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Danita Hirsh, Assistant Secretary  
SOCWA and the Board of Directors thereof

*Special Meeting of The  
South Orange County Wastewater Authority  
Board of Directors – Budget Workshop*

May 18, 2023  
8:30 a.m.

PHYSICAL MEETING LOCATION:  
DANA HILLS TENNIS CENTER  
24911 Calle De Tennis  
Dana Point, CA 92629

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AGENDA ATTACHMENTS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY BOARD OF DIRECTORS IN CONNECTION WITH A MATTER SUBJECT FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE BOARD OF DIRECTORS ARE AVAILABLE FOR PUBLIC INSPECTION IN THE AUTHORITY ADMINISTRATIVE OFFICE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE") OR BY PHONE REQUEST MADE TO THE AUTHORITY OFFICE AT 949-234-5452. IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE BOARD OF DIRECTORS LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE MEETING, THEY WILL BE AVAILABLE IN THE RECEPTION AREA OF THE AUTHORITY OFFICE AT THE SAME TIME AS THEY ARE DISTRIBUTED TO THE BOARD OF DIRECTORS AND SENT TO ANY REMOTE PARTICIPANTS REQUESTING EMAIL DELIVERY OR POSTED ON SOCWA'S WEBSITE. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM OR IMMEDIATELY UPON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES PARTICIPATING REMOTELY.

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South Orange County Wastewater Authority  
Board of Directors Meeting  
May 18, 2023

Agenda

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ORAL COMMUNICATIONS

*Members of the public may address the board regarding an item on the agenda or may reserve this opportunity during the meeting at the time the item is discussed by the board. There will be a three-minute limit for public comments.*

4. APPROVAL OF BOARD MEMBER REQUEST FOR REMOTE PARTICIPATION

ACTION Board Discussion/Direction and Action.

PAGE NO

5. FACILITATED MEETING TO DISCUSS SOWCA GOVERNANCE ..... 1

ACTION Board Discussion and Direction

6. BUDGET WORKSHOP - Presentation of FY 2023-24 Budget..... 1

ACTION Board Discussion and Direction

7. OTHER MATTERS

Determine the need to take action on the following item(s) introduced by General Manager, which arose subsequent to the agenda being posted. [Adoption of this action requires a two-thirds vote of the Board, or if less than two-thirds are present, a unanimous vote.]

ADJOURNMENT

THE NEXT SOCWA BOARD MEETING  
JUNE 1, 2023

# AGENDA ITEM 5

**Draft Workshop Agenda**  
**South Orange County Wastewater Authority (SOCWA)**  
**May 18, 2023, 8:45 am – 12:30 pm**  
**Working Group on SOCWA Future Direction**

**Workshop Goals:**

1. Confirm a common vision and criteria for a successful outcome
2. Solidify a Common Definition of the Challenge
3. Compare/contrast individual member agencies' needs
4. Catalogue common ground and differences on future role of SOCWA
5. Determine path forward for developing and evaluating options for SOCWA's future
6. Hear from ALL designated participants
7. Receive public comment

- |          |  |
|----------|--|
| 8:45 am  | Welcome and overview of workshop objectives and agenda by facilitator            |
| 9:00 am  | Review and discuss significance of List of Needs submitted by each member agency |
| 9:30 am  | Update and confirm Common Definition of Challenge                                |
| 9:50 am  | Determine areas of common ground and differences on SOCWA's future role          |
| 10:30 am | Define suite of alternatives for SOCWA's future role                             |
| 11:00 am | Define how alternatives will be evaluated  |
| 11:35    | Lunch  |
| 12:15 pm | Determine next steps   |

**South Orange County Wastewater Authority (SOCWA)  
Working Group on SOCWA Future Direction**

**Date and Time:** May 4, 2023, 10am – 2pm

**Location:** Dana Hills Tennis Club  
24911 Calle de Tennis, Dana Point, CA 92629

**SOCWA Board Members Present**

Bob Whalen	City of Laguna Beach
Kathryn Freshley	El Toro Water District
Mike Dunbar	Emerald Bay Service District
Doug Reinhart	Irvine Ranch Water District
Matt Collings	Moulton Niguel Water District
Frank Ury	Santa Margarita Water District
Scott Goldman	South Coast Water District

**Supporting Roles**

Jim Burror	SOCWA
Dan Ferons	Santa Margarita Water District
Rick Shintaku	South Coast Water District
Adriana Ochoa	Procopio Law
Lewis Michaelson	Participation by Design
Hannah Blome	Katz & Associates
Emily Fan Michaelson	Katz & Associates

**Introductions and Background**

Lewis Michaelson, facilitator, welcomed attendees and asked SOCWA board members to introduce themselves. L. Michaelson then explained his role as facilitator, reviewed the workshop goals, and discussed the timeline and scope of the workshop discussions as well as the collaborative problem-solving approach the group intends to use.

SOCWA board members received binders containing the workshop agenda and other background documents, to which additional documents will be added during subsequent workshops.

**Potential Topics/Dimensions**

L. Michaelson shared a list of potential topics and dimensions of the challenge that could be within the scope of the workshop discussions:

- Structure
- Membership

- Decision Making
- Assets and Ownership
- Costs for Services
- Operations
- Staffing
- Liabilities
- Legal Considerations
- Relationships

SOCWA board members made the following comments when asked their thoughts on the list of potential topics and dimensions:

- S. Goldman: A lot of these items can be evaluated at the staff level. My impression is that the board is going to focus on more of the governance issues.
- K. Freshley: The basic issue is should there even be a SOCWA? And if so, what is its purpose?

### **Outcomes and Expectations**

L. Michaelson asked each SOCWA board member to define their individual and collective objectives for the workshops:

- K. Freshley: I have been on the SOCWA board for four years. It has been very much conflict-oriented. There have been disagreements. Now that wastewater has become an asset, I've recommended that we need to have the agency – all of us – participate. All the agencies need to be involved, so that whatever the solution is for SOCWA, it is one that we can all agree on. The only way to get there is to get everybody around the table and begin to talk about what are our expectations. Every one of us needs to identify our expectations, set aside past beliefs and be open.
- F. Ury: The macro issues will all play themselves out. The overriding importance is the overall governing structure. Having the ability for a board of directors to put our employees in a position to win – successfully in their careers, their jobs, financially – that is what is most important. For me this is more a governance discussion. With proper governance all of this will flush out on its own. The issues we have should have been handled years ago. Why wasn't it? The only reason we are discussing this now is because of the termination of PC-2. We have been paralyzed by inaction.
- D. Reinhart: SOCWA started in a collegial way. When we first started hitting some conflict in SOCWA, it was conflict over uneven liabilities and misunderstandings.
- M. Collings: The collaboration and conversation over the past couple of months has been very healthy. I hope to see more open dialogue. The same questions have been raised 5 years ago, 20 years ago, and continue to come up. What is the regional benefit we are all looking to gain here? SOCWA is losing members because the benefits from SOCWA do not outweigh the potential liabilities.

- M. Dunbar: There is a clear distinction between the mindset of customers along the coast and customers inland. Along the coast – Dana Point, Laguna Beach, South Coast, Emerald Bay – if anything happens there, it affects us immediately. Wastewater spills inland clearly affect that agency, but there are greater impacts along the coast. Emerald Bay has a vote, so we can protect our coasts. Emerald Bay is in support of some type of weighted vote, but there needs to be discussion about the guidelines of a weighted vote.
- S. Goldman: Make sure all the agencies have a say. Everything is split up, half our agency shares one plant, half shares another. There are inefficiencies in how SOCWA is arranged. SOCWA needs to change, but it does not need to go to the extremes of what was proposed by Moulton Niguel and Santa Margarita. We need to decide on something in the middle.
- B. Whalen: I am hoping for an informative discussion. SOCWA is a 50-year-old agency. Make a decision that is best for the agency and best regionally.

### **Synopsis of South OC Wastewater Optimization Blueprint**

Dan Ferons presented a synopsis of the South OC Wastewater Optimization Blueprint, specifically the challenges SOCWA faces, not the proposed solution:

- Not only is SOCWA at a transition, but the whole water industry is also experiencing a transition.
- Emphasis is heavy on recycled water.
- If we are moving water from 400 to 600 miles away, we want to reuse it as much as we can. We still send 20,000 acre feet back into the ocean every year. How can we instead use that water?
- Environmental concerns exist on the coast and inland.
- Wastewater is becoming an asset, so now we must control it as an asset, i.e., where it comes from.
- Wastewater poses different concerns when you look at it as drinking water:
  - Source control implementations in drinking water standards: what is in watersheds, where the water comes from, etc.
  - We now have the same concerns for sewer sheds: concerns over water quality and what can be put into that wastewater.
  - We must adopt a different philosophy when looking at wastewater as drinking water.
    - With recycled water, if your plant goes down for a week or two, you can let your irrigation customers know – it is not going to have an impact. But if that is your emergency supply, you must operate that plant differently. How does that water move, where does it go, etc.?
- Concern 1: Operational control.
  - Split operational control and responsibility over treatment plants or rely on one agency to control operations?
- Concern 2: Focus on what is important for SOCWA as a region.
  - Permitting and regulations.
- Summary:
  - Governance: Focus on what is important from a regulatory point of view.

- Operations: Who is operating water treatment plants, and who has the efficiency to operate which plant.

M. Collings added:

- Is SOCWA equipped to advance potable reuse water?
- SOCWA is not equipped to address long-term debt financing but member agencies are.

**Synopsis of South Coast Water District’s Proposal to Optimize SOCWA**

Rick Shintaku presented a synopsis of the South Coast Water District’s (SCWD) Proposal to Optimize SOCWA, specifically the challenges SOCWA faces, not the proposed solution:

- The SOCWA structure, in theory, should work. I agree with what Matt Collings and Dan Ferons have to say. As an agency, we understand their key objectives. We understand the need for recycled water. There’s a need to control quality and quantity from that. However, we just wanted to explore alternative methods.
- SCWD’s assessment of the conflict:
  - Opportunities to improve SOCWA and address the specific goals and objectives of the member agencies can effectively be accomplished under SOCWA’s existing structure.
  - What’s missing is a framework for all SOCWA member agencies to work in partnership by engaging in a process to jointly develop proposals and constructively affect change.
    - Define service levels and performance benchmarks.
    - Identify areas for improvement.
- SCWD proposed key tasks and milestones (*original SCWD proposal indicated a December 2023 conclusion of tasks*):
  1. Facilitated process.
    - a. SCWD proposal indicated a December 2023 report of recommendations.
  2. Due diligence studies to support decision making.
    - a. Financial Study – November 2023.
    - b. Condition Assessments – December 2023.
  3. Evaluation of SOCWA agreements.
    - a. PC-2 agreement: Existing term extended to September 30, 2023 – April 2023.
    - b. Amend terms and conditions of PC and JPA agreements based on facilitated discussions – December 2023.
    - c. New agreements, such as recycled water flow/quality, contract opportunities, others, as applicable – December 2023.
- Specific issues for facilitated discussion to optimize SOCWA, identified by SCWD staff:
  - Operational terms
  - Costs
  - Compliance and liabilities
  - Decision making governance.
  - Connectivity to customers and rate payers
  - Staffing

- Partnerships
- Ownership of plants
- Performance: emergency response, communications, key performance indicators, etc.

### **Definition of the Challenge**

L. Michaelson asked each SOCWA board member to share their perspective on the challenges SOCWA is facing to develop a common definition of the challenge:

- M. Dunbar: Governance.
- L. Michaelson: Managing wastewater as an asset was previously shared by a member.
- S. Goldman: Creating efficiencies.
- M. Collings: Substantially varied needs across member agencies.
- F. Ury: Making sure each agency's individual needs are addressed. Do we have everything on paper that the coastal agencies are looking for? Individual district concerns need to be defined for SOCWA with more clarity.
- S. Goldman: Fair distribution of liabilities.
- M. Dunbar: How to get customers and ratepayers involved.
- F. Ury: Environmental stewardship.
- K. Freshley: Complying with all the regulations being brought to member agencies.
- D. Reinhart: You can't forget the past – must understand the past before you address future issues.
- K. Freshley: Having the permits, so we can even function.
- M. Collings: We are facing substantial capital investments.
- K. Freshley: Ownership versus operation. Who is going to own the asset versus who is going to operate the asset.

### **SWOT Exercise on Status Quo**

L. Michaelson led the group through a SWOT exercise. When asked what SOCWA's current strengths, weaknesses, opportunities and threats are, SOCWA board members responded:

#### **Strengths**

- M. Collings: Regional regulatory services.
- M. Collings: Employees.
- K. Freshley: Regulatory filings to regional board.
- S. Goldman: Wastewater treatment.
- B. Whalen: Wastewater as an asset.
- M. Collings: Shared procurements. SOCWA will go out and do RFPs and contracts with agencies that benefit beyond SOCWA.
- S. Goldman: Regional collaboration opportunities and the ability to meet regularly.
- K. Freshley: SOCWA is well represented at CASA.



## **Weaknesses**

- M. Collings: Misalignment in decision making, cost, and liabilities.
- M. Collings: Complexity in accounting. Current accounting process is detailed and expensive.
- M. Collings: Complexity of understanding and decision making.
- F. Ury: Financial weaknesses. Lack of opportunity to fund capital projects.
- M. Dunbar: The JPA agreement is inconsistent, posing various legal opinions.
- F. Ury: No structured accountability. For example, if there's a leak, or if a project runs over, the entire board covers the liabilities, even if it was just one member agency at fault.
- M. Collings: No customer connectivity.
- M. Collings: Lack of efficiency.

## **Opportunities**

- M. Collings: Enhance regulatory engagement and legislative involvement on wastewater related issues.
- B. Whalen: Reset for future potential.
- M. Dunbar: Restructure the financial complexity. It should be much simpler.
- S. Goldman: Improve efficiencies.
- S. Goldman: Modernize facilities.
- B. Whalen: Create a more collaborative organizational structure.
- F. Ury: Resetting wastewater management in South Orange County.
- S. Goldman: Create an environment for more regional collaboration.
- M. Collings: Opportunity to define how SOCWA can ensure regional benefits to all of South Orange County.
- M. Collings: Continue conversation about enhancing wastewater as a resource. This is focused on a project level but can be focused on a legislative level.

## **Threats**

- S. Goldman: Aging infrastructure and limited staff resources.
- F. Ury: Other agencies eclipsing SOCWA.
- M. Collings: On the regulatory/legislative side, there is a threat of losing sight of regulations and not being prepared for regulations that come our way.
- M. Collings: Our inability to make decisions leads to expiring agreements and lack of certainty in SOCWA staff, which eventually leads to loss of staff.
- B. Whalen: Litigation amongst members.
- F. Ury: More agencies leaving SOCWA.
- K. Freshley: SOCWA provides the legislative influence that could prevent a threat. If we are not participating in the legislation, we could be threatened by state government. Our weaknesses may lead to a lack of voice in legislation.
- F. Ury: Lack of effectiveness.

### **Public Comment**

Members of the public had the opportunity to make a comment before the conclusion of the workshop. One comment was given by Roger Butow expressing his desire for One Water in South Orange County and that he is looking to this group for the future of water in South Orange County.

### **Next Steps**

L. Michaelson asked each SOCWA board member to submit a list of up to seven bullets by May 11, 2023 describing the most important needs of their agency that would need to be met in order for their agency to feel good about supporting a proposed approach developed from the collaboration process that began today. The next workshop is scheduled for May 18, 2023 at 10am at the Dana Hills Tennis Club.

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### **Flipchart Notes**

#### **Challenges:**

- Governance
- Wastewater as an asset
- Efficiencies
- Substantially varied interests
- Filling in holes
- Fair distribution of liabilities/reduction
- Customer involvement
- Environmental stewardship
- Regulation compliance
- Effective permitting
- Financing substantial capital investments
- Ownership versus operations

#### **SWOT Exercise:**

##### **Strengths**

- Regional regulatory and permitting services
- Employees
- Regulatory controls – regional board
- Wastewater treatment expertise
- Wastewater is an asset
- Shared procurements
- Regional collaboration opportunities
- CASA – well represented by SOCWA

### Weaknesses

- Misalignment of decision making
- Misalignment of cost and liabilities
- Accounting complexities
- Governing and relationship complexities
- Lack of opportunity to fund capital projects
- JPA inconsistencies
- Various legal complexities
- Lack of structured accountabilities
- Lack of customer connectivity
- Lack of efficiency
- Limited staff resources

### Opportunities

- Enhance regulatory and legislative involvement of wastewater issues
- Reset organization for future potential
- Restructure financial complexity
- Improve efficiencies
- Modernize facilities
- Create collaborative organizational structure
- Reset wastewater management in South Orange County
- Create environment for regional collaboration in South Orange County
- Define how to restructure governance to ensure regional benefits
- Transform use of wastewater as an asset
- Regional collaboration on a project and policy level

### Threats

- Aging infrastructure
- Being passed over
- Losing sight of and being unprepared for potential regulations
- Inability to make decisions – expiring agreements, staff uncertainty
- Litigation among members
- Member agencies leaving SOCWA
- Loss of expertise and voice in legislation
- Lack of effectiveness

## City of Laguna Beach Points of Interest for Changes to the SOCWA JPA

### GOVERNANCE

1. The City is interested in negotiations oriented towards removing MNWD's contractual obligation by buying out their contract and allowing the remaining owners of CTP in PC 15 to move ahead to right-size the plant.

### VERIFYING COST-EFFECTIVENESS

1. The City supports engaging a financial study that includes a detailed line-item budget for each plant's operation and maintenance and land and ocean outfalls, which can help demonstrate the expected cost savings for each agency involved in the wastewater treatment operations and future water resource management.

### FUTURE WATER RESOURCES

1. The City reserves the right to determine and designate how treated water is reused. The City will encourage Indirect Potable Reuse/Direct Potable Reuse projects as technology advances. The City envisions a new governance structure that identifies a method to which recycled water has a value applied. On a determined schedule, they may be adjusted to water-related valuations based on differential value increases over time. For example, perhaps the value is adjusted based on water resources investment portfolios such as the S&P 1500 Water Utilities Index or the Invesco Water Resource Portfolio exchange-traded fund.

### UNINTERRUPTED REGULATORY COMPLIANCE

1. Responsibility for regulatory compliance must be contractually binding to all having capacity rights for treatment or outfall facilities.
2. The capacity rights held by SOCWA must be maintained as set in the ocean discharge permits. The changes proposed must address this concern regarding outfall capacity and assurances of effective regulatory compliance.

### TIMING FOR JPA CHANGES – AVOID Conflict with the JPA

The contract expiration between the agencies participating in Project Committee 2, J.B. Latham Treatment Plant, should be extended to avoid exposure to gaps in responsibilities that could impact the entire Joint Powers Authority.

Below are several points that would benefit the City of San Clemente and potentially other agencies at the conclusion of the contractual evaluation.

- Reduced liability for project committees the City or agencies are not part of or limited liability for SOCWA as a whole, since the City has limited assets within SOCWA.
- Maintain existing SJCOO capacity. The City is a coastal agency and may seek future use of the ocean outfall for projects, such as urban water diversions to improve ocean water quality, desalination and use during peak wet weather flows.
- Reduction in time associated with meetings of the Board, Finance Committee and Engineering Committee.
- Ensure a cost-effective structure for services provided with a voting structure to limit an agency or agencies ability to shift costs inadvertently.

## SOCWA Issues Important to ETWD

- Concurrence on voting system if a JPA
- Continued and cost effective solids handling at the RTP
- Continued shared procurement for chemicals and other necessary supplies
- Shared maintenance of the ETM and Ocean outfalls
- Maintain regulatory compliance and advocacy activities with Federal, State and local agencies for wastewater processing and disposal both landfill and ocean outfall
- Cost migration and efficient/effective financial operation with performance standards and accountability
- Improved long term capital planning with more effective cash flow management
- Resolution of the Liability questions related to plant operations, failures and permit/regulation failures/violations
- Maintain collaborative regional relationships for any shared services, either by contracts or a JPA structure

## Mike Dunbar

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**To:** Mike Dunbar  
**Subject:** EMERALD BAY SERVICE DISTRICT - SOCWA - COASTAL TREATMENT PLANT

### WHAT ARE EMERALD BAY'S INTERESTS?

1. Need to protect the coast. Coast is our front door, our doorstep.
2. Need to have a say in treatment/disposal/governance/costs. Emerald Bay wants/needs to be involved to protect its interests.
3. Not want to rely on an inland agency for our needs/interests. Different mindset/attitude about the coast.
4. Strong sense of wanting to be involved at all levels.
5. Concerned about final disposal of biosolids. Want final disposal to be an environmentally approved method.

## Moulton Niguel Water District List of Needs

As requested, here is a list of MNWD's priority outcomes from the facilitated discussions to determine the future of SOCWA and its operations. The items identified below, from our perspective, are must-have items to arrive at a successful outcome, except for #7 which is a "want". We believe these can be accomplished in a manner that addresses the concerns of all SOCWA parties.

1. MNWD to operate the Regional Treatment Plant
  - a. Integrate a Direct Potable Reuse Project into wastewater, recycled water, and potable water system operations to maximize efficient use of resources and emerging technologies for customers
  - b. Enhance recycled water quality
  - c. Bring more resources to the Regional Treatment Plant to meet the increasing operational and engineering needs and expectations
2. Transition the operation of the other SOCWA treatment plants to identified Member Agencies
3. Successfully transition SOCWA employees to the Member Agencies to support the operation of the treatment plants in a manner that addresses employee concerns
4. Focus SOCWA as a regulatory and permitting agency to address current and future regulatory issues impacting outfall discharge and recycled water use for all of South Orange County
  - a. Structure SOCWA to support environmental stewardship to protect local coastlines, creeks, and beaches
  - b. SOCWA to coordinate with Member Agencies to convene regional discussions with regulatory agencies
5. Develop a new governing agreement that is appropriate for SOCWA as a regulatory and permitting agency going forward; also develop new facility-specific agreements
  - a. New agreements will replace all current agreements
6. Develop joint messaging that would capture the operation changes and the enhanced, focused role of SOCWA as a regulatory vehicle for the Member Agencies
7. Explore and implement financing opportunities for capital investments (grants, debt financing, and loans)
  - a. Available capacity exists within the member agencies



## SMWD Key Points

- Develop Potable Reuse
- Regulatory oversight to ensure environmental compliance
- Responsible Agency accepts liability
- Fair and equitable voting/funding
- Reduce operating costs and minimize stranded assets
- Maintain current capacity ownership
- District's maintain sovereignty

**SOUTH COAST WATER DISTRICT  
LIST OF MUST HAVES & WANTS**

***THE LIST BELOW WAS DEVELOPED WITH THE ASSUMPTION THAT SOCWA  
REMAINS THE OPERATOR OF THE TREATMENT PLANTS.***

**SCWD - Must Haves:**

1. SCWD must have a defined Level of Service with Performance Benchmark targets for SOCWA staff.
2. Must have a comprehensive cost allocation analysis to proportionately assess peaking on the shared Treatment Plants.
3. SOCWA must have the ability to function even without an approved budget.
4. The member agency must have the full rights to the effluent equal to the water contributed to the respective wastewater treatment plant.
5. SCWD must have the ability to finance major CIP projects, preventing spikes in annual payment requirements.

**SCWD wants:**

- a) SCWD wants a fair and proportionate governance structure that properly balances liabilities, risks, and costs associated with the treatment facilities.
- b) SCWD wants a consolidated and/or more clearly defined governance structure of SOCWA with the various PCs.
- c) SCWD wants continuation of SOCWA at least as the permit holder and entity ensuring regulatory compliance.
- d) SCWD wants a simpler cost-allocation method.

**SOCWA  
BOARD  
Budget Workshop  
FY 2023-24  
May 18, 2023**

# Total Budget by Member Agency (SOCWA Total Cost Base/All Costs)

Seven Agencies share GF in FY 23-24				
	FY 2022-23 Budget (w/ UAL and OPEB)	FY 2023-24 Budget (w/ UAL and OPEB)	\$ Amount Change	% Change
<b>Budget by Member Agency</b>				
City of Laguna Beach	\$2,159,704	\$2,297,247	\$137,543	6.4%
City of San Clemente	213,038	239,396	26,358	12.4%
City of San Juan Capistrano <sup>1</sup>	2,226,342	-	(2,226,342)	-100.0%
El Toro Water District	933,235	1,124,563	191,328	20.5%
Emerald Bay Service District	153,244	175,635	22,391	14.6%
Irvine Ranch Water District <sup>1</sup>	211,743	214,330	2,587	1.2%
Moulton Niguel Water District	10,327,930	10,044,183	(283,748)	-2.7%
Santa Margarita Water District	3,145,357	5,885,396	2,740,039	87.1%
South Coast Water District	4,238,696	4,694,055	455,359	10.7%
Trabuco Canyon Water District <sup>1</sup>	61,528	-	(61,528)	-100.0%
<b>Total</b>	<b>\$23,670,816</b>	<b>\$24,674,804</b>	<b>\$1,003,988</b>	<b>4.2%</b>

In comparison to SOCWA's FY 2022-23 Budget, FY 2023-24 Budget increased by \$1.0 million or 4.2%, primarily due to an inflationary environment and supply chain disruptions.

- COLA is 7%, per the FY 2023-24 MOU Agreement.
- Merit increases are an average of 3%, per the FY 2023-24 MOU Agreement.

(1) Irvine Ranch Water District has terminated membership in SOCWA; all costs except GF are included in the budget and will be paid by El Toro Water District. The City of San Juan Capistrano costs, except GF, are included with Santa Margarita Water District. Trabuco Canyon Water District terminated SOCWA membership on May 4, 2023. The Agency will pay its share of long-term liabilities at the termination date, UAL, and OPEB, in the amount of \$20,813. The UAL portion will be an additional discretionary payment to CALPERS, and the OPEB portion will be deposited with the PARS 115 trust fund. TCWD plans to contract with SOCWA for services in PC 12 (2SO); all proceeds will be credited to agencies in the project committee during the Use Audit at fiscal yearend. The estimated amount is \$13,000. 18

# SOCWA Budget Year-Over-Year (YOY) Change

## SOCWA Budget Year-Over-Year (YOY) Change

FY 2022-23 Budget	FY 2023-24 Budget	FY 23-24 \$ Change +(-)	% Change
\$23,670,816	\$24,674,804	\$1,003,988	4.2%

### FY 2022-23 Budget Roll Forward to Proposed FY 2023-24 Budget

Budget Changes (Cost Drivers in Blue)			
Payroll Costs <sup>1</sup>	\$458,847		
Utilities <sup>2</sup>	219,464		
Biosolids Hauling and Disposal <sup>2</sup>	178,504		
Chemicals <sup>2&amp;4</sup>	99,620		
Contract Services Misc.	52,227		
Insurance	44,625		
Recruitment (Sr. Engineer)	18,000	\$1,071,286	4.5%
			Change from FY 22-23 Budget
Maintenance - Equip. & Facilities <sup>4</sup>	(67,292)		
Unfunded Pension Liability (UAL) & OPEB <sup>4</sup>	(57,880)		
Other	57,873	(67,299)	-0.3%
			Change from FY 22-23 Budget
<b>Total Budget Change</b>	<b>\$1,003,988</b>	<b>\$1,003,988</b>	<b>4.2%</b>

### FY 2023-24 Budget

**\$24,674,804**

<sup>1</sup>COLA is 7%, and Merit is an average of 3% per the FY 2023-24 MOU Agreement.

<sup>2</sup>Chemicals, fuel, and utilities increases are due to high inflation and supply chain disruptions.

<sup>3</sup>UAL decreased due to CalPERS' favorable ROI in 2021.

#### <sup>4</sup>AWT movement to MNWD Impact(a):

Chemicals, utilities, etc.

AWT Maintenance

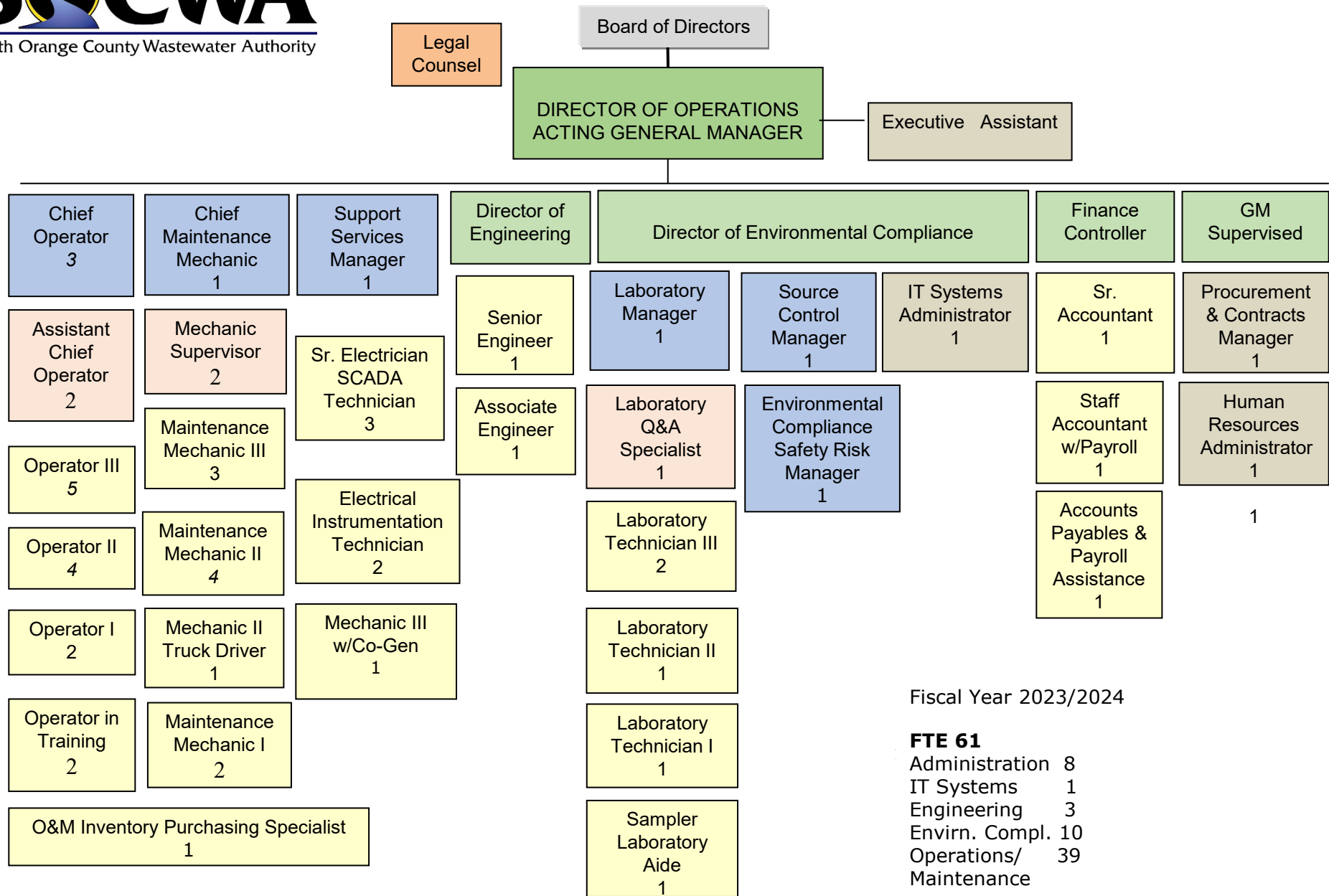
**Total**

Amount
\$573,000
50,000
<b>\$623,000</b>

(a) \$187,000 in labor plus fridge was redistributed to PC17 and \$83,000 remains in the Budget for ongoing AWT and Water testing services.

# Headcount

FTEs Headcount										
Department	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Budget	FY 2023-24 Budget	FY 2024-25 Budget	FY 2025-26 Budget	FY 2026-27 Budget	FY 2027-28 Budget
Operations	42	42	40	40	40	39	39	39	40	40
Environmental Compliance & Safety	9	9	9	10	10	10	10	10	10	10
Engineering	3	3	3	3	3	3	3	3	3	3
Administration	9	9	8	8	8	8	8	8	8	8
IT	1	1	1	1	1	1	1	1	1	1
<b>Total</b>	<b>64</b>	<b>64</b>	<b>61</b>	<b>62</b>	<b>62</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>62</b>	<b>62</b>



# Fringe Pool

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	FY 2024-25 Budget	FY 2025-26 Budget	FY 2026-27 Budget	FY 2027-28 Budget
457 Plan - Employer Contribution	\$72,639	\$76,797	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Accrued Administrative Leave	33,434	36,582	35,142	31,605	35,000	35,000	35,000	35,000
Accrued Holiday	262,771	262,937	290,432	306,391	315,583	325,050	334,802	344,846
Accrued Personal Leave	81,137	97,394	96,811	102,130	105,194	108,350	111,601	114,949
COVID 19 Federal Leave	44,236	1,533						
COVID 19 State Leave	15,910	37,815						
Accrued Sick Pay	289,940	273,286	310,663	325,764	335,537	345,603	355,971	366,650
Accrued Vacation	382,525	416,472	420,367	460,932	474,760	489,003	503,673	518,784
Bereavement Pay	12,149	12,901	9,170	12,500	12,500	12,500	12,500	12,500
Jury Duty	1,005	5,054	5,250	3,500	3,500	3,500	3,500	3,500
Disability Insurance - Private	61,468	62,325	62,538	65,876	66,534	67,200	67,872	68,551
Group Medical Insurance	959,986	1,024,258	1,104,750	1,152,765	1,221,970	1,297,010	1,376,890	1,461,929
Medicare Tax - Employer	104,289	96,485	112,130	113,503	120,913	125,587	133,003	137,335
Retiree Health Savings Program (RHS)	48,000	55,000	57,600	67,200	67,200	67,200	67,200	67,200
Retiree Health PARS Investment								
Retiree Health Benefits <sup>1</sup>								
Retirement - PERS Normal Costs	640,736	636,896	633,420	717,208	754,341	783,760	830,739	858,476
Retirement - PERS Unfunded Liability <sup>1</sup>								
Unemployment Ins./Reimbursement			1,000					
Workers Compensation Ins.	121,937	182,738	195,530	150,502	158,027	165,928	174,225	182,936
<b>Total Budget Fringe Benefits Pool</b>	<b>\$ 3,132,163</b>	<b>\$ 3,278,473</b>	<b>\$ 3,414,802</b>	<b>\$ 3,589,876</b>	<b>\$ 3,751,059</b>	<b>\$ 3,905,691</b>	<b>\$ 4,086,976</b>	<b>\$ 4,252,654</b>
<b>Change in Fringe Pool</b>	<b>-27.3%</b>	<b>4.7%</b>	<b>4.2%</b>	<b>5.1%</b>	<b>4.5%</b>	<b>4.1%</b>	<b>4.6%</b>	<b>4.1%</b>
<b>Pay for Time Worked Labor Base (Regular Salaries)</b>								
O&M	\$ 3,402,166	\$ 3,379,203	\$ 3,964,865	\$ 3,913,707	\$ 4,146,706	\$ 4,323,342	\$ 4,657,514	\$ 4,801,216
Environmental	955,618	949,369	1,066,194	1,151,739	1,196,171	1,229,522	1,272,863	1,307,946
Engineering including CIP Labor	428,407	418,681	434,675	469,025	488,355	508,575	529,729	545,686
Admin	899,005	923,711	974,150	1,006,210	1,031,361	1,067,909	1,100,298	1,155,187
IT	99,833	103,017	106,310	116,046	121,918	128,087	134,569	141,378
<b>Total Pay for Time Worked Labor Base</b>	<b>\$ 5,785,029</b>	<b>\$ 5,773,981</b>	<b>\$ 6,546,194</b>	<b>\$ 6,656,728</b>	<b>\$ 6,984,512</b>	<b>\$ 7,257,436</b>	<b>\$ 7,694,973</b>	<b>\$ 7,951,413</b>
<b>Fringe Rate<sup>2</sup></b>	<b>54.1%</b>	<b>56.8%</b>	<b>52.2%</b>	<b>53.9%</b>	<b>53.7%</b>	<b>53.8%</b>	<b>53.1%</b>	<b>53.5%</b>
<b>Change in Labor Base</b>	<b>-0.4%</b>	<b>-0.2%</b>	<b>13.4%</b>	<b>1.7%</b>	<b>4.9%</b>	<b>3.9%</b>	<b>6.0%</b>	<b>3.3%</b>

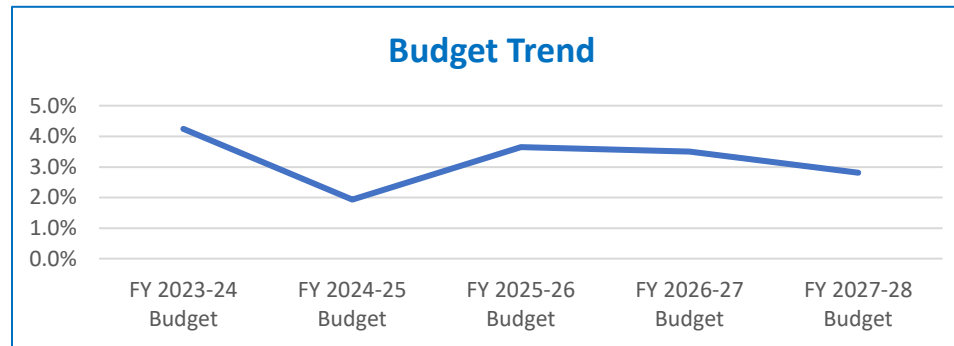
<sup>1</sup> Retiree Health (OPEB) Pay-Go expenses and Unfunded Pension Liability (UAL) removed from Fringe Pool and Distributed by Member Agency based on Board Approved Actuarial Methodology.

<sup>2</sup> The Fringe Rate is 53.9%; it was used for all five years of the Budget projections.



# SOCWA 5-Year Budget Trend

	FY 2023-24 Budget	Change %	FY 2024-25 Budget	Change %	FY 2025-26 Budget	Change %	FY 2026-27 Budget	Change %	FY 2027-28 Budget	Change %
<b>Total Budget by Member Agency</b>										
City of Laguna Beach	\$2,297,247	6.4%	\$2,360,749	2.8%	\$2,426,057	2.8%	\$2,514,737	3.7%	\$2,576,643	2.5%
City of San Clemente	239,396	12.4%	226,064	-5.6%	224,676	-0.6%	231,179	2.9%	235,288	1.8%
City of San Juan Capistrano	-	-100.0%	-		-		-		-	
El Toro Water District	1,124,563	20.5%	1,107,947	-1.5%	1,147,671	3.6%	1,175,244	2.4%	1,185,654	0.9%
Emerald Bay Service District	175,635	14.6%	178,357	1.6%	183,454	2.9%	189,564	3.3%	195,123	2.9%
Irvine Ranch Water District	214,330	1.2%	168,924	-21.2%	167,127	-1.1%	172,558	3.2%	175,065	1.5%
Moulton Niguel Water District	10,044,183	-2.7%	10,246,249	2.0%	10,693,517	4.4%	10,988,730	2.8%	11,263,115	2.5%
Santa Margarita Water District	5,885,396	87.1%	6,025,546	2.4%	6,236,328	3.5%	6,500,662	4.2%	6,753,385	3.9%
South Coast Water District	4,694,055	10.7%	4,838,632	3.1%	4,991,924	3.2%	5,211,797	4.4%	5,357,923	2.8%
Trabuco Canyon Water District	-	-100.0%	-		-		-		-	
<b>Total</b>	<b>\$24,674,804</b>	<b>4.2%</b>	<b>\$25,152,469</b>	<b>1.9%</b>	<b>\$26,070,754</b>	<b>3.7%</b>	<b>\$26,984,470</b>	<b>3.5%</b>	<b>\$27,742,196</b>	<b>2.8%</b>



# Cost Drivers Prioritized by Major Expenditures

## Includes UAL and OPEB

(in dollars)

	FY 2020-21 Actual	Mix %	FY 2021-22 Actual	Mix %	FY 2022-23 Budget	Mix %	FY 2023-24 Budget	Mix %	FY 2024-25 Budget	Mix %	FY 2025-26 Budget	Mix %	FY 2026-27 Budget	Mix %	FY 2027-28 Budget	Mix %	Total 5 Years	5 Year Mix %
Payroll Costs Including Fringe Benefits <sup>1</sup>	9,257,678	43.0%	9,414,994	42.2%	10,070,769	42.5%	10,529,616	42.7%	11,019,853	43.8%	11,445,361	43.9%	12,124,515	44.9%	12,520,149	45.1%	57,639,494	44.1%
UAL & OPEB <sup>1</sup>	1,457,381	6.8%	1,639,829	7.4%	1,849,069	7.8%	1,791,189	7.3%	1,814,515	7.2%	1,805,888	6.9%	1,783,500	6.6%	1,754,055	6.3%	8,949,147	6.9%
Chemicals <sup>2&amp;3</sup>	1,991,025	9.3%	2,266,775	10.2%	2,185,380	9.2%	2,285,000	9.3%	2,350,900	9.3%	2,419,800	9.3%	2,489,600	9.2%	2,561,500	9.2%	12,106,800	9.3%
Utilities <sup>2</sup>	1,590,105	7.4%	1,701,678	7.6%	1,609,036	6.8%	1,828,500	7.4%	1,875,600	7.5%	2,226,100	8.5%	2,145,100	7.9%	2,271,000	8.2%	10,346,300	7.9%
Biosolids Hauling and Disposal <sup>2</sup>	1,465,691	6.8%	1,616,875	7.3%	1,568,996	6.6%	1,747,500	7.1%	1,799,900	7.2%	1,830,029	7.0%	1,884,900	7.0%	1,941,500	7.0%	9,203,829	7.0%
Maintenance - Equip. & Facilities <sup>3</sup>	1,867,698	8.7%	1,945,146	8.7%	1,845,000	7.8%	1,777,708	7.2%	1,894,020	7.5%	1,924,783	7.4%	1,956,321	7.2%	1,956,321	7.1%	9,509,153	7.3%
IT	557,392	2.6%	521,498	2.3%	618,094	2.6%	622,687	2.5%	635,140	2.5%	647,843	2.5%	660,800	2.4%	674,016	2.4%	3,240,486	2.5%
Environmental & Safety	951,151	4.4%	986,120	4.4%	1,196,376	5.1%	1,208,245	4.9%	1,219,861	4.8%	1,244,597	4.8%	1,245,504	4.6%	1,246,238	4.5%	6,164,445	4.7%
Engineering Misc																		
Management Support Services	572,600	2.7%	151,187	0.7%	551,512	2.3%	582,000	2.4%	245,070	1.0%	182,369	0.7%	184,710	0.7%	186,036	0.7%	1,380,185	1.1%
IT Direct	9,669	0.0%	2,107	0.0%	45,004	0.2%	45,000	0.2%	45,000	0.2%	45,000	0.2%	45,000	0.2%	45,000	0.2%	225,001	0.2%
Contract Services - Misc	297,793	1.4%	341,743	1.5%	326,569	1.4%	378,796	1.5%	389,554	1.5%	400,613	1.5%	411,972	1.5%	423,632	1.5%	2,004,566	1.5%
Audit & Legal	450,844	2.1%	424,556	1.9%	269,688	1.1%	276,672	1.1%	270,952	1.1%	272,067	1.0%	273,212	1.0%	274,188	1.0%	1,367,091	1.0%
Facilities	343,448	1.6%	314,008	1.4%	328,512	1.4%	315,000	1.3%	321,300	1.3%	332,800	1.3%	341,500	1.3%	353,400	1.3%	1,664,001	1.3%
Insurance	276,867	1.3%	410,049	1.8%	491,248	2.1%	535,873	2.2%	589,460	2.3%	648,406	2.5%	713,247	2.6%	784,572	2.8%	3,271,558	2.5%
Grit Hauling	127,842	0.6%	167,805	0.8%	124,472	0.5%	132,500	0.5%	136,500	0.5%	140,600	0.5%	144,800	0.5%	149,100	0.5%	703,500	0.5%
Engineering transfer to Capital	(431,664)	-2.0%	(394,227)	-1.8%	(416,125)	-1.8%	(422,501)	-1.7%	(451,031)	-1.8%	(469,706)	-1.8%	(489,242)	-1.8%	(503,980)	-1.8%	(2,336,460)	-1.8%
Other Miscellaneous	720,496	3.4%	786,637	3.5%	1,007,216	4.3%	1,041,019	4.2%	995,873	4.0%	974,204	3.7%	1,069,032	4.0%	1,105,469	4.0%	5,185,598	4.0%
<b>Total SOCWA Cost Base</b>	<b>21,506,016</b>	<b>100.0%</b>	<b>22,296,778</b>	<b>100.0%</b>	<b>23,670,816</b>	<b>100.0%</b>	<b>24,674,804</b>	<b>100.0%</b>	<b>25,152,469</b>	<b>100.0%</b>	<b>26,070,754</b>	<b>100.0%</b>	<b>26,984,470</b>	<b>100.0%</b>	<b>27,742,196</b>	<b>100.0%</b>	<b>130,624,694</b>	<b>100.0%</b>

<b>Cost Drivers</b>	<b>19,710,722</b>	<b>20,244,101</b>	<b>21,494,232</b>	<b>22,372,445</b>	<b>22,854,860</b>	<b>23,726,770</b>	<b>24,474,950</b>	<b>25,110,815</b>	<b>118,539,840</b>
<b>% Total Cost Base</b>	<b>91.7%</b>	<b>90.8%</b>	<b>90.8%</b>	<b>90.7%</b>	<b>90.9%</b>	<b>91.0%</b>	<b>90.7%</b>	<b>90.5%</b>	<b>90.7%</b>

Over 90% of SOCWA's Cost Base (Total Costs ) are in the above highlighted group.

<sup>1</sup> Payroll costs, including fringe benefits and UAL & OPEB, are 50% of the Authority's Total Cost Base. COLA is 7% in FY 23-24 and assumed at 2% in the outer years. Merit is an average of 3% for all five years.

<sup>2&3</sup> Chemicals, fuel, and utilities increases are due to high inflation and supply chain disruptions; chemicals and maintenance costs are offset by reduced costs associated with the movement of PC 17, Regional Plant, AWT to Moulton Niguel Water District.

# O&M Budget (in dollars)

	FY 2023-24 Budget	Change	FY 2024-25 Budget	Change	FY 2025-26 Budget	Change	FY 2026-27 Budget	Change %	FY 2027-28 Budget	Change %
<b>Salary and Fringe</b>										
**5000-**-**-** Regular Salaries-O&M	5,065,446	2.7%	5,342,877	5.5%	5,552,864	3.9%	5,930,377	6.8%	6,109,162	3.0%
**5001-**-**-** Overtime Salaries-O&M	82,008	11.5%	84,532	3.1%	87,048	3.0%	89,688	3.0%	92,288	2.9%
**5306-**-**-** Scheduled Holiday Work	68,376	(20.9%)	70,708	3.4%	73,056	3.3%	75,528	3.4%	77,528	2.6%
**5315-**-**-** Comp Time - O&M	17,628	4.2%	18,148	2.9%	18,684	3.0%	19,232	2.9%	15,532	(19.2%)
**5401-**-**-** Fringe Benefits IN to PC's & Depts.	2,731,721	6.2%	2,881,336	5.5%	2,994,579	3.9%	3,198,166	6.8%	3,294,582	3.0%
**5700-**-**-** Standby Pay	104,000	48.6%	87,308	-16.1%	87,308	0.0%	87,308	0.0%	87,308	(0.0%)
Total Payroll Costs	8,069,179	4.1%	8,484,909	5.2%	8,813,538	3.9%	9,400,299	6.7%	9,676,400	2.9%
<b>Other Expenses</b>										
**5002-**-**-** Electricity	1,260,000	0.5%	1,425,600	13.1%	1,478,700	3.7%	1,461,400	(1.2%)	1,549,000	6.0%
**5003-**-**-** Natural Gas	490,500	82.9%	369,700	-24.6%	664,800	79.8%	598,500	(10.0%)	634,200	6.0%
**5004-**-**-** Potable & Reclaimed Water	78,000	(10.4%)	80,300	2.9%	82,600	2.9%	85,200	3.1%	87,800	3.1%
**5005-**-**-** Co-generation Power Credit	(1,302,000)	24.0%	(1,380,100)	6.0%	(1,462,900)	6.0%	(1,550,700)	6.0%	(1,643,700)	6.0%
**5006-**-**-** Chlorine/Sodium Hypochlorite	181,000	(67.3%)	184,600	2.0%	188,300	2.0%	192,200	2.1%	196,200	2.1%
**5007-**-**-** Polymer Products	1,040,000	31.7%	1,071,200	3.0%	1,103,400	3.0%	1,136,500	3.0%	1,170,600	3.0%
**5008-**-**-** Ferric Chloride	880,000	27.9%	906,500	3.0%	933,700	3.0%	961,600	3.0%	990,400	3.0%
**5009-**-**-** Odor Control Chemicals	155,000	31.8%	159,600	3.0%	164,400	3.0%	169,300	3.0%	174,300	3.0%
**5010-**-**-** Other Chemicals - Misc.	2,000	(0.2%)	2,000	0.0%	3,000	50.0%	3,000	0.0%	3,000	0.0%
**5011-**-**-** Laboratory Services	56,632	(13.8%)	58,060	2.5%	59,508	2.5%	60,980	2.5%	60,980	0.0%
**5012-**-**-** Grit Hauling	132,500	6.4%	136,500	3.0%	140,600	3.0%	144,800	3.0%	149,100	3.0%
**5013-**-**-** Landscaping	211,000	(3.7%)	217,300	3.0%	223,800	3.0%	230,500	3.0%	237,400	3.0%
**5014-**-**-** Engineering - Misc.										
**5015-**-**-** Management Support Services	527,000	5.1%	188,970	-64.1%	125,147	(33.8%)	126,343	1.0%	126,502	0.1%
**5016-**-**-** Audit - Environmental	1,304		1,324	1.5%	1,356	2.4%	1,376	1.5%	1,376	0.0%
**5017-**-**-** Legal Fees	30,672	29.5%	24,032	-21.6%	24,208	0.7%	24,396	0.8%	24,396	0.0%
**5018-**-**-** Public Notices/ Public Relations	1,500	(59.8%)	1,550	3.3%	1,600	3.2%	1,650	3.1%	1,650	0.0%
**5019-**-**-** Contract Services Misc.	372,996	16.2%	383,696	2.9%	394,696	2.9%	405,996	2.9%	417,596	2.9%
**5021-**-**-** Small Vehicle Expense	24,128	4.4%	24,448	1.3%	24,764	1.3%	25,092	1.3%	25,492	1.6%
**5022-**-**-** Miscellaneous Expense	16,032	0.3%	16,068	0.2%	17,104	6.4%	17,156	0.3%	17,156	0.0%
**5023-**-**-** Office Supplies - All	48,000	4.3%	48,900	1.9%	49,800	1.8%	50,800	2.0%	51,800	2.0%
**5024-**-**-** Petroleum Products	27,000	(20.6%)	27,000	0.0%	27,000	0.0%	27,000	0.0%	27,000	0.0%
**5025-**-**-** Uniforms	78,000	9.9%	80,100	2.7%	82,200	2.6%	85,300	3.8%	87,600	2.7%
**5026-**-**-** Small Vehicle Fuel	20,272	(10.9%)	20,504	1.1%	20,724	1.1%	21,056	1.6%	21,356	1.4%
**5027-**-**-** Insurance - Property/Liability	535,873	9.1%	589,460	10.0%	648,406	10.0%	713,247	10.0%	784,572	10.0%
**5028-**-**-** Small Tools & Supplies	77,668	(3.6%)	78,852	1.5%	81,024	2.8%	82,196	1.4%	83,296	1.3%
**5030-**-**-** Trash Disposal	9,000	5.9%	9,000	0.0%	9,000	0.0%	9,000	0.0%	9,000	0.0%
**5031-**-**-** Safety Program & Supplies	114,956	2.0%	117,252	2.0%	119,596	2.0%	121,992	2.0%	121,992	0.0%
**5032-**-**-** Equipment Rental	7,000	(0.1%)	8,000	14.3%	8,000	0.0%	8,000	0.0%	8,000	0.0%

# O&M Budget (cont'd.)

**5033-**-** Recruitment	2,300	(0.7%)	2,300	0.0%	2,300	0.0%	2,300	0.0%	2,300	0.0%
**5034-**-** Travel Expense/Tech. Conferences	75,078	1.8%	75,937	1.1%	76,714	1.0%	77,495	1.0%	78,174	0.9%
**5035-**-** Training Expense	50,479	(30.9%)	53,789	6.6%	54,051	0.5%	54,322	0.5%	54,345	0.0%
**5036-**-** Laboratory Supplies	127,092	4.9%	130,064	2.3%	132,564	1.9%	135,096	1.9%	135,096	0.0%
**5037-**-** Office Equipment	27,000	3.9%	27,000	0.0%	27,000	0.0%	27,000	0.0%	27,000	0.0%
**5038-**-** Permits	635,836	7.1%	648,943	2.1%	662,293	2.1%	651,600	(1.6%)	651,600	0.0%
**5039-**-** Membership Dues/Fees	13,153	(47.6%)	24,114	83.3%	24,451	1.4%	24,781	1.3%	24,814	0.1%
**5044-**-** Offshore Monitoring	81,604	2.0%	60,116	-26.3%	61,316	2.0%	62,544	2.0%	62,544	0.0%
**5045-**-** Offshore Biochemistry	22,500	(25.0%)	22,854	1.6%	23,204	1.5%	23,570	1.6%	23,570	0.0%
**5046-**-** Effluent Chemistry	50,948	13.2%	51,908	1.9%	52,880	1.9%	53,860	1.9%	53,860	0.0%
**5047-**-** Access Road Expenses	45,000	0.0%	45,000	0.0%	45,000	0.0%	45,000	0.0%	45,000	0.0%
**5048-**-** Storm Damage	20,000	(4.8%)	20,000	0.0%	20,000	0.0%	20,000	0.0%	20,000	0.0%
**5049-**-** Biosolids Disposal	1,747,500	11.4%	1,799,900	3.0%	1,830,029	1.7%	1,884,900	3.0%	1,941,500	3.0%
**5050-**-** Contract Services Generators	23,000	(17.9%)	23,000	0.0%	23,000	0.0%	23,000	0.0%	23,000	0.0%
**5052-**-** Janitorial Services	95,000	(5.9%)	95,000	0.0%	100,000	5.3%	102,000	2.0%	107,000	4.9%
**5053-**-** Contract Serv - Digester Cleaning	80,000	33.3%	90,000	12.5%			65,000		60,000	(7.7%)
**5054-**-** Diesel Truck Maint	43,000	2.4%	44,000	2.3%	45,000	2.3%	46,000	2.2%	47,000	2.2%
**5055-**-** Diesel Truck Fuel	11,800	2.6%	11,800	0.0%	11,800	0.0%	11,800	0.0%	11,800	0.0%
**5056-**-** Maintenance Equip. & Facilities (Solids)	300,000	(16.9%)	309,100	3.0%	318,400	3.0%	328,000	3.0%	337,800	3.0%
**5057-**-** Maintenance Equip. & Facilities (Liquids)	510,000	(13.6%)	525,300	3.0%	541,100	3.0%	557,400	3.0%	574,200	3.0%
**5058-**-** Maintenance Equip. & Facilities (Common)	92,008	2.2%	94,908	3.2%	97,808	3.1%	100,808	3.1%	64,208	(36.3%)
**5059-**-** Maintenance Equip. & Facilities (Co-Gen)	836,700	16.9%	873,400	4.4%	908,100	4.0%	948,700	4.5%	990,700	4.4%
**5060-**-** Maintenance Equip. & Facilities (AWT)	39,000	(55.7%)	40,000	2.6%	41,000	2.5%	42,000	2.4%	43,000	2.4%
**5061-**-** Mileage	2,900	(20.6%)	2,950	1.7%	3,000	1.7%	3,050	1.7%	3,050	0.0%
**5068-**-** MNWD Potable Water Supplies & Svcs.	44,880	2.0%	45,776	2.0%	46,692	2.0%	47,628	2.0%	47,628	0.0%
**5069-**-** Misc-Capital-Dilution & Metering Study										
**5074-**-** Education Reimbursement										
**5076-**-** SCADA Infrastructure	93,600	1.6%	93,900	0.3%	119,400	27.2%	99,900	(16.3%)	99,600	(0.3%)
**5077-**-** IT Direct	45,000	(0.0%)	45,000	0.0%	45,000	0.0%	45,000	0.0%	45,000	0.0%
**5101-**-** Employee Recognition										
**5105-**-** Co-Generation Power Credit - Offset	1,302,000	24.0%	1,380,100	6.0%	1,462,900	6.0%	1,550,700	6.0%	1,643,700	6.0%
**5303-**-** Group Insurance Waiver	14,400	(20.0%)	14,700	2.1%	15,000	2.0%	15,300	2.0%	15,600	2.0%
**5305-**-** Medicare Tax Payments for Employees	152	(93.6%)	152	0.0%	156	2.6%	160	2.6%	160	0.0%
**5309-**-** Operating Leases	20,000	(28.6%)	20,000	0.0%	20,000	0.0%	20,000	0.0%	20,000	0.0%
**5705-**-** Monthly Car Allowance	31,200	(11.9%)	31,200	0.0%	31,200	0.0%	31,200	0.0%	31,200	0.0%
**5799-**-** Zephyr Wall Costs Share - O&M	(14,000)	0.0%	(14,000)	0.0%	(14,000)	0.0%	(14,000)	0.0%	(14,000)	0.0%
**5802-**-** Shipping/Freight										
**6500-**-** IT Allocations in to PC's & Depts.	620,553	1.9%	640,597	3.2%	658,154	2.7%	680,683	3.4%	697,456	2.5%
<b>Total Other Expenses</b>	<b>12,165,718</b>	<b>5.0%</b>	<b>12,179,227</b>	<b>0.1%</b>	<b>12,700,047</b>	<b>4.3%</b>	<b>12,980,679</b>	<b>2.2%</b>	<b>13,385,970</b>	<b>3.1%</b>
<b>Total Expenses</b>	<b>20,234,898</b>	<b>4.6%</b>	<b>20,664,136</b>	<b>2.1%</b>	<b>21,513,585</b>	<b>4.1%</b>	<b>22,380,978</b>	<b>4.0%</b>	<b>23,062,370</b>	<b>3.0%</b>

# Residual Engineering Budget (after Labor and Fringe to Capital) (in dollars)

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	FY 2024-25 Budget	FY 2025-26 Budget	FY 2026-27 Budget	FY 2027-28 Budget
Regular Salaries-O&M	148,365	167,229	161,205	194,546	195,342	203,430	211,892	218,274
Overtime Salaries-O&M								
Scheduled Holiday Work								
Fringe Benefits IN to PC's & Depts.	80,329	94,953	84,092	104,916	105,345	109,707	114,270	117,712
<b>Total Payroll Costs</b>	<b>228,694</b>	<b>262,181</b>	<b>245,297</b>	<b>299,462</b>	<b>300,687</b>	<b>313,137</b>	<b>326,162</b>	<b>335,987</b>
Engineering - Misc.								
Management Support Services								
Legal Fees								
Miscellaneous Expense	2,529	1,127	3,184	2,000	2,040	2,081	2,122	2,165
Office Supplies - All	31		208					
Safety Supplies			306					
Recruitment								
Travel Expense/Tech. Conferences			6,439	8,500	8,670	8,843	9,020	9,201
Training Expense	275		2,244	1,300	1,326	1,353	1,380	1,407
Office Equipment			408	150	153	156	159	162
Membership Dues/Fees	996	1,223	1,377	1,775	1,811	1,847	1,884	1,921
Mileage	47	137	510	250	255	260	265	271
IT Direct	1,839			250	255	260	265	271
Operating Leases	5,408	28,681	9,300	30,000	30,600	31,212	31,836	32,473
Monthly Car Allowance	4,216	2,294	4,200	4,200	4,200	4,200	4,200	4,200
Shipping/Freight			312	100	102	104	106	108
IT Allocations in to PC's & Depts.	49,873	47,328	52,639	54,993	55,974	57,179	58,544	59,628
<b>Total Other Expenses</b>	<b>65,214</b>	<b>80,790</b>	<b>81,127</b>	<b>103,518</b>	<b>105,385</b>	<b>107,495</b>	<b>109,782</b>	<b>111,807</b>
<b>Total Residual Engineering Expenses</b>	<b>293,908</b>	<b>342,971</b>	<b>326,424</b>	<b>402,980</b>	<b>406,073</b>	<b>420,632</b>	<b>435,944</b>	<b>447,793</b>
<b>YOY Change</b>	<b>-25.7%</b>	<b>16.7%</b>	<b>-4.8%</b>	<b>23.5%</b>	<b>0.8%</b>	<b>3.6%</b>	<b>3.6%</b>	<b>2.7%</b>
<b>Capitalized Portion of Labor &amp; Fringe</b>	<b>431,664</b>	<b>387,595</b>	<b>416,125</b>	<b>422,501</b>	<b>451,031</b>	<b>469,706</b>	<b>489,242</b>	<b>503,980</b>
<b>Percentage Change</b>	<b>14.2%</b>	<b>-10.2%</b>	<b>7.4%</b>	<b>1.5%</b>	<b>6.8%</b>	<b>4.1%</b>	<b>4.2%</b>	<b>3.0%</b>

# Administration Budget (in \$'s)

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	FY 2024-25 Budget	FY 2025-26 Budget	FY 2026-27 Budget	FY 2027-28 Budget
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## Salary and Fringe

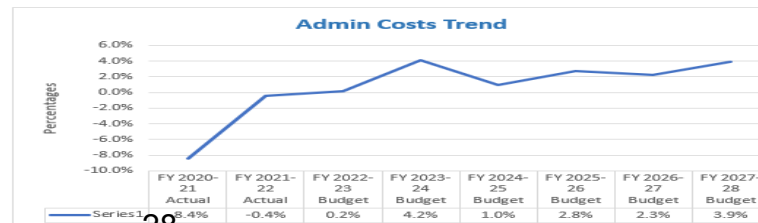
Regular Salaries-Admin & IT	899,005	923,711	974,150	1,006,210	1,031,361	1,067,909	1,100,298	1,155,187
Overtime Salaries-Admin & IT	35,428	28,565	10,000	7,000	5,000	5,000	5,000	5,000
Comp Time - Admin	18,225	6,252	5,000	4,000	3,000	3,000	3,000	3,000
Fringe Benefits IN to PC's & Depts.	486,745	524,484	508,162	542,634	556,198	575,908	593,375	622,975
<b>Total Payroll Costs</b>	<b>1,439,403</b>	<b>1,483,013</b>	<b>1,497,312</b>	<b>1,559,845</b>	<b>1,595,559</b>	<b>1,651,817</b>	<b>1,701,673</b>	<b>1,786,162</b>

## Other Expenses

Public Notices/ Public Relations	2,180		3,270					
HR Recruitment & Employee Relations	32,837	23,042	29,190	48,100	30,977	31,596	32,228	32,873
Subscriptions	2,119	2,528	2,533	1,400	1,428	1,457	1,486	1,515
Contract Labor/Temp Labor		24,512	30,000	30,000	30,600	31,212	31,836	32,473
Management Support Services	58,868	32,691	50,000	55,000	56,100	57,222	58,366	59,534
Audit	40,600	45,000	46,000	46,000	46,920	47,858	48,816	49,792
Legal	338,560	266,611	200,000	200,000	200,000	200,000	200,000	200,000
Postage	897	1,460	1,500	1,500	1,500	1,500	1,500	1,500
Office Supplies - Admin	3,512	3,113	4,294	4,000	4,080	4,162	4,245	4,330
Office Equipment	2,338	5,101	6,000	1,000	1,000	1,000	1,000	1,000
Memberships & Trainings	76,234	98,047	95,912	105,000	105,000	105,000	105,000	105,000
Travel & Conference	5,224	11,482	25,000	25,000	25,000	25,000	25,000	25,000
Scholarship/Education reimbursement	1,000			1,000	1,000	1,000	1,000	1,000
Education Reimbursement	1,500	2,651	4,500	3,000	3,000	3,000	3,000	3,000
Miscellaneous	19,542	22,786	20,000	22,000	22,230	22,462	22,697	22,934
Mileage	185	148	569	600	612	624	637	649
Contract Services Misc	5,464	5,646	5,573	5,800	5,858	5,917	5,976	6,036
IT Allocations in to PC's & Depts.	114,520	108,574	117,968	123,292	123,658	126,574	126,315	131,883
Shipping/Freight	4,296	3,822	4,382	1,200	1,224	1,248	1,273	1,299
Monthly Car Allowance	12,046	12,046	12,000	12,000	12,000	12,000	12,000	12,000
<b>Total Other Expenses</b>	<b>721,922</b>	<b>669,260</b>	<b>658,691</b>	<b>685,892</b>	<b>672,186</b>	<b>678,832</b>	<b>682,375</b>	<b>691,817</b>

## Total Administration Expenses Year-Over-Year Change %'s

<b>2,161,324</b>	<b>2,152,273</b>	<b>2,156,003</b>	<b>2,245,737</b>	<b>2,267,746</b>	<b>2,330,649</b>	<b>2,384,048</b>	<b>2,477,979</b>
-8.4%	-0.4%	0.2%	4.2%	1.0%	2.8%	2.3%	3.9%



# General Fund by Member Agency w/ Revised Distribution by Member Agency (CSJC, IRWD & TCWD excluded)

Agency	Project Committee Participation											Revised <sup>1</sup>		Original		Change in Distribution %'s
	Water Permitting	ETMs & Interceptor				Outfalls			Plants			Total PC's by Agency (#)	Total PC's by Agency (%)	Total PC's by Agency (#)	Total PC's by Agency (%)	
	PC2SO	PC8	PC 21 B,C &D	PC 21 E	PC 23	PC 5	PC 10	PC 24	PC2	PC 15	PC17					
El Toro Water District		1	0	0				1			1	3	10.34%	3	8.11%	2.24%
Emerald Bay Service District		1			0			1		1	1	4	13.79%	4	10.81%	2.98%
Irvine Ranch Water District <sup>3</sup>			0	0								0	0.00%	3	8.11%	-8.11%
City of Laguna Beach		1			0			1		1	1	4	13.79%	4	10.81%	2.98%
Moulton Niguel Water District	1	1		0		0		1	1	1	1	6	20.69%	6	16.22%	4.47%
City of San Clemente		1				1	0					2	6.90%	2	5.41%	1.49%
City of San Juan Capistrano <sup>2</sup>												0	0.00%	4	10.81%	-10.81%
Santa Margarita Water District	1	1				1			1			4	13.79%	4	10.81%	2.98%
South Coast Water District	1	1				1		0	1	1	1	6	20.69%	6	16.22%	4.47%
Trabuco Canyon Water District <sup>3</sup>												0	0.00%	1	2.70%	-2.70%
<b>Total by PC's (#)</b>	<b>3</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>29</b>	<b>100.00%</b>	<b>37</b>	<b>100.00%</b>	<b>0.00%</b>

<sup>1</sup>Remaining Member Agencies Distribution % will increase, and their share of the GF will increase, \$89,896, in total, or 27.6% for each remaining agency.

<sup>2</sup>City of San Juan Capistrano GF will not be paid by Santa Margarita Water District in FY 2023-24.

<sup>3</sup>Irvine Ranch Water District has terminated membership in SOCWA and Trabuco Canyon Water District will terminate SOCWA membership on June 30, 2023.

# General Fund – Distribution from Admin.

Description	Board Approved GF %'s
Regular Salaries	See Footnote #1
Overtime Salaries	50%
Comp Time - Earned	50%
Public Notices/Public Notices	100%
Contract Labor/Part-Time Labor	25%
Audit	100%
Legal	40%
Outside Services	100%
Postage	20%
Office Supplies - Admin	100%
Office Equipment	100%
Misc.	20%
IT Allocation into PC's & Depts	5%

(1) Time Allocations: GM 50%, Exec Assist 50%, Controller 5%



# General Fund (GF)

## Budget

(in dollars)

	Finance Committee Recommended General Fund %'s	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	FY 2024-25 Budget	FY 2025-26 Budget	FY 2026-27 Budget	FY 2027-28 Budget
Regular Salaries-Admin	Footnote #1	167,925	157,568	170,387	180,128	183,731	190,898	198,385	206,208
Overtime Salaries-Admin	50%	17,714	5,523	5,000	3,500	2,500	2,500	2,500	2,500
Comp Time - Admin	50%	9,112	1,124	2,500	2,000	1,500	1,500	1,500	1,500
Fringe Benefits IN to PC's & Depts.		90,919	89,467	88,882	97,141	99,083	102,949	106,986	111,205
Total Payroll Costs		285,670	253,681	266,770	282,769	286,814	297,847	309,372	321,413
Public Notices/ Public Relations	100%			3,270					
Contract Labor/Part-Time Labor	25%		6,128	7,500	7,500	7,650	7,803	7,959	8,118
Audit	100%	40,600	45,000	46,000	46,000	46,920	47,858	48,816	49,792
Legal	40%	135,424	106,644	80,000	80,000	80,000	80,000	80,000	80,000
Outside Services	100%								
Postage	20%	179	292	300	300	300	300	300	300
Office Supplies - Admin	100%	3,512	3,113	4,294	4,000	4,080	4,162	4,245	4,330
Office Equipment	100%	2,338	5,101	6,000	1,000	1,000	1,000	1,000	1,000
Miscellaneous	20%	3,908	4,557	4,000	4,400	4,446	4,492	4,539	4,587
IT Allocations in to PC's & Depts.	5%	5,726	5,429	5,898	6,165	6,183	6,329	6,316	6,594
Total Other Expenses		191,688	176,264	157,262	149,365	150,579	151,944	153,175	154,721
<b>Total General Fund Expenses</b>		<b>477,358</b>	<b>429,946</b>	<b>424,032</b>	<b>432,133</b>	<b>437,393</b>	<b>449,791</b>	<b>462,546</b>	<b>476,134</b>

Time Allocation		
(1)	Executive Assistant	50%
	GM	50%
	Controller	5%

# Information Technology (IT) Budget (in dollars)

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	FY 2024-25 Budget	FY 2025-26 Budget	FY 2026-27 Budget	FY 2027-28 Budget
01-6000-05-00-00 Regular Salaries-Admin & IT	99,833	103,017	106,310	116,046	121,918	128,087	134,569	141,378
01-6001-05-00-00 Overtime Salaries-Admin & IT								
01-6315-05-00-00 Comp Time - IT			-	-	-	-	-	-
01-6401-05-00-00 Fringe Benefits IN to PC's & Depts.	54,052	58,493	55,456	62,582	65,749	69,076	72,571	76,243
Total Salary & Fringe	153,885	161,510	161,767	178,629	187,667	197,163	207,140	217,621
<b>Other Expenses</b>								
01-6028-05-00-00 Small Tools & Supplies		200	1,000	1,000	1,020	1,040	1,061	1,082
01-6031-05-00-00 Safety Supplies								
01-6035-05-00-00 Training Expense	1,725	1,725	3,000	3,000	3,060	3,121	3,184	3,247
01-6101-05-00-00 Recruitment & Employee Relations, IT				-	-	-	-	-
01-6102-05-00-00 Subscriptions				-	-	-	-	-
01-6200-05-00-00 Management Support Services				-	-	-	-	-
01-6223-05-00-00 Office Supplies - All				600	612	624	637	649
01-6224-05-00-00 Office Equipment		634	600	2,750	2,805	2,861	2,918	2,977
01-6234-05-00-00 Memberships & Trainings			12,850	1,500	1,530	1,561	1,592	1,624
01-6239-05-00-00 Travel & Conference			1,500	84,700	86,394	88,122	89,884	91,682
01-6300-05-00-00 Software Maintenance Agreements	40,260	27,624	60,433	22,400	22,848	23,305	23,771	24,246
01-6301-05-00-00 Hardware Maintenance Agreements	10,441	10,036	14,186	196,935	200,873	204,891	208,989	213,168
01-6302-05-00-00 Cloud Subscriptions (Internet)	142,417	176,080	181,766	161,382	164,610	167,902	171,260	174,685
01-6303-05-00-00 Telecommunications	146,075	148,781	164,582	19,960	20,359	20,766	21,182	21,605
01-6305-05-00-00 IT Professional Services	119,370	48,237	53,500	25,400	25,908	26,426	26,955	27,494
01-6306-05-00-00 Small Hardware Purchases (< \$5k)	7,495	12,308	28,900	30,500	31,110	31,732	32,367	33,014
01-6307-05-00-00 Small Software Purchases & Licenses(<\$5k)	28,935	23,907	26,444	160	163	166	170	173
01-6308-05-00-00 IT Memberships		-	160	64,200	65,484	66,794	68,130	69,492
01-6309-05-00-00 Operating Leases	58,041	68,611	64,173	5,000	5,100	5,202	5,306	5,412
01-6310-05-00-00 Miscellaneous		187	5,000	-	-	-	-	-
01-6311-05-00-00 Mileage		-	-	3,200	3,264	3,329	3,396	3,464
01-6312-05-00-00 Computer & Photocopy Supplies	2,633	3,167	-	-	-	-	-	-
01-6601-05-00-00 Shipping/Freight		-	-	-	-	-	-	-
Total Other Expenses	557,392	521,498	618,094	622,687	635,140	647,843	660,800	674,016
<b>Total IT Expenses</b>	<b>711,277</b>	<b>683,007</b>	<b>779,860</b>	<b>801,315</b>	<b>822,808</b>	<b>845,006</b>	<b>867,940</b>	<b>891,637</b>
<b>IT Allocations (Out) to PC's &amp; Depts</b>								
01-6400-05-00-0 IT Allocations (OUT) to PC's & Depts.	(711,277)	(683,007)	(779,860)	(801,315)	(822,808)	(845,006)	(867,940)	(891,637)
Total IT Allocations (Out) to PC's & Depts	<b>(711,277)</b>	<b>(683,007)</b>	<b>(779,860)</b>	<b>(801,315)</b>	<b>(822,808)</b>	<b>(845,006)</b>	<b>(867,940)</b>	<b>(891,637)</b>

# **O&M Budget by Wastewater Code (Liquids, Solids, AWT, Common, etc.)**

# PC 2 JB Latham O&M Budget by Member Agency and Wastewater Code

**Member Agency Budget by  
Wastewater Code**

Liquids			Solids			Common - Liquids			Common - Solids			Total			
FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	
\$604,512	-	(\$604,512)	\$692,832	-	(\$692,832)	\$183,040	-	(\$183,040)	\$178,504	-	(\$178,504)	\$1,658,888	-	(\$1,658,888)	
383,484	475,124	91,640	726,360	562,987	(163,373)	137,307	141,264	3,957	128,600	132,329	3,729	1,375,751	1,311,704	(64,047)	
876,520	1,584,003	707,483	997,724	2,107,437	1,109,713	102,964	294,281	191,317	168,808	357,324	188,516	2,146,016	4,343,045	2,197,029	
440,220	542,265	102,045	657,452	618,352	(39,100)	171,568	176,519	4,951	118,984	122,413	3,429	1,388,224	1,459,549	71,325	
<b>Total</b>	<b>\$2,304,736</b>	<b>\$2,601,393</b>	<b>\$296,657</b>	<b>\$3,074,368</b>	<b>\$3,288,776</b>	<b>\$214,408</b>	<b>\$594,879</b>	<b>\$612,064</b>	<b>\$17,185</b>	<b>\$594,896</b>	<b>\$612,065</b>	<b>\$17,169</b>	<b>\$6,568,879</b>	<b>\$7,114,298</b>	<b>\$545,419</b>

**Member Agency Wastewater Code  
Allocation %'s**

Liquids			Solids			Common - Liquids			Common - Solids			Total		
FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)
26.2%	0.0%	-26.2%	22.5%	0.0%	-22.5%	30.8%	0.0%	-30.8%	30.0%	0.0%	-30.0%	25.3%	0.0%	-25.3%
16.6%	18.3%	1.6%	23.6%	17.1%	-6.5%	23.1%	23.1%	0.0%	21.6%	21.6%	0.0%	20.9%	18.4%	-2.5%
38.0%	60.9%	22.9%	32.5%	64.1%	31.6%	17.3%	48.1%	30.8%	28.4%	58.4%	30.0%	32.7%	61.0%	28.4%
19.1%	20.8%	1.7%	21.4%	18.8%	-2.6%	28.8%	28.8%	0.0%	20.0%	20.0%	0.0%	21.1%	20.5%	-0.6%
<b>Total</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

# PC 5 SJCOO O&M Budget by Member Agency and Wastewater Code

**Member Agency Budget by Wastewater Code**

Fixed			Var 5%			VAR 95%			Total		
FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-
\$ 120,388	\$ 133,420	\$ 13,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,388	\$ 133,420	\$ 13,032
80,268	-	(80,268)	-	-	-	-	-	-	80,268	-	(80,268)
112,360	124,509	12,149	-	-	-	-	-	-	112,360	124,509	12,149
321,044	444,734	123,690	-	-	-	-	-	-	321,044	444,734	123,690
90,324	100,105	9,781	-	-	-	-	-	-	90,324	100,105	9,781
<b>\$ 724,384</b>	<b>\$ 802,768</b>	<b>\$ 78,384</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 724,384</b>	<b>\$ 802,768</b>	<b>\$ 78,384</b>

**Member Agency Wastewater Code Allocation %'s**

Fixed			Var 5%			VAR 95%			Total		
FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-
16.6%	16.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	16.6%	16.6%	0.0%
11.1%	0.0%	-11.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.1%	0.0%	-11.1%
15.5%	15.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	15.5%	15.5%	0.0%
44.3%	55.4%	11.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	44.3%	55.4%	11.1%
12.5%	12.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.5%	12.5%	0.0%
<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

# PC 8 Pretreatment Program O&M Budget by Member Agency and Wastewater Code

## Member Agency Budget by Wastewater Code

	Insurance			Labor			Total		
	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)
City of Laguna Beach	\$ 682	\$ 797	115	\$ 9,088	\$ 7,942	(\$1,146)	\$ 9,770	\$ 8,739	(\$1,031)
City of San Clemente	682	797	115	39,344	43,450	4,106	40,026	44,247	4,221
City of San Juan Capistrano	682	-	(682)	16,516	-	(16,516)	17,198	-	(17,198)
El Toro Water District	682	797	115	7,240	4,516	(2,724)	7,922	5,313	(2,609)
Emerald Bay Service District	682	797	115	5,664	3,738	(1,926)	6,346	4,534	(1,812)
Irvine Ranch Water District	682	797	115	27,564	24,295	(3,269)	28,246	25,091	(3,155)
Moulton Niguel Water District	683	797	114	37,632	45,811	8,179	38,315	46,608	8,293
Santa Margarita Water District	683	1,594	911	51,972	80,746	28,774	52,655	82,340	29,685
South Coast Water District	683	797	114	40,332	52,794	12,462	41,015	53,591	12,576
<b>Total</b>	<b>\$ 6,141</b>	<b>\$ 7,170</b>	<b>\$1,029</b>	<b>\$ 235,352</b>	<b>\$ 263,292</b>	<b>\$ 27,940</b>	<b>\$ 241,493</b>	<b>\$ 270,462</b>	<b>\$ 28,969</b>

## Member Agency Wastewater Code Allocation %'s

	Insurance			Labor			Total		
	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)	FY 22-23 Budget	FY 23-24 Budget	Change +/( -)
City of Laguna Beach	11.1%	11.1%	0.0%	3.9%	3.0%	-0.8%	4.0%	3.2%	-0.8%
City of San Clemente	11.1%	11.1%	0.0%	16.7%	16.5%	-0.2%	16.6%	16.4%	-0.2%
City of San Juan Capistrano	11.1%	0.0%	-11.1%	7.0%	0.0%	-7.0%	7.1%	0.0%	-7.1%
El Toro Water District	11.1%	11.1%	0.0%	3.1%	1.7%	-1.4%	3.3%	2.0%	-1.3%
Emerald Bay Service District	11.1%	11.1%	0.0%	2.4%	1.4%	-1.0%	2.6%	1.7%	-1.0%
Irvine Ranch Water District	11.1%	11.1%	0.0%	11.7%	9.2%	-2.5%	11.7%	9.3%	-2.4%
Moulton Niguel Water District	11.1%	11.1%	0.0%	16.0%	17.4%	1.4%	15.9%	17.2%	1.4%
Santa Margarita Water District	11.1%	22.2%	11.1%	22.1%	30.7%	8.6%	21.8%	30.4%	8.6%
South Coast Water District	11.1%	11.1%	0.0%	17.1%	20.1%	2.9%	17.0%	19.8%	2.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

# PC 12 (2SO) O&M Budget by Member Agency and Wastewater Code

**Member Agency Budget by Wastewater Code**

Region 9			Equally			Total			
FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	
City of San Juan Capistrano	\$5,104	-	(\$5,104)	\$34,940	\$0	(\$34,940)	\$40,044	-	(\$40,044)
Moulton Niguel Water District	70,580	21,291	(49,289)	34,940	11,662	(23,278)	105,520	32,952	(72,568)
Santa Margarita Water District	77,240	22,220	(55,020)	34,940	23,323	(11,617)	112,180	45,543	(66,637)
South Coast Water District	11,752	3,135	(8,617)	34,940	11,662	(23,278)	46,692	14,797	(31,895)
Trabuco Canyon Water District	9,992	-	(9,992)	34,940	-	(34,940)	44,932	-	(44,932)
<b>Total</b>	<b>\$174,668</b>	<b>\$46,646</b>	<b>(\$128,022)</b>	<b>\$174,700</b>	<b>\$46,646</b>	<b>(\$128,054)</b>	<b>\$349,368</b>	<b>\$93,293</b>	<b>(\$256,075)</b>

**Member Agency Wastewater Code Allocation %'s**

Region 9			Equally			Total			
FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	
City of San Juan Capistrano	2.9%	0.0%	-2.9%	20.0%	0.0%	-20.0%	11.5%	0.0%	-11.5%
Moulton Niguel Water District	40.4%	45.6%	5.2%	20.0%	25.0%	5.0%	30.2%	35.3%	5.1%
Santa Margarita Water District	44.2%	47.6%	3.4%	20.0%	50.0%	30.0%	32.1%	48.8%	16.7%
South Coast Water District	6.7%	6.7%	0.0%	20.0%	25.0%	5.0%	13.4%	15.9%	2.5%
Trabuco Canyon Water District	5.7%	0.0%	-5.7%	20.0%	0.0%	-20.0%	12.9%	0.0%	-12.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

*Trabuco Canyon Water District will terminate SOCWA membership on June 30, 2023.*

*The Agency will pay its share of long-term liabilities at the termination date, UAL and OPEB, in the amount of \$20,813. The UAL portion will be an additional discretionary payment to CALPERS and the OPEB portion will be deposited with the PARS 115 trust fund. TCWD plans to contract with SOCWA for services in PC 12 (2SO); all proceeds will be credited to agencies in the project committee during the Use Audit at fiscal yearend. The estimated amount is \$13,000.*

# PC 15 Coastal O&M Budget by Member Agency and Wastewater Code

**Member Agency Budget by  
Wastewater Code**

	Liquids			Common Liquids			AWT			Total		
	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-
City of Laguna Beach	\$881,120	\$833,003	(\$48,117)	\$281,696	\$284,284	\$2,588	\$ -	\$ -	\$ -	\$1,162,816	\$1,117,287	(\$45,529)
Emerald Bay Service District	35,204	35,694	490	22,196	22,422	226	-	-	-	57,400	58,116	716
Moulton Niguel Water District	-	-	-	217,360	219,343	1,983	-	-	-	217,360	219,343	1,983
South Coast Water District	679,580	683,284	3,704	221,812	223,842	2,030	528,480	693,949	165,469	1,429,872	1,601,075	171,203
<b>Total</b>	<b>\$1,595,904</b>	<b>\$1,551,982</b>	<b>(\$43,922)</b>	<b>\$743,064</b>	<b>\$749,891</b>	<b>\$6,827</b>	<b>\$528,480</b>	<b>\$693,949</b>	<b>\$165,469</b>	<b>\$2,867,448</b>	<b>\$2,995,822</b>	<b>\$128,374</b>

**Member Agency Wastewater Code  
Allocation %'s**

	Liquids			Common Liquids			AWT			Total		
	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-
City of Laguna Beach	55.2%	53.7%	-1.5%	37.9%	37.9%	0.0%				40.6%	37.3%	-3.3%
Emerald Bay Service District	2.2%	2.3%	0.1%	3.0%	3.0%	0.0%				2.0%	1.9%	-0.1%
Moulton Niguel Water District	0.0%	0.0%	0.0%	29.3%	29.3%	0.0%				7.6%	7.3%	-0.3%
South Coast Water District	42.6%	44.0%	1.4%	29.9%	29.8%	0.0%	100.0%	100.0%	0.0%	49.9%	53.4%	3.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>



# PC 17 Regional O&M Budget by Member Agency and Wastewater Code

	Liquids			Solids			AWT			Common Liquids			Common Solids			Total		
	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-
<b>Member Agency Budget by Wastewater Code</b>																		
City of Laguna Beach	\$2,216	\$5,343	\$3,127	\$412,624	\$541,481	\$128,857	\$0	\$0	\$0	\$0	\$0	\$0	\$66,781	\$65,590	(\$1,191)	\$481,621	\$612,414	\$130,793
El Toro Water District	4,852	6,531	1,679	496,820	625,460	128,640	-	-	-	-	-	-	121,521	119,313	(2,208)	623,193	751,304	128,111
Emerald Bay Service District	-	229	229	16,540	23,264	6,724	-	-	-	-	-	-	3,517	3,449	(68)	20,057	26,942	6,885
Moulton Niguel Water District	2,353,644	2,602,681	249,037	2,225,996	2,492,163	266,167	838,960	82,717	(756,243)	597,669	586,338	(11,331)	350,188	343,852	(6,336)	6,366,457	6,107,752	(258,705)
South Coast Water District	1,324	4,362	3,038	317,676	443,389	125,713	-	-	-	-	-	-	53,340	52,379	(961)	372,340	500,130	127,790
<b>Total</b>	<b>\$2,362,036</b>	<b>\$2,619,146</b>	<b>\$257,110</b>	<b>\$3,469,656</b>	<b>\$4,125,757</b>	<b>\$656,101</b>	<b>\$838,960</b>	<b>\$82,717</b>	<b>(\$756,243)</b>	<b>\$597,669</b>	<b>\$586,338</b>	<b>(\$11,331)</b>	<b>\$595,347</b>	<b>\$584,584</b>	<b>(\$10,763)</b>	<b>\$7,863,668</b>	<b>\$7,998,542</b>	<b>\$134,874</b>

	Liquids			Solids			AWT			Common Liquids			Common Solids			Total		
	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-
<b>Member Agency Wastewater Code Allocation %'s</b>																		
City of Laguna Beach	0.09%	0.204%	0.1%	11.89%	13.12%	1.2%							11.22%	11.22%	0.0%	6.12%	7.66%	1.5%
El Toro Water District	0.21%	0.249%	0.0%	14.32%	15.16%	0.8%							20.41%	20.41%	0.0%	7.92%	9.39%	1.5%
Emerald Bay Service District	0.00%	0.009%	0.0%	0.48%	0.56%	0.1%							0.59%	0.59%	0.0%	0.26%	0.34%	0.1%
Moulton Niguel Water District	99.64%	99.371%	-0.3%	64.16%	60.40%	-3.8%	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	58.82%	58.82%	0.0%	80.96%	76.36%	-4.6%
South Coast Water District	0.06%	0.167%	0.1%	9.16%	10.75%	1.6%							8.96%	8.96%	0.0%	4.73%	6.25%	1.5%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.0%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.0%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.0%</b>

Solids increases of \$656k, cost drivers are natural gas, \$135k, or 29%, polymer products, \$181k or 39%, ferric chloride, \$112k, or 24%, and Co-Gen maintenance \$101k, or 23%. This group increase is \$528k or 39%. \$623k in reductions associated with MNWD taking over operation of the AWT.

# PC 24 Aliso Creek Ocean Outfall O&M Budget by Member Agency and Wastewater Code

	Fixed			Var 5%			Var 95%			Total		
	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-
<b>Member Agency Budget by Wastewater Code</b>												
City of Laguna Beach	\$77,384	\$103,200	\$25,816	-	-	-	-	-	-	\$77,384	\$103,200	\$25,816
El Toro Water District	114,651	152,942	38,291	-	-	-	-	-	-	114,651	152,942	38,291
Emerald Bay Service District	5,488	7,318	1,830	-	-	-	-	-	-	5,488	7,318	1,830
Irvine Ranch Water District	110,831	147,854	37,023	-	-	-	-	-	-	110,831	147,854	37,023
Moulton Niguel Water District	308,395	411,375	102,980	-	-	-	-	-	-	308,395	411,375	102,980
South Coast Water District	86,579	115,490	28,911	-	-	-	-	-	-	86,579	115,490	28,911
<b>Total</b>	<b>\$703,328</b>	<b>\$938,178</b>	<b>\$234,850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$703,328</b>	<b>\$938,178</b>	<b>\$234,850</b>

	Fixed			Var 5%			Var 95%			Total		
	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-	FY 22-23 Budget	FY 23-24 Budget	Change +/-
<b>Member Agency Wastewater Code Allocation %'s</b>												
City of Laguna Beach	11.0%	11.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.0%	11.0%	0.0%
El Toro Water District	16.3%	16.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	16.3%	16.3%	0.0%
Emerald Bay Service District	0.8%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	0.8%	0.0%
Irvine Ranch Water District	15.8%	15.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	15.8%	15.8%	0.0%
Moulton Niguel Water District	43.8%	43.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	43.8%	43.8%	0.0%
South Coast Water District	12.3%	12.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.3%	12.3%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

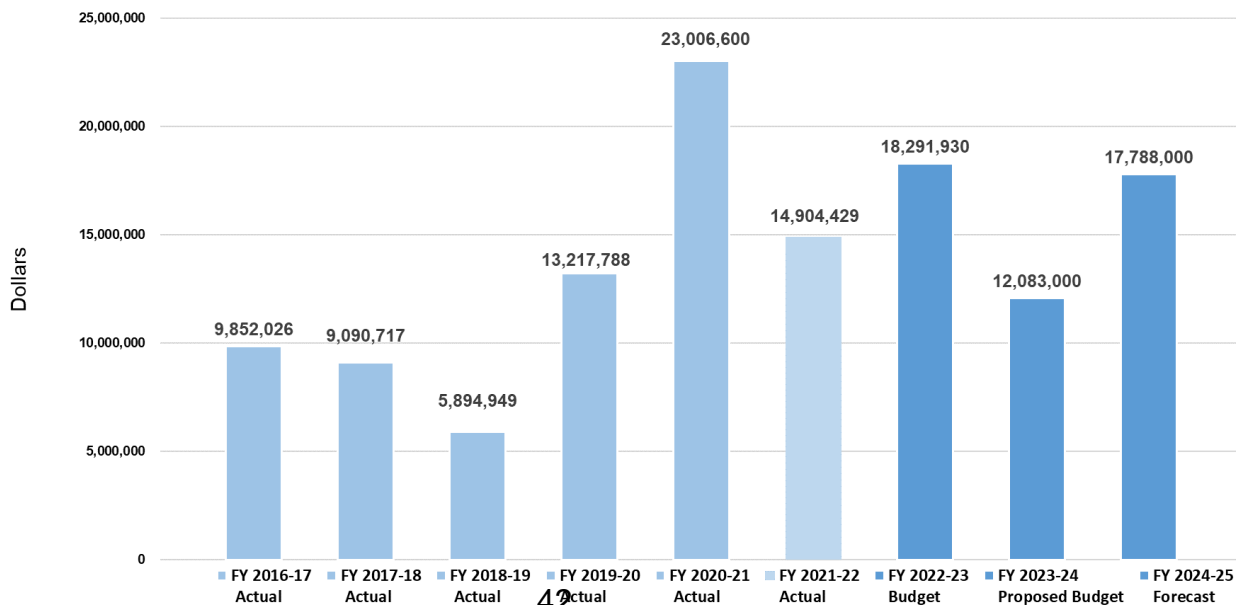
Budget includes a Board approved contract for Plume Tracking, \$315k, split \$236k to PC 24 and \$79k to PC 5.

# **Capital Budget FY 2023-24 with 1 Year Forecast 2024-25**

# FY 2023-24 Capital Budget Summary w/1-Year Forecast by Member Agency

(Includes Large Capital, Non-Capital and Small Capital by Member Agency)

	FY 2016-17 Actual Expenditures	FY 2017-18 Actual Expenditures	FY 2018-19 Actual Expenditures	FY 2019-20 Actual Expenditures	FY 2020-21 Actual Expenditures	FY 2021-22 Actual Expenditures	FY 2022-23 Budget	FY 2023-24 Proposed Budget	FY 2024-25 Forecast
Total Capital Budget									
Member Agency									
City of Laguna Beach	\$ 857,725	\$ 1,047,324	\$ 525,844	\$ 1,272,768	\$ 3,683,943	\$ 1,675,172	\$ 1,685,109	\$ 1,578,800	\$ 2,209,718
City of San Clemente	9,387	396	3,571	39,837	243,015	12,837.55	33,054.50	45,706	174,511.00
City of San Juan Capistrano	886,145	698,567	645,880	1,842,353	2,790,902	2,403,157	1,954,803	-	-
El Toro Water District	673,966	433,008	174,214	195,893	174,608	145,934	501,753	439,342	910,962
Emerald Bay Service District	58,190	76,782	40,038	98,196	288,166	130,550	129,922	120,244	162,907
Irvine Ranch Water District	19,893	48,848	88,323	62,145	43,818	58,233	323,139	194,385	202,123
Moulton Niguel Water District	4,729,584	4,411,148	1,962,020	5,553,551	7,797,990	5,405,763	9,232,536	4,218,407	7,131,702
Santa Margarita Water District	818,783	520,859	480,709	1,635,717	2,577,840	1,746,691	1,368,942	2,897,386	3,542,133
South Coast Water District	1,798,353	1,853,786	1,974,351	2,517,327	5,406,318	3,326,091	3,062,671	2,588,730	3,453,944
<b>Total Member Agency</b>	<b>\$ 9,852,026</b>	<b>\$ 9,090,717</b>	<b>\$ 5,894,949</b>	<b>\$ 13,217,788</b>	<b>\$ 23,006,600</b>	<b>\$ 14,904,429</b>	<b>\$ 18,291,930</b>	<b>\$ 12,083,000</b>	<b>\$ 17,788,000</b>



# FY 2023-24 Budget Summary

	JBL Large Cap (PC 2)	CTP Large Cap (PC 15)	RTP Large Cap (PC 17)	Outfalls/ETM (PCs 5, 21, 24)	Non-Cap	Small Cap
<b>Construction</b>	\$3,650,000*	\$1,900,000	\$0	\$250,000	\$70,000	\$2,013,000
<b>Design</b>	\$500,000	\$575,000	\$900,000	\$550,000		
<b>Planning</b>	\$50,000	\$0	\$15,000	\$50,000	\$315,000	
<b>Other</b>	\$200,000	\$450,000	\$200,000		\$175,000**	

\* \$2.4 MM for Package B closeout

\*\* Staff augmentation if we're unable to hire Senior Engineer

# Operation & Maintenance

# O&M/Environmental, Safety, and Engineering Accomplishments FY 2022-23

- ▶ Substantially finished 2 major capital projects.
- ▶ Completed 63 small capital projects - \$1.25M (est. 62% spent)
- ▶ Goods on order for installation - \$1,050,000 (3/14/23) was \$850,000 (3/22/22)
- ▶ COVID-19 wind down
- ▶ Coastal Fire Recovery (including new power lines as April 2023)
- ▶ Received SJCOO & ACOO NPDES permits (6-year effort)
- ▶ Completed successful laboratory audit and award of accredited certification

# Professional Licensing & Certifications

## FY 2021-22

Laboratory IV - 1

Laboratory I - 1

PMP - 1 (Engineering)

## FY 2022-23

Operator V - 1

Operator III - 1

Operator II - 2

Mechanic III - 1

Mechanic II - 3

Electrical I - 1

Laboratory I - 1



# O&M and Environmental, Safety and Engineering Drivers

- ▶ Flows are reviewed and agreed to at the Engineering Committee and made available to Member Agencies for comment.
- ▶ As directed by SMWD, the PC 2 FY 2022-23 Flows and Solids are projected to include budgeted flows 3.2 mgd due to the Oso Plant Shutdown.
- ▶ CPUC projected rate increases are used to calculate most utility cost changes, including natural gas, and Co-Gen engine operations actual results are used as the basis for projecting electricity.
- ▶ Inflation for non-labor expenses is assumed at an average of 3%.
- ▶ Long-term contract rates are used to budget contracted supplies and services.
- ▶ MNWD Operating the RTP AWT

# Environmental Compliance Drivers

- ▶ Safety Budget remains at FY 2022-23 levels.
- ▶ Laboratory Supplies/Services slight increase from FY 2022-23 due to inflation.
- ▶ Water Quality fees for NPDES permits are increasing.
- ▶ Pretreatment costs to remain at FY 2022-23 levels.
- ▶ Board approved plume tracking implementation in FY 2023-24 & FY 2024-25, driving costs increases in PC 5 & PC24 for management support services.

# General Fund Distribution Scenarios

Budget by Member Agency	GF Scenario1				GF Scenario2			
	FY 2023-24 Budget (w/ UAL and OPEB) GF current method	<sup>1</sup> FY 2023-24 Budget (w/ UAL and OPEB) Admin, GF & Resid Engr distributed evenly	\$ Amount Change	% Change	FY 2023-24 Budget (w/ UAL and OPEB) GF current method	<sup>2</sup> FY 2023-24 Budget (w/ UAL and OPEB) Admin & Resid Engr distributed using GF % s	\$ Amount Change	% Change
City of Laguna Beach	\$2,297,247	\$2,414,078	\$116,831	5.1%	\$2,297,247	\$2,401,031	\$103,783	4.5%
City of San Clemente	239,396	568,519	329,124	137.5%	239,396	372,801	133,406	55.7%
City of San Juan Capistrano	-	-			-	-		
El Toro Water District	1,124,563	1,357,732	233,170	20.7%	1,124,563	1,253,349	128,787	11.5%
Emerald Bay Service District	175,635	483,793	308,159	175.5%	175,635	470,745	295,111	168.0%
Irvine Ranch Water District	214,330	194,506	(19,824)	-9.2%	214,330	194,506	(19,824)	-9.2%
Moulton Niguel Water District	10,044,183	9,428,596	(615,587)	-6.1%	10,044,183	9,598,218	(445,964)	-4.4%
Santa Margarita Water District	5,885,396	5,665,705	(219,691)	-3.7%	5,885,396	5,652,657	(232,739)	-4.0%
South Coast Water District	4,694,055	4,561,874	(132,181)	-2.8%	4,694,055	4,731,496	37,441	0.8%
Trabuco Canyon Water District	-	-			-	-		
<b>Total</b>	<b>\$24,674,804</b>	<b>\$24,674,804</b>	<b>(\$0)</b>	<b>0.0%</b>	<b>\$24,674,804</b>	<b>\$24,674,804</b>	<b>\$0</b>	<b>0.0%</b>

Per section 6.1 of the JPA, [include all the language of section 6.1]

1. This represents equal distribution and requires a majority vote as described under section 6.1 of the JPA Agreement
2. this represents an unequal distribution which requires a unanimous vote under section 6.1 of the JPA agreement.

# Budget Schedule

- March 9 – Draft budget presented to Engineering Committee
- April 13 – Revised budget presentation to Engineering Committee
- April 18 – Finance Committee Budget Review Meeting
- May 16 – Finance committee Meeting
- May 18 – Board Budget Workshop
- June 1 – Board Meeting (Budget Consideration for Approval)

# Questions and Discussion