

**FY 2021**

# **Proposed Budget Overview**

**May 14, 2020**

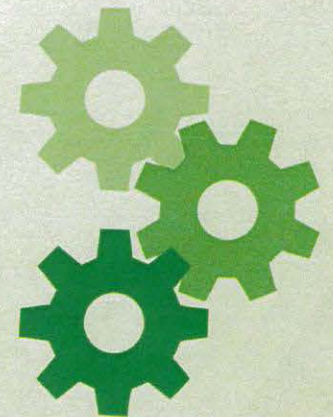


LEUCADIA WASTEWATER DISTRICT



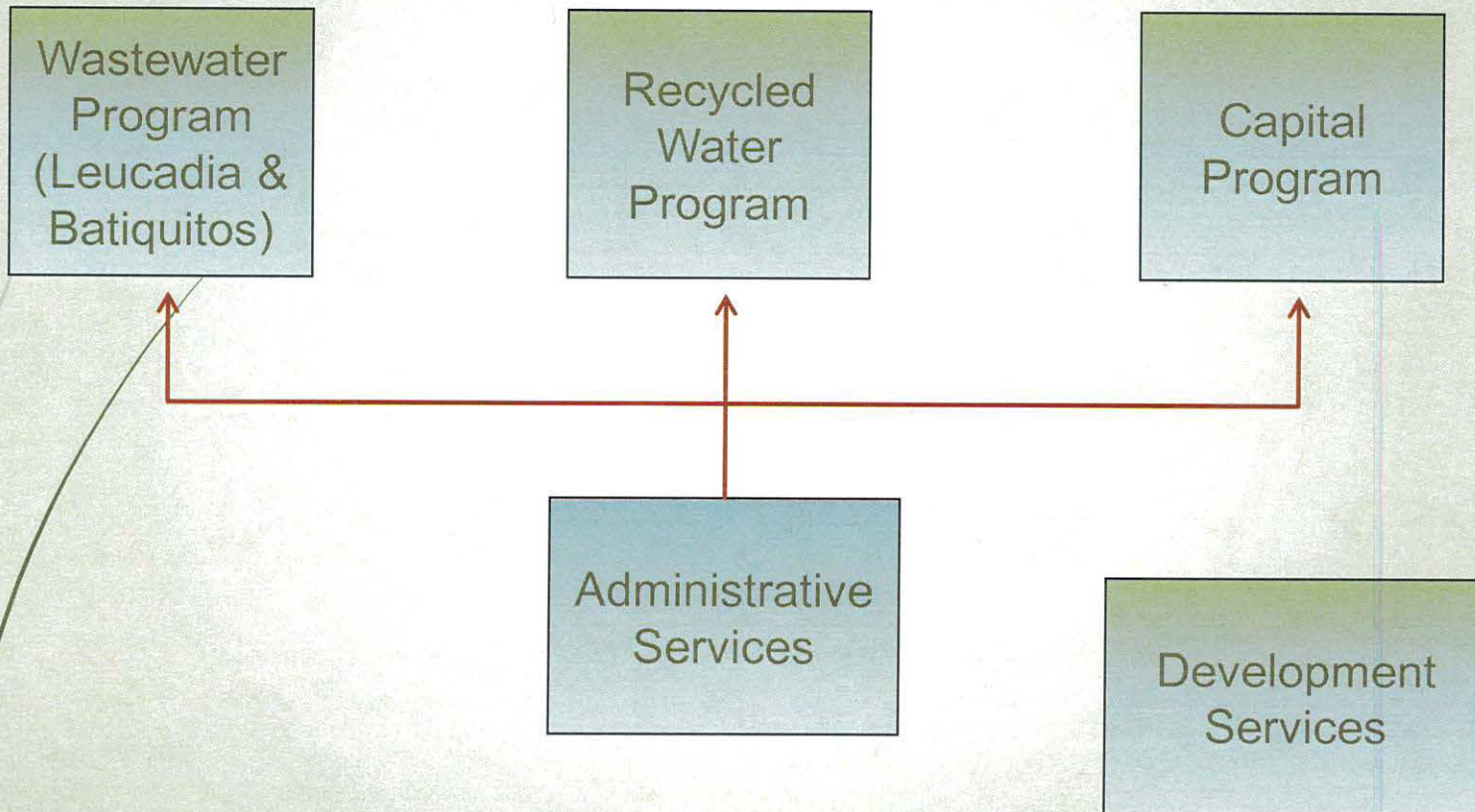
# Principal Budget Objectives

- ▶ Maintain Cost Effective Service
- **Financially appropriate & supported by sound projections**
- ▶ Provide Environmental Stewardship
- **Eliminate sewer spills – Provide equip & training**
- ▶ Improve Infrastructure & Facilities
- **Proactive – Replace infrastructure before it breaks**
- **Provide reliable, uninterrupted service**
- ▶ Maintain a Competitive Workforce
- **Skilled, motivated, and stable workforce**



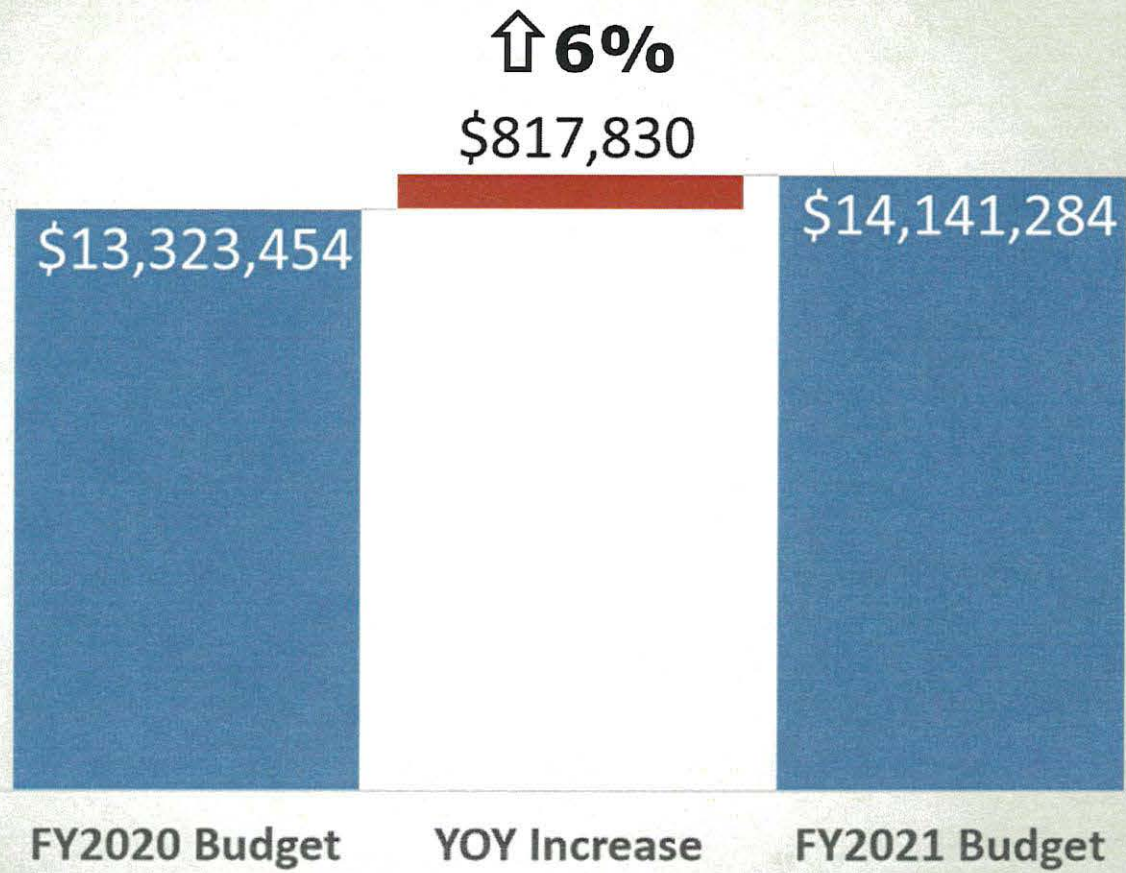


# Cost Allocation By Program





# REVENUES



*10% Increase in Sewer Service Rates*



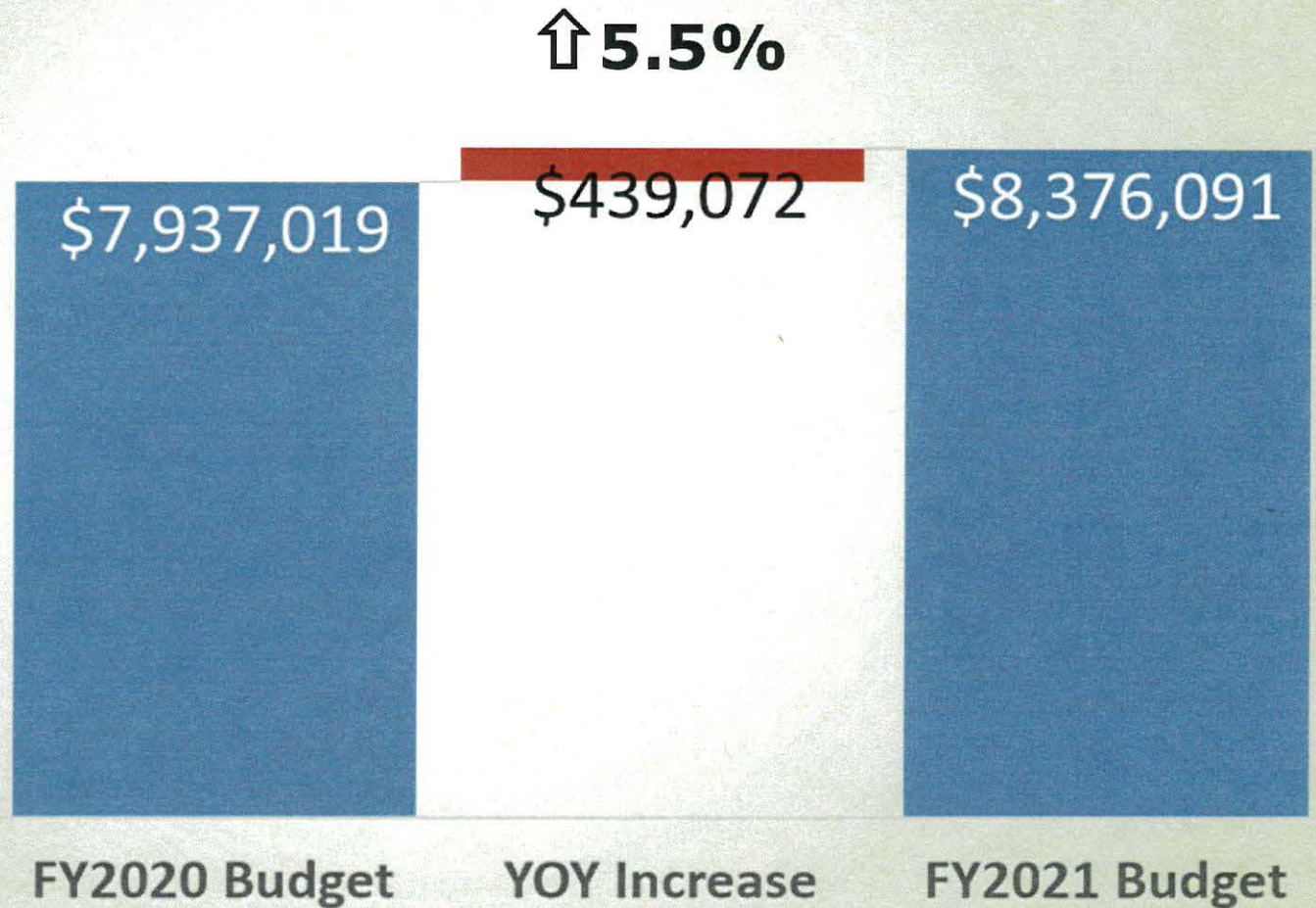


## REVENUES Increases

Increase in Customer Base	+ \$ 22K
Increase in Sewer Service Rate	+ \$1.0M
Property Taxes	+ \$ 80K
Interest Income	- \$277K
Recycled Water Sales	+ \$ 0K
Development & Other	- \$ 4K
<b>NET Increase in Revenues</b>	<b>= \$818K</b>

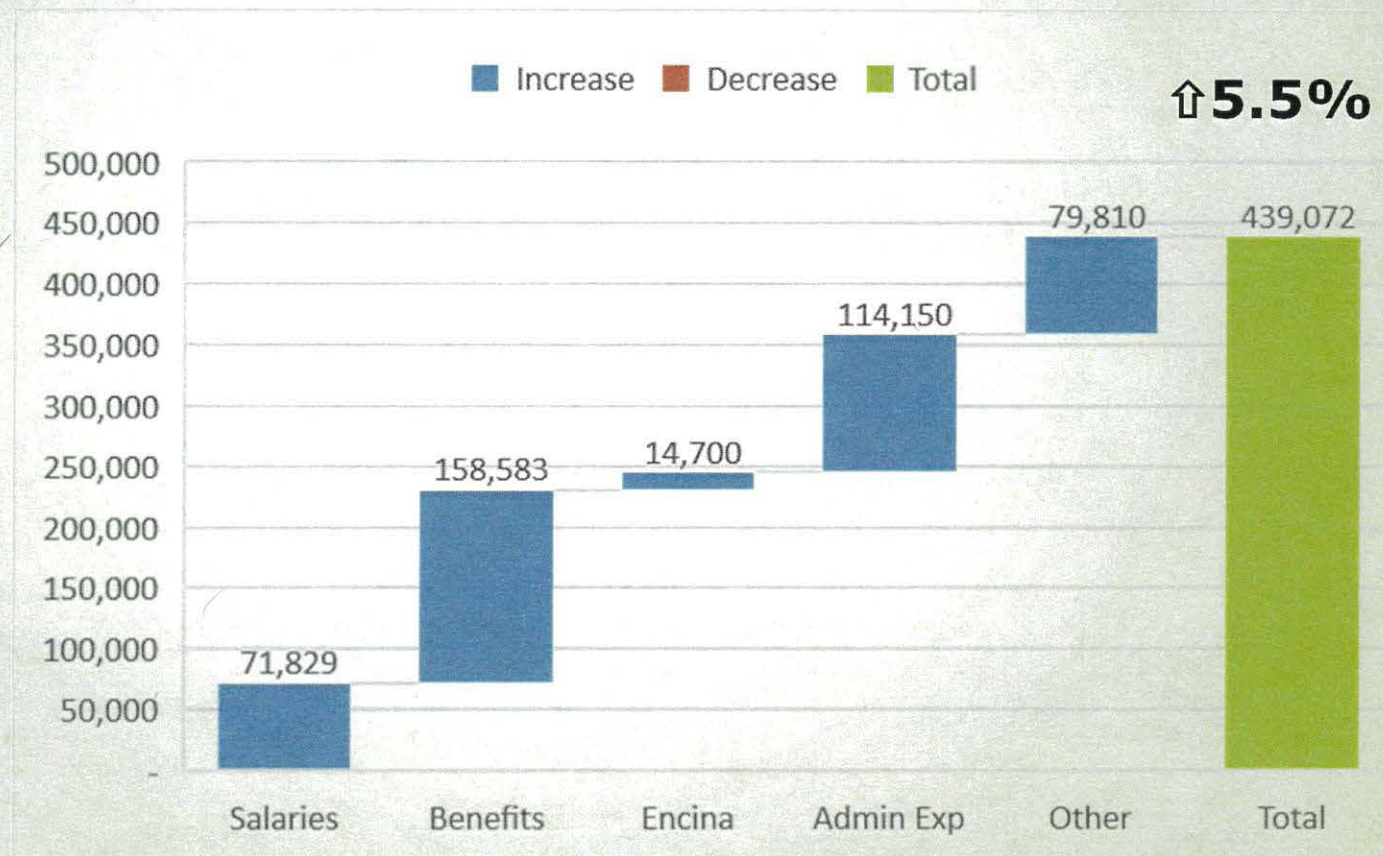


# OPERATING EXPENSES



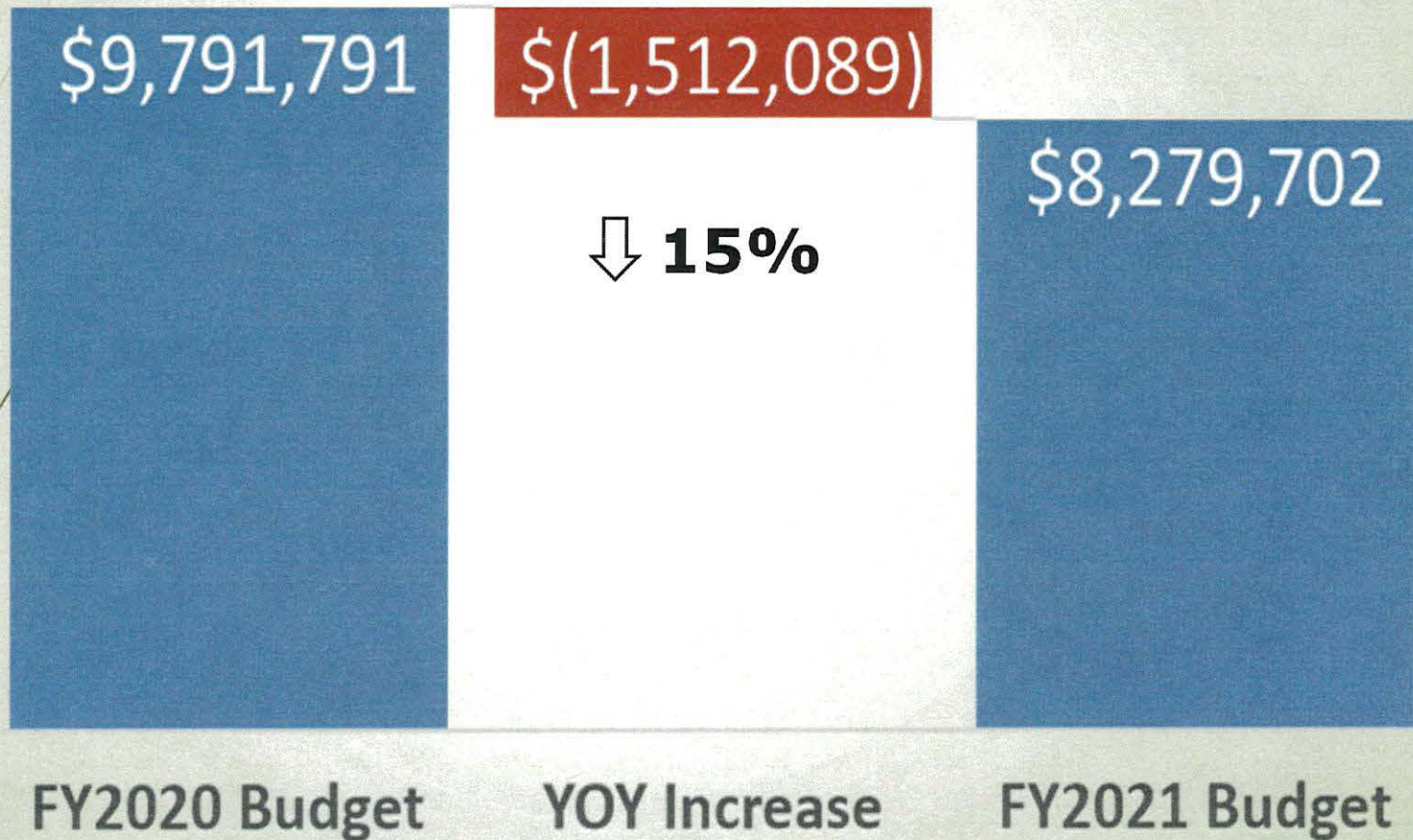


# OPERATING EXP. INCREASES





# Capital Expenditures







# Administrative Services

▶ Total Administrative Expenses = \$2.1M

**Increase of 10% (+\$203K)**

- Total Non-Labor Admin exp. = \$813K

(+\$114K ↑ 16%)

- ▶ **Directors' Conferences (+8K)**

- ▶ **Election Expense (+\$37K)**

- ▶ **Insurance Expense (+\$31K)**

- ▶ **Network Support and Software Renewals (\$+17K)**

- ▶ **Reduced Cost of OPEB Valuation (-\$7K )**

- Allocated to other programs as Admin Overhead



# Leucadia Facilities Operations

➤ **Total Operating Expenses = \$7.5M**  
**Increase of 5% (+\$392K)**

- Field Services Non-Labor Expenses = \$1.0M  
(+\$63K ↑ 7%)

**\$ 98K - Office Exp/Computer Srv (+8% or +\$7K) - H2S monitoring**

**\$160K - Operating Sup/Chemicals (+4% or +7K) - PPE**

**\$378K - R&M (+13% or +\$44K) - Scaffold & Crane Serv**

**\$229K - Utilities (+0.5% or +\$1K) - Increase in Elect.**

- Encina Treatment Expense = \$2.6M  
(+\$15K ↑ 1%)



# Batiquitos Joint Facilities Operations

▶ **Total Operating Expenses = \$449K**

**Increase of 1% (+\$6K)**

- **Field Services Non-Labor Expenses = \$276K**  
**(-\$4K ↓ 1%)**

**\$ 10K - Professional Services (0% or \$0K)**

**\$ 94K - Repairs & Maintenance (-5% or -\$5K)**

**\$161K - Utilities (+0.1% or +\$200) Slight  
Increase in Electrical costs**



# Recycled Water Operations

➤ **Total Operating Expenses = \$246K**

**Increase of 4% +9K**

- **Field Services Non-Labor Expenses = \$173K**  
(+\$6K ↑3%)

**\$45K-Operating Supplies (+0% or +\$0K)**

**\$58K-Repairs & Maint. (+4% or +\$2K)**

**Calibration Services**

**\$37K-Permits (+10% or +\$3K) Increase to  
Discharge & Storm Water Permits**



# Development Services

➤ Total Development Expenses = \$102K

Increase of 1% or +\$1K

➤ Professional Services = \$94K (+\$500 ↑ 1%)

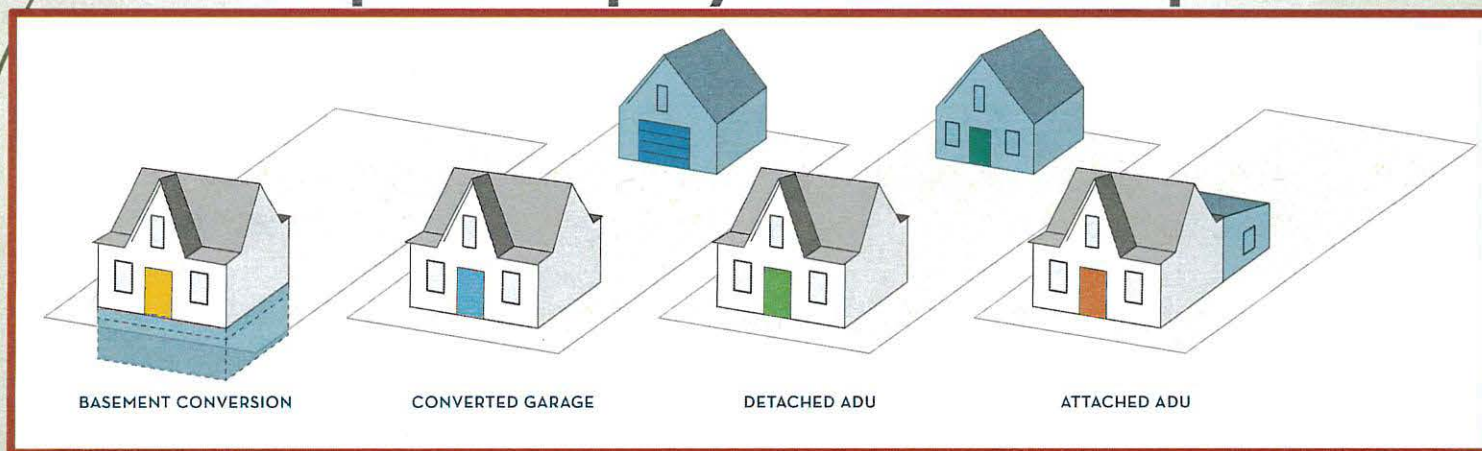
\$ 70K-Engineering Services

\$ 20K-LAFCO Fees

\$ 4K-Legal Services

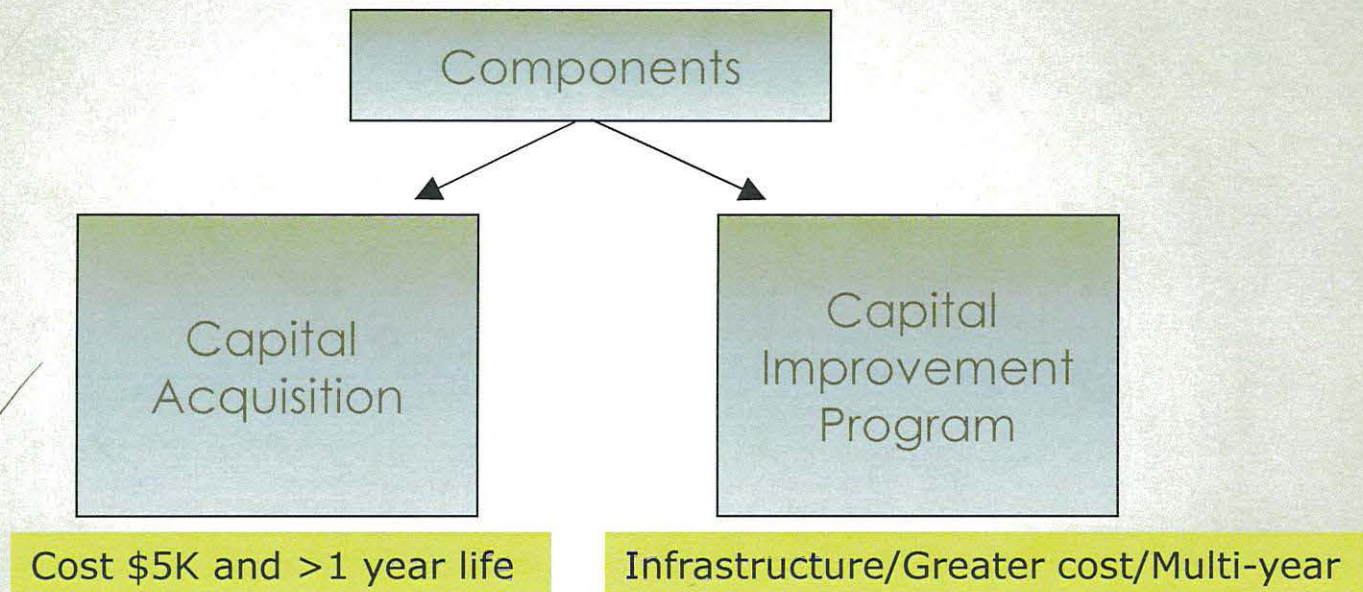
\$ 1k-Annexation Fees

## Development pays for development





# Capital Budget



**Capital Budget Total - \$8,279,702**

- Capital Acquisition - \$739,100
- CIP - \$7,540,602



# Capital Acquisition - \$739K

## ➤ Wastewater (Leucadia Facilities) - \$588K

- Vehicle Acquisition - \$365K
- Buildings & Grounds - \$27K
- Sewer Maintenance Equipment - \$53K
- Office Equipment - \$43K
- Pump Station Equipment - \$110K

## ➤ Wastewater (Batiquitos Pump Station) - \$116K

- Emergency By-pass Connector- \$6K
- Replace Vapex System- \$110K

## ➤ Recycled Water - \$35K

- Chemical Metering Pumps - \$5K
- Irrigation Supply Pumps - \$23K
- Replace Check & Effluent Valves – 7K





# Vehicle Acquisition

Replace:

- Pump Station Truck
- CCTV Truck

\$75K

\$290K

**Total \$365K**





# Buildings & Grounds

- Replace Gate Operators \$17K

**Total \$17K**

## Sewer Maintenance Equipment

- Vactor Nozzle Kit  \$5K
- Replace CCTV Equipment \$20K
- Critical Inventory (Domes/Rings/Couplings) \$16K
- Replace 2 Gas Monitors  \$6K
- Portable Trash Pump \$6K

**Total \$53K**



# Office Equipment

- Refurbished Network Server \$8K
- Website Development \$35K



**Total \$43K**

# Pump Station Equipment

- Replace Vapex - Leucadia Pump Station \$110K



**Total \$110K**





## Capital Improvement Program – \$7.5M

- Leucadia Multi-Year CIP - \$2.8M
- Leucadia Ongoing Rehabilitation - \$309K
- Jointly-Owned Facilities - \$273K
- EWA Capital - \$3.5M
- Recycled Water Program – \$31K
- General Professional Services – \$22K
- Indirect LWD Labor - \$490K



## Leucadia Multi-Year CIP

➤ Leucadia Pump Station Rehabilitation	\$1,702,000
➤ Encinitas Estates PS Replacement	None
➤ Orchard Wood Road Sewer Rehabilitation	None
➤ FY 2020 Gravity Pipeline Rehab/Quebrada	None
➤ Diana Pump Station Upgrade	\$402,000
➤ Hazard Mitigation Plan Update	\$15,000
➤ FY 2021 Gravity Pipeline Rehabilitation	\$665,000
➤ FY 2021 L1/L2 FM Anode Replacement	\$35,750
➤ Village Park No. 5 PS Chopper Pumps	\$100,000

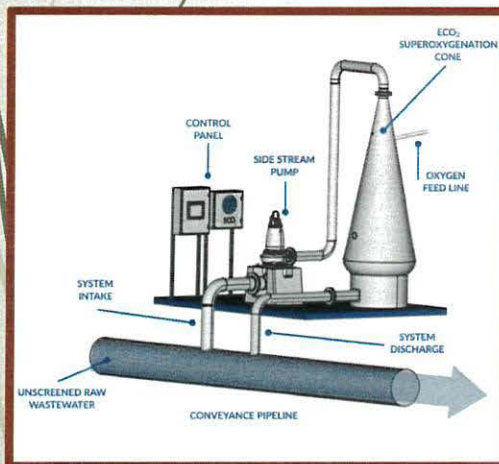
**Total \$2,819,750**



# Leucadia PS Rehabilitation

Major project components:

- Install five dry pit submersible pumps
- Install three new Mitsubishi VFDs
- Reposition check valves, vertical to horizontal
- Replace discharge header
- Install super-oxygenation odor control
- Install permanent pump in Emergency Basin





# Leucadia Ongoing Rehabilitation

- Misc Pipeline/Manhole/Pump Station Rehabilitation \$204,500
  - Lateral Reimbursement/Backflow Preventer \$104,000
- Total \$308,500**





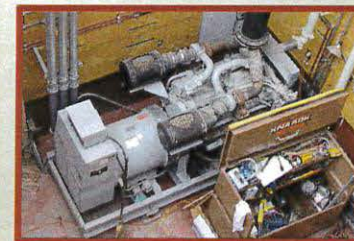
# Jointly-Owned Facilities

➤ Poinsettia Station Gravity Pipeline Project	None
➤ Batiquitos FM (B3) Discharge Section Repl.	None
➤ Batiquitos PS Emergency Basin Upgrade	\$98,000
➤ Batiquitos Pump Station Rehabilitation	\$175,000
<b>Total</b>	<b>\$273,000</b>

- Install Submersible Pump
- Reline Emergency Basin



- Replace Pumps
- Replace Generator





# EWA Capital

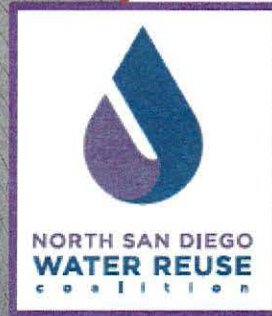
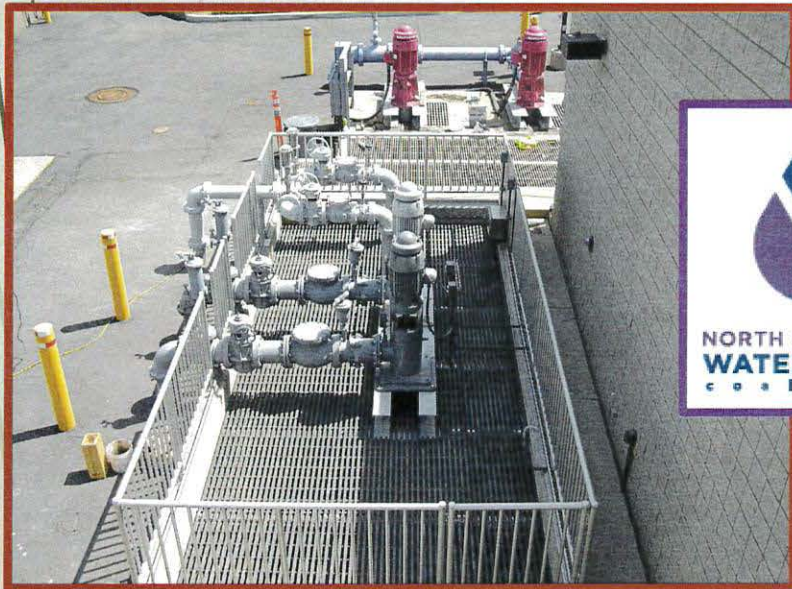
➤ Capital Improvement Project	\$3,273,726
➤ Planned Asset Replacement	\$165,822
➤ Capital Acquisitions	\$58,246
<b>Total</b>	<b>\$3,497,794</b>





# Recycled Water Program

➤ North San Diego Water Reuse Coalition	\$30,500
➤ B1 Force Main–North Section Replacement	None
<b>Total</b>	<b>\$30,500</b>



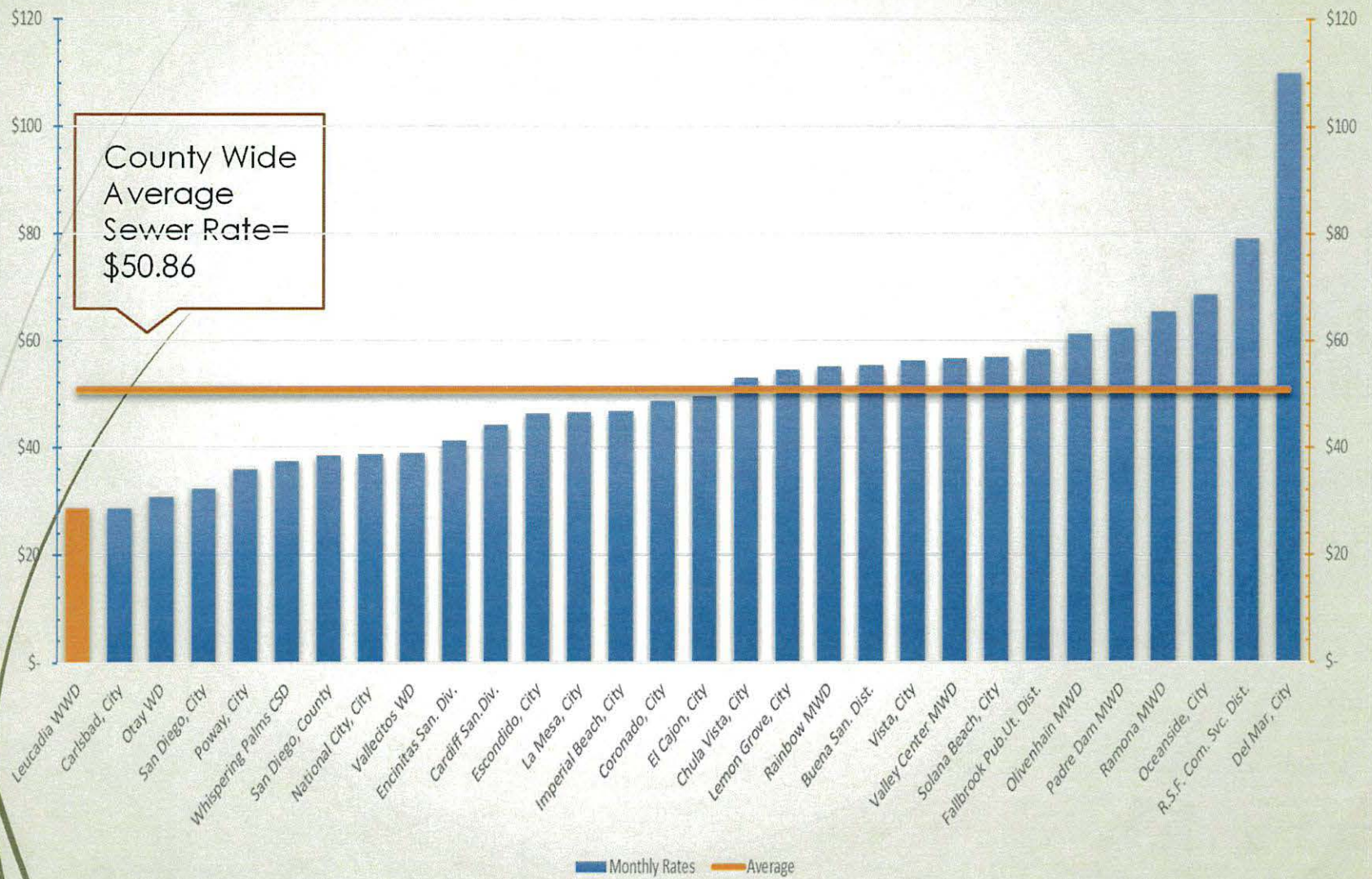


## Reserve Contributions or (Uses)

	Wastewater Program	Recycled Program
Revenues	\$13,775,284	\$366,000
Operating Expenses	-\$ 8,091,211	-\$284,880
Capital Expenditures	-\$ 8,214,102	-\$ 65,600
<b>Transfer to (from) Reserves</b>	<b>(\$2,530,029)</b>	<b>\$ 15,520</b>



## Monthly Sewer Service Rate Comparison – San Diego County Agencies – January 2020







Any questions or  
comments

