



# Fiscal Year 16/17 Proposed Reclamation Budgets



# Overview

- Provide overview of MCWRA/PCA Budgets
- Review detailed information of each fund
  - Capital Outlay
- Identify unfunded items



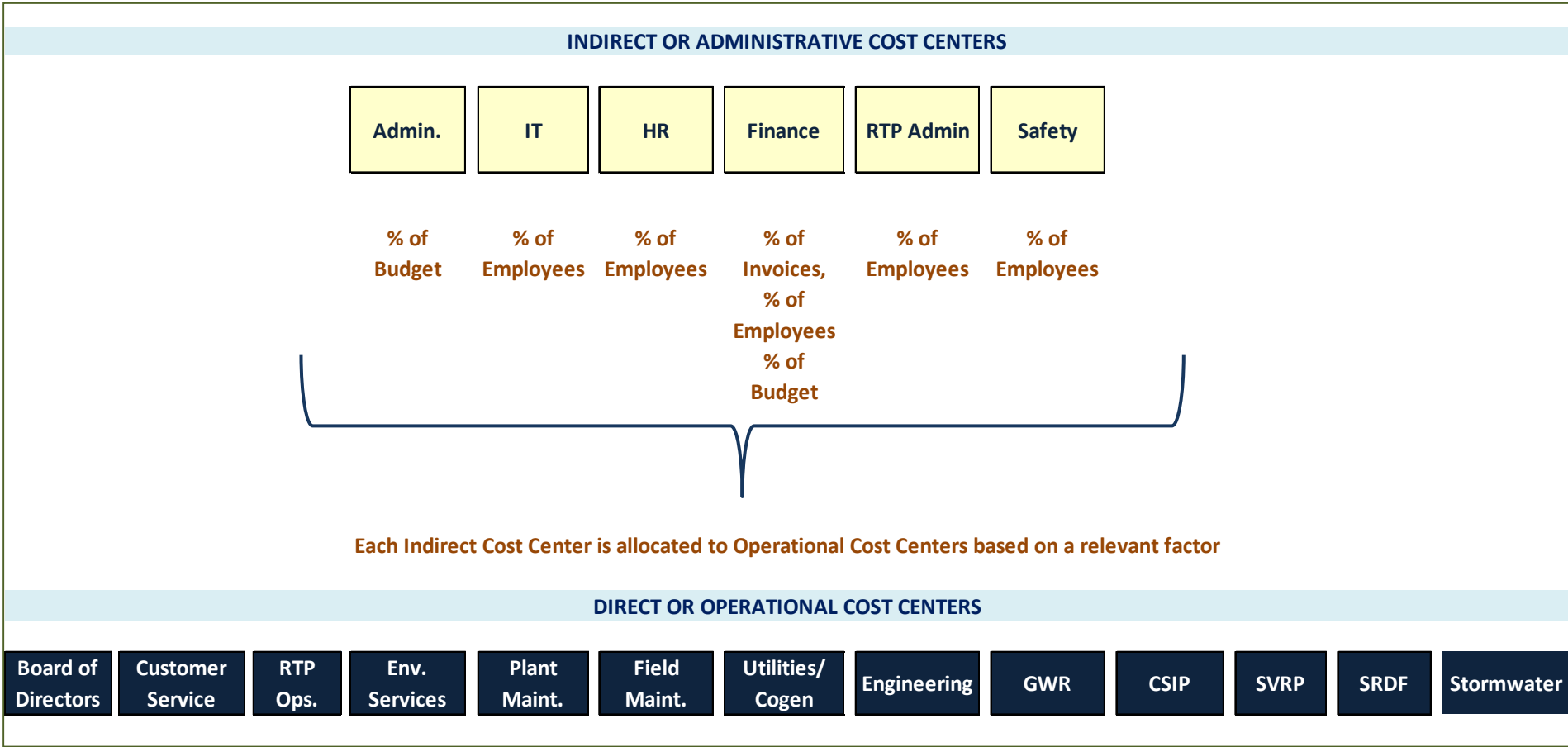
# Budgetary Overview

	FY15/16 Amended	FY 16/17 Proposed	Budgetary Difference
Castroville Seawater Intrusion Project	\$1,661,000	\$1,655,000	(\$6,000)
Salinas Valley Reclamation Project	4,261,000	4,367,000	106,000
Salinas River Diversion Facility	76,000	80,000	4,000
Combined Budget	\$5,998,000	\$6,102,000	\$104,000

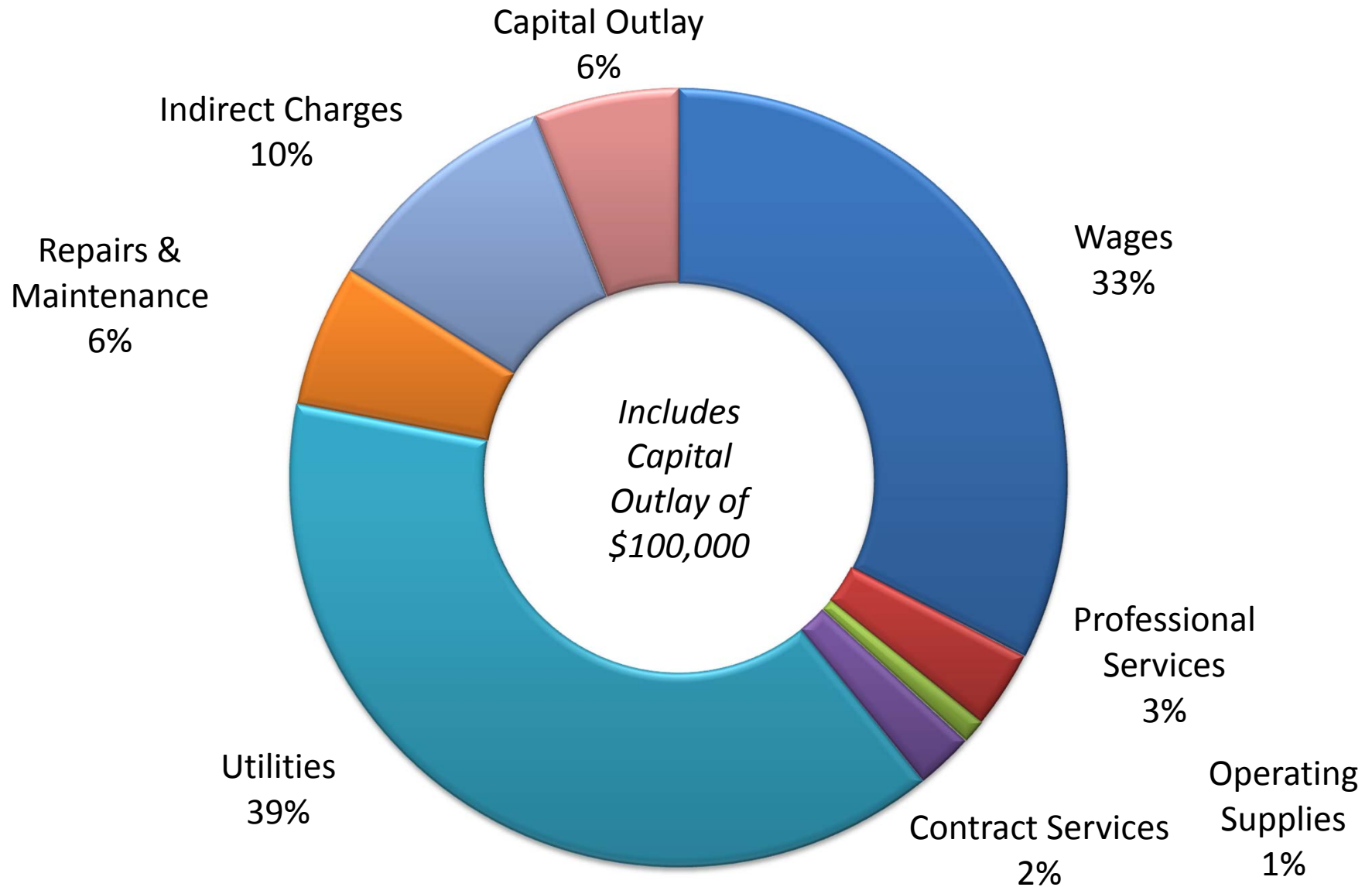
## Highlights

- Combined Capital Outlay Budget: \$208,000
- Backwash Clarifier and Coating and Painting: \$120,000
- Position Costs
  - Addition of 274 hours to SVRP for Operator III
  - Contract services groundskeeping services to a Groundskeeper position
  - Increase in salaries, medical, and retirement costs
- New cost allocation plan
  - Increases in indirect costs; prior year reflects reduced rate pending review of allocation methods
  - Some indirect costs are offset by reduced direct salary and minor operating expenses

# Cost Allocation Plan



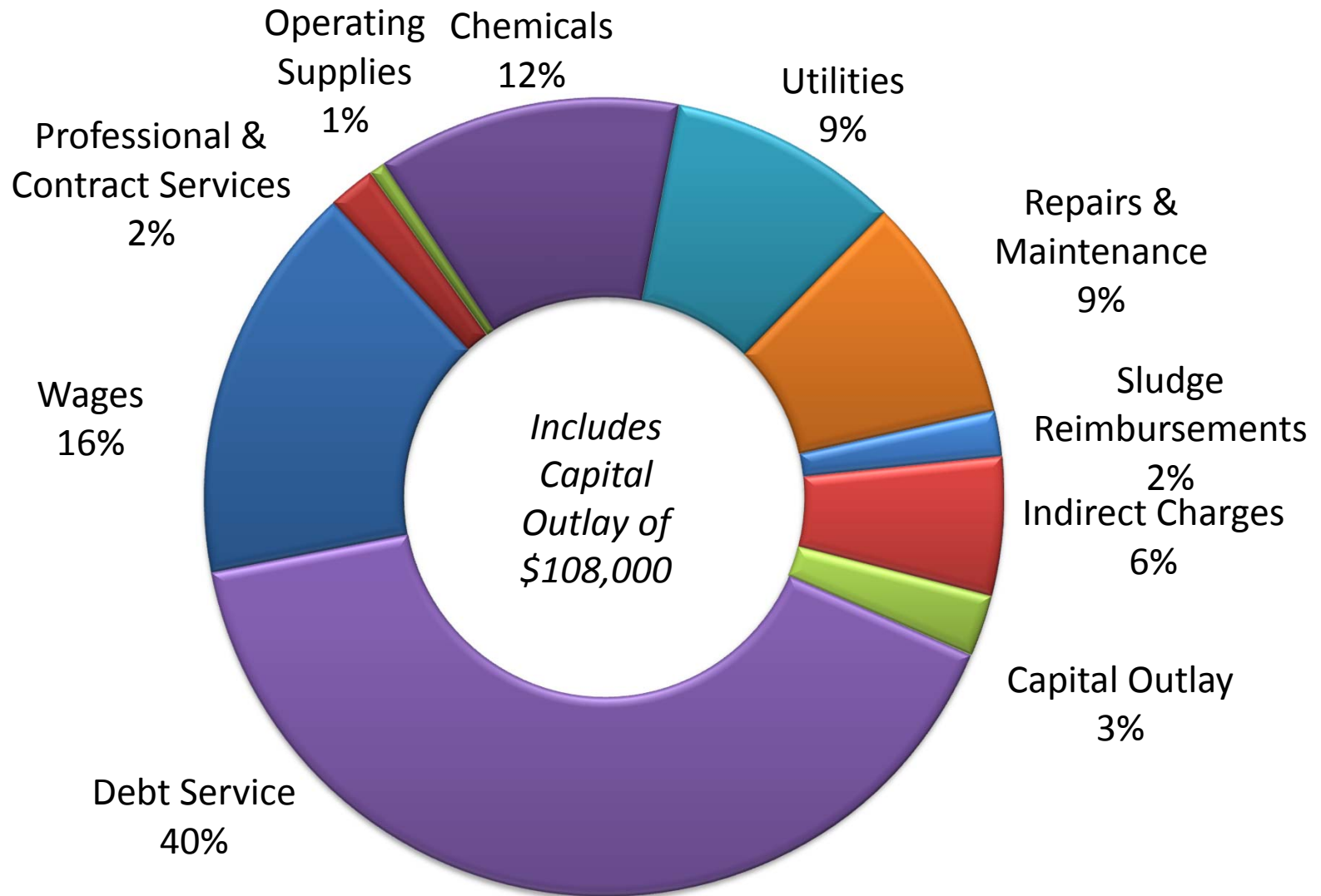
# CSIP Fiscal Year 16/17 Budget: \$1.6M



# Castroville Seawater Intrusion Project

	FY 15/16	FY 16/17	Difference
<b>Operating</b>			
Salaries, Wages, Benefits	559,000	538,000	(21,000)
Professional Services	25,000	54,000	29,000
Operating Supplies	13,000	15,000	2,000
Contract Services	39,000	40,000	1,000
Utilities	685,000	643,000	(42,000)
Repairs and Maintenance	64,000	98,000	34,000
Indirect Costs	112,000	165,000	53,000
Vehicle Mileage & Other	4,000	2,000	(2,000)
<b>Subtotal</b>	<b>1,501,000</b>	<b>1,555,000</b>	<b>54,000</b>
<b>Non-Operating</b>			
Capital Outlay	160,000	100,000	(60,000)
<b>Total</b>	<b>1,661,000</b>	<b>1,655,000</b>	<b>(6,000)</b>

# SVRP Fiscal Year Budget: \$4.37M

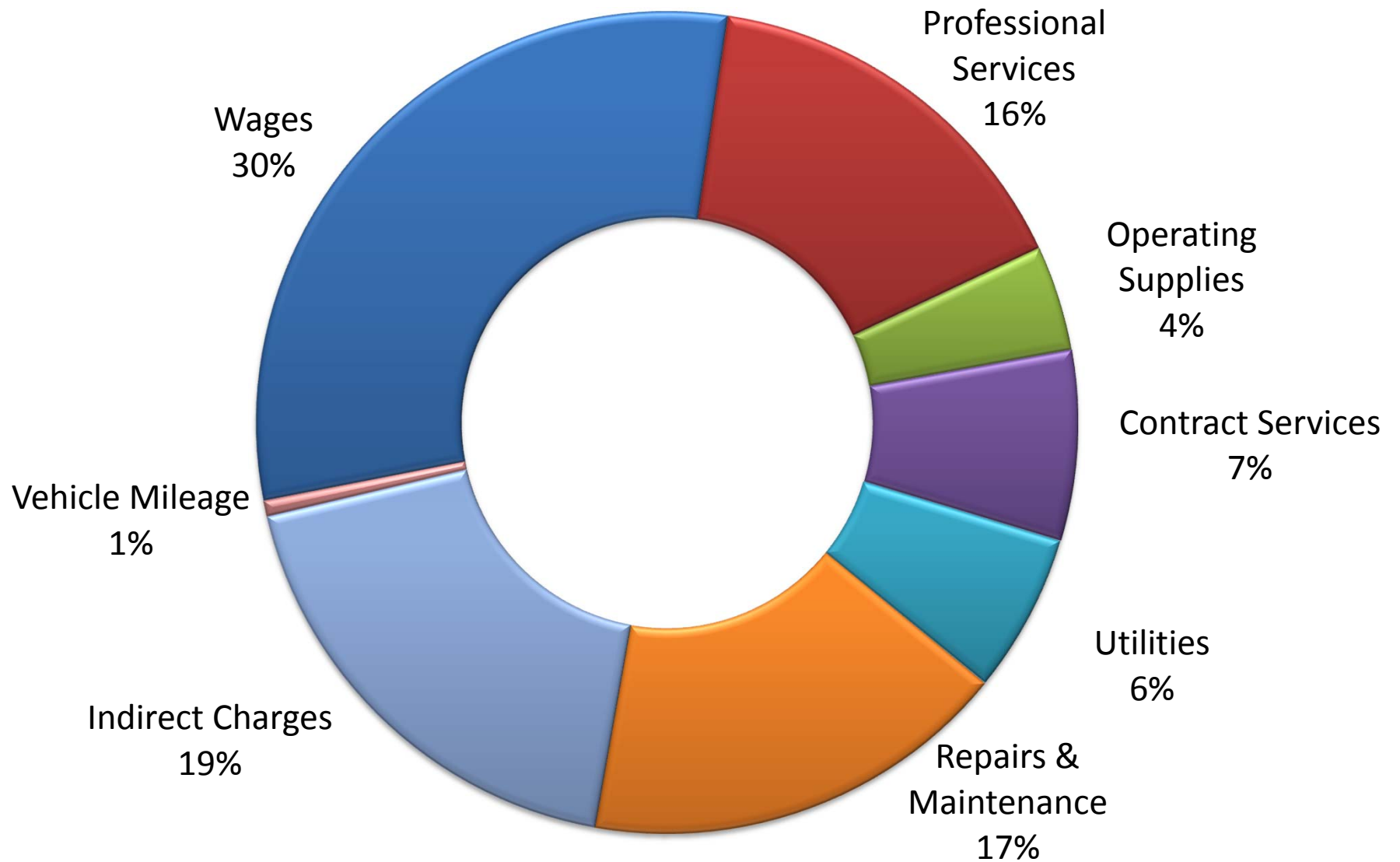


# Salinas Valley Reclamation Project

	FY 15/16	FY 16/17	Difference
<b>Operating</b>			
Salaries, Wages, Benefits	619,000	709,000	90,000
Professional Services	27,000	66,000	39,000
Operating Supplies	24,000	27,000	3,000
Contract Services	27,000	16,000	(11,000)
Chemicals	516,000	537,000	21,000
Utilities	462,000	409,000	(53,000)
Repairs and Maintenance	328,000	401,000	73,000
Indirect Costs	168,000	247,000	79,000
Sludge Costs	83,000	80,000	3,000
<b>Subtotal</b>	<b>2,254,000</b>	<b>2,492,000</b>	<b>238,000</b>
<b>Non- Operating</b>			
Capital Outlay	225,000	108,000	(117,000)
Debt Service	1,782,000	1,767,000	(15,000)
<b>Total</b>	<b>4,261,000</b>	<b>4,367,000</b>	<b>106,000</b>



# SRDF Fiscal Year 16/17 Budget: \$80,000



# Salinas River Diversion Facility

	FY 15/16	FY 16/17	Difference
<b>Operating</b>			
Salaries, Wages, Benefits	26,000	24,000	(2,000)
Professional Services	13,000	13,000	-
Operating Supplies	3,000	3,000	-
Contract Services	6,000	6,000	-
Utilities	6,000	5,000	(1,000)
Repairs and Maintenance	14,000	14,000	-
Indirect Costs & Vehicle <sup>(1)</sup>	8,000	15,000	7,000
<b>Subtotal</b>	<b>76,000</b>	<b>80,000</b>	<b>54,000</b>
<b>Non-Operating</b>			
Capital Outlay	-	-	-
<b>Total</b>	<b>76,000</b>	<b>80,000</b>	<b>4,000</b>

(1) Fiscal Year 15/16 Vehicle Costs of \$1,500 and Fiscal Year 16/17 Vehicle costs of \$500 included in this amount

# Capital Outlay - CSIP

## Phase 2 CSIP SCADA Computer and Program Upgrade

- Computer Hardware and Soft Ware Upgrade
  - CSIP Computers run on 32 Bit System that is no longer supported
  - Current Version of RS view not supported
  - Security Software inadequate
  - PLC Code needs updating
  - Not compatible with SVRP or SRDF
- Project will:
  - Purchase 2 new Computer systems with new Software
  - New Security Software
    - Software will allow WRA staff to have real time status (Remotely)
  - Rewrite PLC Code so it is off the shelf and compatible with 62 Bit machines
  - New Screens and more usable Trends for analysis
- Risk of not upgrade system could lead to the inability to see what is going on in the system and eliminate ability to control system.
  - New Software will be support for at least 10 to 15 years



# Capital Outlay - SVRP

- Backwash clarifier - \$120K (major corrosion)
- Chlorine contact basin cover - \$20K (prevents algae growth and reduces chlorine usage)
- Chlorine analyzers (2) - \$15K (replacement)
- Chlorine pressure relief valve - \$10K (replacement)
- Chlorine water champ transducer and gauge - \$4K (trouble-shoot vacuum issues)
- Chlorine water champ VFD - \$5K (unit is overramping and shutting down frequently. Main method of dosing chlorine)
- Filter differential pressure flow meter - \$8K (spare unit)
- Air scour blower motor starters - \$6K (no redundancy and critical to operation)
- Level transducers for pond and EQ basin - \$6K (current units must be replaced)



# Unfunded Maintenance & Projects

- Capital Outlay: \$275,000
  - Underground Valve Maintenance & Repair Project
  - Design for MCC-1 Tiebreaker
  - 54” Pipe Rehabilitation Project
  - Waste Channel Concrete Joint Repair
  - Chlorine Contact Basins – Spalling Concrete Repair
- Deferred Maintenance: \$45,000
  - Removal of sulfur dioxide equipment
  - Conductivity meters for nine monitoring stations
  - Isolation valve work



# Questions







# Monterey County Water Resources Agency

FY 2016-17 Budget Workshop  
Agency Board Meeting  
March 28, 2016







# WRA is Working Towards a Structurally Balanced Budget

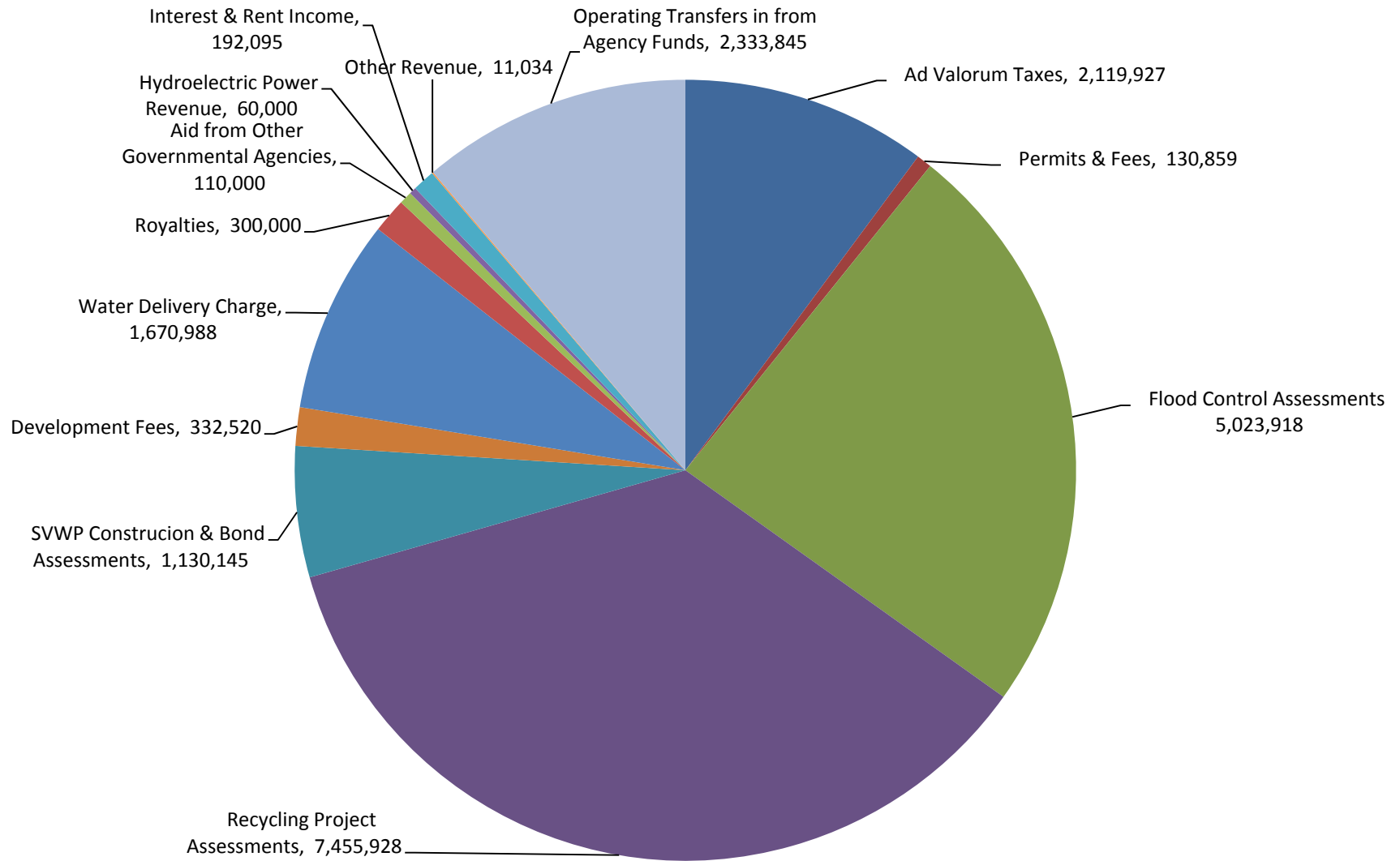


Matches on-going expenditures with on-going revenues

Means Fund Balance can not be used as a financing source for on-going expenditures

Mirrors Monterey County's budget practices

# FY 2016-17 Estimated Revenue



**Total Revenue \$20,871,259**





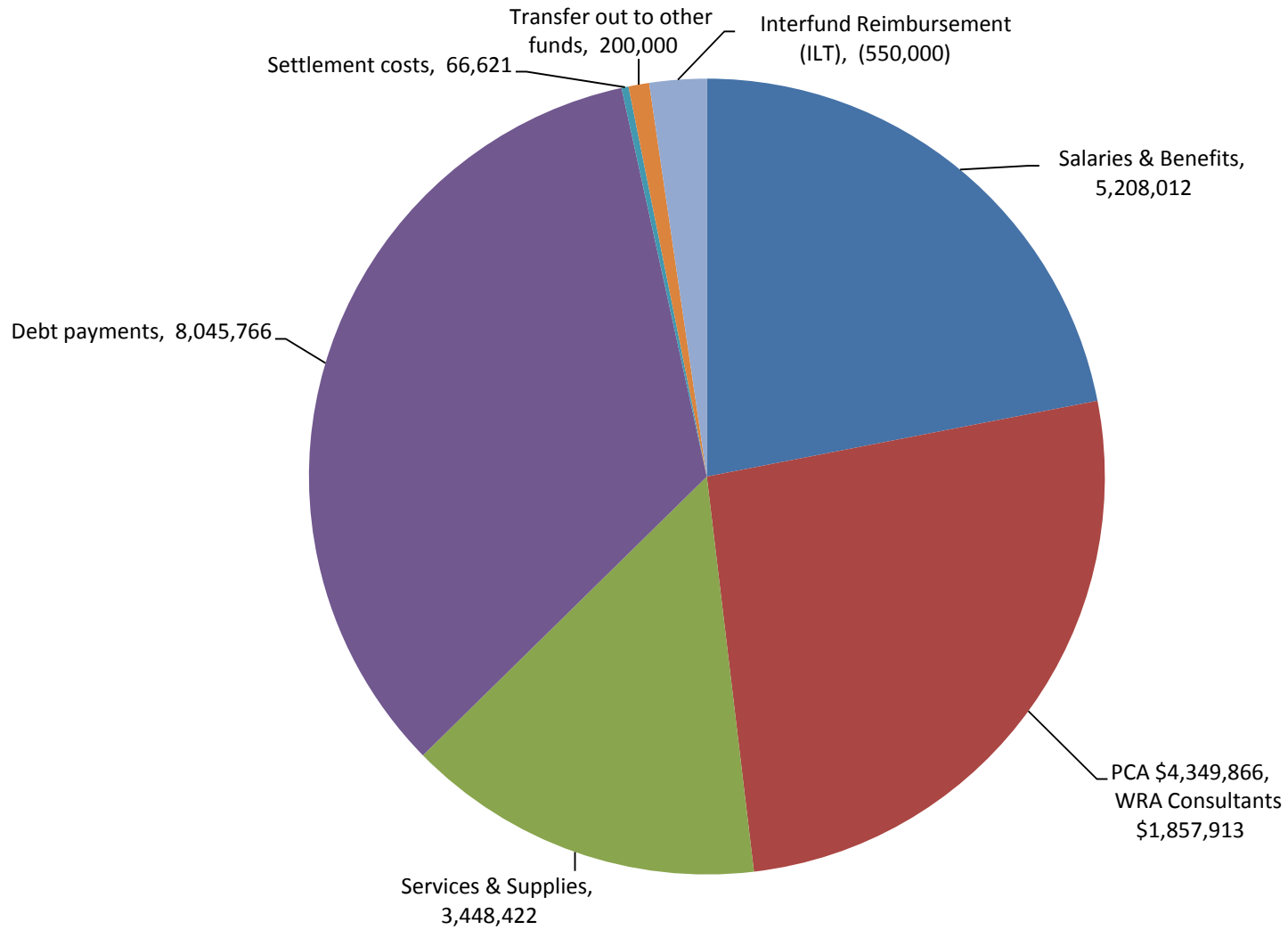
# FY 2016-17 Revenue Breakdown

## FY 2016-17 Revenue Breakdown

Revenues:	Total
Ad Valorum Taxes	2,119,927
Permits & Fees	130,859
Flood Control Assessments	5,023,918
Recycling Project Assessments	7,455,928
SVWP Construcion & Bond Assessments	1,130,145
Development Fees	332,520
Water Delivery Charge	1,670,988
Royalties	300,000
Aid from Other Governmental Agencies	110,000
Hydroelectric Power Revenue	60,000
Interest & Rent Income	192,095
Other Revenue	11,034
Operating Transfers in from Agency Funds (SVWP Bond)	2,333,845
	<hr/> <hr/> <b>20,871,259</b>



# FY 2016-17 Estimated Expenditures



**Total Expenditures \$22,626,600**



# FY 2016-17 Expenditure Breakdown

## Monterey County Water Resources Agency

### FY 2016-17 Expenditure Breakdown

Obligations:	PCA	WRA	Total
Salaries & Benefits		5,208,012	5,208,012
Consultants	4,349,866	1,857,913	6,207,779
Services & Supplies		3,448,422	3,448,422
Debt payments	3,639,659	4,406,107	8,045,766
Settlement costs		66,621	66,621
Transfer out to other funds		200,000	200,000
Interfund Reimbursement (ILT)		(550,000)	(550,000)
	<b>7,989,525.00</b>	<b>14,637,075.00</b>	<b>22,626,600.00</b>





# FY 2016-17 Budget Assumptions

- Assumes only on-going revenue
  - 2% COLA increase on Flood Zone Assessments
  - CSIP water delivery rate of \$5.63; no COLA increase
  - SRDF water service charge of \$67.82; no COLA increase
- Assumes a transfer of \$200K of Fund Balance from Fund 119 to Fund 131
  - to cover O&M expenditures prescribed by Policy 00-172
- Assumes \$200K increase in MRWPCA's Requested Budget
- Assumes funding for 38 full time employees leaving 10 unfunded positions.



# FY 2016-17 Budget Review

- **The Agency needs \$1,755,342 in Revenue to match Expenditures:**
  - Hydroelectric revenue is down by **\$1M**
  - No Grant revenue for on-going programs
- **Expenditure increases and repayments:**
  - County Costs:
    - Health Benefits, Property Insurance, General Liability, Mail Courier, and Data Processing **\$208,577**
  - Repayment of loans from Unassigned Reserves Fund 303/RSR
    - Pajaro Advance of **\$500,000**
    - Rapid Response Team **\$800,000**
  - Working on Un-funded Projects such as ITL labor, GSA, and 11043 **\$230,000**

# Budget Summary by Fund

Monterey County Water Resources Agency  
Fiscal Year 2016-17  
Budget Summary by Fund

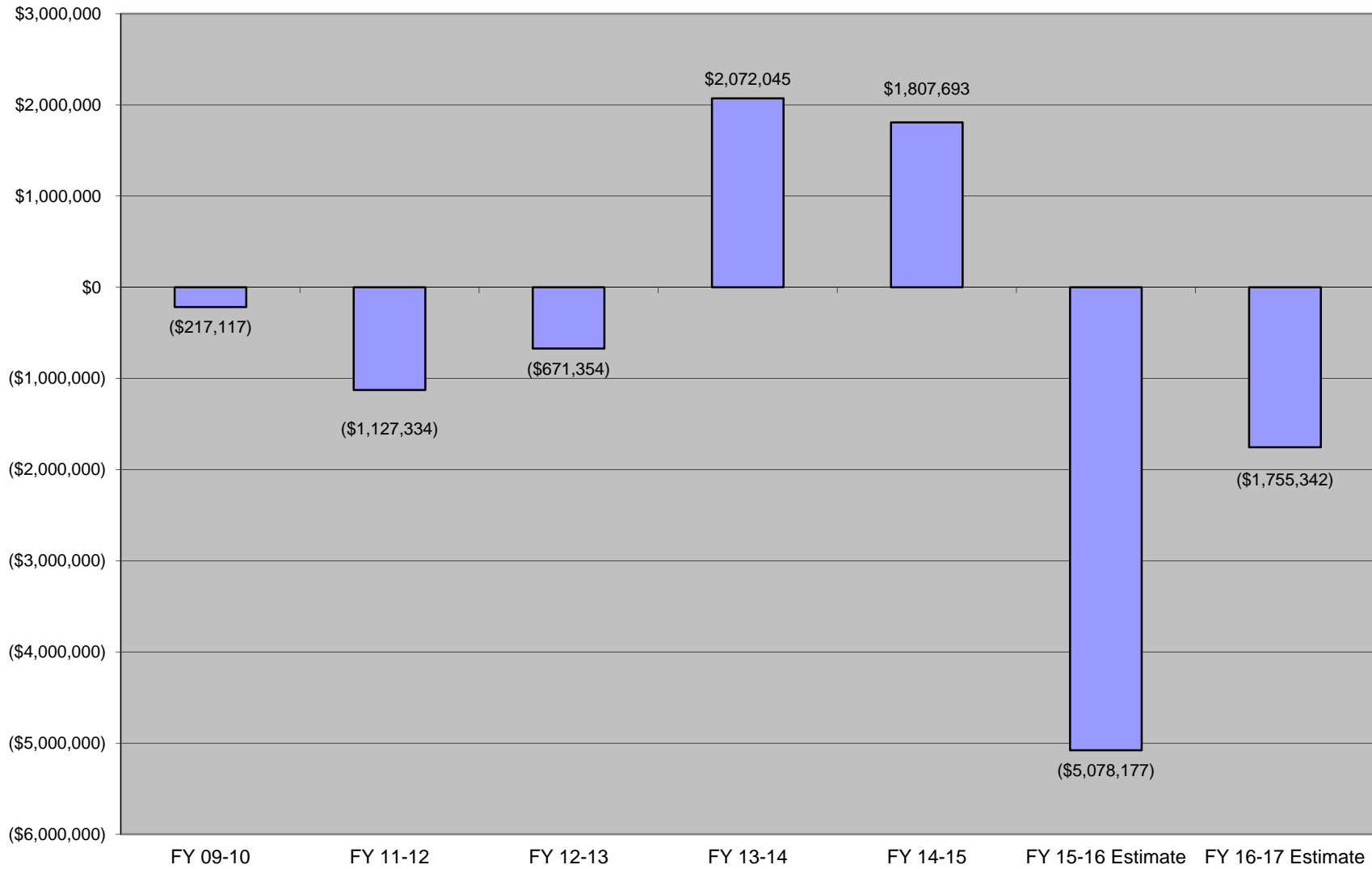
Line #	Fund	Zone	Estimated Beginning Fund Balance	Estimated Appropriations	Estimated Revenue	Estimated Ending Fund Balance	Difference Revenue minus Appropriations	Line #
1	111	Admin	38,679	0	0	38,679	0	1
2	112	1	35,057	455,278	420,601	380	(34,677)	2
3	113	Cntywde	85,437	797,632	743,460	31,265	(54,172)	3
4	114	2	152,442	535,025	395,737	13,154	(139,288)	4
5	115	2A	158,136	675,281	522,311	5,166	(152,970)	5
6	116	2COPTN	229,643	3,224,413	2,995,108	338	(229,305)	6
7	116	CAMP	1,631	0	0	1,631	0	7
8	116	2CADMN	681,721	342,476	352,467	691,712	9,991	8
9	117	3	49,723	35,471	35,261	49,513	(210)	9
10	118	5	32,677	42,778	40,554	30,453	(2,224)	10
11	119	6	251,926	209,221	33,778	76,483	(175,443)	11
12	120	7	24,134	1,564	4,663	27,233	3,099	12
13	121	8	37,453	108,650	71,435	238	(37,215)	13
14	122	9	665,247	1,544,208	1,383,183	504,222	(161,025)	14
15	123	11	157,315	60,795	57,711	154,231	(3,084)	15
16	124	12	32,788	70,583	37,801	5	(32,782)	16
17	125	14	776	1,661	1,771	886	110	17
18	126	15	59,023	21,658	5,544	42,909	(16,114)	18
19	127	17	191,775	218,694	108,789	81,870	(109,905)	19
20	128	StmDrain	155,436	26,255	20,969	150,150	(5,286)	20
21	129	GnzlsSlgh	1,240	5,052	4,293	481	(759)	21
22	130	Hydro	178,422	147,522	61,000	91,900	(86,522)	22
23	131	CSIP	1,179,000	2,870,570	2,164,412	472,842	(706,158)	23
24	132	SVRP	1,601,915	4,428,048	3,761,201	935,068	(666,847)	24
25	133	SVWP Revenue	3,528,551	2,137,845	2,115,242	3,505,948	(22,603)	25
26	134	SRDF	2,530,254	696,079	1,549,905	3,384,080	853,826	26
27	303	CSIP Debt Srvc	976,400	1,835,779	1,850,000	990,621	14,221	27
28	313	SVWP Debt Srvc	0	2,134,063	2,134,063	0	0	28
29	425	MRWP Const	10,940.19	0	0	10,940	0	29
<b>Totals</b>			<b>13,047,741</b>	<b>22,626,601</b>	<b>20,871,259</b>	<b>11,292,399</b>	<b>(1,755,342)</b>	







### Changes in Fund Balances (Excluding construction funds)





**Monterey County Water Resources Agency  
FY 15-16 Fund Balance Variance**

	Revenue	Expenditure	Impact to Fund Balance	Running Fund Balance
<b>FY 15-16 Beginning Fund Balance</b>				<b>\$ 18,125,918</b>
FY 15-16 Budget	20,841,919	22,524,555	(1,682,637)	16,443,281
Amendment 1 - Hydrology WQ Programs & Legal fees	0	712,415	(712,415)	15,730,866
Amendment 2 – RSR Pajaro River Flood Reduction Risk	0	500,000	(500,000)	15,230,866
Amendment 3 - Contract Timing Differences between fiscal years	0	745,848	(745,848)	14,485,018
Amendment 4 - Cal-AM Line of credit	644,290	644,290	0	14,485,018
Amendment 5 - RSR Rapid Response Teams	0	800,000	(800,000)	13,685,018
Amendment 6 - San Antonio Repairs	524,099	524,099	0	13,685,018
FY 15-16 Budget Estimate Adjustments	275,260	912,538	(637,277)	13,047,741
	*	**		
<b>Total Impact to Fund Balance</b>			<b>(5,078,177)</b>	
<b>FY 15-16 Estimated Ending Fund Balance</b>				<b>\$ 13,047,741</b>

* Business Interruption Insurance	275,260			
**Labor Allocation		624,298		
**FishBio		120,000		
**Increase in Health Insurance Premiums		90,000		
**Vehicle Purchase		38,240		
**Spray Rig		40,000		
	275,260	912,538		
	*	**		



# Reserve Review

## MONTEREY COUNTY WATER RESOURCES AGENCY Unassigned Reserve Report by Fund

PROGRAM NAME	ZONE	FUND	PROG	6/30/2015	6/30/2016	6/30/2016	6/30/2017
				ACTUAL	BUDGET	Estimate	Budget
<b>Discretionary Funds</b>							
Administration	ADM	111	9055	215,615	0	0	0
General Reserve (Hydro stabilization)	ADM	111		38,679	38,679	38,679	38,679
General Countywide	CW	113	9055	432,041	41,604	85,437	31,265
Zone 2 Non-O&M Operating	2	114	9205	402,669	1,905	152,442	13,154
Zone 2A Non-O&M	2A	115	9551	303,738	35,199	158,136	5,166
Zone 2C CAMP	2C	116	9968	1,631	1,631	1,631	1,631
Lower Salinas River Channel	3	117	9620	72,810	40,700	49,723	49,513
Merritt Lake	5	118	9630	35,690	30,866	32,677	30,453
North Monterey County	7	120	9690	23,646	20,126	24,134	27,233
Monterey Peninsula ( Carmel Valley )	11	123	9750	129,186	139,577	157,315	154,231
Arroyo Seco Area	14	125	9765	598	838	776	886
Carnation Subdivision (Alisal-Spence Roads )	15	126	9770	59,554	59,314	59,023	42,909
Storm Drain Maint. District # 2 (Blanco Drain)	S2	128	9860	156,682	105,510	155,436	150,150
Gonzales Slough Maintenance District	GS	129	9870	2,609	1,288	1,240	481
Monterey Bay Reg Water Proj Construction		425		10,940	10,940	10,940	10,940
Hydroelectric Operating Fund	HY	130	9890	533,043.16	32,026	178,422	91,900
<b>Sub-Total Discretionary Funds</b>				<b>2,419,131</b>	<b>560,203</b>	<b>1,106,011</b>	<b>648,591</b>
<b>Non-Discretionary Funds</b>							
Pajaro River Levee	1	112	9100	57,199	25,430	35,057	380
Zone 2C O&M	2C	116	9951	790,934	30,321	229,643	338
Legal Reserve - Zone 2C Administration	2C	116	9975	672,704	610,768	681,721	691,712
Soledad Storm Drain - Bryant Canyon Project	8	121	9700	144,759	32,869	37,453	238
Reclamation Ditch	9	122	9722	906,352	401,076	665,247	504,222
San Lorenzo Creek	12	124	9760	72,997	15,572	32,788	5
Moro Cojo Slough (Castroville/Moss Landing)	17	127	9780	501,442	217,108	191,775	81,870
SVWP Revenue Fund (For next year bond payment)		133		3,537,042	3,336,079	3,528,551	3,505,948
<b>Sub-Total Non-Discretionary Assessment Based Funds</b>				<b>6,683,429</b>	<b>4,669,222</b>	<b>5,402,236</b>	<b>4,784,715</b>
<b>Non-Discretionary Funds CSIP/SVRP/SRDF</b>							
CSIP Transfer & Water Conservation Update	6	119	9660	1,000,802	128,047	251,926	76,483
CSIP Operation & Maintenance	2Y	131	9643	1,992,869	572,980	1,179,000	472,842
SVRP Operation & Maintenance	2Z	132	9644	1,871,977	1,327,229	1,601,915	935,068
CSIP/SVRP Bond Debt Service	2B	303	9666	271,057	233,365	276,400	290,621
CSIP Rate Stabilization Reserve	2B	303		2,000,000	1,380,864	700,000	700,000
SRDF O&M Fund		134	9988/89	1,886,653	2,183,346	2,530,254	3,384,080
<b>Sub-Total Non-Discretionary CSIP/SVRP/SRDF</b>				<b>9,023,357</b>	<b>5,825,830</b>	<b>6,539,494</b>	<b>5,859,093</b>
<b>Total Unassigned Reserves</b>				<b>18,125,918</b>	<b>11,055,255</b>	<b>13,047,741</b>	<b>11,292,399</b>



# Reserve Review (cont.)

## MONTEREY COUNTY WATER RESOURCES AGENCY Designated Reserves by Fund

PROGRAM NAME	ZONE	FUND	6/30/2015 ACTUAL	6/30/2016 BUDGET	6/30/2016 ESTIMATE	6/30/2017 BUDGET
Canyon Del Rey Improvements Reserve		111	12,200	12,200	12,200	12,200
SVWP Debt Service Fund	JPA	313	2,189,260	2,189,260	2,189,260	2,189,260
General Reserve	2	114	0	0	0	0
General Reserve	2A	115	524,099	524,099	0	0
Cloud Seeding Reserve	2C	116	125,000	125,000	125,000	125,000
Markeley Swamp Reserve	9	122	245,158	245,158	245,158	245,158
Sub-Total Excluding CSIP/SVRP			3,095,717	3,095,717	2,571,618	2,571,618
<b>CSIP</b>						
Bureau of Reclamation Reserve	2Y	131	250,947	250,000	250,000	250,000
<b>Total Designated Reserves</b>			<b>3,346,663</b>	<b>3,345,717</b>	<b>2,821,618</b>	<b>2,821,618</b>

## Reserve Review (cont.)

### RESERVES HELD BY MRWPCA

RESERVE DESCRIPTION	ZONE	FUND	6/30/2015	6/30/2016	6/30/2016	6/30/2017
			ACTUAL	BUDGET	ESTIMATE	BUDGET
<b>CSIP</b>						
Equipment/Major Repair Reserve Funds	2Y	131	71,629	0	0	0
<b>SVRP</b>						
State Revolving Loan Reserve Funds	2Z	132	128,067	128,067	128,067	128,067
Bureau of Reclamation Reserve Funds	2Z	132	139,195	139,195	139,195	139,195
Equipment/Major Repair Reserve Funds	2Z	132	177,988	0	0	0
<b>SRDF</b>						
Equipment/Major Repair Reserve Funds	SRDF	134	0	0	0	0
<b>Total Reserves at MRWPCA</b>			516,880	267,263	267,263	267,263





# Last Discretionary Reserve Rate Stabilization Reserve (RSR) History

## FY 1997-98

- Initial Rate Stabilization Set up FY 1997-98
- \$ 3,500,000 06/30/98



# Rate Stabilization Reserve (RSR) History

## FY 2011-12

▪ Beginning Balance	\$ 3,500,000
▪ SRDF emergency repairs	<u>(\$ 1,500,000)</u>
▪ Ending Balance	\$ 2,000,000



# Rate Stabilization Reserve (RSR) History

## FY 2012-13

▪ Beginning Balance	\$ 2,000,000
▪ Hydro Emergency Repairs	(\$ 1,300,000)
▪ Hydro Partial Payback	\$ 264,116
▪ Hydro Partial Payback	\$ 2,729
▪ Hydro Partial Payback	<u>\$ 414,019</u>
▪ Ending Balance	\$ 1,380,864





# Rate Stabilization Reserve (RSR) History

## FY 2013-14

- No Activity

## FY 2014-15

■ Beginning Balance	\$ 1,380,864
■ Hydro Final Payback	<u>\$ 619,436</u>
■ Ending Balance	\$ 2,000,000



# Rate Stabilization Reserve (RSR) History

## FY 2015-16





# What happened to CAMP?

- We have \$1,631 in the account
- Chris Moss, Senior Engineer, is working on updated CAMP for both S. A. and Nacimiento Dams
- The next slides outline the projects that the Agency is planning to work on beginning FY 2016-17

## **FY 2016-17 Activities Projected for San Antonio Dam**

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<b>Maintenance</b>	<b>Frequency</b>
1 Vegetation Control, Rodent Control	on-going
2 100% Cycle Butterfly Valve & Howell-Bunger Valve	on-going
3 Flush Piezometers (suspended if reservoir below minimum-pool)	on-going
4 General Maintenance of Lights, Roadways, Signs, Guardrails, Fences, Gutters, Trees, Gates, etc.	on-going
5 Work Supervision/Coordination, Timekeeping, Reporting	on-going
<b>Inspection - Performance Monitoring - Reporting</b>	
6 Dam Inspections: DSOD, MCWRA, Consultant, earthquakes	Multi/year
7 Monitor Piezometer/Drains, and process data	6x / year
8 Settlement & Shift Survey	Annual
9 Surveillance & Performance Report	Annual
10 Prepare Emergency Action Plan for SA Dam	1x / Update
<b>Repair</b>	
11 Inspect, clean, re-coat Howell-Bunger valve & sleeve	one time
12 Replace 8" Air Relief Valve	1 of 14
13 Repair spalled concrete at spillway left approach wall and at left wall near bridge	one time
14 Repair collapsed 10" subsurface drain (right side) at spillway	one time
15 Video inspect all 10" dia subsurface drains at spillway	every 3-5 years
<b>Allocation for Future Repair</b>	
16 Reline 84" Penstock - downstream ±600 LF	1 <sup>st</sup> of 9

## San Antonio Dam - Large Upcoming Maintenance Projects

Project	Estimated	Estimated	Target		Notes
	Cost	Cost	Completion	Completion	
	2016 Dollars	( <sup>+</sup> +2.5% / yr)			
1 Reline 84" Penstock downstream of BFV (±600 LF)	\$ 753,000	\$ 945,000	2025	FY 24-25	ref: Project Report dated Feb 9, 2016
2 Fabricate & Install new inlet trash racks	\$ 260,000	\$ 294,000	2020	FY 20-21	by 12-31-2020 per DSOD
3 Road Maintenance	\$ 244,000	-	TBD		
4 Replace seven 10" air release / vacuum relief valves	\$ 147,000	-	TBD		
5 Purchase & Install Dam barrier buoy line (alt. to debris boom)	\$ 145,000	-	TBD		
6 Replace five 8" air release / vacuum relief valves	\$ 96,000	-	TBD		
7 Fabricate & Install new inlet bulkhead gate	\$ 95,000	\$ 102,000	2018	FY 18-19	install before further work in penstock

## FY 2016-17 Activities Projected for Nacimiento Dam

<b>Maintenance</b>	<b>Frequency</b>
Exercise Gates and Valves: Spillway Crest Inflatable Gates, High Level Gates, Low	
1 Level Intake Valves & Hydraulics, Low Level Outlet Valves	on-going
2 Exercise & Service Emergency Generators and Compressors	on-going
3 Vegetation Control, Rodent Control	on-going
4 Spillway Crest inflatable Gate MCWRA Staff Training	on-going
General Maintenance of Lights, Roadways, Signs, Guardrails, Fences, Gutters, Trees,	
5 Gates, etc.	on-going
6 Work Supervision/Coordination, Timekeeping, Reporting	on-going
<b>Inspection - Performance Monitoring - Reporting</b>	
7 Dam Inspections: FERC, DSOD, MCWRA & earthquake	Multi/year
8 Settlement & Shift Survey	Annual
9 General Report to FERC	Annual
10 Review Dam Safety & Surveillance Monitoring Plan (DSSMP) and Update As-Needed	Annual
11 Prepare and Submit Dam Safety and Surveillance Monitoring Report (DSSMR)	Annual
12 Review Signage and Lighting Plan - Update as-needed	Annual
13 Review Security Plan - Update as-needed	Annual
14 Emergency Action Plan Update	Annual
15 Emergency Action Plan Status Report	Annual
16 Emergency Action Plan MCWRA Staff Orientation	Annual
17 Emergency Action Plan Outside Entity Orientation	Annual
18 Emergency Action Plan Notification Chart "Call-Down" Test	Annual
19 Perform Dam Safety Internal Assessment	Annual
20 MCWRA Executive Staff Dam Safety Meeting	Annual
21 Annual Dam Safety Presentation to Res-Ops Committee & Board of Directors	Annual
22 Update Spillway Inflatable Crest gate O&M Manual & Submit to DSOD	one-time
23 Emergency Action Plan Functional Exercise	every 5 years
<b>Repair</b>	
Remote Operated Vehicle (ROV) Inspection of Low Level Outlet System every 3 to 5	
24 years (Last Inspection: 2012)	every 3 to 5 yrs
25 Replace LLOW Valve #6	one-time
26 Warning System for Bradley	one-time
<b>Allocation for Future Repair</b>	
27 None	n/a

## Nacimiento Dam - Large Upcoming Maintenance Projects

Project	Estimated Cost 2016 Dollars	Target Completion
1 Replace Remaining (5) Low Level 24" Outlet Valves	\$ 620,000	TBD
2 Replace (3) Hydraulic Actuators for 42" Intake Valves	\$ 280,000	TBD
3 Install Piezometers (possible early warning of internal erosion)	\$ 220,000	TBD
4 Spillway Bridge Maintenance & Repair	\$ 124,000	TBD
5 Nacimiento Lake Drive Maintenance		
a. Northern Limit to Turn	\$ 111,000	TBD
b. Dam Crest	\$ 111,000	TBD
c. Southern Limit	\$ 106,000	TBD
d. North End: South of Turn	\$ 71,000	TBD
e. North Sharp Turn	\$ 71,000	TBD
f. South Resort Intersection	\$ 51,000	TBD
g. Main Gate Area	\$ 51,000	TBD
6 Spillway Plunge Pool Erosion Repair	TBD	TBD
7 Dietel Fence & Land Resolution	TBD	TBD

# Agency Projects and Funding based on FY 2015-16 Budget

December 10, 2015

## Monterey County Water Resources Agency

Category/ Item	Funded Yes/No/Underfunded	Assigned By BOS or BOD	Status (1,2,3)	Comments
<b>Operations and Maintenance - Fund 116; FY 2015-16 Adopted Budget \$3.3 Million</b>				
Naci O&M Budget \$923,194	Underfunded	BOD	1	Deferred Maintenance
SA O&M Budget \$364,336	Underfunded	BOD	1	Deferred Maintenance
Salinas River \$248,809	Underfunded	BOD	1	Effort has changed
Salinas River Mouth (Lagoon) \$88,661	Underfunded	BOD	2	Effort has changed
Res Ops Hydrology & WQ \$1,308,356	Yes	BOD	1	
ALERT Transfer Out \$226,895	Yes	BOD	2	
GW Extraction/Data Collection \$106,501	Yes	BOD	1	
Naci & SA Administration \$38,394	Yes	BOD	1	
<b>Zone 2C Administration Fund 116; 2015-16 Adopted Budget \$346,207</b>				
Zone 2C Assessment Roll \$8,684	Underfunded	BOD	1	Upgrade Database with maintenance
Zone 2C Administration \$337,523	Yes	BOD	1	
<b>Naci Non O&amp;M - Fund 114; FY 2015-16 Adopted Budget \$ 547,531</b>				
Hydrology & WQ \$448,038	Yes	BOD	1	
Urban Water Solutions \$32,724	Yes	BOD	2	
Naci Taxes & Reimbursements \$54,193	Yes	BOD	1	
Naci Dock Regs \$12,576	Underfunded	BOD	3	Revamp Ordinance & Fees





# Agency Projects and Funding based on FY 2015-16 Budget

December 10, 2015

## Monterey County Water Resources Agency

Category/ Item	Funded Yes/No/Underfunded	Assigned By BOS or BOD	Status (1,2,3)	Comments
<b>Operations and Maintenance - Fund 116; FY 2015-16 Adopted Budget \$3.3 Million</b>				
<b>SA Non O&amp;M Fund 115; FY 2015-16 Adopted Budget \$649,157</b>				
Hydrology & WQ \$482,209	Yes	BOD	1	
Well Permits/Well Logs \$32,300	Yes	BOD	1	
Environmental Compliance \$29,440	Yes	BOD	1	
SV WQ/Nitrate TAC \$71,154	Yes	BOD	2	
Fish Monitoring Reduced Contract \$34,054	Underfunded	BOD	2	S/B funded from Fund 116 SVWP \$375K
<b>Countywide Fund 113; FY 2015-16 Adopted Budget \$841,823</b>				
FP Mgmt & Land Use Planning \$464,387	Yes	BOD	1	
ALERT \$45,127	Yes	BOD	2	
CW WR Review-Reimbursement \$332,309	Yes	BOD	1	
<b>Pajaro Levee Fund 112; FY 2015-16 \$406,829</b>				
Pajaro River Levee \$406,829	Underfunded	BOS/BOD	1	Agency borrowed \$250,000 from RSR
<b>Reclamation Ditch Fund 122; FY 2015-16 Adopted Budget \$1,438,675</b>				
O&M \$1,295,891	Yes	BOD	2	
Environmental Compliance \$142,784	Yes	BOD	3	
<b>CSIP Operations Fund 131; FY 2015-16 Adopted Budget \$ 3,041,232</b>				
Consultants including MRWPCA \$2,053,367	Underfunded	BOD	1	Fund Balance covers additional costs
Labor and Service & Supply \$987,865	Yes	BOD	1	



# Agency Projects and Funding based on FY 2015-16 Budget

December 10, 2015

## Monterey County Water Resources Agency

Category/ Item	Funded Yes/No/Underfunded	Assigned By BOS or BOD	Status (1,2,3)	Comments
<b>SVRP Operations Fund 132; FY 2015-16 Adopted Budget \$4,285,263</b>				
Consultants including MRWPCA \$2,466,133	Underfunded	BOD	1	Fund Balance covers additional costs
Debt Service \$1,818,875	Yes	BOD	1	
Service & Supply \$255	Yes	BOD	1	
<b>Salinas River Diversion Facility Fund 134; FY 2015-16 Adopted Budget \$844,918</b>				
O&M \$465,611	Yes	BOD	1	
Fish Monitoring/Flow/WQ \$363,536	No	BOD	2	\$ only represent 2 FTE's
Environmental Compliance \$15,771	Yes	BOD	2	
<b>Moro Cojo Slough Fund 127; FY 2015-16 Adopted Budget \$381,059</b>				
Labor \$378,059	Yes	BOD	2	
Service & Supply \$3,005	Yes	BOD	1	
<b>Nacimient Hydroelectric Plant Fund 130; FY 2015-16 Adopted Budget \$420,262</b>				
Consultants \$154,919	Yes	BOD	1	
Labor and Service & Supply \$265,343	Yes	BOD	1	
<b>Projects (First Phase)</b>				
Permit 11043 \$2,000,000	No	BOD/BOS	2	Implementation needed by 2030
CSIP Expansion \$150,000	No	BOD/BOS	3	Annual Cost increases >\$600K by 2018
GSA Formation \$300,000	No	BOD/BOS	1	Annual Cost increases >\$2M by 2019
Long-term SRSMP \$50,000	No	BOD/BOS	2	This is an increase over existing budget
Long-term SRMP/Lagoon \$150,000	No	BOD/BOS	2	Annual Cost increases >\$2M by 2019
InterLake Tunnel	No	BOS	2	\$3M and Agency Labor



# Agency Projects and Funding based on FY 2015-16 Budget

December 10, 2015

## Monterey County Water Resources Agency

Category/ Item	Funded Yes/No/Underfunded	Assigned By BOS or BOD	Status (1,2,3)	Comments
<b>Financial, Legal and Administrative</b>				
Financial Consultant to review Assessments	No	BOS	1	Estimated between \$300 - \$600k
Coast Keeper Litigation	No	BOS	1	
Water Rights related to Interlake Tunnel	Yes	BOS	2	
Easement Litigation	No	BOS	2	
Other Potential litigation	No	BOS	1	
Zone 2B Well Destruction	No	BOD	3	
SRSMP Environmental Permitting	No	BOS	3	
Blanco Drain/Reclamation Ditch	No	BOS	3	
PLA Legal costs related to Interlake Tunnel	No	BOS	1	
RDIPAC Recommendations	No	BOS	3	
Generator 2	No	BOD	3	

**Status Key: 1=On schedule; 2=Started but behind schedule; 3=Not started**





# Water Delivery/Service Charges

- The FY 2016-17 Requested Budget does not include a COLA increase.
- Water Delivery charge per acre foot delivered from (CSIP) turnout is \$5.63
  - This equates to annual revenue of \$128,083
  - All revenue is assigned to Fund 131 CSIP
- Water Service charge per acre foot from SRDF is \$67.82
  - This equates to annual revenue of \$1,542,905
  - All revenue is assigned to Fund 134 SRD



**CSIP Water Delivery and SRDF Water Service revenue  
based on Demand Schedule FY 2016-17**

Supplemental Well Water	SRDF Water		Recycled Water		Agricultural Wash Water		Total				
	<u>AF</u>	<u>AF</u>	<u>AF</u>	<u>AF</u>	<u>AF</u>	<u>AF</u>	<u>Well Revenue</u>	<u>SRDF Revenue</u>	<u>Combined Revenue</u>		
Jul-16	1,355	Jul-16	0	Jul-16	1,800	Jul-16	245	3,400	19,142	230,588	249,730
Aug-16	802	Aug-16	0	Aug-16	1,850	Aug-16	348	3,000	16,890	203,460	220,350
Sep-16	197	Sep-16	0	Sep-16	1,700	Sep-16	303	2,200	12,386	149,204	161,590
Oct-16	20	Oct-16	0	Oct-16	968	Oct-16	300	1,288	7,251	87,352	94,603
Nov-16	70	Nov-16	0	Nov-16	586	Nov-16	200	856	4,819	58,054	62,873
Dec-16	100	Dec-16	0	Dec-16	0	Dec-16	0	100	563	6,782	7,345
Jan-17	250	Jan-17	0	Jan-17	0	Jan-17	0	250	1,408	16,955	18,363
Feb-17	150	Feb-17	0	Feb-17	656	Feb-17	150	956	5,382	64,836	70,218
Mar-17	130	Mar-17	0	Mar-17	1,500	Mar-17	170	1,800	10,134	122,076	132,210
Apr-17	450	Apr-17	0	Apr-17	1,700	Apr-17	250	2,400	13,512	162,768	176,280
May-17	1,210	May-17	0	May-17	1,800	May-17	240	3,250	18,298	220,415	238,713
Jun-17	1,324	Jun-17	0	Jun-17	1,700	Jun-17	226	3,250	18,298	220,415	238,713
	6,058		0		14,260		2,432	22,750	128,083	1,542,905	1,670,988





## Discussion (cont.)

- The drought has exposed the revenue imbalance in Water Delivery/Service fees to SRDF Fund 134 and CSIP Fund 131
  - When the SRDF is not operating CSIP/SVRP costs increase.
- The Agency is unable to change this revenue imbalance without a policy change and/or a new Fee agreement with customers.
- For FY 2016-17, The Agency pulled \$200,000 from Fund 119 to cover operating expenditures in Fund 131, which is not enough to cover all operating costs that exceed on-going revenue.



## Discussion (cont.)

- The next slide shows water delivery and water service charges, after assessment revenue is applied to budgeted expenditures.
- Currently, Fund 132-SVRP does not receive water delivery or service charge revenue. Expenditures in this Fund exceeding revenue by \$620,033.
- The next slide includes Fund 132-SVRP as receiving revenue from water delivery/service fees to illustrate the amount of revenue needed to align revenues with expenditures.

# Discussion

Based on FY 16-17 Budget

	SRDF	CSIP	SVRP	Total
<b>Budgeted Expenditures</b>				
Consultants	202,540	2,068,021	2,623,908	4,894,469
Services & Supplies	35,314	202,513	260	238,087
Debt Payments			1,803,880	1,803,880
Staff Labor	458,225	600,036		1,058,261
Less Assessments		(1,018,329)	(3,107,201)	(4,125,530)
Less Transfers from 119		(1,015,000)	(650,000)	(1,665,000)
<b>Total Budgeted Expenditures</b>	696,079	837,241	670,847	2,204,167
<b>FY 16-17 Projected Water Demand in AF</b>	22,750	22,750	22,750	68,250
<b>Water Delivery Charge Based on FY 16-17/AF</b> (Total Budgeted Expenditures/22,750)	30.60	36.80	29.49	96.89



**CSIP/SVRP/SRDF  
FY 2016-17 Combined Budgets**

	<u>Fund 119 CSIP Zone 2B</u>	<u>Fund 131 CSIP Zone 2Y</u>	<u>Fund 132 SVRP Zone 2Z</u>	<u>Fund 303 CSIP Debt</u>	<u>Total CSIP/ SVRP</u>	<u>Fund 134 SRDF O&amp;M</u>	<u>Total</u>
<b><u>Estimated Beginning Fund Balance</u></b>	<b>\$251,926</b>	<b>\$1,179,000</b>	<b>\$1,601,915</b>	<b>\$976,400</b>	<b>\$4,009,241</b>	<b>\$2,530,254</b>	<b>\$6,539,494</b>
<b><u>Revenue</u></b>							
Assessments (NO COLA)	\$3,330,398	\$1,018,329	\$3,107,201		\$7,455,928		\$7,455,928
Assessment revenue transfers between Funds	(3,300,000)	1,015,000	650,000	1,835,000	\$200,000		200,000
Ad Valorem Taxes					\$0		0
Water Delivery charges (NO COLA)	0	128,083			\$128,083	1,542,905	1,670,988
Interest & Other	3,380	3,000	4,000	15,000	\$25,380	7,000	32,380
Reimbursement of Regional Project costs	0	0			\$0		0
Partial Settlement of SRDF Emergency Repairs				0	\$0		0
<b>Total Revenue</b>	<b>\$33,778</b>	<b>\$2,164,412</b>	<b>\$3,761,201</b>	<b>\$1,850,000</b>	<b>\$7,809,391</b>	<b>\$1,549,905</b>	<b>\$9,359,296</b>
<b><u>Expenditures</u></b>							
MCWRA costs							
Labor allocation	\$6,001	\$600,036			\$606,037	\$458,225	\$1,064,262
Maintenance/Repair/Legal	3,220	11,944	260		\$15,424	35,314	50,738
Consultants		410,000	13,795		\$423,795	120,808	544,603
Insurance (Net of PCA reimbursement)		190,569			\$190,569		190,569
Transfer from 119 reserves	200,000				\$200,000		200,000
CSIP Loan Payments				1,835,779	\$1,835,779		1,835,779
PCA O&M Charges		1,554,450	2,492,471		\$4,046,921	81,732	4,128,653
PCA Capital Outlay Charges		100,000	108,000		\$208,000		208,000
PCA - SVRP Loan Payments			1,766,708		\$1,766,708		1,766,708
<b>Total Expenditures</b>	<b>\$209,221</b>	<b>\$2,866,999</b>	<b>\$4,381,234</b>	<b>\$1,835,779</b>	<b>\$9,293,233</b>	<b>\$696,079</b>	<b>\$9,989,312</b>
<b><u>Net Revenue less Expenditures</u></b>	<b><u>(\$175,443)</u></b>	<b><u>(\$702,587)</u></b>	<b><u>(\$620,033)</u></b>	<b><u>\$14,221</u></b>	<b><u>(\$1,483,842)</u></b>	<b><u>\$853,826</u></b>	<b><u>(\$630,016)</u></b>
<b><u>Estimated Ending Fund Balance</u></b>	<b><u>\$76,483</u></b>	<b><u>\$476,413</u></b>	<b><u>\$981,882</u></b>	<b><u>\$990,621</u></b>	<b><u>\$2,525,399</u></b>	<b><u>\$3,384,080</u></b>	<b><u>\$5,909,478</u></b>

\* Includes CSIP Rate stabilization reserve of \$700,000





# Agency Technology and Vehicle Plans

- FY 2016-17 Technology Plan Total **\$211,857**
  
- FY 2016-17 Heavy & Light Vehicle Plan
  - Total Annual Lease Purchase Amount **\$89,000:**
    - 4 Current Leases **\$27,800**
    - 2 New Trucks Lease purchases **\$15,000**
    - 1 New Dump Truck **\$31,200**
    - 1 New Track Mower **\$15,000**



# FY 2016-17 Preliminary Budget Recommendations

Direct Agency staff to find a Revenue Stream for Agency regulatory requirements

- Fish Monitoring and SRM Lagoon, if no revenue is found, staff will need to determine the risk of not performing these activities

In the event further cut backs are required request Agency staff to prioritize projects in Fund 116

- Determine if the proposed Fund labor allocation meets Agency priorities
- Determine if a Cloud Seeding Program should be pursued in light of existing money for SRSMP & Lagoon Permits
- Determine if Consultant Costs meet Agency priorities

Approve Annual COLA increase on Flood Zone Assessments and direct Agency Staff to complete an updated Water Service/Delivery Fee Policy by 6/30/17

- Approve COLA increases on Flood Assessments (excludes Water Delivery/Service Fees & Debt Service Fund 133)
- Establish a minimum Fee that addresses the interrelated shared O&M costs between CSIP, SVRP and SRDF

Direct Agency staff to obtain a source of revenue before working on unfunded projects

- Lagoon Permitting
- 11043
- GSA