,000	0	0	0	0	0	0	0	0	0	0	530,000
64		7,078,926		2,852,288	932,528	915,250	509,640	369,258	350,000	628	3,468	28,310	904	229,870	6,396	34,829	845,556	0	0	7,078,926
				40.29%	13.17%	12.93%	7.20%	5.22%	4.94%	0.01%	0.05%	0.40%	0.01%	3.25%	0.09%	0.49%	11.94%	0.00%	100.00%	

Flood Control Zone 3 Comparative Billing Analysis for 2009-10 Proposed vs. 2008-09 Final Budgets

6/30/2009

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S		
			Dist. Method	Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	FC Zone 3	Avila Beach CSD	Avila Mutual Water	San Miguelito Water	SL Coastal Unified	FCZ3	Property Tax	Recreation Revenues	Prop Taxes-Unincorp Areas	G.O. Tax Collection	Other	TOTAL	
1																					
2																					
3	4530 ACRE FEET			2,290	800	800	337	303													4,530
4	Percentage based on Acre Feet Entitlement		A	50.55%	17.66%	17.66%	7.44%	6.69%													100.00%
5	Percentage used for Unit C		E		41.30%	41.30%	17.40%														100.00%
6	Percentage used for Unit E		F			70.36%	29.64%														100.00%
7	Percentage used for Unit F		G			54.27%	45.73%														100.00%
8	DEBT SERVICE																				
9	BONDS:																				
10	BOND INTEREST-2000	(26,937)		(6,590)	701	(9,135)	(2,540)	444	0	0	0	0	0	0	5,959	(4,357)	332	(11,745)	0	(26,937)	
11	BOND PRINCIPAL-2000	30,000		8,824	2,958	(3,955)	828	1,101	0	0	0	0	0	0	8,163	(2,039)	951	13,171	0	30,000	
12	STATE REVOLVING FUND LOAN:																				
13	LOAN INTEREST	6,496		3,284	1,147	1,147	483	435	0	0	0	0	0	0	0	0	0	0	0	6,496	
14	LOAN PRINCIPAL	(506,200)		(255,884)	(89,395)	(89,395)	(37,661)	(33,865)	0	0	0	0	0	0	0	0	0	0	0	(506,200)	
15	TOTAL DEBT SERVICE	(496,641)		(250,366)	(84,588)	(101,338)	(38,896)	(31,866)	0	0	0	0	0	0	14,122	(6,396)	1,283	1,426	0	(496,641)	
16	OPERATIONS AND MAINTENANCE																				
17	Routine																				
18	UNIT A - MAIN DAM	4,654	A	2,353	822	822	346	311	0	0	0	0	0	0	0	0	0	0	0	4,654	
19	TERMINAL DAM	(7,547)	A	(3,815)	(1,333)	(1,333)	(561)	(505)	0	0	0	0	0	0	0	0	0	0	0	(7,547)	
20	WATER TREATMENT	407,488	A	205,993	71,962	71,962	30,314	27,256	0	0	0	0	0	0	0	0	0	0	0	407,488	
21	ARROYO GRANDE GAGE STATION	(7,832)	A	(3,959)	(1,383)	(1,383)	(583)	(524)	0	0	0	0	0	0	0	0	0	0	0	(7,832)	
22	UNIT B, Part 1	(247)	A	(125)	(44)	(44)	(18)	(16)	0	0	0	0	0	0	0	0	0	0	0	(247)	
23	UNIT B, Part 2	3,204	A	1,620	566	566	238	214	0	0	0	0	0	0	0	0	0	0	0	3,204	
24	ARROYO GRANDE METER STATION	1,848	A	1,848	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,848	
25	UNIT C	1,520	E	0	628	628	264	0	0	0	0	0	0	0	0	0	0	0	0	1,520	
26	UNIT D	1,839	A	0	0	0	0	1,839	0	0	0	0	0	0	0	0	0	0	0	1,839	
27	GROVER BEACH METER STATION	2,947	A	0	2,947	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,947	
28	UNIT E	1,979	F	0	0	1,392	586	0	0	0	0	0	0	0	0	0	0	0	0	1,979	
29	PISMO BEACH METER STATION	2,911	A	0	0	2,911	0	0	0	0	0	0	0	0	0	0	0	0	0	2,911	
30	UNIT F	862	G	0	0	468	394	0	0	0	0	0	0	0	0	0	0	0	0	862	
31	UNIT G	685	A	0	0	0	685	0	0	0	0	0	0	0	0	0	0	0	0	685	
32	UNIT H	373	A	0	0	0	373	0	0	0	0	0	0	0	0	0	0	0	0	373	
33	UNIT I	3,389	A	0	0	0	3,389	0	0	0	0	0	0	0	0	0	0	0	0	3,389	
34	UNIT J	1,735	A	0	0	0	1,735	0	0	0	0	0	0	0	0	0	0	0	0	1,735	
35	GENERAL	37,154	A	18,782	6,561	6,561	2,764	2,485	0	0	0	0	0	0	0	0	0	0	0	37,154	
36	COUNTYWIDE OVERHEAD	31,518	A	15,933	5,566	5,566	2,345	2,108	0	0	0	0	0	0	0	0	0	0	0	31,518	
37	ACCOUNTING & ADMINISTRATION	261	A	132	46	46	19	17	0	0	0	0	0	0	0	0	0	0	0	261	
38	UTILITIES DIVISION	36,424	A	18,413	6,432	6,432	2,710	2,436	0	0	0	0	0	0	0	0	0	0	0	36,424	
39	SB2557 EXPENDITURES	289	A	146	51	51	21	19	0	0	0	0	0	0	0	0	0	0	0	289	
40	SAN MIGUELITO LAB CHARGES (REIMBURSABLE)	600	A	0	0	0	0	0	0	0	0	600	0	0	0	0	0	0	0	600	
41	CATHODIC PROTECTION MAINT	(30,880)	A	(15,611)	(5,453)	(5,453)	(2,297)	(2,066)	0	0	0	0	0	0	0	0	0	0	0	(30,880)	
42	STREAM GAGES	1,750	A	885	309	309	130	117	0	0	0	0	0	0	0	0	0	0	0	1,750	
43	QUAGGA MUSSEL STUDY	(5,618)	A	22,436	7,838	7,838	3,302	2,969	(50,000)	0	0	0	0	0	0	0	0	0	0	(5,618)	
44	Adjust for State Water Wheeling	2,533		0	0	(354)	0	(202)	0	41	327	2,661	59	0	0	0	0	0	0	2,533	
45	TOTAL ROUTINE O & M	493,838		265,030	95,515	96,985	46,157	36,460	(50,000)	41	327	3,261	59	0	0	0	0	0	0	493,838	
46	Non Routine																				
47	FCZ 3 LOPEZ WATER RIGHTS/HCF	(22,344)	A	(11,295)	(3,946)	(3,946)	(1,662)	(1,495)	0	0	0	0	0	0	0	0	0	0	0	(22,344)	
48	DBP RULE	(22,131)	A	(11,188)	(3,908)	(3,908)	(1,646)	(1,480)	0	0	0	0	0	0	0	0	0	0	0	(22,131)	
49	PIGGING - ENTITLEMENT	(27,320)	A	(13,811)	(4,825)	(4,825)	(2,032)	(1,827)	0	0	0	0	0	0	0	0	0	0	0	(27,320)	
50	PIGGING - UNIT C	(1,859)	E	0	(768)	(768)	(323)	0	0	0	0	0	0	0	0	0	0	0	0	(1,859)	
51	PIGGING - UNIT E	(10,307)	F	0	0	(7,252)	(3,055)	0	0	0	0	0	0	0	0	0	0	0	0	(10,307)	
52	EMERGENCY RESPONSE PLAN	0	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
53	LOPEZ DAM ENVIRONMENTAL MONITORING	767	A	388	135	135	57	51	0	0	0	0	0	0	0	0	0	0	0	767	
54	Adjust for State Water Wheeling	(12,833)		0	0	(10,512)	0	0	0	(49)	(197)	(2,004)	(71)	0	0	0	0	0	0	(12,833)	
55	TOTAL NON-ROUTINE O & M	(96,027)		(35,906)	(13,311)	(31,075)	(8,662)	(4,751)	0	(49)	(197)	(2,004)	(71)	0	0	0	0	0	0	(96,027)	
56	Capital Outlay / Reserves																				
57	UPGRADE WTP SLUDGE BEDS	300,000	A	303,311	105,960	105,960	44,636	40,132	(300,000)	0	0	0	0	0	0	0	0	0	0	300,000	
58	MEMBRANE FEED EFFLUENT SYSTEM MOD WPT	(50,000)	A	(25,276)	(8,830)	(8,830)	(3,720)	(3,340)	0	0	0	0	0	0	0	0	0	0	0	(50,000)	
59	IPH SUPPRESSION LOPEZ WTP	(75,000)	A	(37,914)	(13,245)	(13,245)	(5,579)	(5,017)	0	0	0	0	0	0	0	0	0	0	0	(75,000)	
60	LADDER FOR CLEAR WATER RESERVOIR	(30,000)	A	(15,166)	(5,298)	(5,298)	(2,232)	(2,007)	0	0	0	0	0	0	0	0	0	0	0	(30,000)	
61	PERIMETER SECURITY FENCING	0	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
62	MEMBRANE FEED WETWELL MODIFICATIONS	0	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
63	FILTRATE FLOW METER	0	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
64	WATER LINE CROSSING RODRIGUEZ BRIDGE	200,000	A	101,104	35,320	35,320	14,879	13,377	0	0	0	0	0	0	0	0	0	0	0	200,000	
65	FILTERED WATER HYDRAULIC STANDPIPE	0	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
66	ACCESS ROAD TO DOMESTIC TANK	0	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
67	TRACTOR	0	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
68	FUTURE CAPITAL OUTLAY RESERVE	140,000	A	70,773	24,724	24,724	10,415	9,364	0	0	0	0	0	0	0	0	0	0	0	140,000	
69	TOTAL CAPITAL OUTLAY / RESERVES	485,000		396,832	138,631	138,631	58,398	52,507	(300,000)	0	0	0	0	0	0	0	0	0	0	485,000	
70	GRAND TOTAL	386,170		375,589	136,247	103,203	56,997														

Flood Control Zone 3
Reserves
Projected at 6/30/10

	A	B	C	D	E	F	G	H
1	Reserve Type	Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	FC Zone 3	Total
2	District Funded							\$ -
3	Operating	-	-	-	-	-	93,623	\$ 93,623
4	Designated	-	-	-	-	-	1,300,000	\$ 1,300,000
5	Contractor Funded							
6	Scheduled Maintenance	-	-	-	-	-	-	\$ -
7	Capital	70,773	24,724	24,724	10,415	9,364	-	\$ 140,000
8	Billing Stabilization	-	-	-	-	-	-	\$ -
9	Total	\$ 70,773	\$ 24,724	\$ 24,724	\$ 10,415	\$ 9,364	\$ 1,393,623	\$ 1,533,623

REVISED

Flood Control Zone 3
Reserves
Projected at 6/30/09

	A	B	C	D	E	F	G	H
1	Reserve Type	Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	FC Zone 3	Total
2	District Funded							
3	Operating	-	-	-	-	-	41,623	\$ 41,623
4	Designated	-	-	-	-	-	1,300,000	\$ 1,300,000
5	Contractor Funded							
6	Scheduled Maintenance	-	-	-	-	-	-	\$ -
7	Capital	-	-	-	-	-	-	\$ -
8	Billing Stabilization	-	-	-	-	-	-	\$ -
9	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,341,623	\$ 1,341,623

Flood Control Zone 3
Reserves
2009/2010 Changes

	A	B	C	D	E	F	G	H
1	Reserve Type	Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	FC Zone 3	Total
2	District Funded							
3	Operating	-	-			-	52,000	\$ 52,000
4	Designated	-				-		\$ -
5	Contractor Funded							
6	Scheduled Maintenance	-	-	-	-	-	-	\$ -
7	Capital	70,773	24,724	24,724	10,415	9,364	-	\$ 140,000
8	Billing Stabilization	-	-	-	-	-	-	\$ -
9	Total	\$ 70,773	\$ 24,724	\$ 24,724	\$ 10,415	\$ 9,364	\$ 52,000	\$ 192,000

REVISED

REVISED

Flood Control Zone 3 Fund Consolidation
Fiscal Year 2009-10

	B	C	D	E	F	G	
1	Fund	Lopez Dam 2200501000	FCZ3 Operating 2200500000	Water Treatment Plant Upgrade 2200502000	Lopez Dam COP Bonds 2200505000	Lopez Dam GO Bonds 2200506000	Total
2	Projected Balance @ 7/1/09	-	1,341,623		15,106	1,091,138	2,447,867
3	Inflows						
4	Revenues	-	6,810,113	-	1,050,083	883,090	8,743,285
5	Transfers In	-		-		-	-
6	Outflows						
7	Expenditures	-	(6,618,113)	-	(1,050,083)	(883,090)	(8,551,285)
8	Transfers Out						-
9							-
10	Projected Balance @ 6/30/10	\$ -	\$ 1,533,623	\$ -	\$ 15,106	\$ 1,091,138	\$ 2,639,867

FLOOD CONTROL ZONE 3

2009/10 Billing Formula for Calculating Agency Debt Service

Sources: **Agency Contracts dated August, 2000**

Morgan Stanley "Final" Amortization Schedules

Lopez Dam Remediation Debt Schedule Estimated Revenue for Roll Year 2008/09 (Auditor's Office)

State Revolving Fund Loan Estimate

	A	B	C	D	E	F	G	H	I
1	Assessed Valuation:	33.45%	31.43%	19.54%	7.93%	3.55%		4.09%	Total
2		Arroyo Grande	Pismo Beach	Grover Beach	OCSD	CSA 12	TOTAL	Unincorp. Areas	100.0000%
3	Gross Debt Service								
4	G.O. Debt Service						883,090		
5	Installment Debt Service						1,050,083		
6	Total Debt Service:						1,933,173		
7									
8									
9	Less District Revenues								
10	Reserve Fund Earnings						-		
11	Zone 3 1% Allocation						(243,991)	(243,991)	
12	Recreation Revenues						-		
13	Prop Taxes-Unincorp Areas (G4 x H1)						(36,110)		(36,110)
14 (Y)	Allocable Debt Service						1,653,072		
15									
16									
17									
18									
19 (Z)	Agency "Proportionate Share" (A.F. Allocation)	50.55%	17.66%	17.66%	6.69%	7.44%	100.00%		
20									
21	Annual Agency Obligation (Y x Z)	\$ 835,659	\$ 291,933	\$ 291,933	\$ 110,570	\$ 122,977	\$ 1,653,072		
22									
23	G.O. Tax Collection (G4 x Assessed Val. % Line 1)	\$ (295,429)	\$ (277,564)	\$ (172,582)	\$ (70,047)	\$ (31,367)	\$ (846,980)		
23									
23	State Revolving Fund Loan	\$ 341,718	\$ 119,382	\$ 119,382	\$ 45,224	\$ 50,294	\$ 676,000		
24									
25	Agency Debt Service:	\$ 881,946	\$ 133,749	\$ 238,731	\$ 85,745	\$ 141,903	\$ 1,482,091		
		59.51%	9.02%	16.11%	5.79%	9.57%			

ESTIMATED BILLING SUMMARY - FY 08/09 & 09/10

Showing Estimated Total Billing for: FCZ 3
 State Water Wheeling
 CSA 12

	A	B	C	D	E	F	G	H	I	J	K
1	Contracting Agency	08-09	08-09	08-09	08-09	08-09	09-10	09-10	09-10	09-10	09-10
2		Zone 3	State	Final	CSA 12	Total	Zone 3	State	Proposed	CSA 12	Total
3		Billing	Water	Budget	Billing		Billing	Water	Budget	Billing	
4		Wheeling				Wheeling					
5	Arroyo Grande	2,852,288		2,852,288		2,852,288	3,227,878		3,227,878		3,227,878
6	Pismo Beach	867,787	47,463	915,250	139,702	1,054,952	981,855	36,597	1,018,452	173,560	1,192,011
7	Grover Beach	932,528		932,528		932,528	1,068,776		1,068,776		1,068,776
8	Oceano	351,291	17,966	369,258		369,258	403,822	17,765	421,587		421,587
9	CSA 12	509,640		509,640		509,640	566,639		566,639		566,639
10	ABCSD	0	628	628	77,423	78,051	0	620	620	100,145	100,765
11	Avila MWC	0	3,468	3,468	16,732	20,199	0	3,598	3,598	20,992	24,589
12	San Miguelito	2,820	25,490	28,310		28,310	3,420	26,148	29,568		29,568
13	SLO Coastal USD	0	904	904	6,956	7,860	0	892	892	8,727	9,619
14	FCZ 3	350,000		350,000		350,000	0		0		0
15	Other	1,116,651		1,116,651	250,516	1,367,167	1,127,085		1,127,085	286,281	1,413,366
16	Total:	6,983,006	95,919	7,078,925	491,329	7,570,254	7,379,475	85,619	7,465,094	589,704	8,054,798

Flood Control Zone 3
 Cost Per Acre Foot
 For Fiscal Year 2009/10

	Arroyo Grande	Grover Beach	Pismo Beach	CSA 12	Oceano CSD	Total Agency Budgets		
1							1	
2							2	
3	\$ 881,949	\$ 238,734	\$ 133,752	\$ 141,905	\$ 85,748	\$ 1,482,088	3	
4	1,741,744	618,974	673,631	335,821	255,896	3,660,744	4	
5	91,083	31,819	31,819	13,404	12,052	180,178	5	
6	513,102	179,249	179,249	75,509	67,891	1,015,000	6	
7							7	
8	Total					\$ 6,338,009	8	
9	FCZ 3 -Number of Acre Feet	2,290	800	800	337	303	4,530	9
10	Cost per FCZ 3 AF	\$ 1,410	\$ 1,336	\$ 1,273	\$ 1,681	\$ 1,391	10	
11	CSA 12 Costs			\$ 173,560			11	
12	CSA 12 -Number of Acre Feet			96			12	
13	Cost per CSA 12 AF			\$ 1,808			13	
		50.55%	17.66%	17.66%	7.44%	6.69%	100.00%	
14	Breakdown of Cost per Acre Foot (For FCZ3 Only):						14	
15	Debt Service	\$ 385	\$ 298	\$ 167	\$ 421	\$ 283	15	
16	Operations and Maintenance	761	774	842	997	845	16	
17	Non routine Operations and Maintenance	40	40	40	40	40	17	
18	Capital Outlay	224	224	224	224	224	18	
19	Total Cost per Acre Foot	\$ 1,410	\$ 1,336	\$ 1,273	\$ 1,681	\$ 1,391	19	

**ZONE 3 BUDGET FOR FY 09/10
CAPITAL AND SPECIAL PROJECT REQUESTS**

Revised

	Project Name	Reason for Request
	Physical Plant/Grounds:	
	Upgrade WTP Sludge Beds - \$600,000	The new plant upgrade requires draining of neutralized membrane system cleaning chemical effluent, treatment solids residuals, and non useable process water, to and through the old plant sludge beds. The existing sludge bed system does not have the capacity to handle the volume and constituency of the new multisource effluent which must be disposed of . Water quality characteristics are such that there could be a negative impact to Arroyo Grande Creek. Modifications to the existing sludge beds, development of the three under-utilized sludge beds and/or expansion at the existing sludge bed area may be necessary, depending on the results of a preliminary engineering design analysis currently being conducted.
	PH Suppression System -Lopez WTP - \$75,000	The operation of the newly upgraded water treatment plant uses a number of new chemicals and processes to treat the water. The plant is experiencing significant scaling of process equipment which is extreme concern. The proposed PH suppression system will evaluate the extent of reduction of scaling, and if cost effective, will be instituted to reduce system scaling, and thereby reducing maintenance, operation, and replacement costs.
	Perimeter Security Fencing - \$150,000	The majority of the Lopez Water Treatment Plant facility is fenced by multistrand barbed wire stock fence. Security concerns exist regarding unauthorized access and the threat of intentional facility access and/or contaminants to the water supply. This project is the first of a multiphase project to provide enhanced security to the facility.

	Membrane Feed Wetwell Modifications - \$80,000	The new plant membrane feed Wetwell provides a minimum water storage capacity which appears to impact the plant's capacity to maintain steady flow control with the SCADA instrumentation/control system. Expansion of the Wetwell was recommended by an engineering assessment as one element to assist in stabilizing the plant operations system.
	Filtrate Flow Meter - \$50,000	An engineering assessment of operational problems yielded this recommendation to install a central effluent flow meter to eliminate potential inaccuracies and errors resulting from calculated flow rates by numerous equipment. This equipment installation is proposed to contribute to further needed stabilization of the effluent side of the plant process.
	Water Line Crossing-Rodriguez Bridge - \$200,000	The Arroyo Grande Creek Crossing of the Lopez 20" Raw Water Pipeline at the Rodriguez Bridge is compromised due to erosion. The pipe was originally concrete encased and placed 4' below the bottom of creek. Presently, the pipe encasement is exposed and water is continually eroding it. The pipe should be relocated in the next few years.
	Filtered Water Hydraulic Standpipe - \$140,000	The effluent pipeline appears to be drawing a vacuum into the pipe due to the hydraulic conditions of the effluent pipeline and water storage tank configuration. Installation of the stand pipe will prevent contaminants from being drawn into the filtered water pipeline and further stabilize the effluent processing systems.
	Access Road To Domestic Tank - \$30,000	There is not an existing all weather access road to the tank. Access is often times via the adjacent neighbor's property, without any legal easement. This project will provide an all weather access on the plant site for both safety and security purposes.
	Tractor - \$15,000	A supplement to last year's approved utility tractor acquisition is requested to provide for replacement funding for the purchase of a forklift, which was purchased using a portion of the utility tractor funding.

	Future Capital Outlay Reserve - \$340,000	We are proposing to establish a future Capital Outlay Reserve in fiscal year 2009/10 that can be used to fund future capital needs, the purpose of which is to maintain future water billings within the current 5 year billing estimate.