

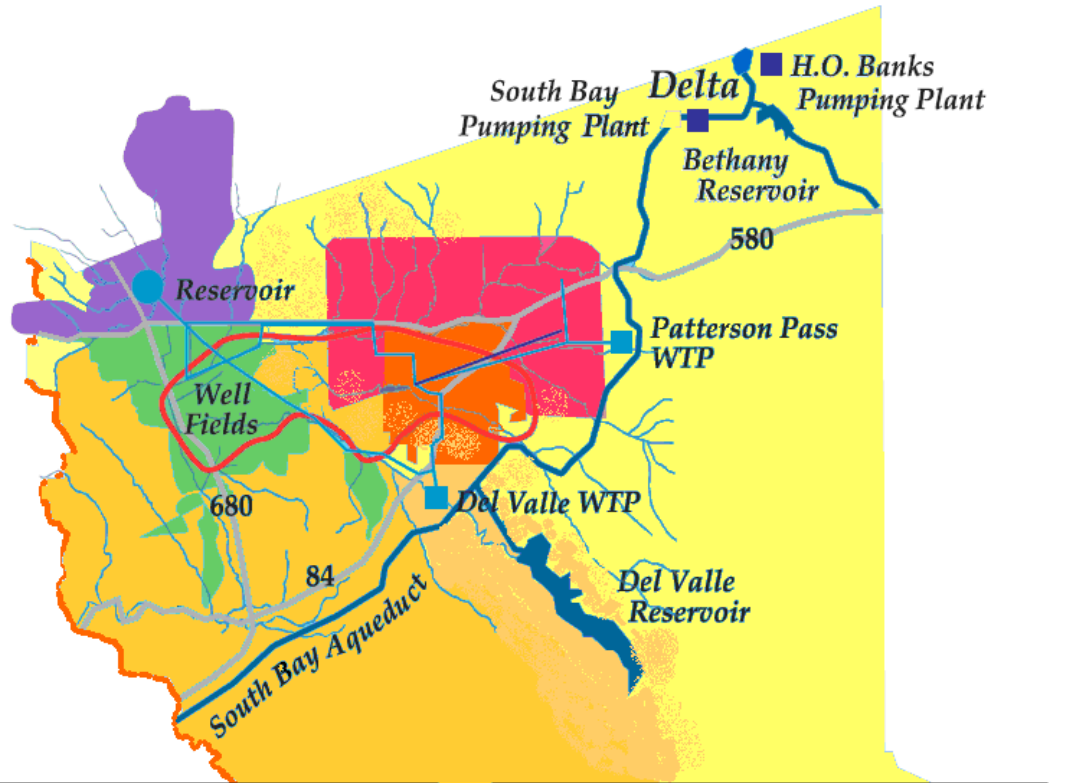
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT



FISCAL YEAR 2010-11 BUDGET

MISSION

Zone 7 Water Agency is committed to providing a reliable supply of high quality water and an effective flood control system to the Livermore-Amador Valley. In fulfilling our present and future commitments to the community, we will develop and manage the water resources in a fiscally responsible, innovative, proactive and environmentally sensitive way.



- City of Pleasanton
- City of Livermore
- Dublin San Ramon Service District
- California Water Service Company

- Zone 7 Transmission Facilities
- Main Groundwater Basin Boundary
- Streams and Flood Control Channels

ORGANIZATIONAL FACT SHEET
FEBRUARY 2010

Governing Board:

Richard L. Quigley, President
John J. Greci, Vice President
Sands H. Figuers
Stephen A. Kalthoff
Christopher Moore
Sarah L. Palmer
William R. Stevens

Administration:

General Manager Jill Duerig

Operating Divisions:

| | |
|------------------------|-------------|
| Engineering | Kurt Arends |
| Finance/Administrative | John Yue |
| Operations | Vince Wong |

Employees:

123 Full-time Equivalent Positions

Authority:

Zone 7 is part of the Alameda County Flood Control and Water Conservation District created by an act of the California State Legislature in 1949. The Alameda County Board of Supervisors acts as the ex officio Board of Supervisors of the District. Zone 7 was created as a zone of the District in 1957 and is governed by a seven member Board of Directors elected at large from the service area for four-year overlapping terms.

Territory:

430 square miles of water service area.
620 square miles of flood control watershed.

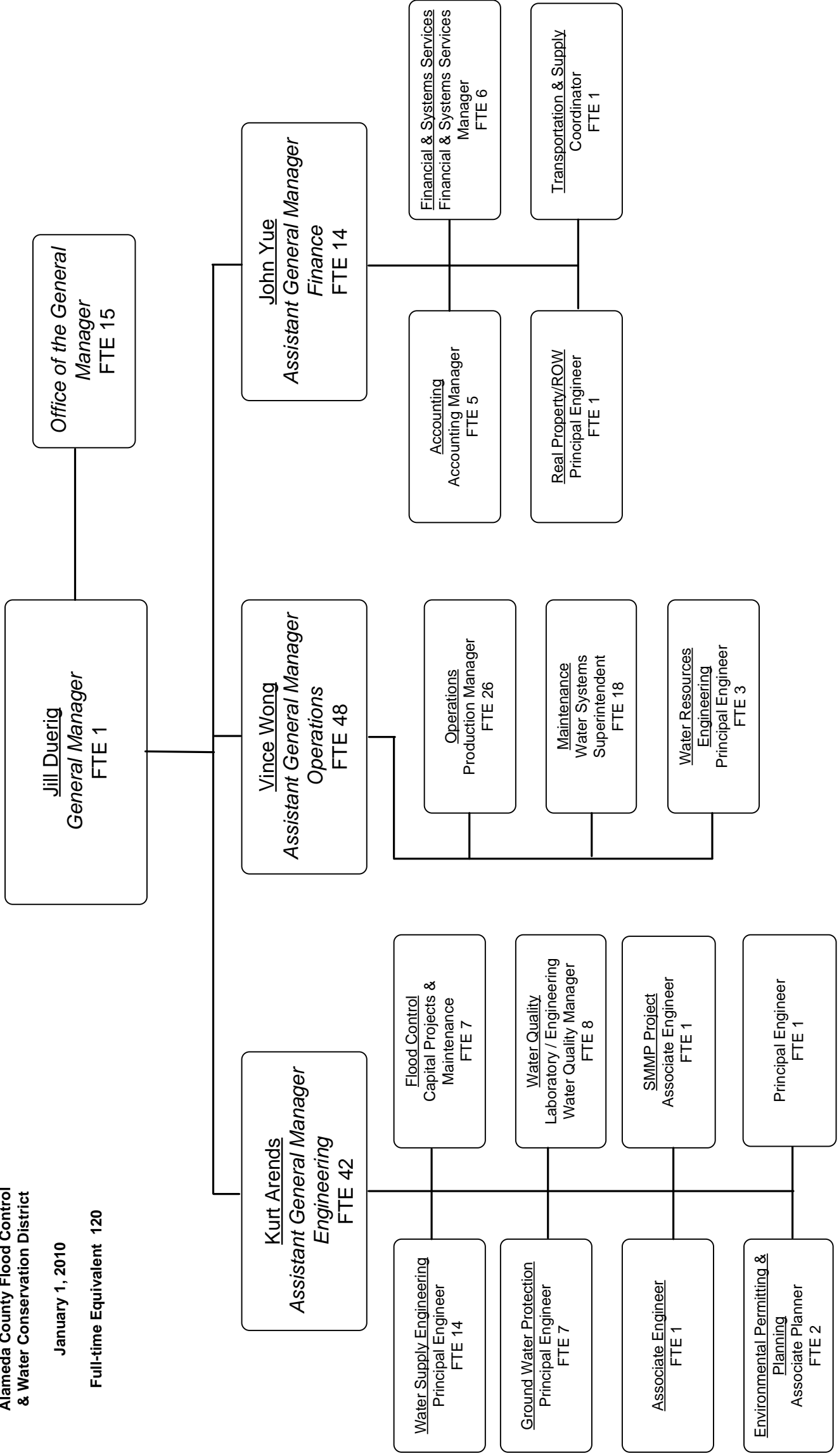
Current Service Functions:

Treated Water Wholesale
Untreated Water Retail
Flood Control

Alameda County Flood Control
& Water Conservation District

January 1, 2010

Full-time Equivalent 120





ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

100 NORTH CANYONS PARKWAY LIVERMORE, CA 94551 PHONE (925) 454-5000 FAX (925) 454-5727

February 17, 2010

Board of Directors
 Zone 7 Water Agency
 100 North Canyons Parkway
 Livermore, CA 94551

SUBJECT: Final Budget for Fiscal Year 2010-11

The final budget for the Zone 7 Water Agency for fiscal year (FY) 2010-2011, as adopted by the Board at its February 17, 2010 meeting, is being forwarded for your records. The budget document is the financial plan for the coming fiscal year. It is intended to provide a summary of the programs and objectives of the Agency and the funding to support them.

Summary

The final FY10/11 budget is summarized in the following table. Operating Funds are comprised of General Fund/Flood Control (Fund 50), State Water Facilities (Fund 51) and Water Enterprise (Fund 52) total \$90.5 million, of which \$50.9 million are planned expenditures and \$39.6 million are reserves. Capital Funds are comprised of Renewal & Replacement Program and Systemwide Improvements Program (collectively Fund 72), Expansion Program (Fund 73) and Flood Protection and Stormwater Drainage (Fund 76), total \$33.4 million.

| | FY 2009/10 Budget | FY 2010/11 Budget | Amount Change | % Change |
|--|----------------------|----------------------|------------------|-------------|
| Operating Funds | | | | |
| General Fund/Flood Control | \$6,190,569 | \$5,585,957 | (\$604,612) | -9.8% |
| Reserves | \$19,842,155 | \$23,429,429 | \$3,587,274 | |
| State Water Facilities | \$9,397,448 | \$9,650,490 | \$253,042 | 2.7% |
| Reserves | \$4,494,915 | \$5,647,949 | \$1,153,034 | |
| Water Enterprise | \$36,465,068 | \$35,716,839 | (\$748,229) | -2.1% |
| Reserves | \$8,893,014 | \$10,504,666 | \$1,611,652 | |
| Operating Funds Total | \$85,283,169 | \$90,535,330 | \$5,252,161 | 6.2% |
| Capital Funds | | | | |
| Systemwide Improvements Program | \$5,068,940 | \$2,900,449 | (\$2,168,491) | -42.8% |
| Renewal & Replacement Program | \$4,055,500 | \$5,729,000 | \$1,673,500 | 41.3% |
| Expansion Program | \$15,773,055 | \$20,696,244 | \$4,923,189 | 31.2% |
| Flood Protection and Stormwater Drainage | \$16,771,500 | \$4,093,500 | (\$12,678,000) | -75.6% |
| Capital Funds Total | \$41,668,995 | \$33,419,193 | (\$8,249,802) | -19.8% |
| Grand Total | \$126,952,164 | \$123,954,523 | (\$2,997,641) | -2.4% |

Issues and Trends

The most significant financial issues facing the Agency continue to be the funding of the capital improvement programs for the water and flood control programs in a down economy, and controlling operating costs. While some chemical costs have recently declined, the industry is projecting increases in anticipation of increases in oil prices. Combined with the effects of local conservation and other recycling efforts, water demands have decreased while water production costs remain high because of high fixed costs. The Governor's call to reduce consumption 20% by 2020 further lowers the future demand for water.

The Bay Delta Conservation Plan to address environmental issues, originally anticipated to be completed in 2010, is continuing due to delays. This translates to increased consultant costs in Zone 7's charges from the Department of Water Resources (DWR).

New development revenue is continuing at a low rate. Increased operating costs resulting from the construction of recently completed facilities such as the Mocho Demineralization Plant will continue to impact water rates in future years. Additionally, as the treatment and distribution infrastructure ages with time, the annual funding of the Renewal/ Replacement and System-wide Improvement Fund by the Water Enterprise Fund is increasing commensurate with the higher needs of the aging assets. An updated Asset Management Plan study to assess the condition of the infrastructure assets is about to commence. This planned collaborative effort to include participation by the retailer agencies will indicate if current funding projections are adequate or not.

The South Bay Aqueduct expansion/improvement project, being performed by DWR, is ongoing and funded by connection fees. As the project expenditures ramp up, the debt-services charge from DWR is pushing fixed costs even higher in FY10/11. The Altamont Pipeline-Livermore Reach, has reached substantial completion and is funded from connection fees. The terms of the Installment Sale Agreement entered into in January 2008 permit funding the project with the short-term loan.

The economic down-turn continues to affect projected growth in the Zone 7 service area, impacting revenue from connection fees and the timing for expansion capital improvements. In January 2010, the California Department of Finance is projecting slow recovery as unemployment continues to grow even if the recession may be technically ending. The Association of Bay Area Government forecasts housing growth continuing to be slow in 2010 due to job loss and personal income remaining stagnant but sees some recovery in 2011.

For FY10/11, the Agency will continue to focus on implementing plans to ensure the availability of a sustainable water supply and drought storage protection, evaluate future water source impacts of climate changes, and to finalize the programmatic requirements and funding sources to complete the necessary flood control improvements to meet the needs of the service area community.

Staffing

The budget for FY10/11 provides for 120.0 full-time equivalent positions. In 2009, the Board approved recommendations by staff to re-align staffing resources. Five (5) positions, Electrician (1), Instrument Technicians (2), and Construction Maintenance Laborer (2), were added and

funded through the reduction of outside services contracts. This resulted in no incremental increase to the approved budget. As of February 5, 2010, there are twenty-two (22) vacant, unfilled positions. The “soft” hiring freeze that began in FY09/10 is continuing with ten (10) positions planned to remain unfilled in FY10/11. The “soft” hiring freeze combined with the Voluntary Resignation Program in January 2010 having four (4) participants, has resulted in additional anticipated salary savings in FY10/11 of approximately \$1.3 million.

Operating Budgets

Revenue levels of all operating funds is estimated to increase by \$3.0 million while the operating budget appropriations are increasing overall by \$5.3 million over the previous fiscal year’s budget: a decrease of \$1.1 million in expenditures and \$6.4 million in additional reserves.

The General/Flood Control Fund revenue is projected to decrease by \$1.5 million primarily reflecting overall lower property value assessments due to the slower economy. The expenditures are decreasing by \$0.6 million reflecting normal anticipated levels of flood control system maintenance in FY10/11. Project Reserve funds for major maintenance projects are increasing by \$3.6 million due in part to mild storm seasons in recent periods and in anticipation of projects planned in the Capital Improvement Plan (CIP).

The State Water Facilities Fund revenue is projected to increase by \$0.7 million primarily reflecting the property tax override and increased reimbursements needed to fund anticipated DWR charges for the State Water Project. The expenditures are increasing overall by \$1.4 million based on anticipated DWR charges for FY10/11. The reserves in this fund are increasing by \$1.1 million to reflect the cash flow needs pending receipt of property taxes and to address any changes implemented midyear by the Department of Water Resources. A portion of the State Water Project charges are funded by the Expansion program representing future users.

The Water Enterprise Fund revenue is projected to increase by \$3.8 million primarily due to the Board-approved 2010 water rates and the projected 2011 water rates. Expenditures are decreasing \$0.7 million from the FY09/10 budget, reflecting a \$0.5 million decrease in water treatment related costs for water, power and chemicals and a \$0.2 million decrease in other operating costs primarily in personnel, professional services, and maintenance of facilities. The reserves are at \$10.5 million, comprised of the emergency/operating reserves of approximately 20% of operating costs (includes \$1.8 million for salary savings due to the soft hiring freeze and additional cost reduction initiatives) and the remainder being Rate Stabilization Fund reserves. A Rate Stabilization Reserve Fund was established after the drought in the early 1990’s in order to mitigate rate fluctuations in case of a major loss of revenue due to a prolonged drought or emergency supply outage. This amount is based on a potential 10% reduction in water sale revenue due to expected water conservation in the event of a drought. However, at the November 2009 Board meeting, the Board authorized the use of this rate stabilization reserve if needed due to conservation and the court-ruled DWR pumping reduction. For FY10/11, \$3.4 million is planned on being used to offset lower water sales revenue, if needed.

Capital Budgets

The capital projects expenditures budget is decreasing 3.0 million. The net decrease is comprised of a \$4.9 million increase in the Expansion program and a \$1.7 million increase in the Renewal and Replacement program. This is offset by a \$12.7 million decrease in the Flood

Protection and Stormwater Drainage program and a \$2.2 million decrease in the System-wide Improvements program.

Contributions from the Water Enterprise Fund and Facility Use Fees provide the primary funding for the Renewal & Replacement and Systemwide Improvements programs. Transfers from the Water Enterprise Fund are planned at \$5.4 million in FY10/11. In addition, revenue of \$0.7 million is anticipated from Facility Use Fees from water users in the Dougherty Valley area. Expenditures for FY10/11 budget total \$8.6 million. Planned projects include \$1.3 million for DVWTP Interior Coating Improvements to 4.5 MG Steel Clearwell; \$0.7 million for PPWTP Electrical System Upgrade; \$0.6 million for PPWTP Sewer System; \$0.5 million for DVWTP Chemical Systems/Parking Lot Improvements; \$0.5 million for Foley Road Re-alignment; \$0.4 million for Enhanced Conservation Program; \$0.4 million for PPWTP Ultrafiltration Membrane Replacement; \$0.4 million for building purchase sinking fund; \$0.3 million for PPWTP Improvements Studies 2011; \$0.3 million for DVWTP Improvements Project; \$0.3 million for HET and HEW Rebate Programs; and \$2.1 million for various projects under \$0.2 million each. A total of \$0.8 million in contingency funds for unanticipated and/or emergency projects is included in the budget for these two programs combined.

The Expansion Program is funded through new development connection fees. Revenue from connection fees for FY10/11 is projected at \$8.0 million based on estimated new connections and \$0.3 million in interest earned. In January 2008, the Board approved Installment Sales Agreement (ISA) became effective. The ISA provides for the funding of the AWTP and the Altamont Pipeline Project. With the Altamont Pipeline Project – Livermore Reach completed, the ISA permits a draw of approximately \$30.5 million. This will provide additional funding at a low cost to meet reserves and other fixed costs project requirements during a period when new development is taking time to recover over the next three to four years.

The Expansion Fund expenditures for FY10/11 budget total \$20.7 million. Projects proposed under the Expansion Program include \$0.6 million for interest expense on the ISA and Capital Improvement Program Management; \$25,000 for Transmission System Master Planning; \$18.8 million for Water Supply and Conveyance projects (of which non-discretionary projects total \$18.2 million); \$23,000 for Water Treatment facilities projects; and \$0.3 million for Well Master Plan Wells. There is also \$0.5 million for contingency funds, and \$0.4 million for the N. Canyons Building lease. The major reason for reduced expenditures planned in FY10/11 is due to the substantial completion of the Altamont Pipeline – Livermore Reach, Mocho Demin and Chain of Lakes Wells 1 & 2 in FY09/10.

As a result of the slow-down in development activities and reduced connection fees revenue, Expansion Fund expenditures have been curtailed to cover primarily non-discretionary projects. Non-discretionary projects totaling \$18.2 million include the South Bay Aqueduct Enlargement/Improvement program debt service, Future Contractor's Share of the SBA, Cawelo Groundwater Banking Program debt service, interest expense on the ISA, N. Canyons lease, BDCP Program, Fixed Cost of Water Entitlements and SWP Peaking Payments to Lost Hills and Belinda Water Districts.

Revenue to be received by the Flood Protection and Stormwater Drainage Program in FY10/11 is estimated at \$0.8 million, from developer projects plus interest earned. Expenditures total \$4.2

million. Projects planned include \$1.5 million for the Development Impact Fee Program Update; \$1.3 million for improvements at Arroyo de la Laguna; \$0.4 million earmarked for the Streams Management Master Plan (SMMP) and new projects developed from that effort; \$0.4 for Channel Restoration; \$0.1 million in consulting and other costs; \$0.1 million for design review and management of the SDA program; \$0.1 million for lease costs of the new administration building; \$0.1 million contribution for building purchase sinking fund; and \$0.2 in various other projects.

Very truly yours,

A handwritten signature in blue ink that reads "John Yue". The signature is written in a cursive style with a large, looping "J" and "Y".

John Yue
Assistant General Manager
Finance & Business Services

2010-2011
BUDGET

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BUDGET
FISCAL YEAR 2010 - 2011

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ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
FISCAL YEAR 2010-11

SUMMARY

The proposed Zone 7 budgets for Fiscal Year 2010-11 are summarized as follows:

| <u>Operating Funds</u> | FY 2009/10 Budget | FY 2009/10 Projected Actuals | FY 2010/11 Proposed Budget |
|-------------------------------|----------------------|---------------------------------|-------------------------------|
| 1. General Fund/Flood Control | \$6,190,569 | \$3,503,126 | \$5,585,957 |
| Reserves | \$19,842,155 | \$23,502,583 | \$23,429,429 |
| 2. State Water Facilities | \$9,397,448 | \$8,605,338 | \$9,650,490 |
| Reserves | \$4,494,915 | \$5,701,410 | \$5,647,949 |
| 3. Water Enterprise | \$36,465,068 | \$32,239,848 | \$35,716,839 |
| Reserves | \$8,893,014 | \$9,021,270 | \$10,504,666 |
| Grand Totals | \$85,283,169 | \$82,573,575 | \$90,535,330 |

| <u>Capital Funds</u> | FY 2009/10 Budget | FY 2009/10 Projected Actuals | FY 2010/11 Proposed Budget |
|---|----------------------|---------------------------------|-------------------------------|
| 1. Systemwide Improvements Program | \$5,068,940 | \$3,535,234 | \$2,900,449 |
| 2. Renewal & Replacement Program | \$4,055,500 | \$7,610,216 | \$5,729,000 |
| 3. Expansion Program | \$15,773,055 | \$25,632,046 | \$20,696,244 |
| 4. Flood Protection and Stormwater Drainage | \$16,771,500 | \$10,586,884 | \$4,093,500 |
| Grand Totals | \$41,668,995 | \$47,364,380 | \$33,419,193 |

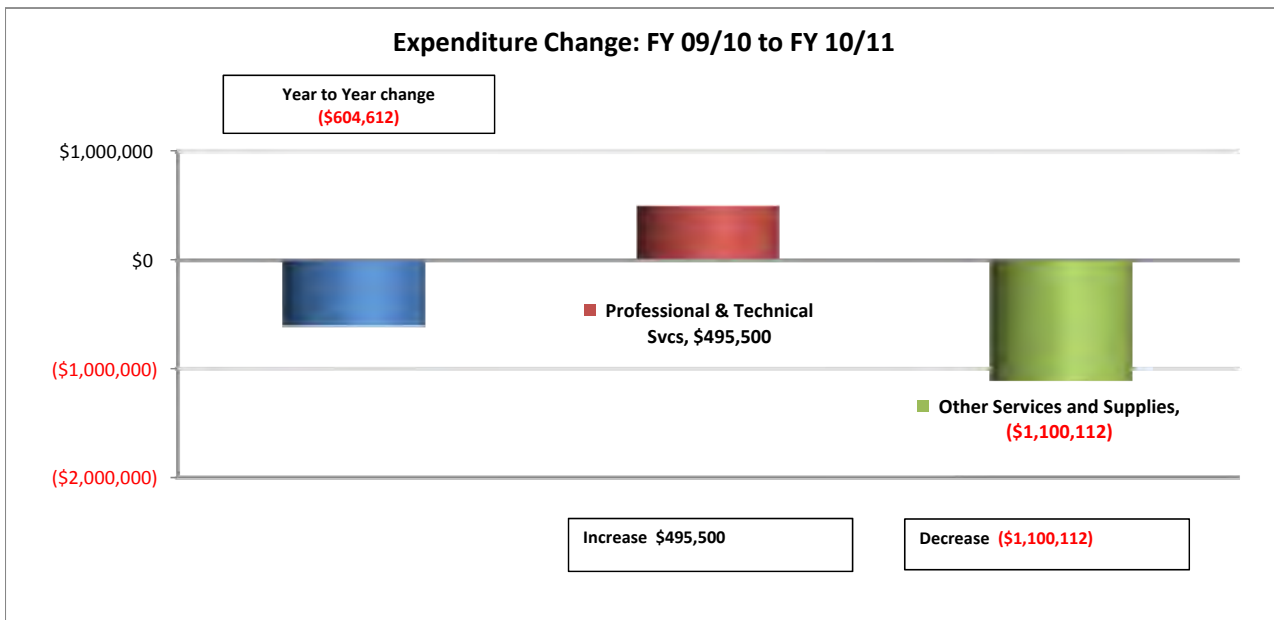
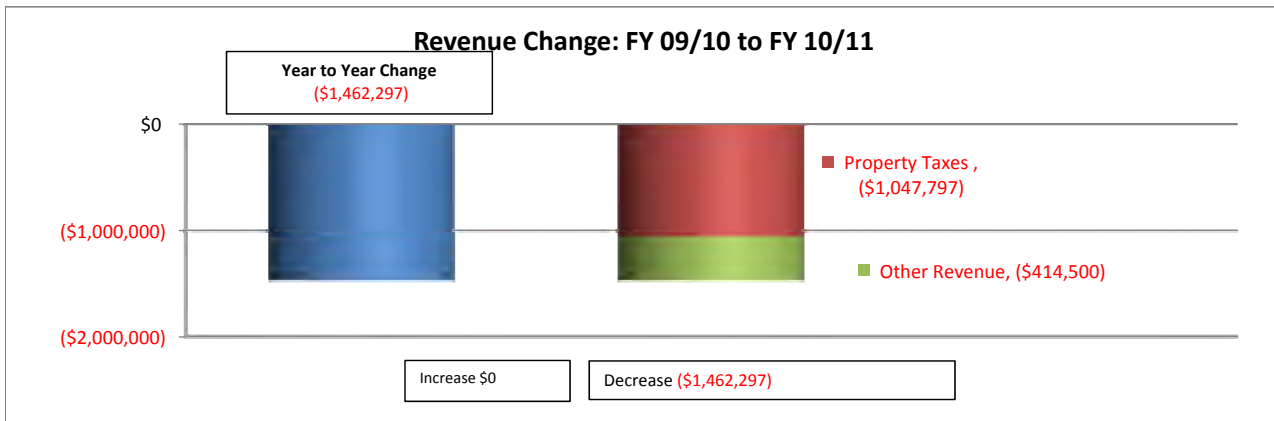
**GENERAL FUND/FLOOD CONTROL
BUDGET**

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
FISCAL YEAR 2010-11

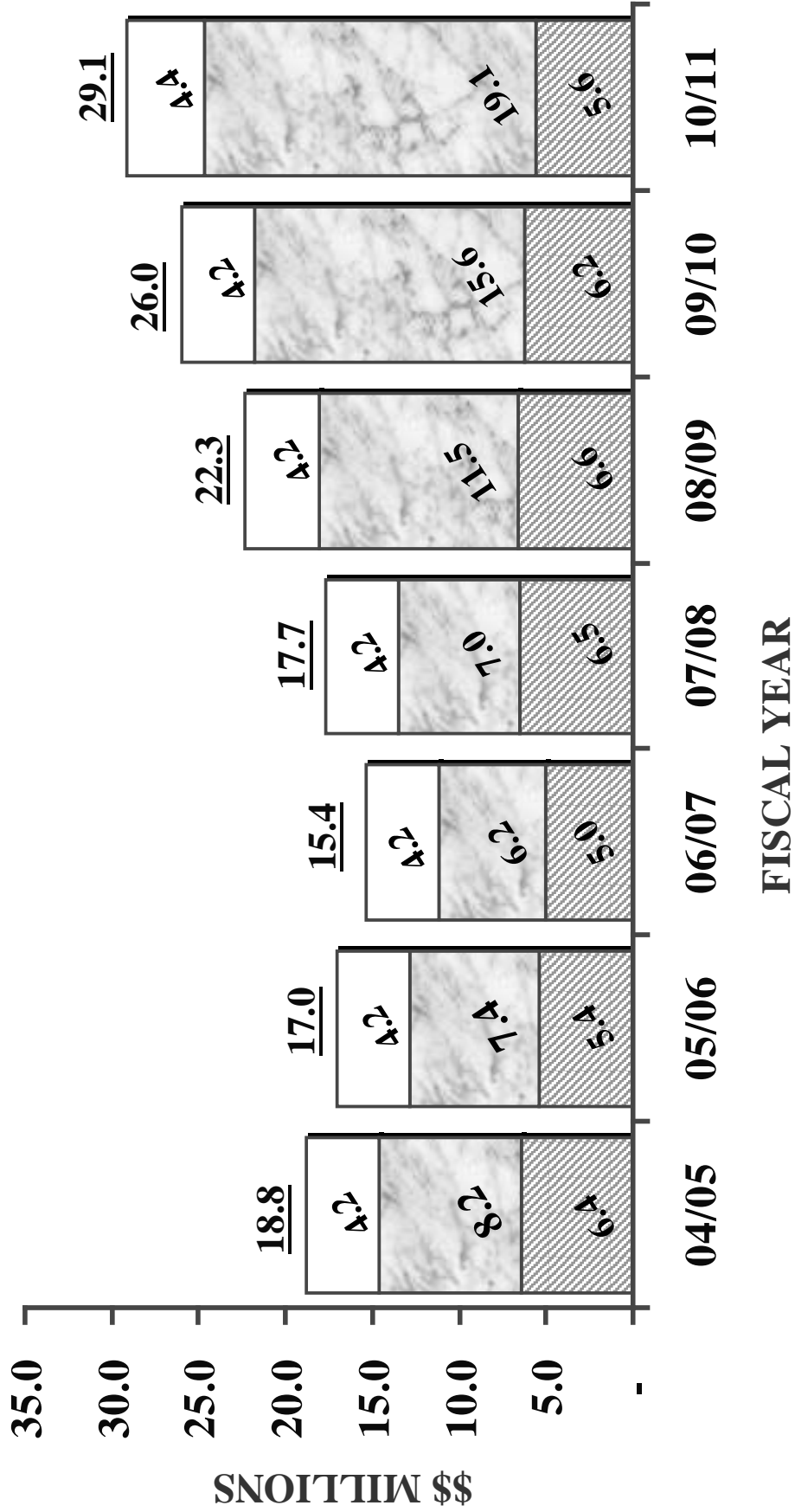
GENERAL FUND/FLOOD CONTROL (FUND 50)

This budget unit provides the funding for general administration and flood control services. The purpose of this program is to ensure the controlled drainage of the Valley's excess water runoff. Zone 7 manages a watershed of nearly 620 square miles including eastern Alameda County and parts of Contra Costa, Santa Clara and San Joaquin Counties. More than 37 miles of flood control channels and drainage facilities are owned and maintained by Zone 7. This budget finances a comprehensive year-round maintenance program that includes repairing slides and erosion, refurbishing access roads and associated drainage ditches, installing and repairing gates and fences, and maintaining landscaped areas.

| | FY 2009/10 | FY 2010/11 | Change Amount | % Change |
|--------------------------|----------------------|----------------------|----------------------|-----------------|
| | <u>Budget</u> | <u>Budget</u> | | |
| Appropriation (Expenses) | \$6,190,569 | \$3,503,126 | (\$604,612) | (9.77%) |
| Reserves | \$19,842,155 | \$23,502,583 | \$3,587,274 | |
| Revenue | \$6,975,100 | \$5,827,488 | (\$1,462,297) | (20.96%) |



GENERAL FUND/FLOOD CONTROL (50)
Budget Including Reserves



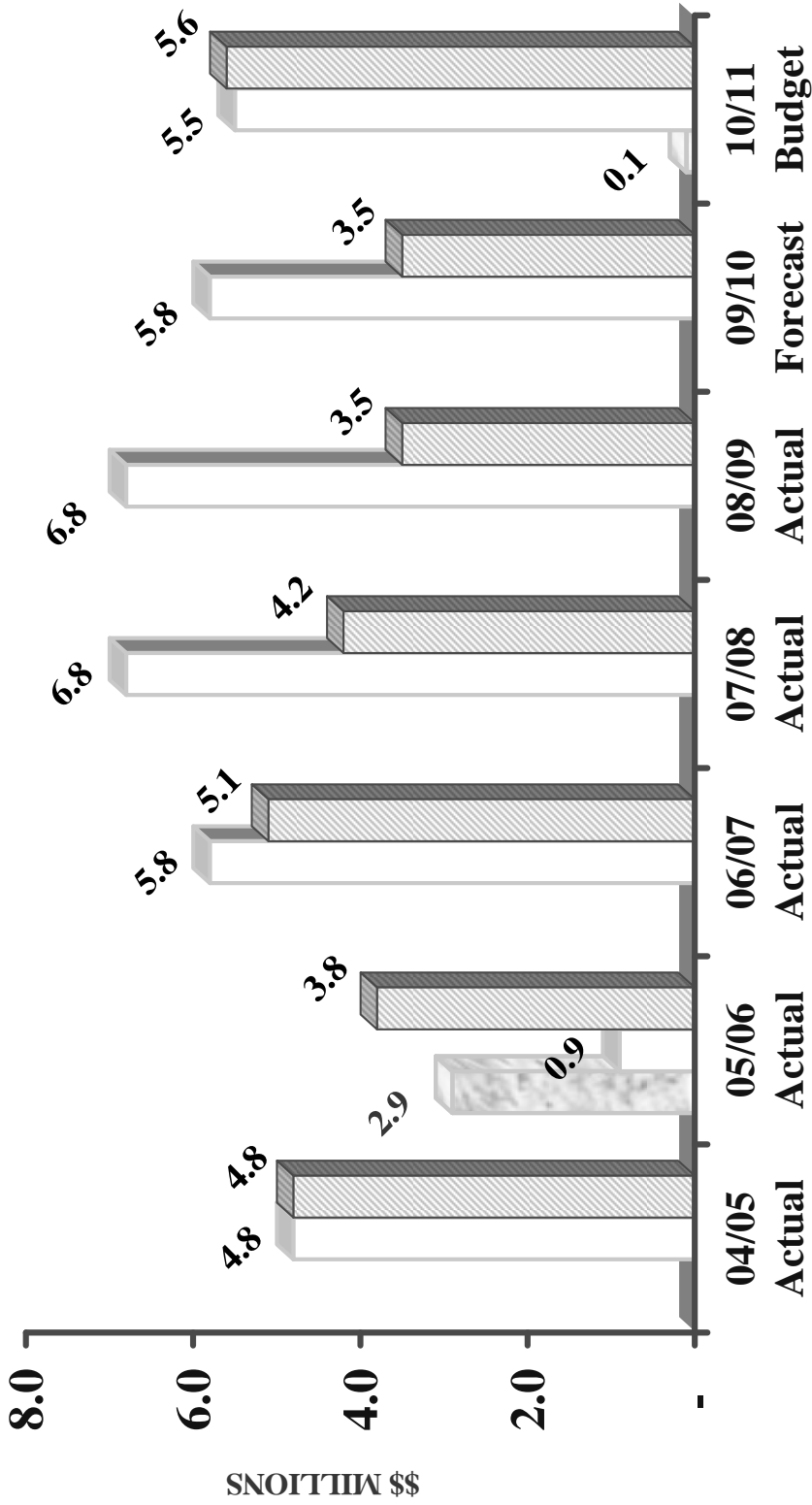
Budget Expenses
 Project Reserves
 Oper/Emer Reserves

SUMMARY: REVENUES/EXPENDITURES
GENERAL FUND/FLOOD CONTROL (50)

| | Fiscal Year 2009/10 Forecast | Fiscal Year 2010/11 Budget | Change | % Change |
|--|---------------------------------|-------------------------------|--------------------|-------------|
| Beginning Available Fund Balance | \$21,178,220 | \$23,502,583 | | |
| <u>Estimated Revenue</u> | | | | |
| Current Tax Revenue | \$5,109,875 | \$4,889,203 | (\$220,672) | (4%) |
| Other Revenue | \$717,613 | \$623,600 | (\$94,013) | (13%) |
| Total Revenue: | \$5,827,488 | \$5,512,803 | (\$314,685) | (5%) |
| <u>Estimated Expenditures</u> | | | | |
| Personnel | \$1,093,738 | \$1,112,061 | \$18,323 | 2% |
| Services & Supplies | \$2,409,388 | \$4,455,396 | \$2,046,008 | 85% |
| Fixed Assets | \$0 | \$18,500 | \$18,500 | 0% |
| Total Expenditures | \$3,503,126 | \$5,585,957 | \$2,082,831 | 59% |
| Net Revenue over Expenditures | \$2,324,363 | (\$73,154) | (\$2,397,517) | (103%) |
| Estimated Ending Available Fund Balance | \$23,502,583 | \$23,429,429 | (\$73,154) | (0%) |
| <u>Reserve Funds</u> | | | | |
| Operating/Emergency Reserves ¹ | \$4,200,000 | \$4,375,419 | \$175,419 | 4% |
| Project Reserves | \$18,796,643 | \$18,466,120 | (\$330,523) | (2%) |
| Building Sinking Fund | \$505,940 | \$587,890 | \$81,950 | 16% |
| Reserve Funds Balance | \$23,502,583 | \$23,429,429 | (\$73,154) | (0%) |

¹ FY 10/11 Operating/Emergency Reserves include cost saving initiatives, comprised of \$175,419 in anticipated personnel savings. While these savings are anticipated, amounts must be appropriated in order to maintain the vacant positions in the Alameda County's budget.

GENERAL FUND/FLOOD CONTROL (50)
Revenue vs Expenses



Use of Fund Balance **Revenue** **Expenses**

**BUDGET WORKSHEET
 GENERAL FUND/FLOOD CONTROL (50)**

| Acct # | 50 Account Description | Final Budget 09/10 | Proposed Budget 10/11 | Change Amount | Opr/Emer Reserves |
|--------|--|-----------------------|--------------------------|----------------------|----------------------|
| | <u>Revenues & Transfers</u> | | | | |
| 4111 | Property Taxes Current Secured | \$4,700,000 | \$4,589,203 | (\$110,797) | |
| 4112 | Property Taxes Current Unsecured | \$1,160,000 | \$300,000 | (\$860,000) | |
| 4113 | Property Tax-Supplemental | \$103,000 | \$0 | (\$103,000) | |
| 4114 | Property Taxes Prior Secured | \$150,000 | \$170,000 | \$20,000 | |
| 4115 | Property Taxes Sa Secured | \$30,000 | \$36,000 | \$6,000 | |
| 4116 | Property Taxes Prior Unsecured | \$9,000 | \$9,000 | \$0 | |
| 4117 | Property Taxes Prior Sa Unsecured | \$1,000 | \$1,000 | \$0 | |
| 4191 | Other Licenses & Permits | \$2,500 | \$2,000 | (\$500) | |
| 4211 | Disaster Reimbursements | \$0 | \$0 | \$0 | |
| 4221 | HPTR | \$54,000 | \$54,000 | \$0 | |
| 4241 | Federal;Other | \$0 | \$0 | \$0 | |
| 4251 | Local Housing Authority In-Lieu | \$600 | \$600 | \$0 | |
| 4311 | Interest on Investments | \$700,000 | \$300,000 | (\$400,000) | |
| 4331 | Rent of Land & Buildings | \$25,000 | \$17,000 | (\$8,000) | |
| 4610 | Other Charges for Current Services | \$25,000 | \$20,000 | (\$5,000) | |
| 4631 | Plan Checking Fees | \$5,000 | \$4,000 | (\$1,000) | |
| 4810 | Other Revenue | \$10,000 | \$10,000 | \$0 | |
| | Total Revenues | \$6,975,100 | \$5,512,803 | (\$1,462,297) | |
| | <u>Expenditures, Reserves & Credits</u> | | | | |
| 6100 | Labor & Overhead Apportioned | | | | |
| 6110 | Direct Labor & Benefits Appor | \$939,732 | \$983,781 | \$44,049 | \$175,419 |
| 6120 | Indirect Labor & Benefits Appor | \$495,037 | \$430,599 | (\$64,438) | |
| | Total Personnel | \$1,434,769 | \$1,414,380 | (\$20,389) | \$175,419 |
| 6200 | Professional & Technical Svcs | | | | |
| 6210 | Professional & Tech Svcs | \$5,318,778 | \$6,608,613 | \$1,289,835 | \$4,995,613 |
| 6230 | County Prof & Tech Services | \$85,000 | \$35,000 | (\$50,000) | |
| 6250 | District Prof & Tech Services | \$5,000 | \$0 | (\$5,000) | |
| 6280 | Dist Labor/Indirect - Misc | \$0 | \$0 | \$0 | |
| 6500 | Utilities | | | | |
| 6510 | Gas & Electricity | \$0 | \$0 | \$0 | |
| 6520 | Communications | \$5,090 | \$4,750 | (\$340) | |
| 6600 | Facilities Services | | | | |
| 6610 | Cleaning Services | \$5,000 | \$5,000 | \$0 | |
| 6610 | Other | \$0 | \$0 | \$0 | |
| 6612 | Garbage Disposal | \$5,000 | \$5,000 | \$0 | |
| 6614 | Janitorial Service | \$0 | \$0 | \$0 | |
| 6620 | Maint Svcs & Mat - Equipment | \$154,507 | \$172,996 | \$18,489 | \$169,996 |
| 6630 | Maint Svcs & Mat - Strcuts & Imp's | \$17,992,668 | \$19,601,848 | \$1,609,180 | \$17,341,848 |
| 6640 | Rents & Leases - Equipment | \$78,269 | \$86,932 | \$8,663 | \$58,932 |
| 6650 | Rents & Leases - Land, Strcuts | \$109,000 | \$111,100 | \$2,100 | |
| 6670 | Other Property Services | \$0 | \$0 | \$0 | |
| 6700 | Services and Supplies | | | | |
| 6720 | Emergency & Safety | \$26,000 | \$11,000 | (\$15,000) | |
| 6740 | Office Expense | \$54,500 | \$59,500 | \$5,000 | |
| 6750 | Organization Memberships & Dues | \$51,500 | \$81,500 | \$30,000 | |
| 6760 | Other Services & Supplies | \$115,871 | \$128,131 | \$12,260 | \$99,731 |
| 6761 | Advertising & Legal Services | \$1,000 | \$1,000 | \$0 | |
| 6762 | Clothing & Personal Supplies | \$600 | \$600 | \$0 | |
| 6764 | Household Expense | \$600 | \$400 | \$0 | |
| 6765 | Laboratory Supplies | \$200 | \$0 | \$0 | |
| 6766 | Tools & Instruments | \$2,100 | \$100 | (\$2,000) | |
| 6767 | State & Local Fees | \$25,200 | \$25,200 | \$0 | |
| 6768 | Uniform Service | \$1,100 | \$1,100 | \$0 | |
| 6769 | Other | \$85,071 | \$99,731 | \$14,660 | |
| 6770 | Training | \$21,000 | \$16,000 | (\$5,000) | |
| 6780 | Transportation | \$1,500 | \$500 | (\$1,000) | |
| 6790 | Travel | \$3,500 | \$5,500 | \$2,000 | |
| 6800 | Equipment | | | | |
| 6810 | Equipment & Vehicle Expense | \$34,410 | \$60,246 | \$25,836 | \$0 |
| 6900 | Other | | | | |
| 6910 | Non-Operating Expense | \$5,000 | \$6,000 | \$1,000 | |
| | Total Services & Supplies | \$24,066,593 | \$26,994,616 | \$2,928,023 | \$22,666,120 |
| 6245 | Reprographics-AlaCo | \$5,000 | \$0 | (\$5,000) | |
| | Total Non-Discretionary Expenditure | \$5,000 | \$0 | (\$5,000) | |
| 7500 | Capital Land, Structures, & Equip | | | | |
| 7510 | Capital Structures & Improvmts | \$507,862 | \$587,890 | \$80,028 | \$587,890 |
| 7520 | Capital Equipment | \$18,500 | \$18,500 | \$0 | |
| | Total Fixed Assets | \$526,362 | \$606,390 | \$80,028 | \$587,890 |
| | Total Expenditures | \$26,032,724 | \$29,015,386 | \$6,003,372 | \$23,429,429 |
| | % Change General Fund/Flood Control Budget | | | 23.06% | |

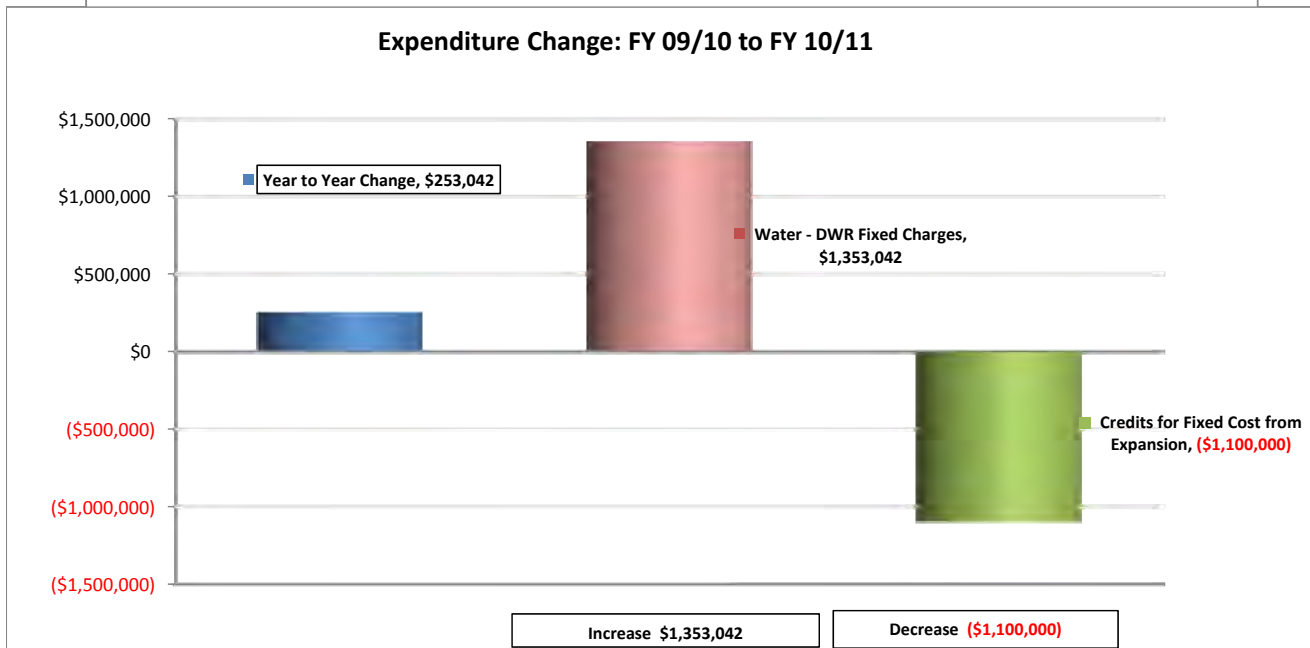
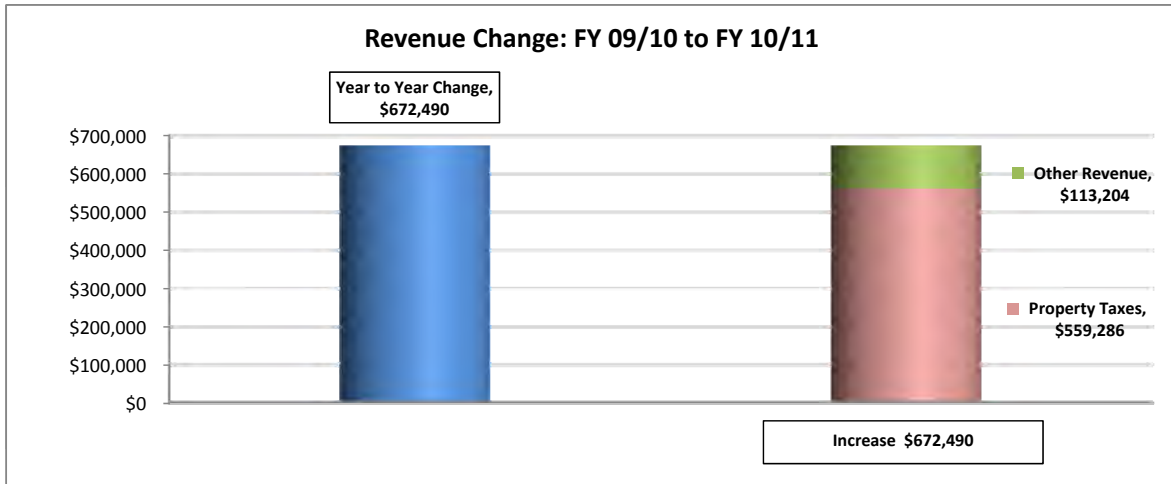
**STATE WATER FACILITIES FUND
BUDGET**

**ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
FISCAL YEAR 2010-11**

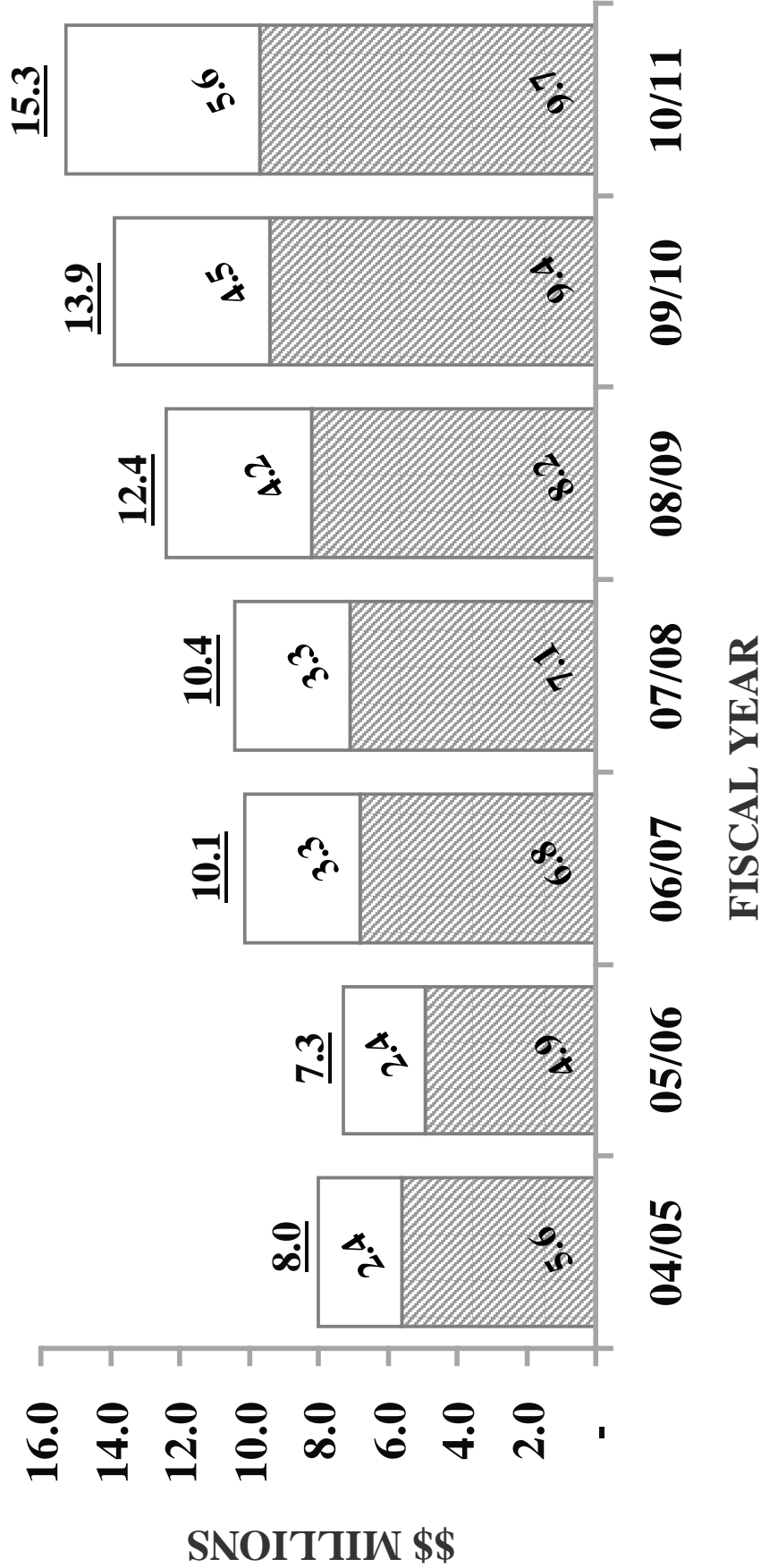
STATE WATER FACILITIES FUND (FUND 51)

This budget finances the "fixed cost" payment to the State Department of Water Resources (DWR) to import water to Zone 7. The purpose is to pay the costs for use of the State water delivery system, which includes repayment of voter approved, State incurred, long-term debt.

| | FY 2009/10 Budget | FY 2010/11 Budget | Change Amount | % Change |
|--------------------------|------------------------------|------------------------------|----------------------|-----------------|
| Appropriation (Expenses) | \$9,397,448 | \$9,650,490 | \$253,042 | 2.69% |
| Reserves | \$19,842,155 | \$23,429,429 | \$1,153,034 | |
| Revenue | \$8,924,539 | \$9,597,029 | \$672,490 | 7.54% |



STATE WATER FACILITIES FUND (51)
Budget Including Reserves



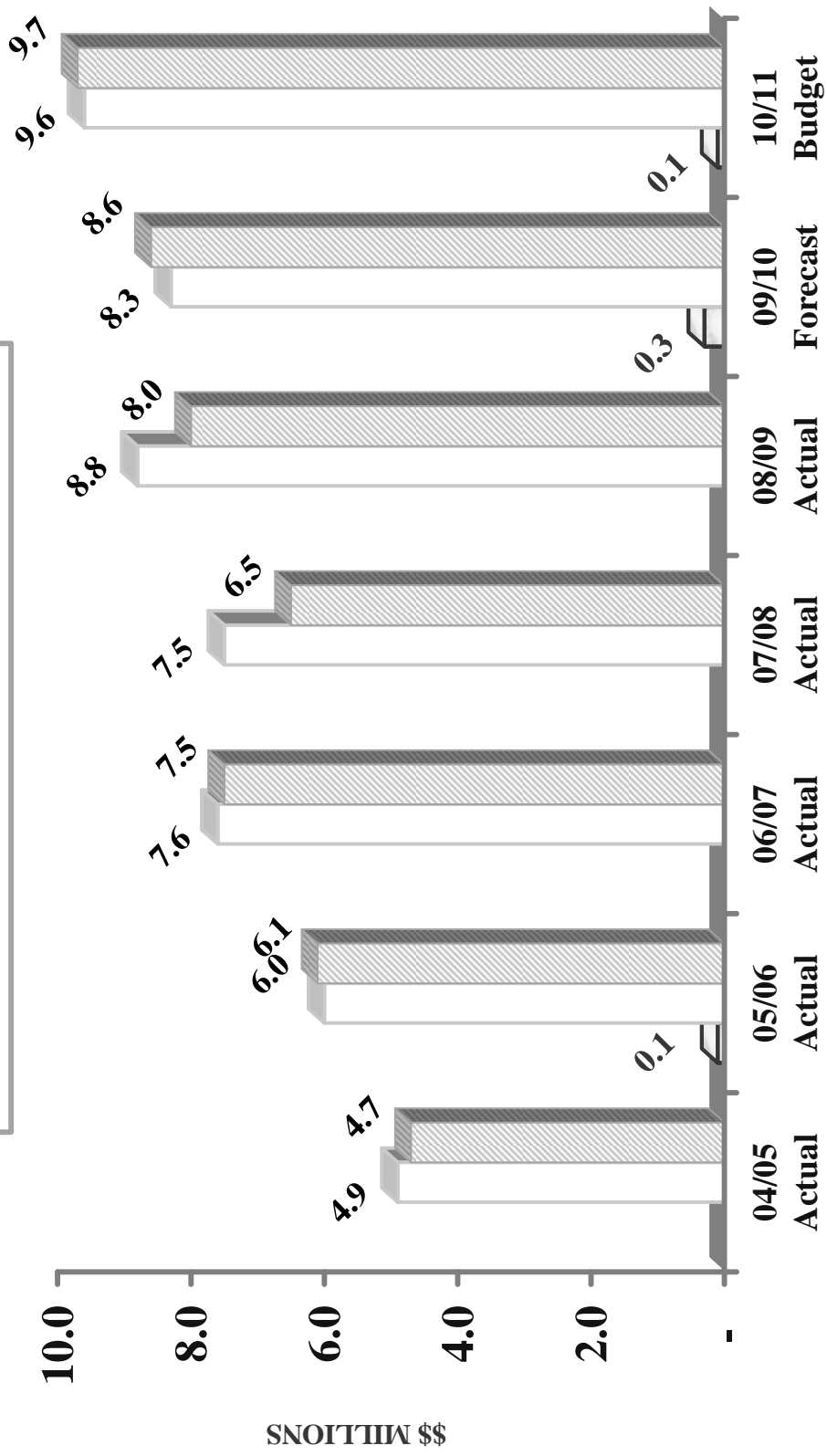
Budget Expenses
 Emer/Oper Reserves

SUMMARY:REVENUES/EXPENDITURES
STATE WATER FACILITIES FUND (51)

| | Fiscal Year 2009/10 Forecast | Fiscal Year 2010/11 Budget | Change | % Change |
|--|---------------------------------|-------------------------------|--------------------|-------------|
| Beginning Available Fund Balance | \$6,020,147 | \$5,701,410 | | |
| Adjustment | \$0 | \$0 | | |
| Net Beginning Available Fund Balance | \$6,020,147 | \$5,701,410 | | |
| <u>Estimated Revenue</u> | | | | |
| Current Tax Revenue | \$6,723,646 | \$7,800,000 | \$1,076,354 | 16% |
| Other Revenue | \$1,562,955 | \$1,797,029 | \$234,074 | 15% |
| <i>Total Revenue:</i> | <i>\$8,286,601</i> | <i>\$9,597,029</i> | <i>\$1,310,428</i> | <i>16%</i> |
| <u>Estimated Expenditures</u> | | | | |
| Payments to Dept of Water Resources | \$10,605,338 | \$12,750,490 | \$2,145,152 | 20% |
| Intra-Fund Transfer | (\$2,000,000) | (\$3,100,000) | (\$1,100,000) | 55% |
| <i>Total Expenditures</i> | <i>\$8,605,338</i> | <i>\$9,650,490</i> | <i>\$1,045,152</i> | <i>12%</i> |
| Net Revenue over Expenditures | (\$318,737) | (\$53,461) | \$265,276 | (83%) |
| Estimated Ending Available Fund Balance | \$5,701,410 | \$5,647,949 | (\$53,461) | (1%) |
| Reserve Funds | \$5,701,410 | \$5,647,949 | (\$53,461) | (1%) |
| Net Expenditures & Reserves | \$14,306,748 | \$15,298,439 | \$991,691 | 7% |
| Total Appropriation | \$16,306,748 | \$18,398,439 | \$2,091,691 | 13% |

STATE WATER FACILITIES FUND (51)

Revenue vs Expenses



FISCAL YEAR

Use of Fund Balance
 Revenue
 Expenses

**BUDGET WORKSHEET
STATE WATER FACILITIES FUND (51)**

| Acct # | 51 Account Description | Final Budget 09/10 | Proposed Budget 10/11 | Change Amount | Opr/Emer Reserves |
|--|---------------------------------------|----------------------------|----------------------------|---------------------------|---------------------------|
| <u>Revenues & Transfers</u> | | | | | |
| 4111 | Property Taxes Current Secured | \$6,903,750 | \$7,405,000 | \$501,250 | |
| 4112 | Property Taxes Current Unsecured | \$226,600 | \$245,000 | \$18,400 | |
| 4113 | Property Tax-Supplemental | \$154,500 | \$150,000 | (\$4,500) | |
| 4114 | Property Taxes Prior Secured | \$103,000 | \$154,500 | \$51,500 | |
| 4115 | Property Taxes Sa Secured | \$15,450 | \$15,914 | \$464 | |
| 4116 | Property Taxes Prior Unsecured | \$13,390 | \$5,150 | (\$8,240) | |
| 4117 | Property Taxes Prior Sa Unsecured | \$618 | \$1,030 | \$412 | |
| 4221 | Homeowners Prop Tax Relief | \$45,000 | \$45,000 | \$0 | |
| 4251 | Local Housing Authority In-Lieu | \$100 | \$100 | \$0 | |
| 4311 | Interest on Investments | \$90,000 | \$90,000 | \$0 | |
| 4321 | Interest from Other Sources | \$80,000 | \$80,000 | \$0 | |
| 4541 | Water Service Surcharge | \$777,131 | \$890,335 | \$113,204 | |
| 4810 | Other Revenue | \$515,000 | \$515,000 | \$0 | |
| | <u>Total Revenues</u> | <u>\$8,924,539</u> | <u>\$9,597,029</u> | <u>\$672,490</u> | |
| <u>Expenditures, Reserves & Credits</u> | | | | | |
| 6410 | Water - DWR Fixed Charges | \$15,892,363 | \$18,398,439 | \$2,506,076 | \$5,647,949 |
| 6419 | Credits for Fixed Cost from Expansion | (\$2,000,000) | (\$3,100,000) | (\$1,100,000) | |
| | <u>Total Expenditures</u> | <u>\$13,892,363</u> | <u>\$15,298,439</u> | <u>\$1,406,076</u> | <u>\$5,647,949</u> |
| | % Change State Water Facilities Fund | | | 10.12% | |

**WATER ENTERPRISE FUND
BUDGET**

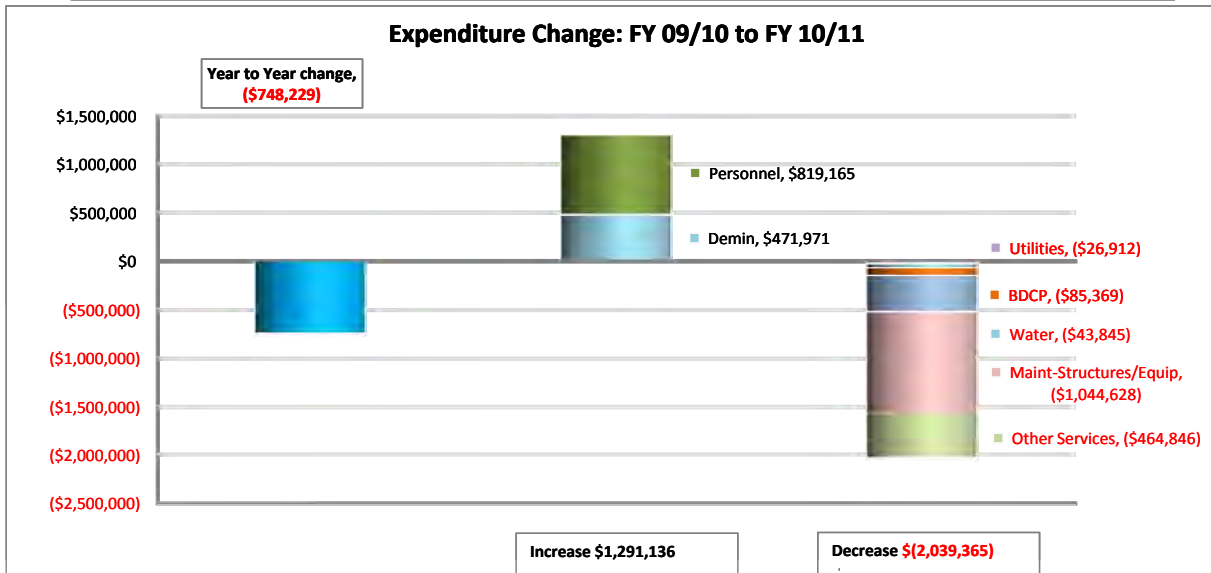
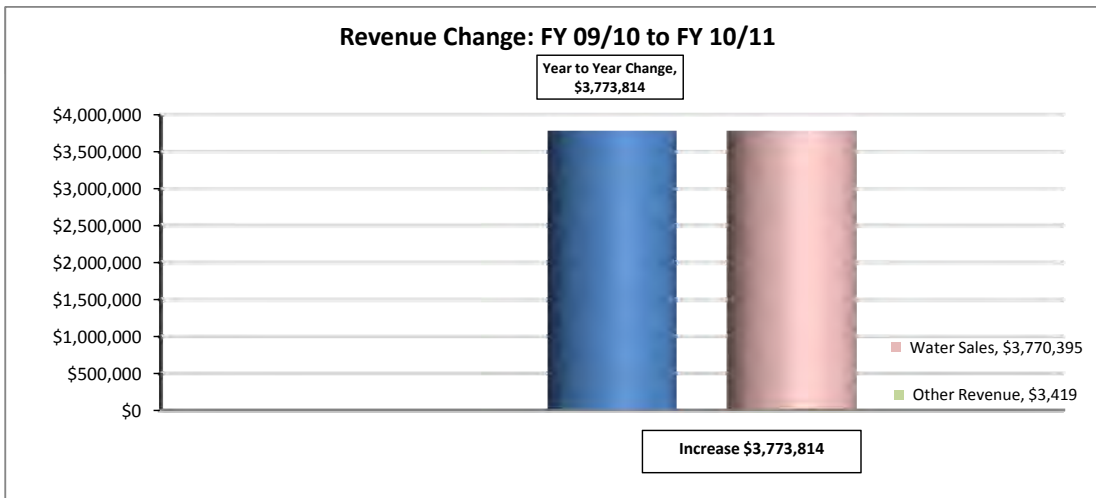
**ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
FISCAL YEAR 2010-11**

WATER ENTERPRISE FUND (FUND 52)

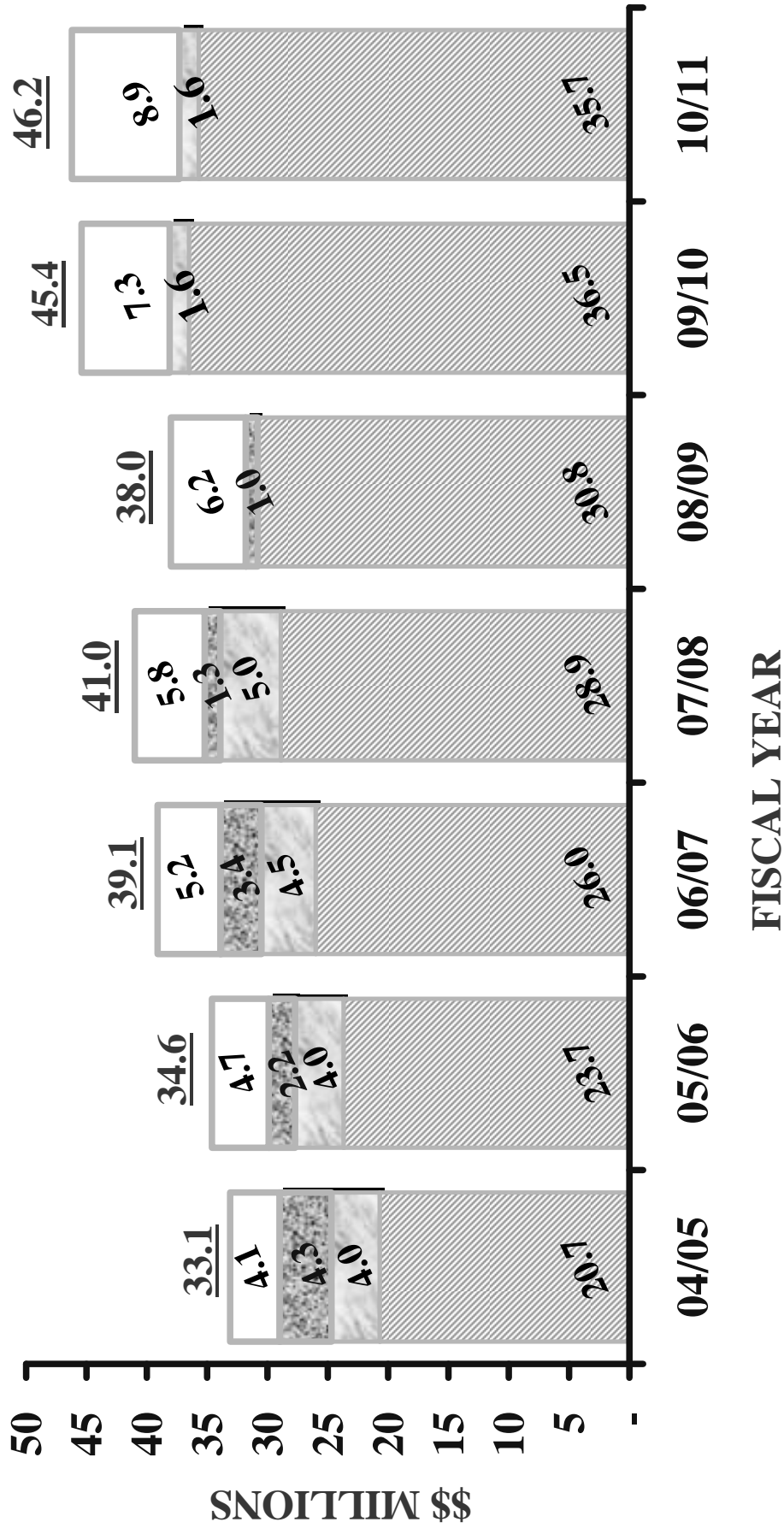
This budget finances Zone 7's water program which includes general administration, facilities engineering, operations and maintenance of the water supply and delivery system, water resources management, and water supply planning and design.

The purpose of this fund is to ensure the delivery of high quality water to the Livermore-Amador Valley. This includes water treatment and distribution of potable water; distribution of untreated agricultural water; and surface water and groundwater management. Water distributed is a combination of locally conserved and imported water from the State Water Project. Activities include water treatment; water quality analysis; water resource management and groundwater protection; and water supply planning and engineering.

| | FY 2009/10 Budget | FY 2010/11 Budget | Change Amount | % Change |
|--------------------------|------------------------------|------------------------------|----------------------|-----------------|
| Appropriation (Expenses) | \$36,465,068 | \$32,239,848 | (\$748,229) | (2.05%) |
| Reserves | \$8,893,014 | \$9,021,270 | \$1,611,652 | |
| Revenue | \$35,126,723 | \$34,592,689 | \$3,773,814 | 10.74% |



WATER ENTERPRISE BUDGET (52)
Budget Including Reserves



Budget Expenses
 Rate Stabilization
 Special Reserves
 Emer/Oper Reserves

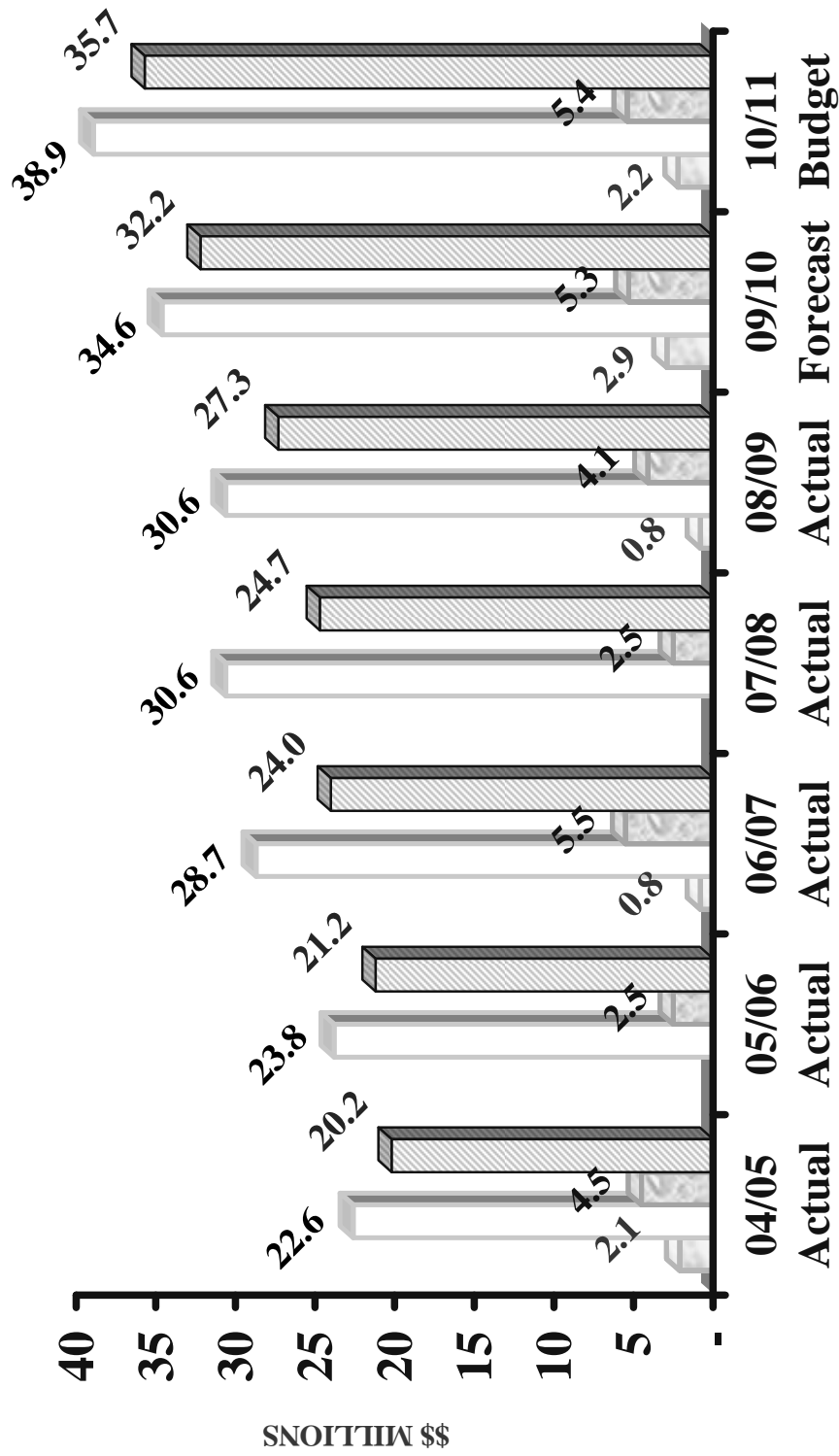
SUMMARY: REVENUES/EXPENDITURES
WATER ENTERPRISE FUND (52)

| | Fiscal Year 2009/10 Forecast | Fiscal Year 2010/11 Budget | Change | % |
|--|---------------------------------|-------------------------------|----------------------|---------------|
| Beginning Available Fund Balance | \$23,549,842 | \$19,437,550 | | |
| Adjustments | (\$1,153,493) | | | |
| Net Beginning Available Fund Balance | \$22,396,349 | \$19,437,550 | | |
| <u>Estimated Revenue</u> | | | | |
| Water Sales | \$33,843,108 | \$38,153,537 | \$4,310,429 | 13% |
| Interest | \$515,581 | \$400,000 | (\$115,581) | (22%) |
| Other | \$234,000 | \$347,000 | \$113,000 | 48% |
| Total Revenue: | \$34,592,689 | \$38,900,537 | \$4,307,848 | 12% |
| <u>Estimated Expenditures</u> | | | | |
| Personnel | \$16,730,901 | \$17,108,504 | \$377,602 | 2% |
| Services & Supplies | \$19,838,949 | \$22,269,448 | \$2,430,500 | 12% |
| County Indirect Cost | \$474,800 | \$650,000 | \$175,200 | 37% |
| Fixed Assets | \$207,000 | \$70,500 | (\$136,500) | (66%) |
| Credits to Other Funds | (\$5,011,802) | (\$4,381,613) | \$630,189 | (13%) |
| Total Expenditures | \$32,239,848 | \$35,716,839 | \$3,476,991 | 11% |
| Net Revenue over Expenditures | \$2,352,841 | \$3,183,698 | \$830,857 | 35% |
| Estimated Ending Available Fund Balance | \$24,749,190 | \$22,621,248 | (\$2,127,942) | (9%) |
| <u>Year End Fund Contributions</u> | | | | |
| Fund 72 - Renewal & Repl/Syst Imp | (\$5,311,640) | (\$5,414,890) | (\$103,250) | 2% |
| Estimated Net Ending Available Funds | \$19,437,550 | \$17,206,358 | (\$2,231,192) | (11%) |
| <u>Reserve Funds</u> | | | | |
| Rate Stabilization Fund | \$1,600,000 | \$1,600,000 | \$0 | 0% |
| Operating/Emergency Reserves ¹ | \$6,447,970 | \$8,904,666 | \$2,456,696 | 38% |
| Designated Account Reserves | | | | |
| Personnel | \$973,300 | \$0 | (\$973,300) | (100%) |
| Chemicals | \$0 | \$0 | \$0 | 0% |
| Utilities | \$0 | \$0 | \$0 | 0% |
| Water | \$0 | \$0 | \$0 | 0% |
| Total Designated Reserves | \$973,300 | \$0 | (\$973,300) | (100%) |
| Net Reserves | \$9,021,270 | \$10,504,666 | \$1,483,396 | 16% |
| Net Estimated Ending Available Fund Balance | \$10,416,280 | \$6,701,692 | (\$3,714,588) | (36%) |

¹ FY 10/11 Operating/Emergency Reserves include cost saving initiatives, comprised of \$1,099,023 in anticipated personnel savings and \$662,275 additional cost savings. While these savings are anticipated, amounts must be appropriated in order to maintain the vacant positions in the Alameda County's budget.

WATER ENTERPRISE FUND (52)

Revenue vs Expenses



FISCAL YEAR

Use of Fund Balance Revenue Fund Transfer Out Expenses

BUDGET WORKSHEET
WATER ENTERPRISE FUND (52)

| Acct # | Account Description | Final Budget 09/10 | Proposed Budget 10/11 | Change Amount | Oper/Emer Reserves |
|--|---|-----------------------|--------------------------|----------------------|-----------------------|
| Revenues & Transfers | | | | | |
| 4230 | SB 90 Claims | \$0 | \$0 | \$0 | |
| 4310 | Interest on Investments | \$515,581 | \$400,000 | (\$115,581) | |
| 4320 | Interest from Other Sources | \$0 | \$0 | \$0 | |
| 4330 | Rent of Land and Buildings | \$31,000 | \$31,000 | \$0 | |
| 4510 | Treated Water Sales | \$33,646,896 | \$37,422,512 | \$3,775,616 | |
| 4520 | Untreated Water Sales | \$736,246 | \$731,025 | (\$5,221) | |
| 4530 | Temporary Water Sales | \$0 | \$0 | \$0 | |
| 4720 | Transfers From Other Deposits | \$0 | \$0 | \$0 | |
| 4810 | Other Revenues | \$197,000 | \$316,000 | \$119,000 | |
| | Total Revenues | \$35,126,723 | \$38,900,537 | \$3,773,814 | |
| | Transfers-in (out) | | | | |
| | 72-542 | (\$5,313,429) | (\$5,414,890) | (\$101,461) | |
| | Total Transfers | (\$5,313,429) | (\$5,414,890) | (\$101,461) | |
| | Net Revenue Available | \$29,813,294 | \$33,485,647 | \$3,672,353 | |
| Expenditures, Reserves & Credits | | | | | |
| Labor & Overhead Apportioned | | | | | |
| 6110 | Direct Labor & Benefits Appor | \$17,896,871 | \$18,207,527 | \$310,656 | \$1,099,023 |
| | Total Personnel | \$17,896,871 | \$18,207,527 | \$310,656 | \$1,099,023 |
| Professional & Technical Svcs | | | | | |
| 6210 | Professional & Tech Svcs | \$3,144,847 | \$3,105,286 | (\$39,561) | \$546,396 |
| 6230 | County Prof & Tech Services | \$269,800 | \$86,250 | (\$183,550) | |
| 6250 | District Prof & Tech Services | \$0 | \$0 | \$0 | |
| Chemicals | | | | | |
| 6310 | Chemicals | \$3,818,971 | \$3,545,995 | (\$272,976) | \$0 |
| Water | | | | | |
| 6420 | SWP - Variable Costs | \$6,385,668 | \$5,343,653 | (\$1,042,015) | \$0 |
| 6429 | Credits for Variable Cost fr Expansi | (\$177,743) | (\$101,283) | \$76,460 | |
| 6430 | Water Entitlement/Option Purchase | \$461,086 | \$829,215 | \$368,129 | |
| 6460 | Water Storage | \$393,250 | \$524,950 | \$131,700 | |
| 6480 | Water Other | \$542,650 | \$689,162 | \$146,512 | |
| 6490 | Water Rate Designations | \$1,600,000 | \$1,600,000 | \$0 | \$1,600,000 |
| Utilities | | | | | |
| 6510 | Gas & Electricity | \$2,739,845 | \$2,880,463 | \$140,618 | \$0 |
| 6520 | Communications | \$171,784 | \$135,097 | (\$36,687) | |
| Facilities Services | | | | | |
| 6610 | Cleaning Services | \$80,446 | \$72,074 | (\$8,372) | |
| 6610 | Other | \$5,000 | \$2,500 | (\$2,500) | |
| 6612 | Garbage Disposal | \$18,350 | \$21,578 | \$3,228 | |
| 6614 | Janitorial Service | \$57,096 | \$47,996 | (\$9,100) | |
| 6620 | Maint Svcs & Mat - Equipment | \$2,476,183 | \$2,530,699 | \$54,516 | \$2,419,749 |
| 6630 | Maint Svcs & Mat - Structs & Imp's | \$5,557,325 | \$4,825,469 | (\$731,856) | \$2,419,749 |
| 6640 | Rents & Leases - Equipment | \$2,397,001 | \$2,495,069 | \$98,068 | \$2,419,749 |
| 6650 | Rents & Leases - Land, Structs | \$32,100 | \$34,975 | \$2,875 | |
| 6670 | Other Property Services | \$66,699 | \$75,650 | \$8,951 | |
| Services and Supplies | | | | | |
| 6720 | Emergency & Safety | \$102,130 | \$72,125 | (\$30,005) | |
| 6740 | Office Expense | \$616,134 | \$602,800 | (\$13,334) | |
| 6750 | Organization Memberships & Dues | \$379,244 | \$427,077 | \$47,833 | |
| 6760 | Other Services & Supplies | \$431,550 | \$601,952 | \$170,402 | |
| 6761 | Advertising & Legal Services | \$32,250 | \$14,250 | (\$18,000) | |
| 6762 | Clothing & Personal Supplies | \$34,880 | \$23,535 | (\$11,345) | |
| 6764 | Household Expense | \$7,480 | \$8,500 | \$1,020 | |
| 6765 | Laboratory Supplies | \$184,700 | \$177,670 | (\$7,030) | |
| 6766 | Tools & Instruments | \$27,900 | \$34,000 | \$6,100 | |
| 6767 | State & Local Fees | \$114,445 | \$308,522 | \$194,077 | |
| 6768 | Uniform Service | \$29,895 | \$35,475 | \$5,580 | |
| 6769 | Other | \$0 | \$0 | \$0 | |
| 6770 | Training | \$334,139 | \$291,294 | (\$42,845) | |
| 6780 | Transportation | \$11,800 | \$31,480 | \$19,680 | |
| 6790 | Travel | \$91,800 | \$70,884 | (\$20,916) | |
| Equipment | | | | | |
| 6810 | Equipment & Vehicle Expense | \$209,252 | \$254,300 | \$45,048 | |
| Other | | | | | |
| 6910 | Non-Operating Expense | \$212,000 | \$264,150 | \$52,150 | |
| | Total Discretionary Expenditures | \$32,347,962 | \$31,288,786 | (\$1,059,175) | \$9,405,643 |
| 6241 | County Tie-line | \$4,500 | \$5,473 | \$973 | |
| 6242 | Maint-Electronic Equip-GSA | \$30,000 | \$36,487 | \$6,487 | |
| 6243 | Equip & Vehicle Fuel & Oil-GSA | \$24,392 | \$29,667 | \$5,275 | |
| 6244 | Data Processing Services | \$92,054 | \$111,960 | \$19,906 | |
| 6245 | Reprographics-AlaCo | \$0 | \$14,000 | \$14,000 | |
| 6246 | Risk Management Ins | \$155,165 | \$188,718 | \$33,553 | |
| | Total Non-Discretionary Expendi | \$306,111 | \$386,305 | \$80,194 | \$0 |
| | Total Services & Supplies | \$32,654,073 | \$31,675,091 | (\$978,981) | \$9,405,643 |
| 6247 | County Indirect Costs | \$474,800 | \$650,000 | \$175,200 | |
| Capital Land, Structures, & Equip | | | | | |
| 7510 | Capital Structures & Improvmts | | | | |
| 7520 | Capital Equipment | \$281,000 | \$70,500 | (\$210,500) | \$0 |
| | Total Fixed Assets | \$281,000 | \$70,500 | (\$210,500) | \$0 |
| Intra Fund Transfers | | | | | |
| 7610 | Credit for Inter-department Charges | (\$5,948,662) | (\$4,381,613) | \$1,567,049 | |
| | Total Expenditures | \$45,358,082 | \$46,221,505 | \$863,424 | \$10,504,666 |
| | % Change Water Enterprise Budget | | | 1.90% | |

**RENEWAL & REPLACEMENT
SYSTEMWIDE IMPROVEMENTS
PROGRAMS**

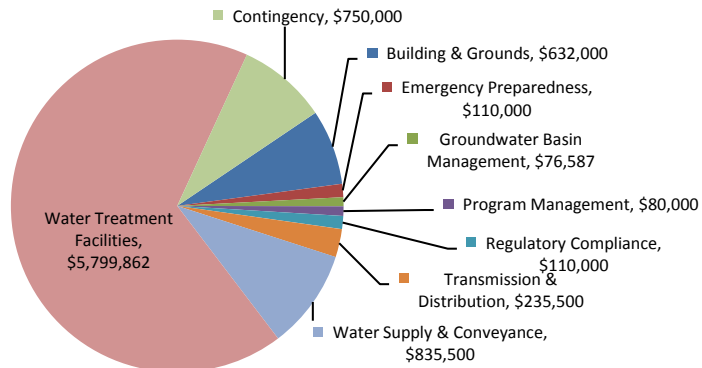
ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
FISCAL YEAR 2010-11

WATER ENTERPRISE CAPITAL IMPROVEMENT PROGRAMS
RENEWAL & REPLACEMENT & SYSTEMWIDE IMPROVEMENTS (FUND72)

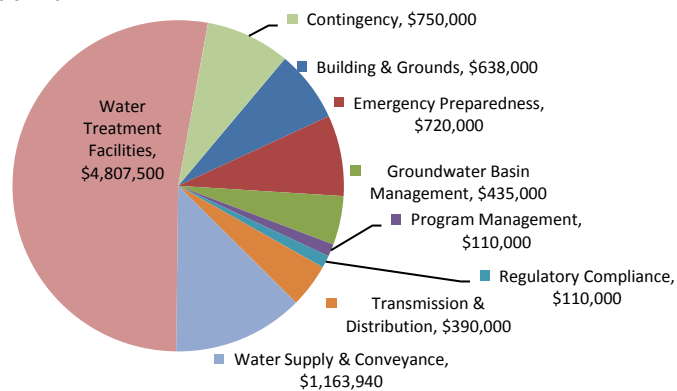
The purpose of these programs is to ensure that the current water treatment and delivery systems are functioning effectively and that capital replacement and improvement needs are funded. The budgets for these programs are funded primarily from the sale of treated and untreated water and Facility Use fees by new users in the Dougherty Valley. There can also be additional revenues from interest earned on any deposited funds.

| | FY 2009/10 | FY 2010/11 | <u>Change Amount</u> | <u>% Change</u> |
|------------------------------|--------------------|--------------------|----------------------|-----------------|
| | <u>Budget</u> | <u>Budget</u> | | |
| R/R Appropriation (Expenses) | \$4,055,500 | \$2,900,449 | (\$1,155,051) | (28.48%) |
| SWI Appropriation (Expenses) | \$5,068,940 | \$5,729,000 | \$660,060 | 13.02% |
| Total | \$9,124,440 | \$8,629,449 | (\$494,991) | (5.42%) |

Renewal/Replacement & Systemwide Improvements Projects
Appropriations of FY 10/11



Renewal/Replacement & Systemwide Improvements Projects
Appropriations of FY 09/10

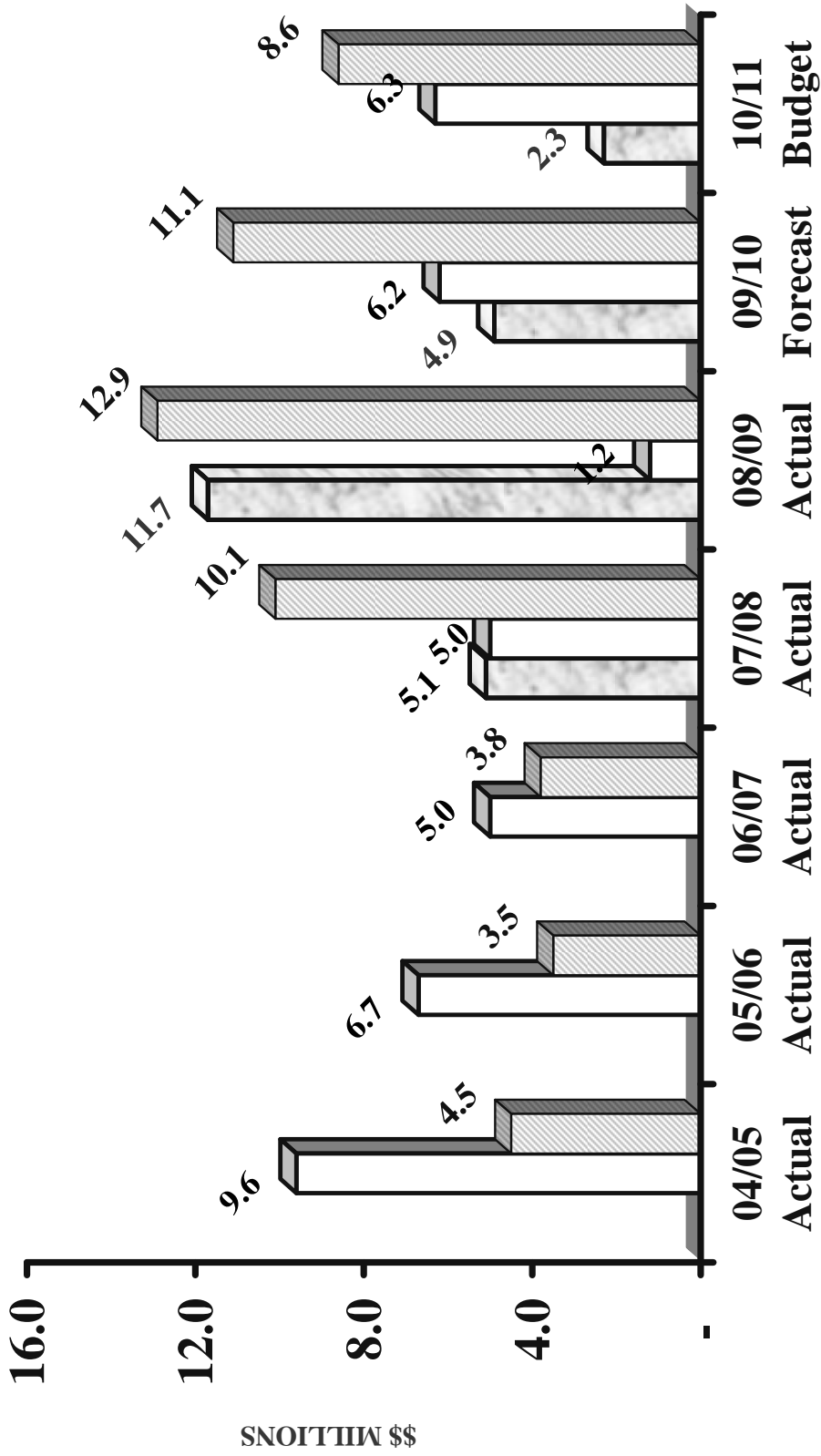


SUMMARY:REVENUES/EXPENDITURES
WATER ENTERPRISE CAPITAL FUNDS
RENEWAL & REPLACEMENT, SYSTEMWIDE IMPROVEMENTS
PROGRAMS (FUND 72)

| | Fiscal Year 2009/10 Forecast | Fiscal Year 2010/11 Budget | Change | % Change |
|--|---------------------------------|-------------------------------|----------------------|--------------|
| Beginning Available Fund Balance | \$19,671,247 | \$14,760,466 | | |
| Adjustments | \$0 | \$0 | | |
| Net Beginning Available Fund Balance | \$19,671,247 | \$14,760,466 | | |
| <u>Estimated Revenue</u> | | | | |
| Interest | \$559,369 | \$191,331 | (\$368,039) | (66%) |
| Fund Transfers | \$5,311,680 | \$5,414,891 | \$103,211 | 2% |
| Other | \$2,000 | \$2,000 | \$0 | 0% |
| Facility Use Fees | \$361,620 | \$738,000 | \$376,380 | 104% |
| Total Revenue: | \$6,234,669 | \$6,346,222 | \$111,553 | 2% |
| <u>Estimated Expenditures</u> | | | | |
| Personnel | \$1,353,542 | \$1,438,627 | \$85,085 | 6% |
| Contracts | \$1,945,463 | \$712,150 | (\$1,233,313) | (63%) |
| Construction | \$7,501,774 | \$4,248,372 | (\$3,253,402) | (43%) |
| Other | \$344,671 | \$1,480,300 | \$1,135,629 | 329% |
| Contingency | \$11,145,450 | \$750,000 | \$750,000 | 0% |
| Total Expenditures | (\$4,910,781) | (\$8,629,449) | (\$368,039) | (66%) |
| Net Revenue over Expenditures | | | \$2,627,554 | (54%) |
| Estimated Ending Available Fund Balance | \$14,760,466 | \$12,477,239 | (\$2,283,227) | (15%) |
| <u>Reserve Funds</u> | | | | |
| Building Sinking Fund | \$1,945,101 | \$2,313,878 | \$368,776 | 19% |
| Net Estimated Ending Available Fund Balance | \$12,815,365 | \$10,163,361 | (\$2,652,004) | (21%) |

CAPITAL IMPROVEMENT/RENEWAL/REPLACEMENT FUND (72)

Revenue vs Expenses



FISCAL YEAR

□ Use of Fund Balance □ Revenue ▨ Expenses

**EXHIBIT A
 PROJECT BUDGET REQUEST
 SYSTEM WIDE IMPROVEMENTS/RENEWAL & REPLACEMENT FUND 72
 CAPITAL PROJECTS**

| Job Number | Project Description/Name | Fund Number | Funding Req. 2010/11 |
|--|---|-------------|----------------------|
| EMERGENCY PREPAREDNESS | | | |
| 96072 | Vulnerability Assessment Review & Update | 72 | \$110,000 |
| | Emergency Preparedness Subtotal: | | \$110,000 |
| GROUNDWATER BASIN MANAGEMENT | | | |
| 53039 | New Groundwater Management Program Monitoring Wells | 72 | \$76,587 |
| | Groundwater Basin Management Subtotal: | | \$76,587 |
| TRANSMISSION AND DISTRIBUTION | | | |
| 96072 | System-Wide Installation of Line Valves | 72 | \$60,500 |
| 96072 | Transmission System Master Plan | 72 | \$75,000 |
| 96072 | Vasco Pump Station | 72 | \$100,000 |
| | Transmission And Distribution Subtotal: | | \$235,500 |
| WATER SUPPLY & CONVEYANCE | | | |
| 54511 | 2010 Water System Planning | 72 | \$52,500 |
| 96072 | Enhanced Conservation Program | 72 | \$400,000 |
| 54505 | High Efficiency Toilet Rebate Program | 72 | \$83,000 |
| 54504 | High-Efficiency Washing Machine Rebate Program | 72 | \$225,000 |
| 54501 | Water Conservation Best Management Practices | 72 | \$75,000 |
| | Water Supply & Conveyance Subtotal: | | \$835,500 |
| WATER TREATMENT FACILITIES | | | |
| 96072 | DVWTP & PPWTP Fume Hood Replacement and Construction | 72 | \$84,000 |
| 96072 | DVWTP Chemical Systems/Parking Lot Improvements | 72 | \$487,500 |
| 96072 | Facilities Security Improvements | 72 | \$100,000 |
| 96072 | PPWTP Improvement Studies 2011 | 72 | \$293,300 |
| 53090 | PPWTP Sewer System | 72 | \$610,062 |
| 53069 | Water Quality Management Program | 72 | \$68,000 |
| | Water Treatment Facilities Subtotal: | | \$1,642,862 |
| SYSTEMWIDE IMPROVEMENTS TOTAL | | | \$2,900,449 |
| BUILDING & GROUNDS | | | |
| 54053 | North Canyons Administrative & Engineering Building Lease | 72 | \$497,000 |
| 96072 | Replacement of Roofs at Parkside, Hopyard Well No. 6 and DVWTP Maintenance Shop | | \$135,000 |
| | Building & Grounds Subtotal: | | \$632,000 |
| PROGRAM MANAGEMENT | | | |
| 54508 | Capital Improvement Program Management | 72 | \$30,000 |
| 54507 | System-Wide Improvements and Renewal/Replacement Program Management | | \$50,000 |
| | Program Management Subtotal: | | \$80,000 |
| REGULATORY COMPLIANCE | | | |
| 54042 | Laboratory Equipment Replacement | 72 | \$110,000 |
| | Regulatory Compliance Subtotal: | | \$110,000 |
| WATER TREATMENT FACILITIES | | | |
| 54071 | Asset Management Program Study Update | 72 | \$45,000 |
| 96072 | Dougherty Reservoir Access Road Rehabilitation | 72 | \$35,000 |
| 96072 | DVWTP DAF Saturator Tanks Repair | 72 | \$150,500 |
| 54073 | DVWTP Filter Valve Replacements (Phase 1 only) | 72 | \$120,000 |
| 53088 | DVWTP Improvements Project | 72 | \$250,000 |
| 96072 | DVWTP Interior Coating Improvements to the 4.5 MG Steel Clearwell | 72 | \$1,250,000 |
| 96072 | Foley Road Realignment | 72 | \$475,000 |
| 96072 | Minor Renewal/Replacement Projects | 72 | \$250,000 |
| 54077 | PPWTP Electrical System Upgrade | 72 | \$700,000 |
| 96072 | PPWTP OSG Conversion | 72 | \$181,500 |
| 54072 | PPWTP Rehabilitation of Clarifier and Replacement of Motor | 72 | \$105,000 |
| 54059 | PPWTP Ultrafiltration Membrane Replacement | 72 | \$390,000 |
| 54048 | SCADA Enhancements | 72 | \$175,000 |
| 96072 | Well Pump, Motor and Casing Inspections | 72 | \$30,000 |
| | Water Treatment Facilities Subtotal: | | \$4,157,000 |
| RENEWAL & REPLACEMENTS TOTAL | | | \$4,979,000 |
| SYSTEMWIDE IMPROVEMENTS/RENEWAL & REPLACEMENT PROJECTS TOTAL | | | \$7,879,449 |
| CONTINGENCY FUNDS | | | |
| 96172 | Contingency | 72 | \$750,000 |
| | Contingency Funds Subtotal: | | \$750,000 |
| SYSTEMWIDE IMPROVEMENTS/RENEWAL & REPLACEMENTS PROGRAM SUBTOTAL | | | \$8,629,449 |
| SINKING FUNDS | | | |
| 96072 | Administrative & Engineering Building - Sinking Fund | 72 | \$368,776 |
| | Sinking Funds Subtotal: | | \$368,776 |
| SYSTEMWIDE IMPROVEMENTS/RENEWAL & REPLACEMENTS PROGRAM TOTAL | | | \$8,998,225 |

EXPANSION PROGRAMS

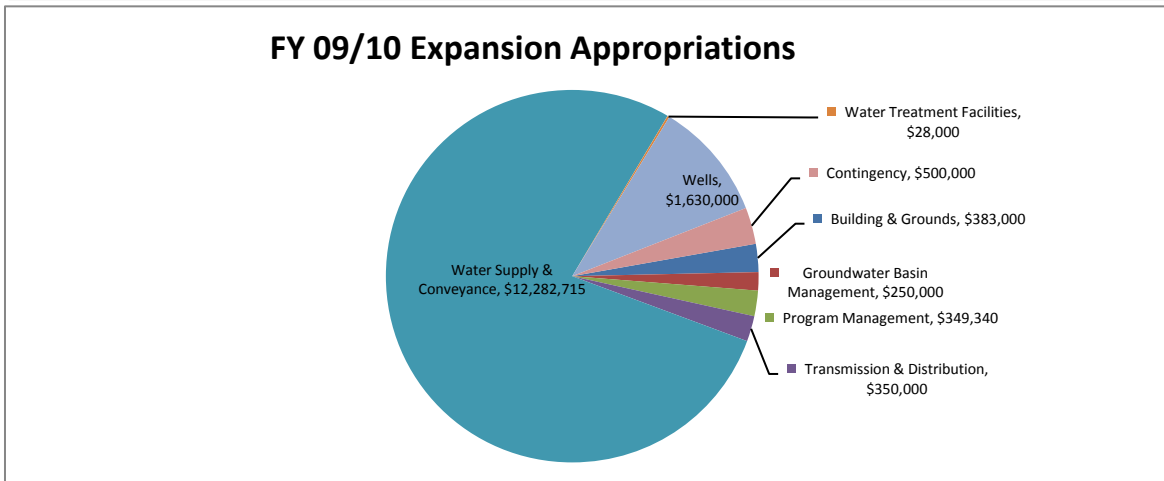
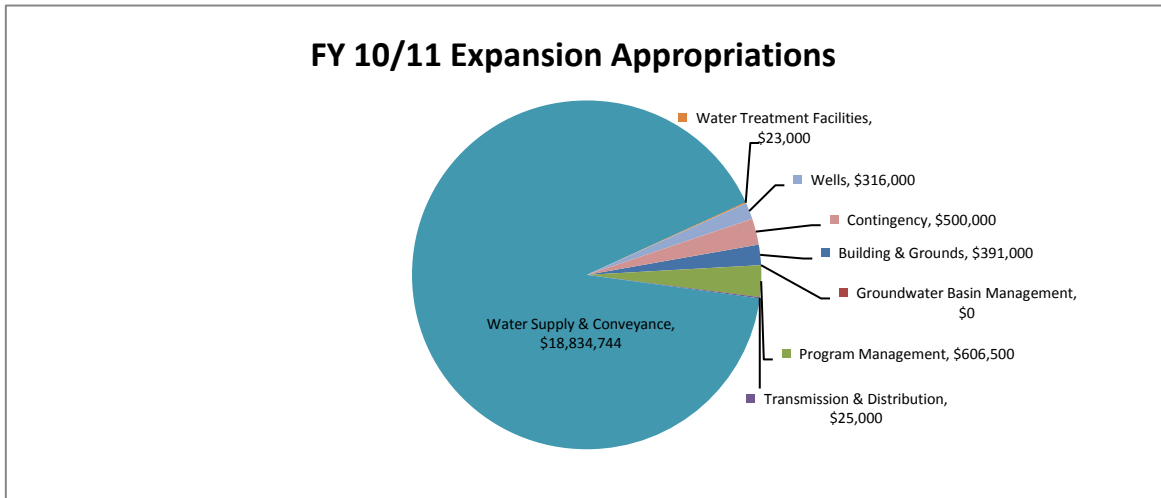
ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
FISCAL YEAR 2010-11

WATER ENTERPRISE CAPITAL IMPROVEMENT PROGRAMS
EXPANSION (FUND 73)

The purpose of this program is to ensure that Zone 7 is able to meet future needs for water demands. The program is primarily intended to provide funding for new facilities and water supplies for new development and to fund programs that encourage water conservation measures.

The funding for this program comes entirely from connection fees and is in conformance with the Board's stated policy that new development funds its own needs.

| | FY 2009/10 | FY 2010/11 | | |
|--------------------------|----------------------|----------------------|-----------------------------|------------------------|
| | <u>Budget</u> | <u>Budget</u> | <u>Change Amount</u> | <u>% Change</u> |
| Appropriation (Expenses) | \$15,773,055 | \$20,696,244 | \$4,923,189 | 31.21% |

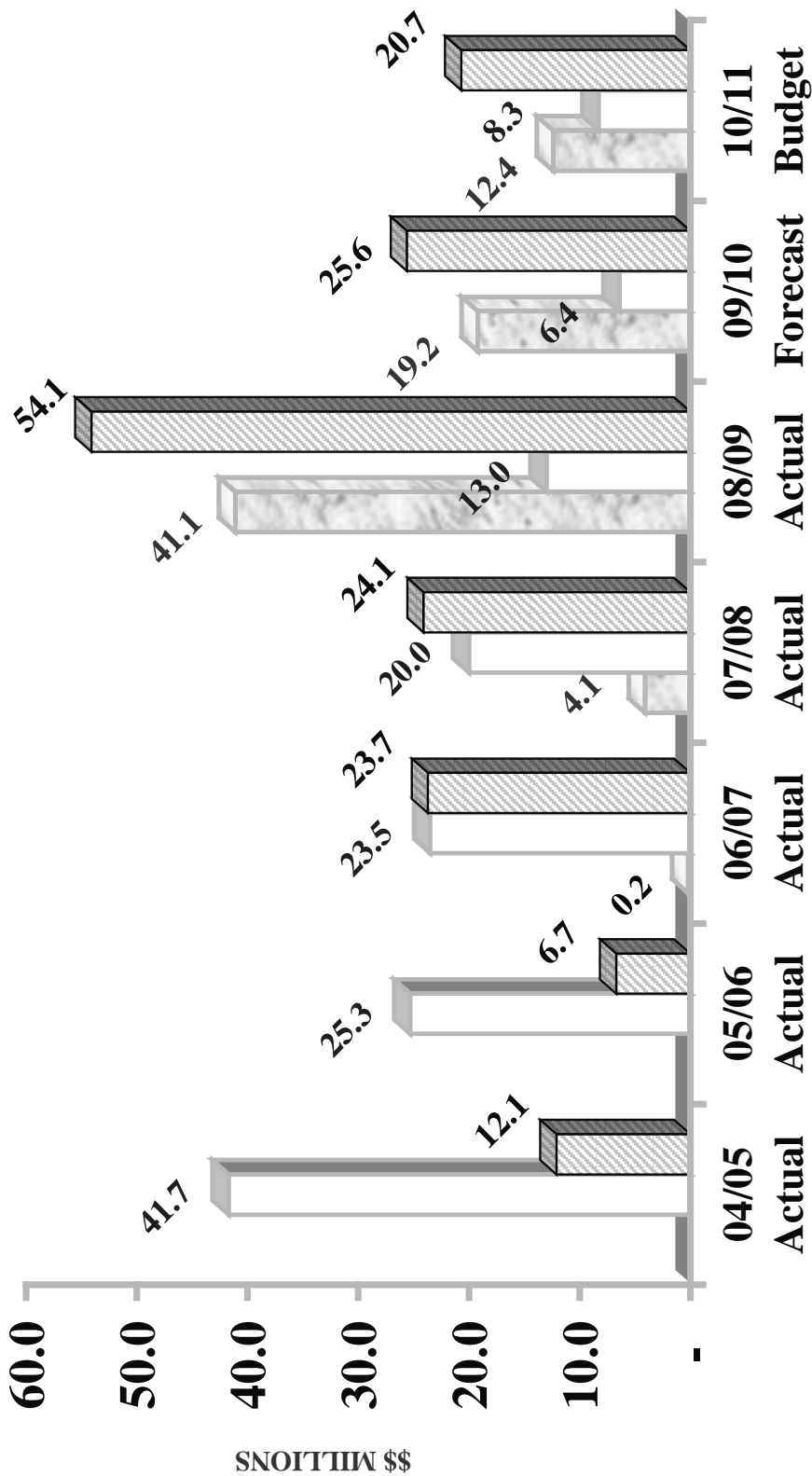


SUMMARY:REVENUES/EXPENDITURES
WATER ENTERPRISE CAPITAL FUNDS
EXPANSION PROGRAM (FUND 73)

| | Fiscal Year 2009/10 Forecast | Fiscal Year 2010/11 Budget | Change | % Change |
|---|---------------------------------|-------------------------------|-----------------------|---------------|
| Beginning Available Fund Balance | \$38,325,374 | \$19,113,600 | | |
| Adjustments (Deferred revenue) | (\$8,559,473) | (\$8,559,473) | | |
| Net Beginning Available Fund Balance | \$29,765,901 | \$10,554,127 | | |
| <u>Estimated Revenue</u> | | | | |
| Connection Fees | \$5,691,050 | \$8,020,827 | \$2,329,777 | 41% |
| Interest | \$182,722 | \$294,246 | \$111,524 | 61% |
| Fund Transfers | \$0 | \$0 | \$0 | 0% |
| Other | \$546,500 | (\$546,500) | (\$546,500) | (100%) |
| Total Revenue: | \$6,420,272 | \$8,315,074 | \$1,894,802 | 30% |
| <u>Estimated Expenditures</u> | | | | |
| Personnel | \$2,600,000 | \$797,060 | (\$1,802,940) | (69%) |
| Contracts | \$6,767,978 | \$304,140 | (\$6,463,838) | (96%) |
| Construction | \$6,995,340 | \$970,200 | (\$6,025,140) | (86%) |
| Water Purchases/Costs | \$8,223,146 | \$17,212,544 | \$8,989,398 | 109% |
| Other | \$1,045,581 | \$912,300 | (\$133,281) | (13%) |
| Contingency | | \$500,000 | \$500,000 | 0% |
| Total Expenditures | \$25,632,046 | \$20,696,244 | (\$4,935,802) | (19%) |
| Net Revenue over Expenditures | (\$19,211,774) | (\$12,381,170) | \$6,830,604 | (36%) |
| Estimated Ending Available Fund Balance | \$10,554,127 | (\$1,827,043) | (\$12,381,170) | (117%) |
| <u>Reserve Funds</u> | | | | |
| Building Sinking Fund | \$1,322,757 | \$1,356,376 | \$33,619 | 3% |
| Future Contractor's Share Sinking Fund | \$1,037,699 | \$1,053,737 | \$16,038 | 2% |
| South Bay Aqueduct Sinking Fund | \$6,398,562 | \$6,528,459 | \$129,897 | 2% |
| Net Reserves | \$8,759,019 | \$8,938,573 | \$179,554 | 2% |
| Net Estimated Ending Available Fund Balance | \$1,795,108 | (\$10,765,616) | (\$12,560,724) | (700%) |
| Installment Sale Agreement (ISA) Funding | \$30,500,000 | \$30,500,000 | | |
| Net Estimated Available Fund Balance + ISA Funding | \$32,295,108 | \$19,734,384 | | |

CAPITAL EXPANSION FUND (73)

Revenue vs Expenses



Use of Fund Balance
 Expenses

**EXHIBIT B
 PROJECT BUDGET REQUEST
 EXPANSION PROJECTS FUND 73**

| Job Number | Project Description/Name | Fund Number | Funding Req. 2010/11 |
|--|--|--------------------|-----------------------------|
| BUILDING & GROUNDS | | | |
| 55048 | North Canyons Administrative & Engineering Building Lease | 73 | \$391,000 |
| | Building & Grounds Subtotal: | | \$391,000 |
| PROGRAM MANAGEMENT | | | |
| 55050 | Capital Improvement Program Management | 73 | \$112,500 |
| 55010 | Interest on Installment Sale Agreement | 73 | \$494,000 |
| | Program Management Subtotal: | | \$606,500 |
| TRANSMISSION & DISTRIBUTION | | | |
| 96073 | Transmission System Master Plan | 73 | \$25,000 |
| | Transmission & Distribution Subtotal: | | \$25,000 |
| WATER SUPPLY & CONVEYANCE | | | |
| 55060 | 2010 Water System Planning | 73 | \$97,500 |
| 55052 | Bay-Delta Habitat Conservation Program | 73 | \$268,044 |
| 55106 | Cawelo Groundwater Banking Program Debt Service | 73 | \$1,293,000 |
| 57102 | Chain of Lakes Facilities and Improvements | 73 | \$325,000 |
| 96073 | Cope Lake Facilities and Improvements | 73 | \$600,000 |
| 55043 | CUWA Membership | 73 | \$60,000 |
| 55053 | Delta Outreach | 73 | \$35,000 |
| 51401 | Fixed Cost of Water Entitlement | 73 | \$99,000 |
| 51401 | Fourth Contractor's Share of the SBA | 73 | \$3,100,000 |
| 55003 | High Efficiency Toilet Rebate Program | 73 | \$28,000 |
| 55303 | High-Efficiency Washing Machine Rebate Program | 73 | \$75,000 |
| 96073 | Hydrostratigraphic Investigation of Chain of Lakes | 73 | \$252,200 |
| 51410 | Semitropic Stored Water Recovery Unit | 73 | \$48,000 |
| 55037 | South Bay Improvement and Enlargement Project | 73 | \$12,463,000 |
| 51408 | SWP Peaking Payment (Lost Hills & Bellridge Water Districts) | 73 | \$66,000 |
| 55300 | Water Conservation Best Management Practices | 73 | \$25,000 |
| | Water Supply & Conveyance Subtotal: | | \$18,834,744 |
| WATER TREATMENT FACILITIES | | | |
| 96073 | Water Quality Management Program | 73 | \$23,000 |
| | Water Treatment Facilities Subtotal: | | \$23,000 |
| WELLS | | | |
| 96073 | Well Master Plan Wells - Future Phases | 73 | \$316,000 |
| | Wells Subtotal: | | \$316,000 |
| | EXPANSION PROJECTS TOTAL | | \$20,196,244 |
| CONTINGENCY FUNDS | | | |
| 96173 | Contingency Funds | 73 | \$500,000 |
| | Contingency Funds Subtotal: | | \$500,000 |
| | EXPANSION PROGRAM SUBTOTAL | | \$20,696,244 |
| SINKING FUNDS | | | |
| 96073 | Administrative & Engineering Building - Sinking Fund | 73 | \$33,619 |
| 96073 | Fourth Contractor's Share of the SBA - Sinking Fund | 73 | \$16,038 |
| 96073 | South Bay Aqueduct Improvement & Enlargement - Sinking Fund | 73 | \$129,897 |
| | Sinking Funds Subtotal: | | \$179,554 |
| | EXPANSION PROGRAM TOTAL | | \$20,875,798 |

FLOOD PROTECTION AND STORMWATER DRAINAGE PROGRAMS

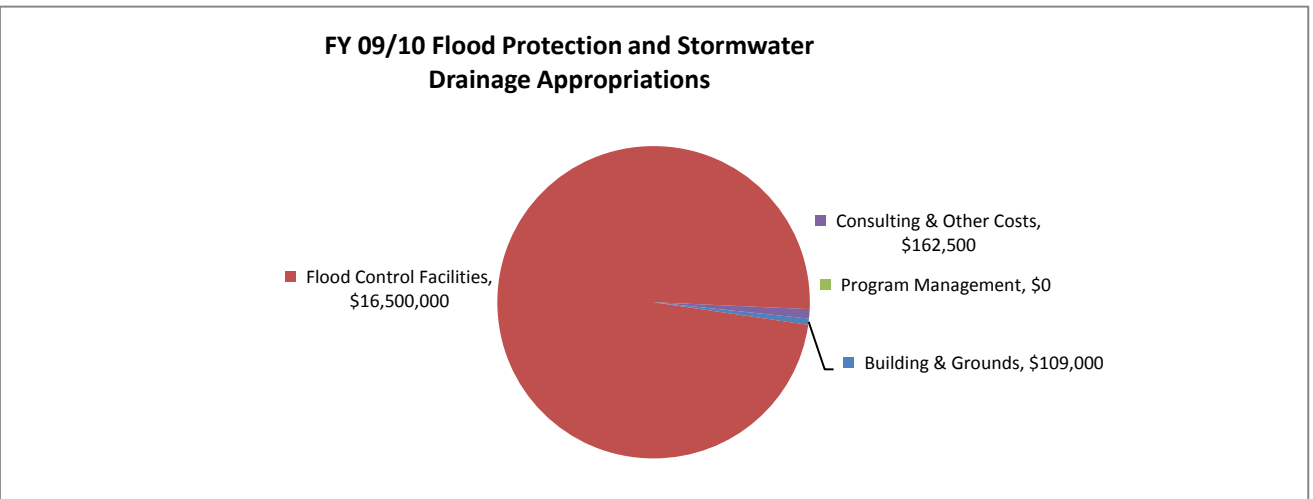
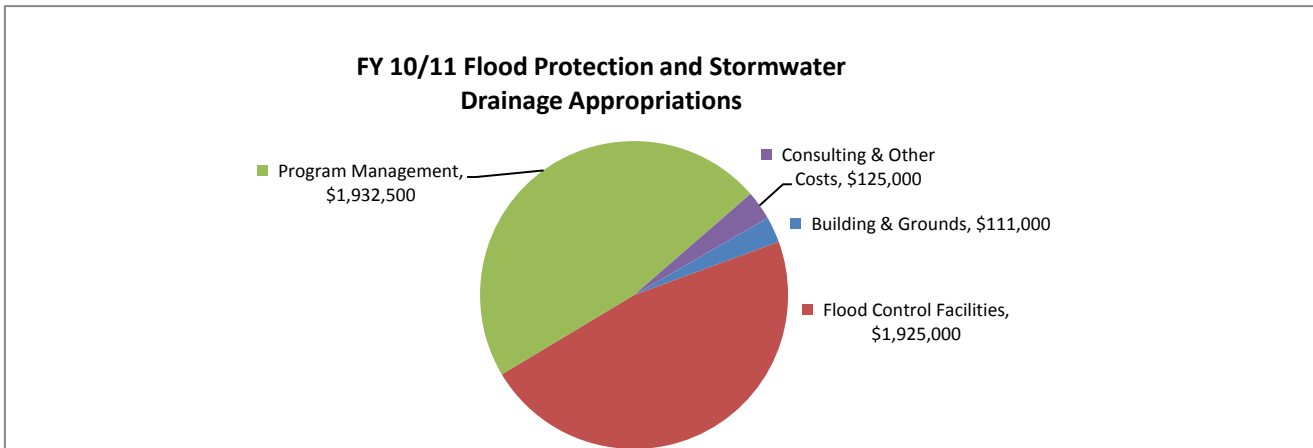
**ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
FISCAL YEAR 2010-11**

**FLOOD PROTECTION AND STORM WATER DRAINAGE
DEVELOPMENT IMPACT FEE FUND
FUND 76**

On March 18, 2009, the Zone 7 Board of Directors adopted Ordinance 2009-01, which replaced the Special Drainage Area (SDA) 7-1 development impact fee previously adopted by Zone 7. The new ordinance also established the Flood Protection and Storm Water Drainage Development Impact Fee Fund (Fund 76); consequently, all funds from SDA Operations (Fund 71) and the SDA 7-1 Trust Fund (Fund 90) were transferred to Fund 76, while all of the outstanding SDA 7-1 exemption credits were liquidated.

The purpose of this program is to ensure that Zone 7 is able to meet future needs for flood control facilities. The program is primarily intended to provide funding for any flood control facilities required for new development. The funding for this program comes entirely from new development fees. Funds are expended on the planning, design, lands and R/W acquisition, environmental review, permitting, construction, etc for drainage projects.

| | FY 2009/10 Budget | FY 2010/11 Budget | Change Amount | % Change |
|--------------------------|------------------------------|------------------------------|----------------------|-----------------|
| Appropriation (Expenses) | \$16,771,500 | \$4,093,500 | (\$12,678,000) | (75.59%) |

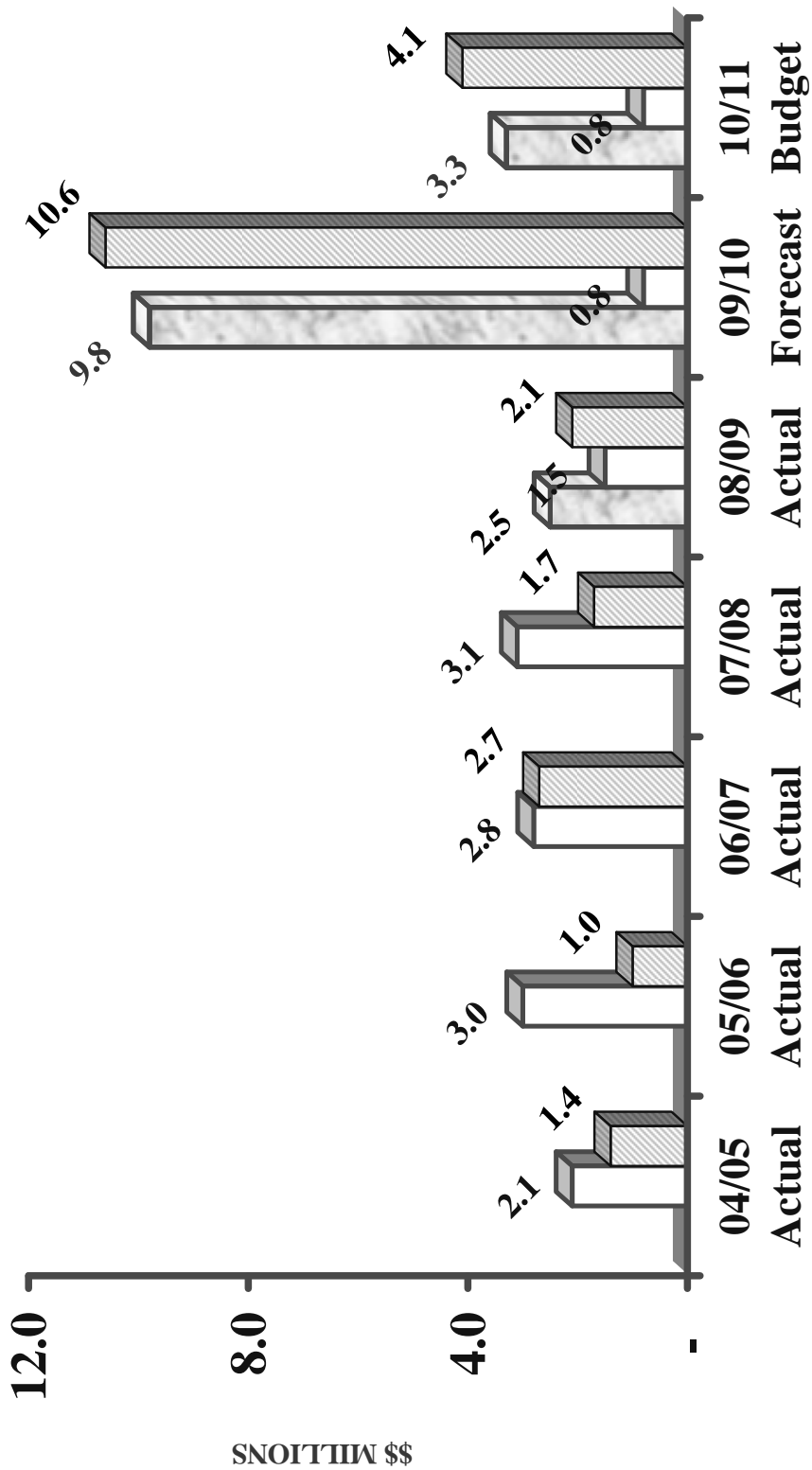


SUMMARY: REVENUES/EXPENDITURES
FLOOD PROTECTION &
STORMWATER DRAINAGE FUND
(FUND 76)

| | Fiscal Year 2009/10 Forecast | Fiscal Year 2010/11 Budget | Change | % Change |
|--|---------------------------------|-------------------------------|----------------------|--------------|
| Beginning Available Fund Balance | \$33,220,382 | \$23,415,736 | | |
| Adjustments | \$0 | \$0 | | |
| Net Beginning Available Fund Balance | \$33,220,382 | \$23,415,736 | | |
| <u>Estimated Revenue</u> | | | | |
| Interest | \$332,238 | \$325,279 | (\$6,960) | (2%) |
| Fld Protect/Storm Drainage Fees | \$450,000 | \$500,000 | \$50,000 | 11% |
| Other | \$0 | \$0 | \$0 | 0% |
| Total Revenue: | \$782,238 | \$825,279 | \$43,041 | 6% |
| <u>Estimated Expenditures</u> | | | | |
| Personnel | \$300,000 | \$562,500 | \$262,500 | 88% |
| Contracts | \$177,884 | \$3,117,116 | \$3,117,116 | 1,752% |
| Construction | \$10,000,000 | (\$10,000,000) | (\$10,000,000) | (100%) |
| Other | \$109,000 | \$236,000 | \$127,000 | 117% |
| Total Expenditures | \$10,586,884 | \$4,093,500 | (\$6,493,384) | (61%) |
| Net Revenue over Expenditures | (\$9,804,646) | (\$3,268,221) | \$6,536,425 | (67%) |
| Estimated Ending Available Fund Balance | \$23,415,736 | \$20,147,515 | (\$3,268,221) | (14%) |
| <u>Reserve Funds</u> | | | | |
| Building Sinking Fund | \$505,387 | \$587,338 | \$81,950 | 16% |
| Net Estimated Ending Available Fund Balance | \$22,910,349 | \$19,560,177 | (\$3,350,172) | (15%) |

FLOOD PROTECTION & STORMWATER DRAINAGE FUND (76)

Revenue vs Expenses



FISCAL YEAR

Use of Fund Balance
 Revenue
 Expenses

**EXHIBIT C
 BUDGET REQUEST
 Flood Protection/Stormwater Drainage Fund 76**

| Job Number | Project Description/Name | Fund Number | Funding Req. 2010/11 |
|-------------------------------------|---|------------------------|---------------------------------|
| BUILDING & GROUNDS | | | |
| 61154 | North Canyons Administrative & Engineering Building Lease | 76 | \$111,000 |
| | Building & Grounds Subtotal: | | \$111,000 |
| FLOOD CONTROL FACILITIES | | | |
| 96076 | Arroyo de la Laguna Improvements | 76 | \$1,325,000 |
| 96076 | Channel Restoration (R1-7 & R8-3) | 76 | \$412,500 |
| 61557 | Flows Studies – Steelhead Restoration | 76 | \$25,000 |
| 96076 | Stream Gaging/Sediment | 76 | \$162,500 |
| | Flood Control Facilities Subtotal: | | \$1,925,000 |
| PROGRAM MANAGEMENT | | | |
| 61156 | Capital Improvement Program Management | 76 | \$7,500 |
| 96076 | Development Impact Fee Program Update | 76 | \$1,475,000 |
| 61000 | Flood Protection General Administration | 76 | \$100,000 |
| 61145 | SMMP/STREAMWISE | 76 | \$350,000 |
| | Program Management Subtotal: | | \$1,932,500 |
| CONSULTING & OTHER COSTS | | | |
| | Consulting & Other Costs | 76 | \$125,000 |
| | Consulting & Other Costs Subtotal: | | \$125,000 |
| | Flood Protection/Stormwater Drainage SUBTOTAL: | | \$4,093,500 |
| SINKING FUNDS | | | |
| 96076 | Administrative & Engineering Building - Sinking Fund | 76 | \$81,950 |
| | Sinking Fund Subtotal: | | \$81,950 |
| | Flood Protection/Stormwater Drainage TOTAL | | \$4,175,450 |

**ACTIVITY
INDICATORS/ACCOMPLISHMENTS**

MISSION STATEMENT

To provide a reliable supply of high quality water and an effective flood control system to the Livermore-Amador Valley and to develop and manage the water resources in a fiscally responsible, innovative, proactive and environmentally sensitive way.

MANDATED SERVICES

Provide treated and untreated water for municipal, industrial and agricultural uses, and develop and maintain adequate facilities to prevent property loss and damage from flood in the Livermore-Amador Valley area.

DISCRETIONARY SERVICES

The level of service is discretionary and determined by the Zone 7 Board of Directors.

MAJOR SERVICE AREAS

| | 2008-09 Estimated | 2008-09 Actual | 2009-10 Estimated | 2010-11 Projected |
|-------------------------------------|----------------------|-------------------|----------------------|----------------------|
| ADMINISTRATIVE SERVICES | | | | |
| Personal Expense Claims Processed | 110 | 155 | 120 | 145 |
| Contracts | 130 | 89 | 125 | 100 |
| Average Monthly Water Billings | 25 | 21 | 25 | 23 |
| IT Help tickets | 180 | 120 | 180 | 180 |
| Water Awareness/Conservation Events | 50 | 50 | 50 | 50 |
| Water Conservation Rebates | 2,500 | 3,370 | 3,000 | 3,824 |
| School Programs | 125 | 163 | 225 | 225 |
| Vehicles Maintained | 38 | 38 | 42 | 41 |

Agency Administration and Administrative Services provides executive direction and administrative and business services to the Agency's water enterprise and flood control programs. Administrative Services includes accounting and payroll; budget preparation and monitoring; purchasing services; real property services, information technology coordination, including Geographical information systems; and vehicle fleet purchase and maintenance. The Office of the General Manager coordinates legislative relations activities, and implements water conservation and public outreach programs.

| | 2008-09 Estimated | 2008-09 Actual | 2009-10 Estimated | 2010-11 Projected |
|--|----------------------|-------------------|----------------------|----------------------|
| HR AND SAFETY SERVICES | | | | |
| Training Classes Attended | 475 | 623 | 400 | 600 |
| CPR, First Aid, and BBP Training (hrs) | 400 | 302 | 316 | 350 |
| General Safety Training (hrs) | 650 | 501 | 355 | 450 |
| Hazard Comm/HAZWOP Training (hrs) | 650 | 450 | 497 | 500 |

Human Resources and Safety Services provides safety and human resources administration, health and safety training support to agency employees, and process safety review of active capital projects. Monitors, provides notification and training to Zone 7 Water Agencies, managers and staff of current regulatory requirements and pending legislative changes.

| | 2008-09 Estimated | 2008-09 Actual | 2009-10 Estimated | 2010-11 Projected |
|-----------------------------|----------------------|-------------------|----------------------|----------------------|
| FLOOD CONTROL | | | | |
| Channels Maintained (miles) | 37 | 37 | 37 | 37 |
| Encroachment Permits Issued | 22 | 30 | 33 | 36 |
| Development Reviews | 55 | 47 | 40 | 44 |
| Active DIF Projects | 3 | 3 | 3 | 3 |

Flood Control manages a watershed of nearly 620 square miles and maintains 37 miles of flood control channels and access roads. The maintenance program includes repairing slides, erosion, refurbishing access roads and drainage ditches, and coordinating with State and federal agencies for Financial assistance. It also manages the Development Impact Fee Program which provides funding from new development for planning, design and construction of new flood control projects.

| | 2008-09 Estimated | 2008-09 Actual | 2009-10 Estimated | 2010-11 Projected |
|--|----------------------|-------------------|----------------------|----------------------|
| WATER SUPPLY ENGINEERING | | | | |
| New Water Connections | 603 | 539 | 550 | 600 |
| Capital Projects (\$M) | \$91 | \$67 | \$37 | \$30 |
| Development Reviews | 80 | 47 | 40 | 44 |
| Encroachment Permits | 3 | 7 | 5 | 7 |
| Groundwater Level Measurements * | 875 | 870 | 890 | 890 |
| External CEQA Reviews | 25 | 13 | 15 | 15 |
| CEQA Documentation for Zone 7 Projects | 10 | 17 | 20 | 25 |
| Well Permits issued | 185 | 137 | 115 | 120 |
| Groundwater Samples** | 175 | 159 | 170 | 170 |
| Treated Water Contractors | 10 | 10 | 10 | 10 |
| Untreated Contractors Monitored | 74 | 74 | 74 | 74 |
| Main Basin artificial recharge (Acre-Feet) | 4,000 | 3,000 | 3,000 | 3,000 |
| Water from Banking programs (Acre Feet) | 7,000 | 7,000 | 4,000 | 3,000 |
| Energy used (Mega Watt Hours) | 8,400 | 8,400 | 8,600 | 8,800 |
| Green House Gas emissions (Metric tons) | 2,200 | 2,400 | 2,600 | 2,800 |

Water Supply Engineering provides planning, design, and project management for capital projects; protection and management of local groundwater resources; and various engineering support services. Engineering services include: project planning, facility design, construction and construction management for major capital projects; regulatory oversight and permitting of all wells and borings within the service area; support to Zone 7 operations for regulatory compliance; collection and analysis of groundwater data for basin management purposes. It also provides analysis and operations of agency water supplies and storage to maintain a sustainable supply of water; management of Arroyo Valle Water Rights and out of basin water storage; monitoring and management of agency energy use and carbon footprint; operates climatological, surface water and mining area monitoring programs; and maintains agency historic water use databases.

*Water year (Oct through Sept)

**Collected and reviewed

| | 2008-09 Estimated | 2008-09 Actual | 2009-10 Estimated | 2010-11 Projected |
|-------------------------------|----------------------|-------------------|----------------------|----------------------|
| WATER QUALITY LAB | | | | |
| Samples Analyzed | 1,650 | 1,625 | 1,400 | 1,500 |
| Bacteriology Samples Analyzed | 1,300 | 1,125 | 1,200 | 1,250 |

Water Quality Section provides engineering technical support and laboratory analytical services for regulatory compliance and permitting; treatment plant performance verification; groundwater analysis; and special operation/engineering studies. It also provides technical support to Operations and Retail customers to resolve/understand water quality issues.

| | 2008-09 Estimated | 2008-09 Actual | 2009-10 Estimated | 2010-11 Projected |
|--------------------------------|----------------------|-------------------|----------------------|----------------------|
| WATER OPERATIONS | | | | |
| Well Water Treated (M/gals) | 1,680 | 2,839 | 3,600 | 3,600 |
| Surface Water Treated (M/gals) | 13,380 | 12,417 | 10,600 | 11,500 |
| Maintenance Jobs Completed | 1,500 | 1,475 | 1,550 | 1,600 |

Water Operations operates and maintains three water treatment plants, nine wells, one demineralization facility and the water enterprise distribution system; schedules all of the agency's water deliveries; and operates the main basin artificial groundwater recharge program. Ensures proper operation of facilities and treatment and distribution of water. Provides maintenance and construction services for the entire system including mechanical and electrical services and underground pipeline repair and maintenance.

Major accomplishments for FY 2009-10:

Completed the 5.1-mile long, 42-inch, Altamont Pipeline - Livermore Reach. This major pipeline is the first part of a major pipeline connecting Zone 7's existing Water System to the future water treatment plant. This pipeline also increases overall system reliability and provides additional operational flexibility.

Completed the 6 Millions Gallon per Day (MGD) Mocho Groundwater Demineralization Plant. This new state-of-the-art reverse-osmosis plant removes hardness from the four wells in the Mocho Wellfield, helping to both improve the delivered water quality to our customers and also meet the goals of our Salt Management Program. Also, included in this work is the inauguration of the electronic logbook. Developed by Zone 7 in partnership with Carollo, this logbook adds increased functionality and ease of use for operators.

Completed Chain of Lakes Wells 1 and 2, with a combined capacity of approximately 8.5 MGD. Also constructed was over 4,000 feet of 36-inch pipeline (El Charro Pipeline) that connects with the existing Water System.

In coordination with our Retailers, began a comprehensive update of Zone 7's Asset Management Program.

Continued coordination with City of Livermore on the proposed El Charro Specific Plan where there presents an opportunity to have a portion of Project 5-3 as identified in the Stream Management Master Plan constructed under the proposed development at El Charro.

Completed 15 bank repairs totalling approximately 400 linear feet, implemented 20 road and drainage improvement projects totalling approximately 15,000 linear feet, and constructed 8 miscellaneous projects (concrete structure repairs, etc.) totalling approximately 2,400 linear feet.

Coordinated with U.S. Army Corps of Engineers on 4 major bank repairs totalling approximately 400 linear feet. Installed 730 Platepiles in stabilizing a reach of a 1,000 linear feet of Arroyo Mocho embankment.

Completed a major repair to the Hopyard Pipeline, located on Hopyard road in Pleasanton next to the Parkside office. The leak repair involved our in house staff and contractors and was in a challenging location and deep.

Completed the installation of a new ammonia feed system at the Patterson Pass Water Treatment Plant (PPWTP). Engineering prepared the design and interfaced with the Alameda County Hazardous Materials officer.

Currently in the process to repair damage to PPWTP electrical wiring. The wire was damaged by rodents who found their way into a main underground wire routing vault.

Determined that hiring of in house labor for several trades was more cost effective than using contract personnel. Progress is being made on the recruitment for these positions.

Repaired motor at Mocho 2. Motor was damaged due to moisture getting into an electrical connection.

Last of the accumulated sludge pile at Del Valle Water Treatment Plant (DVWTP) is being removed. At start of new fiscal year all sludge dating back to construction of DVWTP will be removed.

Replaced the older (made of cross-linked polyethylene) sodium hypochlorite tanks at both DVWTP and PPWTP with new fiber-reinforced plastic (FRP) tanks.

Replaced one older cross-linked polyethylene tank storing ferric chloride for PPWTP Ultra-Filtration (UF), with two new FRP tanks.

Completed the DVWTP Electrical Power Systems Upgrade Project, which replaced the old switchboard, motor control center, and ancillary equipment, all installed in 1975, with new replacement equipment.

Negotiated Encroachment Permit requirements for a local developer that will result in a major improvement of Zone 7's access along our Lake I.

Increased the number of permit compliance inspections conducted for Zone 7's Well Permit Program to reduce the risk of wells becoming conduits for contamination migration.

Developed a soils testing program, including acceptance criteria, that has allowed Flood Control to economically dispose of uncontaminated channel repair spoils at the Chain of Lakes without risking groundwater quality degradation.

DIVISION SUMMARIES

ADMINISTRATIVE SERVICES

Description of Services:

Administration and Administrative Services are responsible for providing the business, human resources, real property, safety, public outreach, legislative relations services, information technology and fleet and supply services for the Agency. This is accomplished through the efforts of six groups.

Office of the General Manager: provides public outreach, including schools, and legislative relations services. This group includes Zone 7's water conservation programs that are planned and implemented in partnership with Valley water retailers. Finally, this group also provides information to the general public about the Agency's financial performance.

Human Resources & Safety Department: provides recruitment and selection; classification and compensation; labor relations and contract negotiations; employee relations and counseling; employee benefits coordination; workers' compensation; Equal Employment Opportunity services; develops and provides employee health and safety programs; conducts technical safety reviews on Agency capital projects; monitors health, safety, and regulatory compliance; and provides Agency training for the areas listed above.

Accounting Section: provides governmental and enterprise accounting; accounts payable; billing for services and receivables; contract monitoring; payroll; Agency-wide internal controls; and financial reporting.

Financial and Systems Services Section: provides financial forecasting and analysis; budget development, monitoring and control; purchasing services; information technology/GIS services; and risk management liaison.

Supply and Transportation: manages the agency's vehicle fleet including purchase and replacement of vehicles; vehicle safety maintenance and repairs; salvage of equipment and vehicles; inventory, acquisition and distribution of office supplies; building and grounds maintenance.

Real Property Services: manages and coordinates the Agency's real property activities, including consultation in support of capital projects, negotiations and appraisals of property and rights-of-way, acquisition, disposition, and property management.

Mission:

To provide effective and responsible business services in the areas of finance, accounting, human resources, training, health, safety and security, procurement, information technology, real property services and vehicle fleet maintenance/supplies in support of the Agency's activities.

2010-11 Goals and Objectives:

Provide accounting and financial support services efficiently and effectively:

- Review and update written procedures for section functions.
- Perform phase 2 upgrade of cost control system for tracking labor costs by project/activity.

Enhance purchasing and information system support services:

- Review and update information technology policies and procedures.
- Develop an on-line vendor registration database.

Ensure availability of staff recruitment resources:

- Develop an improved system for proactive management and planning of human resources that will allow the agency and its employees to be better prepared to meet the agency's future requirements in ensuring effective delivery of services to the public.

Conduct safety planning and training to ensure health and safety of employees:

- Facilitate safety improvements throughout the agency while ensuring compliance with the California Regulatory and Prevention Programs.

Provide Real Property Services effectively and efficiently:

- Document procedures and update Real property guidelines.
- Cross train additional staff to manage real property.

Enhance the public transparency of agency activities, and advocate for legislation that supports the agency’s ability to meet its flood protection, water supply and quality mission.

- Secure state funding in support of flood protection, water supply and water quality planning and projects.
- Continue to develop institutional infrastructure to manage and streamline agency communications.
- Enhance public understanding about source water supply and water quality, and financing their ongoing operation and improvements.

OPERATING BUDGET SUMMARY

| Category | 2009-2010 Budget | 2010-2011 Proposed | Difference |
|--------------|---------------------|-----------------------|--------------------|
| Personnel | \$5,179,521 | \$5,062,120 | (\$117,401) |
| Operating | \$6,342,147 | \$6,009,670 | (\$332,478) |
| Equipment | \$55,000 | \$27,500 | (\$27,500) |
| Total | \$11,576,668 | \$11,099,289 | (\$477,379) |

Summary of Increases/Decreases:

- Personnel: Decrease represents anticipated soft hiring freeze for FY 2010-11 with an offset of an additional water conservation coordinator position.
- Operating: Decrease represents cost savings efforts in services and supplies.
- Equipment: Equipment decrease represents anticipated equipment.

STAFFING SUMMARY

| | 2009-2010 Budget | 2010-2011 Proposed | |
|------|---------------------|-----------------------|---|
| FTE* | 34 | 35 | 1 |

*Full Time Equivalent Positions

Summary of Staffing Changes: The increase in personnel represents the addition of a Water Conservation Coordinator. Soft hiring freeze vacancies are included in the FTE count.

ENGINEERING

Description of Services:

Engineering is responsible for the planning, design, implementation, and construction of capital improvements that support flood control and the water utility. Engineering is responsible for managing the flood protection system, managing groundwater supply, protecting groundwater, and ensuring environmental compliance. Engineering is also responsible for monitoring and administering deliveries to untreated water customers, assuring drinking water regulatory compliance, and managing water supply sources. In addition, Engineering provides Water Quality support services related to treatment plant process optimization and regulatory compliance, including the Safe Drinking Water Act.

Water Supply Engineering (WSE): plans, designs and constructs major water supply, conveyance, production, and delivery facilities for expansion, system-wide improvements and renewal/ replacement programs. WSE also manages the agency's Capital Improvement and Asset Management Programs and provides long term and operational water supply planning.

Environmental Services (ES): provides environmental planning and regulatory compliance services in support of water supply, water quality, and flood protection operations, including maintenance, planning and capital projects. ES also supports Bay Area and statewide partnerships that encourage water supply, water quality management, and flood protection planning. ES also has responsibility for updates to the agency's Hazardous Materials Business Plans and Risk Management Plans.

Flood Control (FC): Of the 620 square miles of the Alameda Creek watershed, Zone 7 provides regional flood protection management services to approximately 425 square miles located in the upper watershed areas. Management activities include implementing the Development Impact Fee (DIF) program, and maintenance and land rights administration of approximately 37 miles of flood control channels and access roads which Zone 7 currently owns; the purpose of the DIF program is to plan, design, and construct new flood control projects to address future development's impact on the FC system.

Groundwater (GPP): develops and manages Zone 7's groundwater protection programs and investigations. Groundwater also manages the planning and conceptual design of groundwater recharge and pumping facilities, along with the final design and construction of small facilities related to the groundwater programs. Provides well inspection services and field measurements of groundwater and surface water resources.

Water Quality (WQ): provides water quality engineering technical support and laboratory analytical services for regulatory compliance and permitting, treatment plant performance verification, groundwater analysis, support for treatment improvement or expansion projects, and special operation/engineering studies. WQ also provides technical support to Operations and to water retail customers to resolve or understand water quality issues, as well as providing analytical support services to our retailers.

Mission:

To provide the professional and technical support necessary to: support operations and maintenance of the Agency's water enterprise program; manage and implement the planning, design and construction of major capital facilities; and to manage its flood protection and groundwater protection resources.

2010-11 Goals and Objectives:

Provide regional flood protection facilities designed for a 100-year storm event:

- Finalize an implementation plan that will provide the basis for a new comprehensive maintenance and capital improvement programs (both 5 and 10 year) and continue to manage a comprehensive maintenance program for the flood protection system that will provide and maintain flood protection facilities designed for a 100-year storm event.
- Continue to monitor land use activities to ensure that new urban development adequately addresses potential impacts caused by increased runoff and pursue grant funding opportunities for the flood protection program.

Protect and manage the groundwater basin:

- Continue implementation and improvement of the groundwater management program to protect groundwater quality and storage and optimize the use of the groundwater basin while minimizing the impacts, including any future salt degradation of the groundwater resources.
- Prepare annual report of the Groundwater Management Program (including salt management component) for distribution to interested agencies, including the Regional Water Quality Control Board (RWQCB).

Reliably provide high quality water:

- Continue providing water supply that meets all CDPH and EPA health-related standards.
- Coordinate ongoing implementation of various capital improvement projects and activities called out by Zone 7's Water Quality Policy Goals and its Water Quality Management Program, which set forth water targets that are more stringent than regulated standards and for a few aesthetic-related parameters such as hardness, taste and odor.

- Continue to work with retailers in preparing the 2010 biennial update of the Water Quality Management Program Implementation Plan considering Policy Principles outlined in the Joint Water Quality Resolution with City of Pleasanton and DSRSD and to complete Water System Master Plan and 2010 Urban Water Management Plan.

Plan, design and construct major water supply, production and delivery facilities:

- Continue to provide support to DWR for construction of South Bay Aqueduct Improvement and Enlargement Project.
- Investigate feasibility of future Chain of Lakes C and D to be reclaimed and developed as groundwater replenishment facilities at the conclusion of aggregate mining.

Manage Agency's water supply sources:

- To provide maximum reliability for current year and beyond while meeting current water demands.
- Maximize use of surface water sources and maintain local groundwater basin near the top of its working storage capacity and continue to develop Arroyo del Valle water rights.

Continue to manage facilities and protect Zone 7 interests in the Chain of Lakes. Coordinate activities with quarry operators and other regional projects (eg. BART, Hwy 84).

Continue participation in the BDCP to develop and work towards implementation of a long term fix to the Sacramento - San Joaquin delta.

Ensure that all agency activities comply with applicable environmental laws and regulations, while supporting the agency's ability to meet its flood control, water supply, and water quality mission.

In conjunction with Safety and Operations staff, provide updates for and ensure compliance with Hazardous Materials Business Plans and Risk Management Plans.

OPERATING BUDGET SUMMARY

| Category | 2009-2010 Budget | 2010-2011 Proposed | Difference |
|-----------|---------------------|-----------------------|-------------|
| Personnel | \$6,390,638 | \$6,557,625 | \$166,987 |
| Operating | \$5,168,154 | \$4,966,903 | (\$201,251) |
| Equipment | \$18,500 | \$18,500 | \$0 |
| Total | \$11,577,292 | \$11,543,028 | (\$34,265) |

Summary of Increases/Decreases:

Personnel: Anticipated salary and benefit increases for fiscal year 2010-11, and normal step progression.

Operating: Decrease represents professional and technical services.

Equipment: No changes are recommended for FY 2010-11.

STAFFING SUMMARY

| | 2009-2010 Budget | 2010-2011 Proposed | |
|------|---------------------|-----------------------|---|
| FTE* | 40 | 43 | 3 |

*Full Time Equivalent Positions

Summary of Staffing Changes: The increase in personnel represents the transfer of 3 FTE, Principal Engineer, Associate Engineer and Water Resources Technician from Water Resources.

OPERATIONS

Description of Services:

Operations Division manages and maintains the Agency's water production, treatment and delivery facilities to supply municipal and industrial customers.

Operations: operates three surface water treatment plants (Del Valle conventional WTP, Patterson Pass conventional WTP, and Patterson Pass ultra filtration WTP), nine wells, a groundwater demineralization plant, the transmission system for the water enterprise, and numerous metered turnout facilities to the retail water agencies to ensure proper operation of facilities and treatment and delivery of water.

Maintenance: provides maintenance and construction services for the entire treated water system (e.g., water treatment plants, wells, demineralization plant, and pump stations) including mechanical, electrical and instrumentation services; and performs underground pipeline repair and maintenance.

Engineering Support: coordinates scheduling of capital projects (including replacement & repair project) with operations and maintenance activities; and provides technical support (e.g., hydraulic analysis, cathodic protection, interface with cities and retailers) on transmission system.

Mission:

To produce and deliver high quality water to the Livermore-Amador Valley community in a reliable, cost effective and environmentally responsible manner.

2010-2011 Goals and Objectives:

Meet service and quality requirements of the Agency's customers:

- Deliver water to treated and untreated customers according to approved water delivery requests.
- Meet and/or exceed all drinking water requirements through diligent operation of the Agency's three water treatment plants, nine wells, demineralization plant, and transmission system.

Maximize use of staff and facilities:

- Maintain a knowledgeable, trained staff through the development of an organized training program through the annual Operations Plan developed for the water treatment plants and distribution facilities.
- Maintain Agency's water production, treatment and transmission facilities with a minimum of service disruption.
- Optimize and maintain our remote control and monitoring system with in-house staff and reduce the need for outside contract services.
- Maintain equipment and instrumentation under a planned program to prevent catastrophic failure.

Ensure staff is trained in use and maximization of new technology:

- Continue break-in period of the Mocho Demineralization facility, and train staff to optimally operate the demineralization plant.
- Continue break-in period of two new wells (Chain-of-Lake wells).
- Monitor and refine operations of major new transmission pipelines (Altamont Pipeline and El Charro Pipeline) and appurtenant facilities.
- Provide training on upgraded data radio communication system and the new Wonderware SCADA software upgrade.
- Continue to optimize the processes at all facilities at all times.

OPERATING BUDGET SUMMARY

| Category | 2009-2010 Budget | 2010-2011 Proposed | Difference |
|--------------|---------------------|-----------------------|--------------------|
| Personnel | \$6,300,751 | \$6,600,820 | \$300,069 |
| Operating | \$13,105,250 | \$12,016,659 | (\$1,088,591) |
| Equipment | \$151,000 | \$43,000 | (\$108,000) |
| Total | \$19,557,001 | \$18,660,479 | (\$896,522) |

Summary of Increases/Decreases:

- Personnel: Anticipated salary and benefit increases for fiscal year 2010-11, and normal step progression.
- Operating: Decrease represents primarily the shift of contracted maintenance contracted services to in-house staff.
- Equipment: Decrease represents anticipated maintenance equipment.

STAFFING SUMMARY

| | 2009-2010 Budget | 2010-2011 Proposed | |
|------|---------------------|-----------------------|---|
| FTE* | 43 | 45 | 2 |

*Full Time Equivalent Positions

Summary of Staffing Changes: The increase in personnel represents the transfer of Water Resources section staff (three FTEs) to Engineering and Administrative Services and the addition of five FTEs; two Instrument Technicians, one Electrician, and two Construction Maintenance Laborers.

FUND SUMMARY

ZONE 7 WATER AGENCY -- FUND SUMMARY REPORT

| Fund | Fund No | Primary Fund Purpose | Primary Fund Purpose | Ending Fund Balance At 06/30/09 | Excess Rev Over (Under) Expenditures | Committed Or Encumbered At 12/31/09 | Available Fund Balance At 12/31/09 |
|---|-----------------|--|--|---------------------------------|--------------------------------------|-------------------------------------|------------------------------------|
| General Fund | 50 21870 | Property Taxes | Flood Control Operations | 21,080,918 | 1,707,010 | (814,647) | 21,973,281 |
| | | | Flood Control District Related | | | | |
| | | | General Administration | | | | |
| State Water Facilities Fund | 51 21871 | Property Taxes | Fixed State Water Charges | 6,020,148 | 1,011,350 | (5,431,134) | 1,600,364 |
| | | | State Water Project Bonded Indebtedness | | | | |
| Water Enterprise Fund | 52 21873 | Water Sales | Enterprise Operation and Administration | 22,509,137 | 3,805,952 | (8,493,892) | 15,164,484 |
| | | | Emergency and Support Services Variable State Water Charges Water Facilities Maint & Operation, Water Facilities, Water Resources and Water Supply Planning Transfer to IR&R Fund 72 | | (2,656,715) | | |
| Capital Improvement, Renewal & Replacement | 72 21874 | Originally financed by Revenue Bonds, Transfers from Water Enterprise EOFY | Improvement, Renewal and Replacement Program | 19,671,247 | (2,489,899) | (2,226,480) | 17,611,583 |
| | | | Transfer from Water Enterprise | | 2,656,715 | | |
| Fixed Assets (Equipment) | 74 | ACO Reserve (Accum Capital Outlay) | Motor Vehicle Replacement & Capital Equipment | 175,191 | 12,938 | | 188,129 |
| Capital Expansion Fund | 73 21875 | Connection Fees | Water Enterprise Capital Expansion Projects | 29,765,901 | (10,649,974) | (7,405,825) | 11,710,102 |
| Flood Protection Fund | 76 21876 | Development Impact Fees | Flood protection and storm water drainage facilities | 33,220,382 | 102,007 | (170,002) | 33,152,387 |
| | | | Reserve for reimbursement to developers | | | | |
| Water Facilities Trust | 91 83902 | Quarry Reclamation/Tonnage fees | Chain of Lakes mitigation/planning reserve | 2,557,173 | | | 2,563,793 |
| | | Quarry discharge fees | Quarry discharge exports | 112,349 | | | 112,643 |
| | | T/O construction and other deposits | Miscellaneous fees & deposits | 3,468 | | (3,408) | 0 |
| | | Encroachment permit fees | Permit inspection deposits | 7,100 | | (19,600) | 0 |
| | | Untreated connection fee deposits Unallocated interest | Pending distribution to Fund 73 Undistributed | 707,535 48,245 | | (702,691) | 0 |
| Water Supply/Reliability Trust | 95 83901 | Water supply/reliability/quality & Delta related projects | Future water, water storage and Delta-related projects | 4,660,737 | 12,078 | | 4,672,815 |

POSITION CHANGE DETAIL

CAPITAL EQUIPMENT SUMMARY

**Capital Equipment Summary
2010/2011**

| Item # | Account # 7520 Description | Water Enterprise Fund 52 | General Fund 50 | SDA Fund 71 | Cap IR&R Fund 72 | Cap Exp Fund73 |
|-----------------|--|---------------------------------|------------------------|--------------------|-----------------------------|-----------------------|
| 1 | FCADM: Miscellaneous equipment as needed. | | 18,500 | | | |
| <i>Subtotal</i> | <i>General Fund</i> | | <i>18,500</i> | | | |
| 1 | ADM: As Required | 5,000 | | | | |
| 2 | ADM: As Required (BKM) | 5,000 | | | | |
| <i>Subtotal</i> | <i>Administration</i> | <i>10,000</i> | | | | |
| 1 | ASD: Acctg IT Systems | 17,500 | | | | |
| <i>Subtotal</i> | <i>Administrative Services Division</i> | <i>17,500</i> | | | | |
| 1 | MNT: Compressor, jack hammer, Whacker, bits | 12,000 | | | | |
| 2 | MNT: Lathe 60" c/w ways | 15,000 | | | | |
| 3 | OPS: Spin Dr, Mobile valve actuator for valve maintena | 16,000 | | | | |
| <i>Subtotal</i> | <i>Operations/Maintenance</i> | <i>43,000</i> | | | | |
| Total: | | 70,500 | 18,500 | 0 | 0 | 0 |

BUDGET DETAIL BY SECTION

FY 10/11

General Fund/Flood Control
Section Budget Request Detail
 Budget Center

| | General Fund FC Budget | Op/Emer Reserves | Estimated Funds Avail | General Fund Central | Flood Control FC | Total Section Budget Request |
|-------------|--|---------------------|--------------------------|-------------------------|---------------------|---------------------------------|
| 6100 | | | | | | |
| | Labor & Overhead Apportioned | | | | | |
| 6110 | Direct Labor & Benefits Appor | \$175,419 | \$1,112,061 | | \$1,112,061 | \$1,112,061 |
| 6200 | | | | | | |
| | Professional & Technical Svcs | | | | | |
| 6210 | Professional & Tech Svcs | 4,995,613 | \$1,613,000 | \$188,000 | \$1,425,000 | \$1,613,000 |
| 6230 | County Prof & Tech Services | | \$35,000 | \$35,000 | | \$35,000 |
| 6240 | County Other Services (Restricted) | | | | | |
| 6247 | County Indirect Costs | | | | | |
| 6250 | District Prof & Tech Services | | | | | |
| 6280 | Dist Labor/Indirect - Misc | | | | | |
| 6300 | | | | | | |
| | Chemicals | | | | | |
| 6310 | Chemicals | | | | | |
| 6400 | | | | | | |
| | Water | | | | | |
| 6420 | SWP - Variable Costs | | | | | |
| 6430 | Water Entitlement/Option Purchases | | | | | |
| 6450 | Water Conveyance/Wheeling Costs | | | | | |
| 6460 | Water Storage | | | | | |
| 6470 | Water Recycled | | | | | |
| 6480 | Water Other | | | | | |
| 6490 | Water Rate Stabilization Acct | | | | | |
| 6500 | | | | | | |
| | Utilities | | | | | |
| 6510 | Gas & Electricity | | | | | |
| 6520 | Communications | \$4,750 | \$4,750 | \$1,000 | \$3,750 | \$4,750 |
| 6600 | | | | | | |
| | Facilities Services | | | | | |
| 6610 | Cleaning Services | \$0 | \$5,000 | \$0 | \$5,000 | \$5,000 |
| 6610 | Other | | | | | |
| 6612 | Garbage Disposal | | \$5,000 | | \$5,000 | \$5,000 |
| 6614 | Janitorial Service | | | | | |
| 6620 | Maint Svcs & Mat - Equipment | 169,996 | \$3,000 | \$1,000 | \$2,000 | \$3,000 |
| 6630 | Maint Svcs & Mat - Struc's & Imp's | 17,341,848 | \$2,260,000 | | \$2,260,000 | \$2,260,000 |
| 6640 | Rents & Leases - Equipment | \$86,932 | \$28,000 | \$22,000 | \$6,000 | \$28,000 |
| 6650 | Rents & Leases - Land, Struc's | | \$111,100 | \$111,100 | | \$111,100 |
| 6670 | Other Property Services | | | | | |
| 6700 | | | | | | |
| | Services and Supplies | | | | | |
| 6720 | Emergency & Safety | | \$11,000 | \$1,000 | \$10,000 | \$11,000 |
| 6740 | Office Expense | \$59,500 | \$59,500 | \$21,000 | \$38,500 | \$59,500 |
| 6750 | Organization Memberships & Dues | \$81,500 | \$81,500 | \$20,500 | \$61,000 | \$81,500 |
| 6760 | Other Services & Supplies | \$128,131 | \$28,400 | \$1,900 | \$26,500 | \$28,400 |
| 6761 | Advertising & Legal Services | \$1,000 | \$1,000 | \$1,000 | | \$1,000 |
| 6762 | Clothing & Personal Supplies | \$600 | \$600 | \$100 | \$500 | \$600 |
| 6764 | Household Expense | \$400 | \$400 | \$400 | \$0 | \$400 |
| 6765 | Laboratory Supplies | | | | | |
| 6766 | Tools & Instruments | \$100 | \$100 | \$100 | \$0 | \$100 |
| 6767 | State & Local Fees | \$25,200 | \$25,200 | \$200 | \$25,000 | \$25,200 |
| 6768 | Uniform Service | \$1,100 | \$1,100 | \$100 | \$1,000 | \$1,100 |
| 6769 | Other | \$99,731 | | | | \$99,731 |
| 6770 | Training | \$16,000 | \$16,000 | \$6,000 | \$10,000 | \$16,000 |
| 6780 | Transportation | \$500 | \$500 | | \$500 | \$500 |
| 6790 | Travel | \$5,500 | \$5,500 | \$500 | \$5,000 | \$5,500 |
| 6800 | | | | | | |
| | Equipment | | | | | |
| 6810 | Equipment & Vehicle Expense | \$57,000 | \$57,000 | \$57,000 | | \$57,000 |
| 6900 | | | | | | |
| | Other | | | | | |
| 6910 | Non-Operating Expense | \$6,000 | \$6,000 | \$6,000 | \$0 | \$6,000 |
| 7500 | | | | | | |
| | Capital Land, Structures, & Equip | | | | | |
| 7510 | Capital Structures & Improvmts | \$587,890 | | | | \$587,890 |
| 7520 | Capital Equipment | \$18,500 | \$18,500 | \$18,500 | | \$18,500 |
| | Subtotal | \$28,885,240 | \$5,455,811 | \$490,500 | \$4,965,311 | \$5,455,811 |
| | TRANSFERS IN/OUT | | | | | |
| 6119 | Credit for Direct Labor & Benefits | (\$262,490) | (\$262,490) | | (\$262,490) | (\$262,490) |
| 6120 | Indirect Labor & Benefits Appor | \$430,599 | \$430,599 | | \$430,599 | \$430,599 |
| 6180 | Indirect Overhead Apportioned | (\$41,209) | (\$41,209) | | (\$41,209) | (\$41,209) |
| 6820 | Direct Equip & Vehicle Use | (\$406) | (\$406) | (\$27,461) | \$27,055 | (\$406) |
| 6830 | Indirect Equip & Vehicle Use | \$3,652 | \$3,652 | | \$3,652 | \$3,652 |
| | Subtotal | \$130,146 | \$130,146 | (\$27,461) | \$157,607 | \$130,146 |
| | TOTAL | \$29,015,385 | \$5,585,957 | \$463,039 | \$5,122,918 | \$5,585,957 |

Water Enterprise Fund/General Fund
EXHIBIT A

2010/2011
PROFESSIONAL & TECHNICAL SERVICES 6210

FUND 52

| Acct # | # | Description | ADM | ASD | HRS | WQE | LAB | WSE | GPE | OPER | DVWTP | PWTP | DIST SYS | DMN | MAINT | TOTAL |
|---|----|---|----------------|---------------|---------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|----------------|
| 6210 - PROFESSIONAL & TECHNICAL SERVICES | | | | | | | | | | | | | | | | |
| 6211 AUDITING SERVICES | | | | | | | | | | | | | | | | |
| | 1 | Auditing Services | 30,300 | | | | | | | | | | | | | 30,300 |
| | 2 | MISC/RESERVES | 1,750 | 2,500 | 10,000 | | | | | | | | | | | 14,250 |
| 6211 | | AUDITING SERVICES | 32,050 | 2,500 | 10,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44,550 |
| 6212 DWR PAYMENTS AUDIT | | | | | | | | | | | | | | | | |
| | 1 | DWR Payments Audit | 47,500 | | | | | | | | | | | | | 47,500 |
| 6212 | | DWR PAYMENTS AUDIT | 47,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,500 |
| 6213 ENGINEERING SERVICES | | | | | | | | | | | | | | | | |
| | 1 | Chain of Lakes Inspections | | | | | | | 14,000 | | | | | | | 14,000 |
| | 2 | Construction Testing Services (Soils & Materials) | | | | | | | | 1,000 | | | | | | 1,000 |
| | 3 | Contract Engineering | | | | | | 25,000 | | | | | | | | 25,000 |
| | 4 | Corrosion | | | | | | 35,000 | | | | | | | | 35,000 |
| | 5 | Drafting Services | | | | | | 30,000 | | | | | | | | 30,000 |
| | 6 | Electrical Consulting Services | | | | | | 3,000 | | | | | | | | 3,000 |
| | 7 | Stream Gaging Instrumentation | | | | | | | 10,000 | | | | | 1,000 | | 11,000 |
| | 8 | MISC/RESERVES | 17,500 | | | | | | | 1,500 | | | | | 500 | 19,000 |
| 6213 | | ENGINEERING SERVICES | 17,500 | 0 | 0 | 0 | 0 | 93,000 | 24,000 | 30,650 | 9,920 | 8,820 | 5,410 | 1,000 | 5,500 | 165,150 |
| 6214 INFORMATION SYSTEMS | | | | | | | | | | | | | | | | |
| | 1 | ITD Services | 70,730 | 15,000 | | 2,000 | 2,500 | 10,000 | 2,800 | 54,270 | 20,000 | 10,000 | 10,000 | 7,000 | 7,270 | 157,300 |
| | 2 | Network | | | | 1,000 | 750 | | | | | | | | | 1,750 |
| | 3 | MISC/RESERVES | | | 12,500 | 250 | 1,000 | | | | | | | | | 13,750 |
| 6214 | | INFORMATION SYSTEMS | 70,730 | 15,000 | 12,500 | 3,250 | 4,250 | 10,000 | 2,800 | 54,270 | 20,000 | 10,000 | 10,000 | 7,000 | 7,270 | 172,900 |
| 6215 CONSTRUCTION MGMT/INSPECTION | | | | | | | | | | | | | | | | |
| | 1 | MISC | | | | | | | | 1,000 | | | 1,000 | | | 1,000 |
| 6215 | | CONSTRUCTION MGMT/INSPECTION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,000 | 0 | 0 | 1,000 | 0 | 0 | 1,000 |
| 6216 LABORATORY ANALYSIS | | | | | | | | | | | | | | | | |
| | 1 | Analytical Services | | | | | 15,000 | | 750 | | | | | | | 15,750 |
| | 2 | MISC | 1,000 | | | | 3,000 | | | | | | | | | 4,000 |
| 6216 | | LABORATORY ANALYSIS | 1,000 | 0 | 0 | 0 | 18,000 | 0 | 750 | 0 | 0 | 0 | 0 | 0 | 0 | 19,750 |
| 6217 LEGAL SERVICES | | | | | | | | | | | | | | | | |
| | 1 | KCWA Hyatt-Thermalito | 50,000 | | | | | | | | | | | | | 50,000 |
| | 2 | Outside Legal Services | 350,000 | | 5,000 | | | | 7,500 | | | | | | | 362,500 |
| | 3 | MISC/RESERVES | 5,000 | | 12,500 | | | | | | | | | | | 17,500 |
| 6217 | | LEGAL SERVICES | 405,000 | 0 | 17,500 | 0 | 0 | 0 | 7,500 | 0 | 0 | 0 | 0 | 0 | 0 | 430,000 |
| 6218 SURVEY SERVICES | | | | | | | | | | | | | | | | |
| | 1 | Survey Services | | | | | | 10,000 | | | | | | | | 10,000 |
| | 2 | MISC/RESERVES | 2,500 | | | | | | 36,000 | | | | | | | 38,500 |
| 6218 | | SURVEY SERVICES | 2,500 | 0 | 0 | 0 | 0 | 10,000 | 36,000 | 0 | 0 | 0 | 0 | 0 | 0 | 46,500 |
| 6219 OTHER PROFESSIONAL & TECH SERVICES | | | | | | | | | | | | | | | | |
| | 1 | 3E-IMSDS Management Program | | | 5,000 | | 2,500 | | | | | | | | | 7,500 |
| | 2 | Accig Consulting & Tech Services | | 6,500 | | | | | | | | | | | | 6,500 |
| | 3 | Analytical Services | | 25,000 | | | | | | | | | | | | 25,000 |
| | 4 | Appraisals/Title Reports, Land Acquisition | | | | | | 20,000 | 6,250 | | | | | | | 26,250 |
| | 5 | CCAR Green House Gas Certification | | | | | | 10,000 | | | | | | | | 10,000 |
| | 6 | Construction Management- Field Inspections | | | | | | | | 5,050 | | | | | 5,050 | 5,050 |
| | 7 | Delivery Services | 10,000 | | | | | | | | | | | | | 10,000 |
| | 8 | Delta | 50,000 | | | | | | | | | | | | | 50,000 |
| | 9 | Delta Outreach | 125,000 | | | | | | | | | | | | | 125,000 |
| | 10 | Emergency Preparedness Consultant | | | | | | 10,000 | | | | | | | | 10,000 |
| | 11 | Environmental Consultant | 25,000 | | | | | | | | | | | | | 25,000 |
| | 12 | File Services | 15,000 | | | | | | | 15,000 | | | 2,500 | | 5,000 | 30,000 |
| | 13 | Flows Study & Steehead | 50,000 | | | | | | | | | | | | | 50,000 |
| | 14 | Geophysical Well Logging | | | | | | | | | | | | | | 700 |
| | 15 | Gov. Affairs/Grants | 69,000 | | | | | | | | | | | | | 69,000 |
| | 16 | Groundwater Modeling Support | | | | | | | | | | | | | | 25,000 |
| | 17 | Groundwater Sampling | | | | | | | | | | | | | | 22,000 |
| | 18 | Human Resources Services - Fingerprinting | | | 640 | | | | | | | | | | | 640 |
| | 19 | Mail Services | 33,000 | | | | | | | | | | | | | 33,000 |

Water Enterprise Fund/General Fund
EXHIBIT A

2010/2011
PROFESSIONAL & TECHNICAL SERVICES 6210

FUND 52

| Acct # | Item # | Description | ADM | ASD | HRS | WQE | LAB | WSE | GPE | OPER | DVWTP | PPWTP | DIST SYS | DMN | MAINT | TOTAL |
|--------|--------|--|-----------|--------|--------|--------|--------|---------|---------|---------|---------|---------|----------|--------|--------|-----------|
| | 20 | Organizational Studies & Legal Costs | 160,000 | 1,000 | | | | | | | | | | | | 161,000 |
| | 21 | Public Outreach/Government Affairs | 184,000 | | | | | | | | | | | | | 184,000 |
| | 22 | Publications - Graphics, Layout & Printing | 50,000 | | | | | | | | | | | | | 50,000 |
| | 23 | Resp. Exams | 8,000 | | | | | | | | | | | | | 8,000 |
| | 24 | Security Services | 2,850 | | | | | 10,000 | | 219,400 | 92,600 | 72,800 | 54,000 | | | 232,250 |
| | 25 | Special Hydrogeologic Studies | | | | | | | 10,000 | 85,000 | 25,000 | 25,000 | 12,500 | 12,500 | 10,000 | 110,000 |
| | 26 | System Integration Services (SCADA) | 75,000 | 25,000 | | | | | | | | | | | | 75,000 |
| | 27 | Temporary Services | | 500 | 15,000 | | | | 25,000 | | | | | | | 15,500 |
| | 28 | Test Development | | | | | | | | | | | | | | 25,000 |
| | 29 | US Geologic Survey Surface Water Stations | | | | | | | 3,750 | 30,000 | 10,000 | 10,000 | 5,000 | 5,000 | | 38,750 |
| | 30 | Water Quality Treatment Solutions | | | | 5,000 | | | | | | | | | | 2,000 |
| | 31 | Water Rights Fees | | | | 7,500 | | 2,000 | | | | | | | | 7,500 |
| | 32 | Water Treatment Studies | | | | 2,500 | | | | | | | | | | 2,500 |
| | 33 | Watershed Management Plan Development | | | | | | | | | | | | | | 90,000 |
| | 34 | Web Internet Site | 90,000 | 52,500 | 30,000 | | | 5,000 | | | | | | | | 87,500 |
| | 35 | MISC/RESERVES | 999,350 | 59,000 | 50,640 | 15,000 | 2,500 | 57,000 | 92,700 | 354,450 | 130,100 | 110,300 | 74,000 | 20,000 | 20,050 | 1,626,640 |
| 6219 | | OTHER PROFESSIONAL & TECH SERVICES | | | | | | | | | | | | | | |
| 6210 | | TOTAL | 1,575,630 | 75,500 | 90,640 | 18,250 | 24,750 | 170,000 | 163,750 | 440,370 | 160,020 | 129,120 | 90,410 | 28,000 | 32,820 | 2,558,890 |

| 6230 - COUNTY PROFESSIONAL & TECHNICAL SERVICES | | | | | | | | | | | | | | | | |
|---|---|---|--------|---|--------|---|---|---|-------|---|---|---|---|---|---|--------|
| 6230 COUNTY PROFESSIONAL & TECHNICAL SERVICES | | | | | | | | | | | | | | | | |
| | 1 | AlcoLink | 32,500 | | | | | | | | | | | | | 32,500 |
| | 2 | Counsel | 5,000 | | | | | | 3,750 | | | | | | | 8,750 |
| | 3 | General (tax admin, vect control, PWA) | 5,000 | | | | | | | | | | | | | 5,000 |
| | 4 | Temporary Services Admin | 25,000 | | | | | | | | | | | | | 25,000 |
| | 5 | MISC/RESERVES | 5,000 | | 10,000 | | | | | | | | | | | 15,000 |
| 6230 | | OTHER PROFESSIONAL & TECHNICAL SERVICES | 72,500 | 0 | 10,000 | 0 | 0 | 0 | 3,750 | 0 | 0 | 0 | 0 | 0 | 0 | 86,250 |
| 6230 | | TOTAL | 72,500 | 0 | 10,000 | 0 | 0 | 0 | 3,750 | 0 | 0 | 0 | 0 | 0 | 0 | 86,250 |

| 6240 - COUNTY OTHER SERVICES | | | | | | | | | | | | | | | | |
|------------------------------|---|-----------------------|-----------|--------|---------|--------|--------|---------|---------|---------|---------|---------|--------|--------|--------|-----------|
| 6240 - COUNTY OTHER SERVICES | | | | | | | | | | | | | | | | |
| | 1 | County Printing | | | | | | 1,000 | | 5,500 | 1,000 | 1,000 | 1,000 | | 2,500 | 6,500 |
| | 2 | MISC/RESERVES | 0 | 0 | 3,000 | 0 | 0 | 1,000 | 0 | 5,500 | 1,000 | 1,000 | 1,000 | 0 | 2,500 | 3,000 |
| 6245 | | COUNTY REPROGRAPHICS | | | | | | | | | | | | | | 9,500 |
| 6247 | | COUNTY INDIRECT COSTS | 650,000 | | | | | | | | | | | | | 650,000 |
| 6247 | 1 | County Indirect Costs | 650,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 650,000 |
| 6240 | | COUNTY OTHER SERVICES | 376,805 | | | | | | | | | | | | | 376,805 |
| 6240 | 1 | MISC | 376,805 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 376,805 |
| 6240 | | COUNTY OTHER SERVICES | 1,026,805 | 0 | 3,000 | 0 | 0 | 1,000 | 0 | 5,500 | 1,000 | 1,000 | 1,000 | 0 | 2,500 | 1,036,305 |
| 6240 | | TOTAL | 2,674,935 | 75,500 | 103,640 | 18,250 | 24,750 | 171,000 | 167,500 | 445,870 | 161,020 | 130,120 | 91,410 | 28,000 | 35,320 | 3,681,445 |
| TOTAL PROFESSIONAL SERVICES | | | | | | | | | | | | | | | | |

| 6750 | Item # | ORGANIZATION MEMBERSHIPS/PARTICIPATION | ADM | ASD | HRS | WGE | LAB | WSE | GPE | SW/SHL OPER | OPERATIONS/MAINTENANCE | | | | FUND | | | | TOTAL | | | |
|--|-------------|--|----------------|--------------|--------------|----------|----------|--------------|------------|--------------|------------------------|------------|------------|----------|---------------|----------------|---------------|---------------|---------------|----------|----------|----------------|
| | | | | | | | | | | | DWF | DMIN | MNT | TOTAL | FLOOD CONTROL | FCE | FCADM | FPSD | | RR | EXP | |
| 6751 ORGANIZATION MEMBERSHIPS | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | Assoc Ca Water Agencies | 27,000 | | | | | | | | | | | | | | | | | | | 27,000 |
| | 2 | AWWA Agency Membership | 29,500 | | | | | 150 | | | | | | | | | | | | | | 30,955 |
| | 3 | AWWA Research Foundation | 30,000 | | | | | 9,000 | | | | | | | | | | | | | | 30,000 |
| | 4 | Bay Area Recycled Water Coalition | | | | | | | | | | | | | | | | | | | | 5,000 |
| | 5 | CA Public Employees Un. Retirees Assoc | | | 1,340 | | | | | | | | | | | | | | | | | 1,340 |
| | 6 | California Public Purchasing Officers | | 250 | | | | | | | | | | | | | | | | | | 250 |
| | 7 | California Bar Association | 1,100 | | | | | | | | | | | | | | | | | | | 1,100 |
| | 8 | California Municipal Finance Officers | | 130 | | | | | | | | | | | | | | | | | | 130 |
| | 9 | California Special Districts Association | 4,500 | | | | | | | | | | | | | | | | | | | 4,500 |
| | 10 | California Utilities Emergency Association | | | | | | 550 | | | | | | | | | | | | | | 550 |
| | 11 | Certified Control System Technicians III Certification | | | | | | | | 240 | | | | | | | | | | | | 240 |
| | 12 | Chambers of Commerce | 800 | | | | | | | | | | | | | | | | | | | 800 |
| | 13 | Emergency Manager's Association | | | | | | | | | | | | | | | | | | | | 50 |
| | 14 | Firefighters Association | | | | | | | | | | | | | | | | | | | | 50 |
| | 15 | Friends Archive | 500 | | | | | | | | | | | | | | | | | | | 500 |
| | 16 | GFOA | | 500 | | | | | | | | | | | | | | | | | | 500 |
| | 17 | Groundwater Resources Association | 500 | | | | | 100 | 520 | | | | | | | | | | | | | 1,120 |
| | 18 | Instrumentation Systems & Automation Society | | | | | | | | | | | | | | | | | | | | 452 |
| | 19 | International Personnel Management Assoc | | | | | | | | 452 | | | | | | | | | | | | 452 |
| | 20 | NAPM (national association of purchasing managers) | | 500 | | | | | | 300 | | | | | | | | | | | | 300 |
| | 21 | National Groundwater Association | | | | | | 100 | 300 | | | | | | | | | | | | | 400 |
| | 22 | National Water Research Institute | | 450 | | | | | | | | | | | | | | | | | | 450 |
| | 23 | Parade for Safe Water | | | | | | | | | | | | | | | | | | | | 1,500 |
| | 24 | Society for HR Management | | | 640 | | | | | | | | | | | | | | | | | 640 |
| | 25 | Southwest Membrane Operators Membership | | | | | | | | | | | | | | | | | | | | 1,000 |
| | 26 | State Water Contractors- Annual Dues | 50,000 | | | | | | | | | | | | | | | | | | | 50,000 |
| | 27 | State Water Contractors- Bay-Delta Fund | 150,000 | | | | | | | | | | | | | | | | | | | 150,000 |
| | 28 | State Water Contractors- Miscellaneous (Energy) | 10,000 | | | | | | | | | | | | | | | | | | | 10,000 |
| | 29 | State Water Contractors- SROCS Litigation | 25,000 | | | | | | | | | | | | | | | | | | | 25,000 |
| | 30 | Water Education Foundation | 4,000 | | | | | | | | | | | | | | | | | | | 4,000 |
| | 31 | Water Release Assoc of Calif | 6,000 | | | | | | | | | | | | | | | | | | | 6,000 |
| | 32 | MISC | 13,300 | | 400 | | | 1,000 | | | | | | | | | | | | | | 14,700 |
| | 6751 | ORGANIZATION MEMBERSHIPS | 348,800 | 1,830 | 2,380 | 0 | 0 | 9,950 | 820 | 4,797 | 3,085 | 520 | 200 | 0 | 992 | 369,577 | 0 | 6,000 | 0 | 0 | 0 | 375,577 |
| 6752 SUPPORT | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | MISC | 5,000 | | | | | | | | | | | | | | | | | | | 5,000 |
| | 2 | MISC | | | | | | | | | | | | | | | | | | | | 500 |
| | 6752 | SUPPORT | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,000 | 500 | 0 | 0 | 0 | 0 | 5,500 |
| 6753 PROGRAMS/PROJECT PARTICIPATION | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | Alameda County Clear Water Program | 21,000 | | | | | | | | | | | | | | | | | | | 21,000 |
| | 2 | California State Water Contractors | 2,500 | | | | | | | | | | | | | | | | | | | 2,500 |
| | 3 | Central Valley Aquatic Pesticide JEPA | | | | | | | | | | | | | | | | | | | | 50,000 |
| | 4 | IRWM | | | | | | | | | | | | | | | | | | | | 5,000 |
| | 5 | State Water Project JPA and MWQI | 15,000 | | | | | | | | | | | | | | | | | | | 15,000 |
| | 6 | Technical & professional events sponsorships | 5,000 | | | | | | | | | | | | | | | | | | | 5,000 |
| | 7 | Water & Power Reform | 1,500 | | | | | | | | | | | | | | | | | | | 1,500 |
| | | MISC | 7,500 | | | | | | | | | | | | | | | | | | | 7,500 |
| | 6753 | PROGRAMS/PROJECT PARTICIPATION | 52,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 52,500 | 26,000 | 58,000 | 25,000 | 0 | 0 | 0 | 152,500 |
| | 6750 | TOTAL ORGANIZATION MEMBERSHIPS | 407,300 | 1,830 | 2,380 | 0 | 0 | 9,950 | 820 | 4,797 | 3,085 | 520 | 200 | 0 | 992 | 427,077 | 20,500 | 61,000 | 25,000 | 0 | 0 | 533,577 |

Travel Request
Fund: 52 & 50
2010/2011

Account #6790

| Item # | Description | ADM | ASD | HRS | WQE | LAB | WSE | GPE | OPER | DVWTP | PPWTP | DWF | DMN | MNT | FUND 52 TOTAL | FC ADMN | FCE | FUND 50 TOTAL |
|--------|--|--------|-------|--------|-----|-------|-------|-----|-------|-------|-------|-------|-----|-------|---------------|---------|-------|---------------|
| 1 | ADM: AWWA Water Conference | 12,000 | | | | | | | | | | | | | 12,000 | | | |
| 2 | ADM: AWWA Conferences | 3,000 | | | | | | | | | | | | | 3,000 | | | |
| 3 | ADM: Bay Delta related expenses | 2,000 | | | | | | | | | | | | | 2,000 | | | |
| 4 | ADM: Bd Members/ Sr. Staff/ EPA Conferences | 7,500 | | | | | | | | | | | | | 7,500 | | | |
| 5 | ADM: Conferences and Seminars | 2,000 | | | | | | | | | | | | | 2,000 | | | |
| 6 | ADM: CSDA Conference | 3,000 | | | | | | | | | | | | | 3,000 | | | |
| 7 | ADM: Dept of Water Res/State Water Contractors | 4,000 | | | | | | | | | | | | | 4,000 | | | |
| 8 | ADM: WaterReuse Committee | 1,000 | | | | | | | | | | | | | 1,000 | | | |
| 9 | ASD: Administrative Services Conferences | 1,000 | 1,500 | | | | | | | | | | | | 1,500 | | | |
| 10 | ASD: Annual SWP Operations Meeting in LA | 1,000 | 1,000 | | | | | | | | | | | | 1,000 | | | |
| 11 | ASD: AWWA Conference | 1,500 | 1,500 | | | | | | | | | | | | 1,500 | | | |
| 12 | ASD: DWR Water Operations meetings | 167 | 67 | | | | | | | | | | | | 167 | | | |
| 13 | ASD: Financial and Administrative Services | 1,500 | 67 | | | | | | | | | | | | 1,500 | | | |
| 14 | ASD: Semitropic Monitoring Meetings | | | 5,000 | | | | | | | | | | | 5,000 | | | |
| 15 | HRS: AWWA Conferences | | | 1,000 | | | | | | | | | | | 1,000 | | | |
| 16 | HRS: CSDA Conference | | | 1,000 | | | | | | | | | | | 1,000 | | | |
| 17 | HRS: CSTI | | | 6,000 | | | | | | | | | | | 6,000 | | | |
| 18 | HRS: Labor Relations Conference | | | 3,000 | | | | | | | | | | | 3,000 | | | |
| 19 | HRS: State Personnel Board Training | | | 2,500 | | | | | | | | | | | 2,500 | | | |
| 20 | HRS: MISC | | | | | | | | | | | | | | 750 | | | |
| 21 | WQE: AWWA Conferences | | | | 750 | | | | | | | | | | 750 | | | |
| 22 | WQE: Local vendor seminars and conferences. | | | | 500 | | | | | | | | | | 500 | | | |
| 23 | WQE: Annual AWWA Conference (Airfare only) | | | | 500 | | | | | | | | | | 500 | | | |
| 24 | WSE: Annual SWP Operations Meeting in LA | | | | 300 | | | | | | | | | | 300 | | | |
| 25 | WSE: CANN AWWA Spring Conference (Airfare only) | | | | | | 500 | | | | | | | | 500 | | | |
| 26 | WSE: CANN AWWA Workshops (Airfare only) | | | | | | 500 | | | | | | | | 500 | | | |
| 27 | WSE: DWR Water Operations meetings | | | | | | 500 | | | | | | | | 500 | | | |
| 28 | WSE: Misc Technical Training (i.e. H2O Net) | | | | | | 500 | | | | | | | | 500 | | | |
| 29 | WSE: Semitropic Monitoring Meetings (Airfare only) | | | | | | 200 | | | | | | | | 200 | | | |
| 30 | GPE: Groundwater training course | | | | | | 400 | | | | | | | | 400 | | | |
| 31 | OPS: Conferences, Workshops, Symposiums | | | | | | 400 | | | | | | | | 400 | | | |
| 32 | FCADM: Flood Control travel expenses | | | | | | 2,000 | | | | | | | | 2,000 | | | |
| 33 | FCE: Professional Conferences | | | | | | 2,000 | | | | | | | | 2,000 | | | |
| 34 | FCE: Professional Conferences | | | | | | 2,000 | | | | | | | | 2,000 | | | |
| 35 | FCE: Professional Conferences | | | | | | 800 | | | | | | | | 800 | | | |
| 36 | FCE: Professional Conferences | | | | | | 3,000 | | | | | | | | 3,000 | | | |
| | TOTAL TRAVEL | 34,500 | 4,334 | 18,500 | 750 | 1,000 | 3,000 | 800 | 8,000 | 2,000 | 2,000 | 2,000 | 0 | 2,000 | 70,884 | 500 | 5,000 | 5,000 |

CAPITAL IMPROVEMENT PROGRAM DETAIL

**FUND 72
RENEWAL/REPLACEMENT &
SYSTEMWIDE IMPROVEMENT PROJECTS
FISCAL YEAR 2010/2011
Summary Table**

| <i>SYSTEMWIDE IMPROVEMENT PROJECTS</i> | | | | |
|--|--|---------------------|--------------------|------|
| Job Number | Project Title | Total Project Cost | FY 10/11 Budget | Page |
| EMERGENCY PREPAREDNESS | | | | |
| 96072 | Vulnerability Assessment Review & Update | \$110,000 | \$110,000 | 84 |
| | SUBTOTAL | \$110,000 | \$110,000 | |
| GROUNDWATER BASIN MANAGEMENT | | | | |
| 53039 | New Groundwater Management Program Monitoring Wells | \$771,000 | \$76,587 | 84 |
| | SUBTOTAL | \$771,000 | \$76,587 | |
| TRANSMISSION & DISTRIBUTION | | | | |
| 96072 | System-Wide Installation of Line Valves | \$1,710,000 | \$60,500 | 85 |
| 96072 | Transmission System Master Plan | \$3,600,000 | \$75,000 | 85 |
| 96072 | Vasco Pump Station | \$100,000 | \$100,000 | 86 |
| | SUBTOTAL | \$5,410,000 | \$235,500 | |
| WATER SUPPLY & CONVEYANCE | | | | |
| 54511 | 2010 Water System Planning | \$105,000 | \$52,500 | 86 |
| 96072 | Enhanced Conservation Program | \$4,800,000 | \$400,000 | 87 |
| 54505 | High Efficiency Toilet Rebate Program | \$1,300,500 | \$83,000 | 87 |
| 54504 | High-Efficiency Washing Machine Rebate Program | \$2,122,500 | \$225,000 | 88 |
| 54501 | Water Conservation Best Management Practices | \$4,612,500 | \$75,000 | 88 |
| | SUBTOTAL | \$12,940,500 | \$835,500 | |
| WATER TREATMENT FACILITIES | | | | |
| 96072 | DVWTP & PPWTP Fume Hood Replacement and Construction | \$84,000 | \$84,000 | 89 |
| 96072 | DVWTP Chemical Systems/Parking Lot Improvements | \$2,545,000 | \$487,500 | 89 |
| 96072 | Facilities Security Improvements | \$325,000 | \$100,000 | 90 |
| 96072 | PPWTP Improvement Studies 2011 | \$340,000 | \$293,300 | 90 |
| 53090 | PPWTP Sewer System | \$780,000 | \$610,062 | 91 |
| 53069 | Water Quality Management Program | \$4,147,500 | \$68,000 | 91 |
| | SUBTOTAL | \$8,221,500 | \$1,642,862 | |
| SYSTEMWIDE IMPROVEMENT TOTAL | | \$27,453,000 | \$2,900,449 | |

Water Rates – Systemwide Improvements

| | | | |
|----------------------------|---|--------------|------|
| Program | Emergency Preparedness | | |
| Project | Vulnerability Assessment Review & Update | | |
| Priority | 2 | | |
| Project Description | This project is a re-assessment of the vulnerabilities of Zone 7 facilities, including an evaluation the security levels of the treatment facilities, distribution system, and administration office. | | |
| Justification | This will update the 2003 Vulnerability Assessment report. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Increased safety and emergency operations coordination for agency. | | |
| In Service Date | Month: June Year: 2011 | | |
| Total Project Cost | \$110,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$110 | |

| | | | |
|----------------------------|--|-------------|------|
| Program | Groundwater Basin Management | | |
| Project | New Groundwater Management Program Monitoring Wells | | |
| Priority | 2 | | |
| Project Description | This project provides for the installation of "nested" monitoring wells at up to nine locations around Livermore-Amador Valley. The monitoring wells will be specifically designed to monitor the groundwater quality and water levels across the groundwater basin. These wells will help fill data gaps in the current monitoring network. | | |
| Justification | Water quality and water level monitoring data obtained from these wells will facilitate wellfield operations planning, salt loading management, wellhead protection, and general basin management. They will be used to monitor changes in water quality, which in turn can be used to modify operational plans to optimize delivered water quality. They will also provide snapshots of the vertical distribution of water quality and recharge around the basin, which will also facilitate groundwater basin management activities. | | |
| Responsible Section | GP Groundwater Protection | | |
| Operating Impact | Increase of water supply reliability. Increase O&M costs. | | |
| In Service Date | Month: June Year: 2011 | | |
| Total Project Cost | \$771,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$77 | |

Water Rates – Systemwide Improvements

| | | | |
|----------------------------|---|-------------|------|
| Program | Transmission & Distribution | | |
| Project | System-Wide Installation of Line Valves | | |
| Priority | 3 | | |
| Project Description | Installation of approximately 30 new line valves in the transmission system, as needed, to provide a maximum of 2,000-2,500 feet separation throughout the transmission system. | | |
| Justification | The installation of additional line valves will reduce service interruptions due to scheduled maintenance and other activities such as leak repairs. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Improve operation and reduce service interruptions. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$1,710,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$61 | |

| | | | |
|----------------------------|--|-------------|-----|
| Program | Transmission & Distribution | | |
| Project | Transmission System Master Plan | | |
| Priority | 2 | | |
| Project Description | This program involves a comprehensive effort to define renewal/replacement and improvement projects needed for the transmission system in order to meet existing and future water demands. This program involves an integration of all aspects of transmission system planning, including the AMP, corrosion master planning, hydraulic modeling, etc. | | |
| Justification | Establish transmission system sustainability and increase operational/maintenance efficiencies and ensure that Zone 7 meets its goals and objectives to its retailers for existing and future demands, all in a cost-effective manner. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Increase operational/maintenance effectiveness. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$4,800,000 (75% Water Rates; 25% Connection Fees) | | |
| Source of Funds | Fund 72 | Water Rates | 75% |
| Fiscal Year 10/11 | Amount (\$1000) | \$75 | |

Water Rates – Systemwide Improvements

| | | | |
|----------------------------|---|----------------------------|------|
| Program | Transmission & Distribution | | |
| Project | Vasco Pump Station | | |
| Priority | 2 | | |
| Project Description | This project consists of relocating the Airway Pump Station, where use has been minimal since 1991, to the Vasco Control Station (or a better alternative) to improve reliability in East Livermore. | | |
| Justification | With the deferral or possible relocation of the AWTP, system reliability is compromised in East Livermore, should the Silver Oaks pump station or reaches in the 24-inch Livermore Unit 1 pipeline become out-of-service. Water cannot be supplied at adequate pressures to key turnouts. | | |
| Responsible Section | O&M | Operations and Maintenance | |
| Operating Impact | Improves the reliability of the transmission system by providing looped service in the East Livermore service area. | | |
| In Service Date: | Month: June Year: 2011 | | |
| Total Project Cost | \$100,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$100 | |

| | | | |
|----------------------------|--|--------------------------|-----|
| Program | Water Supply & Conveyance | | |
| Project | 2010 Water System Planning | | |
| Priority | 1 | | |
| Project Description | The 2010 Water System Planning project includes water supply and water facilities planning to meet projected build out demands. The first task will be to evaluate the existing system capability to meet existing polices and other existing criteria. The second task will be to identify potential supplies and policies. The third task will be to develop portfolios and policies for screening and analysis. The fourth task will include detailed analysis, comparison of the select porfolios and recomendations . | | |
| Justification | Reduce long-term water demands by promoting Best Management Practices that encourage wise and efficient use of water. Zone 7 studies show that per capita water use in our service area is declining, thus illustrating the effectiveness of our program. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | Improved system reliability. | | |
| In Service Date | Month: December Year: 2010 | | |
| Total Project Cost | \$300,000 (35% Water Rates; 65% Connection Fees) | | |
| Source of Funds | Fund 72 | Water Rates | 35% |
| Fiscal Year 10/11 | Amount (\$1000) | \$53 | |

Water Rates – Systemwide Improvements

| | | | |
|----------------------------|---|--------------|------|
| Program | Water Supply & Conveyance | | |
| Project | Enhanced Conservation Program | | |
| Priority | 1 | | |
| Project Description | This program includes financial & technical support for our retailers' conservation efforts; support & incentives to improve indoor and outdoor water use efficiency; promote & support implementation of new initiatives, alternative measures and new technologies in water conservation, public information & school education programs promoting water conservation and water use efficiency planning. implementation of new initiatives, alternative measures and new technologies in water conservation, public information & school education programs promoting water conservation, recycled water use and efficiency planning. | | |
| Justification | Reduce long-term water demands by promoting Best Management Practices that encourage wise and efficient use of water. | | |
| Responsible Section | OGM Office of the General Manager | | |
| Operating Impact | Decreased potable water demands and increase system reliability. | | |
| In Service Date | Month: June Year: 2020 | | |
| Total Project Cost | \$4,800,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$400 | |

| | | | |
|----------------------------|--|-------------|-----|
| Program | Water Supply & Conveyance | | |
| Project | High Efficiency Toilet Rebate Program | | |
| Priority | 1 | | |
| Project Description | This program encourages the replacement of existing high-water-using toilets with high-efficiency toilets (HET) that use 1.28 gallons or less per flush in residential dwelling by offering homeowners a \$150 rebate for installation of a HET. | | |
| Justification | This program replaces existing high-water-using toilets with HETs. The estimated water savings from an HET is on the order of 48 gallons/day. | | |
| | The toilet rebate program is a water conservation BMP that Zone 7 implements in conjunction with its retailing water agencies. | | |
| Responsible Section | OGM Office of the General Manager | | |
| Operating Impact | Decreased potable water demands. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$1,734,000 (75% Water Rates; 25% Connection Fees) | | |
| Source of Funds | Fund 73 | Water Rates | 75% |
| Fiscal Year 10/11 | Amount (\$1000) | \$83 | |

Water Rates – Systemwide Improvements

| | | | |
|----------------------------|--|--------------|-----|
| Program | Water Supply & Conveyance | | |
| Project | High-Efficiency Washing Machine Rebate Program | | |
| Priority | 1 | | |
| Project Description | This program encourages the purchase and installation of high-efficiency washing machines by offering buyers from \$75 to \$200 rebates. New regulations will require all washers to be energy-efficient. | | |
| Justification | Studies show that approximately 20% of a household's water is used by washing machines. High-efficiency washing machines use about 40% less water per load. This could lead to an annual water savings of approximately 5,100 gallons per machine. | | |
| Responsible Section | OGM Office of the General Manager | | |
| Operating Impact | Decreased potable water demands. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$2,830,000 (75% Water Rates and 25% Connection Fees) | | |
| Source of Funds | Fund 72 | Water Rates | 75% |
| Fiscal Year 10/11 | Amount (\$1000) | \$225 | |

| | | | |
|----------------------------|--|-------------|-----|
| Program | Water Supply & Conveyance | | |
| Project | Water Conservation Best Management Practices | | |
| Priority | 1 | | |
| Project Description | As listed in the MOU regarding Urban Water Conservation in California which includes financial & technical support for our retailers' conservation efforts; support & incentives to improve large landscape water efficiency; and public information & school education programs promoting water conservation. | | |
| Justification | Reduce long-term water demands by promoting Best Management Practices that encourage wise and efficient use of water. Zone 7 studies show that per capita water use in our service area is declining, thus illustrating the effectiveness of our program. | | |
| Responsible Section | OGM Office of the General Manager | | |
| Operating Impact | Decreased potable water demands and increase system reliability. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$6,150,000 (75% Water Rates; 25% Connection Fees) | | |
| Source of Funds | Fund 72 | Water Rates | 75% |
| Fiscal Year 10/11 | Amount (\$1000) | \$75 | |

Water Rates – Systemwide Improvements

| | | | |
|----------------------------|--|-------------------|------|
| Program: | Water Treatment Facilities | | |
| Project: | DVWTP & PPWTP Fume Hood Replacement and Construction | | |
| Priority | 1 | | |
| Project Description | This project will provide a new fume hood for the operators at PPWTP and replace an existing fume hood for the DVWTP laboratory. | | |
| Justification | This project is in response to a request from the Safety Department to provide a safer environment for employees. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Improved safety. | | |
| In Service Date | Month: January | Year: 2011 | |
| Total Project Cost | \$84,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$84 | |

| | | | |
|----------------------------|--|-------------------|------|
| Program | Water Treatment Facilities | | |
| Project | DVWTP Chemical Systems/Parking Lot Improvements | | |
| Priority | 2 | | |
| Project Description | <p>This project consolidates the following DVWTP improvement and renewal/replacement projects: DVWTP Caustic Soda Chemical Storage Upgrade; DVWTP Chemical Feed System Replacement; DVWTP Filter Gallery Pipe Supports Upgrade; and, DVWTP Parking Lot Rehabilitation.</p> <p>Upgrade existing caustic soda chemical storage facility at DVWTP due to inadequate capacity. Project may involve new storage tanks, a new temperature-controlled storage building, chemical fill line improvements, chemical delivery truck roadway access improvements, and removal of existing under-sized tank. Replace existing chemical feed systems, including pumps, which require regular maintenance. Provide adequate secondary containment, sufficient backup pumps, and SCADA control for all chemical feed systems. The existing support system for conduit and chemical feed lines in the lower filter gallery needs to be evaluated and, as necessary, re-enforced or replaced with a properly designed system that can support the current and any future, anticipated load and has sufficient seismic capacity.</p> | | |
| Justification | <p>Chemical storage tank is not sized to properly and efficiently schedule chemical deliveries. Existing chemical feed systems are subject to constant mechanical failure. Pipe support system must be properly designed in order to prevent sudden failure. Replacement of the DVWTP parking lot is needed to return it to an acceptable standard; thereby ensuring safety conditions including chemical deliveries.</p> | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Improves ability to comply with regulatory requirements, increases operational effectiveness, increases reliability and safety, and decreases maintenance. | | |
| In Service Date | Month: June | Year: 2012 | |
| Total Project Cost | \$2,545,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$488 | |

Water Rates – Systemwide Improvements

| | | | |
|----------------------------|---|--------------------------|------|
| Program: | Water Treatment Facilities | | |
| Project: | Facilities Security Improvements | | |
| Priority | 3 | | |
| Project Description | Provide security upgrades for water production and distribution facilities based on existing Vulnerability Assessment and future upgrades based on revised Vulnerability Assessment in 2011. Security improvements to Zone 7's water facilities including the addition of a security access system, intrusion alarms and motion detectors. FY 10/11 costs included gates at the Mocho Demineralization Plant and Parkside office building. Costs in FY 11/12 include migrating SCADA to AMAG, Rate Control Stations and other well sites for \$200,000. | | |
| Justification | This is required for the protection of Zone 7 staff and infrastructure, and the community's water supply. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | Increased security for employees, potential savings from guard services, provides more detection of criminal activities and reduces the number of keys given out to non-Zone 7 employees. | | |
| In Service Date | Month: June | Year: 2011 | |
| Total Project Cost | \$325,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$100 | |

| | | | |
|----------------------------|--|--------------------------|------|
| Program | Water Treatment Facilities | | |
| Project | PPWTP Improvement Studies 2011 | | |
| Priority | 2 | | |
| Project Description | This project includes several PPWTP improvement studies, consolidated into one project, which are scheduled for completion in FY 2010/11. These studies are included within a 2004 PPWTP CIP Prioritization Study and include: PPWTP Raw Water Quality Monitoring PPWTP Chlorine Contact Time Analysis PPWTP Raw Water Pretreatment Analysis (UF Plant) PPWTP Filter-to-Waste Improvements | | |
| Justification | These improvement studies and resultant projects, would enable Zone 7 to take full advantage of the maximum treated water production capacity at PPWTP. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | Increases operational effectiveness. | | |
| In Service Date | Month: June | Year: 2011 | |
| Total Project Cost | \$340,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$293 | |

Water Rates – Systemwide Improvements

| | | | |
|----------------------------|--|--------------------------|------|
| Program | Water Treatment Facilities | | |
| Project | PPWTP Sewer System | | |
| Priority | 2 | | |
| Project Description | This project will replace the existing septic tank system with a new sewer system (connected to the City of Livermore Sanitary Sewer System). | | |
| Justification | <p>The existing septic tank system at PPWTP is approximately 46 years old and is near the end of its useful life. Recently it has demonstrated signs of impending failure. Rehabilitation work has only been partially successful. It is inevitable that with time the system will decrease in performance and one day will fail completely.</p> <p>In addition to handling sewer flow, the system would have the advantage of being able to handle neutralized citric acid which is generated from the PPWTP Ultrafiltration Plant. Currently this acid is trucked to a sewage treatment plant during major membrane cleanings and sent to the plant headworks during minor membrane cleanings. Disposal through the sewer system will have long term savings in chemical off-haul and off-site disposal costs.</p> | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | Will meet sanitary sewer design and operational standards. | | |
| In Service Date | Month: June | Year: 2011 | |
| Total Project Cost | \$780,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$610 | |
| Program | Water Treatment Facilities | | |
| Project | Water Quality Management Program | | |
| Priority | 1 | | |
| Project Description | A comprehensive water quality management program and implementation plan (Water Quality Management Plan) was completed in April 2003. This plan addresses water quality concerns of customers and community. It has lead to the Board adoption of policies that address specific water quality goals and objectives that meet internal (Zone 7) and customer and end user needs. This ongoing program will be one component of Zone 7's overall master planning process. It will help guide both our water system operations and our CIP over the next 20 years. | | |
| Justification | Will assist the Zone 7 Board of Directors in determining policies to effectively manage treated and untreated water quality issues. Will provide guidance to Zone 7's water operations, help establish capital facilities needs and design guidelines, and incorporate a funding strategy. | | |
| Responsible Section | WQ | Water Quality | |
| Operating Impact | Will provide clear operational guidelines. Potential additional treatment and blending facilities to operate. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$5,530,000 (75% Water Rates; 25% Connection Fees) | | |
| Source of Funds | Fund 72 | Water Rates | 75% |
| Fiscal Year 10/11 | Amount (\$1000) | \$68 | |

**FUND 72
RENEWAL/REPLACEMENT &
SYSTEMWIDE IMPROVEMENT PROJECTS
FISCAL YEAR 2010/2011
Summary Table**

| RENEWAL & REPLACEMENT PROJECTS | | | | |
|---|---|----------------------|--------------------|------|
| Job Number | Project Title | Total Project Cost | FY 10/11 Budget | Page |
| BUILDINGS & GROUNDS | | | | |
| 54053 | North Canyons Administrative & Engineering Building Lease | \$6,156,920 | \$497,000 | 93 |
| 96072 | Replacement of Roofs at Parkside, Hopyard Well No. 6 and DVWTP Maintenance Shop | \$190,000 | \$135,000 | 93 |
| | SUBTOTAL | \$6,346,920 | \$632,000 | |
| PROGRAM MANAGEMENT | | | | |
| 54508 | Capital Improvement Program Management | \$1,000,000 | \$30,000 | 94 |
| 54507 | System-Wide Improvements and Renewal/Replacement Program Management | \$2,159,000 | \$50,000 | 94 |
| | SUBTOTAL | \$3,159,000 | \$80,000 | |
| REGULATORY COMPLIANCE | | | | |
| 54042 | Laboratory Equipment Replacement | \$6,037,000 | \$110,000 | 95 |
| | SUBTOTAL | \$6,037,000 | \$110,000 | |
| WATER TREATMENT FACILITIES | | | | |
| 54071 | Asset Management Program Study Update | \$300,000 | \$45,000 | 95 |
| 96072 | Dougherty Reservoir Access Road Rehabilitation | \$50,000 | \$35,000 | 96 |
| 96072 | DVWTP DAF Saturator Tanks Repair | \$150,000 | \$150,500 | 96 |
| 54073 | DVWTP Filter Valve Replacements (Phase 1 only) | \$490,000 | \$120,000 | 97 |
| 53088 | DVWTP Improvements Project | \$450,000 | \$250,000 | 98 |
| 96072 | DVWTP Interior Coating Improvements to the 4.5 MG Steel Clearwell | \$1,250,000 | \$1,250,000 | 99 |
| 96072 | Foley Road Realignment | \$475,000 | \$475,000 | 99 |
| 96072 | Minor Renewal/Replacement Projects | \$9,400,000 | \$250,000 | 100 |
| 54077 | PPWTP Electrical System Upgrade | \$950,000 | \$700,000 | 100 |
| 96072 | PPWTP OSG Conversion | \$181,500 | \$181,500 | 101 |
| 54072 | PPWTP Rehabilitation of Clarifier and Replacement of Motor | \$1,600,000 | \$105,000 | 101 |
| 54059 | PPWTP Ultrafiltration Membrane Replacement | \$17,500,000 | \$390,000 | 102 |
| 54048 | SCADA Enhancements | \$24,175,000 | \$175,000 | 102 |
| 96072 | Well Pump, Motor and Casing Inspections | \$390,000 | \$30,000 | 103 |
| | SUBTOTAL | \$57,361,500 | \$4,157,000 | |
| RENEWAL & REPLACEMENT TOTAL | | \$72,904,420 | \$4,979,000 | |
| SYSTEMWIDE IMPROVEMENTS/RENEWAL & REPLACEMENT PROJECTS TOTAL | | \$100,357,420 | \$7,879,449 | |
| CONTINGENCY FUNDS | | | | |
| 96172 | Contingency | | \$750,000 | |
| | SUBTOTAL | \$0 | \$750,000 | |
| SYSTEMWIDE IMPROVEMENTS/RENEWAL & REPLACEMENT PROGRAM SUBTOTAL | | \$100,357,420 | \$8,629,449 | |
| SINKING FUNDS | | | | |
| 96072 | Administrative & Engineering Building - Sinking Fund | \$8,146,000 | \$368,776 | 103 |
| | SUBTOTAL | \$8,146,000 | \$368,776 | |
| SYSTEMWIDE IMPROVEMENT / RENEWAL & REPLACEMENT PROGRAM TOTAL | | \$108,503,420 | \$8,998,225 | |

Water Rates – Renewal/Replacement

| | | |
|----------------------------|--|--------------------------------------|
| Program | Building & Grounds | |
| Project | North Canyons Administrative & Engineering Building Lease | |
| Priority | 2 | |
| Project Description | A new office building for administrative and engineering staff was completed in February 2005. The new building has a larger Board Room for public meetings. The new building is located closer to operations (treatment plants), and is more centrally located for employees and Valley residents. The move-in date was February 22, 2005. The total project cost is based on a "Build to Suit" option and includes the 15-year lease payments. | |
| Justification | Engineering, administrative and operations staff were at different locations. This project has brought administrative and engineering staff together and will bring both closer to operations. This project also accommodates future expansion. It will reduce overall agency travel times, improve communications and staff productivity | |
| Responsible Section | ASD Administrative Services Division | |
| Operating Impact | Provides for more efficient and effective operations of administrative and engineering functions. | |
| In Service Date | Month: February | Year: 2020 |
| Total Project Cost | \$14,000,000 for Water System (55% Water Rates; 45% Connection Fees) | |
| Source of Funds | Fund 72 | Water Rates 45% |
| Fiscal Year 10/11 | Amount (\$1000) | \$497 |

| | | |
|----------------------------|--|---------------------------------------|
| Program | Buildings & Grounds | |
| Project | Replacement of Roofs at Parkside, Hopyard Well No. 6 and DVWTP Maintenance Shop | |
| Priority | 1 | |
| Project Description | The roofs at these buildings are in need of repair. There has been minor repairs to the roofs to extend existing useful lives, but full replacement will be required to prevent internal damage to the facilities. This project consist of full roof replacement for Parkside office and shop buildings, the Hopyard Well No. 6 bldg., and the DVWTP Maintenance Shop/carport. An engineering evaluation will assess (1) costs and (2) pros and cons of a modified bitumen (tar and gravel) roof replacement vs. a polyurethane foam roof system for the three Parkside buildings, and skylight repairs vs. a new polyfoam roof system for the metal roof for the DVWTP Maintenance bldg. Project also includes repair of roof framing for the Parkside shop bldg. and installation of Zone 7 furnished roof access hatch and potential elimination of 10 skylights (with plywood cover) for the DVWTP Maintenance shop. | |
| Justification | This project is required to protect the integrity of the building(s) by protecting it against rain leaking through the roof and onto the flooring or equipment in the building. | |
| Responsible Section | WSE Water Supply Engineering | |
| Operating Impact | Increased safety & operations. | |
| In Service Date | Month: June | Year: 2011 |
| Total Project Cost | \$190,000 | |
| Source of Funds | Fund 72 | Water Rates 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$135 |

Water Rates – Renewal/Replacement

| | | | |
|----------------------------|---|--------------------------|---------|
| Program | Program Management | | |
| Project | Capital Improvement Program Management | | |
| Priority | 2 | | |
| Project Description | Ongoing program management of the Capital Improvement Plan. | | |
| Justification | Provides for better tracking of program management costs. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | None | | |
| In Service Date | Month: | Year: | Ongoing |
| Total Project Cost | \$4,893,000 (20% Water Rates; 45% Connection Fees ;and 5% Stormwater Drainage Fees) | | |
| Source of Funds | Fund 72 | Water Rates | 20% |
| Fiscal Year 10/11 | Amount (\$1000) | \$30 | |

| | | | |
|----------------------------|--|--------------------------|---------|
| Program | Program Management | | |
| Project | System-Wide Improvement, Renewal/Replacement Program Management | | |
| Priority | 3 | | |
| Project Description | Ongoing program management of the SWI and R&R programs. | | |
| Justification | Provides for better tracking of program management costs. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | None | | |
| In Service Date | Month: | Year: | Ongoing |
| Total Project Cost | \$2,159,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$50 | |

Water Rates – Renewal/Replacement

| | |
|---|--|
| Project Program Priority | Laboratory Equipment Replacement Regulatory Compliance 2 |
| Project Description | The replacement of various monitoring and analytical laboratory equipment. Examples of major equipment to be replaced include but are not limited to: HP 5890 GC with Hall ECD/PID detectors, auto-sampler and data acquisition system; PE 5100 PC AA with flame and graphite furnace with auto-sampler and data acquisition system; Varian Saturn GC/MS with dual auto-sampler and data acquisition system. |
| Justification | This program replaces existing laboratory equipment that has an average service life of ten years. This equipment is required for regulatory compliance monitoring and groundwater water quality management. |
| Operating Impact Responsible Section | Equipment is required to meet regulatory compliance LAB Laboratory |
| In Service Date | Ongoing |
| Total Project Cost | \$6,037,000 (\$110,000 annually) |
| Source of Funds | Fund 72 Water Rates 100% |
| Fiscal Year 10/11 | Amount (\$1,000's) \$110 |

| | |
|---|---|
| Program Project Priority | Water Treatment Facilities Asset Management Program Study Update 2 |
| Project Description | The 2004 Asset Management Study recommended ongoing condition assessments of Zone 7's Water System facilities. This study is a follow-up to the 2006 Asset Management Program Condition Assessment. |
| Justification | Assures that assets in need of repair or replacement are indentified and corrected. |
| Responsible Section Operating Impact | WSE Water Supply Engineering Increased operational effectiveness and reliability. |
| In Service Date | Month: May Year: 2011 |
| Total Project Cost | \$300,000 |
| Source of Funds | Fund 72 Water Rates 100% |
| Fiscal Year 10/11 | Amount (\$1000) \$45 |

Water Rates – Renewal/Replacement

| | | | |
|----------------------------|--|-------------|------|
| Program | Water Treatment Facilities | | |
| Project | Dougherty Reservoir Access Road Rehabilitation | | |
| Priority | 2 | | |
| Project Description | Surface maintenance and road repairs to the Dougherty Reservoir access road is needed. This project consists of a completed pavement condition assessment and involves recommended pavement surface coating (slurry coat or chip seal), filling cracks, and repairing damaged pavement and base areas. | | |
| Justification | This project will maintain the Dougherty Reservoir access road in a safe and serviceable condition, extending the time period for which repaving and replacement repairs would be needed. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Decrease maintenance, increase safety. | | |
| In Service Date | Month: May Year: 2011 | | |
| Total Project Cost | \$50,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$35 | |

| | | | |
|----------------------------|---|--------------|------|
| Program | Water Treatment Facilities | | |
| Project | DVWTP DAF Saturator Tanks Corrosion Investigation and Remediation | | |
| Priority | 1 | | |
| Project Description | Design and construct the required tank repairs so that the DAF system is in operable condition. | | |
| Justification | DAF system can be placed in operation to produce finished water only if the tanks are repaired. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Increased production capacity and reliability. | | |
| In Service Date | Month: June Year: 2011 | | |
| Total Project Cost | \$150,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$150 | |

Water Rates – Renewal/Replacement

| | |
|----------------------------|---|
| Program | Water Treatment Facilities |
| Project | DVWTP Filter Valves Replacement (Phase 1) |
| Priority | 1 |
| Project Description | <p>The project will be completed in two phases. Phase 1 consists of replacing a total of 32 valves for Filter Nos. 1 to 4. Only the filter rate of control valve, installed in 2004 for all eight filters, will not be replaced. Phase 1 will replace each existing valve system, including a wafer style butterfly valve with pneumatic actuator, complete with solenoid valve and limit switches. A total of 33 valves and piping appurtenances, such as flexible couplings or adaptors, valve gaskets and bolts, etc. will be pre-purchased for Zone 7's installation. In addition, isolation valves will be installed between filter nos. 4 and 5 in the manifolds for the 18-inch backwash supply and the 12-inch filter-to-waste and to replace an existing backwash bypass valve. Repair/replacement of the original pipe spools will not be known until the interior cement lining and exposed steel can be inspected during the installation. Phase 2 will replace the valves in Filters 5 to 8 (total of 32 valves) within the next five years.</p> |
| Justification | <p>The valves/actuators in Filter Nos. 1 to 4 were installed with the original 18 MGD plant construction in 1974 and have reached/exceeded their useful life, i.e. three 18-inch filter valves for Filters 3 and 4 were pre-purchased in 2009 for near-term installation. Actuators have been replaced on as-needed basis and it has been necessary to raise the plant air pressure substantively from the original 80 psi to operate the actuators and valves. The isolation valves will allow future valve installation in Filter nos. 5 to 8, while maintaining production capacity via Filter Nos. 1 to 4. The valves for Filter Nos. 5 to 8 were installed in the 1988 plant expansion to 36 MGD and O&M anticipates escalating maintenance costs within the next five year window.</p> |
| Responsible Section | WSE/O&M Water Supply Engineering/Maintenance |
| Operating Impact | Improvements will maintain plant capacity reliability, improve operational effectiveness and flexibility, and decrease valve system maintenance. |
| In Service Date | Month: May Year: 2010 |
| Total Project Cost | \$490,000 |
| Source of Funds | Fund 72 Water Rates |
| Fiscal Year 10/11 | Amount (\$1000) \$120 |

Water Rates – Renewal/Replacement

| | |
|----------------------------|---|
| Program | Water Treatment Facilities |
| Project | DVWTP Improvements |
| Priority | 2 |
| Project Description | <p>This project consists of three remaining improvements to be planned, designed, and constructed in-house in three project locations: (1) relocate and upgrade existing plant air system in the pipe gallery to the former potassium permanganate feed building; (2) add hood cover and ventilation exhaust fan over plant overflow/bar screen structure, located in the filter gallery; and (3) prepare engineering evaluation to identify recommended safety and access improvements for the superpulsators (clarifiers) when units are taken out-of-service for washdown, before proceeding with design improvements.</p> <p>A fourth project has been transferred to the DVWTP Chemical Systems Improvements Project and consists of replacing the plant hydropneumatic service water tank and controls. The fifth and sixth projects are scheduled for in-house installation in May 2010, included safety improvements at the flow splitter structure and a new cationic polymer system for filter-aid feed to replace an over designed system;</p> |
| Justification | <p>(1) The plant air system provides instrument air and supply for the pneumatic cylinders to operate the filter valves (except for the rate of flow controller valve); the system consists of the original components, including the air receiver and air drying system installed in 1974, and air compressors that are overdue for replacement; (2) Powdered activated carbon is used for taste and odor control and an internal draft industrial hygienist report confirmed hydrogen sulfide releases at the overflow/bar screen structure are deemed an odor nuisance to Operators working in the filter gallery. Sludge discharged from pulsators in-service will back-up into units that are out-of-service and drained. This back-up impacts the washdown of the pulsator by plant personnel.</p> |
| Responsible Section | WSE Water Supply Engineering |
| Operating Impact | Increase system reliability, reduce odor, nuisance, and improve access and safety during washdown of the pulsators. |
| In Service Date | Month: June Year: 2011 |
| Total Project Cost | \$450,000 |
| Source of Funds | Fund 72 Water Rates 100% |
| Fiscal Year 10/11 | Amount (\$1000) \$250 |

Water Rates – Renewal/Replacement

| | | | |
|----------------------------|--|----------------|------|
| Program | Water Treatment Facilities | | |
| Project | DVWTP Interior Coating Improvements to the 4.5 MG Steel Clearwell | | |
| Priority | 2 | | |
| Project Description | This project involves the removal and recoating of the interior of the 4.5 MG steel clearwell at DVWTP. | | |
| Justification | An inspection report of the 4.5 MG steel clearwell in November 2002 indicates that there are areas that show some evidence of blistering and holidays. However, the tank remains in relatively good condition and the underlying steel is being protected by the cathodic protection system. A new exterior coating system was completed in 2009. Due to budgetary constraints and the fair condition of the interior coating system, the interior recoating work is being deferred to FY10/11. A new cathodic protection system will be installed at that time. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | A new coating system will give better protection and prolong the useful life of the clearwell. | | |
| In Service Date | Month: June Year: 2011 | | |
| Total Project Cost | \$1,250,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$1,250 | |

| | | | |
|----------------------------|---|--------------|------|
| Program | Water Treatment and Facilities | | |
| Project | Foley Road Realignment | | |
| Priority | 2 | | |
| Project Description | Extend Foley Road approximately 400 feet to connect with a realigned intersection at Vallecitos Road and Vineyard Avenue. The City of Livermore is responsible for the CEQA, design, right of way acquisition and construction for this project and Zone 7 will reimburse the city for 100% of the project cost (except right of way). The goal is to construct the Foley Road extension at the same time that the new intersection, including the traffic signals and a realigned Vineyard Avenue are being installed. Responsibilities will be finalized in an agreement between the City and Zone 7. | | |
| Justification | Use of the new intersection, which will be signalized, will provide safer access to and from DVWTP for Zone 7 staff, vendors and visitors. | | |
| Responsible Section | ASD Administrative Services Division | | |
| Operating Impact | Staff can use the DVWTP Access Road as primary access at all times. Currently Kalthoff Common is used for access by some staff for safety reasons. | | |
| In Service Date | Month: June Year: 2011 | | |
| Total Project Cost | \$475,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$475 | |

Water Rates – Renewal/Replacement

| | | | |
|----------------------------|--|--------------------------|---------|
| Program | Water Treatment Facilities | | |
| Project | Minor Renewal/Replacement Projects | | |
| Priority | 2 | | |
| Project Description | Replacement of assets, which individually cost less than \$50K and require some engineering support. | | |
| Justification | Ongoing maintenance associated with the reliable supply of high-quality water. | | |
| Responsible Section | OPS | Operations & Maintenance | |
| Operating Impact | System operational reliability. | | |
| In Service Date | Month: | Year: | Ongoing |
| Total Project Cost | \$9,400,000 (approximately \$250K annually) | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$250 | |

| | | | |
|----------------------------|--|--------------------------|------|
| Program | Water Treatment Facilities | | |
| Project | PPWTP Electrical Power System Upgrade | | |
| Priority | 2 | | |
| Project Description | Replacement of the main plant switchboard, motor control center (MCC) and switchgear for the plant's backwash pumps, domestic and service water pumps. The new equipment will have better reliability, better electrical fault protection and full SCADA capability. | | |
| Justification | This project will ensure that the PPWTP has the ability to provide power to maintain continuous operation and meet water quality regulatory requirements. The original equipment is beyond its useful life and no spare parts area available if components were to fail. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | Improves system reliability. | | |
| In Service Date | Month: | Year: | 2011 |
| Total Project Cost | \$950,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$700 | |

Water Rates – Renewal/Replacement

| | | | |
|----------------------------|--|--------------------------|------|
| Program | Water Treatment Facilities | | |
| Project | PPWTP OSG Conversion | | |
| Priority | 2 | | |
| Project Description | Retrofit existing installation of on-site generation of sodium hypochlorite to accommodate bulk delivery of this chemical. | | |
| Justification | Increasing cost of replacement parts and frequency of repairs makes the existing system less economical than when compared with purchasing bulk and have it delivered. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | Significant reduction of maintenance cost and reduced energy consumption. | | |
| In Service Date | Month: June | Year: 2011 | |
| Total Project Cost | \$180,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$182 | |

| | | | |
|----------------------------|---|--------------------------|------|
| Program | Water Treatment Facilities | | |
| Project | PPWTP Rehabilitation of Clarifier and Replacement of Motor | | |
| Priority | 1 | | |
| Project Description | Improvement/replacement of cathodic protection system, re-coating of steel components as well as the concrete walls and floor and replacement of motor/drive mechanism. | | |
| Justification | Ultrasonic x-ray and materials inspection performed in December 1999 identified that the existing cathodic system required replacement and the steel structural components along with concrete walls and floor required sand/water blasting and re-coating to prolong the service life of the facility, along with replacement of the mechanical drive since it has been in service long past its expected useful life. As a result of recent study in the Asset Management Plan and PPWTP project prioritization review, this project has been upgraded to include the full replacement of the clarifier mechanism rather than just repair of the existing clarifier. It is expected that a new, modern, clarifier mechanism will improve operational performance and reduce coagulant dosing demands. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | Prolongs the facility's service life. | | |
| In Service Date | Month: June | Year: 2011 | |
| Total Project Cost | \$1,600,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$105 | |

Water Rates – Renewal/Replacement

| | | | |
|---|---|--------------|------|
| Program Project | Water Treatment Facilities PPWTP Ultrafiltration Membrane Replacement | | |
| Priority | 2 | | |
| Project Description | Replacement of ultrafiltration membranes. Although the membranes are currently functioning adequately, after several years of operation, membranes reach their useful lives and will need to be replaced at regular intervals. | | |
| Justification | Several mechanisms for membrane fouling exist: absorption, pore blocking, particle deposition, and concentration polarization. As the fouling process continues, the flux through the membranes decreases. To minimize the effects of fouling, the membranes require frequent cleaning and eventually, replacement. As technology improves and/or existing membrane system become obsolete, system upgrades beyond the membranes can be expected, and these upgrades will replace this project in the CIP at that time. | | |
| Responsible Section Operating Impact | WSE Water Supply Engineering Increase operating reliability and effectiveness. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$17,500,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$390 | |

| | | | |
|---|---|--------------|------|
| Program Project | Water Treatment Facilities SCADA Enhancements | | |
| Priority | 2 | | |
| Project Description | Since the completion of Phase I of the SCADA Improvements project (May 2004 completion), there is an ongoing need for reprogramming, installation of additional devices and upgrading of the existing devices to improve the use of the SCADA system to accommodate the changes in the plant and transmission system operation. The SCADA system will also require major software and hardware upgrades about every five years. | | |
| Justification | This project will enable operators to have increased control and monitoring capability of the treatment and transmission facilities using SCADA. The improvements will enhance personnel and equipment safety, and help meet regulations. The improvements will also result in increased efficiency and enable operations to fine tune the treatment and transmission process. | | |
| Responsible Section Operating Impact | WSE Water Supply Engineering Improved control, monitoring and reporting of process equipment through SCADA. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$24,175,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$175 | |

Water Rates – Renewal/Replacement

| | | | |
|----------------------------|---|--------------------------|------|
| Program | Water Treatment Facilities | | |
| Project | Well Pump, Motor and Casing Inspections | | |
| Priority | 2 | | |
| Project Description | Zone 7 currently has seven production wells. This project involves annual inspection of well pumps, motors and casing and related repairs for one well. | | |
| Justification | This project will improve reliability of production wells. | | |
| Responsible Section | OPS | Operations & Maintenance | |
| Operating Impact | Increased operational service life of facilities thereby reducing future capital investments. | | |
| In Service Date | Month: | Year: Ongoing | |
| Total Project Cost | \$390,000 | | |
| Source of Funds | Fund 72 | Water Rates | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$30 | |

| | | | |
|----------------------------|---|-------------------|-----|
| Program | Building & Grounds | | |
| Project | Administrative & Engineering Building - Sinking Fund | | |
| Priority | 1 | | |
| Project Description | A new office building has been constructed for administrative and engineering staff. The new building has a larger Board Room for public meetings. The new building is located closer to the operations (treatment plants), and is more centrally located for employees and Valley residents. The move-in date was February 2005. The cost was based on "Build to Suit" option and includes lease payments. In addition to the scheduled lease payment for the new building, \$696,000 plus interest per year will be contributed to a sinking fund in order to cover the purchase cost of the building after the lease payments have been completed. | | |
| Justification | This sinking fund will cover the cost to purchase the new Administrative & Engineering Building after Zone 7's 15 year lease is completed. | | |
| Responsible Section | ASD Administrative Services Division | | |
| Operating Impact | None. | | |
| In Service Date | Month: | Year: 2018 | |
| Total Project Cost | \$6,495,000 for Water System (55% Water Rates & 45% Connection Fees) | | |
| Source of Funds | Fund 73 | Connection Fees | 35% |
| Fiscal Year 10/11 | Amount (\$1000) | \$369 | |

**FUND 73
CAPITAL EXPANSION PROJECTS
FISCAL YEAR 2010/2011
Summary Table**

| <i>CAPITAL EXPANSION PROJECTS</i> | | | | |
|--|--|----------------------|---------------------|------|
| Job Number | Project Title | Total Project Cost | FY 10/11 Budget | Page |
| BUILDINGS & GROUNDS | | | | |
| 55048 | North Canyons Administrative & Engineering Building Lease | \$7,836,080 | \$391,000 | 105 |
| SUBTOTAL | | \$7,836,080 | \$391,000 | |
| PROGRAM MANAGEMENT | | | | |
| 55050 | Capital Improvement Program Management | \$3,750,000 | \$112,500 | 105 |
| 55010 | Interest on Installment Sale Agreement | \$494,000 | \$494,000 | 106 |
| SUBTOTAL | | \$4,244,000 | \$606,500 | |
| TRANSMISSION AND DISTRIBUTION | | | | |
| 96073 | Transmission System Master Plan | \$1,200,000 | \$25,000 | 106 |
| SUBTOTAL | | \$1,200,000 | \$25,000 | |
| WATER SUPPLY AND CONVEYANCE | | | | |
| 55060 | 2010 Water System Planning | \$195,000 | \$97,500 | 107 |
| 55052 | Bay-Delta Habitat Conservation Program | \$3,968,938 | \$268,044 | 107 |
| 55106 | Cawelo Groundwater Banking Program Debt Service | \$38,614,000 | \$1,293,000 | 108 |
| 57102 | Chain of Lakes Facilities and Improvements | \$43,513,000 | \$325,000 | 108 |
| 96073 | Cope Lake Facilities and Improvements | \$3,190,000 | \$600,000 | 109 |
| 55043 | CUWA Membership | \$2,160,000 | \$60,000 | 109 |
| 55053 | Delta Outreach | \$112,500 | \$35,000 | 110 |
| 51401 | Fixed Cost of Water Entitlement | \$5,680,000 | \$99,000 | 110 |
| 51401 | Fourth Contractor's Share of the SBA | \$89,261,000 | \$3,100,000 | 111 |
| 55003 | High Efficiency Toilet Rebate Program | \$433,500 | \$28,000 | 111 |
| 55303 | High-Efficiency Washing Machine Rebate Program | \$707,500 | \$75,000 | 112 |
| 96073 | Hydrostratigraphic Investigation of Chain of Lakes | \$273,000 | \$252,200 | 112 |
| 51410 | Semitropic Stored Water Recovery Unit | \$1,536,000 | \$48,000 | 113 |
| 55037 | South Bay Improvement and Enlargement Project | \$250,520,000 | \$12,463,000 | 114 |
| 51408 | SWP Peaking Payment (Lost Hills & Bellridge Water Districts) | \$6,936,000 | \$66,000 | 114 |
| 55300 | Water Conservation Best Management Practices | \$1,574,500 | \$25,000 | 115 |
| SUBTOTAL | | \$448,674,938 | \$18,834,744 | |
| WATER TREATMENT FACILITIES | | | | |
| 96073 | Water Quality Management Program | \$1,382,500 | \$23,000 | 115 |
| SUBTOTAL | | \$1,382,500 | \$23,000 | |
| WELLS | | | | |
| 96073 | Well Master Plan Wells - Future Phases | \$60,435,000 | \$316,000 | 116 |
| SUBTOTAL | | \$60,435,000 | \$316,000 | |
| EXPANSION PROJECT TOTAL | | \$523,772,518 | \$20,196,244 | |
| CONTINGENCY | | | | |
| 96173 | Contingency Funds | | \$500,000 | |
| SUBTOTAL | | \$0 | \$500,000 | |
| EXPANSION PROGRAM SUBTOTAL | | \$523,772,518 | \$20,696,244 | |
| EXPANSION SINKING FUNDS | | | | |
| 96073 | Administrative & Engineering Building - Sinking Fund | \$6,495,000 | \$33,619 | 116 |
| 96073 | Fourth Contractor's Share of the SBA - Sinking Fund | \$4,307,200 | \$16,038 | 117 |
| 96073 | South Bay Aqueduct Improvement & Enlargement - Sinking Fund | \$39,926,000 | \$129,897 | 130 |
| SUBTOTAL | | \$50,728,200 | \$179,554 | |
| CAPITAL EXPANSION PROGRAM TOTAL | | \$574,500,718 | \$20,875,798 | |

Connection Fees - Expansion

| | | |
|----------------------------|--|---------------------|
| Program | Building & Grounds | |
| Project | North Canyons Administrative & Engineering Building Lease | |
| Priority | 2 | |
| Project Description | A new office building for administrative and engineering staff was completed in February 2005. The new building has a larger Board Room for public meetings. The new building is located closer to operations (treatment plants), and is more centrally located for employees and Valley residents. The move-in date was February 22, 2005. The total project cost is based on a "Build to Suit" option and includes the 15-year lease payments. | |
| Justification | Engineering, administrative and operations staff were at different locations. This project has brought administrative and engineering staff together and will bring both closer to operations. This project also accommodates future expansion. It will reduce overall agency travel times, improve communications and staff productivity | |
| Responsible Section | ASD Administrative Services Division | |
| Operating Impact | Provides for more efficient and effective operations of administrative and engineering functions. Provides for secure Emergency Operations Center (EOC), as the new building meets strictest building and safety codes. | |
| In Service Date | Month: February | Year: 2020 |
| Total Project Cost | \$14,000,000 for Water System (55% Water Rates & 45% Connection Fees) | |
| Source of Funds | Fund 73 | Connection Fees 45% |
| Fiscal Year 10/11 | Amount (\$1000) | \$391 |

| | | |
|----------------------------|---|---------------------|
| Program | Program Management | |
| Project | Capital Improvement Program Management | |
| Priority | 2 | |
| Project Description | Ongoing program management of the Capital Improvement Plan. | |
| Justification | Provides for better tracking of program management costs. | |
| Responsible Section | WSE Water Supply Engineering | |
| Operating Impact | None | |
| In Service Date | Ongoing | |
| Total Project Cost | \$4,893,000 (20% Water Rates; 45% Connection Fees ;and 5% Stormwater Drainage Fees) | |
| Source of Funds | Fund 73 | Connection Fees 75% |
| Fiscal Year 10/11 | Amount (\$1000) | \$113 |

Connection Fees - Expansion

| | | | |
|----------------------------|--|-------------------|------|
| Program | Program Management | | |
| Project | Interest on Installment Sale Agreement | | |
| Priority | 1 | | |
| Project Description | In January 2008, Zone 7 opened a \$60M Installment Sale Agreement (ISA) with Wells Fargo to provide a supplemental source of funding for the Expansion program. The payment provisions of the ISA have been structured to operate similar to a line of credit. In February 2009, Zone 7 drew \$32M from this ISA. This item includes an estimated unused portion fee of .5% on the unused balance of \$28M and an estimated 1.5% on the used portion of \$32M. | | |
| Justification | The ISA is needed to supplement connection fee revenue, which is the primary source of funding for the Expansion program. | | |
| Responsible Section | ASD Administrative Services Division | | |
| Operating Impact | None | | |
| In Service Date | Month: January | Year: 2014 | |
| Total Project Cost | \$494,000 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$494 | |

| | | | |
|----------------------------|---|----------------------|-----|
| Program | Transmission & Distribution | | |
| Project | Transmission System Master Plan | | |
| Priority | 2 | | |
| Project Description | This program involves a comprehensive effort to define renewal/replacement and improvement projects needed for the transmission system in order to meet existing and future water demands. This program involves an integration of all aspects of transmission system planning, including the Asset Management Program (AMP), corrosion master planning, hydraulic modeling, etc. Comprehensive updates to the Transmission System Master Plan will occur every five-years. | | |
| Justification | Establish transmission system sustainability and increase operational/maintenance efficiencies and ensure that Zone 7 meets its goals and objectives to its retailers for existing and future demands, all in a cost-effective manner. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Increase operational/maintenance efficiency. | | |
| In Service Date | Month: | Year: Ongoing | |
| Total Project Cost | \$4,800,000 (75% Water Rates and 25% Connection Fees) | | |
| Source of Funds | Fund 73 | Connection Fees | 25% |
| Fiscal Year 10/11 | Amount (\$1000) | \$25 | |

Connection Fees - Expansion

| | | |
|----------------------------|---|--|
| Program | Water Supply & Conveyance | |
| Project | 2010 Water System Planning | |
| Priority | 1 | |
| Project Description | The 2010 Water System Planning project includes water supply and water facilities planning to meet projected build out demands. The first task will be to evaluate the existing system capability to meet existing polices and other existing criteria. The second task will be to identify potential supplies and policies. The third task will be to develop portfolios and policies for screening and analysis. The fourth task will include detailed analysis, comparison of the select porfolios and recomendations. | |
| Justification | The last major Zone 7 water supply and facilities planning effort was completed in 2000. A lot has changed since then, such as State Water Project reliability and demand projections. The goal of this effort is to perform analysis of the existing water suppllies and facilities, indentify, analyze and recommend alternatives. | |
| Responsible Section | WSE Water Supply Engineering | |
| Operating Impact | Improved system reliability. | |
| In Service Date | Month: December Year: 2010 | |
| Total Project Cost | \$300,000 (35% Water Rates and 65% Connection Fees) | |
| Source of Funds | Fund 73 | Connection Fees 65% |
| Fiscal Year 10/11 | Amount (\$1000) | \$98 |

| | | |
|----------------------------|--|--|
| Program | Water Supply & Conveyance | |
| Project | Bay-Delta Conservation Plan | |
| Priority | 2 | |
| Project Description | Zone 7's proportional share of expenditures in support of the development of the Bay Delta Conservation Plan. | |
| Justification | Develops a long-term plan for the Delta that ensures water supply reliability in the future through continued use of the Delta as a conveyance system for water imported from the Sierra Nevada. The Delta as a conveyance is threatened by fragile levees, siesmic risk, climate change and environmental regulatory uncertainties. | |
| Responsible Section | OGM Office of the General Manager | |
| Operating Impact | Improved reliability. | |
| In Service Date | Ongoing | |
| Total Project Cost | \$15,875,750 (75% Water Rates and 25% Connection Fees) | |
| Source of Funds | Fund 73 | Connection Fees 25% |
| Fiscal Year 10/11 | Amount (\$1000) | \$268 |

Connection Fees - Expansion

| | |
|---|--|
| Project Priority Project Description | Cawelo Groundwater Banking Program Debt Service 1 The purpose of this project is to help maintain the Water Supply Reliability Policy of meeting 100% of the treated water demands at all times. Current drought protection measures (water purchases/Semitopic storage) provide 100% water reliability until the year 2013. This groundwater banking program with the Cawelo Water District (a member unit of the Kern County Water Agency with a SWP water supply) will include a wellfield that would ensure an anticipated recovery of up to 15,000 - 20,000 afa in a dry year, and a total Zone 7 storage of up to 120,000 acre-feet. The total cost of the program is \$23 million, with Zone 7's share being \$19 million. Cawelo will finance this program. The debt service would be over a 30-year period at a 5% interest. |
| Justification | Increase reliability by providing additional water supplies during drought years. |
| Responsible Section Operating Impact | WSE Water Supply Engineering Increased operational reliability. |
| In Service Date | Month: June Year: 2034 |
| Total Project Cost | \$38,614,000 |
| Source of Funds | Fund 73 Connection Fees 100% |
| Fiscal Year 10/11 | Amount (\$1000) \$1,293 |

| | |
|---|---|
| Project Priority Project Description | Chain of Lakes Facilities and Improvements 2 This project consists of the development, design, and implementation of improvements and facilities at the various lakes for the purposes of water storage and groundwater recharge. It includes improvements such as fences, access roads, slope grading and landscaping. It also includes inspections and the construction of recharge monitoring pizometers and installation of equipment such as flow meters, water level meters, and controls. Planning, design, and implementation of specific projects will be broken out of this "parent" budget; however, studies and improvements necessary for specific uses (i.e., flood detention or recycled water storage) at Cope Lake shall be funded from a separate project. |
| Justification | Zone 7 took possession of Lake I and Cope Lake in 2003 and awaits the transfer of Lake H. Additional lakes will become available to us in the future and the need/scope of improvements and facilities will have to be accessed. These lakes are integral components of Zone 7's future water storage and groundwater recharge operations as identified in the Water Supply Planning Study (February 1999). The plans and improvements provided by this project are necessary for the operation and maintenance of these important facilities. |
| Responsible Section Operating Impact | GP Groundwater Protection Increase of water supply reliability. Increased O&M costs |
| In Service Date | Month: December Year: 2030 |
| Total Project Cost | \$43,513,000 |
| Source of Funds | Fund 73 Connection Fees 100% |
| Fiscal Year 10/11 | Amount (\$1000) \$325 |

Connection Fees - Expansion

| | | | |
|----------------------------|---|-----------------|------|
| Program | Water Supply & Conveyance | | |
| Project | Cope Lake Facilities and Improvements | | |
| Priority | 2 | | |
| Project Description | <p>This project provides for the development, design, and implementation of various improvements at Cope Lake, which are to be accomplished in a “phased-in” approach. Near-term, it provides for the laying back of over-steepened slopes, drainage improvements, and minor road grading, particularly along the eastern side of the lake to prevent total loss of the eastern bench. Phase 2 includes additional slope stabilization and wave-erosion measures, and maintenance road improvements necessary to maintain the integrity of the lakes shoreline during future water management operations.</p> | | |
| Justification | <p>Zone 7 accepted Cope Lake from Hanson Aggregates in 2003 in an “as is” condition, and without a warranty. During the years that followed: ground cracking and ‘piping’ have developed along the eastern margins of the property; portions of the concrete rubble placed by Hanson to prevent wave-erosion has slide into the lake; and the access road along the eastern bench has become impassable due to mass wasting from the slopes above. Without repair and certain drainage improvements, the bench on which the access road is located will likely slide into the lake and may become un-repairable for use as a base for an access road (Miller Pacific Engineers Group, 2009). In the future, when Cope Lake water levels are “operated” for flood control and/or water supply as currently planned, the lake margins will require additional improvements so their integrity</p> | | |
| Responsible Section | GP Groundwater Protection | | |
| Operating Impact | Protection of asset, and reduction of future facility maintenance and repairs. Potential increase of water supply and flood control reliability. | | |
| In Service Date | Month: June Year: 2014 | | |
| Total Project Cost | \$3,190,000 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$600 | |

| | | | |
|----------------------------|---|-----------------|------|
| Program | Water Supply & Conveyance | | |
| Project | CUWA Membership | | |
| Priority | 1 | | |
| Project Description | <p>This expenditure is for the California Urban Water Agencies (CUWA) annual membership dues (\$60,000/year) and various Zone 7 staff members will participate with four standing CUWA committees: 1. Technical Advisory & Oversight, 2. Water Quality, 3. Water Conservation, and 4. Planning.</p> | | |
| Justification | <p>CUWA membership and technical studies will complement on-going Delta studies, which are intended to maintain and improve Delta water quality and reliability, even as Delta exports increase.</p> | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Increased reliability and water quality. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | 2,1600,00 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$60 | |

Connection Fees - Expansion

| | | | |
|----------------------------|---|-------------------------------|-----|
| Program | Water Supply & Conveyance | | |
| Project | Delta Outreach Program | | |
| Priority | 1 | | |
| Project Description | Public outreach campaign to educate Bay Area residents and leaders of the region's reliance on the Delta for water supply reliability and water quality. | | |
| Justification | Develops local and regional San Francisco Bay Area support for Delta improvements to meet the challenges of the Delta as a conveyance system to import water from Nevada Sierra. The system is threatened by fragile levees, seismic risk, climate change and environmental regulatory uncertainty. | | |
| Responsible Section | OGM | Office of the General Manager | |
| Operating Impact | Improved reliability | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$450,000 (75% Water Rates and 25% Connection Fees) | | |
| Source of Funds | Fund 73 | Connection Fees | 25% |
| Fiscal Year 10/11 | Amount (\$1000) | \$35 | |

| | | | |
|----------------------------|---|--------------------------|------|
| Project | Fixed Cost of Water Entitlement | | |
| Priority | 1 | | |
| Project Description | Pay a portion of the fixed cost for purchase of 24,619 acre-feet of additional SWP entitlements, purchased via Amendments 19, 20, 21, 23, and 25 to Zone 7's SWP water supply contract. | | |
| Justification | These purchases were required to meet Zone7's long-term water supply needs, and thus allow Zone 7 to continue to meet its treated and untreated water customer demands. Expansion will pay declining amount over a ten-year period of the fixed SWP costs associated with water acquisitions that have not been used. | | |
| Responsible Section | WSE | Water Supply Engineering | |
| Operating Impact | Increased operation and maintenance. | | |
| In Service Date | Month: June | Year: 2013 | |
| Total Project Cost | \$5,680,000 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$99 | |

Connection Fees - Expansion

| | | | |
|----------------------------|---|-----------------|------|
| Program | Water Supply & Conveyance | | |
| Project | Fourth Contractor's Share of the SBA | | |
| Priority | 1 | | |
| Project Description | Zone 7 contracted to purchase 22,000 AFA of previously-unallocated capacity in the South Bay Aqueduct under Amendments 19 and 20 to its water supply contract with DWR. The annual cost is \$2,690,000, of which 73% will be funded by Property Taxes and the remaining 27% will be funded by Dougherty Valley through Connection Fees. | | |
| Justification | Purchase of this unallocated share of the SBA was to allow Zone 7 to meet the water supply and peaking needs of new customers. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | The purchases were required to meet Zone 7's long-term water supply needs, and thus allow Zone 7 to continue to meet its treated and untreated water customer demands. | | |
| In Service Date | Month: June Year: 2035 | | |
| Total Project Cost | \$89,261,000 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$3,100 | |

| | | | |
|----------------------------|--|-----------------|-----|
| Program | Water Supply & Conveyance | | |
| Project | High Efficiency Toilet Rebate Program | | |
| Priority | 1 | | |
| Project Description | This program encourages the replacement of existing high-water-using toilets with high-efficiency toilets (HET) that use 1.28 gallons or less per flush in residential dwelling by offering homeowners a \$150 rebate for installation of a HET. | | |
| Justification | This program replaces existing high-water-using toilets with HETs. The estimated water savings from an HET is on the order of 48 gallons/day. | | |
| | The toilet rebate program is a water conservation BMP that Zone 7 implements in conjunction with its retailing water agencies. | | |
| Responsible Section | OGM Office of the General Manager | | |
| Operating Impact | Decreased potable water demands. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$1,929,000 (75% Water Rates and 25% Connection Fees) | | |
| Source of Funds | Fund 73 | Connection Fees | 25% |
| Fiscal Year 10/11 | Amount (\$1000) | \$28 | |

Connection Fees - Expansion

| | | | |
|----------------------------|--|-----------------|-----|
| Program | Water Supply & Conveyance | | |
| Project | High-Efficiency Washing Machine Rebate Program | | |
| Priority | 1 | | |
| Project Description | This program encourages the purchase and installation of high-efficiency washing machines by offering buyers from \$75 to \$200 rebates. New regulations will require all washers to be energy-efficient. | | |
| Justification | Studies show that approximately 20% of a household's water is used by washing machines. High-efficiency washing machines use about 40% less water per load. This could lead to an annual water savings of approximately 5,100 gallons per machine. | | |
| Responsible Section | OGM Office of the General Manager | | |
| Operating Impact | Decreased potable water demands. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$1,251,000 (75% Water Rates and 25% Connection Fees) | | |
| Source of Funds | Fund 73 | Connection Fees | 25% |
| Fiscal Year 10/11 | Amount (\$1000) | \$75 | |

| | | | |
|----------------------------|--|-----------------|--|
| Program | Water Supply and Conveyance | | |
| Project | Hydrostratigraphic Investigation of COL - Local Groundwater Assistance Grant | | |
| Priority | 2 | | |
| Project Description | This project provides installation of one exploratory borehole, borehole logging, and installation of nested monitoring wells west of future Lakes C and D to investigate whether these quarry pits could function as groundwater recharge basins when they are conveyed to Zone 7. Hydrostratigraphic cross-sections will be prepared and various aquifer pumping tests will be performed to verify connectivity of hydrostratigraphic units intersected by the quarry pit and wells. | | |
| Justification | This project was accepted by DWR for a Local Groundwater Assistance (LGA) grant funded by Proposition 84. The results of this investigation will be used to evaluate the viability of using future Lakes C and D to percolate surface water and recharge aquifers tapped by down-gradient municipal supply wells. This information is needed for planning of future COL facilities and operations. | | |
| Responsible Section | GPP Groundwater Protection and Projects | | |
| Operating Impact | Will likely have bearing on future groundwater recharge operations. | | |
| In Service Date | Month: May Year: 2011 | | |
| Total Project Cost | \$273,000 | | |
| Source of Funds | Fund 73 | Connection Fees | \$250K to be reimbursed by a DWR LGA Grant |
| Fiscal Year 10/11 | Amount (\$1000) | \$252 | |

Connection Fees - Expansion

| | | |
|----------------------------|--|----------------------|
| Program | Water Supply & Conveyance | |
| Project | Semitropic Stored Water Recovery Unit | |
| Priority | 1 | |
| Project Description | <p>Staffs of the Semitropic Water Storage District and Zone 7 have finalized the amendment to the Semitropic Banking Program agreement that will provide for additional recovery capacity. On February 18, 2004, the Zone 7 Board approved Zone 7's participation in its proportional share (6.5%) of the Stored Water Recovery Unit (SWRU) project. Under the proposed amendment, Zone 7's minimum recovery capacity will increase by 3,250 acre-feet/year (from 5,850 afy to 9,100 afy). This will reduce our dry-year shortfall at build-out to about 2,000 acre-feet.</p> <p>Zone 7's cost share of the SWRU project will be about \$1.04 million. The total cost of the SWRU project consists of about \$10.5 million for a 120-inch pipeline from Semitropic to the California Aqueduct and about \$5.5 million for new wells and conveyance enhancements to the Semitropic water system. The \$10.5 million pipeline portion of the SWRU project will be financed by 30-year bonds (5.266% bond sale interest rate), which debt service will be passed on to Zone 7 as annual payments.</p> | |
| Justification | Increase reliability by providing additional water supplies during drought years. | |
| Responsible Section | WSE Water Supply Engineering | |
| Operating Impact | Increased operational reliability. | |
| In Service Date | Month: April Year: 2033 | |
| Total Project Cost | \$1,536,000 (48,000 Per Year) | |
| Source of Funds | Fund 73 | Connection Fees 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$48 |

Connection Fees - Expansion

| | | | |
|----------------------------|--|-----------------|------|
| Program | Water Supply & Conveyance | | |
| Project | South Bay Aqueduct Improvement & Enlargement Project | | |
| Priority | 1 | | |
| Project Description | <p>SBA improvements by the California Department of Water Resources (DWR) that will convey for Zone 7 an additional 130 cubic feet per second (cfs) through Reach 1 and 80 cfs through Reaches 2 through 4. Improvements include an expanded South Bay Pumping Plant, third (parallel) Brushy Creek Pipeline, raised linings on open channel sections, replacement of 54-inch pipe under I-580 with 78-inch pipe (completed 3/02), application of hydraulically smoother elastomeric polyurethane lining on the Altamont Pipeline (completed 3/02), enlarged Patterson Reservoir, and new 425 acre-foot raw water reservoir (Dyer Reservoir) located near Dyer Road and future Altamont Water Treatment Plant. Note that Amendment No. 24 of Zone 7's water supply contract with DWR allows for debt financing of the SBA Improvement & Enlargement Project by DWR. Annual repayment by Zone 7 is expected to begin in 2006 and end in 2036. To ensure there is adequate funding available to repay debt after buildout occurs (2025), a sinking fund has been established. This sinking fund will fund the remainder of the debt from 2026 to 2036. The costs shown reflect the actual repayment of the debt plus interest.</p> | | |
| Justification | As identified in the 1999 Water Supply Master Plan and 2001 Water Conveyance Study, provides for long-term Zone 7 raw water conveyance capacity through planned service-area build-out. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Provides for enhanced long-term water supply, reliability and flexibility. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$250,520,000 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$12,463 | |

| | | | |
|----------------------------|---|-----------------|------|
| Program | Water Supply & Conveyance | | |
| Project | SWP Peaking Payment (Lost Hills & Belridge Water Districts) | | |
| Priority | 1 | | |
| Project Description | <p>Zone 7 agreed to pay Lost Hills & Belridge Water Districts the extra SWP peaking payment when we acquired their SWP Table A amounts based on DWR billings to Kern County Water Agency (and to thus these 2 member agencies) Annual peaking commitment is approximately \$265,000).</p> | | |
| Justification | Reliability of water supply. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | Extra peaking allows Zone 7 to deliver or store additional water when available in the SWP system. | | |
| In Service Date | Month: June Year: 2035 | | |
| Total Project Cost | \$6,936,000 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$66 | |

Connection Fees - Expansion

| | | | |
|----------------------------|--|-----------------|-----|
| Program | Water Supply & Conveyance | | |
| Project | Water Conservation Best Management Practices | | |
| Priority | 1 | | |
| Project Description | This program includes financial & technical support for our retailers' conservation efforts; support & incentives to improve large landscape water efficiency; and public information & school education programs promoting water conservation. | | |
| Justification | Reduce long-term water demands by promoting Best Management Practices (BMPs) that encourage wise and efficient use of water. Zone 7 studies show that per capita water use in our service area is declining, thus illustrating the effectiveness of our program. | | |
| Responsible Section | EPA Environmental and Public Affairs | | |
| Operating Impact | Decreased potable water demands and increase system reliability. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$4,300,000 (75% Water Rates and 25% Connection Fees) | | |
| Source of Funds | Fund 73 | Connection Fees | 25% |
| Fiscal Year 10/11 | Amount (\$1000) | \$25 | |

| | | | |
|----------------------------|---|-----------------|-----|
| Program | Water Treatment Facilities | | |
| Project | Water Quality Management Program | | |
| Priority | 1 | | |
| Project Description | A comprehensive water quality management program and implementation plan (Water Quality Management Plan) was completed in April 2003. This plan addresses water quality concerns of customers and community. It has lead to the Board adoption of policies that address specific water quality goals and objectives that meet internal (Zone 7) and customer and end user needs. This ongoing program will be one component of Zone 7's overall master planning process. It will help guide both our water system operations and our Capital Improvement Program (CIP) over the next 20 years. It is expected that a comprehensive plan update will be developed every two years. | | |
| Justification | Will assist the Zone 7 Board of Directors in determining policies to effectively manage treated and untreated water quality issues. Will provide guidance to Zone 7's water operations, help establish capital facilities needs and design guidelines, and incorporate a funding strategy. | | |
| Responsible Section | WQ Water Quality | | |
| Operating Impact | Will provide clear operational guidelines. Potential additional treatment and blending facilities to operate. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$6,298,000 (75% Water Rates; 25% Connection Fees) | | |
| Source of Funds | Fund 73 | Connection Fees | 25% |
| Fiscal Year 10/11 | Amount (\$1000) | \$23 | |

Connection Fees - Expansion

| | | | |
|----------------------------|---|-----------------|------|
| Program | Wells | | |
| Project | Well Master Plan Wells, Future Phases | | |
| Priority | 2 | | |
| Project Description | This project involves planning for the construction of four new municipal water supply wells in the wellfield to meet Zone 7's M&I drought reliability goal through build-out. | | |
| Justification | This project is required to maintain sufficient Zone 7 well capacity for Zone 7 to meet 100% of its M&I customers' projected future needs, even during worse-case drought conditions, as established in Zone 7 Resolution 02-2382. As additional benefits, these wells will provide Zone 7 with better abilities to manage groundwater levels, groundwater flow, dissolved salt build-up/removal, delivered water quality blending, and peak-day demands. | | |
| Responsible Section | WSE/GP Water Supply Engineering/Groundwater Protection | | |
| Operating Impact | Increased cost associated with additional maintenance, power and chemicals estimated at \$80,000/year. | | |
| In Service Date | Month: June Year: 2020 | | |
| Total Project Cost | \$60,435,000 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$316 | |

| | | | |
|----------------------------|---|-----------------|-----|
| Program | Building & Grounds | | |
| Project | Administrative & Engineering Building - Sinking Fund (Interest Only) | | |
| Priority | 1 | | |
| Project Description | A new office building has been constructed for administrative and engineering staff. The new building has a larger Board Room for public meetings. The new building is located closer to the operations (treatment plants), and is more centrally located for employees and Valley residents. The move-in date was February 2005. The cost was based on "Build to Suit" option and includes lease payments. In addition to the scheduled lease payment for the new building, \$696,000 plus interest per year will be contributed to a sinking fund in order to cover the purchase cost of the building after the lease payments have been completed. | | |
| Justification | This sinking fund will cover the cost to purchase the new Administrative & Engineering Building after Zone 7's 15 year lease is completed. | | |
| Responsible Section | ASD Administrative Services Division | | |
| Operating Impact | None. | | |
| In Service Date | Month: Year: 2018 | | |
| Total Project Cost | \$6,495,000 for Water System (55% Water Rates & 45% Connection Fees) | | |
| Source of Funds | Fund 73 | Connection Fees | 35% |
| Fiscal Year 10/11 | Amount (\$1000) | \$34 | |

Connection Fees - Expansion

| | | | |
|----------------------------|---|-------------------|------|
| Program | Water Supply & Conveyance | | |
| Project | Future Contractor's Share of the SBA - Sinking Fund (Interest Only) | | |
| Priority | 1 | | |
| Project Description | Zone 7 contracted to purchase 22,000 afa of previously-unallocated capacity in the South Bay Aqueduct under Amendments 19 and 20 to its contract with the Department of Water Resources. In addition to the schedule payment for the 22,000 afa, Zone 7 contributes \$196,000 plus interest per year into a sinking fund (beginning FY 2004/05) until FY 2024/25, in order to cover contractual costs from the year 2026 to 2035. The annual contributions to the sinking fund will be funded by Connection Fees. | | |
| Justification | This sinking fund is to cover contractual costs from the year 2026 to 2035. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | None. | | |
| In Service Date | Month: | Year: 2024 | |
| Total Project Cost | \$4,307,200 (\$196,000 plus interest per year) | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$16 | |

| | | | |
|----------------------------|---|-------------------|------|
| Program | Water Supply & Conveyance | | |
| Project | South Bay Aqueduct Improvement & Enlargement Project - Sinking Fund (Interest only) | | |
| Priority | 1 | | |
| Project Description | Zone 7 contracted to purchase 22,000 afa of previously-unallocated capacity in the South Bay Aqueduct under Amendments 19 and 20 to its contract with the Department of Water Resources. In addition to the schedule payment for the 22,000 afa, Zone 7 contributes \$196,000 plus interest per year into a sinking fund (beginning FY 2004/05) until FY 2024/25, in order to cover contractual costs from the year 2026 to 2035. The annual contributions to the sinking fund will be funded by Connection Fees. | | |
| Justification | Note that Amendment No. 24 of Zone 7's water supply contract with DWR allows for debt financing of the SBA Improvement & Enlargement Project by DWR. Annual repayment by Zone 7 is expected to begin in 2006 and end in 2036. To ensure there is adequate funding available to repay debt after buildout occurs (2025), a sinking fund has been established. This sinking fund will fund the remainder of the debt from 2026 to 2036. The costs shown reflect the actual repayment of the debt plus interest. Note the sinking fund cost is separate from the SBA Improvement & Enlargement Project cost. | | |
| Responsible Section | WSE Water Supply Engineering | | |
| Operating Impact | None | | |
| In Service Date | Month: | Year: 2024 | |
| Total Project Cost | \$39,926,000 | | |
| Source of Funds | Fund 73 | Connection Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1000) | \$130 | |

FUND 76
FLOOD PROTECTION AND STORMWATER DRAINAGE FUND
FISCAL YEAR 2010/2011
Summary Table

| <i>FLOOD PROTECTION AND STORM WATER DRAINAGE PROJECTS</i> | | | | |
|---|---|--------------------|--------------------|------|
| Job Number | Project Title | Total Project Cost | FY 10/11 Budget | Page |
| BUILDINGS & GROUNDS | | | | |
| 61154 | North Canyons Administrative & Engineering Building Lease | \$1,647,193 | \$111,000 | 119 |
| | SUBTOTAL | \$1,647,193 | \$111,000 | |
| FLOOD CONTROL FACILITIES | | | | |
| 96076 | Arroyo de la Laguna Improvements | \$1,325,000 | \$1,325,000 | 119 |
| 96076 | Channel Restoration (R1-7 & R8-3) | \$412,500 | \$412,500 | 120 |
| 61557 | Flows Studies – Steelhead Restoration | \$237,000 | \$25,000 | 120 |
| 96076 | Stream Gaging/Sediment | \$162,500 | \$162,500 | 121 |
| | SUBTOTAL | \$2,137,000 | \$1,925,000 | |
| PROGRAM MANAGEMENT | | | | |
| 61156 | Capital Improvement Program Management | \$250,000 | \$7,500 | 121 |
| 96076 | Development Impact Fee Program Update | \$1,475,000 | \$1,475,000 | 122 |
| 61000 | Flood Protection General Administration | \$100,000 | \$100,000 | 122 |
| 61145 | SMMP/STREAMWISE | \$350,000 | \$350,000 | 123 |
| | SUBTOTAL | \$2,175,000 | \$1,932,500 | |
| TOTAL CAPITAL PROJECTS | | \$5,959,193 | \$3,968,500 | |
| CONSULTING & OTHER COSTS | | | | |
| 96076 | Consulting & Other Costs | | \$125,000 | |
| | SUBTOTAL | \$0 | \$125,000 | |
| FUND 76 SUBTOTAL | | \$5,959,193 | \$4,093,500 | |
| SINKING FUNDS | | | | |
| 96076 | Administrative & Engineering Building - Sinking Fund | \$1,112,391 | \$81,950 | 123 |
| | SUBTOTAL | \$1,112,391 | \$81,950 | |
| FUND 76 TOTAL | | \$7,071,584 | \$4,175,450 | |

Fund 76 – Flood Protection and Stormwater Drainage Fund

| | | | |
|----------------------------|---|--|-----|
| Program | Building & Grounds | | |
| Project | North Canyons Administrative & Engineering Building Lease | | |
| Priority | 2 | | |
| Project Description | A new office building for administrative and engineering staff was completed in February 2005. The new building has a larger Board Room for public meetings, is located closer to operations (treatment plants), and is more centrally located for employees and Valley residents. The move-in date was February 22, 2005. The total project cost is based on a "Build to Suit" option and includes the 15-year lease payments. | | |
| Justification | Engineering, administrative and operations staff were at different locations. This project has brought administrative and engineering staff together and will bring both closer to operations. This project also accommodates future expansion. It will reduce overall agency travel times, improve communications and staff productivity | | |
| Responsible Section | ASD | Administrative Services Division | |
| Operating Impact | Provides for more efficient and effective operations of administrative and engineering functions. Provides for secure Emergency Operations Center (EOC), as the new building will meet strictest building and safety codes. | | |
| In Service Date | Month February | Year 2020 | |
| Total Project Cost | \$1,647,193 | | |
| Source of Funds | Fund 76 | Flood Protection and Storm Water Drainage Fees | 10% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$111 | |

| | | | |
|----------------------------|---|---|------|
| Program | Flood Protection Facilities | | |
| Project | Arroyo de la Laguna Improvements | | |
| Priority | 1 | | |
| Project Description | Further evaluation of projects identified Zone 7's Stream Management Master Plan (SMMP) have been undertaken to identify potential project sites along the arroyo and suggest options for addressing the challenges of this dynamic stream system. As a part of continued evaluation, discussions with land owners, additional data collection, and project level surveys and studies, including environmental reviews, need to be carried out to provide more detailed information for the purposes of evaluating design parameters and construction options. This project is to evaluate and address the deficiencies of Arroyo de la Laguna downstream of Bernal Avenue. It also includes providing habitat enhancements to abate environmental impacts and bank stabilization to limit erosion. | | |
| Justification | The improvement of Arroyo de la Laguna facility system is needed to adequately handle the anticipated flows from a fully developed watershed and improve the drainage conveyance system. Currently, there is inadequate funding for the improvement of Arroyo de la Laguna. Partnering with local landowners, non-profits, creek organizations, and State and Federal agencies are being examined to find creative solutions to address the deficiencies of the Arroyo de la Laguna. Zone 7 is also exploring grant opportunities jointly and separately to fund portions of the anticipated projects identified through this effort. | | |
| Responsible Section | FCE | Flood Control Engineering | |
| Operating Impact | Potentially increases flood control facilities and may increase on-going maintenance costs. | | |
| In Service Date | Month June | Year 2014 | |
| Total Project Cost | \$1,325,000 | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$1,325 | |

Fund 76 – Flood Protection and Stormwater Drainage Fund

| | | | |
|----------------------------|--|---|------|
| Program | Flood Protection Facilities | | |
| Project | Channel Restoration (R1-7 & R8-3) | | |
| Priority | 1 | | |
| Project Description | <p>Projects R.1-7 (Arroyo Las Positas near N. Vasco Rd) and R.8-3 (Lower Arroyo Mocho) were identified in the Stream Management Master Plan (SMMP) as having certain deficiencies. Each of these locations has the potential to provide enhanced riparian corridors in addition to addressing channel deficiencies. The scope and scale of the project will depend on which, if either, of these locations warrants restoration during the fiscal year. Outside factors may govern which project moves forward, if at all during the funding forecast of this CIP. Project R.1-7: Project site R1-7 is a remnant parcel along the Arroyo Las Positas and is currently owned by the road department of Alameda County. Zone 7 has been notified that the road department desires to deed the subject property to Zone 7 during fiscal year 2010-2011. In anticipation of this action, a potential project proposal is being prepared to address the channel deficiencies and explore restoration options. Project R.8-3: Project site R.8-3 is wholly owned by Zone 7 in fee and contains the confluence of the Arroyo Mocho and Arroyo de la Laguna. This reach could potentially be recontoured to provide additional capacity and an enhanced riparian corridor. Zone 7 is exploring grant opportunities and other funding options for this reach.</p> | | |
| Justification | <p>Zone 7 has been notified by Alameda County that the area identified in the SMMP as R.1-7 is available for transfer of fee title to Zone 7 from the road department, but would be unimproved. The reaches of the Arroyo Las Positas immediately up and down stream from this site have been previously improved, so this parcel would be an undersized remnant and a bottle-neck in the system.</p> <p>In late 2009, Zone 7 was approached by Caltrans and the Urban Creeks Council about the potential to create a restoration site at project location R.8-3. Caltrans has needs for mitigation site throughout the upper Alameda Creek watershed and is considering several sites. Further evaluation regarding channel configuration, capacity changes, riparian and recreational enhancements still need to be evaluated.</p> | | |
| Responsible Section | FCE | Flood Control Engineering | |
| In Service Date | Month | Year | |
| Total Project Cost | | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$413 | |

| | | | |
|----------------------------|--|---|------|
| Program | Flood Protection Facilities | | |
| Project | Flows Studies – Steelhead Restoration | | |
| Priority | 1 | | |
| Project Description | <p>A Memorandum of Understanding (MOU) was approved by the 17 members of the Alameda Creek Fisheries Restoration Workgroup (Workgroup), and signed by Zone 7, in 2006. The recommendations from the Workgroup's efforts will provide the participants with a common basis for determining appropriate impact mitigation for projects such as our future SMMP projects, and also could spur opportunities for partnering on mitigation projects. Amendment no 1 to the current MOU was executed to provide additional work in conjunction with NMFS to assist in the preparation of their Steelhead Recovery Plan</p> | | |
| Justification | <p>The primary benefit of this collaborative fisheries restoration framework for participating agencies is regulatory assurance and protection from potentially violating provisions of the Endangered Species Act in the course of operations and maintenance in the watershed.</p> | | |
| Responsible Section | OGM | Office of the General Manager | |
| In Service Date | Month June | Year | 2010 |
| Total Project Cost | 237,000 | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$25 | |

Fund 76 – Flood Protection and Stormwater Drainage Fund

| | | | |
|---|--|---|------------------|
| Program Project Priority | Flood Protection Facilities Stream Gaging/Sediment | | |
| Project Description | To develop a District-wide stream gaging program and sediment transport model program for the streams in the Zone 7 service area. | | |
| Justification | As a part of the Development Impact Fee Program update, staff will be updating technical studies/modeling in the areas of hydrology, hydraulic, geomorphology, sediment transport, and an environmental assessment. Additional stream gage data would enhance the accuracy of the existing hydrology model and the projected statistical model for the build-out condition. A sediment transport model would work in a similar manner. | | |
| Responsible Section | FCE | Flood Control Engineering | |
| In Service Date | Month | June | Year 2010 |
| Total Project Cost | \$163,000 | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$163 | |

| | | | |
|---|--|---|----|
| Program Project Priority | Program Management Capital Improvement Program Management 2 | | |
| Project Description | Ongoing program management of the Capital Improvement Plan. | | |
| Justification | Provides for better tracking of program management costs. | | |
| Responsible Section Operating Impact | WSE | Water Supply Engineering | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$7,676,000 (20% - Fund 72; 75% - Fund 73; and 5% - Fund 76) | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 5% |
| Fiscal Year 10/11 | Amount (\$1000) | \$7.5 | |

Fund 76 – Flood Protection and Stormwater Drainage Fund

| | | | |
|---|--|---|------------------|
| Program Project Priority | Program Management Development Impact Fee Program Update | | |
| Project Description | To update the nexus study in re-evaluating the fair proportion of the SMMP costs attribute to future development | | |
| Justification | Stream Management Master Plan (SMMP) was approved in August 2006. A new Ordinance was required to reference the new plan. Consequently, Development Impact Fee (DIF) program was adopted in February 2009. At the time of adoption, in light of the severe economic downturn, Zone 7 Board agreed to a five-year phasing schedule on the fee, along with beginning a collaborative re-evaluation and update of the SMMP costs with the three cities in early 2012. Projects proposed in the SMMP would need to be reassessed. In order to complete the program re-evaluation effort by 2012, staff will need to begin updating technical studies/modeling in the areas of hydrology, hydraulic, geomorphology, sediment transport, environmental assessment. | | |
| Responsible Section | FCE | Flood Control Engineering | |
| In Service Date | Month | June | Year 2010 |
| Total Project Cost | \$1,475,000 | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 70% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$1,475 | |

| | | | |
|---|--|--|------|
| Program Project Priority | Program Management Flood Protection General Administration 1 | | |
| Project Description | This program provides for the management and administration of the Special Drainage Area 7-1 program. The SDA 7-1 program is funded through the collection of drainage fees, which are used to provide new flood control facilities, management of the program and developer reimbursement. This program monitors the fees collected, organizes the receipts, keeps track of exemption credits, records payment for possible future reference, and responds to general program questions. | | |
| Justification | This program was established in 1966 to improve streams/arroyos within Zone 7's service area to Flood Control standards. Funding for the channel improvements and right-of-way acquisition was established originally through Alameda County Flood Control and Water Conservation District's Ordinance 53, and later, Ordinance 0-2002-24. Ordinance 0-2002-24 prescribes the collection of SDA 7-1 Drainage Fees assessed to new and re-developments for the creation of new impervious areas. Fees are collected by the local city agencies for Zone 7 at the time of filing for final map or issuance of building permit. Fees collected are split and deposited into two funds, Fund 71 for SDA 7-1 Program Operations, and Fund 90 for Developer Reimbursement. | | |
| Responsible Section Operating Impact | FCE | Flood Control Engineering Review of proposed new policies and guidelines. | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$100,000 annually | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 100% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$100 | |

Fund 76 – Flood Protection and Stormwater Drainage Fund

| | | | |
|----------------------------|--|---|-----|
| Program | Program Management | | |
| Project | SMMP/StreamWISE | | |
| Priority | 1 | | |
| Project Description | <p>After adoption in August 2006 of the Stream Management Master Plan (SMMP) and Master Environmental Impact Report (MEIR), Zone 7 embarked on the planning phase for implementation of the proposed projects identified in the SMMP. A comprehensive action and implementation plan, called the StreamWISE (Waterway Improvements Supporting the Environment) is currently being developed to prioritize and sequence capital improvements, identify a financial strategy, and establish maintenance plans for the new Program, which will implement the SMMP. The StreamWISE implementation plan process is incorporating direct involvement from key stakeholder groups to ensure that Zone 7 meets the needs of its constituents and partners. Through this process a five-year and ten-year outlook for the CIP will be created by prioritizing and sequencing the SMMP projects.</p> | | |
| Justification | <p>Zone 7 is responsible for providing flood control protection within its service boundary. The 1966 Master Plan does not provide the necessary structure with respects to policy (guidance) and financing to accomplish this mission. Zone 7 also realizes that traditional engineering strategies are not sufficient or appropriate to use as a basis for this Master Plan update. Rather, Zone 7 must take into consideration the relevant state and federal environmental goals regarding endangered species and natural preservation of these streams that have been established over the past 36 years. Therefore, Zone 7 intends to refine and implement a strategy that is based on primarily addressing these environmental goals within a context of meeting its flood control responsibilities.</p> | | |
| Responsible Section | FCE Flood Control Engineering | | |
| Operating Impact | Increased O/M cost to be determined. | | |
| In Service Date | Ongoing | | |
| Total Project Cost | \$8,250,000 (70% Fund 76 and 30% Fund 50) | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 70% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$350 | |

| | | | |
|----------------------------|---|---|------|
| Project | Administrative & Engineering Building – Sinking Fund | | |
| Program | Building & Grounds | | |
| Priority | 1 | | |
| Project Description | <p>A new office building for administrative and engineering staff was completed in February 2005. The new building has a larger Board Room for public meetings, is located closer to operations (treatment plants), and is more centrally located for employees and Valley residents. The move-in date was February 2005. The cost was based on "Build to Suit" option and includes lease payments. In addition to the scheduled lease payment for the new building, \$696,000 plus interest per year will be contributed to a sinking fund in order to cover the purchase cost of the building after the lease payments have been completed.</p> | | |
| Justification | <p>This sinking fund will cover the cost to purchase the new Administrative & Engineering Building after Zone 7's 15 year lease is completed.</p> | | |
| Operating Impact | None. | | |
| Responsible Section | ASD Administrative Services Division | | |
| In Service Date | Month | Year | 2018 |
| Total Project Cost | \$2,840,000 (for Flood Control System) | | |
| Source of Funds | Fund 76 | Flood Protection and Stormwater Drainage Fees | 10% |
| Fiscal Year 10/11 | Amount (\$1,000's) | \$82 | |

EXHIBIT A

FY 2010/11
 CAPITAL PROGRAM (FUNDS 72, 73 & 76)
 PROFESSIONAL & TECHNICAL SERVICES

| JOB # | DESCRIPTION | FUND 72 | FUND 73 | FUND 76 | FUNDS TOTAL |
|-------|---|------------------|------------------|--------------------|--------------------|
| 96076 | Arroyo de la Laguna Improvements | | | \$1,300,000 | \$1,300,000 |
| 55052 | Bay-Delta Habitat Conservation Program | | \$37,500 | | \$37,500 |
| 96076 | Channel Restoration (R1-7 & R8-3) | | | \$400,000 | \$400,000 |
| 96073 | Cope Lake Facilities and Improvements | | \$74,000 | | \$74,000 |
| 55053 | Delta Outreach | | \$23,240 | | \$23,240 |
| 96076 | Development Impact Fee Program Update | | | \$1,275,000 | \$1,275,000 |
| 96072 | DVWTP Chemical Systems/Parking Lot Improvements | \$324,950 | | | \$324,950 |
| 96072 | DVWTP DAF Saturator Tanks Repair | \$15,000 | | | \$15,000 |
| 53088 | DVWTP Improvements Project | \$45,000 | | | \$45,000 |
| 96072 | DVWTP Interior Coating Improvements to the 4.5 MG Steel Clearwell | \$75,000 | | | \$75,000 |
| 61557 | Flows Studies – Steelhead Restoration | | | \$20,000 | \$20,000 |
| 96073 | Hydrostratigraphic Investigation of Chain of Lakes | | \$9,400 | | \$9,400 |
| 96072 | PPWTP Improvement Studies 2011 | \$112,200 | | | \$112,200 |
| 96072 | PPWTP OSG Conversion | \$20,000 | | | \$20,000 |
| 54072 | PPWTP Rehabilitation of Clarifier and Replacement of Motor | \$25,000 | | | \$25,000 |
| 96072 | Replacement of Roofs at Parkside, Hopyard Well No. 6 and DVWTP Maintenance Shop | \$15,000 | | | \$15,000 |
| 54048 | SCADA Enhancements | \$50,000 | | | \$50,000 |
| 61145 | SMMP/STREAMWISE | | | \$150,000 | \$150,000 |
| 55037 | South Bay Improvement and Enlargement Project | | \$100,000 | | \$100,000 |
| 96076 | Stream Gaging/Sediment | | | \$150,000 | \$150,000 |
| 96072 | Vulnerability Assessment Review & Update | \$30,000 | | | \$30,000 |
| 96073 | Well Master Plan Wells - Future Phases | | | | |
| | TOTAL CAPITAL PROFESSIONAL SERVICES BY FUND | \$712,150 | \$304,140 | \$3,295,000 | \$4,311,290 |

GLOSSARY

GLOSSARY OF TERMS

The Annual Budget contains terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, a budget glossary is included herein.

Accrual Basis of Accounting: The basis of accounting under which transactions are recognized when they occur, regardless of the timing of cash receipts and disbursements.

Acre Foot: The volume of water that will cover one acre to a depth of one foot. One acre foot equals 325,850 gallons. It is estimated that one half an acre foot serves a typical private residence for one year.

Activities: The major programs and projects performed by an organizational unit.

Appropriation: An amount of money in the Budget, authorized by the Board of Directors, for expenditure or obligation within organizational units for specific purposes.

Assets: Resources owned or held by Zone 7 which have monetary value.

Audit: A comprehensive investigation of the manner in which the government's resources were actually utilized. A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriations.

Balance Sheet: A financial statement that discloses the assets, liabilities, and fund equity of a specific fund at a specific date.

Bond: A written promise to pay a sum of money on a specific date at a specific interest rate. The interest payments and the repayment of the principal are authorized in a District bond resolution. The most common types of bonds are general obligation bonds and revenue bonds. These are frequently used for construction of large capital projects such as buildings, streets, etc.

Budget: A financial plan for a specific period of time that matches all planned revenues and expenditures with various services. Zone 7 uses a fiscal year beginning each July 1 and ending each June 30 for budgetary and financial reporting purposes.

Budgetary Control: The control or management of a governmental unit or enterprises in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Capital Equipment: Fixed assets such as vehicles, equipment, computers, furniture, technical instruments, etc. which have a life expectancy of more than one year.

Capital Improvement Program: A long-range plan of Zone 7 for the construction, rehabilitation and modernization of Zone 7-owned and operated infrastructure.

Capital Outlay: Expenditures which result in the acquisition of, or addition to, fixed assets including land, buildings, improvements, machinery and equipment.

Debt Service Fund: Established to account for annual property tax levies and certain other revenues, primarily interest on investments, which are used for payment of principal and interest of bond issues.

District: Refers to the Alameda County Flood Control and Water Conservation District, of which Zone 7 is one of the designated service areas. Zone 7 provides water and flood control services.

Fund: A sum of money or other resources, such as taxes, charges, fees, etc., established for conducting specified operations for attaining certain objectives. Funds are frequently under specific limitations.

Fund Accounting: A governmental account system which is organized and operated on a fund basis.

Fund Balance: Fund balance is the excess of assets over liabilities. It is typically divided into three categories. Fund balance may be categorized as (1) reserved – indicating that there are legal restrictions governing the future expenditures, (2) non-discretionary-indicating that the Board of Directors expects to expend it for certain purposes, or (3) discretionary – indicating it is available for expenditures for general governmental purposes.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards of, and guidelines for, external financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP provides a standard by which to measure financial presentations. The primary authoritative statement on the application of GAAP to the State and local governments are Government Accounting Standards Board (GASB) pronouncements.

Grant: A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

Interfund Transfers: Amounts transferred from one fund to another, usually to reimburse the receiving fund for services performed for the transferring fund.

Liabilities: Obligations incurred in past or current transactions requiring present or future settlement.

Line Items: Expenditure classifications established to account for budget appropriations approved.

Mandated Cost: Any responsibility, action or procedure that is imposed by one sphere of government on another through constitutional, legislative, administrative, executive or judicial action as a direct order.

Modified Accrual Basis of Accounting: The basis of accounting under which revenues are recognized when measurable and available to pay liabilities and expenditures are recognized when the liability is incurred except for interest on long-term debt which is recognized when due.

Object Classification: A grouping of expenditures on the basis of goods or services purchased (e.g. personnel, services and supplies, equipment, etc.)

Obligations: Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget: The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel and fuel, and does not include purchases of major capital plant or equipment which is budgeted for separately in the Capital Budget.

Ordinance: A bill, resolution or order by means of which appropriations are given legal effect. It is the method by which the appropriation of the annual budget is enacted into law by the District Board of Supervisors.

Reserve: An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Revenue: Monies received as income. It includes such items as water sales, fees for services, contributions in aid of construction, grants and interest income. Estimated revenues are those expected to be collected during the fiscal year.

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