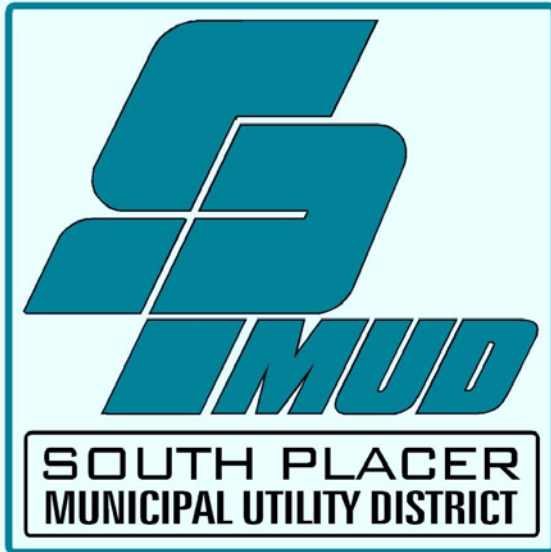


Fiscal Year
2020/2021



Budget Report

Board Approved 7/2/2020

South Placer Municipal Utility District
5807 Springview Drive,
Rocklin, CA 95677

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Vision Mission & Values

VISION

Our Vision is to be the most reliable, innovative operations and maintenance organization that preserves and prolongs the life of our assets, resulting in sustainable, efficient, cost-effective customer service.

MISSION

We are a customer-owned Utility dedicated to:

PROTECT public health and water environment

PROVIDE efficient and effective sanitary sewer service

PREPARE for the future

VALUES

Our Core Values are:

INTEGRITY:

We will be trustworthy, truthful and honest

STEWARDSHIP:

We will be accountable and committed to responsible management and respect our environment

SERVICE:

We will be responsive, reliable and respectful; putting the needs of the District and customers first

QUALITY:

We will be dedicated to continuous improvement

BOARD OF DIRECTORS

| | |
|-------------------|---|
| Gerald Mitchell | WARD 1: Southwest central area of the City of Rocklin lying north of Interstate 80, including the Woodside, Five Star/Fairway Heights, south Stanford Ranch, and Sunset neighborhoods, as well as the west parts of old Rocklin. |
| William Dickinson | WARD 2: Northwest part of the City of Rocklin lying on the east side of Highway 65 in the Sunset West and north central Stanford Ranch neighborhoods. |
| John Murdock | WARD 3: Southeast Rocklin lying south of Interstate 80 in the vicinity of Sierra Community College, and also includes south Loomis and a stretch of land extending into Granite Bay in the Joe Rogers Road area. |
| Victor Markey | WARD 4: Community of Penryn, the Town of Loomis lying north of King Road, extending west into the north part of the City of Rocklin in the Whitney Ranch and north Whitney Oaks neighborhoods. |
| James Williams | WARD 5: West and central part of the Town of Loomis lying between Interstate 80 and King Road, extending west into the City of Rocklin into the east Stanford Ranch and south Whitney Oaks neighborhoods, as well as the east part of old Rocklin. |

STAFF

| | |
|-------------------|---|
| Herb Niederberger | General Manager |
| Emilie Costan | Administrative Services Manager and Board Secretary |
| Eric Nielsen | Superintendent |
| Carie Huff | District Engineer |

GENERAL MANAGER'S MESSAGE

To the Honorable Board of Directors and Customers of South Placer Municipal Utility District

South Placer Municipal Utility District (District) staff is pleased to present the operating budget and supplemental information for the Fiscal Year (FY) beginning July 1, 2020 and ending June 30, 2021 (FY20/21). Each year staff makes careful consideration in its budget development to ensure the District's mission, strategic goals, and commitments are being financially supported. This has been especially important this year, as this budget has been prepared in the midst of a global pandemic which has temporarily shut down much of the economy and created high levels of uncertainty. The District remains committed to safety, continued maintenance of the sewer system, and providing the best service to our customers during these uncertain times.

The District balances the budget by carefully setting sewer rates and charges to address the many challenges facing the sewer industry. The Budget's primary use is as a fiscal planning tool to accomplish the District's strategic goals and objectives. The budget is a management tool and not a legal requirement, and therefore not a legal document.

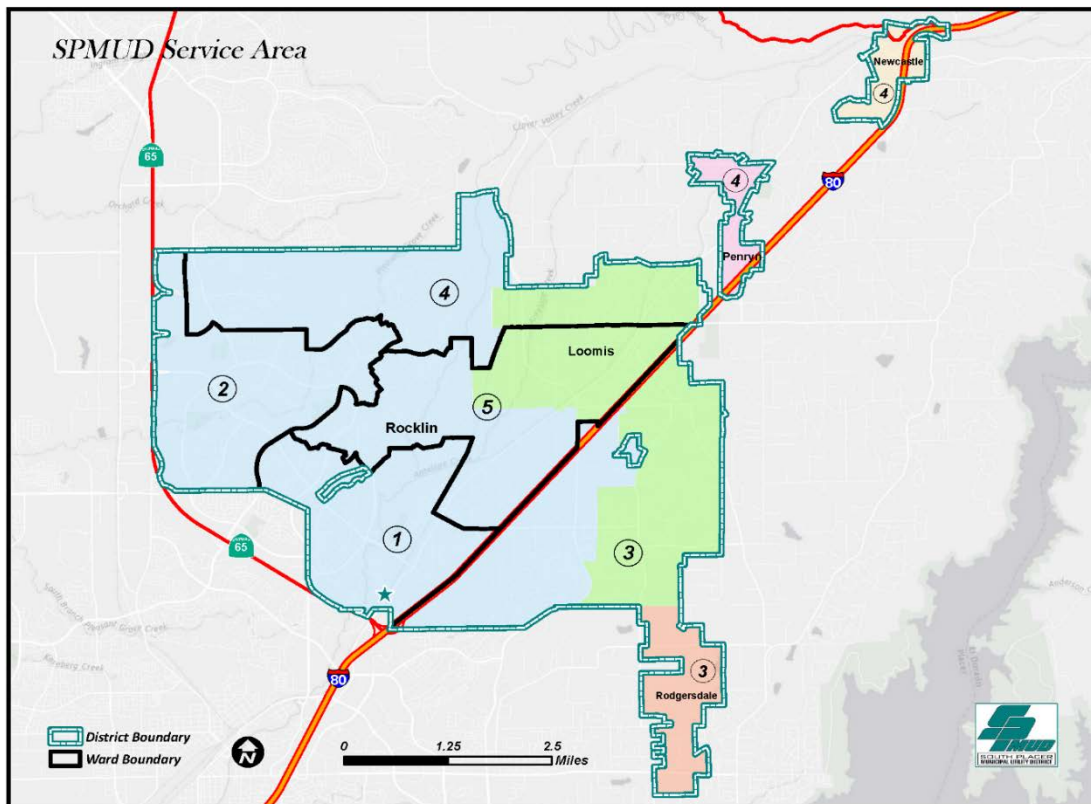
KEY ACCOMPLISHMENTS

The District strives to be the most reliable, innovative operations and maintenance organization that preserves and prolongs the life of our assets, resulting in sustainable, efficient, cost-effective customer service. To that end, the District had the following key accomplishments in Fiscal Year 19/20:

- Achieved the District Transparency Certificate of Excellence administered by the Special District Leadership Foundation (SDLF)
- Maintained Full Operations during the Coronavirus Outbreak
- Completed a Full Transition of the District Management Team
- Hired a Regulatory Compliance Technician to improve the programs and performance of the District in the areas of safety and regulatory compliance.
- Enhanced the Recruitment Process including completed physical demand assessments and updates to the District's Job Specifications and the Employment Application.
- Implemented Electronic Plan Check.
- Implemented an Electronic Content Management System.

- Develop a Regulatory Compliance Handbook summarizing the various regulatory agencies and requirements the District operates under.
- Adopted the 2020 System Evaluation and Capacity Assurance Plan (SECAP) and corresponding Nexus Study
- Lined 6,600 feet of mainline, 2,500 feet of lateral pipe, and installed 100 service lateral connection seals to rehabilitate portions of the sewer system.
- Chemically treated 29,000 feet of mainline to slow root growth and lessen the chance of blockages in the sewer system.
- Successfully maintained operations during the PG&E Public Safety Power Shutoff (PSPS) events.

FIGURE 1 – DISTRICT BOUNDARIES



REPORT ORGANIZATION

This Annual Budget is intended to provide the Board with an overview of the District’s fiscal plan of action, including revenue and expense details for the upcoming Fiscal Year (FY20/21). This report is organized into a General Manager’s report and revenue, expenditures, capital outlays, and personnel schedules.

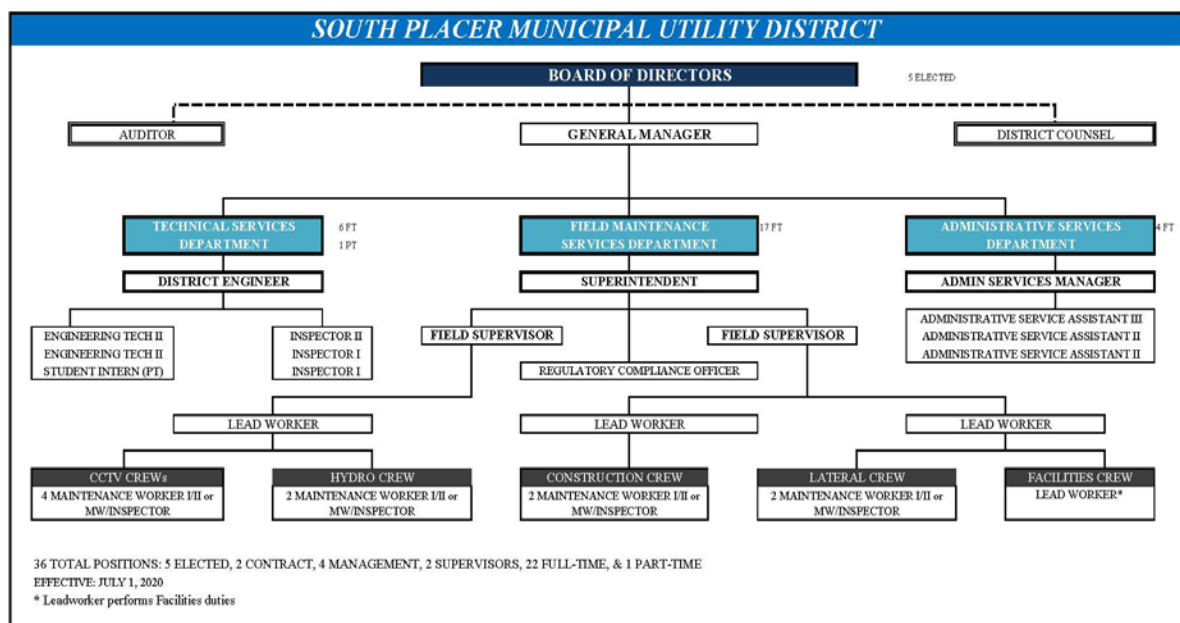
BACKGROUND

The Rocklin-Loomis MUD was created in 1956 to provide sanitary sewer service to Rocklin and Loomis. The District is divided into five wards and governed by an elected five-member Board of Directors who establish policy and oversee the General Manager, who manages the day-to-day operations.

In the 1970s the District decommissioned its sewage treatment facilities and began using the City of Roseville (City) Dry Creek Wastewater Treatment Plant. In the 1980s, the name changed to South Placer Municipal Utility District to reflect its larger service area. In 2000, the District, the City of Roseville and Placer County (PC) created the South Placer Wastewater Authority (SPWA or Authority) to finance the construction of the Pleasant Grove Wastewater Treatment Plant (PG WWTP). In 2008, the District boundaries expanded to match the incorporated town limits of Loomis, and in 2010, annexed the Newcastle Sanitary District (NSD) area.

The South Placer Municipal Utility District is under the direction of a five-member elected board and managed by the General Manager. The District is organized into three departments, Field Services, Technical Services, and Administrative Services as shown in Figure 2.

FIGURE 2 – DISTRICT ORGANIZATIONAL CHART



STATISTICS

The South Placer Municipal Utility District service area covers 31 square miles as shown in Figure 1 and includes all of the incorporated limits of the City of Rocklin and Town of Loomis, plus portions of southern Placer County around the unincorporated communities of Penryn, Newcastle and the Rodgersdale area of Granite Bay. Rocklin makes up 88%, Loomis is 9%, and 3% is in unincorporated Placer County. The District provides service to 24,733 connections or an equivalent population of about 76,672 people. This equates to 34,859 Equivalent Dwelling Units (EDU) (80% residential and 20% commercial) with an average dry weather sewer flow of about four million gallons per day. The District collects the sewage and transports this via 285 miles of District-owned and operated sewer mains (from 4” to 42” diameter). The District maintains an additional 111 miles of lower laterals within our easement or public right-of-way. Other assets include our Headquarters, Maintenance and Corporation Yard facilities, 6,706 manholes/flushing branches, 13 lift stations, 12 metering sites, and related buildings, facilities and equipment.

FIGURE 3 – DISTRICT STATISTICS

| STATISTICS | UNIT | TOTAL |
|-------------------------|-----------------|--------|
| Service Area | Square Miles | 31 |
| Equivalent Population | Each | 76,672 |
| Equal Dwelling Units | EDU | 34,859 |
| Customers Connected | Each | 24,733 |
| Annual Flow to WWTP | Million Gallons | 1,642 |
| Sewer Mains | Miles | 285 |
| Lower Service Laterals | Miles | 111 |
| Manhole/Flushing Branch | Each | 6,706 |
| Lift Stations | Each | 13 |
| Force Mains | Miles | 7 |
| Flow Recorder Stations | Each | 12 |
| Easements | Miles | 57 |
| Creek Crossings | Each | 79 |

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--|------------------|------------------|------------------|------------------|---------------|
| Personnel Costs | \$ 3,529,988 | \$ 3,901,731 | \$ 4,306,176 | \$ 4,465,994 | 4,681,360 |
| Sewer Service Revenue | 11,196,000 | 12,694,346 | 14,197,833 | 15,257,633 | 15,322,500 |
| Personnel Cost/ Sewer Service Revenue | 32% | 31% | 30% | 29% | 31% |
| Equivalent Dwelling Units | 32,825 | 33,445 | 34,174 | 34,859 | 35,159 |
| Personnel Costs/Per EDU | \$ 107.54 | \$ 116.66 | \$ 126.01 | \$ 128.12 | 133.15 |
| FSD Employees | 14 | 16 | 16 | 17 | 17 |
| Miles of Pipe | 267 | 273 | 277 | 280 | 285 |
| Miles of Pipe/FSD Employees | 19.07 | 17.06 | 17.31 | 16.47 | 16.76 |

SECTION 1 BUDGET OVERVIEW

The South Placer Municipal Utility District has three funds: a General Fund (100), a Capital Improvement Project & Expansion Fund (300), and a Rehabilitation & Replacement Fund (400).

The General Fund is used to support the general maintenance and operation of the District. The Capital Improvement Project (CIP) & Expansion Fund is used to fund construction projects for new infrastructure or infrastructure improvements, and the Rehabilitation & Replacement (R&R) Fund is funded through depreciation expense and is used to rehabilitate and replace existing infrastructure.

The South Placer Municipal Utility District primary funding goals are:

- Fully funding all Operations, Maintenance and Regulatory Obligations.
- Providing adequate funding for Capital Investments.
- Fully funding the District's obligations to CalPERS.
- Fully funding the District's annual required contribution (ARC) for Other Post-Employment Benefits (OPEB).
- Maintaining minimum reserve fund balances.
- Meeting the Debt Coverage Ratio mandated by the South Placer Wastewater Authority (SPWA) debt indenture.

SECTION 1.1 REVENUE ANALYSIS

The General Fund Revenue Budget is made up of service charges, plan check and inspection fees, property taxes, miscellaneous revenues, and interest revenue. The Capital Outlay Revenue Budget is made up of sewer participation charges, depreciation transfers, and investment interests. The following discussion highlights the major changes in the Fiscal Year 20/21 revenue budget in support of the detailed line items presented in **Schedule 1 - Revenue Budget**.

In Fiscal Year 19/20 due to changes in accounting required by the Government Financial Officers Association (GFOA), the repayment obligation in the Newcastle Special Benefit Area (NSBA) was transferred from Fund 300 to Fund 100. Future Project Related Service Charges (PRSC) assessed to customers in the NSBA, including interest, are now collected along with Sewer Service Charges and accrued in Fund 100. This fund transfer is reflected in *Section 1.4 Fund Balances and Reserves* and *Table 1 Fund Balance Breakdown*.

OPERATING REVENUES

General Fund revenues are projected to be \$16.82 Million. General Fund operating revenues are comprised of monthly service charges, service fees collected during the year through property taxes and interest revenues. In accordance with Ordinance 17-03, monthly service charges for Fiscal Year 20/21 are \$36 per EDU. The District remains one of the lowest monthly customer service fees in the region, see *Figure 6 Monthly Sewer Rate Comparison for Placer County*.

NON-OPERATING REVENUES

Non-operating Capital Outlay funds are made up of sewer participation charges, and investment interest income. The sewer participation fees for Fiscal Year 20/21 are \$12,051 per EDU which is comprised of a \$4,014 Local Participation Fee and an \$8,037 Regional Participation Fee. Capital non-operating revenue is projected to be \$1.43 Million.

TOTAL REVENUES

The District's total revenues for Fiscal Year 20/21 are projected to be approximately \$18.46 Million, based upon an additional EDU projection of three hundred for the year. In the current Fiscal Year, FY19/20 total year-end revenues are estimated at \$19.31M. This reduction is due to anticipated impact on the economy and reduction of development from the Coronavirus.

SECTION 1.2 OPERATIONS EXPENSE ANALYSIS

The following discussion provides a summary of the Fiscal Year 20/21 operational expenses, in support of the detailed line items presented in **Schedule 2 - Expense Budget**. The operating expenses are those Districtwide costs for goods and services and are comprised of personnel, administrative, and operational costs, and capital projects less than \$5,000.

SALARY & BENEFITS

The District is under the direction of a five-member elected board and managed by the General Manager. The District is organized into three departments, Field Services, Technical Services, and Administrative Services. The District has 36 funded positions comprised of 22 full-time, one part-time, five elected, 2 contracted, four management and two supervisors; see **Schedule 6 - Personnel Classification Positions**.

The District recently adopted updated Employee and Managers MOU's for the period covering July 1, 2020 through June 30, 2023 and adopted under Resolutions 20-16 and 20-17. In accordance with the MOUs and as shown in **Schedule 7 - Employee Salary Ranges**, salaries are expected to increase two (2) to four (4) percent in accordance with the US Department of Labor, Bureau of

Labor Statistics Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (CPI-W) which is currently at 1.3%. The MOU also provides for an increase to Deferred Compensation Contributions and the District is budgeting an additional \$34,000 for these contributions. Additionally, the District is in the third year of the Performance Merit Program; the District is budgeting an additional \$11,500 for the program. Total Salary and Benefits are programmed to increase by \$215,366 (5%) over the prior year.

At the November 6, 2019 Fee and Finance Committee meeting, a recommendation was made to contribute to the California Employer's Pension Prefunding Trust (CEPPT), a Section 115 Trust dedicated to prefunding employer contributions to defined benefit pensions. The District's current Unfunded Pension Liability is \$3.76 Million. This budget includes a one-time contribution of \$3 Million to CEPPT.

OPERATIONS & MAINTENANCE INCLUDING REGIONAL WASTEWATER TREATMENT

Total operation and maintenance expenses, including regional wastewater treatment and depreciation expense, for Fiscal Year 20/21, prior to the one-time CEPPT contribution of \$3 Million, are projected to be \$13.96 Million. This represents an increase of \$0.21 Million (1.5%) over last year's budget. The total budget for operation and maintenance expenses budget request, including regional wastewater treatment, depreciation expense and the one-time CEPPT contribution, is \$16.96 Million.

Included in these expenses are costs paid to the City of Roseville, who owns and operates the two Regional Wastewater Treatment Plants (Dry Creek and Pleasant Grove) providing sewage treatment for the regional partners. The District pays for its share of the RWWTP Operation & Maintenance (O&M) and Rehabilitation & Replacement (R&R) costs based on the District's proportional share of total flows (currently around 25%). For Fiscal Year 20/21 the RWWTP costs are budgeted to be \$5.65 Million, a decrease of about \$0.44 Million from Fiscal Year 19/20. These costs include O&M costs of \$5.28 Million and R&R costs of \$0.37 Million.

The Fiscal Year 20/21 General Fund Budget of \$16.96 Million is comprised of the following: \$4.68 Million for salaries and benefits, \$1.93 Million for local General Fund expenses, \$5.65 Million for Regional Wastewater Treatment Plant expenses, \$1.7 Million for depreciation expense, and \$3 Million allocated to a California Employer's Pension Prefunding Trust.

SECTION 1.3 CAPITAL OUTLAY ANALYSIS

FY19/20 PROGRAMMED CAPITAL OUTLAYS

Schedule 3 – Capital Fund Expenditures includes a listing of the proposed capital outlays for the 20/21 Fiscal Year. **Schedules 5A, B, and C – Capital Replacement & Rehabilitation Outlay** provide written justifications and estimated costs that total \$11.07 Million. This can be broken down into the following categories: General Fund: \$3,255,200, Capital Improvement Projects: \$3,160,000, and Replacement & Rehabilitation: \$4,659,500.

General Fund Capital Outlays for FY20/21 - \$3,255,200 (Fund 100)

Projects include Newcastle Master Plan Improvements, Corporation Yard Master Plan Improvements (Locker Room, Breakroom & Lobby Security), Pipe Trailer & Easement Inspection Equipment, System Improvements, Software Acquisition, and District Participation in Regional Projects.

Capital Improvement & Expansion Outlays for FY20/21- \$3,160,000 (Fund 300)

Projects included in this category are construction of the Foothill Trunk Project, Rocklin 60, Lower Loomis Diversion, and Trunk Extension Reimbursements.

Capital Replacement & Rehabilitation Outlays for FY20/21 - \$4,659,500 (Fund 400)

Projects include Board Room Audio Visual equipment, SCADA Design and Implementation, Vehicle and Equipment Upgrades, Bypass Pump Replacement, Cured in Place Pipe, Corporation Yard Fencing, the Foothill Trunk Project, the Los Flores Mainline Replacement, Headquarter Building HVAC, and District participation in Regional Projects.

SECTION 1.4 FUND BALANCES AND RESERVES

CASH AND INVESTMENT BALANCES

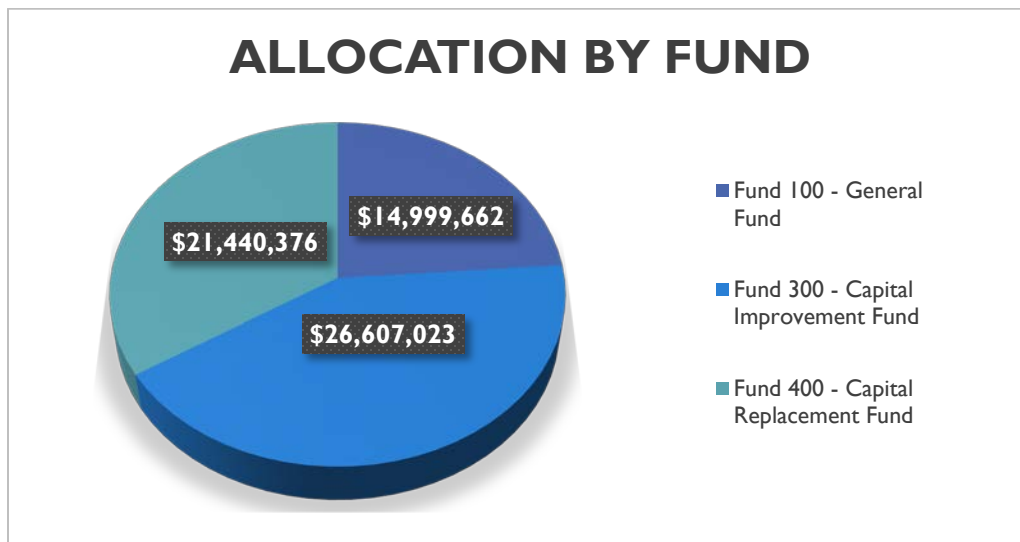
Cash balances are invested in accordance with the District's Investment Policy 3120 in the Local Agency Investment Fund (LAIF); the Placer County Treasury; CalTrust; and other Fixed –Income Securities. The breakdown of these investments is shown in **Schedule 1 – Investments**.

As of March 31, 2020, District investment balances are \$14.99 Million in Fund 100, \$26.61 Million in Fund 300, and \$21.44 Million in Fund 400. Projected year-end balances for Fiscal Year 20/21 are anticipated to remain relatively stagnant. These fund balances are shown in *Table 1 – Fund Balance Breakdown* and *Figure 4 – Allocation by Fund*.

TABLE 1– FUND BALANCE BREAKDOWN

| CASH & INVESTMENTS | Interest Allocation | TOTAL AUDITED FUNDS FY 17/18 | TOTAL AUDITED FUNDS FY 18/19 | FUNDS AS OF MARCH 31, 2020 |
|---|---------------------|------------------------------|------------------------------|----------------------------|
| FUND 100 GENERAL | 20% | \$ 11,988,131 | \$ 15,938,443 | \$ 14,999,662 |
| FUND 300 CIP & EXPANSION | 40% | \$ 20,217,209 | \$ 20,499,019 | \$ 26,607,022 |
| FUND 400 CAPITAL REPLACEMENT & REHABILITATION | 40% | \$ 19,903,873 | \$ 20,180,098 | \$ 21,440,376 |
| TOTALS | | \$ 52,109,213 | \$ 56,617,560 | \$ 63,047,060 |

FIGURE 4 – ALLOCATION BY FUND AS OF MARCH 31, 2020



DISTRICT RESERVES – COMPLIANCE WITH POLICY #3130

Reserve funds are accumulated and maintained in a manner that allows the funding of costs and capital investments consistent with the District’s Capital and Financial Plans while avoiding significant rate fluctuations due to changes in cash flow requirements. In accordance with Section 3 of the District’s Reserve Policy #3130, the General Fund Assigned Fund Balance Reserves consists of three parts: the Operation and Maintenance Reserve; the Rate Stabilization Reserve; and the Emergency Reserve; discussed in more detail below and shown in *Table 2 – General Fund Reserve Requirements*: The classification of these reserve fund balances are in conformance with Government Accounting Standards Board (GASB) Statement No.54 (Fund balance reporting and governmental fund type definitions).

1. OPERATIONS AND MAINTENANCE RESERVE

The purpose of the District Operation and Maintenance Reserve Fund is to ensure that the District will have sufficient funding available at all times to meet its operating obligations. Operating revenue is a flat rate and consistent over the year. Delinquencies are trued up through tax liens which are recoverable twice a year. Operating expenses are generally incurred uniformly over the year; however, work can be planned or deferred during the year to accommodate minor fluctuations in revenue. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain an Operation and Maintenance Reserve Fund equivalent to 3 months of Operation and Maintenance expenses.

2. RATE STABILIZATION RESERVES

The purpose of the District Rate Stabilization Reserve Fund is to establish a means to provide more stable sewer service charges to the District's customers. This fund buffers the impacts of unanticipated fluctuations or revenue shortfalls in sewer revenues and should be capable of defraying the need for an immediate rate increase to cover the cost of an unanticipated rise in expenses. Unexpected fluctuations can include, but are not limited to, natural disasters, an economic downturn, and unanticipated increases in other utility expenses and/or other extraordinary circumstances. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain a Rate Stabilization Reserve Fund equivalent to 10% of the annual revenue.

3. EMERGENCY RESERVES

The purpose of the Emergency Reserve Fund is to provide funds for emergency response for potential repair or replacement of capital facilities due to damage from a natural disaster or unanticipated failure. The Emergency Reserve would be used when capital improvement funds have otherwise been purposefully spent down to a preset limit on planned projects. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain an Emergency Reserve of \$3 Million.

TABLE 2 - GENERAL FUND RESERVE REQUIREMENTS

| RESERVE FUND | DESCRIPTION | AMOUNT |
|---------------------------------|--|---------------|
| OPERATION & MAINTENANCE RESERVE | 3 months O&M expenses (before depreciation) <i>25% of \$12,182,400</i> | \$ 3,045,600 |

| | | |
|----------------------------|---|---------------------|
| RATE STABILIZATION RESERVE | 10% of the annual revenue <i>10% of \$16,824,675</i> | \$ 1,682,468 |
| EMERGENCY RESERVE | \$3 Million | \$ 3,000,000 |
| TOTAL | | \$ 7,728,068 |

As indicated in *Table 1 Fund Balance Breakdown*, the District is projecting a General Fund Reserve balance of \$15 Million by year end which exceeds the minimum requirement of \$7.73 Million. The District is proposing a one-time CEPPT contribution of \$3 million for Fiscal Year 20/21 that will come from the General Fund Reserve balance. The adoption of this budget allows the District to have demonstrated continued compliance with the Reserve Policy #3130.

SECTION 1.5 REGIONAL WASTEWATER TREATMENT PLANTS & RATE STABILIZATION RESERVE FUND

The District, the City of Roseville and Placer County are participants in the SPWA. The District collects and transports about 1.5 Billion gallons of raw sewage annually to the Dry Creek and Pleasant Grove Regional Wastewater Treatment Plants (RWWTPs) in Roseville. The two RWWTPs and infrastructure used by all three partners make up the regional facilities. The District pays its share of annual Operations and Maintenance costs for the RWWTPs based on our proportional flows which are approximately 25% of total flows into the RWWTPs.

An SPWA Funding Agreement establishes a Rate Stabilization Account to be used for the payment of debt service on the Bonds and other costs of the Authority. Monthly contributions of regional connection fees are deposited into the Authority's Rate Stabilization Account, and SPWA pays the debt service and other costs from the account, based on each member's proportionate share. As of the last approved financial statement accepted by SPWA, the District maintained a balance of \$57,855,027 in the Rate Stabilization Account on deposit with the Authority. Per the last approved financial statement accepted by the Authority, the annual SPWA Debt assigned to the District was \$2,191,864. At the current debt service, the District has approximately 26 years' worth of debt service on account with SPWA.

In accordance with the SPWA Debt Indenture, the District has covenanted to prescribe and collect rates and charges sufficient to yield net revenues at least equivalent to 110% of its share of debt service. The source of funding for this reserve can be accounted for from the District's General Fund revenues and is expected to provide a Debt Coverage Ratio (DCR) of 110% over the lives of the Bonds.

$$\text{DCR} = [\text{General Fund Revenues} - \text{All O\&M (before dep)}] / \text{SPWA Debt} > 1.1$$

General Fund Revenues = \$16,824,675

Expenses (before depreciation) = \$12,182,400

$$\text{DCR} = (\$16,824,675 - \$12,182,400) / \$2,191,864 = \mathbf{2.12} > \mathbf{1.1}$$

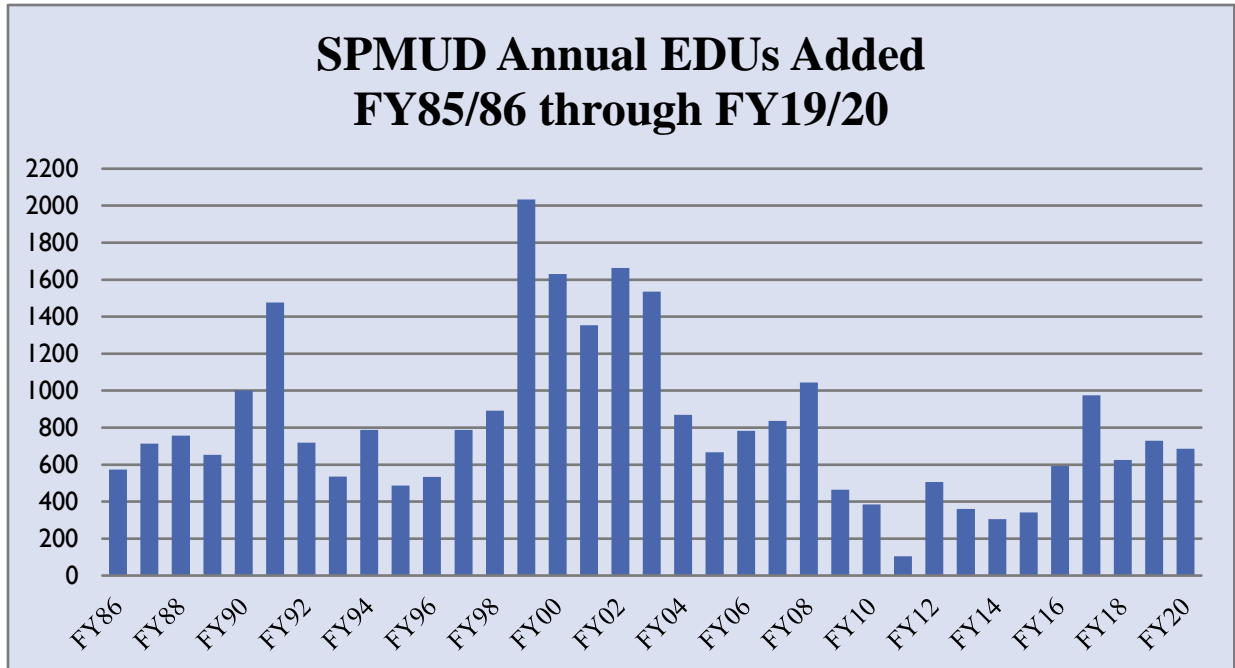
The adoption of this budget allows the District to have demonstrated compliance with the required Debt Coverage Ratio required by the SPWA Bond Indenture. The District’s Proportionate Share of Debt Service is to be paid from the Participant Net Revenues deposited in the SPWA Rate Stabilization Fund, collected as the Regional Participation Fee. To the extent that the District’s Proportionate Share of Debt Service is not paid in full from the Rate Stabilization Fund, the District pledges payment directly to the SPWA from the District’s General Fund.

SECTION 1.6 GROWTH AND PROJECTIONS

PAST GROWTH TRENDS

Figure 5 - Historical Growth shows how growth in the District has varied greatly year over year. Based upon an analysis performed in the Sewer Evaluation and Capacity Assurance Plan (SECAP) adopted in February of 2020, the District is forecasting growth of 500 EDUs a year for the next five years. This projection has been reduced to 300 EDUs for Fiscal Year 20/21 due to impacts on development from the Coronavirus.

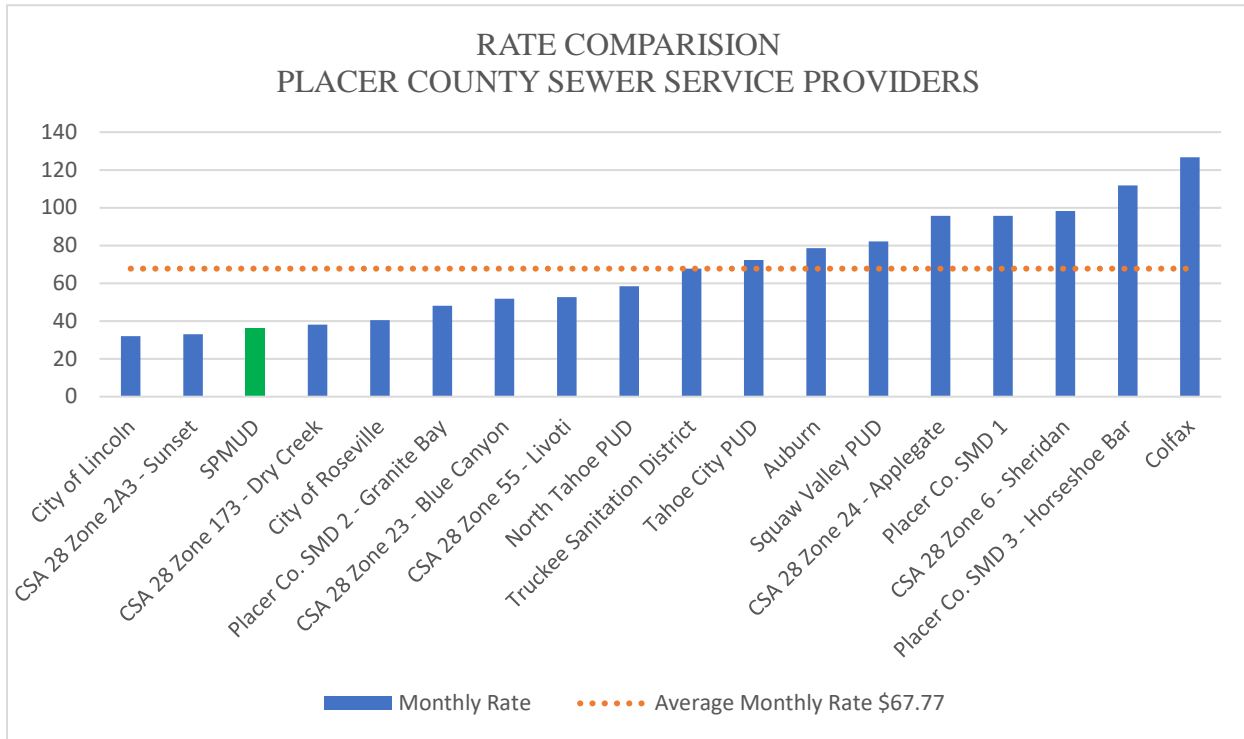
FIGURE 5 – HISTORICAL GROWTH



GENERAL FUND PROJECTIONS

Annual growth is based on the projected annual service fees as well as General Fund expenses. The District maintains its reserve balances through this analysis period. *Figure 6 - Monthly Sewer Rate Comparison for Placer County* shows a comparison of other local agency's service fees; the District is one of the lowest cost sewer service providers in Placer County (as well as the major Sacramento Metropolitan area).

FIGURE 6 - MONTHLY SEWER RATE COMPARISON FOR PLACER COUNTY (COLLECTION & TREATMENT)



SECTION 1.7 SUMMARY

The total Fiscal Year 20/21 revenues from all sources are projected to be \$18.46 Million with General Fund revenues projected to be \$16.82 Million (85% of total), and Capital Fund Revenues projected to be \$1.43 Million.

Personnel and salary schedules are shown in **Schedules 6 and 7**. The District has 36 funded positions comprised of 22 full-time, one part-time, five elected, one part-time contracted Attorney, one contracted Auditor, four management, and two supervisors. The District is entering into new Memorandum of Understandings (MOUs) with the Employees and Managers. The new MOUs will cover the period of July 1, 2020 through June 30, 2023. MOU adjustments are reflected in this

budget. **Schedules 1, 2, 3 & 4** chart the District Budget distribution for Fiscal Year 20/21.

The proposed budget represents an expenditure plan designed to accomplish the District's Strategic Plan Goals and Objectives and aligns with the District's Vision, Mission, and Values. The budget provides for the service needs of both present and future customers in the South Placer Municipal Utility District service area.

SCHEDULE 1 – INVESTMENTS AS OF MARCH 31, 2020

| INVESTMENT | FACE AMOUNT SHARES | MARKET VALUE | BOOK VALUE | YTM @ COST | % OF PORTFOLIO |
|--|-----------------------|----------------------|----------------------|--------------|-------------------|
| CALTRUST | \$ 21,508,320 | \$ 21,508,320 | \$ 21,508,320 | 1.59% | 34% |
| WELLS FARGO | \$ 23,156,993 | \$ 23,228,255 | \$ 23,166,304 | 0.93% | 37% |
| LAIF (LOCAL AGENCY INVESTMENT FUND) | \$ 6,299,485 | \$ 6,299,485 | \$ 6,299,485 | 1.89% | 10% |
| PLACER COUNTY TREASURY | \$ 7,364,635 | \$ 7,364,635 | \$ 7,364,635 | 1.70% | 12% |
| CASH | \$ 4,646,364 | \$ 4,646,364 | \$ 4,646,364 | 0.55% | 7% |
| TOTAL/AVERAGE | \$ 62,975,798 | \$ 63,047,060 | \$ 62,985,109 | 1.34% | 100% |

SCHEDULE 2 – FY20/21 REVENUE BUDGET

| | AUDITED FINANCIALS | | PROJECTED | PROPOSED |
|--|----------------------|----------------------|----------------------|---------------------|
| | FISCAL YR 17/18 | FISCAL YR 18/19 | FISCAL YR 19/20 | FISCAL YR 20/21 |
| GENERAL FUND | | | | |
| SEWER SERVICE CHARGES REVENUES | \$ 12,694,346 | \$ 14,197,833 | \$ 15,257,633 | \$ 15,322,500 |
| PERMITS, PLAN CHECK FEES & INSPECTIONS | 338,446 | 533,932 | 206,000 | 180,600 |
| PROPERTY TAXES | 929,449 | 993,704 | 1,082,283 | 1,100,000 |
| LATE FEES SEWER SERVICE CHARGES | - | 138,715 | 105,896 | 127,000 |
| INTEREST | 45,706 | 262,916 | 93,150 | 46,575 |
| GAIN/LOSS ON SALE FIXED ASSET DISPOSAL | 63,498 | 13,707 | - | - |
| MISCELLANEOUS INCOME | - | 98,419 | 48,000 | 48,000 |
| TOTAL GENERAL FUND | \$ 14,071,445 | \$ 16,239,226 | \$ 16,792,961 | \$16,824,675 |
| CAPITAL IMPROVEMENT FUND | | | | |
| SEWER PARTICIPATION FEES | \$ 2,520,400 | \$ 2,574,427 | \$ 1,683,600 | \$ 1,224,000 |
| INTEREST | \$ 197,569 | 791,667 | \$ 415,000 | \$ 207,500 |
| TOTAL CAPITAL IMPROVEMENT FUND | \$ 2,717,969 | \$ 3,366,094 | \$ 2,098,600 | \$ 1,431,500 |
| CAPITAL REPLACEMENT FUND | | | | |
| INTEREST | \$ 78,658 | \$ 661,805 | \$ 415,000 | \$ 207,500 |
| TOTAL CAPITAL REPLACEMENT FUND | \$ 78,658 | \$ 661,805 | \$ 415,000 | \$ 207,500 |
| TOTAL SPMUD REVENUE | \$ 16,868,072 | \$ 20,267,125 | \$ 19,306,561 | \$18,463,675 |

SCHEDULE 3 – FY20/21 GENERAL FUND EXPENDITURE BUDGET

| | AUDITED FINANCIALS | | PROJECTED | PROPOSED |
|---|----------------------|---------------------|----------------------|---------------------|
| | FISCAL YR 17/18 | FISCAL YR 18/19 | FISCAL YR 19/20 | FISCAL YR 20/21 |
| SALARIES/WAGES | \$ 2,378,643 | \$ 2,525,730 | \$ 2,663,332 | \$ 2,697,000 |
| FICA - SOCIAL SECURITY | \$ 177,384 | \$ 189,153 | \$ 196,390 | \$ 207,000 |
| CALPERS RETIREMENT & UAL | \$ 497,944 | \$ 655,878 | \$ 581,476 | \$ 634,360 |
| 457 & 401A RETIREMENT | \$ 79,098 | \$ 87,560 | \$ 87,555 | \$ 127,000 |
| INSURANCE BENEFITS | \$ 606,026 | \$ 664,173 | \$ 699,241 | \$ 740,000 |
| PERS OPEB | \$ 162,636 | \$ 183,682 | \$ 238,000 | \$ 276,000 |
| SUBTOTAL SALARIES & BENEFITS | \$ 3,901,731 | \$ 4,306,176 | \$ 4,465,994 | \$ 4,681,360 |
| PROPERTY & LIABILITY INSURANCE | \$ 119,949 | \$ 122,017 | \$ 159,130 | \$ 225,572 |
| PROFESSIONAL SERVICES | \$ 89,124 | \$ 103,507 | \$ 258,402 | \$ 408,000 |
| VEHICLE REPAIR & MAINTENANCE | \$ 84,911 | \$ 79,777 | \$ 73,000 | \$ 85,000 |
| PROFESSIONAL DEVELOPMENT | \$ 46,329 | \$ 46,483 | \$ 37,500 | \$ 70,000 |
| LEGAL SERVICES | \$ 31,994 | \$ 79,296 | \$ 65,550 | \$ 100,000 |
| UTILITY BILLING/BANKING EXPENSE/PRINTING | \$ 160,606 | \$ 179,123 | \$ 186,100 | \$ 194,000 |
| OTHER OPERATING EXPENSE | \$ 15,707 | \$ 406 | \$ 250 | \$ 2,500 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 155,022 | \$ 170,780 | \$ 162,500 | \$ 180,000 |
| GAS & OIL EXPENSE | \$ 39,096 | \$ 40,740 | \$ 44,000 | \$ 50,000 |
| ELECTION EXPENSE | \$ - | \$ - | \$ - | \$ 80,000 |
| SAFETY GEAR/UNIFORMS | \$ 17,566 | \$ 20,177 | \$ 25,000 | \$ 28,450 |
| UTILITIES | \$ 162,246 | \$ 139,540 | \$ 125,000 | \$ 142,000 |
| REPAIR/MAINTENANCE AGREEMENTS | \$ 73,197 | \$ 89,719 | \$ 84,090 | \$ 115,800 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 33,014 | \$ 44,892 | \$ 49,330 | \$ 58,000 |
| ROOT CONTROL PROGRAM | \$ 39,226 | \$ 74,057 | \$ 35,000 | \$ 40,000 |
| LIFT STATION & FLOW RECORDER PROGRAMS | \$ 14,915 | \$ 32,843 | \$ 66,000 | \$ 69,000 |
| BUILDING & GROUNDS MAINTENANCE | \$ 73,546 | \$ 73,448 | \$ 35,000 | \$ 55,000 |
| ASPHALT PAVING | \$ 26,467 | \$ 20,445 | \$ 25,000 | \$ 25,000 |
| SUBTOTAL LOCAL SPMUD GENERAL FUND | \$ 1,182,914 | \$ 1,317,249 | \$ 1,430,852 | \$ 1,928,322 |
| RWWTP MAINTENANCE & OPERATIONS | \$ 5,003,758 | \$ 2,567,917 | \$ 5,152,756 | \$ 5,276,422 |
| RWWTP REHAB & REPLACEMENT | \$ 2,289,670 | \$ 2,157,937 | \$ 790,725 | \$ 374,796 |
| SUBTOTAL SPWA O&M & R&R | \$ 7,293,428 | \$ 4,725,854 | \$ 5,943,481 | \$ 5,651,218 |
| TOTAL OPERATIONS EXPENSE LESS DEPRECIATION | \$ 12,378,073 | \$10,349,279 | \$ 11,840,328 | \$12,260,900 |
| DEPRECIATION EXPENSE | \$ 1,423,548 | \$ 1,658,424 | \$ 1,675,000 | \$ 1,700,000 |
| ONE-TIME CEPPT FUNDING | \$ - | \$ - | \$ - | \$ 3,000,000 |
| TOTAL GENERAL FUND EXPENSES | \$ 13,801,621 | \$12,007,703 | \$ 13,515,328 | \$16,960,900 |

SCHEDULE 4 – FY20/21 CAPITAL FUND EXPENDITURE BUDGET

| | AUDITED FINANCIALS | | PROJECTED | PROPOSED |
|---|---------------------|---------------------|---------------------|----------------------|
| | FIS CAL YR | FIS CAL YR | FIS CAL YR | FIS CAL YR |
| | 17/18 | 18/19 | 19/20 | 20/21 |
| TOTAL GENERAL FUND CAPITAL IMPROVEMENTS | \$ 136,274 | \$ 162,301 | \$ 109,648 | \$ 3,255,200 |
| TOTAL CIP & EXPANSION | \$ 4,592,725 | \$ 2,816,018 | \$ 995,789 | \$ 3,160,000 |
| TOTAL REPLACEMENT & REHABILITATION | \$ 1,241,438 | \$ 714,504 | \$ 1,175,808 | \$ 4,659,500 |
| TOTAL CAPITAL INVESTMENT | \$ 5,970,437 | \$ 3,692,823 | \$ 2,281,245 | \$ 11,074,700 |

PROPOSED FOR FISCAL YR 20/21

| | PROPOSED FOR FISCAL YR 20/21 | | |
|---|------------------------------|---------------------|------------------------|
| | FUND 100 | FUND 300 | FUND 400 |
| | GENERAL FUND CAPITAL | CIP & EXPANSION | REHAB & REPLACEMENT |
| CAPITAL IMPROVEMENTS | | | |
| ARCHIVING / DISASTER DEVELOPMENT PLAN | \$ 10,000 | \$ 10,000 | |
| SOFTWARE/DATA ACQUISITION | \$ 31,000 | \$ 31,000 | |
| COMPUTERS/OFFICE FURNITURE | \$ 19,000 | \$ 19,000 | |
| SYSTEM IMPROVEMENTS | \$ 70,000 | \$ 70,000 | |
| LATERAL CAMERA | \$ 7,000 | \$ 7,000 | |
| PIPE TRAILER IMPROVEMENTS | \$ 19,000 | \$ 9,000 | \$ 10,000 |
| EASEMENT INSPECTION EQUIPMENT | \$ 11,700 | \$ 11,700 | |
| EASEMENT/ACCESS ROAD REPLACEMENT/UPGRADES | \$ 435,000 | \$ 217,500 | \$ 217,500 |
| CY MASTER PLAN CAPITAL IMPROVEMENTS | \$ 2,500,000 | \$ 2,500,000 | |
| NEWCASTLE MASTER PLAN IMPROVEMENTS | \$ 350,000 | \$ 350,000 | |
| PARTICIPATION IN REGIONAL PROJECTS | \$ 480,000 | \$ 30,000 | \$ 450,000 |
| ROCKLIN 60 PH III REIMBURSEMENT | \$ 160,000 | | \$ 160,000 |
| TRUNK EXTENSION REIMBURSEMENT | \$ 400,000 | | \$ 400,000 |
| LOWER LOOMIS DIVERSION SEWER - CONSTRUCTION | \$ 10,000 | | \$ 10,000 |
| FOOTHILL TRUNK PROJECT - CONSTRUCTION | \$ 3,815,000 | | \$ 2,590,000 |
| BOARD ROOM AUDIO/VISUAL UPGRADES | \$ 15,000 | | \$ 15,000 |
| HQ HVAC REPAIR/REPLACEMENT | \$ 15,000 | | \$ 15,000 |
| SCADA DESIGN & IMPLEMENTATION | \$ 1,000,000 | | \$ 1,000,000 |
| EQUIPMENT UPGRADES/REPLACEMENT | \$ 103,000 | | \$ 103,000 |
| VEHICLE PURCHASES | \$ 217,000 | | \$ 217,000 |
| EMERGENCY BYPASS PUMP REPLACEMENT | \$ 65,000 | | \$ 65,000 |
| CURED IN PLACE PIPE | \$ 800,000 | | \$ 800,000 |
| CORP YARD FENCE | \$ 242,000 | | \$ 242,000 |
| LOS FLORES MAINLINE REPLACEMENT | \$ 300,000 | | \$ 300,000 |
| TOTAL CAPITAL IMPROVEMENTS | \$ 11,074,700 | \$ 3,255,200 | \$ 3,160,000 |

SCHEDULE 5A – GENERAL FUND CAPITAL OUTLAY JUSTIFICATIONS

Fund 100 - \$3,255,200

| ITEM # | TITLE/DESCRIPTION | BUDGET |
|----------|--|-----------------|
| 1 | <p>ARCHIVING / DISASTER DEVELOPMENT PLAN</p> <p>In 2019, the District purchased an electronic content management system. The District plans to continue imaging paper records for long-term storage in the electronic repository.</p> <p><i>Strategic Plan Goals</i> <i>Goal 7.2: Develop and implement a Records Management Plan.</i></p> | \$10,000 |
| 2 | <p>SOFTWARE ACQUISITIONS</p> <p>Improvement of the databases (i.e., CMMS, GIS, CCTV) that support the key functions of the District. Staff plans to purchase updated aerial imagery for use with the Lucity and GIS maps that are accessed from desktops in the District offices and on the tablets used by crews in the field.</p> <p>Staff will evaluate and procure modules from the District’s CMMS provider (Lucity) and CCTV inspection software provider (Infrastructure Technologies) that allow for the integration of databases to facilitate the workflow between these and other databases.</p> <p><i>Strategic Plan Goals</i> <i>Goal 7.1: Information Technology: Improve the various data management and information systems.</i></p> | \$31,000 |
| 3 | <p>COMPUTER/OFFICE FURNITURE</p> <p>Purchase of various computers and office furniture components.</p> <p><i>Strategic Plan Goals</i> <i>Goal 7.1: Information Technology: Improve the various data management and information systems.</i></p> | \$19,000 |
| 4 | <p>SYSTEM IMPROVEMENTS</p> <p>The District plans to improve areas of the system by constructing manholes and access roads to provide improved access to sewer facilities.</p> <p><i>Strategic Plan Goals</i> <i>Goal 3.2: Provide construction management to ensure the best possible facilities for the District.</i></p> | \$70,000 |
| 5 | <p>LATERAL CAMERA</p> <p>Lateral cameras are standard equipment on most field vehicles. This camera will be stored at the corporation yard and utilized on an as-need basis by those who don't have a camera assigned to their vehicle. This will help improve workflow and maintain timely responses to customer service calls.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$7,000 |

SCHEDULE 5A – GENERAL FUND CAPITAL OUTLAY JUSTIFICATIONS

Fund 100 - \$3,255,200

| ITEM # | TITLE/DESCRIPTION | BUDGET |
|---------------|--|------------------|
| 6 | <p>PIPE TRAILER PROTECTIVE COVER</p> <p>The District's goal is to replace a trailer for the storage and transport of emergency bypass piping and equipment. The trailer was purchased, but the necessary fabrication and protective cover were not. This item is to complete the project started in the previous budget.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$9,000 |
| 7 | <p>EASEMENT INSPECTION EQUIPMENT</p> <p>The District will purchase an unmanned aerial vehicle (UAV or drone), appurtenances, and software to collect and process data collected through inspections of the District's easements. The data from these inspections will be stored for future review, document the condition of easements, demonstrate the change in condition of easements over time, and be used to evaluate the potential encroachment of other improvements in easements.</p> <p><i>Strategic Plan Goals</i> <i>Goal 7.1: Information Technology: Improve the various data management and information systems.</i></p> | \$11,700 |
| 8 | <p>EASEMENT/ACCESS ROAD REPLACEMENTS/UPGRADES</p> <p>The District has an on-going easement upgrade program. Some of the work involves new improvements while other work involves replacements or reconstructions. This work is generally performed by District forces. The replacements/reconstructions are charged to Fund 400 (see Fund 400 Capital Outlay Justifications.) In addition to work performed by District forces, \$200,000 is committed to asphalt-paving select access roads by contracted services.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$217,500 |

SCHEDULE 5A – GENERAL FUND CAPITAL OUTLAY JUSTIFICATIONS

Fund 100 - \$3,255,200

| ITEM # | TITLE/DESCRIPTION | BUDGET |
|-----------|---|--------------------|
| 9 | <p>CY MASTER PLAN CAPITAL IMPROVEMENTS</p> <p>The District's 2017 Space Planning and Circulation Analysis identified several Corporation Yard facility upgrades. Staff has identified the Lobby Security upgrades, the Locker Room Expansion, and the Building Addition (Training/Break Room) projects as priorities. Costs related to these projects are: Professional Services \$200,000; Lobby Security construction \$150,000, Locker Room Expansion construction \$1,600,000, and Training/Break Room construction \$550,000.</p> <p><i>Strategic Plan Goals</i> <i>Goal 2.4: Embrace Green Building policies in the design and operation of District facilities and enhance sustainable building and construction practices</i></p> | \$2,500,000 |
| 10 | <p>NEWCASTLE MASTER PLAN IMPROVEMENTS</p> <p>The Newcastle Master Plan was completed in March 2017 and identifies system upgrade projects to be undertaken. This project involves: (1) upsize an existing mainline; (2) abandoning a 4" sewer main that runs through backyards and under two homes; and (3) installing new laterals for five homes, and re-connecting the laterals to the newly upsized mainline in the public right-of-way . The Board has authorized \$200,000 per year for these Master Plan upgrades. Funds are available, as only \$10,000 was expended during the 2018-2019 budget. Up to \$100,000 will be expended as a contribution to the Newcastle Fire Station project.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$350,000 |
| 11 | <p>PARTICIPATION IN REGIONAL PROJECTS</p> <p>The District coordinates with regional agencies to protect District assets during the construction of other agency improvements. The cost of CCTV inspection before and after the agency's project to ensure damage caused from construction is repaired and the cost to adjust District assets to conform to new finished grades is born by the District.</p> <p><i>Strategic Plan Goals</i> <i>Goal 1.2: Improve communications.</i> <i>Goal 3.2: Provide construction management to ensure the best possible facilities for the District.</i></p> | \$30,000 |

SCHEDULE 5B – CIP & EXPANSION CAPITAL OUTLAY JUSTIFICATIONS

Fund 300 - \$3,160,000

| ITEM # | TITLE/DESCRIPTION | BUDGET |
|--------|--|--------------------|
| 1 | <p>ROCKLIN 60 PHASE II REIMBURSEMENT</p> <p>The District entered a reimbursement agreement with Taylor Morrison LLC for the construction of major facilities as part of the Rocklin 60 project. This line item accounts for the fourth of five annual payments per the agreement.</p> <p><i>Strategic Plan Goals</i> <i>Goal 3.1: Plan all projects to ensure adherence to District standards and ordinances.</i></p> | \$160,000 |
| 2 | <p>TRUNK EXTENSION REIMBURSEMENT</p> <p>The District is currently reviewing a project that proposes to extend a District trunk sewer that would be eligible for a reimbursement agreement and may be approved and constructed in the upcoming year. This line item will be used only if a reimbursement agreement is approved by the Board.</p> <p><i>Strategic Plan Goals</i> <i>Goal 3.1: Plan all projects to ensure adherence to District standards and ordinances.</i></p> | \$400,000 |
| 3 | <p>LOWER LOOMIS DIVERSION SEWER – CONSTRUCTION</p> <p>The Lower Loomis Diversion Trunk line Project was completed and accepted in Fiscal Year 18/19. Permitting requirements dictate that the District evaluate the success of reseeded efforts of a specified wetland area over a period of up to five years. The funds are allocated for the assessment of the seeded area and potential reseeded.</p> <p><i>Strategic Plan Goals</i> <i>Goal 3.2: Provide construction management to ensure the best possible facilities for the District.</i></p> | \$10,000 |
| 4 | <p>FOOTHILL TRUNK PROJECT - CONSTRUCTION</p> <p>The Foothill Trunk Sewer Replacement Project was identified for construction in the 2015 System Evaluation and Capacity Assurance Plan (SECAP). Construction of the Foothill Trunk Sewer Replacement Project is in process. The budget for this line item includes construction costs, anticipated monitoring to comply with regulatory permits, and construction management services. A portion of this project will be paid from Fund 300 because the project is enlarging the diameter of the trunk line as identified in the System Evaluation and Capacity Assurance Plan (SECAP). A portion of this project will be paid out of Fund 400.</p> <p><i>Strategic Plan Goals</i> <i>Goal 3.2: Provide construction management to ensure the best possible facilities for the District.</i></p> | \$2,590,000 |

SCHEDULE 5C – R&R CAPITAL OUTLAY JUSTIFICATIONS

Fund 400 – 4,659,500

| ITEM # | TITLE/DESCRIPTION | BUDGET |
|----------|--|------------------|
| 1 | <p>BOARD ROOM AUDIO VISUAL UPGRADES</p> <p>Upgrades to the audio/visual equipment in the District Boardroom. Overhead projection and sound recording system.</p> <p><i>Strategic Plan Goals</i> <i>Goal 7.1: Continuously evaluate available technology to ensure efficient programs and processes.</i> <i>Goal 7.3: Build upon business efficiencies.</i></p> | \$15,000 |
| 2 | <p>HQ HVAC REPAIR/REPLACEMENT</p> <p>Repair and replace necessary components on the Headquarter Building HVAC system.</p> <p><i>Strategic Plan Goals</i> <i>Goal 2.4: Embrace Green Building policies in the design and operation of District facilities and enhance sustainable building and construction practices.</i></p> | \$15,000 |
| 3 | <p>DISTRICT PARTICIPATION IN REGIONAL PROJECTS</p> <p>The District continues to coordinate with its stakeholders and other regional agencies. These municipalities and agencies plan projects in areas where existing District facilities are located. The District enters into construction cooperation agreements with these partners in the region to rehabilitate or replace some or all of the existing sewer facilities as part of the project. This line item pays for this work. This is advantageous to the regional partners because it decreases the likelihood that the District will need to do work soon after they finish their projects. It is advantageous to the District because the rehabilitation or replacement of the sewer facilities is less impactful to customers when combined with other improvements. The anticipated projects are the Pavement Rehab of the Mission Hills area (City of Rocklin), Sceptre and Camelot Repair (City of Rocklin) and the Rocklin Road and Pacific Street Roundabout (City of Rocklin).</p> <p><i>Strategic Plan Goals</i> <i>Goal 1.2: Improve communications</i> <i>Goal 3.1: Plan all projects to ensure adherence to District standards and ordinances.</i></p> | \$450,000 |

SCHEDULE 5C – R&R CAPITAL OUTLAY JUSTIFICATIONS

Fund 400 – 4,659,500

| ITEM # | TITLE/DESCRIPTION | BUDGET |
|----------|--|--------------------|
| 4 | <p>EASEMENT/ACCESS ROAD REPLACEMENT/UPGRADES</p> <p>The District has an on-going easement upgrade program. Some of the work involves new improvements while other work involves replacements or reconstructions. This work is generally performed by District forces. The new improvements are charged to Fund 100 (see Fund 100 Capital Outlay Justifications.) In addition to work performed by District forces, \$200,000 is committed to asphalt-paving select access roads by contracted services.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$217,500 |
| 5 | <p>SCADA DESIGN & IMPLEMENTATION</p> <p>The District's Supervisory Control and Data Acquisition (SCADA) system's hardware and software are proprietary and are supported by only one service provider on the west coast. Staff has concerns about the service provider's ability to support the system into the future. It is anticipated the cost to design and implement this new system to be between \$2,500,000 and \$3,200,000. Completion of the project is likely to be during the next Fiscal Year.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i> <i>Goal 7.1: Information Technology to improve the various data management and information systems (b) implement technology based upon District needs.</i></p> | \$1,000,000 |
| 6 | <p>VEHICLE/EQUIPMENT UPGRADES/REPLACEMENT</p> <p>Field Services has several pieces of equipment that have served their useful life and are in need of replacement.</p> <ul style="list-style-type: none"> Soil Pipe Cutters (\$800) Jackhammer (\$1,200) Vibra-Plate Compactor (\$4,000) Lateral Camera (x3) (\$20,000) Hydro-Cleaning Nozzle (\$12,000) CCTV Transporter/Tractor (\$58,000) <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$103,000 |

SCHEDULE 5C – R&R CAPITAL OUTLAY JUSTIFICATIONS

Fund 400 – 4,659,500

| ITEM # | TITLE/DESCRIPTION | BUDGET |
|--------|--|------------------|
| 7 | <p>VEHICLE PURCHASES - CCTV/INSPECTION VEHICLE</p> <p>This item includes two purchases: (1) The 2000 CCTV van and equipment have served their useful lives and are due to be replaced (\$180,000); and (2) a 2005 (Lead Worker) truck has served it's useful life and needs to be replaced (\$37,000)</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$217,000 |
| 8 | <p>PIPE TRAILER REPLACEMENT</p> <p>This item was budgeted in the FY19/20 budget, but the required fabrication/customization (to suit our needs) was delayed.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$10,000 |
| 9 | <p>EMERGENCY BYPASS PUMP REPLACEMENT</p> <p>This 2004 trailered pump was provided to the District through development of the Highlands 3 & 4 Lift Station (a.k.a Monument Springs lift station) It has a Tier 2 engine that does not meet California Air Resources Board (CARB) standards and it needs to be replaced.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$65,000 |
| 10 | <p>CURED IN PLACE PIPE</p> <p>As a part of the District's Asset Management Program, this item is for rehabilitation of pipes by installing Cured-In-Place-Pipe (CIPP) liners into both mainline and lateral pipes.</p> <p><i>Strategic Plan Goals</i> <i>Goal 4.2: Prevent and Mitigate Sewer System Overflows (SSOs) using the most efficient and effective maintenance and operational methods and procedures.</i></p> | \$800,000 |

SCHEDULE 5C – R&R CAPITAL OUTLAY JUSTIFICATIONS

Fund 400 – 4,659,500

| ITEM # | TITLE/DESCRIPTION | BUDGET |
|--------|--|--------------------|
| 11 | <p>CORP YARD FENCE</p> <p>The west perimeter fence constructed in 1985, is failing and does little to prevent trespassers from entering the corporation yard grounds. This item is to replace the existing fence with a security fence, as approved by the City of Rocklin.</p> <p><i>Strategic Plan Goals</i> <i>Goal 2.4: Embrace Green Building policies in the design and operation of District facilities and enhance sustainable building and construction practices.</i></p> | \$242,000 |
| 12 | <p>FOOTHILL TRUNK PROJECT – CONSTRUCTION</p> <p>The Foothill Trunk Sewer Replacement Project was identified for construction in the 2015 System Evaluation and Capacity Assurance Plan (SECAP). Construction of the Foothill Trunk Sewer Replacement Project is in process. The budget for this line item includes construction costs, anticipated monitoring to comply with regulatory permits, and construction management services. A portion of this project will be paid from Fund 300 because the project is enlarging the diameter of the trunk line as identified in the System Evaluation and Capacity Assurance Plan (SECAP).</p> <p><i>Strategic Plan Goals</i> <i>Goal 3.2: Provide construction management to ensure the best possible facilities for the District.</i></p> | \$1,225,000 |
| 13 | <p>LOS FLORES MAINLINE REPLACEMENT</p> <p>The Los Flores Main Line Replacement Project will remove and replace approximately 300 feet of pipe that is a maintenance hot spot due to sags in the pipe. Structures that were previously located on the pipe have been removed and improvements on the property have occurred that make it an opportune time to replace the sewer line.</p> <p><i>Strategic Plan Goals</i> <i>Goal 3.2: Provide construction management to ensure the best possible facilities for the District.</i></p> | \$300,000 |

SCHEDULE 6 – FY20/21 PERSONNEL CLASSIFICATIONS

PERSONNEL CLASSIFICATIONS FY20/21

| JOB TITLES BY DEPARTMENT | ID Code | Approved Positions | Funded Positions |
|--|----------|--------------------|------------------|
| <u>Administrative Services</u> | | | |
| General Manager | GM | 1 | 1 |
| Administrative Services Manager/Board Secretary | ASM | 1 | 1 |
| Administrative Services Assistant III | ASA 3 | 1 | 1 |
| Administrative Services Assistant II | ASA 2 | 1 | 1 |
| Administrative Services Assistant I | ASA 1 | 1 | 1 |
| Project Manager | PM | 1 | 0 |
| ASD TOTAL | | 6 | 5 |
| <u>Technical Services</u> | | | |
| District Engineer | DE | 1 | 1 |
| Associate Engineer | AE | 0 | 0 |
| Engineering Technician II | ET2 | 2 | 2 |
| Inspector II | INSP2 | 1 | 1 |
| Inspector I | INSP1 | 2 | 2 |
| Student Intern I/II/III | INT | 1(c) | 1(b) |
| Engineering Technician I | ET1 | 0 | 0 |
| Project Manager | PM | 1 | 0 |
| TSD TOTAL | | 8 | 7 |
| <u>Field Services</u> | | | |
| Superintendent | SUP | 1 | 1 |
| Assistant Superintendent | AS | 1 | 0 |
| Field Services Manager | FSM | 0 | 0 |
| Regulatory Compliance Officer | RCO | 1 | 1 |
| Field Supervisor | FS | 2 | 2 |
| Leadworker | LW | 3 | 3 |
| Maintenance Worker II/Inspector | MW2/Insp | 1 | 1 |
| Maintenance Worker II | MW2 | 6 | 3 |
| Maintenance Worker I | MW1 | 4 | 6 |
| FSD TOTAL | | 19 | 17 |
| TOTAL REGULAR POSITIONS | | 33 | 29 |
| <u>Miscellaneous</u> (Elected/Contract) | | | |
| Board of Directors | EO | 5 | 5 |
| District Legal Counsel | DC | 1 | 1 |
| Contract Auditor | CA | 1 | 1 |
| MISCELLANEOUS TOTAL | | 7 | 7 |
| TOTAL AUTHORIZED POSITIONS | | 40 | 36 |
| (a) Promotional | | | |
| (b) Vacant position | | | |
| (c) one part-time (up to 20 hours per week/without benefits) | | | |

SCHEDULE 7 – FY20/21 SCHEDULE OF SALARY RANGES

| FY 20/21 SCHEDULE OF SALARY RANGE/STEPS | | | | | | |
|--|-----------|----------------------------|----------------------------------|----------|----------|-------------|
| <small>2.0% COLA Effective 07/01/20</small> | | | | | | |
| SALARY - MONTHLY/HOURLY RATES | | | | | | |
| RANGE | ID | POSITION | STEPS (\$/MO) | | | |
| | | | A | B | C | D |
| 9 | SI1 | Student Intern I | 15.82 | 16.62 | 17.45 | |
| 15 | SI2 | Student Intern II | 18.35 | 19.27 | 20.23 | |
| 21 | SI3 | Student Intern III | 21.28 | 22.35 | 23.46 | |
| 17 | TL1 | Temporary Laborer I | 19.28 | 20.24 | 21.26 | |
| 23 | TL2 | Temporary Laborer II | 22.36 | 23.48 | 24.65 | |
| 29 | TL3 | Temporary Laborer III | 25.93 | 27.23 | 28.59 | |
| 22 | ASA1 | Admin Svc. Asst I | 3781 | 3970 | 4169 | 4377 4596 |
| | | Hrly | 21.81 | 22.90 | 24.05 | 25.25 26.51 |
| 29 | MW1 | Maint. Worker I | 4494 | 4719 | 4955 | 5203 5463 |
| | | Hrly | 25.93 | 27.23 | 28.59 | 30.02 31.52 |
| 33 | ASA2 | Admin Svc. Asst II | 4961 | 5209 | 5469 | 5743 6030 |
| | | Hrly | 28.62 | 30.05 | 31.56 | 33.13 34.79 |
| 35 | MW2 | Maint. Worker II | 5212 | 5473 | 5746 | 6034 6335 |
| | ET1 | Eng'r. Tech. I | 30.07 | 31.57 | 33.15 | 34.81 36.55 |
| 38 | INS1 | Inspector I | 5613 | 5894 | 6188 | 6498 6822 |
| | | Hrly | 32.38 | 34.00 | 35.70 | 37.49 39.36 |
| 36 | MW/INS | Maint. Worker II/Inspector | 5342 | 5610 | 5890 | 6185 6494 |
| | | Hrly | 30.82 | 32.36 | 33.98 | 35.68 37.46 |
| 41 | INS2 | Inspector II | 6044 | 6347 | 6664 | 6997 7347 |
| | | Hrly | 34.87 | 36.62 | 38.45 | 40.37 42.39 |
| 42 | ASA3 | Admin Svc. Asst III | 6196 | 6505 | 6831 | 7172 7531 |
| | | Hrly | 35.74 | 37.53 | 39.41 | 41.38 43.45 |
| 43 | RCT | Reg Compliance Tech | 6350 | 6668 | 7001 | 7351 7719 |
| | LW | Lead Worker | 36.64 | 38.47 | 40.39 | 42.41 44.53 |
| 44 | ET2 | Eng'r. Tech. II | 6509 | 6835 | 7176 | 7535 7912 |
| | | Hrly | 37.55 | 39.43 | 41.40 | 43.47 45.65 |
| 49 | RCS | Reg Compliance Spec | 7365 | 7733 | 8119 | 8525 8952 |
| | | Hrly | 42.49 | 44.61 | 46.84 | 49.19 51.65 |
| 50 | FS | Field Supervisor | 7549 | 8124 | 8322 | 8739 9175 |
| | | Hrly | 43.55 | 46.87 | 48.01 | 50.42 52.94 |
| 53 | AE | Associate Engineer | 8129 | 8536 | 8962 | 9410 9881 |
| | | Hrly | 46.90 | 49.24 | 51.71 | 54.29 57.01 |
| 56 | AS | Assistant Superintendent | 8754 | 9192 | 9651 | 10134 10641 |
| | | | 50.51 | 53.03 | 55.68 | 58.47 61.39 |
| 61 | ASM | Admin Services Mgr | 9905 | 10400 | 10920 | 11466 12039 |
| | | | 57.14 | 60.00 | 63.00 | 66.15 69.46 |
| 64 | DS | Superintendent | 10666 | 11199 | 11759 | 12347 12965 |
| | DE | District Engineer | 61.54 | 64.61 | 67.84 | 71.24 74.80 |
| | | General Manager | Contract Salary \$200,852 | | | |