



WEST BASIN

Municipal Water District

*Fiscal Year 2023-2024
Budget Overview*

Special Board Meeting
Budget Workshop # 1

March 15, 2023

www.westbasin.org



Mission



Provide a **safe** and **reliable** supply of **high-quality water** to the communities we serve.

Workshop Agenda

1. Budget Drivers
2. Financial Summary
3. Revenues
4. Expenses
5. 5-Year Forecast
6. Sensitivity Analysis
7. Next Steps



Budget Drivers



Budget Drivers

Water Sales	Rates and Charges & Other Revenues	Capital Investment and Operational Expenditures	Program Delivery and Staffing Levels
Investment in Conservation	Rate Philosophy, Financial Metrics and 5-Year Forecast	Maintaining Levels of Service to our Customers	Scope of West Basin Services to the Community
Water Demand Variability	Grant opportunities	Future Direction of Water Recycling Program	Resources Necessary for Program Delivery
Source Water Quality	Contracted Recycled Water Rates	Inflationary impacts on costs	Succession Planning

Considerations to address Budget Drivers

Water Sales Assumptions	Adjustments to Rates & Charges	Prioritization for CIP and Technical Planning	Program Necessity and Staffing Requests
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Financial Summary



Financial Summary

(Shown in Millions, Except Coverage)

	Fiscal Year 2022-2023 Final, adjusted*	Fiscal Year 2023-2024 Proposed
Revenues	235,891,824	238,084,230
Expenses	209,821,304	213,618,903
Net Revenues	26,070,520	24,465,327
Debt Service	21,215,387	21,184,525
Coverage**	1.23	1.15
Available for PAYGO	4,855,133	3,280,802

* Final budget has been adjusted based on Board approvals

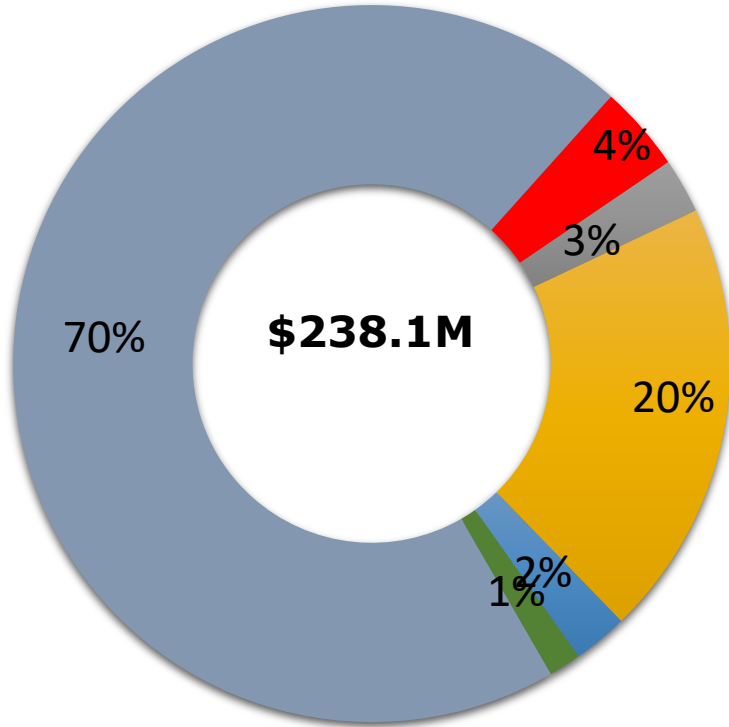
** *Debt Coverage = Net Revenues/Debt*

*Minimum Legal Debt Covenant is 1.15
Targeted Debt Coverage is 1.75*

*Revised March 16, 2023

Fiscal Year (FY) 2023-2024 Proposed Revenues

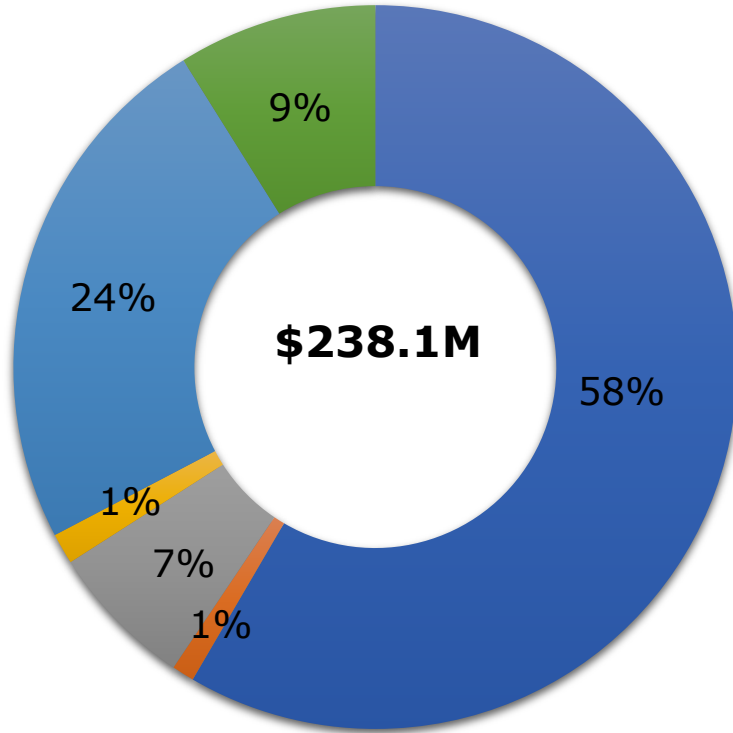
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Revenues	FY 22-23 Adopted	FY 23-24 Proposed
Imported Water Sales	168,034	166,584
Fixed Potable Revenues	8,761	9,212
Standby Charge	6,179	5,879
Recycled Water Sales	43,274	47,098
Fixed Capital Payments	8,309	5,849
Conservation Grants and Interest	1,335	3,462

FY 2023-2024 Proposed Expenses

(Shown in 000's)



Expenses	FY 22-23 Adopted	FY 23-24 Proposed
Imported Water Purchases	140,739	139,091
Capacity Charge	2,448	2,378
Other Program Expenses	13,274	15,518
Designated Funds/PAYGO	4,855	3,283
Recycled Water Operations	53,360	56,631
Debt Service	21,215	21,185

FY 2023-2024 Proposed Capital Expenditures

Category	Proposed Budget
New Infrastructure – Treatment Assets	3,400,827
New Infrastructure – Customer Development Laterals and Pipelines	15,410,658
Rehabilitation and Replacement	18,963,757
Other Projects	1,051,168
Total Projects	\$38,826,410

West Basin capital expenditures are funded from the following sources

- District PAYGO/Reserves
- State Loan
- External Contributions (Refinery agreements, customers, grants)

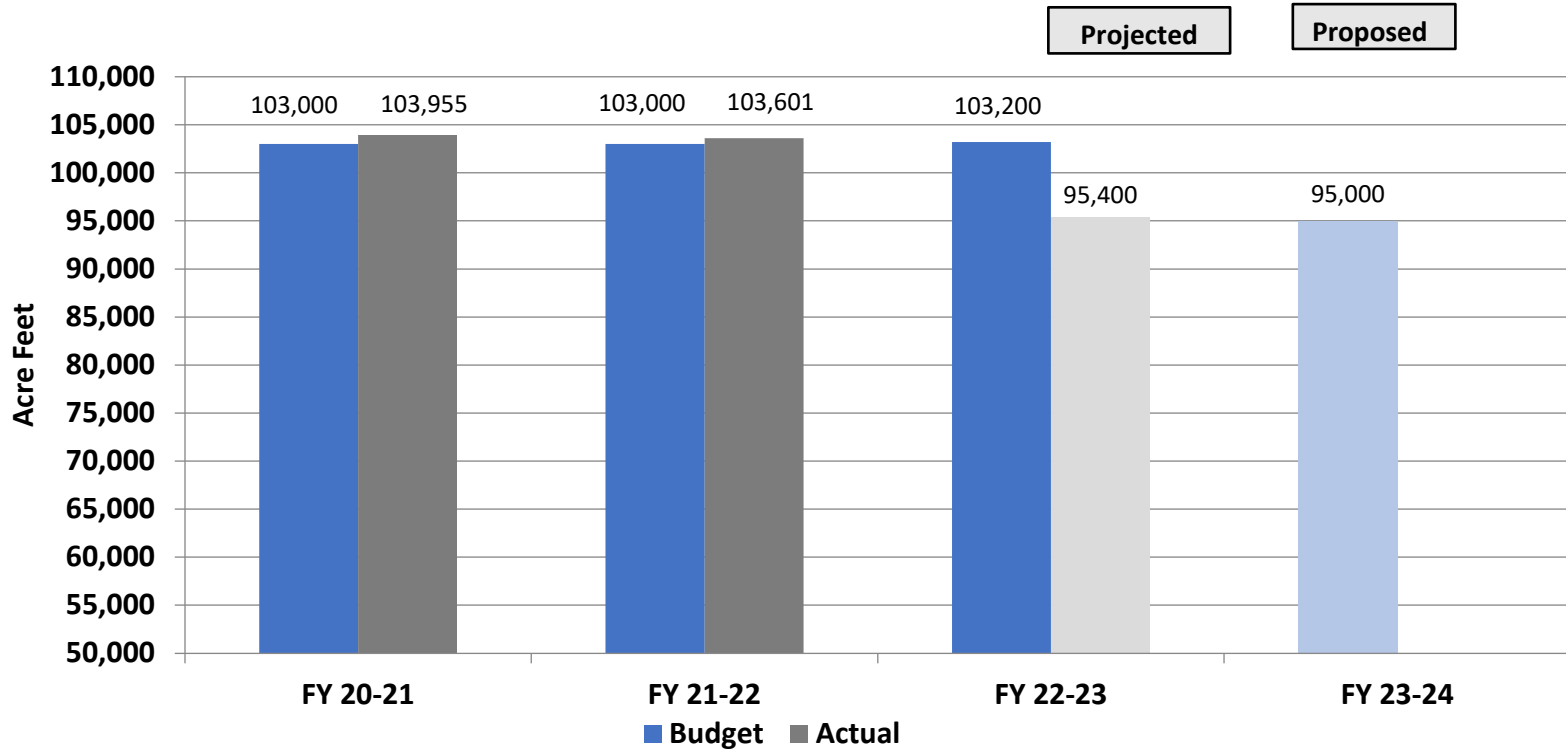


Revenues

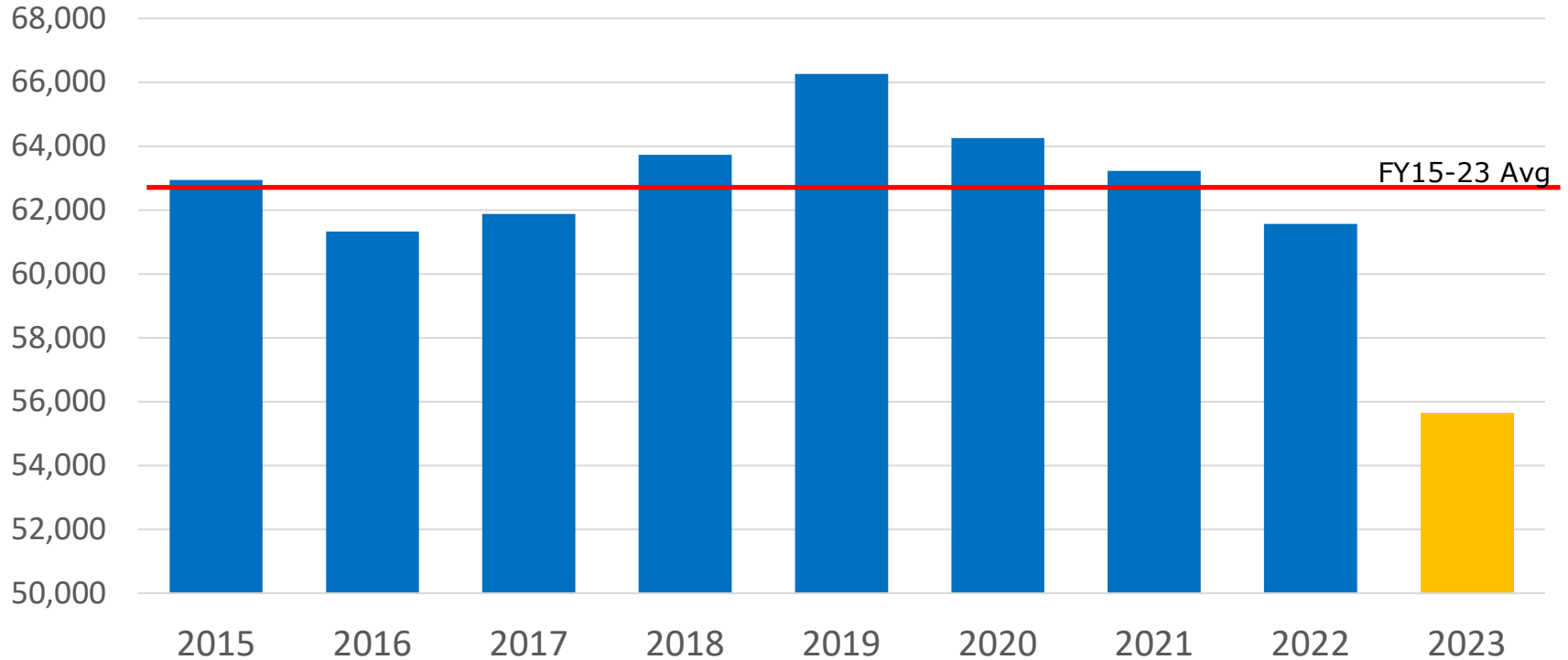


Imported Water Sales – Retail

- Comparison of Budget vs. Actual (FY's 21 to 22), Budget vs. Projected (FY 22-23) & Proposed Budget (FY 23-24)



July-January Retail Imported Water Demand (FY15 – FY23)



Barrier Sales

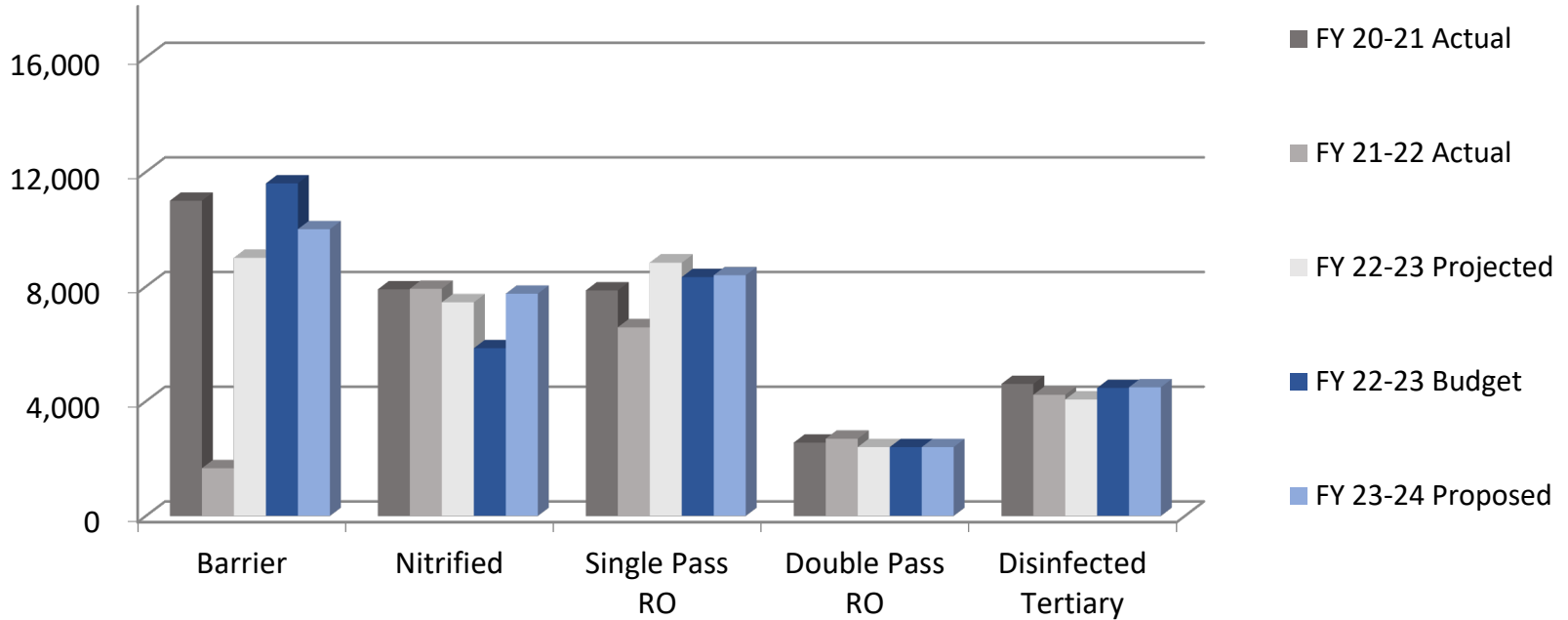
- Comparison of Budget vs. Actual (FY's 21 to 22), Budget vs. Projected (FY 22-23) & Proposed Budget (FY 23-24)

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Projected	FY 2022-23 Budget	FY 2023-24 Proposed
West Coast Barrier					
Imported	1,556	9,671	2,640	3,900	5,500
Recycled	10,995	1,665	9,000	11,600	10,000
Total	12,551	11,336	11,600	15,500	15,500
Dominguez Gap					
Imported	3,582	2,209	1,730	2,800	2,000

Recycled Water Sales -

- Comparison of Actual (FY's 21 to 22), Budget vs. Projected (FY 22-23) & Proposed Budget (FY 23-24)

Acre-Feet



Recycled Water Sales – Update

- Comparison of Actual (FY's 21 to 22), Budget vs. Projected (FY 22-23) & Proposed Budget (FY 23-24)

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Projected	FY 2022-23 Budget	FY 2023-24 Proposed
Barrier	10,995	1,665	9,000	11,600	10,000
Title 22	4,604	4,224	4,060	4,463	4,487
Single Pass RO	7,864	6,578	8,830	8,330	8,395
Double Pass RO	2,556	2,692	2,400	2,400	2,400
Nitrified	7,902	7,923	7,450	5,850	7,750
Total	33,921	23,082	31,740	32,643	33,032

Proposed Rates & Charges

West Basin Imported Tier I Water Rate Comparison

Component	Current Rate	Effective July 1, 2023	Effective January 1, 2024
MWD Tier I Rate	\$1,209	\$1,209	\$1,256
MWD Readiness to Serve	\$121	\$121	\$146
WB Reliability Service Charge	\$257	\$283	\$283
Total	\$1,587	\$1,613	\$1,685

Overall West Basin Imported Water Tier I rate will increase by 6.2%, effective January 1, 2024

- MWD Readiness to Serve Charge (RTS) is a per acre foot charge to pass along the fixed charge from MWD in order for them to meet reliability and quality needs of its existing users
- Reliability Service Charge (RSC) represents West Basin's charge to cover the cost of its programs and services.

Proposed Rates & Charges



MWD Imported Water Rate (Tier 1)

- MWD adopted water rates and charges for Calendar Year 2023 and 2024 in April 2022
- Change in the full service imported water Tier 1 rate effective January 1, 2024
- Full Service Treated (Tier 1) increase 3.9%
 - January 1, 2023 \$1,209/AF
 - **January 1, 2024 \$1,256/AF**

MWD Readiness To Serve (RTS) Charge



- MWD RTS is a fixed charge from MWD to its member agencies in order for them to meet reliability and quality needs of its existing users
 - Annual fixed charge based on a calendar-year
 - Each member agency pays its proportionate share based on its 10-year rolling average of imported water sales
 - West Basin converts the RTS fixed charge to a per acre-foot rate as a component of the West Basin Tier I Imported Water Commodity Rate

Proposed MWD Readiness To Serve (RTS) Charge

	Calendar Year 2023	Calendar Year 2024
MWD Calendar Year Collection	\$154M	\$167M
West Basin's Allocation of MWD's Total Collection (Based on 10-year rolling average)	8.01%	8.01%
West Basin's Allocated Share (6-month increments) July – December 2023 January – June 2024	\$6,167,700	\$6,763,500

Total Fiscal Year 22/23 West Basin's RTS Share	\$12,931,200
Imported Water Sales (Retail & Dominguez Gap)	97,000
West Basin RTS Component	
<ul style="list-style-type: none"> ▪ January 1, 2023 (current rate) ▪ January 1, 2024 (proposed rate) 	<ul style="list-style-type: none"> \$121/AF \$146/AF

West Basin's Reliability Service Charge (RSC)

- RSC represents West Basin's charge to cover the cost of its programs and services
- RSC remained flat during the implementation of the Fixed Service Charge
- RSC is one component of the West Basin Tier I Imported Water Commodity Rate

Fiscal Year Effective July 1	Rate
15/16	\$194
16/17	\$223
17/18	\$237
18/19	\$237
19/20	\$237
20/21	\$237
21/22	\$245
22/23	\$257

For FY 23/24 staff to provide sensitivity analysis for RSC

MWD's Capacity Charge



- A **pass-thru** charge from MWD in cubic feet per second (cfs) based on **peak usage** where West Basin's rate to its water purveyors is based on their individual peak usage over the previous 3-years
- Change in MWD and West Basin rates effective January 1, 2024

	West Basin Paid		Water Purveyor Paid
July 1, 2023	3 year peak: 211.8 cfs MWD Rate: \$10,600/cfs	July 1, 2023	3 year peak: 255.7 cfs West Basin Rate: \$9,135/cfs
January 1, 2024	3 year peak: 218.2 cfs <u>MWD Rate: \$11,200/cfs</u>	January 1, 2024	3 year peak: 252.1 cfs <u>West Basin</u> <u>Proposed Rate: \$9,605/cfs</u>
Annual Cost:	\$2,378,380	Annual Revenue:	\$2,378,620

Proposed West Basin Fixed Service Charge

- Initiated in Fiscal Year 18/19 and implemented over a 3-year period
 - RSC remained flat during the 3-year transition period
- Each water purveyor pays its proportionate share (based on a 3-year rolling average of historical water purchases)
- Fixed Service Charge is based on the sum of the Public Information & Education and Water Policy and Resource Development program budgets
 - FY 20/21 = \$7,459,131 (equivalent to \$70/AF)
 - FY 21/22 = \$6,572,327 (equivalent to \$62/AF)
 - FY 22/23 = \$6,553,945 (equivalent to \$62/AF)
 - **FY 23/24 = \$6,833,658 (equivalent to \$70/AF)**
- **Fixed Service Charge changes will take effect on July 1, 2023**

Supplemental Slides – end of presentation page 45-46

Proposed FY 2023-24 Recycled Water Rates

Volume AF/month	<u>Inside</u> Service Area		<u>Outside</u> Service Area	
	<u>Adopted</u> July 1, 2022	<u>Proposed</u> <u>July 1, 2023</u>	<u>Adopted</u> July 1, 2022	<u>Proposed</u> <u>July 1, 2023</u>
0-25 AF	\$ 1,520/AF	\$ 1,649/AF	\$ 1,562/AF	\$ 1,691/AF
25-50 AF	\$ 1,510/AF	\$ 1,639/AF	\$ 1,552/AF	\$ 1,681AF
50-100 AF	\$ 1,500/AF	\$ 1,629/AF	\$ 1,542/AF	\$ 1,671/AF
100-200 AF	\$ 1,490/AF	\$ 1,619/AF	\$ 1,532/AF	\$ 1,661/AF
200+ AF	\$ 1,480/AF	\$ 1,609/AF	\$ 1,522/AF	\$ 1,651/AF



Expenses



Operating Program Expenditure Summary

	FY 2022-2023 Adopted Budget Amended	FY 2023-2024 Proposed Budget	Variance Increase (Decrease)
Water Use Efficiency / Conservation	2,395,957	3,191,815	795,858
Public Information and Education	4,633,057	5,077,913	444,856
Water Policy and Resource Management	1,687,418	1,755,745	68,327
Technical Planning	4,507,747	5,432,343	924,596
Recycled Water Operations	53,359,528	56,631,089	3,271,561
Title 22 Monitoring	50,125	60,668	10,543
	\$66,633,832	\$72,149,573	\$5,515,741
<u>For Information Only</u>			
Overhead (Allocated to above programs)	4,441,630	4,319,900	(121,730)
Labor and Benefits (Allocated to <u>all</u> programs)	9,773,162	10,913,757	1,140,595

Operating Program Expenditure Summary – By Account

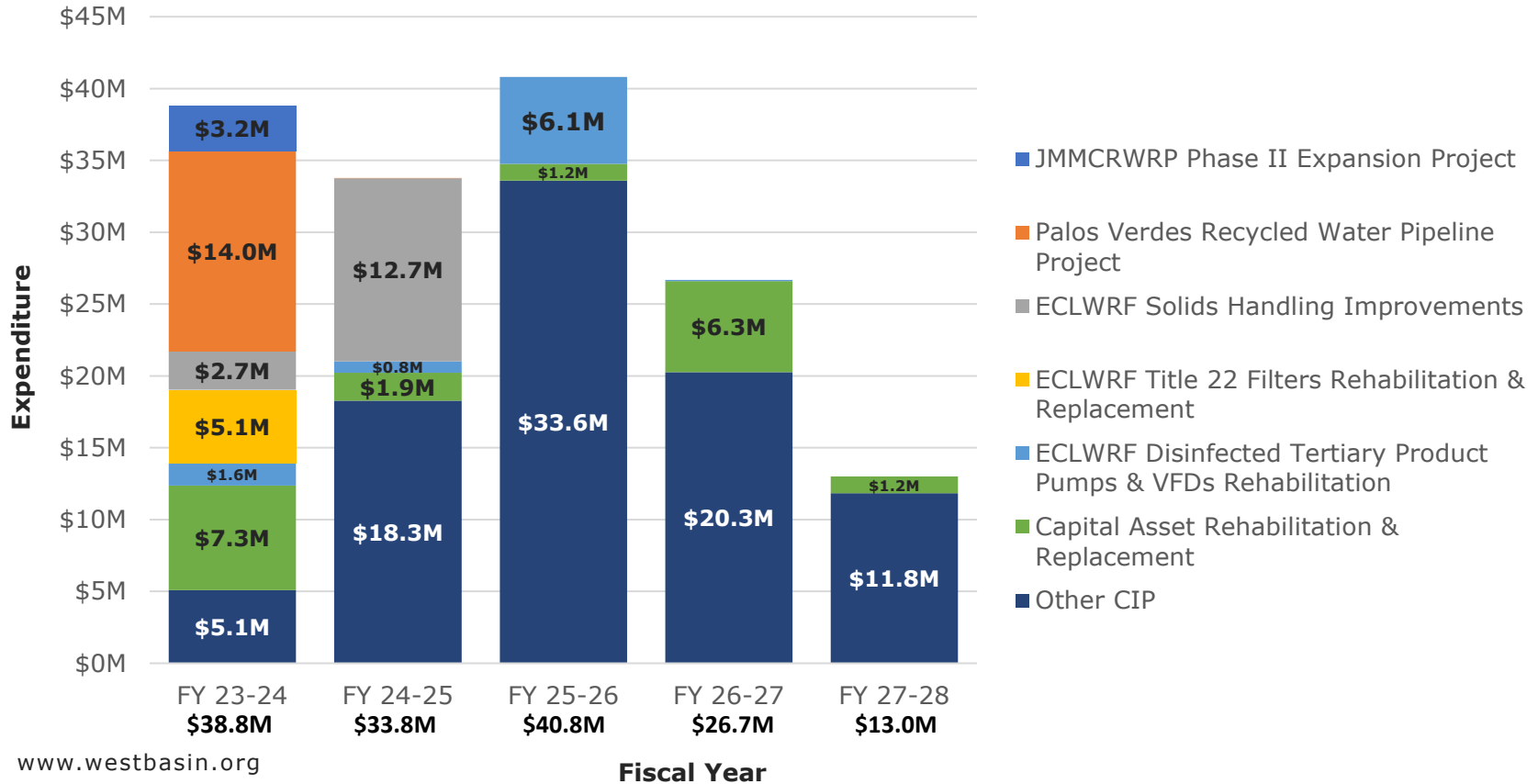
	FY 2022-2023 Adopted Budget Amended	FY 2023-2024 Proposed Budget	Variance Increase (Decrease)
Labor and Benefits	8,310,618	9,850,030	1,539,412
Contract Labor	10,788,600	11,028,100	239,500
Consultants	4,141,265	6,636,804	2,495,539
Utilities	10,870,100	11,368,400	498,300
Chemicals	17,231,938	19,641,369	2,409,431
Solids Management	2,766,627	2,434,000	(332,627)
Facilities Maintenance	4,531,365	4,709,115	177,750
Other Operating Costs	1,247,591	1,253,648	6,057
General Administration	3,218,002	3,014,271	(203,731)
Program Supplies	146,500	212,000	65,500
Advertising	184,000	440,500	256,500
Project Share	2,800,024	1,166,905	(1,633,119)
Non-Professional Services	397,200	394,700	(2,500)

FY 2023-2024 Proposed Capital Expenditures & Funding Source

Category	Proposed Budget	Funding Source	Amount
New Infrastructure – Treatment Assets	3,400,827	PAYGO	3,280,802
New Infrastructure – Customer Development Laterals and Pipelines	15,410,658	Reserves	18,804,712
Rehabilitation and Replacement	18,963,757	State Loan	3,900,000
Other Projects	1,051,168	External Funding	12,840,896
Total Projects	\$38,826,410	Total Funding Source	\$38,826,410

Capital Improvement Projects

5-Year CIP Budget: Major Projects





5-Year Forecast



Five-Year Forecast – Overall Budget Summary

(\$ Shown in Millions)

	Proposed FY 23/24	Projected FY 24/25	Projected FY 25/26	Projected FY 26/27	Projected FY 27/28
Revenues	\$238.1	\$240.0	\$243.6	\$255.9	\$266.3
Operating Expenses	<u>\$213.6</u>	<u>\$214.9</u>	<u>\$212.9</u>	<u>\$222.5</u>	<u>\$232.6</u>
Net Revenues	\$24.5	\$25.1	\$30.7	\$33.4	\$33.7
Debt Service	\$21.2	\$22.1	\$21.9	\$22.0	\$22.0
Debt Coverage Ratio (Net Revenues/Debt Service)	1.15	1.14	1.40	1.52	1.53
Designated Funds/PAYGO	\$3.3	\$3.1	\$8.7	\$11.4	\$11.7

Assumptions:

1. Pass-through MWD rates and Charges
2. 5% on West Basin's Reliability Service Charge per annum
3. Includes SRF loan repayment but no additional new long term debt

Five-Year Forecast – Revenues (DRAFT)

(Shown in \$Millions)

Revenues	Proposed FY 23/24	Projected FY 24/25	Projected FY 25/26	Projected FY 26/27	Projected FY 27/28
Imported Water Sales	169.0	171.3	164.6	174.8	184.0
Recycled Water	47.1	49.9	59.8	62.4	65.1
Standby Charge	5.9	5.8	7.6	7.6	7.6
Fixed Capital Payments	5.8	3.6	2.2	2.2	0.5
Fixed Service Charge	6.8	7.0	7.2	7.5	7.7
Other Revenues	3.5	2.4	2.2	1.4	1.4
Total Operating Revenues	\$238.1	\$240.0	\$243.6	\$255.9	\$266.3

Five-Year Forecast – Expenses (DRAFT)

(Shown in \$Millions)

Expenses	Proposed FY 23/24	<i>Projected FY 24/25</i>	<i>Projected FY 25/26</i>	<i>Projected FY 26/27</i>	<i>Projected FY 27/28</i>
Imported Water Purchases	141.5	143.3	137.6	144.9	152.7
Recycled Water Operations	56.6	58.6	62.0	63.8	65.7
Debt Service	21.2	22.1	21.9	22.0	22.0
Other Program Expenses	15.5	13.0	13.4	13.8	14.2
Designated Funds/PAYGO	3.3	3.1	8.7	11.4	11.7
Total Operating Expenses	\$238.1	\$240.0	\$243.6	\$255.9	\$266.3



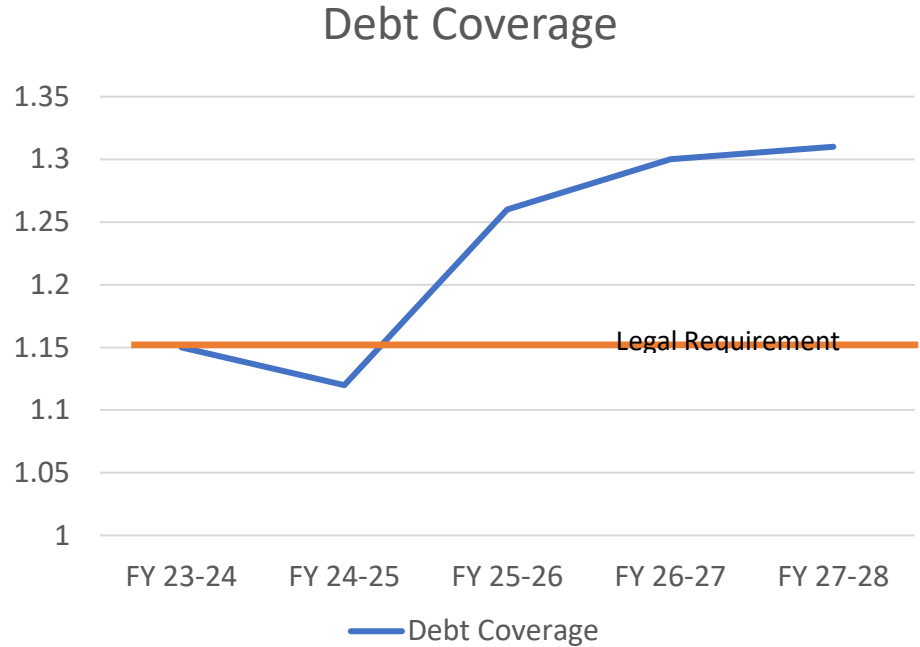
Sensitivity Analysis



Baseline Scenario

Baseline Key Drivers	Factor
Retail Potable Sales	95,000 AF
Reliability Service Charge	\$26/AF (10% increase)
PAYGO Funding	\$3.3 M
Debt Coverage	1.15

Per Admin Code
Targeted Debt Coverage – 1.75



Adjust Retail Potable Sales

Baseline Key Drivers	FY 23/24 Factor
Baseline Coverage PAYGO	95,000 AF 1.15 \$3.3M
2% Increase Coverage PAYGO	96,900 AF 1.19 \$4.1M
2% Decrease Coverage PAYGO	93,100 AF 1.14 \$2.5M

Per Admin Code

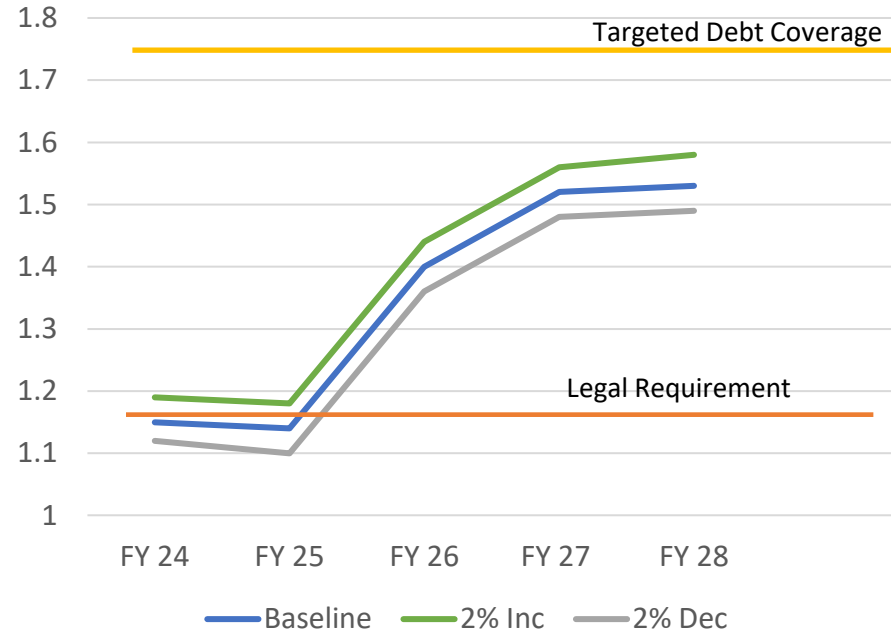
Targeted Debt Coverage – 1.75

Model Characteristics

Future RSC – 5%

Future Annual PAYGO ranges from \$2.3M to \$12.7M

Debt Coverage



Adjust Reliability Service Charge (Retail sales at 95,000 AF)

Baseline Key Drivers	FY 23/24 Factor
Baseline Coverage PAYGO	10% 1.15 \$3.3M
No Increase Coverage PAYGO	0% 1.04 \$0.8M
15% Increase Coverage PAYGO	15% 1.24 \$5.2M

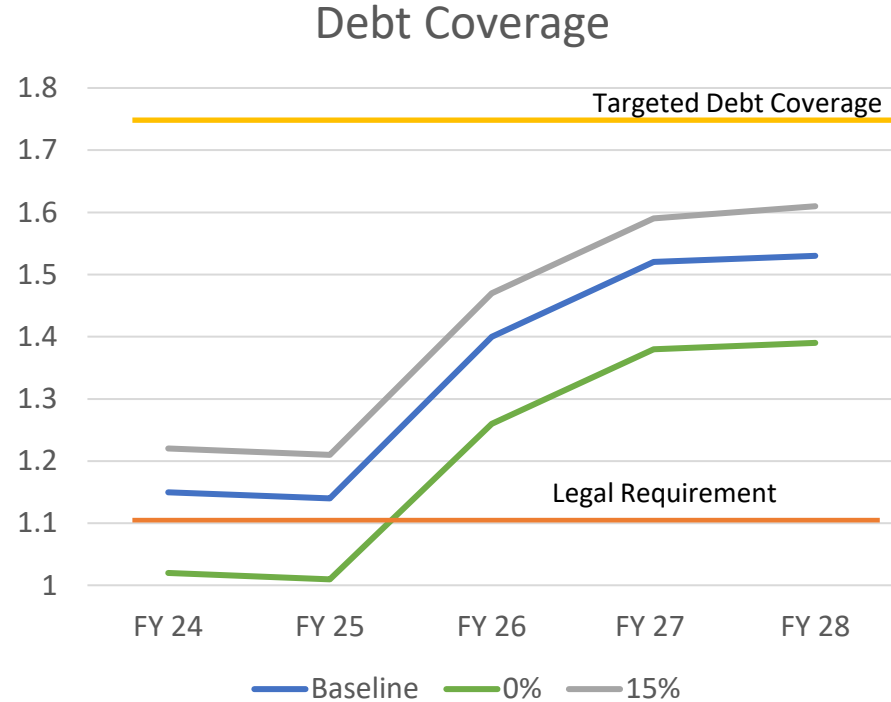
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Targeted Debt Coverage – 1.75

Model Characteristics

Future RSC – 5%

Annual PAYGO ranges from \$0.1M to \$13.3M



Increase PAYGO through increase on RSC (Retail sales at 95,000 AF)

Baseline Key Drivers	FY 23/24 Factor
Baseline Coverage	\$3.3M
RSC increase	1.15
PAYGO - \$10M	1.50
RSC Increase	35%
PAYGO - \$15M	1.73
RSC Increase	52%

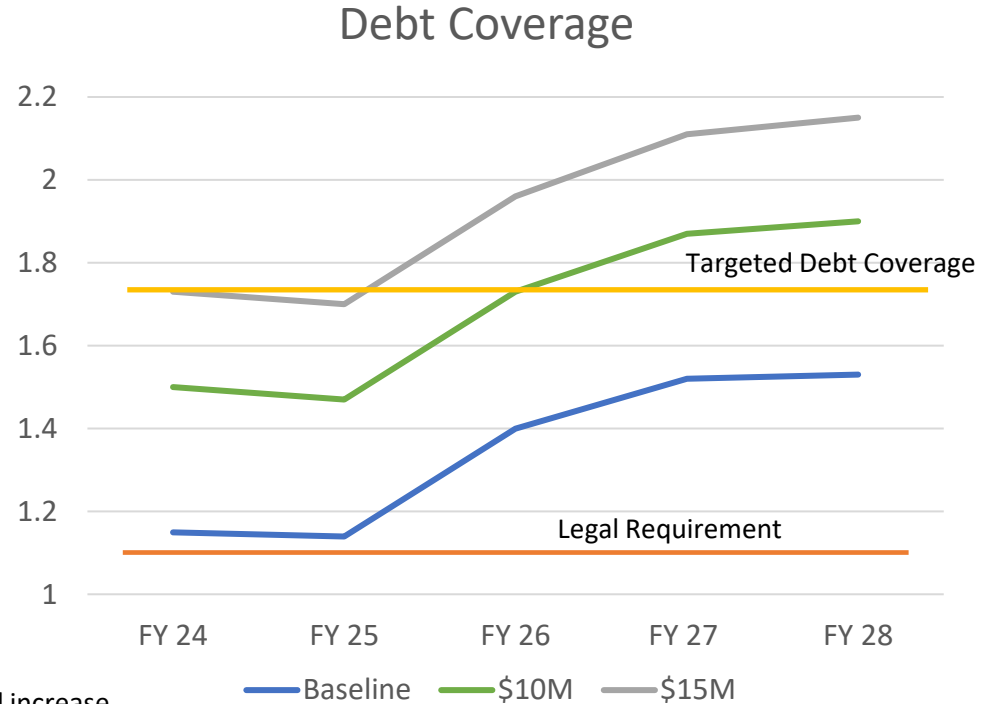
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Targeted Debt Coverage – 1.75

Model Characteristics

Future RSC – 5% increase

Annual PAYGO ranges from \$10M to \$25M based on initial increase





Next Steps



Next Steps

Workshop / Meeting	Date (*subject to change)
Workshop 2 – Revenue and Expense Details	April 12 3-5pm
Customer Agency Workshop	May 2 9-10am
Workshop 3 – Final Review	May 3 2-4pm
Adopt Water Rates and Charges	May 22
Adopt Budget	May 22

Preview of Workshop #2

1. Key Focus Areas

- Staffing Needs
- Technical Planning
- Capital Program / CIP Book

2. Department Programs and District Priorities for FY 2023-2024

3. Action Items from Workshop #1

Customer and Public Engagement

Completed Steps

- ✓ Website: Budget landing page updates with current year budget workshop schedule
- ✓ Website: Homepage banner that drives to budget page
- ✓ Website: News story announcing budget cycle
- ✓ Letter sent to all West Basin water purveyors and direct customers
- ✓ Letter sent to all elected officials and city managers
- ✓ Monthly Report to WBWA
- ✓ Social Media Post on budget workshop schedule

Upcoming and Ongoing Activity

- SBCCOG: Correspondence to relevant workgroups and SBESC newsletter story requested; copy and weblinks provided
- Ongoing updates with WBWA
- Social Media: Posts announcing budget workshops; and reminder posts before each budget workshop
- Customer Agency Workshop scheduled for May 2 at 9am



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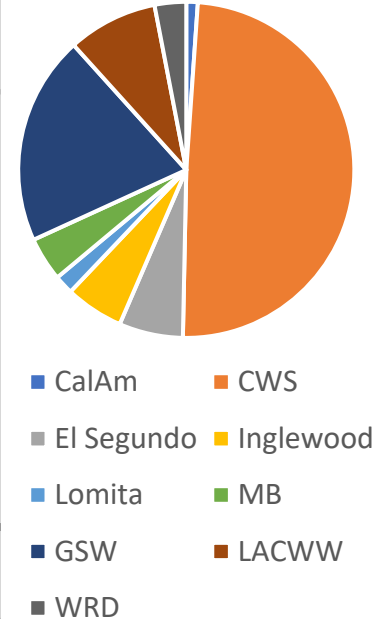


Supplemental Slides



West Basin Fixed Service Charge

Breakdown by AF



Water Purveyor	FY 19/20 Actual AF	FY 20/21 Actual AF	FY 21/22 Actual AF	3-Year Average AF
California American Water Co.	1,696	1,004	844	1,181
California Water Service Dominguez	23,436	22,037	21,797	22,423
California Water Service Hawthorne	3,202	3,172	3,631	3,335
California Water Service Hermosa Redondo	10,697	10,056	9,330	10,028
California Water Service – Palos Verdes	17,148	18,837	17,171	17,719
City of El Segundo	6,302	5,535	8,249	6,695
City of Inglewood	5,520	6,195	6,495	6,070
City of Lomita	2,004	2,093	1,986	2,028
City of Manhattan Beach	4,603	4,858	4,443	4,635
Golden State Water	23,222	21,414	21,084	21,907
L.A. Co. Water Works District No. 29	7,856	8,753	8,571	8,393
WRD – Dominguez Gap Barrier	4,140	3,582	2,209	3,310
Totals:	109,826	107,536	105,810	107,724

Proposed West Basin Fixed Service Charge

Water Purveyor	FY 22/23 Adopted Annual Charge	Percent %	FY 23/24 Proposed Annual Charge	Percent %
California American Water Co.	\$78,775	1.4%	\$85,282	1.1%
California Water Service – Dominguez	1,326,117	21.0%	1,435,652	20.8%
California Water Service – Hawthorne	178,591	2.8%	193,343	3.1%
California Water Service – Hermosa Redondo	601,040	9.5%	650,685	9.3%
California Water Service – Palos Verdes	992,106	15.7%	1,074,053	16.5%
City of El Segundo	367,221	5.8%	397,553	6.2%
City of Inglewood	368,154	5.8%	398,563	5.6%
City of Lomita	107,260	1.7%	116,120	1.9%
City of Manhattan Beach	267,801	4.2%	289,921	4.3%
Golden State Water	1,306,130	20.7%	1,414,014	20.3%
L.A. Co. Water Works District No. 29	466,889	7.4%	505,450	7.8%
WRD – Dominguez Gap Barrier	252,191	4.0%	273,022	3.1%
Totals:	\$6,312,275	100%	\$6,833,658	100%

Fixed Service Charge adjustment effective July 1, 2023

Other Revenues

	FY 2022-23 Adopted Budget	FY 2023-24 Proposed Budget
Standby Charge	\$6,179,217	\$5,879,000
Fixed Service Charge	6,312,275	\$6,833,658
Fixed Capital Payments	8,303,524	5,848,924
Conservation Income	270,000	560,600
Interest Income	1,021,410	2,856,500
Other	43,590	43,500

Summary – Water Use Efficiency/Conservation

	FY 2022-2023 Adopted Budget Amended	FY 2023-2024 Proposed Budget
District Labor and Benefits	894,160	1,085,887
Overhead Allocation	521,497	476,495
Consultants *	836,300	1,518,933
Program Supplies	90,000	54,500
General Administration	4,000	6,000
Non-Professional Services	50,000	50,000
Water Use Efficiency	2,395,957	3,191,815

Summary – Public Information and Education

	FY 2022-2023 Adopted Budget Amended	FY 2023-2024 Proposed Budget
District Labor and Benefits	2,379,058	2,619,682
Overhead Allocation	1,397,449	1,341,431
Consultants	230,200	170,000
Advertising	174,000	420,500
Program Supplies	109,000	157,500
Sponsorships	20,500	18,500
Non-Professional Services *	228,200	232,500
General Administration	94,650	117,800
Total Public Information and Education	4,633,057	5,077,913

Summary – Water Policy and Resources Development

	FY 2022-2023 Adopted Budget Amended	FY 2023-2024 Proposed Budget
District Labor and Benefits	780,367	877,031
Overhead Allocation	480,651	393,314
Consultants	391,400	430,400
Sponsorships	35,000	35,000
General Administration	0	20,000
Water Policy and Resources Development	1,687,418	1,755,745

Summary – Technical Planning

	FY 2022-2023 Adopted Budget Amended	FY 2023-2024 Proposed Budget
District Labor and Benefits	569,170	1,342,900
Overhead Allocation	238,553	503,062
Consultants	975,000	2,499,476
Project Share	2,725,024	1,086,905
Total Technical Planning	4,507,747	5,432,343

Summary – Recycled Water Operations

	FY 2022-2023 Adopted Budget Amended	FY 2023-2024 Proposed Budget
Labor and Benefits	3,472,956	3,728,200
Overhead Allocation	1,780,964	1,587,291
Chemicals *	17,231,938	19,641,369
Consultants	605,105	677,105
Contract Operations	10,788,600	11,028,100
Facility Maintenance	4,404,865	4,562,815
Lab Services	639,603	680,193
General Administration	306,082	370,861
Permits/Treatment Surcharge	259,088	220,606
Secondary Effluent	348,900	352,850
Software Licenses	47,000	138,600
Solids Management	2,766,627	2,434,000
Utilities	10,701,300	11,209,100
Recycled Water Operations	53,359,528	56,631,089

Fiscal Year	Unit Cost/AF
19/20 (Actual)	\$1,116
20/21 (Actual)	\$1,104
21/22 (Budget)	\$1,245
22/23 (Budget)	\$1,560
23/24 Budget	\$1,714

* Amended in FY 22/23 by Board for increase in chemical unit costs

Labor and Benefits

	FY 22-23	FY 23-24
Labor	\$ 5,473,934	\$6,374,858
Benefits	\$ 4,299,228	\$ 4,538,899
Total	<u>\$ 9,773,162</u>	<u>\$10,913,757</u>

- Benefits percentage decreased from 78.54% to 71.2%
Includes retirement, medical and other insurance, Social Security, vacation, sick, holiday pay, and Other Post Employment Benefits
- Assumes proposed new positions and internal promotional opportunities
- Includes merit pool increase of 7.5% based on calendar year 2022 CPI increase for clerical workers – Los Angeles

Summary - Proposed New Positions

Proposed Position	Purpose/Function	Justification	Consequences/ Alternative
Executive Assistant (Board Services)	Direct Support to the activities of West Basin's Board and Office of the General Manager	Workload of existing Administration & Board services has increased with the number of Director requests	Response time delayed and increased staff overtime / inability to fulfill the administrative request for the District
Senior Human Resources Analyst	Oversight of District's diversity, equity, inclusion and accessibility (DEIA) and workforce development initiatives and effort, and perform analytical duties to support HR programs	Limited staff within department to efficiently manage all facets of HR functions	May not be able to fulfill initiatives / May require hiring of consultant
Assistant General Manager	Filled		
Public Information Specialist I/II	Provide essential consistent support to implement the district's education and outreach efforts	Allow for growth/succession opportunities and increased workload to support District initiatives	Response time delayed / inability to fulfill the District requests and initiatives

Summary - Proposed New Positions

Proposed Position	Purpose/Function	Justification	Consequences/Alternative
Accountant I	Provide essential accounting support for increasing workload and reporting requirements while also maintaining appropriate internal controls	Allow for growth/succession opportunities with existing staff with near-term department retirements	Transfer of institutional knowledge may not occur and segregation of duties may be impaired / outsource
Records Management Technician	Provide essential consistent support to implement the records management program	Increased growth of district records and implement electronic record data management system	Impact to district's records requests and program implementation / outsource
Information Technology Technician	Assist with maintaining technology infrastructure, provide technical support and training to end-users	Significant expansion in technological footprint (new systems and remote locations)	Response time delayed or impacts staff workload / inability to support technology efforts
Senior IT Analyst (CyberSecurity/Network)	Provide technical expertise to support cybersecurity & network operations	Ensure the security and privacy of data, maintain compliance, and maintain network infrastructure with the increased technological footprint	May result in vulnerability of cyberattacks and takes staff of essential IT projects / outsource

Summary - Overhead Budget

	FY 2022-2023 Adopted Budget Amended	FY 2023-2024 Proposed Budget
Administration	2,391,320	2,686,300
Board Services *	1,261,800	654,000
Building	403,800	407,400
Finance & Contracts	245,300	247,200
Human Resources	139,410	325,000
Total Overhead	4,441,630	4,319,900

Capital Improvement Projects and Funding

New Infrastructure – Treatment Assets

Project Description	FY 23-24	PAYGO / Reserves	State Loan	External Funding
JMMCRWRP Phase II Expansion Project	3,176,767	-	-	3,176,767
West Basin HQ Conceptual Design Options	224,060	224,060	-	-
Total	3,400,827	224,060	-	3,176,767

Capital Improvement Projects and Funding

New Infrastructure – Customer Development Laterals & Pipelines

Project Description	FY 23-24	PAYGO / Reserves	State Loan	External Funding
Palos Verdes Recycled Water Pipeline Project	13,957,098	2,009,416	3,900,000	8,047,682
Park Place Extension	32,427		-	32,427
Mills Park Recycled Water Lateral Project	235,031		-	235,031
North Gardena Recycled Water Lateral Project	225,573		-	225,573
IBEC RW Improvement	17,421		-	17,421
Nash Street Lateral	84,923		-	84,923
ECLWRF Fill Station	160,956	160,956	-	-
Other RW Fill Stations	532,196	532,196	-	-
South Bay I-405 Auxiliary Lanes	139,158		-	139,158
Metro Centinela Grade Separation Utility Impact	22,658		-	22,658
Costco New Development (City of Carson)	3,218		-	3,218
Total	15,410,658	2,702,568	3,900,000	8,808,090

Capital Improvement Projects and Funding

Rehabilitation and Replacement (Page 1 of 2)

Project Description	FY 23-24	PAYGO / Reserves	State Loan	External Funding
ECLWRF Solids Handling Improvements #	2,666,509	2,045,821	-	620,688
Title 22 Filters Rehabilitation & Replacement	5,101,678	5,101,678	-	-
Distributed Control System Replacement #	1,200,786	1,002,176	-	198,610
ECLWRF Barrier Basin & Pump Station Rehabilitation	30,052	30,052	-	-
Disinfected Tertiary Product Pumps & VFDs	1,559,011	1,559,011	-	-
ECLWRF Bulk Chemical Storage Improvements #	19,409	18,050	-	1,359
ECLWRF Phase II & III MF Replacement #	33,546		-	33,546
ECLWRF RO Pretreatment #	18,364	16,528	-	1,836
HSEPS R&R Project	419,639	419,639	-	-
Hyperion Force Main R&R	197,484	197,484	-	-
ECLWRF Title 22 North Leg Value Replacement	10,323	10,323	-	-
ECLWRF Backwash Waste Clarifiers	99,110	99,110	-	-

Capital Improvement Projects and Funding

Rehabilitation and Replacement (Page 2 of 2)

Project Description	FY 23-24	PAYGO/ Reserves	State Loan	External Funding
CNTP Bulk Chemical Storage	163,932	163,932	-	-
JMMCRWRP Bulk Chemical Storage Improvements	163,319	163,319	-	-
Ops MF Membrane Replacement	3,709,698	3,709,698	-	-
Ops RO Membrane Replacement	2,315,535	2,315,535	-	-
Ops Facility R&R	1,173,675	1,173,675	-	-
Ops Compliance Laboratory	81,685	81,685	-	-
Total	18,963,756	18,107,717	-	856,039

Capital Improvement Projects and Funding

Other Projects

Project Description	FY 23-24	PAYGO / Reserves	State Loan	External Funding
DLD Elevator Modernization	211,808	211,808	-	-
DLD Air Conditioning Units Refurbishment	63,860	63,860	-	-
IT CIP Projects	775,500	775,500	-	-
Total	1,051,168	1,051,168	-	-