



CITY OF WILLITS

111 East Commercial Street • Willits, CA 95490
(707) 459-4601 • Fax (707) 459-1562 • www.willitscity.com

July 10, 2014

Denise Rose, General Manager
Brooktrails Township Community Services District
24860 Birch Street
Willits, CA 95490

BROOKTRAILS TOWNSHIP CSD

JUL 11 2014

RECEIVED

Dear Denise,

Attached is the actual total sewer flow data for the fiscal year ending June 30, 2014. This data includes the ratio of the District flow to the total flow entering the treatment plant. The actual flow data for all twelve months of Fiscal Year 2013-14 was used to determine the City's and the District's respective percentage of flow. Also attached is the Sewer Enterprise portion of the FY 2014-2015 Draft Budget. Based on this information, the District's estimated amount for the operational expenses of the plant for the fiscal year beginning July 1, 2014 is \$23,671 per month.

Subject to further information that you may provide, and subject also to any further agreement that may be reached between the parties for allocating operational expenses, the city staff will recommend that the Council adopt a resolution at its meeting on July 23, 2014 apportioning the parties' actual payment of sewer plant operational expenses based upon this flow data.

Please let me know if you have any questions or whether you would like to meet to discuss this matter.

Sincerely,

Susan Holmes,
Finance Director

Cc: Adrienne Moore, City Manager
Willits City Council members
H. James Lance, Attorney at Law

CITY OF WILLITS
 BROOKTRAILS COMMUNITY SERVICES DISTRICT
 DATA FOR SEWER SYSTEM REIMBURSEMENT COMPUTATIONS
 ESTIMATED AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

OPERATIONS

	Influent Meter Reading	Total System Flow	Brooktrails Meter Reading	District Flow
July 1, 2013	5,144,563	17,557,000	746,880	5,543,000
August 1, 2013	5,162,120	17,396,000	752,423	5,461,000
September 1, 2013	5,179,516	18,385,000	757,884	5,871,000
October 1, 2013	5,197,901	18,879,000	763,755	5,834,000
November 1, 2013	5,216,780	18,927,000	769,589	6,033,000
December 1, 2013	5,235,707	20,257,000	775,622	6,452,000
January 1, 2014	5,255,964	17,007,000	782,074	6,552,740
February 1, 2014	5,272,971	41,761,000	788,627	9,537,260
March 1, 2014	5,314,732	67,831,000	798,164	15,374,000
April 1, 2014	5,382,563	38,741,000	813,538	9,666,000
May 1, 2014	5,421,304	19,389,000	823,204	5,790,000
June 1, 2014	5,440,693	15,186,000	828,994	4,671,000
July 1, 2014	5,455,879		833,665	
		311,316,000		86,785,000
Estm Septage Received		1,405,430		
		312,721,430		86,785,000

Brooktrails Percentage of Flow 27.75%

City Dept	Operating Costs	(1) 2014/2015 Estimated Costs	(2) Administration Allocation Percentage	(3) Administration Allocation Costs	Unallocated Costs	Total Shared Operating Costs	(4) District % Total Flows	Operating Costs Allocated to District
5013	Operations	786,461	65.38%	\$170,964		\$957,425	27.75%	\$265,700
5013	Fixed Assets	2,831			\$ (2,831)			\$0
5011	Maintenance	417,866	34.62%	90,512	(508,378)	0		\$0
5010	Administration	261,476		(261,476)		0		\$0
5014	Engineering	66,139				66,139	27.75%	18,355
5015	Septage Receiving	34,065			(34,065)			\$0
5017	Contingencies	250,000			(250,000)			\$0
5018	Debt Service	1,147,631			(1,147,631)			\$0
5019	Other Financing Uses	89,597			(89,597)			\$0
		\$3,056,066	100.00%	\$0	(\$2,032,502)	\$1,023,565		\$284,055

Monthly Payment for Estimated Operations \$23,671

(1) = Estimated costs per FY 2014-2015 Draft Budget

(2) = Allocated based on relative percentage of operating costs and maintenance costs to the total operating plus maintenance costs

(3) = Unallocated costs include:

- Collection system ("Maintenance" on City books) costs.
- Contingencies
- Septage Receiving
- Debt Service

(4) = Estimated allocation percentage based on 12 month average of "total flow entering treatment plant" during Fiscal Year 2013/2014

DEBT SERVICE

Fiscal Year 14/15 Debt Service Payments:	Principal	Interest	Total	Brooktrails Share
Loan #2	\$ 105,000	\$ 173,609	\$ 278,609	\$ -
Loan #4	114,500	354,801	469,301	176,879
Loan #5	16,500	50,649	67,149	25,309
Loan #7	133,000	196,338	329,338	124,127
Total Debt Service	\$ 369,000	\$ 775,397	\$ 1,144,397	\$ 326,316

FUND 501 SEWER ADMINISTRATION 5010

BASIC FUNCTIONS: This department provides administrative support to the Sewer Department. Administrative tasks include: assisting with program administration, preparing correspondence on behalf of the Sewer Department, contract administration for sewer related professional services contracts, preparing and transmitting regulatory agency reports, purchasing, record keeping, and file maintenance. Staff participates in the Technical Advisory Committee, Sewer Task Force Committee, and Council meetings. This department is also responsible for long range planning, including researching and preparing project proposal documents, such as requests for proposals RFP, technical reports, proposal packets and preparing Council reports for sewer related projects. It also includes the preparation of the annual Sewer and Capital Improvement Budgets.

2014-2015 PROGRAM GOALS:

- Renew NPDES permit in 2015.
- Transition from paper reporting to electronic reporting, as required by the State and Regional Water Quality Control Boards.
- Collaborate with Sewer Engineering to develop RFPs for establishing local limits and purchasing a permanent Septage Receiving Station.
- Continue efforts to reduce operating costs.
- Work towards implementation of Sanitary Sewer Management Plan and reduction of I & I.
- Prepare Maintenance Building proposal.

ALLOCATED POSITIONS:	13/14	14/15
City Manager	0.20	0.20
City Engineer/Sewer Director	0.20	0.20
Finance Director/City Treasurer	0.30	0.30
Senior Accountant	0.20	0.20
Community Development DirectorPart-time	0.12	0.00
Office Assistant III UB Clerk	0.30	0.30
Office Assistant I Part-time	0.04	0.00
Administrative Assistant	0.15	0.15
Engineering Technician II	<u>0.30</u>	<u>0.30</u>
 Full-time Equivalent	 1.81	 1.65

<u>Part-time Hours per year</u>		
Community Development DirectorPart-time	240	-0-
Office Assistant I Part-time	78	-0-
Safety & Compliance Officer Part-time	-0-	167

BUDGET LINE ITEM COMMENTS/DETAILS:

2001-002	Administrative certification \$200.
2001-003	County Air Quality Permit. Total \$250.
2041-000	Office equipment for new office \$1,500.
2050-000	Subscriptions for waste water publications, membership dues[Water Environment Federation and California Water Environment Association]. Total \$500.
2055-000	Office supplies& County printouts. Total \$1,200.
2081-030	Outside Consultant \$6,000
2091-000	Advertising, printing and mailings \$250.
2096-000	33.3% share of Public Works building lease \$5,060.
2105-000	Travel and training costs \$500.
2199-000	Other Services and Supplies \$500.
3010-000	Property taxes, \$14,000.
3021-000	Overhead allocation \$50,705.

**CITY OF WILLITS
DRAFT BUDGET
Fiscal Year 2014-2015**

**Fund 501-Sewer Enterprise
Department 5010-Administration**

<u>Financing Uses</u>	<u>Budget</u>	<u>Projected</u>	<u>Dept</u>	<u>Finance</u>	<u>Finance</u>	<u>Council</u>
<u>Salaries and Employee Benefits</u>	<u>2013-2014</u>	<u>Actual</u>	<u>Request</u>	<u>Committee</u>	<u>Committee</u>	<u>Changes</u>
		<u>6/30/2014</u>		<u>Changes</u>		
1001-000 Regular Employees	\$110,091	\$62,683	\$112,223		\$112,223	
1002-000 Part-Time Employees	10,893	4,074			\$0	
1003-000 Overtime	0	144			\$0	
1004-000 Comp Time Paid	0	557			\$0	
1011-000 FICA	7,501	4,072	6,958		\$6,958	
1012-000 Medicare	1,754	953	1,627		\$1,627	
1013-000 Health Insurance	35,128	20,887	31,919		\$31,919	
1014-000 Retirement	23,372	13,360	21,139		\$21,139	
1015-000 Unemployment Insurance	868	497	660		\$660	
1016-000 Workers Compensation	8,106	3,477	6,285		\$6,285	
Total Salaries and Benefits	\$197,713	\$110,704	\$180,811	0	\$180,811	\$0
<u>Services and Supplies</u>						
2001-002 Fees and Permits-State	\$300	\$300	\$200		\$200	
2001-003 Fees and Permits-County	250	250	250		\$250	
2032-000 Insurance Deductible	0	1,700	0		\$0	
2041-000 Equipment Maintenance & Supp	3,000	1,000	1,500		\$1,500	
2050-000 Dues and Subscriptions	1,000	500	500		\$500	
2055-000 Office Expense	2,000	1,000	1,200		\$1,200	
2081-030 Other Contract Services	0	33,100	6,000		\$6,000	
2091-000 Advertising and Printing	500	0	250		\$250	
2096-000 Rents and Leases-Buildings	7,060	7,060	5,060		\$5,060	
2105-000 Travel and Training	1,000	100	500		\$500	
2199-000 Other Services and Supplies	1,000	500	500		\$500	
3010-000 Taxes and Assessments	13,325	13,325	14,000		\$14,000	
Total Services and Supplies	\$29,435	\$58,835	\$29,960	0	\$29,960	\$0
<u>Other Charges</u>						
3021-000 Overhead Allocation	\$50,705	\$50,705	\$50,705		\$50,705	
Total Other Charges	\$50,705	\$50,705	\$50,705	0	\$50,705	\$0
Total Administration	\$277,853	\$220,244	\$261,476	0	\$261,476	\$0

FUND 501 SEWER MAINTENANCE 5011

BASIC FUNCTIONS: This department maintains and repairs the City sewer collection system. This work includes: inspection, cleaning, and repair of sewer pipelines. This department is also responsible for the implementation and enforcement of the Inflow and Infiltration I&I Program, Fats Oils and Grease FOG Program, Flow Monitoring Program, and Wastewater Discharge Program. Staff responds and resolves sewer problems, including emergency overflows. Staff also performs lift station maintenance, inspects new pipeline construction and marks sewer facilities for Underground service Alert.

2014-2015 PROGRAM GOALS:

- Inspect and televise 1/5th of the sewer system.
- Clean 1/5th of the sewer system.
- Patch sections of pipe in need of repair and repair leaky manholes as budgeted.
- Conduct permits inspections.
- Prioritize problem areas within the system.
- Further the Inflow and Infiltration Program.

ALLOCATED POSITIONS:	13/14	14/15
Sewer Plant Supervisor	0.25	0.25
Public Works Director	0.20	0.20
Sewer Operator III	0.50	0.50
Sewer Operator II	0.70	0.70
Sewer Operator I	0.70	0.70
Public Works Lead Person	0.04	0.04
Public Works Maintenance Worker	0.21	0.20
Sewer Operator-in-Training	0.25	0.25
Water Operator III	<u>0.02</u>	<u>0.02</u>
Full-time Equivalent	2.87	2.86

BUDGET LINE ITEM COMMENTS/DETAILS:

2001-002	NPDES Permit for the Collection System. Total \$2,000
2010-000	Work uniforms, coveralls, rubber boots, rain gear, \$2,000, Boot allowance \$600. Total \$2,600.
2041-000	Maintenance of equipment (rebuilt pump, light system, parts for trucks), pipeline supplies, saddles for lateral& cleanout installations \$19,000.
2044-000	Fuel and oil for vehicles i.e., sewer jet, backhoe, dump truck \$10,000.
2045-000	Maintenance of buildings and grounds \$1,000.
2061-012	Soilshydrology engineering \$1,000; software updates \$5000.Total \$6,000.
2061-015	Laboratory testing for fats, oil and grease program \$1,000.
2061-020	Clearing of customer laterals and repairs of manholes. Total \$7,000.
2081-030	Sewer cleaning services \$3,000.
2095-000	Equipment rental (pumps, trucks, etc.)\$750.
2101-033	Safety needs including confined space entry \$3,000.
2101-035	Aggregate for sewer line repair and restoration of the street \$4,000.
2101-038	Sewer line, clean out and lateral repairs\$12,000.
2101-045	Underground Service Alert, small materials, shoring, traffic plates, and seed \$1,000, AutoCad license (1/2 split with 503-5031) \$3,100, ESRI license (1/2 split with 503-5031) \$2,500. Total \$6,600.
2105-000	CWEA, SSMP, Confined Space Entry (1/3 split Water, Sewer & Public Works) Sewer Cad training, travel& lodging \$4,000.
2110-000	Electricity for lift stations \$600.
3001-000	TV truck principal \$47,508, Vac truck principal \$51,004. Total \$98,512.
3002-000	TV truck interest \$4,221, Vac truck interest \$3,769. Total \$7,990.
3020-000	ISF equipment charges \$1,500.
3021-000	Overhead allocation \$11,819.

CITY OF WILLITS
DRAFT BUDGET
Fiscal Year 2014-2015

Fund 501-Sewer Enterprise
Department 5011-Maintenance

<u>Financing Uses</u>		Budget	Projected	Dept	Finance	Finance	Council
<u>Salaries and Employee Benefits</u>		<u>2013-2014</u>	<u>Actual</u>	<u>Request</u>	<u>Committee</u>	<u>Committee</u>	<u>Changes</u>
			<u>6/30/2014</u>		<u>Changes</u>		
1001-000	Regular Employees	\$115,851	\$53,373	\$130,861		\$130,861	
1002-000	Part-Time Employees	0	7,578			\$0	
1003-000	Overtime	0	1,245			\$0	
1004-000	Comp Time Paid	0	1,343			\$0	
1011-000	FICA	7,183	3,601	8,113		\$8,113	
1012-000	Medicare	1,680	843	1,897		\$1,897	
1013-000	Health Insurance	41,322	18,574	43,500		\$43,500	
1014-000	Retirement	24,595	9,252	22,653		\$22,653	
1015-000	Unemployment Insurance	1,215	617	1,142		\$1,142	
1016-000	Workers Compensation	7,762	3,072	7,329		\$7,329	
Total Salaries and Benefits		\$199,608	\$99,498	\$215,495	0	\$215,495	\$0
<u>Services and Supplies</u>							
2001-002	Fees and Permits-State	\$1,600	\$1,940	\$2,000		2,000	
2010-000	Clothing and Safety Equipment	2,600	2,000	2,600		2,600	
2041-000	Equipment Maintenance & Supp	25,000	15,000	22,000	(3,000)	19,000	
2044-000	Vehicle Operations	8,000	8,000	10,000		10,000	
2045-000	Maintain Bldg's and Grounds	1,500	500	1,000		1,000	
2061-012	Architectural and Engineering	6,000	6,000	6,000		6,000	
2061-015	Laboratory testing	5,000	5,000	1,000		1,000	
2061-020	Other Professional Services	5,000	5,000	10,000	(3,000)	7,000	
2081-030	Other Contract Services	21,700	21,700	3,000		3,000	
2095-000	Rents and Leases-Equipment	1,000	1,000	750		750	
2101-033	Safety Supplies	3,000	4,000	3,000		3,000	
2101-035	Rock/Gravel/Asphalt	4,000	2,000	4,000		4,000	
2101-038	Infrastructure and Roadways	72,100	54,666	12,000		12,000	
2101-045	Other Departmental Expense	2,000	1,000	56,600	(50,000)	6,600	
2105-000	Training and Travel	4,000	2,000	5,000	(1,000)	4,000	
2110-000	Utilities	600	600	600		600	
2199-000	Other Services and Supplies	200	200	0		0	
Total Services and Supplies		\$163,300	\$130,606	\$139,550	(57,000)	\$82,550	\$0
<u>Debt Service</u>							
3001-000	Principal	\$96,437	\$96,437	\$98,512		\$98,512	
3002-000	Interest	12,897	12,897	7,990		\$7,990	
Total Debt Service		\$109,334	\$109,334	\$106,502	0	\$106,502	\$0
<u>Other Charges</u>							
3020-000	Equipment Charges	\$1,000	\$1,435	\$1,500		\$1,500	
3021-000	Overhead Allocation	11,819	11,819	11,819		\$11,819	
Total Other Charges		\$12,819	\$13,254	\$13,319	0	\$13,319	\$0
<u>Fixed Assets</u>							
4002-000	Equipment	\$0	\$0	\$0	0	\$0	\$0
4003-000	Infrastructure	0	0	0	0	0	0
Total Fixed Assets		\$0	\$0	\$0	0	\$0	\$0
Total Maintenance		\$485,061	\$352,692	\$474,866	(57,000)	\$417,866	\$0

FUND 501 SEWER PLANT OPERATIONS 5013

BASIC FUNCTIONS: This department is responsible for the operation and maintenance of the City's sewer plant and reclaimed water irrigation, sludge thickening & dewatering, compost mixing and disposal systems. Wastewater plant operators conduct laboratory testing as defined by regulatory agencies. This department is also responsible for the disinfection and disposal of effluent water as defined by the City's NPDES permit. Operators respond to all sewer plant alarms and emergencies. Operators also maintain plant grounds and equipment.

2014-2015 PROGRAM GOALS:

- Optimize plant operations.
- Establish agronomic rates of reclaimed water irrigation.
- Transition to new NPDES requirements.

ALLOCATED POSITIONS:	13/14	14/15
Sewer Plant Supervisor	0.65	0.65
Sewer Operator II/III	1.70	1.40
Sewer Operator I	0.30	0.30
Sewer/Water OIT Compliance Officer	0.00	0.25
Operator-in-Training	<u>0.25</u>	<u>0.30</u>
Full-time Equivalent	2.90	2.90

BUDGET LINE ITEM COMMENTS/DETAILS:

2001-002	State Operator Certification, ELAP, NPDES, Fish & Game permits and others. Total \$13,000.
2001-003	County Air Quality Control permit, fees and other permits \$2,000.
2010-000	Clothing and safety equipment \$1,000, Boot allowance \$500. Total \$1,500.
2015-000	Telephone, cell phones, data lines \$4,000.
2025-000	Household Expense – soap, wax, light fixtures, etc. \$250.
2041-000	Maintenance of all sewer plant equipment and machinery \$52,000.
2044-000	Fuel and oil for operations vehicles pick-up trucks, backhoe, Hesston tractor \$1,500.
2045-000	Maintenance of effluent and pond cleaning facilities, sludge disposal, wetland signage \$3,500.
2061-012	Isotope Study \$25,000.
2061-015	NPDES testing, bioassays, system performance evaluations \$30,000.
2061-016	Hepatitis, tetanus and other inoculations \$300.
2061-020	2014 Annual Wetland Report \$11,213, Crane inspection, calibration and certification of scales and meters, minor fabrication and welding, creek clearing, Total \$15,000.
2081-030	Wetland Maintenance contract \$45,000, Computer maintenance and networking \$1,500. Total \$46,500.
2096-000	Land lease irrigation contracts \$2,500.
2101-032	Training supplies –videos, training courses, software training. Total \$2,000.
2101-033	Safety supplies: fire extinguishers, gas sniffers, harnesses, medical supplies, personal safety items gloves, ear plugs, etc. Total \$1,500.
2101-034	Chlorine, sulfur dioxide, polymer, and lab chemicals \$15,000.
2101-038	Repairs for plant access road \$1,000.
2101-045	Small equipment, oils and lubricants \$500
2105-000	Transportation and lodging for meetings, Hazwopper training, operator training and certification \$4,500.
2110-000	Utilities, PG&E, propane, and diesel \$205,000
2199-000	Share of Aramark charges, and Willits Solid Waste charges \$9,000.
3001-000	4WD Pickup principal \$2,257.
3002-000	4WD Pickup interest \$574.
3010-000	Tax on Wells Fargo lease payment \$29
3020-000	ISF equipment charges \$200.
3021-000	Overhead Allocation \$42,195.

**CITY OF WILLITS
DRAFT BUDGET
Fiscal Year 2014-2015**

**Fund 501-Sewer Enterprise
Department 5013-Plant Operations**

<u>Financing Uses</u>		Budget	Projected	Dept	Finance	Finance	Council
<u>Salaries and Employee Benefits</u>		<u>2013-2014</u>	<u>Actual</u> <u>6/30/2014</u>	<u>Request</u>	<u>Committee</u> <u>Changes</u>	<u>Committee</u>	<u>Changes</u>
1001-000	Regular Employees	\$154,958	\$181,565	\$158,446		\$158,446	
1002-000	Part-Time Employees	0	4,218			0	
1003-000	Overtime	24,975	20,509	24,975		24,975	
1004-000	Comp Time Paid	0	4,654			0	
1005-000	Benefit Buyouts	7,714	6,599	7,714		7,714	
1007-000	Longevity Incentive	3,750	9,900	3,750		3,750	
1011-000	FICA	11,867	13,661	12,083		12,083	
1012-000	Medicare	2,775	3,195	2,826		2,826	
1013-000	Health Insurance	48,908	58,338	51,434		51,434	
1014-000	Retirement	33,690	40,169	35,184		35,184	
1015-000	Unemployment Insurance	1,260	1,602	1,161		1,161	
1016-000	Workers Compensation	12,824	11,683	10,914		10,914	
Total Salaries and Benefits		\$302,721	\$356,093	\$308,487	0	\$308,487	\$0
<u>Services and Supplies</u>							
2001-002	Fees and Permits-State	\$13,000	\$13,000	\$13,000		\$13,000	
2001-003	Fees and Permits-County	2,000	2,000	2,000		2,000	
2010-000	Clothing and Safety Equipment	1,000	500	1,500		1,500	
2015-000	Communications	4,000	400	4,000		4,000	
2025-000	Household Expense	500	200	250		250	
2041-000	Equipment Maintenance & Supp	40,000	49,089	52,000		52,000	
2044-000	Vehicle Operations	4,000	1,600	1,500		1,500	
2045-000	Mtce Buildings and Grounds	5,000	2,000	6,500	(3,000)	3,500	
2061-012	Architectural and Engineering	100,000	96,005	25,000		25,000	
2061-015	Laboratory Testing	38,000	38,000	30,000		30,000	
2061-016	Medical	300	300	300		300	
2061-020	Other Professional Services	10,000	1,000	15,000		15,000	
2081-030	Other Contract Services	2,000	1,000	46,500		46,500	
2096-000	Rents and Leases-Bldgs/Grmds.	2,500	2,500	2,500		2,500	
2101-032	Training Supplies	2,000	1,000	2,000		2,000	
2101-033	Safety Supplies	1,500	1,000	1,500		1,500	
2101-034	Chemical and Lab Supplies	20,000	15,000	15,000		15,000	
2101-038	Infrastructure and Roadways	1,000	1,000	1,000		1,000	
2101-045	Other Departmental Expense	1,000	1,000	500		500	
2105-000	Travel and Training	4,500	1,000	4,500		4,500	
2110-000	Utilities	175,500	215,000	205,000		205,000	
2199-000	Other Svs and Supplies	8,000	8,000	9,000		9,000	
Total Services and Supplies		\$435,800	\$450,574	\$438,550	(3,000)	\$435,550	\$0
<u>Debt Service</u>							
3001-000	Principal	\$3,718	\$1,461	\$2,257		\$2,257	
3002-000	Interest	581	7	574		574	
Total Debt Service		\$4,299	\$1,468	\$2,831	0	\$2,831	\$0
<u>Other Charges</u>							
3010-000	Taxes and Assessments	\$29	\$29	\$29		\$29	
3020-000	Equipment Charges	200	200	200		200	
3021-000	Overhead Allocation	42,195	42,195	42,195		42,195	
Total Other Charges		\$42,424	\$42,424	\$42,424	0	\$42,424	\$0
<u>Fixed Assets</u>							
4002-000	Equipment	\$0	\$0	\$0	0	\$0	\$0
Total Fixed Assets		\$0	\$0	\$0	0	\$0	\$0
Total Plant Operations		\$785,244	\$850,559	\$792,292	(3,000)	\$789,292	\$0

FUND 501 SEWER ENGINEERING 5014

BASIC FUNCTIONS: Preparation and review of engineering drawings and specifications. Provide plans, specifications, construction engineering and inspection for projects. Secure permit approval from outside agencies Caltrans, Mendocino County Department of Public Works, Fish & Game, Regional Water Quality Control Board, Army Corps of Engineers. Prepare sewer line and appurtenances standard details, specifications and infiltration and inflow analysis.

2014-2015 PROGRAM GOALS:

- Provide plans, specifications and recommendations for installation of a Maintenance Building.
- Further mapping by converting the sewer system map to Arcview for compatibility with the sewer truck.
- Complete the soils, hydrology, structural engineering, wetlands, and Agronomic rate studies
- Work towards developing a hydraulic model.
- Complete Holly Street Sewer Line replacement plans and specifications.

ALLOCATED POSITIONS:	13/14	14/15
Engineering Tech III	0.10	0.10
Engineering Tech III Part-time	0.04	0.04
Engineering Technician II	0.30	0.30
Engineering Intern	<u>0.00</u>	<u>0.23</u>
Full-time Equivalent	0.44	0.67
Engineering Tech III Part-time	78	78 hours per year

BUDGET LINE ITEM COMMENTS/DETAILS:

Costs Shared with Engineering Department:

2015-000	Communications \$900.
2041-000	Equipment Maintenance & Supplies \$3,450.
2044-000	Vehicle Operations \$300.
2055-000	Office Expense \$1,110.
2081-030	Other Contracts \$1,200.
2095-000	Rents and Leases - Equipment \$1,608.
2101-045	Other Special Departmental Expense \$2,250.
2105-000	Training & Travel \$2,730.
2110-000	Utilities \$750.
3020-000	Equipment Charges \$450.
3021-000	Overhead allocation \$6,135.
6001-000	Contingencies \$1,200.

CITY OF WILLITS
DRAFT BUDGET
Fiscal Year 2014-2015

Fund 501-Sewer Enterprise
Department 5014-Engineering

<u>Financing Uses</u>	<u>Budget</u>	<u>Projected</u>	<u>Dept</u>	<u>Finance</u>	<u>Finance</u>	<u>Council</u>
<u>Services and Supplies</u>	<u>2013-2014</u>	<u>Actual</u>	<u>Request</u>	<u>Committee</u>	<u>Committee</u>	<u>Changes</u>
		<u>6/30/2014</u>		<u>Changes</u>		
1001-000 Regular Employees	\$16,696	\$12,792	\$17,742		\$17,742	
1002-000 Part-time Employees	2,340	2,278	9,549		9,549	
1003-000 Overtime	0	38			0	
1004-000 Comp Time Paid	0				0	
1011-000 FICA	1,180	929	1,692		1,692	
1012-000 Medicare	276	218	396		396	
1013-000 Health Insurance	7,818	5,691	8,445		8,445	
1014-000 Retirement	3,545	2,716	4,024		4,024	
1015-000 Unemployment Insurance	303	140	679		679	
1016-000 Workers Compensation	1,275	806	1,529		1,529	
Total Salaries and Benefits	\$33,433	\$25,608	\$44,056	0	\$44,056	\$0
Services and Supplies						
2015-000 Communications	\$825	\$876	\$900		\$900	
2041-000 Equipment Maintenance & Supp	4,560	3,746	3,450		3,450	
2044-000 Vehicle Operations	390	277	300		300	
2055-000 Office Expense	1,155	1,155	1,110		1,110	
2081-030 Other Contract Services	1,500	1,200	1,200		1,200	
2095-000 Rents and Leases-Equipment	1,608	1,608	1,608		1,608	
2101-045 Other Departmental Expense	2,010	1,350	2,250		2,250	
2105-000 Training and Travel	3,030	1,200	2,730		2,730	
2110-000 Utilities	750	900	750		750	
Total Services and Supplies	\$15,828	\$12,313	\$14,298	0	\$14,298	\$0
Other Charges						
3020-000 Equipment Costs	\$300	\$300	\$450		\$450	
3021-000 Overhead Allocation	6,135	6,135	6,135		6,135	
Total Other Charges	\$6,435	\$6,435	\$6,585	0	\$6,585	\$0
Fixed Assets						
4002-000 Equipment	\$0				\$0	
Total Fixed Assets	\$0	\$0	\$0	0	\$0	\$0
Other Financing Uses						
6001-000 Shared Engineering Contingenc	\$1,200		\$1,200		\$1,200	
Total Other Financing Uses	\$1,200	\$0	\$1,200	0	\$1,200	\$0
Total Engineering	\$56,896	\$44,356	\$66,139	0	\$66,139	\$0

FUND 501 SEPTAGE RECEIVING 5015

BASIC FUNCTIONS: This department is responsible for providing a NPDES compliant point of receipt for wastewater trucked in from the City's outlying areas. The volume of wastewater is metered, and the fees collected for receipt of the wastewater pay for a portion of the overall costs of the Sewer Enterprise Fund. This department is also responsible regulating septage haulers and reporting to state and regional authorities.

2014-2015 PROGRAM GOALS:

- Develop a plan for installing a Septage Receiving Station.
- Require all haulers to obtain a Wastewater Treatment Permit from the City.
- Transition into new NPDES requirements for septage receiving.
- Provide assistance and recommendations for the installation of a new Septage Receiving Station.

ALLOCATED POSITIONS:

	13/14	14/15
Sewer Plant Supervisor	0.05	0.05
Operator III	<u>0.10</u>	<u>0.10</u>
Full-time Equivalent	0.15	0.15

BUDGET LINE ITEM COMMENTS/DETAILS:

2061-012 Engineering& design of new septage receiving station \$20,000.

CITY OF WILLITS
DRAFT BUDGET
Fiscal Year 2014-2015

Fund 501-Sewer Enterprise
Department 5015-Septage Receiving

Financing Uses		Budget	Projected	Dept	Finance	Finance	Council
Salaries and Employee Benefits		2013-2014	Actual	Request	Committee	Committee	Changes
			6/30/2014		Changes		
1001-000	Regular Employees	\$8,107	\$0	\$8,141		\$8,141	
1002-000	Part-Time Employees	0	0			0	
1011-000	FICA	503	0	505		505	
1012-000	Medicare	118	0	118		118	
1013-000	Health Insurance	2,721	0	2,940		2,940	
1014-000	Retirement	1,721	0	1,846		1,846	
1015-000	Unemployment Insurance	64	0	59		59	
1016-000	Workers Compensation	543	0	456		456	
Total Salaries and Benefits		\$13,777	\$0	\$14,065	0	\$14,065	\$0
Services and Supplies							
2041-000	Equipment Maintenance & Supp	\$10,000				\$0	
2045-000	Maintain Bldg's & Grounds	500				0	
2055-000	Office Expense	500				0	
2061-012	Architural & Engineering	25,000		20,000		20,000	
2061-015	Laboratory testing	5,000				0	
2101-034	Chemicals	5,000				0	
2101-045	Other Departmental Expense	5,000				0	
2105-000	Training & Travel	200				0	
2110-000	Utilities	500				0	
Total Services and Supplies		\$51,700	\$0	\$20,000	0	\$20,000	\$0
Total Septage Receiving		\$65,477	\$0	\$34,065	0	\$34,065	\$0

FUND 501 SEWER CONTINGENCIES 5017

BASIC FUNCTIONS: The appropriation for contingencies is normally a budgetary provision for financing requirements that are unanticipated during budget preparation. Should the need for an unbudgeted expenditures arise during the year, an appropriation transfer will be made as required upon approval by the City Council. Use of these funds is restricted to the Sewer Enterprise Fund only.

Within the \$250,000 included in the contingency fund are estimated legal costs associated with the lawsuit filed against the City by Brooktrails Township.

FUND 501 SEWER DEBT SERVICE 5018

BASIC FUNCTIONS: In November of 1993 the City issued \$4,710,000 in serial bonds whereby the City pledges revenue derived from the acquired or constructed assets to pay debt service. The entire bond issue was purchased by the U.S. Farmers Home Administration. The proceeds from the bond issue were used to repay \$4,710,000 of Sewer Bond Anticipation Notes which had been issued in 1992. Interest is payable semiannually on November 1 and May 1, at a rate of 5.125%. The outstanding principal balance of \$3,440,000 at July 1, 2014 is payable in annual installments, due each November 1, ranging from \$40,000 to \$265,000 through the year 2033. The current year principal payment is \$105,000. The annual interest expense for FY 2014/15 is \$173,609.

In November of 2007 the USDA approved two loans to the City totaling \$10,285,000 at 4.25% for 40 years in the form of parity Certificates of Participation (COPs). These loans have been used to fund the Waste Water Treatment Plant Improvement Project. The current year principal payment is \$114,500 for the Series 2007A bonds, and \$16,500 for the Series 2007B bonds. The outstanding principal balance of \$9,605,500 is payable in annual installments, due each November 1, ranging from \$100,500 to \$517,000 through the year 2047. The annual interest expense for FY 2014/15 on these two loans is \$405,450.

In March of 2011 the USDA approved an additional loan to the City in the amount of \$8,300,000 at 2.5% for 40 years in the form of parity Certificates of Participation COPs. This loan was also used to fund the Waste Water Treatment Plant Improvement Project. The current year principal payment is \$133,000. The outstanding principal balance of \$7,920,000 is payable in annual installments, due each November 1, ranging from \$125,000 to \$322,000 through the year 2050. The annual interest expense for FY 2014/15 is \$196,338.

Following complete drawdown and reserve funding, the average annual debt service will be \$280,000 on the 1993 COPs, \$540,000 on the 2007 COPs and \$330,500 on the 2011 COPs for a total of \$1,150,000 per year.

SEWER ENTERPRISE FINANCING SOURCES

REVENUES:

4201-000	Interest Income \$10,000.
6400-000	City Sewer User Charges \$2,030,900
6401-000	Brooktrails Sewer User Charges \$421,235.
6402-000	Meadowbrook Manor Sewer User Charges \$88,282.
6403-000	Septage Receiving \$200,000.
6404-000	Sewer Lateral Installation \$6,000.
6405-000	Sewer Hookup Fees \$15,680.
6650-000	Other Services \$2,000.
7250-000	Miscellaneous Revenue \$100

**CITY OF WILLITS
DRAFT BUDGET
Fiscal Year 2014-2015**

<u>Fund 501-Sewer Enterprise</u>		<u>Budget</u>	<u>Projected</u>	<u>Dept</u>	<u>Finance</u>	<u>Finance</u>	<u>Council</u>
<u>Department 5017-Contingencies</u>		<u>2013-2014</u>	<u>Actual</u>	<u>Request</u>	<u>Committee</u>	<u>Committee</u>	<u>Changes</u>
<u>Financing Uses</u>			<u>6/30/2014</u>		<u>Changes</u>		
6001-000	Appropriation for Contingencies	\$250,000	\$250,000	\$250,000		\$250,000	
Total Contingencies		\$250,000	\$250,000	\$250,000	0	\$250,000	\$0
<u>Department 5018-Debt Service</u>		<u>Budget</u>	<u>Projected</u>	<u>Dept</u>	<u>Finance</u>	<u>Finance</u>	<u>Council</u>
<u>Financing Uses</u>		<u>2013-2014</u>	<u>Actual</u>	<u>Request</u>	<u>Committee</u>	<u>Committee</u>	<u>Changes</u>
			<u>6/30/2014</u>		<u>Changes</u>		
3001-000	Principal	\$354,500	\$354,500	\$369,000		\$369,000	
3002-000	Interest	790,024	790,024	775,398		775,398	
3021-000	Overhead Allocation	3,233	3,233	3,233		3,233	
Total Debt Service		\$1,147,757	\$1,147,757	\$1,147,631	0	\$1,147,631	\$0
<u>Department 5019-Other Financing Uses</u>		<u>Budget</u>	<u>Projected</u>	<u>Dept</u>	<u>Finance</u>	<u>Finance</u>	<u>Council</u>
<u>Financing Uses</u>		<u>2013-2014</u>	<u>Actual</u>	<u>Request</u>	<u>Committee</u>	<u>Committee</u>	<u>Changes</u>
			<u>6/30/2014</u>		<u>Changes</u>		
5001-000	Operating Transfers Out	\$0			35,000	\$35,000	
3021-000	Overhead Allocation	54,597	54,597	54,597		54,597	
Total Other Financing Uses		\$54,597	\$54,597	\$54,597	35,000	\$89,597	\$0
Total Appropriations		\$3,122,885	\$2,920,205	\$3,081,066	(25,000)	\$3,056,066	\$0

SEWER FUND EXPENDITURES

<u>Sewer Fund Expenses by Category</u>	
Salaries & Benefits	\$762,914
Services & Supplies	582,358
Debt Service	1,256,964
Other Charges	453,830
Total Sewer Fund Expenditures	\$3,056,066

<u>Sewer Fund Expenses by Department</u>	
Sewer Administration	\$261,476
Sewer Maintenance	417,866
Sewer Plant Operations	789,292
Sewer Engineering	66,139
Septage Receiving	34,065
Debt Service	1,147,631
Contingencies	0
Other Charges	339,597
Total Sewer Fund Expenditures	\$3,056,066