

## Garden Grove Sanitary District

# INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal

From: William E. Murray

Dept.: General Manager

Dept: Public Works

Subject: GARDEN GROVE SANITARY DISTRICT  
ANNUAL BUDGET FOR FISCAL YEAR  
2012/13

Date: June 26, 2012

## OBJECTIVE

To receive Garden Grove Sanitary District (GGSD) Board approval for the proposed GGSD Budget for Fiscal Year 2012/13.

## BACKGROUND

During Fiscal Year 2011/12, a number of operational goals were met along with the completion of capital improvement projects. Accomplishments related to the GGSD include:

- Reduction of Sanitary Sewer Overflows;
- Completion of the sewer main improvements construction at Brookhurst Street – Parliament Avenue, Twintree Lane – Haster Street, and Garden Grove Boulevard – Haster Street;
- Removal and replacement of 60 manhole rings and covers;
- Inspection of approximately 3,500 manholes out of 9,700 manholes;
- Continued implementation of the Sewer Main Cleaning Program, Manhole Inspection Program, and Electrical Mechanical Maintenance Program for the GGSD's lift stations;
- Completion of the Root Control Program for 20,400 linear feet;
- Treated 1,883 manholes through the Insect Spraying Program;
- Continued flow monitoring throughout the system;
- Repaired 51 sewer main defects identified through Sanitary Sewer Rehabilitation Plan;
- Completion of cleaning for 618 hot spots;
- Completion of closed circuit television (CCTV) work for 320,000 linear feet of sewer line and approximately 1,016,000 linear feet of cleaning;
- Completion of design of Capital Improvement Projects at Lampson Avenue – Twintree Circle, and Lampson Avenue – Elmwood Street;
- Compliance with the State Water Resources Control Board's Statewide General Waste Discharge Requirement (WDR) mandates;
- Compliance with AB 939 waste diversion goals;
- Compliance with all South Coast Air Quality Management District and Orange County Health Care Agency regulations and rules related to the management of closed landfills; and
- Enforce the grease ordinance through inspections of food service establishments.

## DISCUSSION

Each year it is necessary to adopt an annual budget to fund the GGSD's operations, based on the organizational requirements of the GGSD's sewer and refuse funds.

Goals for the upcoming Fiscal Year include:

- Completion of design and specifications for capital improvement projects;
- Expand the Manhole Inspection Program and replace deteriorated manhole rings and covers;
- Continue replacement of sewer main defects identified through CCTV inspections;
- Continue to implement State Water Resources Control Board's Statewide General WDR mandates, including expansion of capital improvement and operation and maintenance programs to address capacity and structural deficiencies (dependent upon funding);
- Continue the public education program for fats, oils, and grease control;
- Continue inspection and enforcement efforts related to the grease ordinance for food service establishments;
- Continue compliance efforts related to AB 939 waste diversion;
- Continue public education on the topic of recycling, including the benefits of recycling used motor oil, oil filters, and household hazardous waste;
- Ensure environmental compliance related to two GGSD's Longsdon Pit Landfills located in northern and southern areas within the City; and
- Evaluate and address funding issues in solid waste and sanitary sewer regulation compliance as they arise.

#### FINANCIAL IMPACT

The GGSD revenues continue to stay strong. The proposed budget will allow for the GGSD to continue meeting its obligations under the WDR mandates by continuing with its capital improvement and replacement programs.

#### RECOMMENDATION

It is recommended that the Garden Grove Sanitary District Board:

- Adopt the attached Resolutions approving the Sanitary District Board's budget for Fiscal Year 2012-13



WILLIAM E. MURRAY, P.E.  
Director of Public Works/City Engineer

By: David E. Entsminger  
Water Services Manager

Attachment 1: GGSD Budget Report  
Attachment 2: Resolution

Approved for Agenda Listing



Matthew Fertal  
General Manager

GARDEN GROVE SANITARY DISTRICT  
A SUBSIDIARY DISTRICT OF THE  
CITY OF GARDEN GROVE

OPERATIONS AND CAPITAL BUDGET  
FISCAL YEAR 2012/13

Presented By:

CITY OF GARDEN GROVE  
DEPARTMENT OF PUBLIC WORKS

GARDEN GROVE SANITARY DISTRICT  
SEWER BUDGET  
FY 2010-11 - 2012-13  
(\$000)

	2011-12 Adopted Budget	FY 11-12 Projected Year End	FY 12-13 Proposed Budget	FY 13-14 Forecast
<u>FUNDS AVAILABLE</u>				
BEGINNING BALANCE	\$ 625.1	\$ 625.1	\$ 189.1	\$ 1,048.1
BOND PROCEEDS (Annual Allocation)	0.0	0.0	0.0	0.0
REVENUES	10,242.3	10,242.3	10,620.0	10,959.0
RATE ADJUSTMENT	0.0	0.0	0.0	0.0
FUNDS AVAILABLE	10,867.4	10,867.4	10,809.1	12,007.1
<u>OPERATION EXPENDITURES</u>				
OPERATIONS				
LABOR	2,507.2	2,375.7	2,613.7	2,718.0
CONTRACTUAL SERVICES	1,125.0	1,125.0	1,168.2	1,215.0
COMMODITIES	238.2	238.0	233.5	243.0
VEHICLE / EQUIPMENT RENTALS	241.7	241.7	253.7	264.0
INSURANCE	41.7	41.7	41.7	43.0
ADMIN SUPPORT COSTS	512.2	512.2	524.6	546.0
BOND ISSUANCE COSTS	0.0	0.0	0.0	0.0
DEBT SERVICE	1,462.3	1,462.3	1,463.3	1,463.0
LATERAL LOAN PROGRAM	0.0	0.0	0.0	0.0
OPERATING RESERVE	250.0	250.0	0.0	0.0
SEWER SYSTEM CONTINGENCY RESERVE	0.0	0.0	0.0	0.0
TOTAL OPERATION EXPENDITURES	6,378.3	6,246.6	6,298.7	6,492.0
<u>SEWER CAPITAL</u>				
CAPITAL REPLACEMENT	1,431.7	1,431.7	1,462.3	1,506.2
NEW CAPITAL IMPROVEMENTS	3,000.0	3,000.0	2,000.0	2,000.0
CAPITAL EXPENDITURES	4,431.7	4,431.7	3,462.3	3,506.2
TOTAL EXPENDITURES	10,810.0	10,678.3	9,761.0	9,998.2
FUNDS AVAILABLE	10,867.4	10,867.4	10,809.1	12,007.1
EXPENDITURES	10,810.0	10,678.3	9,761.0	9,998.2
ENDING BALANCE	\$ 57.4	\$ 189.1	\$ 1,048.1	\$ 2,008.9

CAPITAL IMPROVEMENTS - PUBLIC WORKS  
SEWER

FY 2012-13

DESCRIPTION	CURRENT ESTIMATED COSTS	
	NEW CAPITAL	REPLACEMENT
Sewer Main Improvements	2,000,000	1,462,300
TOTAL	<u>\$ 2,000,000</u>	<u>\$ 1,462,300</u>

# SEWER CAPITAL PROJECTS

## FIVE YEAR PLAN

(\$000)

<u>PROJECTS</u>	<u>11-12</u>	<u>12-13</u>	<u>13-14</u>	<u>14-15</u>	<u>15-16</u>
1. SEWER MAINS TOTAL	\$ 3,000 \$ 3,000	\$ 2,000 \$ 2,000	\$ 2,000 \$ 2,000	\$ 4,250 \$ 4,250	\$ 5,400 \$ 5,400

# SEWER REPLACEMENT PROGRAM

## FIVE YEAR PLAN

(\$000)

BEGINNING BALANCE	\$ 0
REVENUES	<u>0</u>
DEPRECIATION RESERVES - TRANSFER	<u>0</u>
DEPRECIATION - TRANSFER	<u>\$ 1,462</u>
LESS REPLACEMENT COSTS	<u>(1,462)</u>
ENDING BALANCE	<u><u>\$ 0</u></u>

<u>PROJECTS</u>	<u>11-12</u>	<u>12-13</u>	<u>13-14</u>	<u>14-15</u>	<u>15-16</u>
1. SEWER MAIN REPLACEMENT	\$ 1,232	\$ 1,262	\$ 1,306	\$ 1,351	\$ 1,398
2. MANHOLE REHABILITATION	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>
TOTAL	<u><u>\$ 1,432</u></u>	<u><u>\$ 1,462</u></u>	<u><u>\$ 1,506</u></u>	<u><u>\$ 1,551</u></u>	<u><u>\$ 1,598</u></u>

### SEWER REPLACEMENT PROJECTS

1. Replace deficient sewer mains on an as-needed basis.
2. Replace deficient manholes as needed.

GARDEN GROVE SANITARY DISTRICT  
SOLID WASTE BUDGET  
FY 2011/12 - 2013/14  
(\$000)

	FY 11-12 Adopted Budget	FY 11-12 Projected Year End	FY 12-13 Proposed Budget	FY 13-14 Forecast
<u>FUNDS AVAILABLE</u>				
BEGINNING BALANCE	\$ 532.2	\$ 532.2	\$ 272.3	\$ 23.2
REVENUES	3,129.5	3,113.9	3,187.1	3,262.0
FUNDS AVAILABLE	<u>\$ 3,661.7</u>	<u>\$ 3,646.1</u>	<u>\$ 3,459.4</u>	<u>\$ 3,285.2</u>
<u>OPERATIONS EXPENDITURES</u>				
OPERATIONS (REFUSE)				
LABOR	\$ 435.6	\$ 350.8	\$ 469.5	\$ 474.2
CONTRACTUAL SERVICES	1,721.1	1,721.1	1,767.0	1,855.4
COMMODITIES	14.5	14.5	14.5	15.2
INSURANCE	13.9	13.9	13.9	13.9
STREET REPAIR CHARGE	500.0	500.0	500.0	500.0
ADMIN SUPPORT	73.5	73.5	171.3	174.7
OPERATING RESERVE	200.0	200.0	100.0	0.0
LANDFILL RESERVE	500.0	500.0	400.0	0.0
TOTAL OPERATIONS EXPENDITURES	<u>\$ 3,458.6</u>	<u>\$ 3,373.8</u>	<u>\$ 3,436.2</u>	<u>\$ 3,033.4</u>
FUNDS AVAILABLE	3,661.7	3,646.1	3,459.4	3,285.2
EXPENDITURES	<u>3,458.6</u>	<u>3,373.8</u>	<u>3,436.2</u>	<u>3,033.4</u>
ENDING BALANCE	203.1	272.3	23.2	251.8