

## Mission Hills Community Services District



# Fiscal Year Budget 2020-2021

May 20, 2020

### **Mission Statement**

The Mission Hills Community Services District is committed to providing residents reliable, high-quality water and wastewater services in an efficient, cost-effective, and environmentally safe manner.

Mission Hills Community Services District				
Final Fiscal Year 2010-2021 Budget				
Wednesday May 20, 2020				
	YEAR 2020-2021			
Revenue	GENERAL	WATER	WASTEWATER	TOTAL
Late Fees/Charges	\$ 24,750	\$ -	\$ -	\$ 24,750
Water Service	\$ -	\$ 1,174,992	\$ -	\$ 1,174,992
Sewer Service	\$ -	\$ -	\$ 932,683	\$ 932,683
Street Sweeping	\$ 18,006	\$ -	\$ -	\$ 18,006
<b>Total Operating Revenue</b>	<b>\$ 42,756</b>	<b>\$ 1,174,992</b>	<b>\$ 932,683</b>	<b>\$ 2,150,431</b>
	1.2%	55%	43%	
	0.8%			
Operating Expense	GENERAL	WATER	WASTEWATER	TOTAL
Salaries & Wages	\$ 285,675	\$ 159,584	\$ 160,228	\$ 605,486
Employee Benefits & Payroll Taxes	\$ 116,361	\$ 65,001	\$ 65,263	\$ 246,625
Director Fees	\$ 18,000	\$ -	\$ -	\$ 18,000
Depreciation (Reserves)	\$ 14,633	\$ 167,695	\$ 140,534	\$ 322,862
Election Expense	\$ 1,000	\$ -	\$ -	\$ 1,000
Vehicle Expense	\$ 2,100	\$ 13,100	\$ 13,100	\$ 28,300
Insurance	\$ 33,000	\$ -	\$ -	\$ 33,000
Memberships	\$ 6,100	\$ 11,000	\$ 550	\$ 17,650
Office Expenses	\$ 19,715	\$ 500	\$ 500	\$ 20,715
Operating Supplies	\$ -	\$ 7,500	\$ 3,000	\$ 10,500
Chemicals (Water and Wastewater)		\$ 65,000	\$ 23,400	\$ 88,400
Safety	\$ 2,450	\$ 2,450	\$ 2,450	\$ 7,350
Contractual Services	\$ 49,500	\$ 16,500	\$ 4,000	\$ 70,000
Professional Services	\$ 75,000	\$ 20,000	\$ 20,000	\$ 115,000
Equipment Lease	\$ -	\$ -	\$ 6,729	\$ 6,729
Printing & Publication	\$ 8,230	\$ -	\$ -	\$ 8,230
Monitoring (Laboratory Samples)	\$ -	\$ 20,000	\$ 15,000	\$ 35,000
Training/Meetings/Meals	\$ 10,000	\$ 5,000	\$ 5,000	\$ 20,000
Utilities	\$ 8,200	\$ 103,200	\$ 68,950	\$ 180,350
Government Fees	\$ 1,750	\$ 66,984	\$ 8,500	\$ 77,234
Repairs & Maintenance	\$ 20,000	\$ 124,000	\$ 92,000	\$ 236,000
Miscellaneous & Write offs	\$ 2,000	\$ -	\$ -	\$ 2,000
<b>Total Operating Expense</b>	<b>\$ 673,714</b>	<b>\$ 847,513</b>	<b>\$ 629,204</b>	<b>\$ 2,150,431</b>
	31%	39%	29%	
Capital Reserve Allocation				
Operating Revenue minus Operating Expense from above				\$ (0)

## Mission Hills Community Services District



# Capital Improvement Projects

**2020-2021**

May 20, 2020

### **Mission Statement**

The Mission Hills Community Services District is committed to providing residents reliable, high-quality water and wastewater services in an efficient, cost-effective, and environmentally safe manner.

**Capital Projects**

Final

Wednesday May 20, 20

Fiscal Year Ending June 30, 2021

<p><b>Title: Street Water Valves and Stem Assessment (Ongoing)</b></p>	<p>\$ 45,000</p>
<p><b>Description:</b> Replace frozen valve stems and assess the condition of other valves. This project assumes replacing some valves this year and replacing less valves in the following years.</p>	
<p><b>Financial Impact:</b> Included in the NBS Connection Fee Study as a \$100,000 Planned Capital Expenditure. Current accumulated depreciation for the Water Valve Replacement is negligible, of which &lt; \$500 is held in Capital Replacement Reserves.</p>	
<p><b>Operations Impact:</b> Instead of isolating water shut-offs to the smallest area possible and minimizing the impact on ratepayer, staff sometimes need to shut-off a larger area to make repairs. There are some water valves that do not function smoothly and make it difficult to isolate areas when there are water line breaks</p>	
<p><b>Title: Meter Replacement Program (Ongoing)</b></p>	<p>\$ 45,000</p>
<p><b>Description:</b> An ongoing program to replace aged and failing Mueller AMR meters with Kamstrup AMR meters. Initial purchase will also include software and training necessary for the transition to the Kamstrup meter format.</p>	
<p><b>Financial Impact:</b> Included in the NBS Connection Fee Study as a Planned Capital Expenditure. The meters scheduled to be replaced were installed in 2009 and have reached the end of their useful life. Current accumulated depreciation for these meters was \$80,120, of which \$40,060 was held in Capital Replacement Reserves which we expended in FYE 2020</p>	
<p><b>Operations Impact:</b> The Kamstrup AMR meter utilizes ultrasonic technology which includes a 20 year warrantee. Replacing our current mechanical meters with ultrasonic meters will reduce our operator time spent in the field repairing or replacing failing meters.</p>	
<p><b>Title: Rehabilitate One Well Annually (Ongoing)</b></p>	<p>\$ 62,500</p>
<p><b>Description:</b> Well #5 has been in service since 1988 and is the oldest of our water wells. Rehabilitation involves pulling and cleaning the well shaft. Other wells as necessary.</p>	
<p><b>Financial Impact:</b> Included in the NBS Connection Fee Study as a Planned Capital Expenditure.</p>	
<p><b>Operations Impact:</b> Recommended frequency of maintenance rehabilitation is every 3 to 5 years. The last major maintenance performed on Well #5 is unknown. Well #6 minor rehab in 2018 and Well #7 in 2019 A successful rehabilitation will maximize the quantity and quality of water.</p>	
<p><b>Title: Water Pressure Project</b></p>	<p>\$ 43,824</p>
<p><b>Description:</b> Water pressure surges were recognized and included in 1985 construction documents but the surge tank was "value engineered" out of the project. This project will consider adding a surge tank as originally designed in 1985, but with newer technology.</p>	
<p><b>Financial Impact:</b> Not included in the NBS Connection Fee Study as a Planned Capital Expenditure.</p>	
<p><b>Operations Impact:</b> Staff and Committee has concluded that a significant part of our water pressure surges are post-production (not from wells), and most likely occurs when the filtration cycle ends, and treated water is delivered to the distribution system. The distribution system enters the backwash phase, and potentially when the system reverts to the backwash cycle and then returns to standby mode (see attached chart).</p>	

<b>Title: SCADA System - Water</b>	<b>\$ 25,000</b>
<b>Description:</b> Replace our current Supervisory Control and Data Acquisition (SCADA) hardware and software, which has reached Operating System (OS) obsolescence with a more robust system that will better fit the District's needs and be more cost efficient to maintain.	
<b>Financial Impact:</b> The current (SCADA) system was originally installed in 2005, updated in 2009, and again in 2015 with modified programming. Current combined accumulated depreciation for this system is \$215,547, of which \$107,774 is held in Capital Replacement reserves.	
<b>Operations Impact:</b> We have replaced the PLCs and troubleshooting is no longer obsolescent. The next phase will be to install "Wonderware" which is the Human Machine Interface (HMI) portion of SCADA, to improve operations management and provide ease of water treatment and storage operations.	
<b>Title: Pond Valve and Stem Assessment</b>	<b>\$ 40,000</b>
<b>Description:</b> First year, of a two year Wastewater Treatment Plant (WWTP) program to replace valve stems and assess the condition of the valves. Project assumes replacing some valves this year and replacing additional valves upon completion of the assessment phase in the second year.	
<b>Financial Impact:</b> Included in the NBS Connection Fee Study as a \$160,000 Planned Capital Expenditure. Current accumulated depreciation for the WWTP Interplant Piping System is \$158,040, of which \$79,020 is held in Capital Replacement Reserves.	
<b>Operations Impact:</b> This is a Regional Water Quality Control Board Time Scheduled Order Task. To optimize the WWTP, the operator needs to adjust the water levels in each pond to create conditions that could help maintain compliance	
<b>Title: Sewer Line Jetter (Equipment)</b>	<b>\$ 40,000</b>
<b>Description:</b> A hydro jetter is a high-performance drain cleaning system that utilizes extremely high pressured water to clear impediments in wastewater lines. Sewer jetters are comprised of an engine, pump, water tank, reel and length of hose with various attachments. The length of operation use will depend on the size of the water tank and the amount of water that is used for the job. Drain jetters are usually attached to a trailer and towed to site.	
<b>Financial Impact:</b> The cost of a new jetter is \$55,000, of which \$10,822 is held in Capital Replacement Reserves.	
<b>Operations Impact:</b> The Districts jetter is beyond antiquated and repairs are expected to exceed \$25,000 with other repairs likely necessary in the future. We have called contractors or VVCS for the last sewer spills	
<b>Title: Video Sewer Line (Ongoing)</b>	<b>\$ 40,000</b>
<b>Description:</b> Ongoing program for video logging the collections system. Estimated completion date Fiscal Year End 2024. Video logging is the first step in defining the condition of the collection system and planning for future repairs and maintenance. The process includes line cleaning, video, and manhole lining inspections.	
<b>Financial Impact:</b> Could impact future capital projects if repairs are needed, could prevent more costly repairs if we delay.	
<b>Operations Impact:</b> Based on cleaning and videos, the District determines which areas of the collection system would benefit the most from rehabilitation or replacement. Also included in our Sewer System Management Plant.	

<b>Title: Lift Station Upgrades - Parts on Site</b>	<b>\$ 165,000</b>
<b>Description:</b> Purchase the most likely spare parts for repairs for one train, including but not limited to pumps, motors, electronics, volute, seals, etc.,	
<b>Financial Impact:</b> The NBS Connection Fee Study included a \$70,000 Planned Capital Expenditure for a limited scope project. Current accumulated depreciation for the lift station controls is \$12,906, of which \$6,453 is held in Capital Replacement Reserves. Preliminary estimates are to spend \$120,000 on spare motor and pump parts, and \$50,000 on new electronics.	
<b>Operations Impact:</b> Electrical and mechanical upgrades on the lift station equipment has been deferred for many years in anticipation of development.	
	<b>Total Water \$ 221,324</b>
	<b>Total Wastewater \$ 285,000</b>
	<b>Total Budgeted Capital Expenditures FYE 2020 \$ 506,324</b>
	<b>Capital Expenditure Contingency \$ 48,101</b>
	<b>Total Budgeted Capital Expenditures FYE 2021 \$ 554,424</b>