



Metro Finance Committee
(Finance Advisory Committee to Metro JPA)

TO: Finance Committee Members and Metro Commissioners
DATE: Wednesday, May 25, 2011
TIME: 8:30 a.m.
LOCATION: Atkins (formerly PBS&J), 9275 Sky Park Court, Suite 200, San Diego*

* The location and time of future meetings is subject to change

THIS NOTICE HAS BEEN DISTRIBUTED TO THE METRO COMMISSIONERS AND FINANCE COMMITTEE MEMBERS.

1. Roll Call
2. Public Comments
Persons speaking during Public Comment may address the Metro Finance Committee on any subject matter within the jurisdiction of the Metro Finance Committee that is not listed as an agenda item. Comments are limited to three (3) minutes. Please complete a Speaker Slip and submit it prior to the meeting.
3. Approval of Minutes from the February 23, 2011 Finance Committee Meeting (**Attachment**)
4. Metro Wastewater Financial Update
5. Amendment No. 1 to PBS&J 2011 Contract (Name Change to Atkins and Change of Scope) (**Attachment**)
6. Atkins 2012 Contract and Scope of Work (**Attachment**)
7. Metro Wastewater JPA 2012 Budget
8. Recycled Water Revenue Issue (**Attachment**)
9. Review of Items to be Brought Forward to the Metro Commission/Metro JPA
10. Other Business of the Finance Committee
11. Adjournment

The Metro Finance Committee may take action on any item listed on the Agenda whether or not it is listed "for action".

Materials provided to the Metro Finance Committee related to any open-session item on this agenda are available for public review by contacting Karyn Keese (858)514.1008 during normal business hours.

<u>Finance Committee 2011 Meeting Schedule</u>		
January 26	May 25	September 28
February 23	June 29	October 26
March 23	July 27	November 30
April 27	August 31	December 28

***In compliance with the
AMERICANS WITH DISABILITIES ACT***

The Metro Finance Committee requests individuals who require alternative agenda format or special accommodations to access, attend, and/or participate in the Metro Finance Committee meetings, contact Margaret O'Donnell at (619)525.1354, at least forty-eight hours in advance of the meetings.

Agenda Item 3



Metro Wastewater JPA Finance Committee
February 23, 2011
Draft Minutes

Meeting called to order: 8:34 a.m. at PBS&J Offices, 9275 Sky Park Court, San Diego, CA 92101 by Committee Chairman Ovrom.

1. Roll Call

Attendees:

Al Ovrom, Committee Chairman, Metro Wastewater JPA Finance Committee
Merrilee Boyack, Vice- Chair, Metro Wastewater JPA Finance Committee
Ernie Ewin, Metro Wastewater JPA Chairman
Augie Caires, Committee Member

Karyn Keese, PBS&J
Paula de Sousa, BBK

City of San Diego Staff:

Peggy Merino, Public Utilities Department (PUD)

General Public:

There were no general public.

2. Public Comment

There was no public comment.

3. Approval of Minutes from the July 28, 2010 Finance Committee Meeting

Ms. Keese stated that there was one typographical error in the minutes. Under Item 11 the next regular Finance Committee was to be August 25, 2010. Upon motion by Vice-Chairman Boyack, seconded by Committee Member Caires, the July 28, 2010 Regular Meeting Minutes were approved subject to the change of the date noted above with Committee Member Ewin abstaining. It was noted by Committee Member Ewin that there was no meeting last month due to the lack of a quorum.

4. 2009 Exhibit E Audit Final Reconciliation

Ms. Keese reviewed the final closeout of the 2009 Exhibit E Audit. The 2009 year budget for the PAs was lowered to \$57.5 million from the normal \$65 million in annual contributions. The audited cost for the PAs came in \$50,523 overall higher than the budget. These additional costs were for treating the wastewater flow. In addition the Metro system experienced an overall 8% decrease in flows. Thus higher than expected costs divided by lower than expected flows caused an overall increase in flow related costs of 9%. Some agencies will see a refund others will be invoiced for their additional 2009 costs based on their proportionate share of the overall audited costs and flows.

Vice-Chair Boyack asked what the total Metro Wastewater JPA Budget was for 2009 and how much were the findings from the audit. The current JPA Budget is \$219,000 and the findings totaled \$928,829. The PAs represented 33.68% of the Metro budget and received an audited reduction of \$313,000 in their 2009 costs based on the audit findings. She noted that while the gap is decreasing between the PAs portion of the findings and the operations of the JPA it should be noted that it is still beneficial for the JPA to participate in the Exhibit E audit process.

Ms. Keese stated that having dedicated PUD internal audit staff has significantly improved the audit process and the decrease in findings.

Ms. Keese stated that the 2009 audit reconciliation has been to Metro TAC twice and at their February 16, 2011 meeting they accepted the 2009 Exhibit E audit findings and the reconciliation and recommended that it move forward to the Finance Committee and the Metro JPA/ Commission for review and possible acceptance.

ACTION: Upon motion by Vice-Chair Boyack, seconded by Committee Member Erwin the Committee unanimously approved that the 2009 Exhibit E Audit Report and financial reconciliation should be brought forward to the Metro JPA/Commission for review and possible acceptance at their March 3' 2011 meeting.

5. Calculation of 2011 Operations Reserve

Ms. Keese reviewed the calculations for the 2011 Operations Reserve contributions. In April 2010 the Metro JPA/Commission approved the "Administrative Protocol on Allocation of Operating Reserves and Debt Service Coverage to the Participating Agencies". The operating reserve was based on 45 days of the average operating expenses for audited years of 2007 and 2008 and the audited flows for 2008. It is the intention of the protocol that each year the operating reserve will be recalculated based on the most recent audit. With the close of the 2009 audit the PAs share of the operating reserve has been recalculated. City staff has applied the interest earned on the operations reserve and the net effect is that the City owes the PAs \$31,085.

The calculation of the 2011 operations reserve was reviewed by Metro TAC at their February 16, 2011 meeting and they recommended that the balance in the operations reserve for each PA should just be carried forward until next fiscal year. Ms. Keese also stated that City staff is keeping a monthly record of revenues and expenses to calculate the interest on the operations reserve as well

as on the undesignated fund balance. The undesignated fund balance is used to calculate the debt service coverage ratio of 1.2 on the PAs portion of the outstanding debt. For fiscal year 2011 there will be not adjustment to the debt service coverage.

ACTION: Upon motion by Vice-Chair Boyack, seconded by Committee Member Erwin the Committee unanimously approved that the calculation of the 2011 operations reserve should be brought forward to the Metro JPA/Commission for review and possible acceptance at their March 3, 2011 meeting.

6. Consideration and Possible Approval of Administrative Support Services Contract and Amendment to the Agreement with the City of San Diego Therefore.

Ms. de Sousa reviewed the above referenced documents with the Committee. Essentially the agreement(s) are the same as before except that the current agreement is for two years and two months so that it will expire June 30 along with all other JPA contracts. In addition a provision has been included for repayment of cell phone and technology costs to Ms. People and the billing will be on a quarterly basis not monthly.

ACTION: Upon motion by Vice-Chair Boyack, seconded by Committee Member Caires, the Committee unanimously approved that the administrative support agreements should be brought forward to the Metro JPA/Commission.

7. Future Financial Initiatives for Strategic Planning Session

Committee Member Caires reviewed a handout from the May 7, 2009 strategic planning workshop. He requested that the Committee members review the handout and edit the strategic goals and other strategic initiatives in light of current and near future financial circumstances and changed goals

8. Review of Items to be Brought Forward to the Metro Commission/Metro JPA

The Finance Committee recommended that items 3, 4, 5, and 6, should be moved forward to the March 2011 Metro JPA/Commission meeting.

9. Other Business of the Finance Committee

There was no other business of the Finance Committee.

10. Adjournment

The meeting was adjourned at 9:23 a.m. The next regularly scheduled meeting of the Finance Committee will be March 30, 2011 at the PBS&J San Diego Office.

Agenda Item 5

**METRO JPA/TAC
Staff Report**

Subject Title: Update and Status of PBS&J , an Atkins company, 2011 Contract

Requested Action: Recommend Amendment to PBS&J, and Atkins company, amendment

Recommendations:

Metro TAC:	Approved with verification of available funds from Treasurer
IROC:	
Prior Actions: (Committee/Commission, Date, Result)	

Fiscal Impact:

Is this project budgeted?	Yes ____ No <u>X</u>
Cost breakdown between Metro & Muni:	N/A
Financial impact of this issue on the Metro JPA:	\$22,000

Capital Improvement Program:

New Project?	Yes ____ No ____
Existing Project?	Yes ____ No ____ upgrade/addition ____ change ____

Comments/Analysis:

PBS&J, an Atkins company, provides financial services and engineering support to the Metro JPA and the MetroTAC. During FYE 2011 several projects has arisen for which MetroTAC staff has requested additional support. Specifically, PBS&J staff has been supporting the review and commenting on the City of San Diego's Recycled Water Study which includes attending status update meetings, attending workshops, reviewing technical memoranda, soliciting and compiling comments from the PA's on the technical memoranda, planning and attending strategy meetings with the PA's, and preparing white papers for distribution.

Additionally, the Finance Subcommittee became a permanent committee during this year and PBS&J provides the planning, hosting, minute preparation and follow-up for the sub-committee. These costs have exceeded the planned efforts anticipated at the beginning of this contract year.

Although the additional effort, to date, has remained within the total contract value, there are four month remaining in the contract year and PBS&J is anticipating exceeding the contract limit. Below is a table that summarizes the initial effort per task, costs incurred through 2/28/11, and the amount over or under the planned budget.

Task	Description	Budget Summary			Over/ (Under)
		Contract	To 2/28/11	Percent	
1	Routine Engineering	\$ 33,019	\$ 24,455	74%	\$ (8,564)
2	Exhibit E Audit	\$ 19,250	\$ 17,972	93%	\$ (1,279)
3	Budget Review	\$ 8,400	\$ 350	4%	\$ (8,050)
4	General MetroTAC Support	\$ 18,183	\$ 12,804	70%	\$ (5,379)
5	Reclaimed Water Master Plan	\$ 12,600	\$ 41,263	327%	\$ 28,663
6	Resolve Reclaimed Water Revenue Issues	\$ 8,400	\$ 1,667	20%	\$ (6,733)
7	Reclaimed Water Pricing Study	\$ 5,250	\$ 272	5%	\$ (4,978)
8	Direct Costs	\$ 400	\$ 438	109%	\$ 38
OVERALL		\$ 105,502	\$ 99,220	94%	\$ (6,282)

Based on anticipated remaining work, PBS&J anticipates the remaining effort to be:

Effort	Est. Hours	Est. Amount
Recycled Water Study Review (Additional Hours)	50	\$8,750
Resolve Reclaimed Water Revenue Issues (Restore Original Budget)	48	\$8,400
Reclaimed Water Pricing Study (Restore Original Budget)	30	\$5,250
Estimated Expenses		\$300
Estimated Total	128	\$22,700
Less Remaining Budget		\$ (6,282)
Requested Amendment		\$16,418

Based on this estimate, it is anticipated that an additional \$16,418 (\$22,700 - \$6,282) to complete this fiscal year.

Metro TAC has approved this contract amendment pending verification of available funds by the Metro JPA Treasurer. Karen Jassoy, the Metro Treasurer has verified there are adequate funds remaining in this fiscal year's budget to cover the cost of this contract increase without additional billings to the JPA members.

Previous TAC/JPA Action:

Additional/Future Action:

City Council Action:

Agenda Item 6

**METRO JPA/TAC
Staff Report**

Subject Title:

Atkins 2012 Proposal to Provide As-Needed Engineering and Financial Services

Requested Action:

Approve 2012 Work Plan and Contract

Recommendations:

Metro TAC:

Approved

IROC:

N/A

Prior Actions:
(Committee/Commission,
Date, Result)

Fiscal Impact:

Is this projected budgeted? Yes ____ No ____ Note: 2012 JPA Budget has not been prepared.

Cost breakdown between
Metro & Muni: \$105,595 Metro JPA

Financial impact of this
issue on the Metro JPA: \$105,595 Metro JPA

Capital Improvement Program: (N/A)

New Project? Yes ____ No ____

Existing Project? Yes ____ No ____ upgrade/addition ____ change ____

Comments/Analysis:

The intention of this contract is to provide continued review and oversight of the Metro System Program with a minimum of duplication of effort by the Participating Agencies. The proposed Scope of Services is attached to this staff report. Atkins is proposing the same level of effort as in prior years but is requesting an increase in their hourly rate from \$175 to \$180 per hour. Atkins has not increased their hourly rate since 2007.

Previous TAC/JPA Action:

None

Additional/Future Action:

Approval by Metro JPA/Commission

City Council Action:
Not required.

SCOPE OF SERVICES
METRO TAC/JPA/COMMISSION
AS-NEEDED ENGINEERING AND FINANCIAL SERVICES

MAY 12, 2011

The purpose of the As-Needed Consulting Contract for the Metro Wastewater JPA/Commission is to provide technical and financial support to the PAs in meeting their objectives of fair rates, equitable cost sharing, and program validation. The intention of the As-Needed Contract is to provide review and oversight of the San Diego Metropolitan Sewer System (Metro System) Program with a minimum of duplication by the PAs. By combining the efforts of the PAs into a central focal point, our goal is to assist in increasing the responsiveness of the group to key issues of concern, ensure coverage at key meetings, centralize the data collection, minimize duplication of efforts by the PAs, and reduce the costs of both Metro TAC/ JPA/Commission efforts, as well as the overall costs of the Metro Program.

I. Scope of Services

The effort by ATKINS will be divided into five major categories, one for routine services, two for specific financial tasks, one for anticipated technical tasks, and one for general Metro TAC support.

A. Routine Meetings

The routine meetings will include the following tasks:

1. Attendance at the Metro TAC meetings, preparation of minutes and agendas.
2. Attendance and preparation for the Metro Commission/JPA meetings
3. Support of Metro Finance Committee

B. Routine Audit Review – Public Utilities Department, Wastewater Operations Branch Exhibit E Audit Review – FYEs 2010 and 2011

1. Review and negotiate the auditors Scope of Work
2. Attend Entrance and Exit Conferences with the Auditors
3. Select audit sample
4. Attend Interim Bi-Weekly work meetings with the Auditors (maximum of 5 per audit)
5. Review the Draft and Final Audit numbers and test results
6. Review all audit samples for contract compliance and accounting accuracy

7. Review the annual general services cost allocation
8. Review output for any special projects (In the past this has included the reconciliation of the Shames and other municipal lawsuits, and the Clean Water Program management contract to insure that only Metro costs have/had been charged to the PAs)
9. Prepare work-meeting reports
10. Present the results to the AdHoc Finance Committee, Metro TAC, and Metro Wastewater JPA / Commission
11. Monitor closeout process to insure timely payment of refunds (if any) and the accuracy of any additional billings' (if any) to PAs

C. Routine Review of MWWD Budget – FYE 2012

1. Line item review of the proposed CIP projects to verify that they are a part of the Wastewater Agreement. Provide a preliminary review of the O&M costs to identify areas of concern for the PAs
2. Identify budget items that show major deviation from previous years, and discuss these deviations with the City
3. Attend meetings with the City of San Diego Public Utilities staff to identify the nature and magnitude of the budget items
4. Provide updates on budget issues to the Metro TAC, the Finance Committee, and the Metro Wastewater JPA/Commission meetings

D. 2012 Special Projects

1. Recycled Water Support – There are four main issues to be addressed that surround the production and sale of reclaimed water.
 - a) Review of Recycled Water Pricing Study – In December 2009 the City asked its consultant to address the difference between wholesale and retail customers' and their recycled water rates. The City's original proposed unitary rate structure is of major concern to the PAs. A second draft of the pricing study is due out for review in July 2011. The PAs goal for this study is to insure that the rates are fair and equitable to all parties, and set at appropriate levels that balance the facilitation of increased use of reclaimed water per the City's agreement with the environmental community, while providing additional monies to operate the system. Atkins will review the July draft in-depth to insure that the PAs goals are reached. (Note: This is a carry-over from 2011)
 - b) Continued Support and Resolution of Recycled Water Contractual Issues – During 2011 the City's Public Utilities Director recognized the participating agencies right to the revenues from the sales of reclaimed water at the South Bay plant. The sales of reclaimed water will be

included starting with the 2009 audit as an income credit. However several housekeeping issues remain to be resolved such as the completion of the repayment schedule for the North City Optimized System Debt and continued discussions over allocation of the capacity reservation leases paid by Otay Water District and Olivenhain Municipal Water District.

- c) Continued Support for Recycled Water Study – The Metro TAC has formed a subcommittee to provide proactive input to the City during the development of their Recycled Water Study. The final Technical Memorandum has been released and the draft report is due in June 2011. Atkins will continue to provide technical support to the subcommittee by attending the final project meeting, and review and commenting on the final report provided by the City's consultant.
 - d) Recycled Water Capital Project Cost Allocations – With the completion of the Reclaimed Water Master Plan, the next phase will be the implementation of selected capital projects. Atkins will provide a white paper to the Metro TAC and the Metro JPA/Commission on cost allocations used by other regional agencies such as West Basin Municipal Water District, the City of Los Angeles, and Los Angeles Water & Power for funding reclaimed water projects (i.e. what is a wastewater versus water expense for a capital project). In addition, Atkins will provide financial guidance regarding the value of secondary treated wastewater.
- E. Metro TAC Staff Support – This task includes 6 hours per month for unforeseen financial analysis or technical engineering support. Atkins will support, as-needed, the items contained in the Metro TAC 2011 Work plan. One key issue that will surface during 2012 is the reallocation of Metro costs due to the overbilling of Padre Dam Municipal Water District for their sewage strengths.

II. ADDITIONAL SERVICES AS REQUESTED

- A. Participate in the MWWWD Strategic Business Plan
- B. Independent cost review of CIP
- C. Review of ongoing background material not envisioned
- D. Prepare for and attend additional meetings beyond what is included in Section I
- E. Provide additional follow-up on the additional items identified
- F. Participate in the MWWWD Annual Master Plan Update
- G. Provide additional technical support on specific projects as directed by the Metro TAC, Finance Committee, and Metro JPA/Commission Chairmen
- H. Provide technical support, as requested, to fulfill Metro JPA objectives

TASK DESCRIPTION			LABOR CODE/STAFF HOURS												TOTALS	
Pt	Task	Task/Sub	PP kk	All 0	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	HOURS	FEE
	1000	Routine Engineering Services														
		Support MetroTAC	40												40	\$7,200
		Attend Metro Commission	30												30	\$5,400
		Support Metro Finance	72	12											84	\$13,740
		Subtotal													154	\$26,340
	2000	2010 & 11 Exhibit E Audit														
		Review Audit Scope	8												8	\$1,440
		Entrance/Exit Conference	8												8	\$1,440
		Interim Work Meetings	40												40	\$7,200
		Review Draft & Final Numbers	48												48	\$8,640
		Special Audit Projects	16												16	\$2,880
		Prepare Report/Presentation	12												12	\$2,160
		Present Metro TAC/Metro Com.	8												8	\$1,440
		Subtotal													140	\$25,200
	3000	Budget Review														
		Line item Review	20												20	\$3,600
		Variance Analysis	20												20	\$3,600
		Presentation	8												8	\$1,440
		Subtotal													48	\$8,640
	4000	Special Projects														
	4001	General Metro TAC Support	70	12											82	\$13,380
	4002	Reclaimed Water Master Plan	36												36	\$6,480
	4003	Resolve Reclaimed Issues	48												48	\$8,640
	4004	Reclaimed Water Pricing Study	40												40	\$7,200
	4005	Reclaimed Cost Allocations	50												50	\$9,000
		Subtotal													256	\$44,700
			PP	All	-	-	-	-	-	-	-	-	-	-	PAGE TOTALS	
TOTAL - THIS PAGE			574	24											598	\$104,880
TOTAL - ALL PAGES			574	24											598	\$104,880

Agenda Item 8

**METRO JPA/TAC
Staff Report**

Subject Title: Reclaimed Water Revenue

Requested Action: Review, discuss, and provide direction to Reclaimed Water Revenue Subcommittee of the Metro TAC

Recommendations:

Metro TAC:

IROC:

Prior Actions:
(Committee/Commission,
Date, Result)

Fiscal Impact:

Is this project budgeted? Yes ____ No X

Cost breakdown between Metro & Muni:	2009 audited cost breakdown
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Financial impact of this issue on the Metro JPA:	\$1,237,942
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Capital Improvement Program: N/A

New Project? Yes ____ No ____

Existing Project? Yes ____ No ____ upgrade/addition ____ change ____

Comments/Analysis: In a letter dated April 22, 2011, Roger Bailey, Director of Public Utilities agreed that the Regional Wastewater Disposal Agreement addresses the issue of reclaimed water sales revenue and that it provides for revenue sharing between the City of San Diego and the Participating Agencies (letter attached to this staff report). Included with the letter is a spreadsheet showing the reclaimed water sales since the inception of the South Bay plant's reclaimed sales starting in 2007 to the end of fiscal year 2009. It is anticipated that the "catch-up" will be treated as an "income credit" to the 2009 year-end reconciliation and then will annually be included as part of the Exhibit E audit process.

Atkins staff has met with City internal audit staff to review the calculations. The sales figures in the spreadsheet have been audited by the County Water Authority as part of their Incentive Reconciliation Program. Back-up to the operating expenses has been provided and Atkins staff is

in the process of auditing it. The operating expenses are costs incurred by the Water Department for the maintenance of the reclaimed water distribution system. These costs have not been charged to the Metro system in the past.

In addition staff provided a draft reconciliation (see attached) showing the impact on the 2009 year-end reconciliation of the credit both for recycled water sales and interest to date (per the 2009 protocol). The total \$1.24 million credit serves to reduce the amount owed by many of the PAs from fiscal year 2009. However, it should be cautioned that this table does not include the impacts of any adjustments to Padre Dam's flows and loads for 2009. The negotiations on this issue are still in process and may delay the 2009 billings and/or refunds past the 4th quarter of 2011.

Previous TAC/JPA Action: Multiple letters and a Meeting with PUD staff on March 3, 2011

Additional/Future Action: Other still outstanding reclaimed water revenue issues are the capacity reservation lease payments from Otay Water District and Olivenhain Municipal Water District and the credits from the North City Plant reclaimed water sales to the repayment of the Optimized System Debt. These will be ongoing in 2012 and should be resolved by the close of the 2010 Exhibit E audit.

City Council Action: None required.



THE CITY OF SAN DIEGO

April 22, 2011

Mr. Scott Huth
Metro TAC Chairman
Metro Commission/Metro Wastewater JPA
276 Fourth Avenue
Chula Vista, CA 91950

Dear Mr. Huth:

Subject: Letter dated March 24, 2011 – Follow-up to March 3, 2011 Joint Meeting

Thank you for meeting with me and my team to discuss the outstanding issues which, from the Metro Wastewater JPA's perspective, remain unresolved. This letter is in response to both your letter of March 24, 2011 and to our joint meeting of March 3, 2011, in which I indicated that the Public Utilities Department would review these matters in detail and get back with you.

Subsequent to that meeting, I have had several internal meetings with our City team and we agree that the Regional Wastewater Disposal Agreement addresses the issue of reclaimed water sales revenue and that it provides for revenue sharing between the City of San Diego and the Participating Agencies (PA). Based on our assessment, we have developed a spreadsheet calculating the amount that should be credited from the Water Fund to the Wastewater Fund for revenues at South Bay. The amount of transfer is \$3,242,046.57 as of FY2009 and is detailed in the attached spreadsheet. The PA share of this amount will be processed along with the FY09 Exhibit E results prior to June 30, 2011. Going forward, the amount will be calculated annually and included as an income credit in the Exhibit E report.

Now that the issue above is coming to completion, we can now focus on executing successor Transportation Agreements with the relevant Participating Agencies, which have been at issue for some time. Although not a Metro Wastewater JPA issue specifically, we have agreed to work jointly on this issue and we look forward to their resolution. We believe this will also help to strengthen our ongoing partnership.

Sincerely,

Roger S. Bailey, P.E.
Director of Public Utilities

Attachment: Spreadsheet detailing calculation net recycled water revenues



DIRECTOR OF PUBLIC UTILITIES
9192 Topaz Way • San Diego, CA 92123
(858)292-6401

South Bay Water Reclamation Plant (SBWRP)

NET CASH FLOWS CALCULATION - ALL YEARS

FY End	Retail Sales AFY (1)	Wholesale Sales AFY (2)	Operating Expenses (3)	Total Expenses	Reclaimed Water Sales (4)	CWA Contrib. (5)	Total Revenue	Annual Net Revenue (Expense)	Cumulative Net Balance
1992									
1993									
1994									
1995									
1996									
1997									
1998									
1999									
2000									
2001									
2002			\$ 4,018.32	\$ 4,018.32				\$ (4,018.32)	\$ (4,018.32)
2003			\$ 4,070.98	\$ 4,070.98				\$ (4,070.98)	\$ (8,089.30)
2004			\$ 4,624.34	\$ 4,624.34				\$ (4,624.34)	\$ (12,713.64)
2005			\$ 4,567.78	\$ 4,567.78				\$ (4,567.78)	\$ (17,281.42)
2006			\$ 10,765.16	\$ 10,765.16				\$ (10,765.16)	\$ (28,046.58)
2007	451.2	653.1	\$ 174,206.14	\$ 174,206.14	\$ 398,165.90	\$ 81,823.00	\$ 479,988.90	\$ 305,782.76	\$ 277,736.18
2008	640.3	3,595.2	\$ 165,039.27	\$ 165,039.27	\$ 1,508,030.56	\$ 128,060.00	\$ 1,636,090.56	\$ 1,471,051.29	\$ 1,748,787.47
2009	653.1	3,657.8	\$ 170,227.39	\$ 170,227.39	\$ 1,532,866.49	\$ 130,620.00	\$ 1,663,486.49	\$ 1,493,259.10	\$ 3,242,046.57
2010									
2011									
2012									
2013									
2014									
2015									
Totals:	1,744.6	7,906.1	\$ 537,519.38	\$ 537,519.38	\$ 3,439,062.95	\$ 340,503.00	\$ 3,779,565.95		

Notes: (1) Retail customers consist of IBWC and CalTrans for all years

(2) Wholesale customers consist of Otay Water District only

(3) Includes both Water Ops system expenses related to reclaimed water and Recycled Water section expenses of \$67k (Water Ops - FY02-09) and \$470k (Recycled Water - FY07-09). Water Ops O&M expenses are based on number of miles of pipe, or 1% of total expenses. Recycled Water Section expenses are allocated 10% SBWRP/90% NCWRP

(4) Based on actual revenues, unadjusted for 85% of potable water rates as reported to CWA

(5) Credit received on bill from CWA to City of San Diego for water purchases

Credit to PAs 1,091,921.28

Fiscal Year 2009 Flows and Loads with Operating Reserve

Based on 2009 Flows

Final

ALLOCATION OF COSTS BY FLOW, SUSPENDED SOLIDS (SS) AND CHEMICAL OXYGEN DEMAND (COD)

