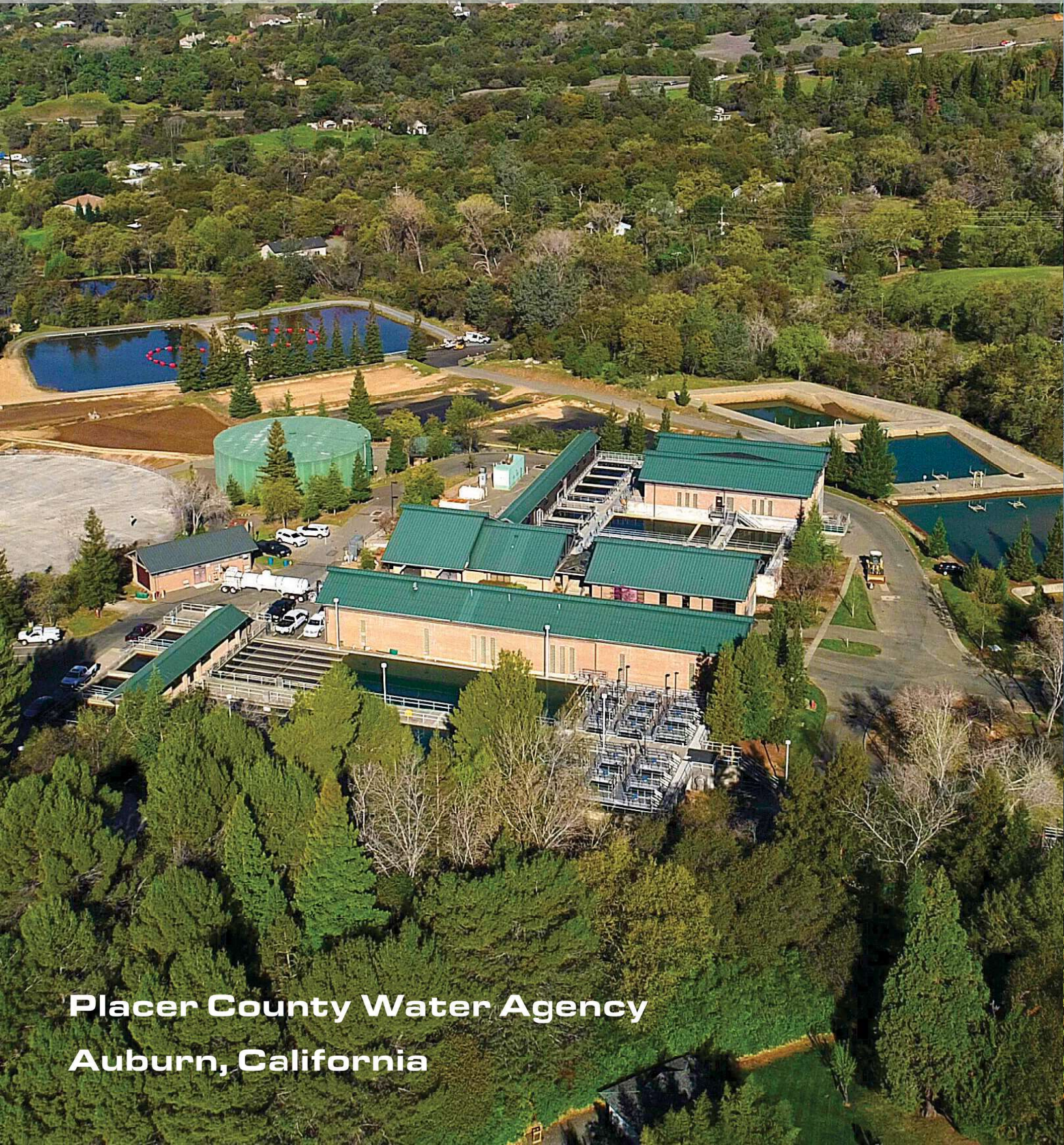




PCWA

2022 Annual Budget



Placer County Water Agency
Auburn, California

2022 Budget



**Placer County Water Agency
Auburn, California
www.pcwa.net**

**Prepared by the Department of Financial Services
Adopted December 6, 2021**



PLACER COUNTY WATER AGENCY

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MEMORANDUM

DATE: December 6, 2021

TO: Chair and Members of the Board of Directors

FROM: Joseph H. Parker, CPA, Director of Financial Services

RE: Transmittal for the Adopted 2022 Placer County Water Agency Budget

Overview

2022 Combined All-Inclusive Expense Budget

The Adopted 2022 Placer County Water Agency (Agency) Budget totals \$129.6 million, which is comprised of:

• Agency Wide Operating	\$ 3.8 million
• Power Division Operating	29.0 million
• Water Division Operating	45.1 million
• Combined Capital	51.7 million
	<hr/>
	\$129.6 million
	<hr/>

Overall, the Adopted 2022 Combined Agency Budget of \$129.6 million is \$10.2 million less than the 2021 Adjusted Budget comprised of a combined operating budget decrease of \$23.8 million due to a lump sum payment made in 2021 to CalPERS to paydown the Agency's unfunded accrued pension liability (UAL) netted with an increase in combined capital project funding. The 2022 Combined Operating Budgets, excluding the UAL payment in Agency Wide and the Water Division, have increased over the Adjusted 2021 Budget: increase of \$2.1 million in the Water Division, \$1.1 million in Agency Wide and \$0.6 million in the Power Division. Further, there is an increase in labor in all funds, with a 5% cost of living adjustment (COLA).

2022 Adopted Budget – Budget Unit Overview

Agency Wide

The 2022 Agency Wide Budget totals \$5.1 million including \$3.8 million in operating and \$1.3 million in capital project appropriation. The revenue budget is decreased \$6.4 million or 65.9% over the 2021 Adjusted Budget as the 2020 Out of County Water Sales were received too late in the year to be included in the 2021 budget process. Pursuant to policy, these funds are directed to Agency Wide Reserves for the Board's consideration and allocation in the following years budget process.

The Operational Expense Budget is increased from the 2021 Adjusted Budget by a net amount of \$1.1 million or 40.9% based on the following:

- Board of Directors is a net decrease of \$50,000 due to a reduction in outside legal services.
- General Manager's Office is a net increase of \$203,000 attributed to an increase in labor and benefits including an increase in Legal labor for the Board's appointment of General Counsel totaling \$81,000. Additionally, there are increases in annual SWRCB water rights and transfer fees for \$30,000, outside legal \$60,000, travel and training \$12,000, and cost share partnerships \$11,000.
- Administrative Services is a net decrease of \$50,000, because of a reduction in the consulting budget for safety needs that are now centralized in the new Safety Program within Technical Services.
- Financial Services is a net increase of \$91,000 attributed to an increase in labor and benefits totaling \$121,000, and a decrease in contracted financial services for \$25,000 and outside legal for \$10,000.
- Technical Services is a net increase of \$373,000, attributed to a \$275,000 increase for the implementation of an Agency-wide in-house safety program, and an increase in consulting for Engineering's small water system consolidation efforts for \$70,000.
- Information Technology is a net increase of \$226,000, which includes an increase in labor and benefits of \$79,000, and an increase in software licensing including cybersecurity and data storage totaling \$141,000.
- Non-Departmental Expenses decreased primarily due to the lump sum payment of \$6,367,131 made to CalPERS to paydown the Agency-wide's portion of the unfunded accrued pension liability. However, when the lump payment is excluded, non-departmental decreased a net of \$173,000.

- Routine Capital decreased \$5,000 because of a reduction in capital equipment and furniture offset by an increase in computer replacement needs for 2022.

These overall changes in the 2022 Agency Wide departmental operating budgets are shared through the service level support by a detailed Cost Allocation Plan (CAP) process whereby the indirect costs are allocated to the benefitting funds: Power Division, Water Division and capital projects are appropriately allocated support costs totaling \$10.6 million. This is resulting in a net increase to the Agency Wide budget of \$462,000.

In 2021, during the 2022 Budget development process, the Agency engaged a consultant to revise and update the CAP model to utilize actual expenses from the most recent past completed year (2020) for the allocation base, instead of the proposed budget amounts (2022). The allocated amounts reflect allocation portions associated with 2020 Agency Wide actual amounts, which have then been adjusted by a credit amount when the 2020 Agency Wide Adopted Budget Service Level Support exceeded the actual amount. Based on this new lookback model, the 2021 Adjusted Budget service level support will be the last year which will require a reconciliation after the year is closed.

Power Division

The 2022 Power Division Budget totals \$47.0 million including \$29.0 million in operating and \$18.0 million in capital project appropriation. The Power Division budget is funded by the Middle Fork Project Finance Authority appropriations, hence the Power Division revenue line is titled “MFPFA Appropriation” and consequently the Power Division budgeted revenue equals the combined 2022 operating and capital projects budgets. Pursuant to the Joint Powers Agreement between Placer County and the Agency, which specifies that the Middle Fork Project power sales revenues are directed to and recorded by the Authority, not PCWA. PCWA’s Power Division receives appropriations from the Authority for the operations and capital projects of the Middle Fork Project.

The Operational Expense Budget is increased from the 2021 Adjusted Budget by a net amount of \$0.6 million or 2.3% based on the following:

- Power System is a net increase of \$993,000, which is primarily attributed to an increase of \$870,000 in facility repair and maintenance costs including expenses for the Middle Fork and Ralston Tunnel ROV Inspection, Foresthill Facility Center roof replacement, and Middle Fork and Ralston stop log gate hoist refurbishments. Additionally, compliance requirements and electricity are increased.

- Energy Marketing is a net decrease of \$32,000 with the transition to NCPA's Deal Manager, an energy risk management software, thereby discontinuing the use of Deloitte's Decipher software. Additionally, labor and benefits are increasing \$70,000.
- Technical Services is a net decrease of \$22,000, with a decrease of \$135,000 in labor and benefits resulting from an organizational change. These savings were netted with an increase of \$113,000 for FERC License Operating Implementation costs in accordance with specific contracts.
- Information Technology was formerly operational technology within the Power System Department and has been separated with the creation of the newly formed Information Technology Department in 2022.
- Administrative Services increased \$153,000 for increases in insurance costs.
- Office of the General Manager is a net decrease of \$14,000 primarily because of a planned reductions in membership dues and outside legal costs.
- Service Level Support decreased \$930,000 based on the results of the updated cost allocation plan that allocates service level support costs to the benefiting funds in a rational methodical manner.
- Routine Capital is increased \$190,000 with additional vehicles and equipment planned in 2022.

Water Division

The 2022 Water Division Budget totals \$77.4 million, which is comprised of a \$45.1 million operating budget, \$24.5 million capital project budget (which includes the Water Connection Charge capital component that totals \$5.8 million), and \$7.8 million capital related debt service costs.

The Water Division is user charge based, which means those benefiting from the service pay the cost of that service. The Water Division does not receive property tax revenue. The 2022 Adopted water sales revenue includes a 4.7% Consumer Price Index cost escalation increasing water sales revenue by \$2.5 million. The 2017 Cost of Service Study and Board approved five year water rate adjustment plan provides for annual water rate adjustments for years 2019 - 2022 based on the May to May CPI-U increase or the actual cost of service increase, whichever is lower and requires Board approval. As it has been almost 5-years since the prior cost of service study, in July 2021 the Agency began working with a consultant on updating the Financial Plan and Cost of Service and Rate Study, which is planned to be completed in the second Quarter 2022.

The Operational Expense Budget is increased from the 2021 Adjusted Budget by a net amount of \$2.1 million or 4.8% based on the following:

- Customer Services is a net increase of \$441,000, primarily due to costs associated with the implementation of monthly billing; postage and printing are increasing \$140,000 and temporary labor and overtime are increasing \$79,000. Also, an increase in meter related inventory for new and replacement meters totaling \$136,000. Additionally, an increase in labor and benefits of \$186,000. These increases are netted with a decrease of \$145,000 in consulting costs.
- Facilities Maintenance Group was moved in 2021 from Customer Services Department to Field Services Department. To illustrate the year-to-year variance in Facilities Maintenance, the Facilities Maintenance Group has been listed separately on the budget schedules. Facilities Maintenance is a net increase of \$105,000, with an increase of \$75,000 in facilities repairs for a new HVAC contract and an increase of \$15,000 for fire sprinkler inspections.
- Field Services is a net increase of \$719,000, attributed to an increase in labor and benefits totaling \$455,000 and the increase in Purchased Water of a net \$354,000 primarily because of the CPI price increase in the PG&E water supply contract costs of 5.1%. These increases are netted with a decrease in temporary labor and overtime totaling \$52,000 and compliance costs for \$27,000.
- Technical Services is a net decrease of \$655,000, largely due to the operational technology group formerly being included in the Drinking Water Operations Division and is now included in the newly formed Department: Information Technology Department in 2022. This organizational change is resulting in a decrease in Technical Services totaling \$1.4 million. This decrease was netted with increases in contracted services for Arc Flash Study and Program updates for electrical and controls compliance costs totaling \$300,000 and an increase in inspection costs supporting facility agreement development projects, which are reimbursable and offset by an increase in non-operating revenue, totaling \$50,000. Additionally, the cost of electricity to pump water has increased by \$86,000 assuming the same baseline of acre feet, small tools and equipment increased \$82,000 to replace the turbidimeters at Foothill and Bowman WTP's, costs of chemicals increased \$72,000, and preventative maintenance increased \$60,000.
- Information Technology was formerly operational technology within the Technical Services Department and has been separated with the creation of the newly formed Information Technology Department in 2022. See discussion in Technical Services above.

- Non-Departmental Expenses decreased primarily due the lump sum payment of \$21,223,768 made to CalPERS to paydown the Water Division's portion of the unfunded accrued pension liability. However, when the lump payment is excluded, non-departmental decreased a net of \$575,000.
- Service Level Support is increased \$329,000 based on the results of the updated cost allocation plan that allocates service level support costs to the benefiting funds in a rational methodical manner.
- Routine Capital is increased \$275,000 for computer replacement and equipment needs in 2022.

Capital Improvement Plan Budget – 2022 and Five Year (2022 – 2026)

The Agency's Five Year (2022– 2026) Capital Improvement Plan (CIP) totals \$180 million and is comprised of the following: Agency Wide totals \$9.0 million, Power Division totals \$80.6 million and Water Division totals \$90.4 million. The Agency's CIP varies annually depending on the extent and magnitude of projects being implemented, such as the building of a water treatment plant, which will result in large capital outlays over several years.

The 2022 CIP totals \$43.8 million (excluding Water Division Capital debt service) and is detailed as follows:

Agency Wide

The 2022 Agency Wide CIP Budget totals \$1.3 million, with the largest projects being the Water Efficiency and Education Center for \$500,000, the Electric Vehicle (EV) Infrastructure for \$275,000, Ferguson First Floor Lobby Improvements totaling \$100,000 and the Biomass Energy Generation project totaling \$70,000. The Five-Year CIP Budget includes the Water Efficiency and Education Center totaling \$6.5 million, EV Infrastructure totaling \$775,000 and Enterprise Resource Planning software totaling \$620,000.

Power Division

The 2022 Power Division CIP Budget totals \$18.0 million with the largest projects being the French Meadows South Shore Water Supply totaling \$3.3 million and Duncan Creek Diversion Dam Upgrade and Recreation Trail totaling \$3.1 million.

For about seven years prior to the end of the contract with PG&E in May 2013, the Agency focused on capital projects for betterments, improvements and modernizations to Middle Fork Project infrastructure. Over the past 13 plus years, significant capital improvements have

been accomplished, however, as with any utility's infrastructure, continual renewal and replacement and reliability projects is required as evidence by the Five Year CIP for upgrades and renewal and replacement totaling \$25.2 million with the largest of these capital projects being the Ralston Penstock Internal Coating totaling \$5.4 million, the Abay Sediment Removal totaling \$5.2 million, and the French Meadows Penstock Interior Inspection and Recoating totaling \$1.6 million.

In June 2020, the Agency received a new 40-year FERC License for the operation of the Middle Fork Project and along with the new FERC license came new operating conditions and significant capital projects for both infrastructure and recreation. These FERC License capital projects have specified implementation timing with over 60% of the estimated FERC License capital projects requiring completion in the next 5 years (2022 – 2026), which have an estimated five year cost of \$55.5 million. The significant FERC License capital projects of the Five Year CIP are the French Meadows RV Dump Station and Campground totaling \$7.5 million, the Hell Hole Dam Seasonal Storage totaling \$7.1 million, and the Hell Hole Recreation Work Station and Storage Facility for U.S. Forest Service totaling \$5.7 million.

Water Division

The 2022 Water Division CIP Budget totals \$24.5 million which is comprised of \$5.7 million in expansion (Water Connection Charge (WCC) funded) capital projects and \$18.8 million in renewal, replacement and reliability (rate funded) capital projects.

In the 2022 CIP Budget, the largest WCC funded capital projects are construction of the Duncan Hill Treated Water Pipeline totaling \$4.0 million and the Tinker Pump Station Improvements totaling \$1.5 million. The largest Five-Year CIP WCC funded capital projects are Songbird Tank totaling \$8.0 million, Barton Road Pipeline Phase 1 totaling \$4.5 million, and the Placer Parkway Pipeline totaling \$1.9 million.

In the 2022 CIP Budget, the largest renewal, replacement and reliability capital projects are Treatment projects totaling \$9.7 million with the new Colfax Water Treatment Plant for \$8.5 million and the Foothill WTP Grit Structure Screen Replacement for \$1.2 million. Significant Five-Year CIP renewal, replacement and reliability projects include a new water treatment plant construction to replace the Colfax Water Treatment Plant totaling \$16.4 million, the Rocklin Pipeline Replacement Program totaling \$7.1 million and \$5.2 million towards costs related to continued gunite repair work at various locations throughout the system.

There continues to be a substantial demand to maintain water system infrastructure renewal, replacement, reliability and dependability needs. Emphasis is placed upon project prioritization and those areas where water use efficiency objectives can be achieved.

Staffing

Since 2018, the number of authorized fulltime equivalents (FTE) is increasing from 226 to 231, or 2.2%. The number of FTEs is unchanged with the adoption of the 2022 budget. In 2021 a new position of Safety Technician within Technical Services Department (in the Agency Wide Fund) was created, to implement an Agency-wide safety program. However, this position was a reclassification of a Water Quality Support Technician position in Drinking Water Operations, Technical Services Department in the Water Division. The table on the following page shows the number of FTEs for this five-year period, as amended or adopted by Board actions:

Department Division	2018 Adjusted Budget	2019 Adjusted Budget	2020 Adjusted Budget	2021 Adjusted Budget	2022 Adopted Budget
General Manager's Office	5	5	7.5	7.5	7.5
General Manager	2	2	2.5	2.5	2.5
Strategic Affairs	2	2	3	3	3
Legal Office	1	1	2	2	2
Administrative Services	17.5	8.5	9	8	8
Human Resources & Risk	8.5	8.5	9	8	8
Information Technology	9	0	0	0	0
Financial Services	13.5	13.5	13.5	13.5	13.5
Accounting & Budget	9.5	9.5	9.5	9.5	9.5
Procurement & Contracts	3	3	3	3	3
Energy Risk Administration	1	1	1	1	1
Customer Services	33	33	33	33	30
Public Affairs	2	2	2	2	2
Customer Service	18	18	18	18	18
Water Efficiency	10	10	10	10	10
Facility Maintenance	3	3	3	3	0
Field Services	54	54	56	56	59
Treated & Untreated Water	45	45	47	47	47
Vehicle & Equipment Maintenance	4	4	4	4	4
Support	5	5	5	5	5
Facility Maintenance	0	0	0	0	3
Technical Services	62	72	72	73	58
Engineering	27	27	26	27	27
Drinking Water Operations	35	35	36	35	31
Information Technology	0	10	10	11	0
Energy Marketing	4	4	4	4	4
Power System*	37	37	37	36	34
Information Technology	0	0	0	0	17
Total Authorized FTE's:	226	227	232	231	231
Change From Previous Year	2	1	5	-1	0

*2022 - 3 FTE's are authorized but not budgeted

Historical Staffing Narrative:

- For 2018, the Board authorized the addition of a Geographical Information Systems Analyst in the Engineering Division of the Technical Services Department and a Canal Operator in the Untreated Water Division of the Field Services Department. In addition, the Public Affairs Division in the Administrative Services Department was reorganized and transferred to the Customer Services Department along with one

Multimedia Specialist from the Human Resources & Payroll Division of Administrative Services.

- During 2019, the Information Technology Division of Administrative Services Department was reorganized and transferred to the Technical Services Department. In addition, the Board authorized the addition of an Information Technology Manager in the Information Technology Division of Technical Services Department.
- For 2020, the Board authorized the addition of two Service Workers in the Treated Water Division of the Field Services Department, and one Water Quality Specialist in the Drinking Water Operations Division of the Technical Services Department. During 2020, the Board authorized the addition of the Director of Resource Management in the Office of the General Manager. The Board also authorized repurposing of an authorized position in the Technical Services Department within the Water Division to Deputy Staff Counsel Position in the Office of the General Manager, within the Agency Wide Division. In addition, the Board authorized a Limited Term Position in the Department of Administrative Services, which was eliminated with an incumbent employee's retirement in June 2021.
- During 2021, the Technical Services Department repurposed a vacant position to establish a new job classification called Capital Improvement Program Specialist. September 2021, the Board of Director's appointed an in-house General Counsel. In December 2021, Information Technology will become its own Department in all three funds, however the budget impact will be effective 2022. With these staffing updates, there is no change in the number of FTE's anticipated in 2022.

Labor and Benefits

Budgeted labor includes all compensation such as wages, salaries, cost of living adjustments, temporary labor and overtime. Benefits include the Agency's costs associated with retirement, health care, Social Security, and other programs such as disability, standby and other contractually negotiated benefits. The Agency does not pay the employees' share of retirement contributions.

Depending upon the work being performed, labor and benefits are allocated to either operations or capital. Typical duties performed by employees that charge to operations

include pipeline system maintenance, meter maintenance, customer contact support, finance, human resources, information systems and treatment plant operations. Duties of employees that charge to capital include pipeline replacements, water treatment plant upgrades, Middle Fork Project Capital Projects, engineering support and project management of capital projects. Because the capital improvement plan fluctuates annually, the allocation of labor to capital can fluctuate annually by Division and by Department.

The table below shows labor and benefits allocated between the operations and capital budgets. Of the total 2022 Agency Budget, approximately 94% of the Agency's labor and benefits budget is attributable to operations, and the remaining 6% to capital. Total labor and benefits are projected to increase 3.7% in 2022, which includes the 5% COLA increase netted with various non-discretionary reductions.

Labor and Benefits by Operations and Capital				
	2021 Adjusted Budget	2022 Adopted Budget	\$ Change	% Change
Agency Wide	\$ 8,608,040	8,787,683	179,643	2.1%
Power	8,175,032	8,505,840	330,808	4.0%
Water	20,740,166	21,119,223	379,057	1.8%
Capital	1,976,832	2,561,150	584,318	29.6%
Grand Total	\$ 39,500,070	40,973,896	1,473,826	3.7%

* * * * *

The 2022 Combined Budget is a team effort as each budget unit is built on the departmental staff level developed and compiled budgets. Each department utilizes a cost/benefit approach to develop their budget in an effort to minimize expenses and implement cost saving efficiencies while maintaining our high service levels.

Supplemental Information Relevant to the Adopted 2022 Budget

Budget Policy, Process and Format

The Agency's Budget Policy, [Agency Rules and Regulations, Chapter 8, Article 2], sets forth the budget process and format. The operating budgets shall serve as a financial plan for the three budget units or funds: Agency Wide, Power Division and Water Division. The Capital

Improvement Plan (CIP) is presented by budget unit, in two configurations: annual and five year plans. These documents comprise the Agency's Annual Budget.

Per Policy, annually the General Manager and Director of Financial Services will prepare or have prepared the Agency Budgets, which shall be recommended by the General Manager and Director of Financial Services to the Board of Directors no later than the first regular meeting in December of each year.

The Agency's annual budget process commences in the spring and concludes in the fall with the combined three budget unit Agency Budget considered and approved by the Board. Historically, the Power Division budget follows an accelerated schedule to meet the timing established by the Middle Fork Project Finance Authority for appropriating the funds for the Agency's Power Division needs.

Power Division Budget Process

The Power Division budget process commences in May as staff prepare a draft Power Division Budget for refinement in July, with a draft to the Finance Committee and Board in July or early August. A draft budget is provided to the County staff and in consultation of Placer County staff, refinements are made to the Power Division Budget, which is then incorporated in the Authority Budget. The Middle Fork Project Finance Authority Budget is considered by the Authority Board in October, which provides the appropriation to the Agency's Power Division Budget.

Agency Wide and Water Division Budget Process

The Agency Wide and Water Division budget process commences in April with a current year budget performance assessment and initial discussion of the following year's budget. This is followed by various staff meetings to discuss the budgeting process, operating budget needs, potential new personnel positions, routine capital and project needs, rate setting and financial outlook.

Agency Finance Committee and Board Consideration

The Board's Finance Committee typically meets in the summer (June or July) to review the Budget Timeline and draft Power Division Budget. Depending on the needs of the Agency Wide and Water Division funds, various meetings may be held in the late summer and fall. Typically, the next year's Budget is ready for the Board's consideration sometime in October, November or early December.

In 2021, the Board's Finance Committee, consisting of Directors Alpine and Santini, met on July 1st to review the 2022 Budget Timeline, and the Proposed 2022 Power Division Budget. The Committee met again on August 19th, September 2nd, October 7th to discuss the Proposed 2022 Agency Wide and Water Division Budgets and November 23rd to discuss the Proposed 2022 Combined Agency Budget. Comments and suggestions from those meetings have been incorporated into the final budget document.

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Annual Budget



100,000 Gallon Standpipe, Foothill Raw Water Pipeline Project

Placer County Water Agency
2022 Combined All-Inclusive Expense Budget

	2022 Adopted			
	Agency Wide	Power Division	Water Division	Total
Operating Expenses				
Total Operating Expenses	\$ 3,845,524	28,965,759	45,076,412	77,887,695
Total Operating Expenses	3,845,524	28,965,759	45,076,412	77,887,695
Capital Investment Program				
Middle Fork Project Infrastructure Projects	-	18,035,350	-	18,035,350
Reserves Funded Projects	1,293,500	-	-	1,293,500
Rates Funded Projects	-	-	18,784,500	18,784,500
Expansion Projects	-	-	5,765,000	5,765,000
Project Debt Service Costs (Rates and Expansion)	-	-	7,789,000	7,789,000
Total Capital Investment Program	1,293,500	18,035,350	32,338,500	51,667,350
Total Expense Budget	\$ 5,139,024	47,001,109	77,414,912	129,555,045

* Includes Operating and Capital Appropriations, as well as Water Connection Charge (Expansion) Appropriations.

**Placer County Water Agency
2022 Combining Budget Schedule**

	2022 Adopted			
	Agency Wide	Power Division	Water Division	Combined Total
Revenue				
Water Sales	\$ 1,000,000	-	56,337,100	57,337,100
MFPFA Appropriation	-	47,001,109	-	47,001,109
Other Revenue	2,318,000	-	2,829,000	5,147,000
Total Revenue	3,318,000	47,001,109	59,166,100	109,485,209
Operations				
Board of Directors	176,216	-	-	176,216
General Manager's Office:				
General Manager	690,746	-	-	690,746
Legal Services	246,978	121,652	163,334	531,964
Strategic Affairs - Resource Management	1,981,089	827,625	-	2,808,714
Administrative Services	3,830,672	1,600,000	-	5,430,672
Customer Services	391,868	-	4,893,756	5,285,624
Field Services	-	10,000	15,529,083	15,539,083
Financial Services	2,394,766	1,361,065	-	3,755,831
Power System	-	15,507,610	-	15,507,610
Energy Marketing	-	1,474,351	-	1,474,351
Technical Services	438,489	3,253,089	12,371,041	16,062,619
Information Technology	3,225,425	354,067	1,410,498	4,989,990
Non-departmental Expenses	760,275	1,155,000	2,687,700	4,602,975
Service Level Support (Note 1)	(10,628,000)	2,691,000	6,752,000	(1,185,000)
Routine Capital	337,000	610,300	1,269,000	2,216,300
Total Operations	3,845,524	28,965,759	45,076,412	77,887,695
Capital Projects				
Capital Investment Program Appropriation	1,293,500	18,035,350	18,784,500	38,113,350
Project Debt Service	-	-	4,738,000	4,738,000
Total Capital Uses (Note 2)	1,293,500	18,035,350	23,522,500	42,851,350
Summary				
Total Revenue	3,318,000	47,001,109	59,166,100	109,485,209
Total Operations	3,845,524	28,965,759	45,076,412	77,887,695
Total Capital Projects	1,293,500	18,035,350	23,522,500	42,851,350
Revenue Under Expenses	(1,821,024)	-	(9,432,812)	(11,253,836)
(To) From Reserves	1,821,024	-	9,432,812	11,253,836
Net	\$ -	-	-	-

Note 1 - Service Level Support - Based on the 2022 Cost Allocation Plan, \$10,628,000 of service level support is attributed to operating divisions (\$2,691,000 to the Power Division and \$6,752,000 to the Water Division) and \$1,185,000 is attributed to capital projects.

Note 2 - Water Connection Charge (WCC) funds are restricted, therefore, the 2022 Water Connection Charge Capital Projects and Debt Service totaling \$8,816,000 are not included on this Combining Budget Schedule, and are shown separately on page 37. WCC Capital Projects and Debt Service are included on the Combined All-Inclusive Expense Budget on page 15.

**Placer County Water Agency
Summary Routine Capital
Agency Wide, Power Division and Water Division
2022 Budget Schedule**

	2017 Budget	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Adopted Budget			
						Total	Agency Wide	Power	Water
Vehicles	609,000	1,008,400	1,160,352	779,926	513,000	856,000	-	370,000	486,000
Equipment & Tools	624,150	1,132,064	765,205	932,769	585,407	585,000	-	60,000	525,000
Office Furniture and Equipment	155,000	125,000	110,000	98,200	10,000	70,000	-	70,000	-
Computer Software and Hardware	545,900	310,500	607,800	786,424	578,400	705,300	337,000	110,300	258,000
Total Routine Capital	1,934,050	2,575,964	2,643,357	2,597,319	1,686,807	2,216,300	337,000	610,300	1,269,000

General Note - For budgeting purposes, routine capital is shown as a separate line item in the respective budget units.

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Agency Wide



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Placer County Water Agency
Agency Wide
2022 Budget Schedule

	2021 Adjusted Budget	2022 Adopted Budget
Revenue		
Out of County Water Sales (2020 Source Revenue)	\$ 6,650,000	-
Water Sales (Long-term Contracted)	800,000	1,000,000
Interest Earnings	450,000	450,000
Property Tax	1,075,000	1,075,000
Rental Income	690,000	728,000
Other	65,000	65,000
Total Revenue	9,730,000	3,318,000
Operations		
Board of Directors (Note 1)	226,216	176,216
General Manager's Office:		
General Manager	702,588	690,746
Legal Services (Note 2)	237,712	246,978
Strategic Affairs - Resource Management	1,775,460	1,981,089
Administrative Services	3,880,313	3,830,672
Customer Services - Public Affairs	353,732	391,868
Financial Services	2,303,857	2,394,766
Technical Services (Note3):		
Engineering	65,646	163,779
Safety	-	274,710
Information Technology (Note 4)	2,999,066	3,225,425
Non-departmental Expenses (Note 5)	7,300,031	760,275
Service Level Support (Note 6)	(11,090,000)	(10,628,000)
Routine Capital	342,500	337,000
Total Operations	9,097,121	3,845,524
Total Operations without UAL payment (Note 5)	2,729,990	3,845,524
Capital Projects		
Capital Investment Program	875,000	1,108,500
County Wide Master Plan - FAP	3,683,644	185,000
County Wide Master Plan - Agency Stewardship	2,455,763	-
Total Capital Projects	7,014,407	1,293,500
Summary		
Total Revenue	9,730,000	3,318,000
Total Operations	9,097,121	3,845,524
Total Capital Projects	7,014,407	1,293,500
Revenue Under Expenses	(6,381,528)	(1,821,024)
(To) From Reserves	6,381,528	1,821,024
Net	\$ -	-

See Notes on following page.

Placer County Water Agency

Agency Wide

2022 Budget Schedule

Note References for Page 19

- Note 1 - Board of Directors** operating expense includes an annual budget for half of the biennial general election expenses to smooth the budgeting for election cost to each year.
- Note 2 - The Legal Services** Department was established by Board action on April 24, 2016, and staffed with one attorney in July 2016, who directs, plans, and organizes an array of legal functions, as well as provides comprehensive representation for the Agency on a variety of legal and strategic matters. In 2020, a need was identified for additional legal assistance and on June 4, 2020 the Board approved the Deputy Staff Counsel job classification. Effective September 18, 2021, the Board of Directors appointed Dan Kelly as General Counsel. Labor and benefits are budgeted one-third to each budget unit. Other operating expenses for Legal are budgeted 100% to Agency Wide and allocated annually through service level support.
- Note 3 - Technical Services** established a Safety Program during 2021 that will be implemented Agency-wide rather than by department. This approach will ensure compliance across the Agency, increase training efficiencies and continue to emphasize the Agency's commitment to safety.
- Note 4 - Information Technology** was carved out of Technical Services to the newly formed Information Technology Department.
- Note 5 -** In 2021, a payment of \$6,367,131 was made to CalPERS to paydown the Agency's portion of the unfunded accrued pension liability (UAL) to reduce future pension costs. To show a true comparison of the 2021 Adjusted Budget to the 2022 Adopted Budget, a separate line has been added titled 'Total Operations without UAL payment' which excludes the payment.
- Note 6 - Service Level Support** is allocated to benefiting budget units and recovers the Agency's indirect costs that support the Agency Wide, Power and Water Divisions which cannot be directly attributed to individual projects, departments or activities. Since 2005, the Agency has used a Cost Allocation Plan (CAP) model for indirect cost allocation, which uses allocation factors to spread the indirect costs to the budget units. The Agency's past practice has been to allocate the indirect costs based on the current year's Proposed Agency Wide Budget, reconcile the past completed year's plan results, and adjust the proposed allocation for the difference.

In 2021, during the 2022 Budget development process, the Agency engaged a consultant to revise and update the CAP model to utilize actual expenses from the most recent past completed year (2020) for the allocation base, instead of the proposed budget amounts (2022). The allocated amounts below reflects allocation portions associated with 2020 Agency Wide actual amounts, which have then been adjusted by a credit amount when the 2020 Agency Wide Adopted Budget Service Level Support exceeded the actual amount. Based on this new lookback model, the 2021 Adjusted Budget service level support will be the last year which will require a reconciliation after the year is closed. Based on this updated 2022 Cost Allocation Plan model results, \$9,443,000 of service level support is attributed to operating divisions and \$1,185,000 is attributed to capital projects as follows:

	2021 Adjusted Budget	2022 Adopted Budget
Service Level Support:		
Power Division (Operations)	\$ (3,621,000)	(2,691,000)
Water Division (Operations)	(6,423,000)	(6,752,000)
Capital Projects	(1,046,000)	(1,185,000)
	<u>\$ (11,090,000)</u>	<u>(10,628,000)</u>

Placer County Water Agency
Agency Wide
Statement of Expenses by Department and Category
2022 Budget Schedule

	2021 Adjusted Budget	2022 Adopted Budget
Operating Expenses		
Expenses by Department:		
Board of Directors	\$ 226,216	176,216
General Manager's Office	2,715,760	2,918,813
Administrative Services	3,880,313	3,830,672
Customer Services - Public Affairs	353,732	391,868
Financial Services	2,303,857	2,394,766
Technical Services	65,646	438,489
Information Technology	2,999,066	3,225,425
Non-departmental Expenses (Note 1)	7,300,031	760,275
Service Level Support	(11,090,000)	(10,628,000)
Routine Capital	342,500	337,000
Total Departmental Expenses	\$ 9,097,121	3,845,524

Expenses by Category:		
Personnel Services (Salary & Benefits)	\$ 8,608,040	8,787,683
CalPERS Unfunded Actuarial Liability Discretionary Contribution (Note 2)	6,367,131	-
Operating Supplies	182,150	197,929
Operating Services	1,851,950	2,087,842
Insurance (Note 3)	850,000	900,000
Contracted Services	1,985,350	2,163,070
Service Level Support	(11,090,000)	(10,628,000)
Routine Capital	342,500	337,000
Total Expenses by Category	\$ 9,097,121	3,845,524

Note 1 - Non-departmental Expenses include benefit payments previously included within the Department Budgets.

<u>Non-departmental Expenses</u>	2021	2022
Other Post Employment Benefits (Retiree Health) Pre-Funding	147,400	162,000
CalPERS Unfunded Actuarial Liability Required Contribution	690,500	503,275
CalPERS Unfunded Actuarial Liability Discretionary Contribution	6,457,131	90,000
Workers' Compensation Claim Allowance	5,000	5,000
	\$ 7,300,031	760,275

Note 2 - CalPERS Unfunded Actuarial Liability Discretionary Contribution (UAL) payment of \$6,367,131 has been pulled out of Personnel Services and shown as a separate line item to provide a true comparison of salary and benefits.

Note 3 - Insurance for Agency Wide and Water Division is budgeted in Agency Wide and allocated through Service Level Support. Insurance for the Power Division is budgeted directly in the Power Division budget.

Placer County Water Agency
Agency Wide
Statement of Revenues, Expenses and Changes in Net Position - Actual and Budget
[Financial Statement Format]
Years 2017 - 2022

	Audited 2017	Audited 2018	Audited 2019	Audited 2020	Adjusted 2021 Budget	2022 Adopted Budget
Operating Revenue:						
Water Sales (Long-term Contracted)	\$ 1,345,747	1,151,413	1,339,457	962,920	800,000	1,000,000
Other	75,529	31,264	86,170	36,556	55,000	55,000
Total Operating Revenue	1,421,276	1,182,677	1,425,627	999,476	855,000	1,055,000
Operating Expenses:						
General and Administrative (Note 1)	1,795,452	1,181,770	1,136,134	1,731,674	8,754,621	3,508,524
Depreciation (Note 2)	650,842	913,666	915,671	1,070,997	-	-
Total Operating Expenses	2,446,294	2,095,436	2,051,805	2,802,671	8,754,621	3,508,524
Operating Income (Loss)	(1,025,018)	(912,759)	(626,178)	(1,803,195)	(7,899,621)	(2,453,524)
Non-Operating Revenue:						
Out of County Water Sales (Note 3)	-	-	-	6,650,000	-	-
Costs Recovered from Other Agencies	257,673	78,431	72,418	156,832	74,000	74,000
Investment Income (Note 4)	410,305	545,015	1,500,264	1,437,193	450,000	450,000
Property Taxes	927,340	1,054,705	1,140,713	1,117,624	1,075,000	1,075,000
Rental Income	566,000	583,000	634,000	690,000	690,000	728,000
Other (Note 5)	(72,363)	101,771	(74,637)	6,064,283	(64,000)	(64,000)
Total Non-Operating Revenue	2,088,955	2,362,922	3,272,758	16,115,932	2,225,000	2,263,000
Transfers	-	(720,380)	(125,000)	(592,996)	-	-
Net	1,063,937	729,783	2,521,580	13,719,741	(5,674,621)	(190,524)
Beginning Net Position	40,800,989	41,864,926	37,384,749	39,906,329	53,626,070	47,951,449
Restatement (Note 6)	-	(5,209,960)	-	-	-	-
Ending Net Position	\$ 41,864,926	37,384,749	39,906,329	53,626,070	47,951,449	47,760,925

Note 1 - The General and Administrative operating expense budget does not include depreciation and excludes routine capital as these items are capitalized.

Note 2 - Depreciation - Included in the audited Financial Statement but it is not budgeted because it is not a cash outlay.

Note 3 - Out of County Water Sales revenue will be shown on the Financial Statement at time of receipt, whereas the Budget schedule shows the revenue when it is allocated.

Note 4 - Investment Income - Includes interest earnings and mark to market adjustment on investments.

Note 5 - Included in the 2020 **Other** non-operating revenue is the distribution of 2019 net revenues from the Middle Fork Project Finance Authority.

Note 6 - Net Position Restatement - In 2018, with the implementation of GASB 75, the unfunded other post-employment benefits liability is reported on the Statement of Net Position, resulting in a prior period adjustment to net position. Prior to the issuance of these statements, and in accordance with existing GASB standards, these liabilities were previously disclosed in the Notes to Financial Statements.

Placer County Water Agency
Agency Wide
Reserves
2022 Budget Schedule

	January 1, 2021	2021 Activity Budget Sources/(Uses)	CY Board Approved (Uses)	Transfers (Note 3)	2021 Year-end Estimated Balance	2022 Allocation of 2020 Water Sales	2022 Adopted Sources/(Uses)	2022 Year-end Estimated Balance	2022 Minimum Target
Operating Reserve:									
Contingencies*	\$ 1,743,224		(750,000)	(993,224)	-			-	-
Operational	3,940,678	310,010	(950,000)	(2,146,164)	1,154,524		(671,024)	483,500	1,500,000
General Elections (Note 1)	-	70,000			70,000		(70,000)	-	-
Total Operating Reserve	5,683,902	380,010	(1,700,000)	(3,139,388)	1,224,524	-	(741,024)	483,500	1,500,000
Capital Reserve:									
Vehicles, Equipment and Other Routine Capital Replacement	869,359		(343,006)	(26,353)	500,000	200,000		700,000	700,000
Renewable Energy Facilities	-			500,000	500,000	1,925,000		2,425,000	8,200,000
IT Infrastructure and Cybersecurity	-			1,000,000	1,000,000			1,000,000	1,000,000
Agency Wide Building Maintenance, New Facilities, and Improvements	935,656	(580,000)		500,000	855,656		(670,000)	185,656	3,000,000
Total Capital Reserve	1,805,015	(580,000)	(343,006)	1,973,647	2,855,656	2,125,000	(670,000)	4,310,656	12,900,000
Liabilities Reserve:									
Compensated Absences (current portion)	1,414,022			(314,822)	1,099,200			1,099,200	1,100,000
Insurance Claim Liability/Deductible	271,487			3,513	275,000	25,000		300,000	300,000
Pension Liability Funding Program	515,631			500,000	1,015,631	1,000,000		2,015,631	3,000,000
Total Liabilities Reserve	2,201,140	-	-	188,691	2,389,831	1,025,000	-	3,414,831	4,400,000
Specific Activities, Programs and Special Projects Reserve:									
Out of County Water Sales (To Be Allocated) (Note 2)	6,650,000				6,650,000	(6,650,000)		-	-
MFPFA Net Revenue Distributions (To Be Allocated) (Note 2)	6,139,407	(6,139,407)			-			-	-
MFP Water Rights Permit Extension	1,355,889	(135,000)	(750,000)	477,050	947,939	637,061	(85,000)	1,500,000	1,500,000
Financial Assistance Program (Grant/Loan Program)	70,983				70,983			70,983	-
Legal Defense Reserve Fund	2,769,674		(1,185,714)		1,583,960			1,583,960	2,000,000
Enterprise Resource Planning (ERP) System Replacement (AW portion)	249,952				249,952	400,048		650,000	650,000
Stewardship Matters	1,841,638		(925,811)	500,000	1,415,827			1,415,827	5,000,000
Yuba/Bear River Water Supply Reliability	-				-	1,000,000		1,000,000	4,500,000
Regional Water Supply Reliability Program	3,809,615	(50,000)	(1,144,132)		2,615,483		(50,000)	2,565,483	10,000,000
Regulatory Mandates [2022: EV Infrastructure \$275k]	-				-	775,000	(275,000)	500,000	650,000
Catastrophic Events and Disaster Recovery	2,001,748		(458,468)		1,543,280	687,891		2,231,171	5,000,000
Total Specific Activities, Programs and Special Projects Reserve	24,888,906	(6,324,407)	(4,464,125)	977,050	15,077,424	(3,150,000)	(410,000)	11,517,424	29,300,000
Total Agency Wide Reserves	\$ 34,578,963	(6,524,397)	(6,507,131)	-	21,547,435	-	(1,821,024)	19,726,411	48,100,000

* To be eliminated

Note 1 - Operating Reserve for General Election - This account is to fund off election year's budget amount to smooth the budgeting for election cost to each year.

Note 2 - Out of County Water Sales and MFPFA Net Revenue Distributions - These are holding accounts for when revenues are received. The allocation of the revenues are then considered by the Finance Committee and the Board during the annual Budget cycle.

Note 3 - Transfers based on 2021 Reserve analysis and discussion with the Finance Committee during the Budget process.

Agency Wide Division

Reserve Descriptions and Target Methodology

Operating Reserves

Policy: The operating reserve target balance shall be between one hundred days (3.5 months) and one hundred fifty days (5 months) of budgeted operating expenses excluding depreciation, calculated by dividing the total budgeted operating expenses by three hundred and sixty-five and multiplying one hundred fifty (upper range) and one hundred (lower range).

Operational

Description: To provide readily available funds to operate the Agency under conditions of significantly reduced revenue, unforeseen or unanticipated variations in expenses.

Target Methodology/Rationale/Considerations: Target balance shall be between one hundred days (3.5 months) and one hundred fifty days (5 months) of budgeted operating expenses excluding depreciation.

General Elections

Description: To provide annual budgeting for the biennial election costs (off cycle election).

Target Methodology/Rationale/Considerations: 1/2 of the annual estimated election costs.

Capital Reserves

Policy: Based on the existing and future capital needs, the capital reserve target balance shall be determined by the Board of Directors during the budget process.

Vehicles, Equipment and Other Routine Capital Replacement

Description: To provide readily available funds for vehicle and equipment purchases.

Target Methodology/Rationale/Considerations: 2 year estimated equipment replacement needs.

Renewable Energy Facilities

Description: For the development and maintenance of renewable energy facilities, such as biomass or electrification infrastructure, and initiatives not related to the Middle Fork Project, but that benefit the Agency's county-wide stewardship mission.

Target Methodology/Rationale/Considerations: Percentage of Agency Wide Share of Ophir Biomass Center.

IT Infrastructure and Cybersecurity

Description: To provide readily available funds for IT infrastructure and cybersecurity needs as potential regulatory requirements or other matters dictate.

Target Methodology/Rationale/Considerations: Initial target set based on unknown, yet potential vulnerabilities will refine with new Information Security Manager. Including Disaster Recovery efforts in support of the Strategic Plan.

Agency Wide Building Maintenance, New Facilities, and Improvements

Description: To provide funds for capital needs of PCWA's Agency Wide buildings and building maintenance.

Target Methodology/Rationale/Considerations: 2 years estimated CIP needs related to Agency Wide Facilities plus funds for future building needs.

Liability Reserves

Policy: The Director of Financial Services and/or General Manager shall recommend reserve funding levels for insurance deductibles and other liabilities based on an assessment of risk and available funding.

Compensated Absences (current portion)

Description: For the current portion of the compensated absences liability.

Policy: Between 50% and 100% of accumulated employee leave balance, adjusted annual for current amount.

Insurance Claim Liability/Deductible

Description: For anticipated future costs of insurance deductibles or claim liabilities.

Target Methodology/Rationale/Considerations: Agency Wide Self Insured Worker's Compensation liability & other deductibles.

Pension Liability Funding Program

Description: For anticipated future costs related to the Agency Wide portion of the Agency's Unfunded Pension Liability, post 90% funding target level.

Target Methodology/Rationale/Considerations: The current target is based on the June 30, 2019 Actuarial Evaluation and post 90% funded level. If a Section 115 Trust is established for the Agency Wide Division, this target amount would diminish. The target amount will be revised annually based on the unfunded accrued liability as provided by CalPERS.

Specific Activities, Programs and Special Projects Reserves

Policy: The Director of Financial Services and/or General Manager shall recommend reserve funding levels for specific activities, programs and special projects based on an assessment of need and available funding.

One-time County Water Sales (To Be Allocated)

Description: Agency Wide one-time water sales based on voluntary agreements to transfer water in dry year conditions. This reserve account is intended as a temporary account until such time as those funds are allocated or appropriated by the Board.

Target Methodology/Rationale/Considerations: No Target.

MFPFA Net Revenue Distributions (To Be Allocated)

Description: Cash distributions of the Middle Fork Project Finance Authority to the Agency. This reserve account is intended as a temporary account for MFP distributions to the Agency until such time as those funds are allocated or appropriated by the Board.

Target Methodology/Rationale/Considerations: No Target.

MFP Water Rights Permit Extension

Description: To fund the right of Placer County Water Agency to direct and to utilize 120,000 acre-feet of American River Water, pursuant to Placer County Water

Agency's water right permits from the State of California. The complexities of this process, and the intermittent regulatory process requires setting aside funds to account for unforeseen delays, regulatory and legal defense.

Target Methodology/Rationale/Considerations: Reclamation Water Modeling and Water Forum Commitments.

Financial Assistance Program (FAP)

Description: To provide financial assistance to local districts (as defined by Board policy) for the development of eligible water supplies and facilities.

Target Methodology/Rationale/Considerations: Returned unspent FAP awards. No Target.

Legal Defense Reserve Fund

Description: To provide readily available resources for legal defense against claims arising against the Agency and litigation related to the defense of Placer County's water rights.

Target Methodology/Rationale/Considerations: Estimate based on litigating matters through State or Federal Court.

Enterprise Resource Planning (ERP) System Replacement (Agency Wide portion)

Description: Estimate of Agency Wide's portion of the replacement of the existing ERP System.

Target Methodology/Rationale/Considerations: Percentage of estimated replacement costs.

Stewardship Matters

Description: To provide readily available resources for programs and activities related to the stewardship of the County's water resources, including the consolidation, regionalization, or purchase of existing water systems.

Target Methodology/Rationale/Considerations: Consolidation Support and County's water resource needs.

Yuba/Bear River Water Supply Reliability

Description: Resources for Yuba and Bear River water supply reliability. Including Agency-wide share of the planning for potential purchase of all or part of the Drum Spaulding project.

Target Methodology/Rationale/Considerations: Purchase Planning, Estimated percentage of Drum Spaulding Project, Advocacy, Environmental, FERC Relicensing Monitoring (NID/PG&E).

Regional Water Supply Reliability Program

Description: Projects and activities that support diversification of the Agency's water supplies.

Target Methodology/Rationale/Considerations: Current needs are related to the Sacramento RiverArc Project.

Regulatory Mandates

Description: For the fiscal impact of compliance with new Federal, State and county regulations that arise periodically.

Target Methodology/Rationale/Considerations: Voluntary Agreements, Other Delta Issues, Climate Change, Water Bank.

Catastrophic Events and Disaster Recovery

Description: To provide interim appropriations and immediate funding for unforeseen needs or events that impact water resources throughout the County.

Target Methodology/Rationale/Considerations: Wildfire or other natural disasters could threaten Agency water supplies, facilities, or other infrastructure.

Power Division



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Placer County Water Agency
Power Division
2022 Budget Schedule

	2021 Adjusted Budget	2022 Adopted Budget
Revenue		
MFPFA Appropriation (Note 1)	\$ 38,364,298	47,001,109
Total Revenue	38,364,298	47,001,109
Operations		
Administrative Services	1,446,506	1,600,000
Field Services	5,000	10,000
Financial Services	1,407,791	1,361,065
General Manager's Office:		
Legal Services	102,692	121,652
Strategic Affairs Resource Development	860,765	827,625
Power System	14,514,844	15,507,610
Energy Marketing	1,506,832	1,474,351
Technical Services	3,274,808	3,253,089
Information Technology	-	354,067
Non-departmental Expenses (Note 2)	1,155,000	1,155,000
Service Level Support	3,621,000	2,691,000
Routine Capital	420,000	610,300
Total Operations	28,315,238	28,965,759
Capital Projects		
Capital Investment Program	10,049,060	18,035,350
Total Capital Projects	10,049,060	18,035,350
Summary		
Total Revenue	38,364,298	47,001,109
Total Operations	28,315,238	28,965,759
Total Capital Projects	10,049,060	18,035,350
Revenue Under Expenses	-	-
(To) From Reserves (Note 3)	-	-
Net	\$ -	-

Note 1 - MFPFA Appropriation, the budgeted amount varies based on the annual operating and capital projects budgets. The Power Division budget includes MFPFA appropriations as revenue, because pursuant to the Joint Powers Agreement between the County and the Agency, the Middle Fork Project power sales are directed to and realized by the Authority. Additional appropriations approved during the year to increase the Capital Projects budget also increases the Revenue budget.

Note 2 - Non-departmental Expenses include benefit payments previously included within the Department Budgets.

<u>Non-departmental Expenses</u>	2021	2022
Other Post Employment Benefits (Retiree Health) Pre-Funding	\$ 151,100	166,000
CalPERS Unfunded Actuarial Liability Required Contribution	843,900	829,000
CalPERS Unfunded Actuarial Liability Discretionary Contribution	110,000	110,000
Workers' Compensation Claim Allowance	50,000	50,000
	<u>\$ 1,155,000</u>	<u>1,155,000</u>

Note 3 - Per Authority Policy, the **Reserves** for the Middle Fork Project are held by the MFPFA not the Agency, hence, no reserves are held by the Agency or presented in the Agency's Budget. The Authority's reserve amount held by MFPFA were \$50.5 million at October 31, 2021.

Placer County Water Agency
Power Division
Statement of Expenses by Department and Category
2022 Budget Schedule

	2021 Adjusted Budget	2022 Adopted Budget
Operating Expenses		
Expenses by Department:		
Administrative Services (Note 1)	\$ 1,446,506	1,600,000
Field Services	5,000	10,000
Financial Services (Note 2)	1,407,791	1,361,065
General Manager's Office	963,457	949,277
Power System	14,514,844	15,507,610
Energy Marketing	1,506,832	1,474,351
Technical Services	3,274,808	3,253,089
Information Technology	-	354,067
Non-departmental Expenses	1,155,000	1,155,000
Service Level Support	3,621,000	2,691,000
Routine Capital	420,000	610,300
Total Departmental Expenses	\$ 28,315,238	28,965,759
Expenses by Category:		
Personnel Services (Salary & Benefits)	\$ 8,175,032	8,505,840
Operating Supplies	888,350	744,600
Operating Services	3,751,350	4,648,069
Insurance	1,446,506	1,600,000
Contracted Services	3,783,000	3,784,200
Cost Share Partnerships (Note 3)	3,480,000	3,519,000
FERC License Condition Implementation	2,750,000	2,862,750
Service Level Support	3,621,000	2,691,000
Routine Capital	420,000	610,300
Total Expenses by Category	\$ 28,315,238	28,965,759

Note 1 - The **Administrative Services** budget is comprised of insurance which is a direct expense.

Note 2 - The **Financial Services** budget is comprised primarily of cost share partnerships, and middle and back office support functions which are direct expenses.

Note 3 - Cost Share Partnerships

	2022
US Forest Service:	
Operations and Maintenance	\$ 510,000
Heavy Maintenance	80,000
Technical Services	80,000
Subtotal US Forest Service	670,000
Bureau of Land Management	270,000
Bureau of Reclamation	195,000
Placer County:	
Public Safety	929,000
Public Accessibility	605,000
Impact on County Revenues	350,000
Administration	500,000
Subtotal Placer County	2,384,000
Total Cost Share Partnerships	\$ 3,519,000

All **Cost Share Partnerships** expenses are budgeted in the Power System budget with the exception of Impact on County Revenues and Administration which is included in the Financial Services budget.

Placer County Water Agency

Power Division

Statement of Revenues, Expenses and Changes in Net Position - Actual and Budget

[Financial Statement Format]

Years 2017 - 2022

	Audited 2017	Audited 2018	Audited 2019	Audited 2020	Adjusted 2021 Budget	2022 Adopted Budget
Revenue:						
MFPFA Appropriation (Power Sales) (Note 1)	\$ 27,342,238	35,460,053	33,362,891	38,192,945	38,364,298	47,001,109
Total Revenue	27,342,238	35,460,053	33,362,891	38,192,945	38,364,298	47,001,109
Operating Expenses:						
Electrical Operations & Maintenance	9,064,042	10,625,383	9,242,533	9,693,967	8,489,421	10,207,766
Recreation	2,038,338	2,182,171	2,296,433	2,338,479	2,636,000	2,669,000
Technical Services	618,022	563,015	689,292	1,277,394	3,274,808	3,253,089
Information Technology	-	-	-	-	-	354,067
Power General and Administrative	3,792,880	3,858,767	4,583,773	3,717,632	4,549,423	3,795,844
Administrative Services	694,175	876,657	891,004	1,024,056	1,446,506	1,600,000
Financial Services	1,142,136	1,224,919	1,239,478	992,499	1,407,791	1,361,065
Legal Services	93,328	44,778	91,358	134,156	102,692	121,652
Strategic Affairs	44,587	296,547	237,456	213,335	860,765	827,625
Energy Marketing	1,454,704	1,377,515	1,521,093	1,534,511	1,506,832	1,474,351
Service Level Support	2,227,000	2,282,000	3,267,387	3,324,800	3,621,000	2,691,000
Depreciation (Note 2)	5,283,546	5,273,551	4,881,379	5,695,437	-	-
Total Operating Expenses	26,452,758	28,605,303	28,941,186	29,946,266	27,895,238	28,355,459
Operating Income (Loss)	889,480	6,854,750	4,421,705	8,246,679	10,469,060	18,645,650
Non-Operating Revenue:						
Interest Earnings and Other	11,727	251,672	555,111	481,697	-	-
Total Non-Operating Revenue:	11,727	251,672	555,111	481,697	-	-
Transfers	-	613,074	-	-	-	-
Net	901,207	7,719,496	4,976,816	8,728,376	10,469,060	18,645,650
Beginning Net Position	168,057,441	168,958,648	175,644,330	180,621,146	189,349,522	199,818,582
Restatement (Note 3)	-	(1,033,814)	-	-	-	-
Ending Net Position	\$ 168,958,648	175,644,330	180,621,146	189,349,522	199,818,582	218,464,232

Note 1 - Power Sales - Since May 1, 2013, funds received from the sales of MFP power flow directly to MFPFA and the Agency's Power Division is funded by appropriation from MFPFA.

Note 2 - Depreciation - Included in the audited Financial Statement but it is not budgeted because it is not a cash outlay.

Note 3 - Net Position Restatement - In 2018, with the implementation of GASB 75, the unfunded other post-employment benefits liability is reported on the Statement of Net Position, resulting in a prior period adjustment to net position. Prior to the issuance of these statements, and in accordance with existing GASB standards, these liabilities were previously disclosed in the Notes to Financial Statements.

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Water Division



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Placer County Water Agency
Water Division
2022 Budget Schedule

	2021 Adjusted Budget	2022 Adopted Budget
Revenue		
Water Sales:		
Commodity	\$ 22,746,700	23,816,000
Fixed Charge	16,689,700	17,474,200
Renewal and Replacement	14,371,300	15,046,900
Total Water Sales	53,807,700	56,337,100
Other Revenue	2,729,000	2,829,000
Total Revenue	56,536,700	59,166,100
Operations		
Customer Services	4,452,650	4,893,756
GM Office: Legal Services	148,094	163,334
Field Services	13,578,620	14,297,963
Facilities Maintenance	1,125,941	1,231,120
Technical Services	13,026,007	12,371,041
Information Technology	-	1,410,498
Non-departmental Expenses (Note 1)	24,486,868	2,687,700
Service Level Support	6,423,000	6,752,000
Routine Capital	994,202	1,269,000
Total Operations	64,235,382	45,076,412
Total Operations without UAL payment (Note 1)	43,011,614	45,076,412
Capital Projects		
Capital Investment Program	10,889,300	18,784,500
Project Debt Service	4,136,000	4,738,000
Debt Proceeds	-	(3,000,000)
Total Capital Projects - Rate Funded	15,025,300	20,522,500
Summary		
Total Revenue	56,536,700	59,166,100
Total Operations	64,235,382	45,076,412
Total Capital Projects (Net of Debt Proceeds)	15,025,300	20,522,500
Revenue Under Expenses	(22,723,982)	(6,432,812)
(To) From Reserves	22,723,982	6,432,812
Net	\$ -	-

Note 1 - In 2021, a payment of \$21,223,768 was made to CalPERS to paydown the Water Divisions portion of the Agency's unfunded accrued pension liability (UAL). To show a true comparison of the 2021 Adjusted Budget to the 2022 Adopted Budget, a separate line has been added titled 'Total Operations without UAL payment' which excludes the payment.

Placer County Water Agency
Water Division
2022 Revenue Budget Schedule

	2021 Adjusted Budget	2022 Adopted Budget
Revenue		
Water Sales - Treated Retail:		
Commodity	\$ 16,709,700	17,495,100
Fixed Charge	12,478,100	13,064,600
Renewal and Replacement Charge	10,901,600	11,414,000
Subtotal Water Sales - Treated Retail	40,089,400	41,973,700
Water Sales - Treated Resale: (Note 1)		
Commodity	1,731,800	1,813,200
Fixed Charge	3,982,700	4,169,900
Renewal and Replacement Charge	3,215,600	3,366,800
Subtotal Water Sales - Treated Resale	8,930,100	9,349,900
Water Sales - Untreated:		
Commodity	3,993,700	4,181,500
Resale Commodity (Note 2)	311,500	326,200
Fixed Charge	228,900	239,700
Renewal and Replacement Charge	254,100	266,100
Subtotal Water Sales - Untreated	4,788,200	5,013,500
Total Water Sales	53,807,700	56,337,100
Other Revenue:		
Engineering Charges	750,000	850,000
Customer Service Charges	650,000	650,000
Contributions in Aid of Construction (Install Charges)	139,000	239,000
Interest Earnings (Operations Portion)	750,000	750,000
Interest Earnings (Capital Portion)	150,000	150,000
Grants	100,000	-
Other (Operating and Non-Operating)	190,000	190,000
Total Other Revenue	2,729,000	2,829,000
Total Revenue	\$ 56,536,700	59,166,100

Note 1 - Treated Water Resale and Industrial Customers

California American Water
City of Lincoln
Folsom Lake Mutual Water Company
Golden Hills Mutual Water Company
Hidden Valley Community Association
Lakeview Hills Community Association
Willo-Glen Water Company
Rio Bravo

Note 2 - Untreated Water Resale Customers

Christian Valley Park Community Service District
Alpine Meadows Water Association
Dutch Flat Mutual Water
Heather Glen Community Service District
Meadow Vista County Water District
Weimar Water Company

Placer County Water Agency
Water Division
Statement of Expense by Department and Category
2022 Budget Schedule

	2021 Adjusted Budget	2022 Adopted Budget
Operating Expenses		
Expenses by Department:		
Customer Services	\$ 4,452,650	4,893,756
GM Office: Legal Services	148,094	163,334
Field Services	13,578,620	14,297,963
Facilities Maintenance	1,125,941	1,231,120
Technical Services	13,026,007	12,371,041
Information Technology	-	1,410,498
Non-departmental Expenses (Note 1)	24,486,868	2,687,700
Service Level Support	6,423,000	6,752,000
Routine Capital	994,202	1,269,000
Total Departmental Expenses	\$ 64,235,382	45,076,412
Expenses by Category:		
Personnel Services (Salary & Benefits)	\$ 20,740,166	21,119,223
CalPERS Unfunded Actuarial Liability Contribution (Note 2)	21,223,768	-
Operating Supplies	2,006,225	2,267,850
Chemicals	805,879	881,760
Operating Services	3,975,506	4,261,048
Purchased Water	4,625,490	4,979,300
Electricity - MFP Water Pumping	575,000	661,250
Contracted Services	2,866,146	2,884,981
Service Level Support	6,423,000	6,752,000
Routine Capital	994,202	1,269,000
Total Expenses by Category	\$ 64,235,382	45,076,412

Note 1 - Non-departmental Expenses include benefit payments previously included within the Department Budgets.

Non-departmental Expenses	2021	2022
Other Post Employment Benefits (Retiree Health) Pre-Funding	\$ 541,500	595,000
CalPERS Unfunded Actuarial Liability Required Contribution	2,301,600	1,672,700
CalPERS Unfunded Actuarial Liability Discretionary Contribution	21,523,768	300,000
Workers Compensation Claim Allowance	120,000	120,000
	\$ 24,486,868	2,687,700

Note 2 - CalPERS Unfunded Actuarial Liability Discretionary Contribution (UAL) payment of \$21,223,768 has been pulled out of Personnel Services and shown as a separate line item to provide a true comparison of salary and benefits. In 2021, this additional contribution was made to reduce future pension costs.

Placer County Water Agency
Water Division
Rate Funded Projects
Five Year Projected Capital Sources and Uses

	2021 Adjusted Budget	2022 Adopted Budget	2023 Projected Budget	2024 Projected Budget	2025 Projected Budget	2026 Projected Budget
Estimated Reserve Funds Available for Use, January 1	\$ 23,471,216	22,967,216	17,641,616	9,678,616	10,163,116	12,271,116
Capital Sources:						
Renewal & Replacement Charge Revenue (Note 1)	14,371,300	15,046,900	15,348,000	15,655,000	15,968,000	16,287,000
Debt/Loan Proceeds	-	3,000,000	-	-	-	-
Interest	150,000	150,000	150,000	150,000	150,000	150,000
Total Capital Sources	14,521,300	18,196,900	15,498,000	15,805,000	16,118,000	16,437,000
Capital Uses:						
Rate Funded Projects - in Capital Plan 5-yr Budget	10,889,300	18,784,500	18,750,000	11,531,500	10,225,000	9,290,000
Debt Service (paid in January & June)	4,136,000	4,738,000	4,711,000	3,789,000	3,785,000	3,788,000
Total Capital Uses	15,025,300	23,522,500	23,461,000	15,320,500	14,010,000	13,078,000
Estimated Reserve Funds Available for Use, December 31	\$ 22,967,216	17,641,616	9,678,616	10,163,116	12,271,116	15,630,116

General Note - The Agency's practice is to maintain approximately \$5 million in this Renewal and Replacement reserve fund.

Note 1 - **Renewal & Replacement Charge Revenue** in years 2023 - 2026 is projected to increase 2% per year.

Placer County Water Agency
Water Division
Water Connection Charge (WCC) - Restricted
2022 Budget Schedule

Cash and Investments Balance - Beginning of Year

	2021
Total WCC Balance (Restricted)	\$ 53,651,715
Less: Rate Stabilization Reserve	6,075,000
Less: Projects Funded (amount available in construction fund)	17,573,127
Estimated Funds Available for Use, January 1	\$ 30,003,588

Budget		
	2021 Adjusted Budget	2022 Adopted Budget
Estimated Funds Available for Use, January 1	\$ 30,003,588	30,029,588
Capital Sources:		
Water Connection Charge Revenue	6,000,000	6,000,000
Total Capital Sources	6,000,000	6,000,000
Capital Uses - Appropriations:		
Capital Investment Program Appropriation	2,910,000	5,765,000
Debt Service (paid in January & June)	3,064,000	3,051,000
Total Capital Uses	5,974,000	8,816,000
Estimated Funds Available for Use, December 31	\$ 30,029,588	27,213,588
<i>Estimated Equivalent Dwelling Units (EDUs) paid</i>	310	310
Water Connection Charge Debt Outstanding (at January 1)	\$ 33,411,650	31,781,950

Placer County Water Agency
Water Division
Water Connection Charge (WCC) - Restricted
Five Year Projected Capital and Resource Needs

Budget						
	2021 Adjusted Budget	2022 Adopted Budget	2023 Projected Budget	2024 Projected Budget	2025 Projected Budget	2026 Projected Budget
Estimated Funds Available for Use, January 1	\$ 30,003,588	30,029,588	27,213,588	22,648,588	24,257,588	26,023,588
Capital Sources:						
Water Connection Charge Revenue	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total Capital Sources	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Capital Uses:						
Capital Investment Program Appropriation	2,910,000	5,765,000	7,515,000	265,000	115,000	8,125,000
Debt Service (paid in January & June)	3,064,000	3,051,000	3,050,000	4,126,000	4,119,000	4,189,000
Total Capital Uses	5,974,000	8,816,000	10,565,000	4,391,000	4,234,000	12,314,000
Estimated Funds Available for Use, December 31	\$ 30,029,588	27,213,588	22,648,588	24,257,588	26,023,588	19,709,588
<i>Estimated Equivalent Dwelling Units (EDUs) paid</i>	310	310	310	310	310	310

Placer County Water Agency

Water Division

Statement of Revenues, Expenses and Changes in Net Position - Actual and Budget [Financial Statement Format] Years 2017 - 2022

	Audited 2017	Audited 2018	Audited 2019	Audited 2020	2021 Adjusted Budget	2022 Adopted Budget
Operating Revenue:						
Water Sales	\$ 47,447,458	50,884,451	53,082,618	57,644,614	53,807,700	56,337,100
Engineering Charges	668,978	820,177	828,159	803,824	750,000	850,000
Customer Service Charges	816,204	849,742	842,105	686,222	650,000	650,000
Other Revenue	149,487	151,482	87,239	108,225	190,000	190,000
Total Operating Revenue	49,082,127	52,705,852	54,840,121	59,242,885	55,397,700	58,027,100
Operating Expenses:						
Purchased Water	3,852,247	4,255,328	3,991,862	4,770,465	4,625,490	4,979,300
Water Treatment	7,676,652	8,001,420	8,664,994	9,051,455	9,052,172	8,494,407
Pumping Plants & Wells	587,642	747,766	517,618	909,644	575,000	661,250
Transmission and Distribution:						
Treated Water	3,018,125	3,370,479	3,600,970	3,661,219	3,355,656	3,370,793
Untreated Water	4,976,695	3,916,654	4,317,585	4,536,722	3,755,093	3,903,383
Operations Administration	1,279,894	1,149,458	1,142,520	1,129,006	913,557	1,089,652
Customer Service and Collection	4,960,988	3,893,793	4,759,128	4,660,981	4,452,650	4,893,756
Automotive & Equipment	971,032	1,040,425	1,085,973	1,005,429	928,824	954,835
Engineering	4,515,102	4,547,231	4,826,065	5,071,772	3,398,835	3,215,384
General and Administrative	6,469,435	6,582,843	7,245,844	6,887,794	32,183,903	12,244,652
Subtotal Operating Expenses	38,307,812	37,505,397	40,152,559	41,684,487	63,241,180	43,807,412
Depreciation (Note 1)	18,066,828	18,471,176	18,412,182	18,687,778	-	-
Total Operating Expenses	56,374,640	55,976,573	58,564,741	60,372,265	63,241,180	43,807,412
Operating Income (Loss)	(7,292,513)	(3,270,721)	(3,724,620)	(1,129,380)	(7,843,480)	14,219,688
Non-Operating Revenue:						
Contributions in Aid of Construction	239,048	210,346	141,049	228,668	139,000	239,000
Water Connection Charge	7,795,975	10,385,103	7,690,159	8,730,256	6,000,000	6,000,000
Investment Income (Note 2)	1,426,327	2,184,380	4,670,517	3,571,603	750,000	750,000
Assessments	12,039	7,480	7,192	6,904	-	-
Gain (Loss) on Disposal of Assets	(6,616,175)	173,689	164,150	235,555	-	-
Grant	824,868	1,083,608	461,508	143,880	-	-
Other	576,518	421,180	181,008	863,612	-	-
Total Non-Operating Revenue	4,258,600	14,465,786	13,315,583	13,780,478	6,889,000	6,989,000
Non-Operating Expenses:						
Interest Expense	2,571,287	2,560,431	2,143,940	2,004,360	3,781,000	-
Total Non-Operating Expenses	2,571,287	2,560,431	2,143,940	2,004,360	3,781,000	-
Contributed Capital	532,360	3,543,879	5,321,018	7,136,700	-	-
Transfers	-	107,306	125,000	493,185	-	-
Net	(5,072,840)	12,285,819	12,893,041	18,276,623	(4,735,480)	21,208,688
Beginning Net Position	484,926,117	479,853,277	489,698,584	502,591,625	520,868,248	516,132,768
Restatement (Note 3)	-	(2,440,512)	-	-	-	-
Ending Net Position	\$ 479,853,277	489,698,584	502,591,625	520,868,248	516,132,768	537,341,456

See Notes on following page.

Placer County Water Agency
Water Division
Statement of Revenues, Expenses and Changes in Net Position - Actual and Budget
[Financial Statement Format]
Years 2017 - 2022

Note References for Page 39

Note 1 - Depreciation - Included in the audited Financial Statement but it is not budgeted because it is not a cash outlay.

Note 2 - Investment Income - Includes interest earnings and mark to market adjustment on investments.

Note 3 - Net Position Restatement - In 2018, with the implementation of GASB 75, the unfunded other post-employment benefits liability is reported on the Statement of Net Position, resulting in a prior period adjustment to net position. Prior to the issuance of these statements, and in accordance with existing GASB standards, these liabilities were previously disclosed in the Notes to Financial Statements.

Placer County Water Agency
Water Division
Reserves
2022 Budget Schedule

	January 1, 2021	2021 Activity			2021 Year-end Estimated Balance	2022 Adopted Sources/(Uses)	2022 Year-End Estimated Balance	2022 Minimum Target
		Budget Sources/(Uses)	CY Board Approved (Uses)	Transfers (Note 3)				
Operating Reserve:								
Contingencies*	\$ 2,919,388		(2,755,016)	(164,372)	-		-	-
Operational	7,487,185			500,000	7,987,185	(1,107,212)	6,879,973	12,400,000
Revenue Volatility (Note 1)	4,901,592			(401,592)	4,500,000		4,500,000	5,000,000
American River Water Pumping (Electricity)	2,184,239			(684,239)	1,500,000		1,500,000	1,500,000
Total Operating Reserve	17,492,404	-	(2,755,016)	(750,203)	13,987,185	(1,107,212)	12,879,973	18,900,000
Capital Reserve:								
Building and Facilities Maintenance and Improvements	826,147		(801,103)	111,293	136,337		136,337	2,000,000
IT Infrastructure and Cybersecurity	-			500,000	500,000		500,000	1,000,000
System Replacement and Improvements* (Replaced by R&R)	7,462,223		(7,462,223)		-		-	-
Vehicles, Equipment and Other Routine Capital Replacement	2,836,557	(856,214)	(1,000,000)		980,343		980,343	1,500,000
Revolving Grant Matching Funds (Note 2)	861,090			(361,090)	500,000		500,000	500,000
Renewal and Replacement	23,471,216	(504,000)			22,967,216	(5,325,600)	17,641,616	30,000,000
Total Capital Reserve	35,457,233	(1,360,214)	(9,263,326)	250,203	25,083,896	(5,325,600)	19,758,296	35,000,000
Liabilities Reserve:								
Compensated Absences (current portion)	2,219,508				2,219,508		2,219,508	2,550,000
Insurance Claim Liability/Deductible	358,982				358,982		358,982	500,000
Pension Liability Funding Program	751,594				751,594		751,594	9,000,000
Total Liabilities Reserve	3,330,084	-	-	-	3,330,084	-	3,330,084	12,050,000
Specific Activities, Programs and Special Projects Reserve:								
Service Center - Corporation Yard*	4,882,250		(4,882,250)		-		-	-
Legal Defense Reserve Fund	-			500,000	500,000		500,000	1,500,000
Regulatory Mandates	500,000		(140,000)		360,000		360,000	1,000,000
Catastrophic Events and Disaster Recovery	5,489,586		(4,323,176)		1,166,410		1,166,410	5,000,000
Total Specific Activities, Programs and Special Projects Reserve	10,871,836	-	(9,345,426)	500,000	2,026,410	-	2,026,410	7,500,000
Total Water Division Reserves	\$ 67,151,557	(1,360,214)	(21,363,768)	-	44,427,575	(6,432,812)	37,994,763	73,450,000

Water Division Operations Debt

Operations Debt Outstanding (at January 1)	\$ 28,534,428	41,073,617
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* To be eliminated

Note 1 - Revenue Volatility reserve funds are available to offset potential water sales revenue shortfalls due to weather or other variances.

Note 2 - Revolving Grant Matching Funds are available if needed to fund grant expenses anticipated on being reimbursed.

Note 3 - Transfers based on 2021 Reserve analysis and discussion with the Finance Committee during the Budget process.

Water Division

Reserve Descriptions and Target Methodology

Operating Reserves

Policy: The operating reserve target balance shall be between one hundred days (3.5 months) and one hundred fifty days (5 months) of budgeted operating expenses excluding depreciation, calculated by dividing the total budgeted operating expenses by three hundred and sixty-five and multiplying one hundred fifty (upper range) and one hundred (lower range).

Operational

Description: To provide readily available funds to operate the Agency under conditions of significantly reduced revenue, unforeseen or unanticipated variations in expenses.

Target Methodology/Rationale/Considerations: Minimum 100 days of budgeted operating expenses.

Revenue Volatility

Description: To provide funds to offset potential water sales revenue shortfalls due to weather or other variances which can vary up to 20%.

Target Methodology/Rationale/Considerations: Up to 20% of the annual budgeted Water Sales commodity revenue. Minimum - Urban Water Management Plan Stage 3.

American River Water Pumping (Electricity)

Description: To provide funding for times of significant pumping or energy price volatility increasing water pumping expense.

Target Methodology/Rationale/Considerations: 2x the average electricity expense for MFP water pumping. Minimum - Urban Water Management Plan Stage 3.

Capital Reserves

Policy: Between the sum of the next two years of projected capital projects costs, excluding expansion (WCC) projects, as determined in the annual Capital Investment Program, and the next five years of projected capital project costs.

Building Maintenance, Facilities Maintenance, and Improvements

Description: To provide funds for building and facilities maintenance and improvements.

Target Methodology/Rationale/Considerations: Estimated costs of building and facility maintenance projects over next 5 years.

IT Infrastructure and Cybersecurity

Description: To provide readily available funds for IT infrastructure and cybersecurity needs as potential regulatory requirements or other matters dictate.

Target Methodology/Rationale/Considerations: Initial target set based on unknown, yet potential vulnerabilities will refine with new Information Security Manager. Including Disaster Recovery efforts in support of the Strategic Plan.

Vehicles, Equipment and Other Routine Capital Replacement

Description: To provide readily available funds for vehicle and equipment purchases.

Target Methodology/Rationale/Considerations: 2 year estimated equipment replacement needs.

Revolving Grant Matching Funds

Description: To provide readily available funds, if needed, to fund grant expenses anticipated on being reimbursed.

Target Methodology/Rationale/Considerations: Based on anticipated grant matching requirements.

Renewal and Replacement

Description: This Reserve account is a sinking fund account whereby annual Renewal and Replacement Revenue is placed then used as approved by the budget. The Reserve is to fund renewal and replacement capital projects for the existing water system.

Target Methodology/Rationale/Considerations: Based on the asset management plan of replacement analysis, the target should be \$25 million.

Liability Reserves

Policy: The Director of Financial Services and/or General Manager shall recommend reserve funding levels for insurance deductibles and other liabilities based on an assessment of risk and available funding.

Compensated Absences (current portion)

Description: For the current portion of the compensated absences liability.

Policy: Between 50% and 100% of accumulated employee leave balance, adjusted annual for current amount.

Insurance Claim Liability/Deductible

Description: For anticipated future costs of insurance deductibles or claim liabilities.

Target Methodology/Rationale/Considerations: Self Insured Worker's Compensation liability & other deductibles.

Pension Liability Funding Program

Description: For anticipated future costs related to the Water Division portion of the Agency's Unfunded Pension Liability, post 90% funding target level.

Target Methodology/Rationale/Considerations: The current target is based on the June 30, 2019 Actuarial Evaluation and post 90% funded level. If a Section 115 Trust is established for the Water Division, this target amount would diminish. The target amount will be revised annually based on the unfunded accrued liability as provided by CalPERS.

Specific Activities, Programs and Special Projects Reserves

Policy: The Director of Financial Services and/or General Manager shall recommend reserve funding levels for specific activities, programs and special projects based on an assessment of need and available funding.

Legal Defense Reserve Fund

Description: To provide readily available resources for legal defense against claims arising against the Agency and litigation related to the defense of Placer County's water rights.

Target Methodology/Rationale/Considerations: Amount based on estimate from legal counsel for Prop 218 defense, PG&E Water Rights Contract Protection.

Regulatory Mandates

Description: To provide resources for the fiscal impact of compliance with new Federal, State and County regulations between cost-of-service study cycles.

Target Methodology/Rationale/Considerations: New changes to water supplies, water sales, drought restrictions.

Catastrophic Events and Disaster Recovery

Description: To provide an immediate funding source for significant events or catastrophes.

Target Methodology/Rationale/Considerations: A minimum balance of 1-1.5% of water capital assets net of depreciation.

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Capital Improvement Plan



Ophir Road Pump Station Backup Power Generator



Lower Banvard Pipeline Replacement

Capital Improvement Plan

This Capital Improvement Plan (CIP) consists of three sections: 1) 2022 Capital Improvement Plan detailing the various 2022 Agency Wide, Power Division and Water Division CIP budgeted projects, 2) 2022 Capital Improvement Plan – Five Year Plan and 3) 2022 Capital Improvement Plan Project Descriptions.

The first section is the **2022 Capital Improvement Plan**, which details the budgeted 2022 projects, the administering department, the funding source (for example, Water Connection Charge, Water Rate Revenue or Middle Fork Project) and the 2022 budgeted amounts.

The second section is the **2022 Capital Improvement Plan - Five Year Plan**, which details the project description, anticipated funding source, administering department, the 2022 budgeted amounts and the estimated annual funding appropriation requirements for the subsequent four years (2023 – 2026).

The third section is the **2022 Capital Improvement Plan Project Descriptions**, which presents a brief description of each 2022 project nature and details.

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2022 Capital Improvement Plan



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2022 Capital Improvement Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	WCC	Rates	Grants	Reserves	Middle Fork Project	2022 TOTAL
AGENCY WIDE PROJECTS										
09018A	American River Water Rights Extension	ENG	Water Supply	1,022,827	-	-	-	35,000	-	35,000
19016A	CVP Service Area Expansion	RM	Water Supply	287,083	-	-	-	50,000	-	50,000
14056W	RiverArc	ENG	Planning	322,437	-	-	-	50,000	-	50,000
	Biomass Energy Generation	ENG	Planning	-	-	-	-	70,000	-	70,000
	144 Ferguson 1st Floor Lobby Improvements	ENG	Other	-	-	-	-	100,000	-	100,000
	Safety Program	ENG	Other	-	-	-	-	28,500	-	28,500
	EV Infrastructure	ENG	Other	-	-	-	-	275,000	-	275,000
19006W	Water Efficiency & Education Center	ENG	Other	353,764	-	-	-	500,000	-	500,000
	Agency Wide Projects				-	-	-	1,108,500	-	1,108,500
COUNTY-WIDE MASTER PLAN										
	Financial Assistance Program	CWMP	Other	-	-	-	-	185,000	-	185,000
	County Wide Master Plan			-	-	-	-	185,000	-	185,000
TOTAL AGENCY WIDE PROJECTS					-	-	-	1,293,500	-	1,293,500
POWER DIVISION PROJECTS (MINOR PROJECTS FOR MFP FINANCE AUTHORITY)										
14002P	Existing Project Adjustment Fund	PWR	Planning	28,233	-	-	-	-	250,000	250,000
14005P	MFP Security Improvements	ENG	Planning	500,000	-	-	-	-	100,000	100,000
SUBTOTAL POWER DIVISION PROJECTS [MINOR PROJECTS FOR MFP FINANCE AUTHORITY]					-	-	-	-	350,000	350,000

2022 Capital Improvement Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	WCC	Rates	Grants	Reserves	Middle Fork Project	2022 TOTAL
POWER DIVISION PROJECTS (MAJOR PROJECTS - AUTHORIZED FOR MFP FINANCE AUTHORITY)										
	<i>Major Projects Stand-Alone</i>									
	MFP Forest Management	SARM	Environmental	-	-	-	-	-	125,000	125,000
20043P	Ibay Sediment Removal	PWR	Plant	134,035	-	-	-	-	500,000	500,000
	<i>French Meadows Powerhouse Reliability Upgrades</i>			3,258						
19013P	FM Penstock Interior Inspection & Recoating	PWR	Plant	154,000	-	-	-	-	1,450,000	1,450,000
19020	FMPH Generator and GSU Protection Upgrade	PWR	Plant	4	-	-	-	-	200,000	200,000
	FMPH Plant RTU Replacement	PWR	Plant	-	-	-	-	-	100,000	100,000
20021P	FMPH Turbine PRV Replacement	PWR	Plant	-	-	-	-	-	150,000	150,000
14007P	French Meadows Powerhouse Reliability Upgrades	PWR	Plant	157,262	-	-	-	-	1,900,000	1,900,000
	<i>Hell Hole Powerhouse Reliability Upgrades</i>			-						
12016P	Hell Hole Substation Rebuild	PWR	Plant	400,160	-	-	-	-	900,000	900,000
20049P	Hell Hole Governor Upgrade	PWR	Plant	37,472	-	-	-	-	145,000	145,000
14003P	Hell Hole Powerhouse Reliability Upgrades	PWR	Plant	594,894	-	-	-	-	1,045,000	1,045,000
SUBTOTAL POWER DIVISION UPGRADE AND RENEWAL, REPLACEMENT & RELIABILITY PROJECTS (MAJOR PROJECTS - AUTHORIZED FOR MFP FINANCE AUTHORITY)					-	-	-	-	3,570,000	3,570,000
	<i>FERC License - Project Infrastructure</i>			112,372						
09009A	HH Dam Seasonal Storage	PWR	Plant	78,949	-	-	-	-	200,000	200,000
18043P	HH Dam Outlet Works Upgrade	PWR	Plant	153,750	-	-	-	-	1,700,000	1,700,000
12018P	Duncan Creek Diversion Dam Upgrade & Recreation Trail	ENG	Plant	1,896,935	-	-	-	-	3,145,350	3,145,350

2022 Capital Improvement Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	WCC	Rates	Grants	Reserves	Middle Fork Project	2022 TOTAL
20025P	North Fork Long Canyon Diversion Upgrade	PWR	Plant	-	-	-	-	-	1,500,000	1,500,000
20026P	South Fork Long Canyon Diversion Upgrade	PWR	Plant	667,847	-	-	-	-	1,750,000	1,750,000
210021P	MFP Power Pole Upgrades	PWR	Plant	100,000	-	-	-	-	150,000	150,000
15016P	MFP Cooperative Road Management	PWR	Plant	331,000	-	-	-	-	250,000	250,000
14013P	FERC License - Project Infrastructure	PWR	Plant	3,340,853	-	-	-	-	8,695,350	8,695,350
	<i>FERC License - Project Recreation Facilities</i>			<i>96,066</i>						
14018P	Indian Bar River Access	ENG	Environmental	4,762	-	-	-	-	1,800,000	1,800,000
14019P	FM RV Dump Station and Campground	ENG	Environmental	10,482	-	-	-	-	10,000	10,000
15009P	FM South Shore Water Supply	ENG	Environmental	22,716	-	-	-	-	3,340,000	3,340,000
14017P	HH Boat Ramp Extension	ENG	Environmental	9,000	-	-	-	-	160,000	160,000
	HH Upper Campground	ENG	Environmental	-	-	-	-	-	35,000	35,000
21021P	MFPH Pedestrian Bypass	PWR	Environmental	100,000	-	-	-	-	75,000	75,000
14014P	FERC License - Project Recreation Facilities	ENG	Environmental	267,490	-	-	-	-	5,420,000	5,420,000
SUBTOTAL POWER DIVISION FERC LICENSE PROJECTS (MAJOR PROJECTS - AUTHORIZED FOR MFP FINANCE AUTHORITY)					-	-	-	-	14,115,350	14,115,350
SUBTOTAL POWER DIVISION PROJECTS [MAJOR PROJECTS - AUTHORIZED FOR MFP FINANCE AUTHORITY]					-	-	-	-	17,685,350	17,685,350
TOTAL POWER DIVISION PROJECTS					-	-	-	-	18,035,350	18,035,350
WATER DIVISION PROJECTS										
WATER DIVISION - EXPANSION PROJECTS										
	<i>Treated Water Transmission & Distribution Projects</i>									
21025W	Duncan Hill Treated Water Pipeline	ENG	TWT&D	448,268	4,000,000	-	-	-	-	4,000,000

2022 Capital Improvement Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	WCC	Rates	Grants	Reserves	Middle Fork Project	2022 TOTAL
	Tinker Pump Station Improvements - Roseville Partnership	ENG	TWT&D	-	1,500,000	-	-	-	-	1,500,000
21006W	Colfax to Applegate Regionalization Study	ENG	TWT&D	-	200,000	-	-	-	-	200,000
	Treated Water Transmission & Distribution Projects	ENG	TWT&D	Ongoing	5,700,000	-	-	-	-	5,700,000
	<i>Planning Projects</i>									
14056W	RiverArc	ENG	Planning	322,436	65,000	-	-	-	-	65,000
	Planning Projects	ENG	Planning	Ongoing	65,000	-	-	-	-	65,000
SUBTOTAL WATER DIVISION EXPANSION PROJECTS					5,765,000	-	-	-	-	5,765,000
WATER DIVISION - RATES PROJECTS										
	<i>Treatment Projects</i>			363,667						
18005W	Colfax WTP	ENG	Treatment	22,808	-	8,500,000	-	-	-	8,500,000
21014W	Foothill WTP Grit Structure Screen Replacement	ENG	Treatment	85,463	-	1,160,000	-	-	-	1,160,000
18032W	Treatment Projects	ENG	Treatment	471,938	-	9,660,000	-	-	-	9,660,000
	<i>Treated Water Transmission & Distribution Projects</i>			212,852						
18022W	Alta Loop Pipeline (Cable/Powerhouse Rd.)	ENG	TWT&D	2,925,258	-	120,000	-	-	-	120,000
	Bowman Pipeline Replacement - Porter Dr to Haines Rd	ENG	TWT&D	-	-	180,000	-	-	-	180,000
	Covey Road Pipe Replacement	ENG	TWT&D	-	-	100,000	-	-	-	100,000
21005W	Distribution Meters - Bowman, Applegate & Monte Vista WTP	ENG	TWT&D	136,100	-	150,000	-	-	-	150,000
21029W	Rocklin Pipeline Replacement Program	ENG	TWT&D	41,722	-	2,300,000	-	-	-	2,300,000
	Old State Highway - Buena Vista to Taylor Road	ENG	TWT&D	-	-	100,000	-	-	-	100,000
21016W	I-80 Crossings Condition Assessment (TW)	ENG	TWT&D	54,604	-	110,000	-	-	-	110,000

2022 Capital Improvement Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	WCC	Rates	Grants	Reserves	Middle Fork Project	2022 TOTAL
	Water Meter Replacement Program	CS	TWT&D	-	-	45,000	-	-	-	45,000
	Northstar Pump Station Replacement	ENG	TWT&D	-	-	220,000	-	-	-	220,000
18033W	Treated Water Transmission & Distribution Projects	ENG	TWT&D	3,370,536	-	3,325,000	-	-	-	3,325,000
	<i>Treated Water Transmission & Distribution - Other Projects</i>									
	Non Agency Project Facility Relocation	ENG	TWT&D-O	-	-	-	-	250,000	-	250,000
	Treated Water Transmission & Distribution - Other Projects	ENG	TWT&D-O	-	-	-	-	250,000	-	250,000
	<i>Raw Water Transmission & Distribution Projects</i>			270,234						
21015W	I-80 Crossings Condition Assessment (RW)	ENG	RWT&D	54,215	-	110,000	-	-	-	110,000
20048W	Spring Valley Flume Replacement	ENG	RWT&D	96,886	-	450,000	-	-	-	450,000
	Mammoth Reservoir Low Level Outlet Repair	ENG	RWT&D	-	-	100,000	-	-	-	100,000
	East Side Canal - RCP Sliplining	ENG	RWT&D	-	-	120,000	-	-	-	120,000
18011W	Hayford Siphon Phase 2	ENG	RWT&D	4,108,130	-	290,000	-	-	-	290,000
18034W	Raw Water Transmission & Distribution Projects	ENG	RWT&D	4,529,465	-	1,070,000	-	-	-	1,070,000
	<i>Treated Water Storage Projects</i>			57,334						
21012W	Monte Vista Redwood Tank Replacement	ENG	TW Storage	91,870	-	1,500,000	-	-	-	1,500,000
18035W	Treated Water Storage Projects	ENG	TW Storage	149,204	-	1,500,000	-	-	-	1,500,000
	<i>Groundwater Projects</i>									
	Well Demolition - Bianchi Estates	ENG	Groundwater	-	-	50,000	-	-	-	50,000
	Groundwater Projects	ENG	Groundwater	-	-	50,000	-	-	-	50,000
	<i>Field Services Projects</i>									

2022 Capital Improvement Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	WCC	Rates	Grants	Reserves	Middle Fork Project	2022 TOTAL
	2022 Field Services RWCIP	FIELD	Various	474,831	-	450,000	-	-	-	450,000
	2022 Field Gunite CIP	FIELD	Various	34,180	-	1,250,000	-	-	-	1,250,000
	2022 Field Services TWCIP	FIELD	Various	611,012	-	350,000	-	-	-	350,000
	Field Services Projects	FIELD	Various	Ongoing	-	2,050,000	-	-	-	2,050,000
	<i>Other Projects</i>									
	Safety Program	ENG	Miscellaneous	-	-	94,500	-	-	-	94,500
	SCADA - Ophir Road Pump - Programable Logic Controller Replacement	DWO	Miscellaneous	-	-	300,000	-	-	-	300,000
	SCADA - Model 9710, 900MHz Radio Upgrades	DWO	Miscellaneous	-	-	75,000	-	-	-	75,000
17008W	Colfax Ballpark Tank Slope Stabilization	ENG	Miscellaneous	18,251	-	300,000	-	-	-	300,000
21007W	Sierra Center HVAC Replacement	ENG	Miscellaneous	43,778	-	60,000	-	-	-	60,000
	Maidu Bldg 494 & 496 HVAC Replacement	CS	Miscellaneous	-	-	50,000	-	-	-	50,000
	Other Projects	ENG	Miscellaneous	Ongoing	-	879,500	-	-	-	879,500
SUBTOTAL WATER DIVISION - RATES PROJECTS					-	18,534,500	-	250,000	-	18,784,500
TOTAL WATER DIVISION					5,765,000	18,534,500	-	250,000	-	24,549,500
TOTAL CIP BUDGET					\$ 5,765,000	18,534,500	-	1,543,500	18,035,350	43,878,350

Five Year Capital Improvement Plan



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2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
AGENCY WIDE PROJECTS										
09018A	American River Water Rights Extension	ENG	Water Supply	1,022,827	35,000	35,000	35,000	35,000	35,000	175,000
19016A	CVP Service Area Expansion	RM	Water Supply	287,083	50,000	50,000	50,000	50,000	50,000	250,000
14056W	RiverArc	ENG	Planning	322,437	50,000	50,000	50,000	50,000	50,000	250,000
	Biomass Energy Generation	ENG	Planning	-	70,000	-	-	-	-	70,000
	144 Ferguson 1st Floor Lobby Improvements	ENG	Other	-	100,000	-	-	-	-	100,000
20046W	Enterprise Resource Planning	IT	Other	513,217	-	620,000	-	-	-	620,000
	EV Infrastructure	ENG	Other	-	275,000	250,000	250,000	-	-	775,000
	Safety Program	ENG	Other	-	28,500	19,000	9,500	-	-	57,000
19006W	Water Efficiency & Education Center	ENG	Other	353,764	500,000	-	6,000,000	-	-	6,500,000
	Agency Wide Projects				1,108,500	1,024,000	6,394,500	135,000	135,000	8,797,000
COUNTY-WIDE MASTER PLAN										
	Financial Assistance Program	CWMP	Other	-	185,000	-	-	-	-	185,000
	County Wide Master Plan				185,000	-	-	-	-	185,000
TOTAL AGENCY WIDE PROJECTS					1,293,500	1,024,000	6,394,500	135,000	135,000	8,982,000
POWER DIVISION PROJECTS (MINOR PROJECTS FOR MFP FINANCE AUTHORITY)										
14002P	Existing Project Adjustment Fund	PWR	Planning	28,233	250,000	250,000	250,000	250,000	250,000	1,250,000
14005P	MFP Security Improvements	ENG	Planning	500,000	100,000	-	-	-	-	100,000
SUBTOTAL POWER DIVISION PROJECTS [MINOR PROJECTS FOR MFP FINANCE AUTHORITY]					350,000	250,000	250,000	250,000	250,000	1,350,000

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
POWER DIVISION PROJECTS (MAJOR PROJECTS - AUTHORIZED FOR MFP FINANCE AUTHORITY)										
	<i>Major Projects Stand-Alone</i>									
	MFP Forest Management	SARM	Environmental	-	125,000	125,000	-	-	-	250,000
20043P	Ibay Sediment Removal	PWR	Plant	134,035	500,000	-	-	-	-	500,000
	Abay Sediment Removal	PWR	Plant	-	-	-	100,000	100,000	5,000,000	5,200,000
	<i>French Meadows Powerhouse Reliability Upgrades</i>			3,258						
19013P	FM Penstock Interior Inspection & Recoating	PWR	Plant	154,000	1,450,000	80,000	-	-	100,000	1,630,000
	FMPH Main Transformer Replacement	PWR	Plant	-	-	-	-	-	100,000	100,000
19020P	FMPH Generator and GSU Protection Upgrade	PWR	Plant	13,833	200,000	-	-	-	-	200,000
	FM Penstock External Coating Inspection	PWR	Plant	-	-	-	-	250,000	-	250,000
	FMPH T-Line Protection Replacement	PWR	Plant	-	-	75,000	75,000	-	-	150,000
	FMPH Unit Control Board Upgrade	PWR	Plant	-	-	-	-	-	125,000	125,000
	FMPH Plant RTU Replacement	PWR	Plant	-	100,000	50,000	-	-	-	150,000
	FMPH Station Service Modernization	PWR	Plant	-	-	-	-	350,000	200,000	550,000
	FMPH Thrust Bearing Lift Pump Installation	PWR	Plant	-	-	-	200,000	400,000	-	600,000
20021P	FMPH Turbine PRV Replacement	PWR	Plant	-	150,000	600,000	250,000	-	-	1,000,000
14007P	French Meadows Powerhouse Reliability Upgrades	PWR	Plant	171,091	1,900,000	805,000	525,000	1,000,000	525,000	4,755,000
	<i>Hell Hole Powerhouse Reliability Upgrades</i>			-						
19014P	Hell Hole Outlet Pipe Inspection	PWR	Plant	28,109	-	-	-	-	100,000	100,000
12016P	Hell Hole Substation Rebuild	PWR	Plant	400,160	900,000	-	-	-	-	900,000

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
20049P	Hell Hole Governor Upgrade	PWR	Plant	37,472	145,000	-	-	-	-	145,000
14003P	Hell Hole Powerhouse Reliability Upgrades	PWR	Plant	465,741	1,045,000	-	-	-	100,000	1,145,000
	<i>Middle Fork Powerhouse Reliability Upgrades</i>			-						
	MF Penstock Internal Coating Inspection	PWR	Plant	-	-	-	250,000	-	-	250,000
	MF Penstock External Coating Inspection	PWR	Plant	-	-	-	-	250,000	-	250,000
	MFPH Unit 1 Overhaul & Generator Rewind	PWR	Plant	-	-	-	-	-	100,000	100,000
	MFPH Plant RTU Replacement	PWR	Plant	-	-	-	150,000	-	-	150,000
	MFPH Station Service Modernization	PWR	Plant	-	-	-	-	-	700,000	700,000
21010P	Interbay Dam Radial Gate Hoist Improvement	PWR	Plant	20,058	-	150,000	500,000	-	-	650,000
14009P	Middle Fork Powerhouse Reliability Upgrades	PWR	Plant	20,058	-	150,000	900,000	250,000	800,000	2,100,000
	<i>Oxbow Powerhouse Reliability Upgrades</i>			-						
	OXPH Plant RTU Replacement	PWR	Plant	-	-	150,000	-	-	-	150,000
21009P	Abay Dam Radial Gate Hoist Improvement	PWR	Plant	19,246	-	-	150,000	650,000	-	800,000
	OXPH Station Service Modernization	PWR	Plant	-	-	-	350,000	150,000	-	500,000
14010P	Oxbow Powerhouse Reliability Upgrades	PWR	Plant	19,246	-	150,000	500,000	800,000	-	1,450,000
	<i>Ralston Powerhouse Reliability Upgrades</i>			-						
	RAPH XFMR Protection Replacement	PWR	Plant	-	-	-	200,000	-	-	200,000
19015P	RA Penstock Internal Coating Replacement	PWR	Plant	22,842	-	100,000	250,000	5,000,000	100,000	5,450,000
	RA Penstock External Coating Replacement	PWR	Plant	-	-	-	-	250,000	-	250,000

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
	RAPH Plant RTU Replacement	PWR	Plant	-	-	-	-	150,000	-	150,000
	RAPH Station Service Modernization	PWR	Plant	-	-	-	-	600,000	150,000	750,000
19032P	RAPH - Penstock Access Improvements	PWR	Plant	121,507	-	-	-	1,000,000	100,000	1,100,000
	RAPH Main Transformer Replacement	PWR	Plant	-	-	-	-	-	500,000	500,000
14012P	Ralston Powerhouse Reliability Upgrades	PWR	Plant	144,349	-	100,000	450,000	7,000,000	850,000	8,400,000
SUBTOTAL POWER DIVISION UPGRADE AND RENEWAL, REPLACEMENT & RELIABILITY PROJECTS (MAJOR PROJECTS - AUTHORIZED FOR MFP FINANCE AUTHORITY)					3,570,000	1,330,000	2,475,000	9,150,000	7,275,000	23,800,000
	<i>FERC License - Project Infrastructure</i>			112,372						
09009A	HH Dam Seasonal Storage	PWR	Plant	78,949	200,000	-	6,925,000	-	-	7,125,000
18043P	HH Dam Outlet Works Upgrade	PWR	Plant	153,750	1,700,000	50,000	-	-	-	1,750,000
	HH Dam Low Level Outlet Tunnel Safety Improvements	PWR	Plant	-	-	200,000	950,000	-	-	1,150,000
12018P	Duncan Creek Diversion Dam Upgrade & Recreation Trail	PWR	Plant	1,896,935	3,145,350	-	-	-	-	3,145,350
20025P	North Fork Long Canyon Diversion Upgrade	PWR	Plant	-	1,500,000	250,000	-	-	-	1,750,000
20026P	South Fork Long Canyon Diversion Upgrade	PWR	Plant	667,847	1,750,000	250,000	-	-	-	2,000,000
21021P	MFP Power Pole Upgrades	PWR	Plant	100,000	150,000	150,000	150,000	150,000	150,000	750,000
15016P	MFP Cooperative Road Management	PWR	Plant	331,000	250,000	250,000	250,000	250,000	250,000	1,250,000
14013P	FERC License - Project Infrastructure	PWR	Plant	3,340,853	8,695,350	1,150,000	8,275,000	400,000	400,000	18,920,350
	<i>FERC License - Project Recreation Facilities</i>			96,066						
14018P	Indian Bar River Access	ENG	Environmental	4,762	1,800,000	30,000	-	-	-	1,830,000
20028P	Afterbay Picnic Area	ENG	Environmental	8,004	-	40,000	570,000	-	-	610,000
20029P	MF Stream Gage Trail Improvements	ENG	Environmental	1,288	-	6,000	26,000	-	-	32,000

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
20030P	Abay Sediment Removal Access Point	ENG	Environmental	4,754	-	30,000	320,000	-	-	350,000
	Ahart CG and Gates Group Campground	ENG	Environmental	-	-	-	-	220,000	220,000	440,000
14020P	FM Boat Ramp Extension and Picnic Area	ENG	Environmental	1,130	-	120,000	1,530,000	40,000	-	1,690,000
	FM North Shore Water Supply	ENG	Environmental	-	-	310,000	215,000	3,060,000	30,000	3,615,000
14019P	FM RV Dump Station and Campground	ENG	Environmental	10,482	10,000	7,450,000	70,000	-	-	7,530,000
15009P	FM South Shore Water Supply	ENG	Environmental	22,716	3,340,000	-	-	-	-	3,340,000
	HH and Big Meadows Campgrounds	ENG	Environmental	-	-	-	200,000	130,000	-	330,000
14017P	HH Boat Ramp Extension	ENG	Environmental	9,000	160,000	110,000	-	1,520,000	30,000	1,820,000
	HH Boat Ramp Parking & Potable Water, HH General Parking	ENG	Environmental	-	-	2,420,000	-	-	-	2,420,000
	Coyote Group Campground	ENG	Environmental	-	-	-	-	-	150,000	150,000
	HH Upper Campground	ENG	Environmental	-	35,000	-	365,000	30,000	-	430,000
	McGuire Picnic Area Conversion to Group Campground	ENG	Environmental	-	-	230,000	155,000	2,260,000	30,000	2,675,000
	Lewis Campground	ENG	Environmental	-	-	300,000	200,000	-	2,900,000	3,400,000
21021P	MFPH Pedestrian Bypass	PWR	Environmental	100,000	75,000	150,000	-	-	-	225,000
16012P	Hell Hole Recreation Work Station & Storage Facility for USFS	ENG	Environmental	24,464	-	5,660,000	-	-	-	5,660,000
14014P	FERC License - Project Recreation Facilities	ENG	Environmental	282,666	5,420,000	16,856,000	3,651,000	7,260,000	3,360,000	36,547,000
SUBTOTAL POWER DIVISION FERC LICENSE PROJECTS (MAJOR PROJECTS - AUTHORIZED FOR MFP FINANCE AUTHORITY)					14,115,350	18,006,000	11,926,000	7,660,000	3,760,000	55,467,350
SUBTOTAL POWER DIVISION PROJECTS [MAJOR PROJECTS - AUTHORIZED FOR MFP FINANCE AUTHORITY]					17,685,350	19,336,000	14,401,000	16,810,000	11,035,000	79,267,350
TOTAL POWER DIVISION PROJECTS					18,035,350	19,586,000	14,651,000	17,060,000	11,285,000	80,617,350

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
WATER DIVISION PROJECTS										
WATER DIVISION - EXPANSION PROJECTS										
	<i>Treatment Projects</i>									
18005W	Colfax WTP	ENG	Treatment	22,808	-	1,000,000	-	-	-	1,000,000
	Treatment Projects	ENG	Treatment	Ongoing	-	1,000,000	-	-	-	1,000,000
	<i>Treated Water Transmission & Distribution Projects</i>									
	Barton Rd. Pipeline - Phase 1 (La Vista Dr. to Brace Rd.)	ENG	TWT&D	-	-	4,500,000	-	-	-	4,500,000
21025W	Duncan Hill Treated Water Pipeline	ENG	TWT&D	448,268	4,000,000	-	-	-	-	4,000,000
	Tinker Pump Station Improvements - Roseville Partnership	ENG	TWT&D	-	1,500,000	-	-	-	-	1,500,000
16022W	Placer Parkway Pipeline (Bridge Sections Only)	ENG	TWT&D	185,708	-	1,900,000	-	-	-	1,900,000
21006W	Colfax to Applegate Regionalization Study	ENG	TWT&D	-	200,000	-	200,000	-	-	400,000
	Treated Water Transmission & Distribution Projects	ENG	TWT&D	Ongoing	5,700,000	6,400,000	200,000	-	-	12,300,000
	<i>Treated Water Storage Projects</i>			-						
	Songbird 10 MG Tank and Related Pipeline within Whitney Ranch Parkway	ENG	TW Storage	-	-	-	-	-	8,000,000	8,000,000
	Treated Water Storage Projects	ENG	TW Storage	Ongoing	-	-	-	-	8,000,000	8,000,000
	<i>Planning Projects</i>									
14056W	RiverArc	ENG	Planning	322,437	65,000	65,000	65,000	65,000	65,000	325,000
	Urban Water Management Plan (Water Resources Plan)	ENG	Planning	-	-	-	-	-	60,000	60,000
	Water System Planning	ENG	Planning	-	-	50,000	-	50,000	-	100,000
	Planning Projects	ENG	Planning	Ongoing	65,000	115,000	65,000	115,000	125,000	485,000

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
SUBTOTAL WATER DIVISION EXPANSION PROJECTS					5,765,000	7,515,000	265,000	115,000	8,125,000	21,785,000
WATER DIVISION - RATES PROJECTS										
	<i>Treatment Projects</i>			363,667						
	Alta WTP Carbon Feed Building	ENG	Treatment	-	-	-	50,000	75,000	-	125,000
	Foothill Actiflo Sand Recirculation System Replacement	ENG	Treatment	-		120,000	1,000,000	-	-	1,120,000
	Bowman WTP Upgrades - Phase 3- Flocculator Basin Rebuild	ENG	Treatment	-	-	1,750,000	-	-	-	1,750,000
18005W	Colfax WTP	ENG	Treatment	22,808	8,500,000	7,500,000	180,000	180,000	-	16,360,000
21014W	Foothill WTP Grit Structure Screen Replacement	ENG	Treatment	85,463	1,160,000	-	-	-	-	1,160,000
	Monte Vista WTP Building Replacement	ENG	Treatment	-	-	-	150,000	1,000,000	-	1,150,000
	Foothill #1 Washwater Valve Replacements	ENG	Treatment	-	-	-	400,000	-	-	400,000
	Foothill/Sunset WTP Replacement Generators	ENG	Treatment	-	-	-	-	1,500,000	-	1,500,000
	Foothill #1 ACTIFLO Mixer and Scraper Replacement	ENG	Treatment	-	-	-	-	-	180,000	180,000
18032W	Treatment Projects	ENG	Treatment	471,938	9,660,000	9,370,000	1,780,000	2,755,000	180,000	23,745,000
	<i>Treated Water Transmission & Distribution Projects</i>			212,852						
18022W	Alta Loop Pipeline (Cable/Powerhouse Rd.)	ENG	TWT&D	2,925,258	120,000	-	-	-	-	120,000
	Applegate Intertie/Meadow Vista	ENG	TWT&D	-	-	-	100,000	400,000	-	500,000
	Bowman Pipeline Replacement - Porter Dr to Haines Rd	ENG	TWT&D	-	180,000	-	1,300,000	-	-	1,480,000
	Covey Road Pipe Replacement	ENG	TWT&D	-	100,000	-	500,000	-	-	600,000
21005W	Distribution Meters - Bowman, Applegate & Monte Vista WTP	ENG	TWT&D	136,100	150,000	-	-	-	-	150,000
	Fulweiler Ave to Garfield St. Main Replacement	ENG	TWT&D	-	-	-	120,000	630,000	-	750,000
21023W	Ginger Dr./Valley View Main Replacement	ENG	TWT&D	44,424	-	1,650,000	-	-	-	1,650,000

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
	High Street from Elm to East Placer Pipeline Replacement	ENG	TWT&D	-	-	-	-	250,000	1,000,000	1,250,000
21016W	I-80 Crossings Condition Assessment (TW)	ENG	TWT&D	54,604	110,000	125,000	-	1,000,000	-	1,235,000
21029W	Rocklin Pipeline Replacement Program	ENG	TWT&D	41,722	2,300,000	-	2,800,000	-	2,000,000	7,100,000
	Old State Highway - Buena Vista to Taylor Road	ENG	TWT&D	-	100,000	400,000	-	-	-	500,000
	Northstar Pump Station Replacement	ENG	TWT&D	-	220,000	-	1,100,000	-	-	1,320,000
	Water Meter Replacement Program	CS	TWT&D	-	45,000	-	100,000	-	100,000	245,000
	Crystal Springs Pipe Loop - Auburn	ENG	TWT&D	-	-	-	-	120,000	1,000,000	1,120,000
18033W	Treated Water Transmission & Distribution	ENG	TWT&D	3,414,960	3,325,000	2,175,000	6,020,000	2,400,000	4,100,000	18,020,000
	<i>Treated Water Transmission & Distribution - Other Projects</i>									
	Non Agency Project Facility Relocation	ENG	TWT&D-O	-	250,000	100,000	100,000	100,000	100,000	650,000
18033W	Treated Water Transmission & Distribution - Other Projects	ENG	TWT&D-O	-	250,000	100,000	100,000	100,000	100,000	650,000
	<i>Raw Water Transmission & Distribution Projects</i>			270,234						
	Antelope Stub	ENG	RWT&D	-	-	-	-	50,000	350,000	400,000
21015W	I-80 Crossings Condition Assessment (RW)	ENG	RWT&D	54,215	110,000	125,000	-	1,000,000	-	1,235,000
	ARPS Intake #6 Repair	ENG	RWT&D	-	-	-	-	250,000	500,000	750,000
20048W	Spring Valley Flume Replacement	ENG	RWT&D	96,886	450,000	-	-	-	-	450,000
	Mammoth Reservoir Low Level Outlet Repair	ENG	RWT&D	-	100,000	500,000	-	-	-	600,000
	Canyon Creek Bypass Feasibility Study	ENG	RWT&D	-	-	50,000	-	-	-	50,000
	East Side Canal - RCP Sliplining	ENG	RWT&D	-	120,000	-	-	-	-	120,000
18011W	Hayford Siphon Phase 2	ENG	RWT&D	4,108,130	290,000	-	-	-	-	290,000

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
	Kilmer Siphon Replacement	ENG	RWT&D	-	-	100,000	600,000	-	-	700,000
	Lower Banvard Pipe (Lozanos Rd.)	ENG	RWT&D	-	-	-	-	-	800,000	800,000
	Middle Fiddler Railroad Flume Repair	ENG	RWT&D	-	-	-	-	50,000	600,000	650,000
	Raw Water Canal Automation	ENG	RWT&D	-	-	-	-	100,000	-	100,000
18034W	Raw Water Transmission & Distribution Projects	ENG	RWT&D	4,529,465	1,070,000	775,000	600,000	1,450,000	2,250,000	6,145,000
	<i>Treated Water Storage Projects</i>			57,334						
	Alta Redwood Tank Replacement	ENG	TW Storage	-	-	-	-	1,500,000	-	1,500,000
	Applegate Tank Replacement	ENG	TW Storage	-	-	400,000	400,000	-	-	800,000
21012W	Monte Vista Redwood Tank Replacement	ENG	TW Storage	91,870	1,500,000	-	-	-	-	1,500,000
	Tank Recoating	ENG	TW Storage	-	-	-	500,000	-	500,000	1,000,000
18035W	Treated Water Storage Projects	ENG	TW Storage	149,204	1,500,000	400,000	900,000	1,500,000	500,000	4,800,000
	<i>Raw Water Storage Projects</i>			300,000						
17011W	Lake Alta Dam Modifications	ENG	RW Storage	1,433,047	-	1,830,000	-	-	-	1,830,000
18036W	Raw Water Storage Projects	ENG	RW Storage	1,733,047	-	1,830,000	-	-	-	1,830,000
	<i>Groundwater Projects</i>									
	Well Demolition - Bianchi Estates	ENG	Groundwater	-	50,000	100,000	-	-	-	150,000
18037W	Groundwater Projects	ENG	Groundwater	-	50,000	100,000	-	-	-	150,000
	<i>Field Services Projects</i>									
	2022 Field Services RWCIP	FIELD	Various	474,831	450,000	500,000	500,000	500,000	500,000	2,450,000
	2022 Field Gunite CIP	FIELD	Various	34,180	1,250,000	1,000,000	1,000,000	1,000,000	1,000,000	5,250,000

2022 Capital Improvement Plan - Five Year Plan

Project No.	Project Description	Project Lead	Project Type	Project-to-Date Available Balance	Adopted 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	TOTAL 2022-2026
	2022 Field Services TWCIP	FIELD	Various	611,012	350,000	500,000	500,000	500,000	500,000	2,350,000
	Field Services Projects	FIELD	Various	Ongoing	2,050,000	2,000,000	2,000,000	2,000,000	2,000,000	10,050,000
	<i>Planning Projects</i>									
	Urban Water Management Plan	ENG	Planning	-	-	-	-	-	60,000	60,000
	Planning Projects	ENG	Planning	Ongoing	-	-	-	-	60,000	60,000
	<i>Other Projects</i>									
	Safety Program	ENG	Miscellaneous	-	94,500	63,000	31,500	-	-	189,000
20046W	Enterprise Resource Planning	IT	Other	926,213	-	1,692,000	-	-	-	1,692,000
17008W	Colfax Ballpark Tank Slope Stabilization	ENG	Miscellaneous	18,251	300,000	-	-	-	-	300,000
	SCADA - Ophir Road Pump - Programable Logic Controller Replacement	DWO	Miscellaneous	-	300,000	150,000	-	-	-	450,000
	SCADA - Model 9710, 900MHz Radio Upgrades	DWO	Miscellaneous	-	75,000	-	-	-	-	75,000
	Water System Modeling - Renewal and Replacement	ENG	Miscellaneous	-	-	20,000	-	20,000	-	40,000
21007W	Sierra Center HVAC Replacement	ENG	Miscellaneous	43,778	60,000	-	-	-	-	60,000
	Maidu Bldg 494 & 496 HVAC Replacement	ENG	Miscellaneous	-	50,000	-	-	-	-	50,000
	SCADA - GE Proficy iFix Upgrade	DWO	Miscellaneous	-	-	75,000	-	-	-	75,000
16013W	Water System Security Improvements	ENG	Miscellaneous	650,207	-	-	100,000	-	100,000	200,000
	Other Projects	ENG	Miscellaneous	Ongoing	879,500	2,000,000	131,500	20,000	100,000	3,131,000
SUBTOTAL WATER DIVISION - RATES PROJECTS					18,784,500	18,750,000	11,531,500	10,225,000	9,290,000	68,581,000
TOTAL WATER DIVISION PROJECTS					24,549,500	26,265,000	11,796,500	10,340,000	17,415,000	90,366,000
TOTAL CIP BUDGET					43,878,350	46,875,000	32,842,000	27,535,000	28,835,000	179,965,350

Capital Improvement Plan - 2022 Project Descriptions



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Placer County Water Agency

2022

Project Descriptions

AGENCY WIDE PROJECTS

American River Water Rights Extension

This project will prepare the required environmental documents to extend the horizon of perfecting the American River Water Rights to Year 2043. This will include analyzing impacts of increasing PCWA's American River diversions from current levels to 120,000 acre-feet. The areas of analysis will include the American River, Folsom Reservoir, Lower American River, the Central Valley Project and State Water Project areas north of the Delta, the Delta, and expected locations of consumption. The Project also includes negotiations with the Bureau of Reclamation to secure a Long-term Warren Act Contract (LTWAC) for utilization of Folsom Reservoir and Endangered Species Act (ESA) consultation with National Marine Fisheries Service. The necessary environmental documents are being prepared and will be circulated for public review in early 2022.

CVP Service Area Expansion

This project includes processing an expansion of PCWA's Central Valley Project (CVP) Service Area with the United States Bureau of Reclamation to match the extent of lands served by PCWA. PCWA's current CVP Service Area does not include certain lands served by PCWA and capable of beneficially using CVP water (Project Water). This expansion would make PCWA's CVP Service Area coextensive with PCWA's Middle Fork Project water rights place of use and allow PCWA to operate its water system more efficiently and effectively.

RiverArc

This project is a large regional project helping provide sustainability and reliability to the water distribution system. It routes water from the Sacramento River to offset the demand from the American River, as well as allows agencies to take advantage of groundwater banking, and unused water rights. The budget for this project reflects the cost of coordination with agencies and planning this project, including CEQA.

Biomass Energy Generation

This project will evaluate the feasibility of constructing and operating a 3- to 5-megawatt biomass power plant on Agency owned property to the immediate west of the Ophir WTP. The biomass power plant is to use, at an 80% minimum on an annual basis, forest sourced woody biomass. Most of this forest sourced biomass will come from Placer and adjacent counties per forest thinning activities to improve forest health, reduce the potential for catastrophic wildfire, and protect watershed values.

144 Ferguson 1st Floor Lobby Improvements

This project will modify and improve the use of office space in the area of the Administrative Services Department counter in the customer service lobby of the Agency Business Center. The project will include creation of a new conference space, relocation of the existing Bear River Room, and a reorganization of staff workspace.

Safety Program

This project will establish an Agency-wide safety program.

EV Infrastructure

This project will analyze and eventually design solar power generation and battery electric storage infrastructure at the Business Center and Auburn Water Treatment Plant including 165 Ferguson Road which houses the Information Technology (IT) and Energy Marketing departments to offset energy use of these facilities and for the potential future electrification of Agency vehicles.

Water Efficiency & Education Center

The Water Efficiency and Education Center will house the water efficiency staff of the Customer Services Department and would also provide a location for public education and outreach on water efficiency and water conservation. The center would also be available for public meetings, including PCWA Board of Directors meetings.

COUNTY-WIDE MASTER PLAN PROJECTS

Financial Assistance Program

Financial Assistance Program (FAP) to provide financial assistance, in the form of loans or grants, to eligible districts to improve the supply and reliability of water within the Agency's jurisdiction.

POWER DIVISION PROJECTS

Minor Projects:

Existing Project Adjustment Fund

These unallocated funds will be utilized to facilitate an increase to an individual project's annual expenditure level for unforeseen issues during a capital project. Transfers from this account to individual projects is based on the need for an increase and accomplished pursuant to section 3.2.5 in the Middle Fork Authority's General Financial Policies.

MFP Security Improvements

This project will update the Middle Fork Project security to a standard platform shared across the Agency.

Major Projects:

Middle Fork Project Forest Management

The aim of the Middle Fork Project Forest Management project is to increase the pace and scale of forest restoration in a critical municipal watershed, using an approach of ecologically-based forest management.

Interbay Sediment Removal

The project includes removing accumulated sediment from Middle Fork Interbay regulating reservoir within the Middle Fork Project. Budgeted funds will be utilized for anticipated road paving repairs necessary to truck large loads of sediment.

French Meadows Powerhouse Reliability Upgrades

1. French Meadows Penstock Interior Inspection and Recoating – This project will cover preparing contract documents, bidding, dealing with confined space conditions, removal of the existing coal tar lining, surface preparation, installation of a new lining and handling hazardous materials. Construction is scheduled for May 2023. Going forward, penstock interior inspections will occur on a 5-year cycle.
2. French Meadows Generator and GSU Protection Upgrade – This project is for the upgrade of the existing electromechanical protective relays on the generator and generator step-up (GSU) transformer with microprocessor based relays.
3. French Meadows Plant RTU Replacement – This project replaces the legacy GE D20 Remote Telemetry Unit (RTU) with a modern, upgraded RTU. An RTU is a microprocessor-controlled electronic device that interfaces physical devices in the plant to the SCADA (Supervisory Control And Data Acquisition) system to allow remote monitoring and control of a hydroelectric powerhouse.
4. French Meadows Turbine PRV Replacement – This project is for the modification or replacement of the turbine Pressure Relief Valve (PRV) to a combination PRV and turbine bypass valve. Currently when the turbine-generator, main transformer, or 60 kV circuit breaker is out of service, there is no way to pass water from French Meadows Reservoir to Hell Hole Reservoir. The PRV is not designed for continuous water bypass around the turbine. This turbine PRV modification or replacement will allow continuous water bypass around the turbine.

Hell Hole Powerhouse Reliability Upgrades

1. Hell Hole Substation Rebuild – This project will replace the existing transformer at Hell Hole Substation, to include adding necessary circuit breakers and protection. All PG&E and CAISO metering will be moved to a single point of interconnection as well.
2. Hell Hole Governor Upgrade – This project is for the replacement and upgrade of the existing obsolete and unsupported turbine governor control system with modern digital

controls. This upgrade will also allow automation of the turbine and stream maintenance valve to meet new FERC License requirements.

FERC License Implementation - Project Infrastructure

These capital projects consist of infrastructure work required under the new FERC license. The work includes:

1. Hell Hole Dam Seasonal Storage – This project would install operable spillway gates at the uncontrolled granite spillway of the dam, and allow the storage of an additional 6,000 acre-feet of water. The additional capacity would provide several potential benefits: capturing spill water for generation; allowing more generation to be shifted from spring to the summer and fall when demands are higher; and, increasing the head pressure and therefore turbine output at Middle Fork Powerhouse.
2. Hell Hole Dam Outlet Works Upgrade – This project will consist of a feasibility study that will include a test plan to determine a maximum safe pulse flow rate between 200 and 600 cfs that can be passed through the outlet. Once that flow rate is determined, any needed improvements will be designed, and the outlet works modified to safely pass the pulse flow.
3. Duncan Creek Diversion Dam Upgrade & Trail – This project will modify and reconstruct the diversion structure at Duncan Creek Diversion Dam. The new structure will include: bedload and suspended sediment transport past the diversion dam during high-flow events; capability to operate the facility with a new schedule of minimum instream flows based on the time of year and the water year type; capability to pass downstream spring pulse flows during wet and above-normal water years; and downstream fish passage.
4. North Fork Long Canyon Diversion Upgrade, Stream Gage and Trail – This project will modify and/or construct a new diversion structure at North Fork Long Canyon, including sediment passage capabilities, screen diversion flows, and fish transport. This project is currently undergoing alternatives analysis.
5. South Fork Long Canyon Diversion Upgrade – This project will modify and/or construct a new diversion structure at South Fork Long Canyon, including sediment passage capabilities, screen diversion flows, and fish transport. This project is currently undergoing alternatives analysis.
6. Middle Fork Project Power Pole Upgrades – This project is to provide for annual inspections, and a maintenance, repair, replacement program for overhead utility poles. Included in this scope are avian safety upgrades.
7. Middle Fork Project Cooperative Road Management – This project is to establish an agreement and procedures to create and annually fund a road maintenance account for repair and maintenance of joint use Agency and United State Forest Service roads.

FERC License Implementation – Project Recreation Facilities

This project consists of work to rehabilitate recreational facilities that will be required by the new FERC license. The work includes:

1. Indian Bar River Access – This project will reconstruct the existing boat ramp facility at Indian Bar to include a white water raft staging area, supplemental raft slide, and additional restrooms.
2. French Meadows RV Dump Station and Campground – The purpose of this project is to update the French Meadows RV dump station and to redesign and reconstruct select elements of the French Meadows campground. Upgrades include reconstructing interior roads and campground spurs to accommodate larger vehicles, replace multiple vault toilets, replace message boards, signs, camp site amenities and on-site water system.
3. French Meadows South Shore Water Supply – This project will replace the existing horizontal groundwater well with a new groundwater well suitable for supplying the French Meadows campground, picnic area and boat ramp. The water system will be a new vertical well, storage tank, building, generator, and piping to the three sites aforementioned.
4. Hell Hole Boat Ramp Extension – This project will extend the boat ramp 250 linear feet, to an approximate elevation of about 4,485' with one turn-around area.
5. Hell Hole Upper Campground – This project is for the removal of the underutilized facility. Scope for this project includes removing all tables, fire rings, and stoves from campsites 1-13. Additionally, this project will remove pit toilets and restore paths, barren and/or compacted areas through means agreed to by the United States Forest Service in order to return the site to natural conditions.
6. Middle Fork Powerhouse Pedestrian Bypass – This project is to provide public pedestrian access to the upstream side of Middle Fork Powerhouse. Work to consist of trail construction from the 60KV Switchyard access road, using standard US Forest Service trail building guidelines.

WATER DIVISION PROJECTS

Water Connection Charge Expansion Projects:

Treated Water Transmission and Distribution Projects

Treated Water Transmission and Distribution projects include repair, modification, or installation of new infrastructure related to the treated water system. The infrastructure includes, but is not limited to, pipelines, pressure reducing stations, valves, meters, pump stations, buildings, electrical systems and instrumentation, and other components related to distributing treated water to wholesale and retail customers.

1. Duncan Hill Treated Water Pipeline – This project will construct a treated water pipeline to connect the Auburn/Bowman system in the area of Millertown Road

to the upper Foothill System in the vicinity of Ophir Road through the Duncan Hill neighborhood, eliminating two dead end pipelines. The project would include installing a 12-inch diameter pipeline approximately 1.5 miles in length. This pipeline would also provide access of treated water to approximately forty constructed conveyance customers that currently utilize private groundwater wells with intermittent flow and/or canal water from the Fiddler Green Canal.

2. Tinker Pump Station Improvements – Roseville Partnership – This project, in partnership with Roseville, will complete improvements to the Tinker Road Pump Station in order to pump 10 million gallons a day (MGD) during drought conditions.
3. Colfax to Applegate Regionalization Study – The purpose of this study is assess the region between Colfax and Applegate in our Upper Zone 6 system to identify potential infrastructure needs and associated costs to serve treated water to unserved and/or underserved areas.

Planning Projects

Planning projects analyze proposed infrastructure alternatives necessary to expand capacity of water systems to serve new development. Analyses include demand forecasting, evaluating available capacity, hydraulic modeling, feasibility studies, cost estimates and financial studies. Infrastructure includes all components, from water supply through distribution. Results of these projects are compiled into technical memorandums, reports, and/or masterplans.

1. RiverArc – This project is a large regional project helping provide sustainability and reliability to the water distribution system. It routes water from the Sacramento River to offset the demand from the American River, as well as allows agencies to take advantage of groundwater banking, and unused water rights. The budget for this project reflects the cost of coordination with agencies and planning this project, including CEQA.

Rates Projects:

Treatment Projects

Treatment projects include repair, modification, or installation of new infrastructure related to water treatment plants and/or their processes that result in producing potable drinking water from source water supplies.

1. Colfax WTP – The existing WTP is approaching the end of its operational life and Agency staff are targeting having a new plant constructed within the next 4 years. This new plant will include additional treatment capacity to address Upper Zone 6 regional supply assessment needs for potential future consolidation of smaller water purveyors in the region. In 2018 a site alternatives analysis and feasibility study for the new WTP was completed. In 2020, Agency staff began

environmental, permitting and land acquisition efforts. Design began in 2021 and will be completed in 2022. Construction to begin in 2023.

2. Foothill WTP Grit Structure Screen Replacement – This project will replace the existing bar screens at the Foothill WTP grit structure. The existing bar screens have reached the end of their operational life.

Treated Water Transmission and Distribution Projects

Treated Water Transmission and Distribution projects include repair, modification, or installation of new infrastructure related to the treated water system. The infrastructure includes, but is not limited to, pipelines, pressure reducing stations, valves, meters, pump stations, buildings, electrical systems and instrumentation, and other components related to distributing treated water to wholesale and retail customers.

1. Alta Loop Pipeline (Cable/Powerhouse Rd.) – This project will replace approximately 2,500 feet of existing steel water main pipe and install approximately 1,200 feet of new water main in Alta, CA. The project will loop the water distribution system in Alta and include a pressure reducing system as the design will connect two different pressure zones of the system.
2. Bowman Pipeline Replacement - Porter Dr to Haines Rd. – The project will abandon and replace roughly 3300-feet of 14-inch wrapped steel main that runs cross-country from Haines Rd. to Porter Dr. in Auburn. Project will also transfer services from the 14-inch steel main to the 24-inch ductile iron pipe as needed.
3. Covey Road Pipe Replacement – Replace 620-feet of 12-inch Techite Main, from the AC main transitions to the end of the water main due to pipe material type, reliability, and potentially rightsizing master meters. Includes transitioning of 11 services and 3 master meters feeding numerous residences.
4. Distribution Meters – Bowman, Applegate, and Monte Vista WTP – This project will install new flow meters to measure flow from the WTPs at Bowman, Applegate, and Monte Vista into their respective distribution systems. The meters will permit better water use data and water audit capabilities for improved operation of their respective systems.
5. Rocklin Pipeline Replacement Program – This project will identify and begin design to replace another portion of the water distribution system within the areas of Midas Ave., South Whitney Blvd., and Argonaut Ave. in Rocklin.
6. Old State Highway - Buena Vista to Taylor Road – This project will replace approximately 1,440- feet of 8- and 6-inch steel main through a small RR track tunnel.
7. I-80 Crossings Condition Assessment (TW) – This project will assess and evaluate approximately six to ten treated water crossings of Interstate 80 to assess future repair or replacement needs.
8. Water Meter Replacement Program – This project will continue to install Advanced Metering Infrastructure (AMI) capable equipment to replace existing meters

9. Northstar Pump Station Replacement – This project will replace the pump station located at Northstar and Ascension Streets in Rocklin and includes new pumps, pressure tank, and electrical upgrades in a below grade vault.

Treated Water Transmission & Distribution - Other Projects

Treated Water Transmission & Distribution Projects include Agency facility relocation resulting from non-Agency projects such as street repairs and repaving, road realignments, intersection conversions into roundabouts, and storm drainage repairs where the Agency facilities do not possess prior property rights. This budget is used “as needed” and cannot be used for any other project.

1. Non Agency Project Facility Relocation – Budget allocation for use to relocate Agency facilities in a non-Agency project work site.

Raw Water Transmission and Distribution Projects

Raw Water Transmission and Distribution projects include repair, modification, or installation of new infrastructure related to the raw water system. The infrastructure includes, but is not limited to, pipelines, pressure reducing stations, valves, meters, pump stations, buildings, electrical systems and instrumentation, and other components related to distributing raw water to wholesale and retail customers.

1. I-80 Crossings Condition Assessment (RW) – This project will assess and evaluate approximately six to ten raw water crossings of Interstate 80 to assess future repair or replacement needs.
2. Spring Valley Flume Replacement – The Spring Valley Flume is a segment of PCWA’s Boardman Canal in Colfax off of Ben Taylor Road that traverses a drainage ravine. The project will replace the existing 37-foot wooden flume with a steel and reinforced concrete flume.
3. Mammoth Reservoir Low Level Outlet Repair – This project will repair the reservoir’s low level outlet pipe which was determined to be corroded and at the end of its operational life during a 2021 Division of Safety of Dams annual inspection.
4. East Side Canal - RCP Sliplining – This project will slipline approximately 2,800 linear feet of a reinforced concrete pipe (RCP) section between Horseshoe Bar Road and Brace Road.
5. Hayford Siphon Phase 2 – This project will replace approximately 2,900 LF of 30” riveted steel pipe with 36” ductile iron pipe. The siphon is part of the Boardman Canal system. A portion of the pipe crosses beneath the Union Pacific Railroad. The project also includes a new siphon inlet structure to replace the existing inlet structure that has also reached the end of operational life.

Treated Water Storage Projects

Treated Water Storage projects include repair, modification, or installation of new infrastructure related to the storage of treated water. The infrastructure includes, but is not limited to, storage tanks, tank mixers and vents, and electrical systems and instrumentation.

1. Monte Vista Redwood Tank Replacement – This project will replace the existing redwood water storage tank at Monte Vista WTP with a new steel tank.

Groundwater Projects

Groundwater projects include repair, modification, installation of new infrastructure, repair of existing infrastructure, or abandonment and decommissioning of existing infrastructure related to groundwater. The infrastructure includes, but is not limited to wells, well pumps, storage tanks, and pressure and surge control systems.

1. Well Demolition - Bianchi Estates – This project will demolish, abandon, and properly decommission two wells on the Bianchi Estates property in Roseville. The project will also demolish and remove existing surface improvements include a water storage tank.

Field Services Projects

Field Service projects repair and/or replace portions of the system that have deteriorated due to age such as canal guniting, flume components, and sections of pipe and services. The purpose of these projects is to minimize leaks and optimize the efficiency of the water system throughout the year.

1. Raw Water Maintenance Projects – Buffalo Ranch Flume understructure and steel lining, Baughman Flume understructure and steel lining, Johns Flume steel lining replacement, Liz Taylor Flume to pipe project, Rubicon gate install at Pulp Mill Canal.
2. Guniting – Various locations throughout the system.
3. Treated Water Maintenance Projects – Robie Drive main replacement in Auburn and 2nd Street main replacement in Newcastle.

Other Projects

These projects typically include SCADA, security, and general facility and site improvement projects.

1. Safety Program – This project will establish an Agency-wide safety program.
2. SCADA - Ophir Road Pump - Programmable Logic Controller Replacement – This project will replace the existing Pico Programmable Logic Controllers (PLCs) on the Auburn Tunnel Pumps and the Foothill Raw Water Pumps located at the Ophir

Road Pump Station. The Pico PLCs have reached the end of their operational life, are obsolete, and are no longer supported by the manufacturer

3. SCADA - Model 9710, 900MHz Radio Upgrades – This project will replace programable logic controllers and serial 9710 radios for multiple Distribution and Raw Water remote terminal unit sites. The existing components are legacy and have no support nor hardware spares.
4. Colfax Ballpark Tank Slope Stabilization – This project will stabilize the cut slope above the Colfax Ballpark Tank with the use of stone gabions.
5. Sierra Center HVAC Replacement – This project includes the replacement of existing HVAC units with new and includes modification and extension of ducting to improve unit efficiency.
6. Maidu Bldg 494 & 496 HVAC Replacement – This project will replace the HVAC units at two building at the Maidu facility that have reached the end of their operational life.

Supplemental Information

WATER FACTS

1 Cubic Foot	=	7.48 GAL
100 Cubic Feet	=	748 GAL
100 Cubic Feet	=	1 CCF (std. bill unit*)
1 Acre Foot**	=	43,560 CF
1 Acre Foot**	=	325,851 GAL
1 CFS	=	448.8 GPM
1 CFS	=	646,272 GPD
1 CFS for 24 hours	=	1.98 AF
1 CFS for 30 days	=	59.5 AF
1 CFS for one year	=	724 AF
1 Gallon	=	8.34 Pounds
1 MGD	=	3.07 AF per day
1 MGD	=	1,120 AF per year
1 Miner's Inch	=	11.22 GPM
1 Miner's Inch	=	16,157 GPD
1 Miner's Inch	=	1.49 AF for 30 days
1 Miner's Inch	=	18.10 AF for 1 year

ABBREVIATIONS

AF	=	Acre foot	GAL	=	Gallon
CF	=	Cubic foot	GPD	=	Gallons per day
CCF	=	100 Cubic feet	GPM	=	Gallons per minute
CFS	=	Cubic foot per second	MGD	=	Million gallons per day

* The Agency bills per unit of measure, which is 100 cubic feet (unit).

** An acre-foot of water is enough to cover one acre of land one foot deep.





PLACER COUNTY WATER AGENCY
SINCE 1957

BOARD OF DIRECTORS

Gray Allen, District 1

Primo Santini, District 2

Mike Lee, District 3

Robert Dugan, District 4

Joshua Alpine, District 5

Andrew Fecko, General Manager

BUSINESS CENTER

144 Ferguson Road

MAIL

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WWW.PCWA.NET

OVERVIEW OF THE PLACER COUNTY WATER AGENCY

Placer County Water Agency (PCWA) was created in 1957 under its own state legislative Act entitled the “Placer County Water Agency Act.” The Agency is self-governed with policy and regulatory decisions determined by an independently elected five member Board of Directors. Highly experienced men and women working together as a team under administrative direction of a General Manager provide Agency services and activities. Since its inception the Agency has been actively involved in Placer County’s 1,500 square miles on a wide variety of water and energy issues.

Agency Wide

Agency officials understand the complexities, interrelationships and importance of sustaining reliable and affordable water and energy for Placer County’s present and future needs. The Agency holds extensive “area of origin” surface water entitlements on the Middle Fork American River and long-term contracts for Yuba River water which are used to serve retail and wholesale customers within Placer County. The Agency is actively involved in numerous collaborative partnerships, watershed stewardship, surface and groundwater management integrated water resource planning, and regional infrastructure projects. These include involvement in water issues affecting the Lake Tahoe and Truckee River, the American River, the Yuba/Bear Rivers, the Sacramento River and the Bay/Delta system. Advocacy for water entitlements and energy resources for all Placer County residents are at the forefront of Agency Wide interests and activities.

Power System

The Agency’s Power System was established with the construction of the Middle Fork American River Hydroelectric Project (MFP) that began in 1963 and was completed in 1967. The Agency owns and operates five interconnected hydroelectric power plants, two large storage reservoirs (French Meadows and Hell Hole), two small regulating reservoirs and twenty-four miles of tunnels. With approximately 347,000 acre-feet of gross water storage capacity and 232.4 megawatts of reliable generating capacity, the MFP produces an average 1 million megawatt hours of hydroelectric power each year that is sold directly to the California Independent System Operator (CAISO). This is sufficient to provide reliable power to nearly a quarter of a million retail residential electricity customers. In addition to energy sales, the MFP also provides energy-related products that are sold through bilateral contracts, which includes resource adequacy, renewable energy credits and carbon free credits. The MFP also provides important public recreational opportunities enabling public access to lands and reservoirs, including campgrounds and boating facilities as constructed by the Agency and operated through the U.S. Forest Service.

Water System

The Agency’s Water System was established in 1968. It has become the largest water purveyor in the county serving more than 41,000 water accounts. Surface water supplies are purchased from PG&E (from the Yuba/Bear Rivers) and Agency Wide (from the American River). The Agency owns and operates over 165 miles of untreated water canals, ditches, flumes and pipelines in addition to several small reservoirs, most of which were built in the Gold Rush era. A significant amount of Agency untreated water irrigates pastures, orchards, rice fields, farms, ranches, golf courses and landscaping. The Agency owns and operates 8 water treatment plants, 24 water tanks, and over 600 miles of treated water pipelines. Treated surface water is sold directly to Agency customers residing in Auburn, Colfax, Loomis, Rocklin, portions of Roseville and throughout various unincorporated areas of Placer County. Agency treated water is sold wholesale to the City of Lincoln and other purveyors who retail it directly to their customers. The Agency also utilizes groundwater to occasionally supplement surface water supplies when needed in Western Placer County.

Inquiries may be referred to the PCWA Customer Service Center at (530) 823-4850 or via www.pcwa.net.

Placer County Water Agency

AUTHORIZED POSITIONS

As of: December 6, 2021

The following is a summary of authorized regular positions of the Agency.

GOVERNANCE POSITIONS:

BOARD OF DIRECTORS

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STAFF POSITIONS:

REGULAR: Regular positions are also referred to as “full time” or “core” positions and each is budgeted at 2,080 hours annually (40 hour week x 52 weeks). This table represents staff as they are primarily budgeted, although some staff provides support to other divisions. Agency Wide labor and benefit costs are almost entirely allocated to Power and Water Divisions through service level support.

Departments	Agency			Total
	Wide	Power	Water	
General Manager's Office				
• General Manager	2.5			2.5
• Legal Office	1.3	0.3	0.3	2.0
• Strategic Affairs Resource Management	2.0	1.0		3.0
Administrative Services	8			8
Energy Marketing		4		4
Finance	12.5	1		13.5
Customer Services	2		28	30
Field			59	59
Information Technology	11	2	4	17
Technical Services				
• Drinking Water Operations			31	31
• Engineering	1	2	24	27
Power System*		34		34
REGULAR POSITIONS TOTAL	40.3	44.3	146.3	231

*3 FTE's are authorized but not budgeted

Prepared by:



Placer County Water Agency

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