



**LIVERMORE-AMADOR VALLEY
WATER MANAGEMENT AGENCY
OPERATING AND CAPITAL BUDGET**

FISCAL YEAR 2024/25

Approved by the LAVWMA Board May 15, 2024

LAVWMA FY2024/25 Budget

LIVERMORE-AMADOR VALLEY WATER MANAGEMENT AGENCY OPERATING AND CAPITAL BUDGETS FISCAL YEAR 2024/25

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LIVERMORE-AMADOR VALLEY WATER MANAGEMENT AGENCY OPERATING AND CAPITAL BUDGETS FISCAL YEAR 2024/25

EXECUTIVE SUMMARY

OPERATING BUDGET

The proposed operating budget of \$5,108,294, is a 5.70% increase from the FY2023/24 budget. The total revenue requirement of \$12,155,194 is a 2.29% increase from the FY2023/24 budget. Debt service payments consist of \$2,024,646 for the Repair Project and \$4,622,254 for the Expansion Project for a total of \$7,046,900. The DSRSD budget for LAVWMA includes an increase in labor costs to account for a COLA adjustment as well. In the past, DSRSD estimated costs were typically well below actual expenses and previous budgets reflected those costs. That is no longer the case.

Expenses for PG&E Power and contract services will also exceed the current budget due to extended pumping to manage storm flows and ever increasing PG&E rates.

The FY2023/24 Budget includes a few items that varied from the approved budget including:

- PG&E power will be above budget based on total actual costs for the fiscal year. Despite DSRSD staff's outstanding efforts at managing pump operation to coincide with the new time of use schedule, costs will exceed the budget by 9.7%. This is due to the ever increasing rates from PG&E, as well as the extended pumping times and additional pumps required to manage the severe wet weather flows experienced this winter. For the full fiscal year, the average cost was \$.239/kWh.
- Monitoring costs are above budget due to the costs of conducting the priority pollutant monitoring that is required one time during the five-year permit cycle.
- Management expenses will be above budget due to the General Manager recruitment process, Livermore Pipeline project, and issues related to the transition in Treasurer responsibilities.

Based on expenses for the current fiscal year and the fact that those expenses are now in line with DSRSD's budget, this budget will use the proposed costs from DSRSD's budget for all O&M items, including PG&E power, labor, supplies, materials, contracts, and related items. Based on historical PG&E costs, average kWh requirements for the past six years, and PG&E's projected cost per kWh increases, a power budget of as much as \$2,257,000 could be justified. However, other estimation methods could also support a budget of \$2,101,000. Since this is so close to DSRSD's estimate of \$2,065,755 that figure is being used for FY2024/25.

The total EBDA O&M budget of \$1,008,140 is 2.42% more than last year. With the new Master Agreement the fixed cost is now 26.1%. Costs for EBDA are based on fixed and variable (flow based) percentages. The flow-based percentage is currently 20.9% as compared to 16.3% last year. It is in LAVWMA's best interest to reduce variable costs through a combination of reducing flows through water recycling and flow management during wet weather. An Amended and Revised Master Agreement was approved by both Boards in May 2021. The agreement was

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retroactive to July 1, 2021. EBDA costs for FY2024/25 are now based on the new Master Agreement.

The proposed FY2024/25 operating budget considers projected FY2023/24 expenditures and is based on the detailed budget, copy attached, prepared by DSRSD pursuant to the Maintenance Agreement. DSRSD's costs reflect a cost of living adjustment. Other Fixed costs have been adjusted based on actual expenditures and anticipated needs for next year. Additional information is included in the remainder of the budget report.

Items that are increasing in the FY2024/25 Budget include the following:

- PG&E power costs are increasing 9.62% to account for rate increases and actual costs.
- Materials/Supplies and Contractual costs are decreasing to reflect actual costs for this year.
- Permits and insurance are increasing since insurance will be nearly \$145,000 this year.
- EBDA costs are increasing as described below.
- Administrative costs are increasing to include the costs for the new firm that will provide administrative and accounting services.

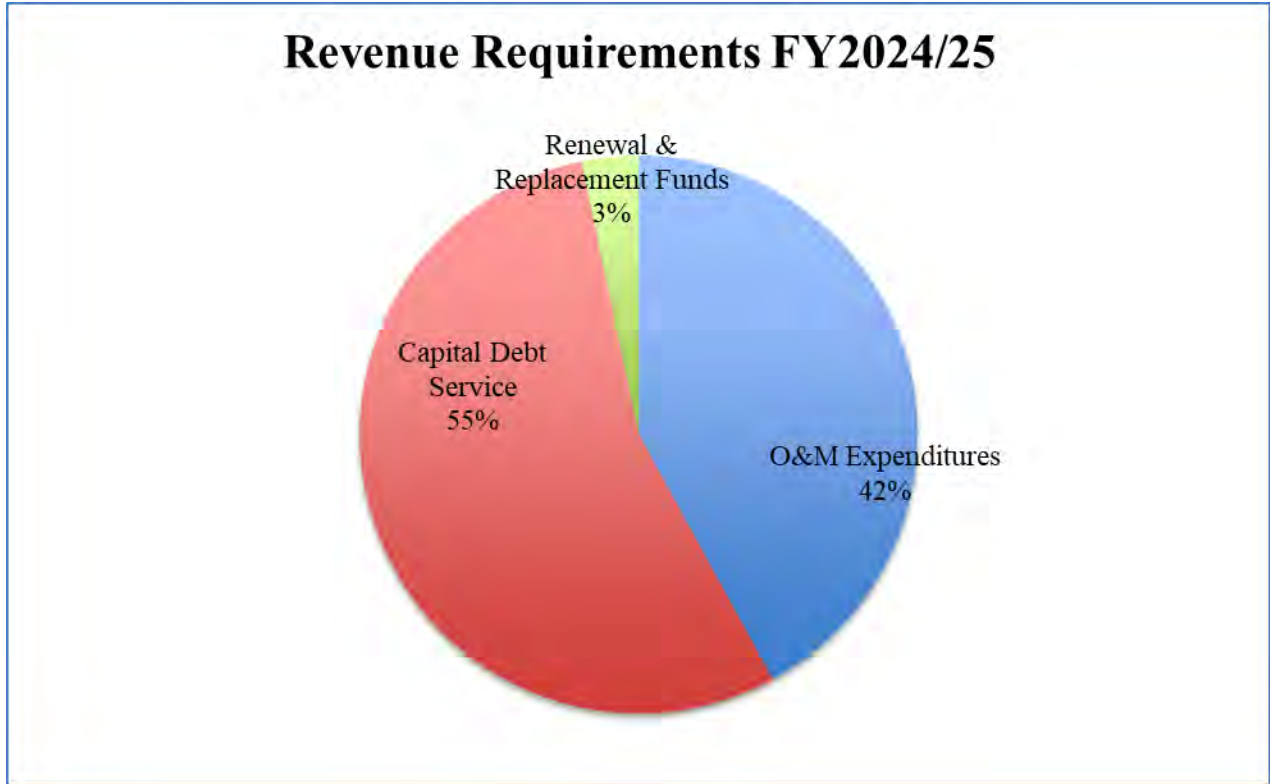
CAPITAL BUDGET

The FY2023/24 capital budget was \$9,060,000, of which approximately \$7,006,000 is projected to be spent this fiscal year. The FY2024/25 capital budget of \$4,070,000 is for the renewal and replacement of LAVWMA and EBDA facilities and includes design improvements at the San Leandro Sample Station (SLSS), cathodic protection improvements, replacement of valve actuators at the pump station, pipeline inspection, Air/Vac valve assessment near the EBDA connection, and other items. All of these major projects have been recommended by DSRSD staff. Please refer to the tables below which provide descriptions and summarize the costs.

REVENUE REQUIREMENTS

The FY2024/25 budget also includes the debt service (repair and expansion) for the 2021 Bonds. Although repair and expansion of the existing pipeline is a capital cost, the associated debt service is tabulated in the operating budget to assist member agencies with their rate and fee calculations. The projected debt service includes payment of principal and interest. The refunding of the debt results in a savings of more than \$1.35 million. This year's budget recommends that the annual deposit to the Joint Use Renewal Replacement Fund be continued at the \$400,000 level that was approved five years ago. It is assumed that a deposit of approximately \$6,200,000 will come from Livermore for the soleuse pipeline replacement project. The fund value remains at an acceptable level. The following pie chart illustrates the allocation of the \$12,133,194 in total revenue requirements for FY2024/25, which is an increase of 2.29% from last year.

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1.0 GENERAL

Livermore-Amador Valley Water Management Agency (LAVWMA) is a Joint Powers Agency comprised of the Cities of Livermore and Pleasanton, and Dublin San Ramon Services District (DSRSD). The City of Livermore collects and treats all City wastewater. DSRSD delivers water to the City of Dublin and the Dougherty Valley, and it collects and treats wastewater for Dublin and southern San Ramon, and treats additional wastewater under a contract with the City of Pleasanton. LAVWMA exports treated effluent from the LAVWMA Pumping Station west over the Dublin Grade, through Castro Valley, and the City of San Leandro, to a pipeline operated by the East Bay Dischargers Authority (EBDA). EBDA dechlorinates the effluent and discharges it through a deepwater outfall into San Francisco Bay. A significant portion of member agency flows are kept within their service areas for water recycling purposes.

1.1 Mission & Goals

LAVWMA'S MISSION

LAVWMA's mission is to support its member agencies: Dublin San Ramon Services District, City of Pleasanton, and City of Livermore by providing cost effective operation and maintenance of all of the Agency export facilities in full compliance with federal, state, and local requirements. LAVWMA supports its member agencies in their efforts to implement comprehensive water recycling programs.

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We will complete our work primarily through consultants. We will invest in this diverse project team and promote a work ethic that recognizes and promotes teamwork and a positive work environment. We will practice fairness, provide challenges, and allow freedom of communication and thought to enable team members to make meaningful contributions to LAVWMA, the industry and our community.

Agency Goals & Objectives

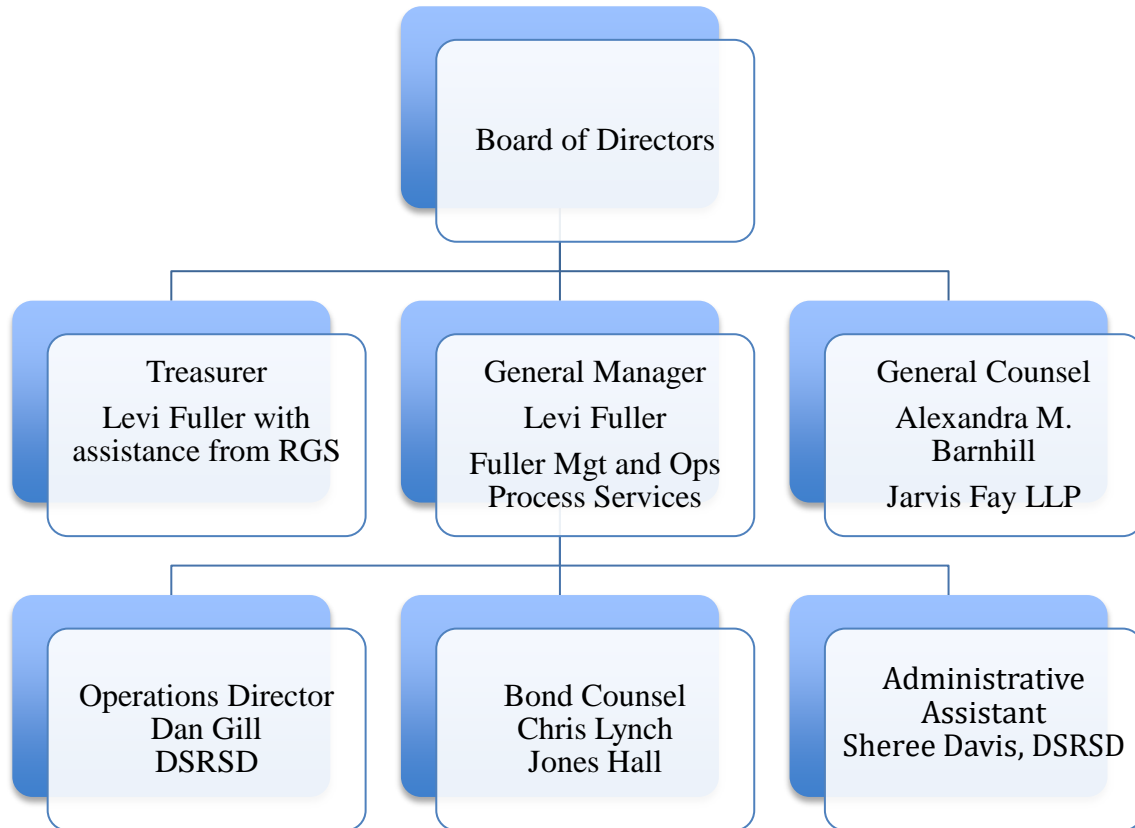
To carry out our Mission, LAVWMA will pursue the following goals:

- **Environmental Compliance.** Continue efficient operations of facilities to prevent wastewater overflows. Meet all CEQA mitigation requirements for new construction. Exceed requirements pertaining to community impacts.
- **Cost Effectiveness.** Continue to perform routine maintenance on existing facilities in a manner that promotes cost savings over the projected life of the facilities.
- **Technical Soundness.** Provide technically sound solutions that use the newest available technology without incurring excessive risk.
- **Customer Service.** Continue to comply with the 1997 Joint Exercise of Powers Agreement (JPA) and the October 2011 Sewer Service Contract with the LAVWMA member agencies.

1.2 ORGANIZATION

The LAVWMA team proposed for FY2024/25 is shown in the following chart.

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2.0 OPERATING BUDGET

2.1 Description of Services Provided

The Operations and Maintenance (O&M) budget includes all costs required to operate and maintain existing LAVWMA facilities. LAVWMA's existing facilities include the sole-use and dual-use interceptors, junction structure, Export and Livermore pumping stations, storage basins, export pipeline including appurtenances, and two emergency dechlorination stations.

LAVWMA's facilities are operated and maintained by DSRSD pursuant to a Maintenance Agreement initially executed in 1979.

The FY2024/25 Operating Budget on the following pages includes costs for the following: O&M Variable Costs, O&M Fixed Costs, Admin/Mgmt. Costs, Total O&M Costs, Capital Program Funding, and Total Revenue Requirements.

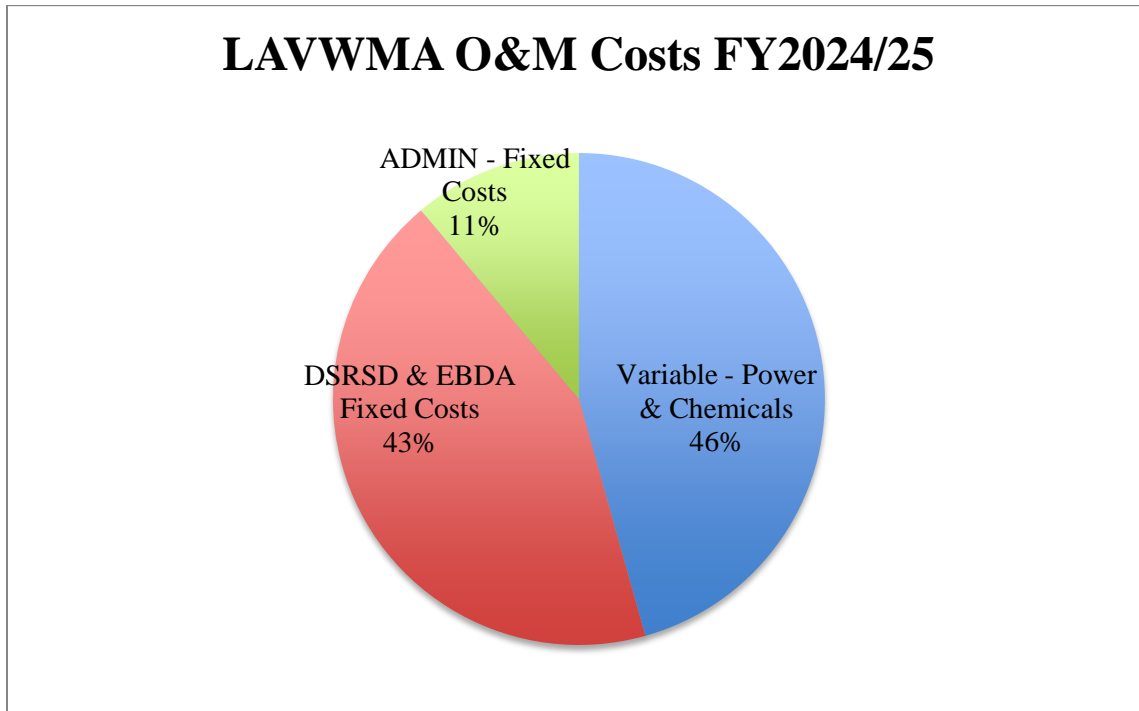
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FY2024/25 OPERATIONS BUDGET SUMMARY							
			FY2023/24 Adopted Budget	FY2023/24 Projected Actual	FY2024/25 Proposed Budget	Change From Adopted FY2023/24	
OPERATIONS AND MAINTENANCE							
VARIABLE COSTS							
	DSRSD Maintenance Agreement (Power)		\$ 1,884,500	\$ 2,067,957	\$ 2,065,755	9.62%	
	EBDA O&M (See Table, Section 2.2.1)		243,378	246,362	266,042	9.31%	
	Subtotal - O&M Variable Costs		2,127,878	2,314,319	2,331,797	9.58%	
FIXED COSTS							
	DSRSD Maintenance Agreement						
	Labor		1,138,299	930,753	1,182,824	3.91%	
	Materials/Supplies		129,250	72,836	92,190	-28.67%	
	Contractual		162,350	56,688	144,130	-11.22%	
	Monitoring/Testing		35,600	43,317	45,600	28.09%	
	Utilities (fixed)		3,150	10,778	3,150	0.00%	
	Non Routine		8,000	-	-	-100.00%	
	EBDA O&M (See Table, Section 2.2.3)		740,901	742,325	742,098	0.16%	
	EBDA Total		984,279	988,686	1,008,140	2.42%	
	Subtotal - O&M Fixed Costs		2,217,550	1,856,697	2,209,992	-0.34%	
ADMIN/MGMT							
	Mgr/Treas/Counsel/Board		276,200	346,336	371,500	34.50%	
	Services/Supplies/Misc		79,364	61,100	63,000	-20.62%	
	Permits/Insurance		132,004	144,642	132,004	0.00%	
	Subtotal Admin/Mgmt		487,568	552,078	566,504	16.19%	
	Subtotal All Fixed Costs		2,705,118	2,408,775	2,776,496	2.64%	
	TOTAL O&M COSTS		\$ 4,832,996	\$ 4,723,094	\$ 5,108,294	5.70%	
CAPITAL PROGRAM FUNDING							
	Replacement Fund		400,000	400,000	400,000	0.00%	
	Repair Debt Service		2,025,620	2,025,620	2,024,646	-0.05%	
	Expansion Debt Service		4,624,480	4,624,480	4,622,254	-0.05%	
	SUBTOTAL		\$ 7,050,100	\$ 7,050,100	\$ 7,046,900	-0.05%	
TOTAL REVENUE REQUIREMENTS			\$11,883,096	\$11,773,194	\$12,155,194	2.29%	

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2.2 Operating Budget Summaries

The following pie chart depicts the allocation of operating costs:



2.2.1 Variable Costs – Power and Chemicals

Variable costs for power (DSRSD/EBDA) and chemicals (EBDA) are directly tied to the volume of flow that LAVWMA discharges. They total \$2,331,797 and make up 46% of LAVWMA’s total operating budget. Pumping and chemical costs for FY2024/25 are projected to be 9.58% more than last year. Although DSRSD has done an excellent job of managing the PG&E time of use schedule, the actual rates have increased much greater than the rate of inflation. LAVWMA’s kWh costs averaged \$0.239 this year as compared with just under \$.212 last year. Both DSRSD and EBDA average \$0.04-\$0.05 more than LAVWMA. PG&E rates could increase another 10% in FY24/25. The FY2024/25 Budget is based on actual and projected costs. The following table details the variable costs for EBDA.

Facility	Variable Cost	LAVWMA Cost, 19.32%
General Administration	\$76,000	\$15,909
Outfall & Forcemains	\$215,000	\$10,036 (22.3%)
Marina Dechlor Facility	\$302,000	\$68,898
Oro Loma Pump Station	\$645,000	\$137,535
Bay & Effluent Monitoring	\$290,000	\$63,225
Total	\$1,801,900	\$295,602

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The total estimate for EBDA Variable O&M Costs is 90% of the above total, or \$266,042 for a 9.31 % increase from last year. In order to ensure that bacteriological limits are met at the EBDA outfall, sodium hypochlorite is added at the Oro Loma Pump Station to ensure an adequate residual at the Marina Dechlorination Facility, and LAVWMA pays a 5% premium on those costs, or approximately \$5,000. This is far less expensive than DSRSD and Livermore increasing their sodium hypochlorite dosage at their treatment plants. The other increases are due to rising PG&E costs and LAVWMA’s increase in variable rate due to higher flows than last year. The Regional Board did approve a blanket permit amendment which allows a modest chlorine residual at the final EBDA discharge, which will save substantial costs in sodium bisulfite, which is used to neutralize chlorine residual.

2.2.2 Fixed Costs - DSRSD Maintenance Agreement

Operation and maintenance of LAVWMA facilities for FY2024/254 is estimated by DSRSD to require 5,380 fully burdened labor hours. This is slightly less than last year. Costs for these items are based on projected costs for FY2023/24 and anticipated needs for FY2024/25. DSRSD’s budget shows \$1,182,824 for labor, which is above this year’s projected costs of \$930,753. The proposed budget includes \$1,182,824 for DSRSD labor, which includes a cost of living adjustment and matches DSRSD’s budget.

2.2.3 Fixed Costs - EBDA Agreement

This item covers EBDA’s fixed operational and maintenance costs that are billed to LAVWMA. It also covers costs to EBDA for various Special Projects including the Regional Monitoring Program (RMP) and LAVWMA’s share of EBDA’s permit fees. Some of these costs are shared on different percentages than LAVWMA’s fixed cost percentage in the agreement with EBDA. As an example, the RMP cost is based on the mass of four metals: copper, chromium, nickel, and selenium. LAVWMA’s share is 19.4% as compared to 30.1% last year for a total of \$56,999. LAVWMA’s share of the permit fee, \$698,899 is based on the permitted average dry weather flows for each agency that is part of the EBDA system. LAVWMA’s share of this cost is 26.62%, or \$184,172. There is also a nutrient surcharge that provides funds to BACWA for studies related to nutrient control. LAVWMA’s share of this fee is 20.3%, or \$54,922. Lastly there is an Alternative Monitoring and Reporting fee related to Regional Board studies. LAVWMA’s share of this is 33.3% (2 LAVWMA plants/6 total plants in the EBDA system), or \$11,203.

LAVWMA is responsible for a portion of the forcemain system and will be billed accordingly. With the new Master Agreement, LAVWMA is responsible for 26.1% of the fixed costs for “shared” EBDA facilities. The new Master Agreement was retroactive to July 1, 2020. The following table summarizes the Fixed and Special Projects costs for EBDA.

Facility and Total Fixed Cost	Fixed Cost	LAVWMA Percent Cost	LAVMWA Estimated Cost
General Administration	\$1,454,709	26.1%	\$379,679
Outfall & Forcemains	\$5,000	26.1% *22.3%=5.8%	\$291
Marina Dechlor Facility	\$8,000	26.1%	\$2,088

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Facility and Total Fixed Cost	Fixed Cost	LAVWMA Percent Cost	LAVMWA Estimated Cost
Oro Loma Pump Station	\$15,000	26.1%	\$3,915
Bay & Effluent Monitoring	\$481,994	26.1%	\$131,284
NPDES Permit Fee	\$691,768	26.62%	\$184,172
RMP Fee	\$293,760	30.11%	\$88,445
Nutrients Fee	\$270,608	20.29%	\$54,922
Alternative Monitoring and Reporting	\$33,609	33.33%	\$11,203
Total	\$3,254,448		\$824,554

Historically, EBDA has averaged approximately 90% of budget for the fixed costs listed above. Accordingly, \$742,098 is included in the FY24/25 Budget.

2.2.4 Fixed Costs - Administration & Management

This section includes general administration, program management, legal and financial services, consulting services, permits, insurance, etc. The proposed budget is \$566,504 as compared with \$487,568 last year or an increase of 16.19%. The increase is primarily due to costs associated with the transition from DSRSD serving as Treasurer to the LAVWMA General Manager assuming that role. There are also costs associated with using Regional Government Services for administration and accounting. Costs for travel expenses for the General Manager for two CASA Conferences and other required training for the General Manager and Administrative Assistant are included in these costs.

2.2.5 Capital Program Funding

This category includes the projected FY2024/25 debt service (repair and expansion) for the 2021 bonds. Although repair and expansion of the existing pipeline are capital costs, the associated debt service and funding program costs are tabulated in the operating budget to assist member agencies with their rate and fee calculations. The projected debt service includes payment of both principal and interest. It is recommended that the annual \$400,000 deposit to LAVWMA's capital facilities Joint Renewal Replacement account be continued to help cover the \$4,070,000 cost of capital projects in FY2024/25. City of Livermore will be billed approximately \$6,200,000 for the emergency pipeline replacement project plus interest lost. Reimbursement for part of the pipeline replacement project cost may be recovered from FEMA and CalOES. It is acknowledged that it may not be possible to complete all of the capital projects this fiscal year. However, it is best to get them on the list so that proper planning and scheduling can occur. Dual Use facilities are minimal and have adequate replacement funds.

The first table below lists the capital projects that will be completed by the end of FY2023/24. The second table lists all recommended projects for FY2024/25. All projects have been recommended and vetted by DSRSD staff.

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FY2023/24 Capital Program Expenditures	
Purchase three new pumps and rebuild motors	\$350,000
San Leandro Sample Station Design Improvements	\$150,000
MCCs and Soft Starters	\$164,520
Cathodic Protection Projects	\$650
PLC / SCADA Upgrade at the Pump Station	\$15,000
Pipeline Inspection	\$55,000
Smart Detectors on Ari/Vac and Air Release Valves	\$6,615
LAVWMA Flow Meter Replacements	\$6,000
Livermore Pipeline Replacement	\$6,200,000
Other Misc. LAVWMA	\$40,000
Other Misc. EBDA	\$0
Cip Planning / Management Contingency	\$18,000
Total Expenditures	\$7,005,785

FY2023/24 Capital Program Expenditures		
Project	Description	Cost
San Leandro Sample Station (SLSS) Design Improvements	Discharges from LAVWMA pump station are conveyed to the East Bay Dischargers Authority (EBDA) or the San Lorenzo Creek via the San Leandro sample station (SLSS). The project consists of improvements to the SLSS to improve automation and flow control. The scope of work includes the installation of new flow control valves, pressure relief valves, flow meters, chlorine residual analyzers, miscellaneous instrumentation improvements, and programming modifications to the programmable logic controllers and SCADA system.	\$1,675,000
Cathodic Protection Projects	Treated wastewater is conveyed from the LAVWMA Pump Station to an outfall owned by the East Bay Dischargers Authority via the LAVWMA export pipeline. The export pipelines range in size from 24 to 36 - inches in diameter and span approximately 15.6 miles. The pipelines are cathodically protected using an impressed current system, which uses a rectifier and anodes buried in the ground. The project consists of improvements to the cathodic protection system, including but not limited to, repairs to the existing	\$250,000

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FY2023/24 Capital Program Expenditures		
Project	Description	Cost
	impressed current system, installation of additional test stations, bonding repairs to rectify electrical discontinuities, and the installation of monitoring equipment to remotely monitor the status and health of the rectifiers.	
SCADA/PLC Upgrade at the Pump Station	The wastewater treatment plant's SCADA system replacement project is currently in design. Based on a preliminary construction cost provided by the design build consultant, LAVWMA's share of the project is proportional to the number of LAVWMA programmable logic controllers (PLCs) compared to DSRSD PLCs that will be replaced.	\$600,000
Pipeline Inspection	The project consists of inspection of selected portions of the LAVWMA conveyance pipeline system. The findings of this study will be used to identify sections of the pipeline that are in need of repairs and/or to program future projects to improve and/or rehabilitate these sections of pipe. The project will also incorporate a spot repair of approximately 1000 linear feet of pipeline that was previously identified during the 1st phase of the inspection study (2021). Labor required to support the project is also included in the project budget.	\$850,000
Replace seventeen valve actuators at the pump station	The LAVWMA Pump Station is equipped with valves that are controlled by electric actuators. The electric valve actuators were installed approximately 20 years ago and are nearing the end of their useful life. The project consists of the replacement of 17 valve actuators.	\$95,000
Replace Exposed Section of Livermore Pipeline – A Sole Use Fund Project	The LAVWMA Livermore Pipeline conveys treated effluent from the Livermore wastewater treatment plant to the LAVWMA Pump Station. A portion of the LAVWMA Livermore Pipeline (approximately Station 226+00 to approximately Station 232+00) crosses	\$200,000

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FY2023/24 Capital Program Expenditures		
Project	Description	Cost
	<p>the Arroyo Mocho creek and continues running parallel along the creek. When it was constructed in 1977, the pipeline was at least 4 - feet below the bottom of the Arroyo Mocho and the section running parallel to the creek was set back at least 15 - feet from the edge of the embankment. Since that time, the Arroyo Mocho has experienced significant erosion. The recent 2022/23 storms have further exacerbated the erosion, whereby the pipe crossing is now exposed and the section of pipe running parallel to the creek is within 3 - 5 feet of the edge of the embankment. The project will install a new pipeline using trenchless methods and move the pipeline away from the edge of the embankment. The project is substantially complete. The budget provides allowance for project closeout work, including but not limited to the acquisition of final property easements, FEMA reimbursements, and other miscellaneous project-related expenses.</p>	
Air/Vac Valve Assessment and Resolution of air at EBDA Line	<p>The project will assess entrapped air in the LAVWMA export pipeline and provide recommendations on how to exhaust any air within the export pipeline. The project cost includes engineering review and potential improvements, such as the installation of combination air valves.</p>	\$100,000
Evaluation of four 600HP pumps and motors	<p>The project consists of the replacement of four 600 HP pumps that are nearing the end of their useful life and the rehabilitation of their respective motors, including the replacement of the motor's resistance temperature detectors (RTDs). In FYE25, the scope of work includes a condition assessment of four (4) pumps. The findings of this condition assessment will identify the improvements that required, the costs to implements these</p>	\$150,000

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FY2023/24 Capital Program Expenditures		
Project	Description	Cost
	improvements and the recommended timing	
Backup Power Improvements at the Pump Station	DSRSD staff has determined that there are viable options to set up a contract to rent the necessary step-up transformer and generator and recommends deleting this project.	\$0
Other Misc. LAVWMA Renewal/Replacements	As needed	\$50,000
Other Misc. EBDA Renewal/Replacements	As needed	\$50,000
CIP Planning/Mgmt./Contingency	As needed	\$50,000
Total Expenditures		\$4,070,000

2.3 Changes from FY2023/24 Budget

FY2023/24 expenditures are projected to come in slightly under budget. The annual reconciliation process will resolve any over or under payments. The FY2024/25 Budget is 2.29% more than FY2023/24 in Total Revenue Requirement. Total O&M costs are 5.70% more than was budgeted last year.

3.0 CAPITAL BUDGET

3.1 Description of Budget

The Capital budget includes all costs associated with renewal and replacement of existing capitalized facilities. From 2001 to 2010 the 2001 Series A bond funds were the primary source of LAVWMA's capital expenditures. The bond funds were closed out in June 2011. As of July 2011 and for the foreseeable future the only source of capital funding will be the Renewal & Replacement Funds that have been established for Joint Use, Dual Use and Sole Use Facilities. Per EBDA's Emergency Reserve Policy adopted November 18, 2021, LAVWMA is responsible for \$326,250 of the total \$1,250,000 emergency reserve. The tables below depict the projected fund balances during FYE24 and FYE25.

R & R Fund Balances, 6/30/24	Joint	Dual	Sole	Total
Start of year	14,000,000	433,526	1,621,874	16,055,400
Deposits	400,000	0	0	400,000
Interest Earnings	600,000	1,431	5,352	606,783
Projected Expenditures	7,005,785	0	0	7,005,785
End of Year, 6/30/24	7,994,215	434,957	1,627,226	10,056,398

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R & R Fund Balances, 6/30/25	Joint	Dual	Sole	Total
Start of year	7,994,215	431,863	1,627,226	10,053,304
Deposits	6,800,000	0	0	6,800,000
Interest Earnings	600,000	1,425	5,370	606,795
Projected Expenditures	4,070,000	0	200,000	4,270,000
End of Year, 6/30/25	11,324,215	433,288	1,432,596	13,190,099

As discussed previously, it is recommended that the annual contribution to the R&R Fund be continued at the \$400,000 level. The Sole Use Fund will be reimbursed by City of Livermore. Funds from CalOES/FEMA would be distributed to City of Livermore. The following table for the last several years plus the estimated data for FY2023/24 and recommendations for FY2024/25 show that LAVWMA maintaining the Joint Use R&R Fund at a sustainable level since FY2010/11. The annual contribution should be reviewed annually.

R&R Joint Use History				
Fiscal Year	Contributions	Interest	Expenses	Net
FY2013/14	300,000	51,626	(411,885)	(60,259)
FY2014/15	300,000	45,064	(353,404)	(8,340)
FY2015/16	300,000	36,396	(119,955)	216,441
FY2016/17	400,000	109,563	(600,000)	(90,437)
FY2017/18	400,000	225,160	(154,000)	471,160
FY2018/19	400,000	494,626	(309,115)	585,511
FY2020/21	400,000	65,407	(768,000)	(302,593)
FY2021/22	400,000	64,317	(2,598,204)	(2,133,887)
FY2022/23	400,000	600,000	(300,000)	700,000
FY2023/24	400,000	650,000	(7,005,785)	(5,955,785)
FY2024/25	400,000	6,680,000	(4,070,000)	3,010,000
Total	4,100,000	2,342,159	(16,690,348)	(3,568,189)

3.2 Discussion of Capital Expenditures Proposed for FY2024/25

The following table summarizes \$4,070,000 of anticipated FY2024/25 capital expenditures on the renewal and replacement of LAVWMA and EBDA facilities. More detailed descriptions are included in Section 2.2.5, Capital Program Funding.

FY2024/25 Capital Program Expenditures *Carryover	
*San Leandro Sample Station Design Improvements	\$1,675,000
*Cathodic Protection Projects	\$250,000
*SCADA/PLC Upgrade at the Pump Station	\$600,000

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*Pipeline Inspection	\$850,000
*Replace 17 Valve Actuators at Pump Station	\$95,000
Evaluation of Four 600 HP Pumps and Motors	\$150,000
*Livermore Pipeline Replacement	\$200,000
*Air/Vac Valve Assessment and Resolution at EBDA line	\$100,000
*Back Up Power Improvements at Pump Station	\$0
Other Misc. LAVWMA Renewal/Replacements	\$50,000
Other Misc. EBDA Renewal/Replacements	\$50,000
CIP Planning/Mgmt/Contingency	\$50,000
Total Expenditures	\$4,070,000

4.0 FY2024/25 Member Agency Cost Sharing & Schedule

Member Agency Costs FY2024/25					
	Total	Livermore	DSRSD/Pleasanton	DSRSD	Pleasanton
Variable O&M	\$ 2,331,797	\$ 816,129	\$ 1,515,668		
Fixed O&M	2,751,496	828,201	1,923,296		
Sole Use Fixed O&M	25,000	25,000			
Total O&M	5,108,293	1,669,329	3,438,964		
Replacement Fund	400,000	120,400	279,600		
Repair Debt	2,024,646	808,846	1,215,800		
Expansion Debt	4,622,254	1,040,932	3,581,323		
EBDA Debt	-	-	-		
Total Capital Costs	7,046,900	1,970,178	5,076,723		
Total Revenue Required	\$ 12,155,194	\$ 3,639,507	\$ 8,515,687		
Semi Annual O&M Advance	2,554,147	834,665	1,719,482		
Semi Annual Replacement Fund Advance	200,000	60,200	139,800		
July 1 Bond Debt Service Advance	3,325,050	925,334	2,399,716	1,293,315	1,106,401
Jan 1 Bond Debt Service Advance	3,325,050	925,334	2,399,716	1,293,315	1,106,401
Total July 1 Advance	\$ 6,079,197	1,820,199	4,258,997		
Total January 1 Advance	\$ 6,079,197	\$ 1,820,199	\$ 4,258,998		
Percentages					
Variable O&M		35.00%	65.00%		
Fixed O&M		30.10%	69.90%		
Replacement Fund		30.10%	69.90%		
Repair Debt		39.95%	60.05%		
Expansion Debt		22.52%	77.48%		

5.0 Budget Trends FY2013/14 – FY2024/25

The following charts show expense trends from FY2013/14 through FY2024/25. The charts show the following:

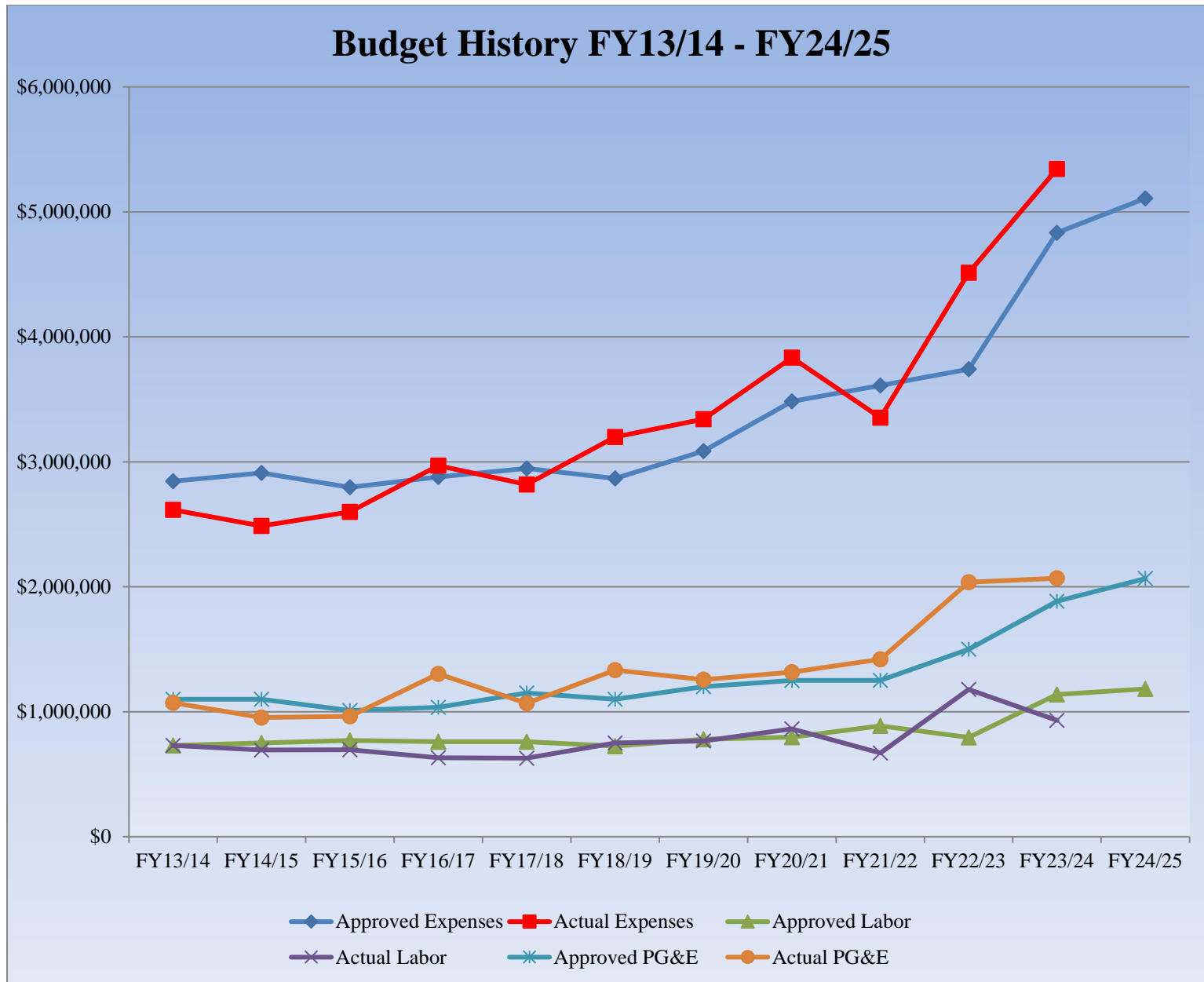
- Approved versus actual expenses for total expenses, labor costs, and PG&E power

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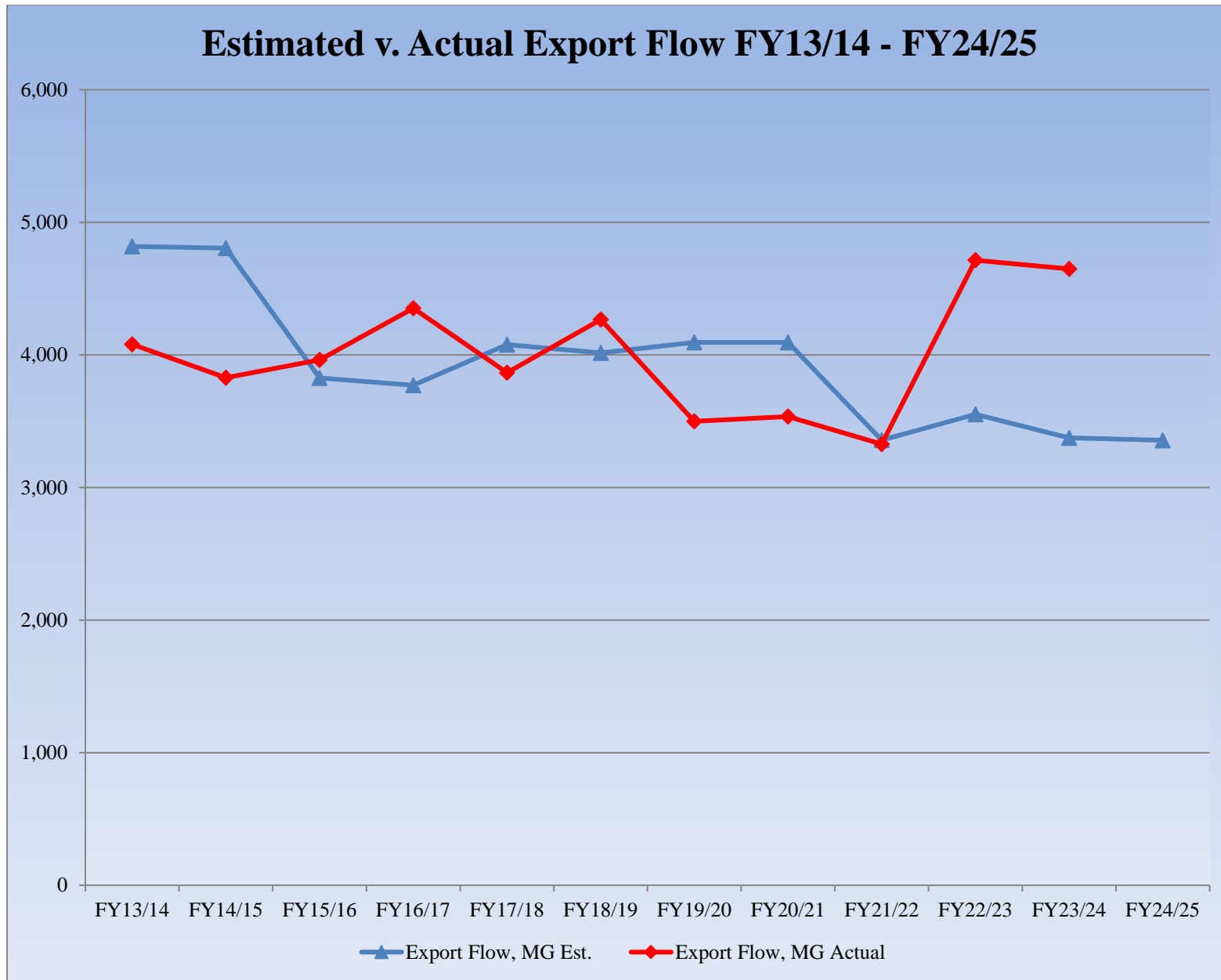
- Estimated versus actual export flow
- Estimated versus actual cost per million gallons

Beginning with the FY2019/20 budget, these charts have been modified from previous presentations. The costs shown are total costs as in the approved budgets, which also include costs for EBDA. Previously, EBDA costs were not included. As a consequence, the cost per million gallons is going to be higher than the costs shown in DSRSD's Quarterly reports. The electrical cost for just pumping over the Dublin Grade is estimated to be \$616/MG as compared with \$445/MG last year, while the full disposal cost, including EBDA costs is approximately \$1,522 versus \$1,149 last year. This year's estimated costs are much higher than last year actual due to lower projected flows that last year. Although flow and PG&E costs are directly linked, other factors such as fixed costs for labor and equipment repair generally increase at the rate of inflation or CPI, resulting in increasing cost curves. Export flow had been decreasing over time due to water recycling efforts, but storms in the last two years changed that significantly.

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