



**FINAL BUDGET
FOR
2013-14 FISCAL YEAR
ADOPTED JUNE 19, 2013**

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**PAJARO VALLEY WATER MANAGEMENT AGENCY
FINAL BUDGET
2013-2014 FISCAL YEAR**

Introduction

The 2013-2014 Fiscal Year (FY13-14) budget reflects the mission of the Pajaro Valley Water Management Agency (PVWMA). PVWMA is a state-chartered local Agency formed "to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft and to provide and ensure sufficient water supplies for present and anticipated needs within the boundaries of the Agency. It is anticipated that long-term overdraft problems may not be solved unless supplemental water supplies are provided. PVWMA should, in an efficient and economically feasible manner, utilize supplemental water and available underground storage and should manage the groundwater supplies to meet the future needs of the basin." [California Water Code Appendix, Chapter 24, Section 124-102(f),(g)]. This budget is a projection of PVWMA finances for Fiscal Year 2013-2014. It is based on the many assumptions and projections detailed in this narrative.

PVWMA will continue in its major Basin Management Plan (BMP) update effort in FY13-14. The update is necessary to identify projects and programs needed to fulfill the Agency's mission of balancing the groundwater basin and managing groundwater resources. Following the BMP update and completion of the supporting EIR, expected in December 2013, a new Proposition 218-compliant rate setting effort will be initiated in 2013 focused on funding the implementation of the new Basin Management Plan.

Budget Organization

The budget is organized by the following service expense groups:

- General Fund Agency Administration
- Special Fund General Administration
- Facility Operations
- Basin Management Planning
- Capital Projects
- Debt Service Funds

A summary of each group's activities, major budget assumptions and service highlights by service is presented with the detailed budget for each group. A list of staff positions, salaries, benefits and time commitment by service is also included.

Revenues and Sources of Funds

The Agency is funded through:

1. Management Fees collected on the tax rolls,
2. Augmentation Charges collected on groundwater pumped from the basin, and
3. Delivered Water Charges for supplemental water delivered in the coastal zone through the Coastal Distribution System (CDS).

Management Fees are collected on the county tax rolls with residential parcel fees of \$18 per year and commercial parcels \$20 per year. Management Fee revenues are placed in the General Fund category. This budget includes projected revenues of \$365,000 in Management Fees.

Augmentation Charges are collected from groundwater pumpers. The Augmentation Charges vary by location – groundwater pumpers in the CDS area pay slightly more than those in the inland region of the Valley, as shown in Table 1. Rates are subject to an annual increase based on the San Francisco Bay Area Consumer Price Index (CPI). Augmentation Fees are placed in the Special Revenue Fund category. This budget includes projected revenues of \$8.43 million in Augmentation Fees based on 47,000 acre-feet of groundwater pumped.

Delivered Water Charges are collected from water users receiving delivered water from the PVWMA CDS. The Delivered Water Charge is currently a flat rate of \$329 per acre-foot. Delivered Water Charges are placed in the in the Special Revenue Fund category. The budget includes projected revenues of \$1.38 million in Delivered Water Charges based on 4,200 acre-feet of delivered water.

Current rates are shown below (Effective July 1, 2013):

TABLE 1 – WATER RATES

User Class	Cost of Service Rate (Unit Cost Per Acre Foot)
Augmentation Charges:	
Metered Users - Outside Delivered Water Zone	\$174
Metered Users - Inside Delivered Water Zone	\$210
Unmetered Users (Rural Residential)	\$168 (or \$99 annually per residence)
Delivered Water Charge	\$329

When the opportunity exists, PVWMA seeks State and Federal grant funding to support the planning and implementation of basin monitoring, modeling and water supply programs and projects. If successful, these grant funds reimburse eligible PVWMA expenses incurred during the planning and implementation of those funded projects and programs. These reimbursements are placed in the fund category from which they were originally spent. The budget includes projected grant reimbursement revenues of \$181,000.

Summary by Service									
July 1, 2013 to June 30, 2014									
	General Funds (10)	Special Revenue Funds (20)	Capital Projects Funds (30)	Debt Service Funds (40)	FY 13-14 Adopted Budget	FY 12-13 Amended Budget	\$ Diff	% Diff	
Revenues and Sources of Funds									
Management Fees					365,000	365,000	\$ -	0.0%	
Delivered Water (4,200 AVF)					1,381,800	1,235,850	\$ 145,950	11.8%	
Augmentation Charges (47,000 AVF)					8,430,978	8,217,328	\$ 213,650	2.6%	
Grant Revenue					181,000	285,000	\$ (104,000)	-36.5%	
Interest					20,000	20,000	\$ -	0.0%	
Other Revenue					7,000	10,345	\$ (3,345)	-32.3%	
Total Revenue					\$ 10,385,778	\$ 10,133,523	\$ 252,255	2.5%	
Expenditures									
Salaries and Wages	22,212	605,489	333,663	538,351	24,084	1,523,798	242,959	19.0%	
Conferences/Training	2,500	6,000	6,000	4,000	-	18,500	4,000	27.6%	
Travel - Mileage - Meals - Lodging	11,000	500	11,000	7,500	2,000	30,750	1,250	4.1%	
Bank Charges/Bond Fees	-	28,000	-	500	-	28,500	-	0.0%	
Insurance	4,400	26,000	-	3,100	-	33,500	-	0.0%	
Taxes	-	-	-	10,000	-	10,000	-	0.0%	
Legal Notices & Ads	750	-	11,000	1,000	-	12,750	-	0.0%	
Dues & Subscription	17,150	7,900	800	2,000	-	37,650	200	0.5%	
Office Expense	4,000	7,000	-	9,500	1,000	21,500	2,500	0.0%	
Postage	-	7,000	-	2,000	500	9,500	-	0.0%	
Printing	-	1,000	500	5,500	-	7,000	2,000	250.0%	
City Connection Water Charges	-	260,000	-	-	-	260,000	54,200	26.3%	
Utilities	2,000	175,000	-	5,200	-	182,200	68,000	59.5%	
Telephone/Communications	2,200	12,000	-	3,500	-	17,700	-	0.0%	
Office Equipment Leases	2,500	6,000	-	7,300	-	15,800	-	0.0%	
Well Leases	-	15,000	-	7,300	-	15,000	-	0.0%	
Field Supplies	-	18,500	15,000	-	-	38,500	11,500	-65.5%	
Electricity	1,000	-	-	-	-	1,000	-	0.0%	
LARGO District Fees	8,000	-	-	-	-	8,000	-	0.0%	
Collection Fee/Bad Debt	3,500	-	-	95,276	-	98,776	(100,624)	-50.5%	
Professional Services	58,600	31,000	745,000	81,500	100,000	1,704,300	(663,200)	-38.9%	
Vehicle Purchase	-	12,300	17,700	-	-	30,000	-	0.0%	
Vehicle Maintenance	-	16,000	4,000	-	-	20,000	-	0.0%	
Meters	-	5,000	-	-	-	5,000	-	-50.0%	
Mech Contractor	-	10,000	-	-	-	10,000	(10,000)	-50.0%	
Water Sampling	-	58,000	50,000	-	-	108,000	10,000	10.2%	
Other Fixed Assets	-	-	-	-	-	-	-	0.0%	
Legal Services	45,000	-	25,000	125,000	500	195,500	(15,000)	-7.1%	

BUDGETED SALARY EXPENDITURES FISCAL 13-14

Position	Total Salary & Benefits	OVERALL ALLOCATION					
		Agency Administration	Facility Ops and Spec Rev Admin	Basin Management	General Funds 10	Special Revenue Funds 20	
	Includes 5% Overtime Allowance						
Agency Administration							
1 General Manager	208,556	2%	26%	72%	4,171	54,225	150,161
2 Administrative Services Manager	139,350	2%	98%		2,787	136,563	
3 Financial Analyst	128,814	2%	98%		2,576	126,237	
4 Administrative Analyst	105,542	2%	98%		2,111	103,431	
5 Customer Service Rep	104,396		100%			104,396	
6 Account Clerk	72,399	2%	98%		1,448	70,951	
Operations							
1 Water Meter Program Coordinator	120,474		100%			120,474	
2 Sr. Water Systems Operator	155,683		100%			155,683	
3 Water Systems Operator	132,336		100%			132,336	
4 Staff Hydrologist	154,008		15%			23,101	130,906
5 Maintenance Technician	103,975		100%			103,975	
6 Water Resources Technician	89,145		41%			36,550	52,596
Total Staff Salaries/Benefits	1,514,680				13,093	1,167,924	333,663
Board Members	9,118				9,118		
Total Salaries/Benefits	1,523,798				22,212	1,167,924	333,663

General Fund Agency Administration Service Expense Group Summary

The Agency Administration Service Expense Group includes activities related to the administration of the agency and are paid from the General Revenue Fund. All Board expenses and conservation-related expenses, as well as LAFCO and ACWA membership charges are recovered entirely from the General Fund. Allocation of Agency Administration costs that are not directly attributable to general services are made on a ratio of the general cost paid for through the General Fund as compared to the total Agency costs. The three specific categories included within the Agency Administration Service are summarized below:

Office Administration

Major functions included in this category are audit and accounting services, legal services, and LAFCO and ACWA memberships.

Board Support

Functions included in this category are Board and committees support, agenda preparation, publication and distribution, packet preparation, elections and board-related legal services.

Education & Outreach

Functions included in this category are conservation efforts, participation in local educational fairs and events, and website updates and maintenance.

Agency Administration Budget				
July 1, 2013 to June 30, 2014				
	Service			Total
	Office Administration	Board Support	Public Education & Outreach	
Expenses				
Salaries and Wages	8,284	13,094	834	22,212
Conferences-Seminars-Meetings-Training	2,500			2,500
Travel - Mileage - Meals - Lodging	3,000	5,000	3,000	11,000
Bank Charges/Bond Fees				-
Insurance	4,400			4,400
Taxes				-
Legal Notices & Ads	750			750
Dues & Subscription	17,150		0	17,150
Office Supplies	4,000			4,000
Postage	0			-
Printing	0			-
Utilities	2,000			2,000
Telephone/Communications	2,200			2,200
Office Equipment	2,500			2,500
Elections		1,000		1,000
Legal Services	35,000	10,000		45,000
Professional Services	53,600		5,000	58,600
LAFCO District Fees	8,000			8,000
Collection Fee	3,500			3,500
Conservation			100,000	100,000
Building Maintenance	33,000			33,000
Information Technology	2,300			2,300
Total Expenses	\$ 182,184	\$ 29,094	\$ 108,834	\$ 320,112

BUDGETED SALARY EXPENDITURES FISCAL 13-14

General Funds - 10

Position	Total Salary & Benefits	Agency Administration						Total
		Office Admin		Board Support		Public Education		
	Includes 5% Overtime Allowance	%	\$	%	\$	%	\$	
Agency Administration								
1 General Manager	208,556	10%	417	70%	2,920	20%	834	
2 Administrative Services Manager	139,350	100%	2,787	0%				
3 Financial Analyst	128,814	100%	2,576	0%				
3 Administrative Analyst	105,542	50%	1,055	50%	1,055	0%		
4 Customer Service Rep	104,396	0%	-					
5 Account Clerk	72,399	100%	1,448					
Operations								
1 Water Meter Program Coordinator	120,474							
2 Sr. Water Systems Operator	155,683							
3 Water Systems Operator	132,336							
4 Staff Hydrologist	154,008							
5 Maintenance Technician	103,975							
6 Water Resources Technician	89,145							
Total Staff Salaries/Benefits	1,514,680		8,284		3,975		834	
Board Members								
	9,118				9,118			
Total Salaries/Benefits	1,523,798		8,284		13,094		834	

Special Fund General Administration

Special Fund General Administration

The Special Fund General Administration category holds expenses that are general in nature and could not be reasonably allocated to the other Special Revenue Fund service categories.

Grant Administration

Functions included in this category are grant applications, grant and contract management, and associated intergovernmental relations. The professional services costs of \$100,000 in this category are largely grant reimbursable.

- Includes continued consultant services for the administration and reimbursement of Proposition 50 grant.
- Includes applying for grants and supporting project activities.

Education & Outreach

Functions included in this category are annual reports and newsletters.

Special Fund General Administration				
July 1, 2013 to June 30, 2014				
Special Revenue Funds (20)				
Service				
	Special Fund General Administration	Grant Admin	Public Education & Outreach	Total
Expenditures				
Salaries and Wages	538,351	24,084		562,435
Conferences/Training	4,000			4,000
Travel - Mileage - Meals - Lodging	7,500	2,000		9,500
Bank Charges/Bond Fees	500			500
Insurance	3,100			3,100
Taxes	10,000			10,000
Legal Notices & Ads	1,000			1,000
Dues & Subscription	2,000			2,000
Office Expense	9,500	1,000		10,500
Postage	2,000	500		2,500
Printing	500		5,000	5,500
Utilities	5,200			5,200
Telephone/Communications	3,500			3,500
Office Equipment	7,300			7,300
Legal Services	125,000	500		125,500
Professional Services	75,000	100,000	6,500	181,500
Bad Debt	95,276			95,276
Collection Fee				-
Building Maintenance	3,500			3,500
Office Equipment				-
Furniture & Equipment				-
Information Technology	7,700			7,700
Vehicle Purchase				-
Vehicle Maintenance				-
Other Fixed Assets				-
Refunds/Settlement				-
Allowance for Uncollectible Accounts				-
Extraordinary Loss				-
Total Expenditures	\$ 900,927	\$ 128,084	\$ 11,500	\$ 1,040,511

BUDGETED SALARY EXPENDITURES FISCAL 13-14

Special Revenue Funds - 20

Position	Total Sal/Ben	Gen Admin Special Funds		Grant Administration		Total	
		%	\$	%	\$	%	\$
Agency Administration	Includes 5% Overtime Allowance						
1 General Manager	208,556	5%	10,428	5%	10,428	10%	20,856
2 Administrative Services Manager	139,350	90%	122,907	10%	13,656	100%	136,563
3 Financial Analyst	128,814	100%	126,237	0%		100%	126,237
4 Administrative Analyst	105,542	100%	103,431	0%		100%	103,431
5 Customer Service Rep	104,396	100%	104,396	0%		100%	104,396
6 Account Clerk	72,399	100%	70,951	0%		100%	70,951
Operations							
1 Water Meter Program Coordinator	120,474						
2 Sr. Water Systems Operator	155,683						
3 Water Systems Operator	132,336						
4 Staff Hydrologist	154,008						
5 Maintenance Technician	103,975						
6 Water Resources Technician	89,145						
Total Staff Salaries/Benefits	1,514,680		538,351		24,084		562,435

Facility Operations Service Expense Group Summary

The Facility Operations Service Expense Group includes all activities associated with the operation and maintenance of the Agency's water supply facilities. Four current staff positions are required (with overtime) to operate the facilities and read and maintain meters. These are the Senior Water System Operator, Water System Operator, Meter Department Coordinator, and Maintenance Technician. In addition, a Water Resources Technician splits time between basin monitoring of ground and surface water, and monitoring related to system operations.

The five specific categories included within the Facility Operations Service are summarized below, along with major budget assumptions for the year:

Harkins Slough Facility

Facilities are the surface water diversion on Harkins Slough, treatment and conveyance systems, the recharge basin off Dairy Road and extraction wells surrounding the recharge basin. Major operational costs include water quality sampling, utility costs, and maintenance and professional services for recharge basin, SCADA, and electrical maintenance.

Coastal Distribution System (CDS)

Facilities are the 20 miles of distribution pipeline, located in the coastal area from Dairy Road at San Andreas Road to the north to Elkhorn Slough to the south. Delivery of a total of 4,200 acre feet (3,000 acre feet of recycled water blended with 750 acre feet of blend supply and Harkins Slough water and 450 acre feet from supplemental and recovery wells) of agricultural supply through the existing 20 miles of Coastal Distribution System (CDS) is projected this fiscal year. Major operational costs include water quality sampling, utility costs, and maintenance and professional services for SCADA (computer-based operations software), electrical, meter and pipeline maintenance.

Supplemental Water (In-Basin)

Facilities are Blend Well 1 and 2 and the City of Watsonville potable supply that is blended into the recycled supply at the Recycled Water Facility. Major operational costs include staff and utilities and SCADA, electrical, and pump maintenance.

Recycled Water Facility

The Recycled Water Facility, operated by the City of Watsonville, produces up to 4,000 acre feet per year of tertiary-treated, disinfected supply for distribution through the CDS. Expenses shown under this category are Operations and Maintenance (O&M) costs paid to the City of Watsonville for water produced at the plant plus fees and staff time. This year's budget includes \$1,750,000 in O&M costs to the City for an anticipated 3,000 acre feet of recycled water production (at full production, 4,000 acre feet will be produced). The recycled water will be blended with 1,200 acre feet of in-basin blend water.

Metering Program

Program consists of maintaining and reading nearly 900 well meters basin-wide quarterly. The metered usage is used for billing and to provide regional water usage data. About 40 active turnout meters are read on the CDS on a monthly basis. This year's budget includes \$10,000 for meter contractor services.

Facility Operations Budget
July 1, 2013 to June 30, 2014

	Service					Total
	Harkins Slough Facility	Coastal Distribution System	Supplemental Water (In-Basin)	Recycled Water Facility	Metering Program	
Expenditures						
Salaries and Wages	79,098	285,935	35,535	19,103	185,816	605,489
Conferences-Seminars-Mtgs-Training		6,000				6,000
Travel		500				500
Bank Charges/Bond Fees	10,000	6,000	6,000		6,000	28,000
Insurance	6,500	6,500	6,500		6,500	26,000
Dues & Subscription	3,000	500	500	13,400	500	17,900
Office Supplies	1,500	2,500	1,500		1,500	7,000
Postage	1,750	1,750	1,750		1,750	7,000
Printing	250	250	250		250	1,000
Utilities	55,000	120,000				175,000
Telephone/Communications	3,000	3,000	3,000		3,000	12,000
Office Equipment	1,500	1,500	1,500		1,500	6,000
Well Leases			15,000			15,000
Field Supplies	6,500	10,000	0		2,000	18,500
Professional Services	10,000	20,000	1,000	0	0	31,000
Meter Contractor					10,000	10,000
Building Maintenance	2,000	2,000	2,000		2,000	8,000
Information Technology	14,000	25,000	10,000	0	10,000	59,000
Facility Maintenance						-
Licensed Contractors	18,000	30,000	3,000			51,000
Vehicle Purchase	0	6,300	0		6,000	12,300
Vehicle Maintenance	4,000	4,000	4,000		4,000	16,000
Meters					5,000	5,000
City Connection Water Charges		260,000				260,000
Water Sampling	8,000	50,000				58,000
COW Reimb RWF O&M				1,750,000		1,750,000
Other Fixed Assets						-
Total Expenditures	\$ 224,098	\$ 841,735	\$ 91,535	\$ 1,782,503	\$ 245,816	\$ 3,185,689

BUDGETED SALARY EXPENDITURES FISCAL 13-14

Special Revenue Funds -20

Position	Total Sal/Ben	Facility Operations										Total			
		Harkins Slough	Coastal Distribution System	Supplemental Water (In-Basin)	Recycled Water Facility	Metering Program	%	%	%	%	%		%		
Agency Administration															
1 General Manager	208,556														
2 Administrative Services Manager	139,350														
3 Financial Analyst	128,814														
4 Administrative Analyst	105,542														
5 Customer Service Rep	104,396														
6 Account Clerk	72,399														
Operations															
1 Water Meter Program Coordinator	120,474														
2 Sr. Water Systems Operator	155,683														
3 Water Systems Operator	132,336														
4 Staff Hydrologist	154,008														
5 Maintenance Technician	103,975														
6 Water Resources Technician	89,145														
Total Staff Salaries/Benefits	1,514,680	0	16,685	0	10,428	6,257	10,428	33,369	16%	3%	6,257	16%	33,369	16%	33,369
		4%	18%	3%	5%	75%	100%	100%	100%	100%	15%	100%	100%	100%	41%
		21,796	21,685	3,614	7,784	90,356	120,474	155,683	132,336	23,101	103,975	36,550			
		19,850	105,865	15,568	13,234	4,671	155,683	132,336	23,101	103,975	36,550				
		15,401	86,019	13,234	-	13,234	132,336	23,101	103,975	36,550					
		8,318	7,700	3,119	-	-	23,101	103,975	36,550						
		8,915	30,153	-	891	62,385	103,975	36,550							
		17,829	17,829	-	-	8,915	103,975	36,550							
		79,098	285,935	35,535	19,103	185,816	605,489								

Basin Management Planning Service Expense Group Summary

The Basin Management Planning Service Expense Group includes all activities associated with groundwater modeling, water quality monitoring, water resources planning, and management of the groundwater basin. The six specific categories included within the Basin Management Planning Service are summarized below:

Basin Modeling

The Pajaro Valley Hydrologic Model (PVHM) was developed through a cooperative effort between the United States Geologic Survey (USGS) and the PVWMA. At present, the PVHM is the primary tool used to simulate water supply project scenarios in support of the Basin Management Plan update. Professional services with the USGS are budgeted to provide continuing assistance with, and the refinement of the PVHM.

Basin Monitoring

Monitoring the state of the Pajaro Valley Basin is key to the mission of the Agency. Groundwater, surface water, and water supply projects are carefully and regularly monitored. The data collected reflect, both spatially and temporally, water quality, water levels in the aquifers, and in some cases, soil quality. Staff is responsible for ensuring that the Agency complies with its numerous environmental permits (Water Rights Permit, NPDES Permit, etc.); monitoring groundwater levels and quality within the basin, monitoring surface water quality; overseeing the water quality aspects of the Harkins Slough Project; collecting soil samples; writing annual reports; and reviewing new well permit applications. The hydrology staff is also responsible for documenting current and future coastal ground water conditions to meet the requirements of over \$40 million in water resources construction grants that the agency has received.

Activities include:

- Groundwater Monitoring involving semi-annual water level and quality monitoring of over 100 wells, and water level monitoring of over 30 wells, on a monthly basis.
- Annual seawater intrusion monitoring of wells located in and near the intruded zone.
- Regular source water sampling.
- Surface water quality monitoring of approximately 30 sites in cooperation with the RWQCB.
- Additional monitoring within the Delivered Water Zone to comply with the Master Reclamation Permit requirements for delivery of recycled water, a potential project at College Lake and conservation.

In-Basin Management Planning

Services include an update of the Basin Management Plan (BMP) and accompanying Environmental Impact Report (EIR). A Draft of the 2013 Basin Management Plan update was distributed in January 2013. A Notice of Preparation for the EIR was issued in February 2013 with final adoption anticipated in December 2013. FY 2013/2014 budgeting includes \$300,000 for finalizing the BMP and EIR. Staff time and resources are also committed to supporting the BMP and EIR preparation.

Regional Water Management Planning

The PVWMA, in partnership with San Benito County Water District (SBCWD) and Santa Clara Valley Water District (SCVWD), are preparing an update to the Pajaro River Watershed Integrated Regional Water Management Plan (IRWM Plan). The IRWM Plan update is funded, in large part, from a Department of Water Resources Grant that is contracted through SBCWD. PVWMA, is in a cost sharing agreement with SBCWD and SCVWD to pay for one third of the matching funds necessary to supplement the grant funds for completion of the IRWM Plan. The PVWMA share is estimated to be \$50,000, half of which was paid last fiscal year and the second half will be paid this fiscal year.

PVWMA, with consultant support, is developing a Salt and Nutrient Management Plan (Plan). Development of the Plan is described in the State Water Boards Recycled Water Policy, and is required for all recognized basins in the Water Plan. The bulk of the work to develop the Pajaro Valley's Salt and Nutrient Management Plan will take place during FY12-13 and FY13-14. The budget for the project is split over three years with expenditures of approximately \$10,000 during FY11-12, a projected expenditure of \$110,000 during FY12-13, and \$120,000 allocated for FY13-14. The Plan is supported, in part, by an Integrated Regional Water Management Plan grant in the amount of \$81,000. It is anticipated that funds will be reimbursed to PVWMA in FY13-14 for the Plan work. These grant proceeds will be deposited into the Regional Water Management Plan, Professional Services fund, from which they were paid.

Out-of-Basin Funding Pursuits

Service includes continued participation in Central Coast Funding coordination and discussions regarding the distribution of \$52 million of Proposition 84 funds to the Central Coast and other State and Federal funds. Assumes limited time will be dedicated to this effort by the GM or the work will be supported by an estimated \$25,000 in consultant services. Also includes \$86,700 in professional services for the continued federal lobbying for Title XVI funding.

In-Basin Funding Process

This category was established to capture the expenses related to rates establishment. PVWMA will be completing a Proposition 218-compliant rate setting process to establish the rates necessary to fund the projects and programs recommended in the 2012 BMP Update. The budget includes staff time and resources for development of an Ad Hoc BMP Finance Committee and contracting and management of consultants and legal support for the process. \$125,000 is budgeted for professional services for a consultant to assist with the effort and to complete a Service Charge Report.

Basin Management Planning Budget						
July 1, 2013 to June 30, 2014						
	Basin Modeling	Basin Monitoring	Service			Total
			In-Basin Management Plan	Regional Water Management Plan	Out-of-Basin Funding	
Expenditures						
Salaries and Wages	48,058	79,259	106,524	37,095	7,251	333,663
Conferences-Seminars-Mtgs-Training	3,000	3,000				6,000
Travel - Mileage - Meals - Lodging	2,000	2,000		1,000	4,000	11,000
Legal Notices & Ads			10,000	1,000		11,000
Dues & Subscription	-	800				800
Postage						-
Printing				500		500
Field Supplies		15,000				15,000
Elections						-
Legal Services						25,000
Professional Services	50,000	40,000	300,000	120,000	110,000	745,000
Information Technology	10,000	10,000				20,000
Vehicle Purchase		17,700				17,700
Vehicle Maintenance		4,000				4,000
Water Sampling		50,000				50,000
Other Fixed Assets						-
Special Item						-
Total Expenditures	\$ 113,058	\$ 221,759	\$ 416,524	\$ 159,595	\$ 121,251	\$ 1,239,663

BUDGETED SALARY EXPENDITURES FISCAL 13-14

Special Revenue Funds -20

Position	Total Sal/Ben	Basin Management													
		Basin Modeling	Basin Monitoring	In-Basin Management Plan	Regional Water Management Plan	Out of Basin Funding	In-Basin Funding (Rate Setting)	Total							
		%	\$	%	\$	%	\$	%	\$	%	\$	%	\$		
Agency Administration															
1 General Manager	208,556	4%	8,342	4%	8,342	40%	83,423	5%	10,428	2%	4,171	17%	35,455	72%	150,161
2 Administrative Services Manager	139,350														-
3 Financial Analyst	128,814														-
4 Administrative Analyst	105,542														-
5 Customer Service Rep	104,396														-
6 Account Clerk	72,399														-
Operations															
1 Water Meter Program Coordinator	120,474														-
2 Sr. Water Systems Operator	155,683														-
3 Water Systems Operator	132,336														-
4 Staff Hydrologist	154,008	20%	30,802	20%	30,802	15%	23,101	15%	23,101	2%	3,080	13%	20,021	85%	130,906
5 Maintenance Technician	103,975														-
6 Water Resources Technician	89,145	10%	8,915	45%	40,115			4%	3,566		0			59%	52,596
Total Staff Salaries/Benefits	1,514,680						106,524		37,095		7,251		55,476		333,663
			48,058		79,259		106,524		37,095		7,251		55,476		333,663

Capital Projects Service Expense Group Summary

The expanded Coastal Distribution System was completed in 2009, and comprises the latest major capital project development of PVWMA facilities. Additional Major capital expenditures are not anticipated again until after completion of the Basin Management Plan in 2013 which will identify new projects and programs for consideration. Capital projects expenditures budgeted for FY 13-14 include \$130,000 for Basin Monitoring Network Improvements. Monitoring of the basin allows staff to track changes in groundwater storage (i.e. overdraft conditions) and changes to groundwater quality (i.e. seawater intrusion), over long time periods. Additional Agency owned monitoring wells, strategically placed throughout the basin, will further help to establish baseline conditions within the aquifer system. A statistically rigorous, legally defensible monitoring network is crucial to quantifying the effectiveness of future BMP projects and programs.

Capital Projects			
July 1, 2013 to June 30, 2014			
	CDS Turn-Outs	Basin Monitoring Network Improvements	Total Budget
<u>Expenditures</u>			
Salaries and Wages			-
Conferences/Training			-
Travel - Mileage - Meals - Lodging			-
Bank Charges/Bond Fees			-
Insurance			-
Taxes			-
Legal Notices & Ads			-
Dues & Subscription			-
Office Expense			-
Postage			-
Printing			-
City Connection Water Charges			-
Utilities			-
Telephone/Communications			-
Office Equipment Leases			-
Field Supplies		5,000	5,000
Elections			-
LAFCO District Fees			-
Collection Fee/Bad Debt			-
Professional Services		25,000	25,000
Vehicle Purchase			-
Vehicle Maintenance			-
Meters			-
Meter Contractor			-
Water Sampling			-
Other Fixed Assets			-
Legal Services			-
Building Maintenance			-
Information Technology			-
Facility Maint.			-
Licensed Contractors		100,000	100,000
COW Reimb O&M			-
Conservation			-
Total Expenditures	\$ -	\$ 130,000	130,000

Debt Service Payments Service Expense Group Summary

The Debt Service Expense Group includes all costs associated with payment of long term balances as summarized below.

Bond Payable -1999 Certificate of Participation

Certificates of Participation, Series 1999A were issued in the amount of \$19,725,000 on October 20, 1999 primarily to construct facilities on Harkins Slough and the Coastal Distribution System. Principal payments are due in twenty-nine annual installments through March 1, 2029, with interest due semi-annually at interest rates ranging from 3.5% to 5.75%. Total annual payment due is \$1.38 million.

Note payable #1 - State Water Resources Control Board (SWRCB)

The Agency entered into a promissory note on December 24, 1999 with the SWRCB in the amount of \$11,650,000. Loan proceeds were used for the Harkins Slough project. The note is payable in twenty annual installments of \$763,561 with interest at 2.7%. The final payment is due December 17, 2022.

Note payable #2 - State Water Resources Control Board (SWRCB)

The Agency entered into a promissory note on November 21, 2003 with the SWRCB in the amount of \$6,214,989. Loan proceeds were used for the accelerated pipeline and supplemental wells project. The note is payable in twenty annual installments of \$414,486 with interest at 2.7% ending November 21, 2023.

Note payable # 3 - Department of Water Resources (DWR)

The Agency entered into a promissory note on June 15, 2005 with the DWR in the amount of \$3,511,446. The loan proceeds were used for the construction of components of the revised basin management plan. Principal and interest in the amount of \$222,098 are due FY13-14, with interest at 2.4% and final payment on September 30, 2027.

Other liabilities - City of Watsonville

The Agency is responsible for repayment to the City of Watsonville for costs associated with the design and construction of the Recycled Water Facility. Payment of \$1,430,784 in debt service to the City of Watsonville in FY13-14 is included in this budget.

Debt Service		
July 1, 2013 to June 30, 2014		
	Service	Total
	Debt Service	
<u>Expenditures</u>		
Loan Payment-HS	763,561	763,561
Loan Payment-AP	414,486	414,486
Loan Payment-CDS, Prop 13	222,098	222,098
Bond Payment Principal	570,000	570,000
Bond Payment Interest	805,375	805,375
City of Watsonville Principal		-
City of Watsonville Interest	1,430,784	1,430,784
Total Expenditures	\$ 4,206,304	\$ 4,206,304