



**CITY OF MORRO BAY
WATER RECLAMATION FACILITY
CITIZEN ADVISORY COMMITTEE (WRFCAC)
AGENDA**

The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.

**March 7, 2017
Morro Bay Veteran's Memorial Building– 3:00 P.M. to 5:00 P.M.
209 Surf Street, Morro Bay, CA**

John Diodati Chairperson		Barbara Spagnola Vice Chairperson
Paul Donnelly	Mary (Ginny) Garelick	Dale Guerra
Valerie Levulett	Richard Sadowski, Planning Commission	Stephen Shively Public Works Advisory Board

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE
ANNOUNCEMENTS/PRESENTATIONS

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the Board on City business matters other than scheduled items may do so at this time. To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Chair, please come forward to the podium and state your name and address for the record. Board meetings are audio and video recorded and this information is voluntary and desired for the preparation of minutes.
- Comments are to be limited to three minutes.
- All remarks shall be addressed to the Board, as a whole, and not to any individual member thereof.
- The Board respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the Board to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in Board meetings is welcome and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Public Works Department at (805) 772-6262. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CONSENT CALENDAR

A-1 Approval of minutes from the Water Reclamation Facility Citizen Advisory Committee meeting of February 7, 2017

Staff Recommendation: Approve minutes as submitted.

B. BUSINESS ITEMS

B-1 WRFCAC Sub-Committee Updates and Recommendations

Finance, Environmental and Engineering Sub-Committees to present their analyses and findings to the entire committee.

Recommendation: Staff recommends WRFCAC receive and consider updates.

B-2 Program Status Update

Recommendation: Staff recommends WRFCAC receive and file the status report of the WRF program.

C. COMMITTEE MEMBER CLOSING COMMENTS

D. ADJOURNMENT

Adjourn to the regular Water Reclamation Facility Citizen Advisory Committee meeting at the Morro Bay Veteran's Memorial Building, 209 Surf Street, on April 4, 2017, at 3:00 p.m.

This agenda is subject to amendment up to 72 hours prior to the date and time set for the meeting. Please refer to the agenda posted at the Public Works Department, 955 Shasta Avenue, for any revisions or call the department at 772-6262 for further information.

Materials related to an item on this agenda are available for public inspection during normal business hours in the Public Works Department, at Mill's/ASAP, 495 Morro Bay Boulevard, or the Morro Bay Library, 695 Harbor, Morro Bay, CA 93442.

This agenda may be found on the Internet at: www.morrobayca.gov/wrfcac or you can subscribe to Notify Me for email notification when the Agenda is posted on the City's website. To subscribe, go to www.morrobay.ca.us/notifyme and follow the instructions.

Materials related to an item on this agenda submitted to the Committee after publication of the agenda packet are available for inspection at the Public Works Department during normal business hours or at the scheduled meeting.

MINUTES – WATER RECLAMATION FACILITY CITIZEN ADVISORY COMMITTEE (WRFCAC)
REGULAR MEETING – FEBRUARY 7, 2017
VETERAN’S MEMORIAL BUILDING – 3:00 to 5:00 P.M.

PRESENT: Dale Guerra
Barbara Spagnola
Valerie Levulett
Richard Sadowski
Mary (Ginny) Garelick
John Diodati

ABSENT: Steve Shively
Paul Donnelly

STAFF: Rob Livick Public Works Director
Mike Nunley WRF Program Manager
John Rickenbach WRF Deputy Program Manager
Gina Gregory Office Assistant

ESTABLISH QUORUM AND CALL TO ORDER
The meeting was called to order at 3:05 p.m. and a quorum was present.

MOMENT OF SILENCE/PLEDGE OF ALLEGIENCE
ANNOUNCEMENTS – None

ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

Dale Guerra made a motion to elect John Diodati as Chairperson. The motion was seconded by Valerie Levulett and carried 5-0-1 with Richard Sadowski abstaining.

Dale Guerra made a motion to elect Barbara Spagnola as Vice-Chairperson. The motion was seconded by John Diodati and carried 6-0.

PUBLIC COMMENT
<https://youtu.be/yH5FGrWvRek?t=2m37s>

The public comment period was opened, seeing none, the public comment period was closed.

A. CONSENT AGENDA
<https://youtu.be/yH5FGrWvRek?t=2m49s>

The public comment period was opened, seeing none, the public comment period was closed.

MOTION: Barbara Spagnola moved to approve Item A-1. The motion was seconded by Dale Guerra and carried 6-0.

B. BUSINESS ITEMS

B-1 Program Status Update
<https://youtu.be/yH5FGrWvRek?t=3m47s>

Mike Nunley presented the Program Status Update.

Discussion, comments and questions continued amongst committee members and staff.

Committee Members were encouraged to provide additional comments and questions to staff.

The public comment period was opened, seeing none, the public comment period was closed.

B-2 Hydrogeologic Study Update
<https://youtu.be/yH5FGrWvRek?t=16m37s>

Paul Sorenson of GSI Water Solutions, Inc. presented the Hydrogeologic Study Update.

Discussion, comments and questions continued amongst committee members, staff, and consultants.

The public comment period was opened, seeing none, the public comment period was closed.

C. COMMITTEE MEMBER CLOSING COMMENTS
<https://youtu.be/yH5FGrWvRek?t=1h11m13s>

Richard Sadowski requested a document that was sent to a couple of the board members (called the City of Morro Bay Collection System Condition as it Relates to the WRF) be distributed to the rest of the board members, noting a PDF is available from him or on-line at the website he created (www.morrobaywrf.info). He would like a future agenda item to have a discussion on the inflow/infiltration rates and exfiltration rates he feels are severely underestimated by the way we are looking at things.

Richard stated he attended the 2017 California Climate Change Symposium noting one of the major discussions was AB32 & The Greenhouse Gas Sequestration and Carbon Market and more information on this topic can be found at his website.

Ginny Garelick informed the public that anyone interested in what's going on with the Cayucos Plant, there is a town hall meeting on Thursday February 9th at 6:00 P.M. at the Cayucos Elementary School. Discussions will include presentation from design and construction team with environmental highlights, projected costs, and available financing and rate increase with Prop 218.

Ginny provided an update on the USEPA Water Infrastructure and Resiliency Finance Center, including providing a press release regarding the availability of a billion dollars in loans from EPA for Water Infrastructure Projects and suggesting we follow-up and submit at least the minimum requirements by the April 10th due date.

Dale Guerra thanked Paul Sorenson for his report that was presented.

Barbara Spagnola wanted to know if the Budget Report Update for the last quarter of 2016 will be an agenda item for the next meeting.

Mike Nunley addressed the Budget Report and the submittal dates to the various Committees, Departments and Boards; giving everyone a week to provide feedback and comments before the next meeting.

ADJOURNMENT

The meeting adjourned at 4:23 p.m. The next Regular Meeting will be held on March 7, 2017 at 3:00p.m. at the Veteran's Memorial Building located at 209 Surf Street, Morro Bay, CA.



AGENDA NO: B-2

MEETING DATE: March 7, 2017

Staff Report

DATE: March 1, 2017
TO: Water Reclamation Facility Citizens Advisory Committee
FROM: Mike Nunley, PE – Water Reclamation Facility (WRF) Program Manager
SUBJECT: WRF Program Update

RECOMMENDATION

Staff recommends WRFCAC receive and file the status report of the WRF program.

ALTERNATIVES

No alternatives are recommended.

FISCAL IMPACT

No additional fiscal impact is proposed within this update. All work is proceeding within the City's fiscal year budget for the Water Reclamation Facility.

DISCUSSION

With the denial of the permit for the WWTP project in its current location, the City has embarked on a process for a new WRF. This staff report provides the following:

- Review of what has occurred to date. See the list of major milestones or accomplishments since the last update to WRFCAC below. This summary is typically provided each month.
- Update on program schedule

Accomplishments and Milestones

The City's Program Management team and technical consultants performed the following tasks since the February program update:

- Received and reviewed administrative draft report summarizing modeling results from GSI Water Solutions, Inc.
- Completed administrative draft Master Reclamation Plan and submitted to City staff and State Water Resources Control Board for review
- Initiated rate study update with Bartle Wells Associates
- Coordinated review of financing options by Kestrel Consulting for use in rate study
- Planned and attended preproposal meeting for WRF Lift Station and Pipelines Design Engineering Services
- Updated program schedule

Prepared By: MN

Dept Review: _____

Program Schedule Update

FY 16/17 activities are primarily planning, permitting, and procurement of consultants for elements of the Phase I WRF. Specific objectives include completion of the Facility Master Plan, Master Reclamation Plan, initial review and procurement activities for the design-build team, preliminary design, technical studies and initial drafts of the Environmental Impact Report, and procurement of the State Revolving Fund Planning and Design Loan.

The anticipated schedule for significant milestones and Council decisions is summarized below and all critical path efforts are on schedule. An updated program schedule is attached.

Item	Date
Public Release Draft Master Water Reclamation Plan	March 21, 2017
Confirmation of Phase I and Phase II WRF Budget	April 2017
Council Selection and Award for Phase I WRF Offsite Improvements (Lift Station and Pipelines)	April 2017
RFQ for Design/Construction of Phase I WRF Onsite Improvements	June 2017
Release of Public Draft EIR	August 2017
RFP for Design/Construction of Phase I WRF Onsite Improvements	October 2017
Certification of Final EIR (Critical Timeline for Grant Pursuit)	November 2017
Negotiation/Award of Contract for Phase I WRF Onsite Improvements	May 2018
Award of Contract for Construction of Phase I Offsite Improvements (Lift Station and Pipelines)	April 2019
Completion of Phase I WRF Improvements	May 2021

Second Quarter 16/17 Summary

A budget update for the second quarter of fiscal year 2016/17 (2Q16/17) has been prepared. It should be noted that the final consultant invoices and charges through December 31 of FY 16/17 have not all been received and approved by City staff.

As discussed in prior meetings, MKN and City staff developed a budget and expense report format with input from the WRFCAC Financial Subcommittee. The summary is attached, and includes all City expenses (including staff time with benefits, copies, and other office expenses) in addition to consultant contracts. The second page provides a higher level of detail on budget status of individual consultant contracts since inception of the Project. This report will be provided quarterly to City Council and WRFCAC, and currently represents expenses through December 31, 2016.

The following sections provide an analysis and overview of the City's WRF budget. The budget summary presents budget information on quarterly, annual (based on the fiscal year for the City between July and June) and total project time periods. All costs for a given period are based on the invoice dates (except for consultant costs as described below).

EXPENDITURES: The following table describes the line items from Attachment 1, as well as any comments regarding budget status.

Object Name (from Attachment 1)	Description	Comments
Past Siting Studies	Contractual services for studies completed prior to initiating the Facility Master Plan process (2013-2015)	These work efforts were completed, contracts expired, and there are no further encumbrances
Current Consultant Contracts	Summary of Page 2 from Attachment 1	Work efforts are under budget for FY 16/17. In order to facilitate a more automated reporting process, consultant costs for a given period will be based on the dates work was performed instead of invoice or payment dates.
Water Rights Legal Support	Contract attorney fees for input on water reuse alternatives and legal constraints	--
Labor and Benefits	City staff labor and benefits (also called "fully burdened labor") for the WRF Program	Current FY 16/17 efforts included wastewater sampling, meeting attendance, administrative support, collection system flow monitoring, and all activities related to the WRF Program
Laboratory/Sampling	Contract laboratory services for wastewater analysis to support Facility Master Plan and future detailed design efforts	--
Printing and Advertising	Costs from outside vendors for copies, printing, and postage to develop and distribute WRF Program materials	--
Software License and Fees	Fee for Procore Project/Construction Management Software	Procore software is used to manage and track consultant budgets and contracts, store program documents and deliverables, coordinate and record meetings, and track work efforts during the planning/permitting phase. During construction, the software will be used for tracking contractor submittals, pay requests, field observations, and other work efforts. Annual fee is \$42,205 over the next 5 to 8 years.
Property Acquisition	Cost to purchase property & appraisal	--
Program Office Equipment	Copier, monitor, telephone, and other office equipment to equip the Program Office in the City Hall Annex	--

REVENUE: At this time, the City is funding the project through user rates, the Recycled Water Facilities Planning Grant, and Supplemental Environmental Project (SEP) money from California Department of Corrections and Rehabilitation for California Men's Colony. SEP funds were intended to offset costs for the CMC evaluations completed last year.

User rates fund the City's sewer enterprise, including efforts not related to the new WRF. Incoming revenue is not directed into a specific fund for the WRF. The budget tables include the revenue anticipated for the WRF which is 75% of \$75M, or \$56.25M, with 25% of debt service coverage (assumed in the Rate Study) to increase the projected available revenue up to \$70.3. This assumed debt service coverage would be reduced and/ reallocated by reprioritizing other wastewater capital projects. It is assumed revenue for the project would come from grants and loans. User rates would repay the loans in accordance with financing terms and conditions, which can vary depending on the program.

The City increased sewer rates in 2015 in anticipation of the WRF project, but those funds are not directed into a specific fund for the WRF. As budgeted and presented in the 2015 Rate Study, the City would receive \$10M through loan proceeds to fund WRF expenses from FY 2014/15 through FY 2016/17. \$4M was budgeted through FY 15/16, \$6M was budgeted for FY 2016/17, and 50% of the FY 2016/17 (\$3M) has been budgeted through 2Q16/17. Since the loan was approved in January 20, 2017, WRF expenditures have been paid from excess sewer revenues over expenses. After paying all of the WRF expenditures submitted through December 31, 2016, the fund still has revenues in excess of expenditures of \$1,236,156 according to an income statement provided by City staff.

The City was awarded a \$10.3M planning and design loan from the State Water Resources Control Board (SWRCB) State Revolving Fund and the loan agreement was executed on January 20, 2017. As the City pays consultant expenses, staff can submit the invoices to SRWCB staff and request reimbursal.

The goal of the Facility Master Plan and Master Water Reclamation Plan is to develop a more refined WRF project budget than the range of estimates from the 2014 Site Options Report (which assumed a project would be constructed at the Rancho Colina site and was the origin of the \$75M Phase I budget in the 2015 Rate Study).

ATTACHMENT

Updated Program Schedule (as of February 24, 2017)
Quarterly Budget Summary for 2Q2016/17

Morro Bay Water Reclamation Facility Project
Program Schedule

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	% Complete	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21		
1		Task Group 100 - Program Management	104.45 mons	Mon 8/17/15	Thu 8/17/23		0%	[Gantt bar for Task Group 100 - Program Management]																														
2		Preliminary Project Planning/Site Studies	269 days	Tue 12/10/13	Fri 12/19/14		100%	[Gantt bar for Preliminary Project Planning/Site Studies]																														
16		City Council Decision on WRF Site	0 days	Tue 6/14/16	Tue 6/14/16		100%	[Gantt bar for City Council Decision on WRF Site]																														
17		Property Negotiation	400 days	Tue 6/14/16	Mon 12/25/17		65%	[Gantt bar for Property Negotiation]																														
23		RFP/Selection of Program Management Consultant	20.4 wks	Mon 3/23/15	Tue 8/11/15		100%	[Gantt bar for RFP/Selection of Program Management Consultant]																														
24		Task 106 - Grant and Loan Pursuit and Management	823 days	Wed 7/15/15	Fri 9/7/18	23	55%	[Gantt bar for Task 106 - Grant and Loan Pursuit and Management]																														
25		Review of Proposition 1 / SWRCB Planning Grant/Funding Opportunities	2 mons	Wed 8/12/15	Tue 10/6/15		100%	[Gantt bar for Review of Proposition 1 / SWRCB Planning Grant/Funding Opportunities]																														
26		Preparation and Coordination of SWRCB Recycled Water Planning Grant Application	5 mons	Wed 7/15/15	Tue 12/1/15	25SS-4 wks	100%	[Gantt bar for Preparation and Coordination of SWRCB Recycled Water Planning Grant Application]																														
27		Preparation and Coordination of Clean Water SRF Design/Planning Loan - SWRCB Division of Financial Assistance	11.95 mons	Wed 12/2/15	Mon 10/31/16	25SS+2 wks,26	100%	[Gantt bar for Preparation and Coordination of Clean Water SRF Design/Planning Loan - SWRCB Division of Financial Assistance]																														
28		Task 107 - Clean Water SRF Construction Loan - SWRCB Division of Financial Assistance	723 days	Wed 12/2/15	Fri 9/7/18		3%	[Gantt bar for Task 107 - Clean Water SRF Construction Loan - SWRCB Division of Financial Assistance]																														
44		Task 108 - Select and Implement PM System	94 days	Wed 8/12/15	Mon 12/21/15	23	100%	[Gantt bar for Task 108 - Select and Implement PM System]																														
45		Task 109 - Development of Program Office	8 wks	Wed 8/12/15	Tue 10/6/15	23	100%	[Gantt bar for Task 109 - Development of Program Office]																														
46		Task 201 - Master Reclamation Plan	442 days	Wed 9/9/15	Thu 5/18/17		82%	[Gantt bar for Task 201 - Master Reclamation Plan]																														
62		Expanded Groundwater Modeling	7 mons	Mon 8/1/16	Fri 2/10/17	51FS-5.5 mons	90%	[Gantt bar for Expanded Groundwater Modeling]																														
63		RFP/Selection of Facilities Master Plan Consultant	155 days	Thu 12/11/14	Wed 7/15/15		100%	[Gantt bar for RFP/Selection of Facilities Master Plan Consultant]																														
71		Tasks 202-203 - Coordination of CEQA/Permitting	485 days	Tue 7/5/16	Mon 5/14/18		17%	[Gantt bar for Tasks 202-203 - Coordination of CEQA/Permitting]																														
72		Notice of Preparation and Initial Study	47 days	Tue 7/5/16	Wed 9/7/16		100%	[Gantt bar for Notice of Preparation and Initial Study]																														
79		Prepare EIR Project Description	113 days	Fri 10/14/16	Tue 3/21/17		31%	[Gantt bar for Prepare EIR Project Description]																														
84		Administrative Draft EIR	115 days	Wed 2/8/17	Tue 7/18/17		0%	[Gantt bar for Administrative Draft EIR]																														
91		Prepare Screencheck Public Draft EIR	20 days	Tue 7/18/17	Tue 8/15/17		0%	[Gantt bar for Prepare Screencheck Public Draft EIR]																														
97		Publish Public Draft EIR	33 days	Wed 8/16/17	Sun 10/1/17		0%	[Gantt bar for Publish Public Draft EIR]																														
102		Response to Comments	25 days	Mon 10/2/17	Fri 11/3/17		0%	[Gantt bar for Response to Comments]																														
107		Prepare Final EIR	16 days	Mon 11/6/17	Mon 11/27/17		0%	[Gantt bar for Prepare Final EIR]																														
111		LCP/General Plan Amendment (Tentative)	26 wks	Tue 8/8/17	Mon 2/5/18	110FS-4 mons	0%	[Gantt bar for LCP/General Plan Amendment (Tentative)]																														
112		RWQCB/CDFG/NOAA Permit Application/Negotiation	12 mons	Tue 6/13/17	Mon 5/14/18	110FS-6 mons	0%	[Gantt bar for RWQCB/CDFG/NOAA Permit Application/Negotiation]																														
113		Task 204 - Facilities Master Plan Coordination	623 days	Wed 7/15/15	Fri 12/1/17		99%	[Gantt bar for Task 204 - Facilities Master Plan Coordination]																														
114		Background and Support Documentation to Date	2 days	Wed 7/15/15	Thu 7/16/15	70	100%	[Gantt bar for Background and Support Documentation to Date]																														
115		Historical and Current WW Flow and Constituent Loading Data	8 days	Wed 7/15/15	Fri 7/24/15	70	100%	[Gantt bar for Historical and Current WW Flow and Constituent Loading Data]																														
116		201.1 – TM – Summary of Reviewed Documents	40 days	Thu 7/16/15	Wed 9/9/15	70	100%	[Gantt bar for 201.1 – TM – Summary of Reviewed Documents]																														
117		401.1/402.1 – TM – Influent Waste Characterization, Sampling Program, Flow Projections	46 days	Thu 7/16/15	Thu 9/17/15	70	100%	[Gantt bar for 401.1/402.1 – TM – Influent Waste Characterization, Sampling Program, Flow Projections]																														
118		403.1 – TM - Initial Working Effluent Discharge Requirements	46 days	Thu 7/16/15	Thu 9/17/15	70	100%	[Gantt bar for 403.1 – TM - Initial Working Effluent Discharge Requirements]																														
119		303.1 – TM – Morro Bay WWTP Decommissioning	51 days	Thu 7/16/15	Thu 9/24/15	70	100%	[Gantt bar for 303.1 – TM – Morro Bay WWTP Decommissioning]																														
120		301.1 – TM – Onsite Support Facilities Requirements	66 days	Thu 7/16/15	Thu 10/15/15	70	100%	[Gantt bar for 301.1 – TM – Onsite Support Facilities Requirements]																														
121		403.2 – TM – Final Working Effluent Discharge Requirements	71 days	Thu 7/16/15	Thu 10/22/15	70	100%	[Gantt bar for 403.2 – TM – Final Working Effluent Discharge Requirements]																														
122		503.1 – TM – Biosolids Treatment Evaluation	76 days	Thu 7/16/15	Thu 10/29/15	70	100%	[Gantt bar for 503.1 – TM – Biosolids Treatment Evaluation]																														
123		501.1 – TM – Liquid Treatment Evaluation	86 days	Thu 7/16/15	Thu 11/12/15	70	100%	[Gantt bar for 501.1 – TM – Liquid Treatment Evaluation]																														
124		700 – TM – Future Potable Reuse Evaluation (update)	40 days	Mon 6/20/16	Fri 8/12/16	70	100%	[Gantt bar for 700 – TM – Future Potable Reuse Evaluation (update)]																														

MB WRF Project Schedule
Date: Wed 3/1/17

Task		External Tasks		Manual Task		Finish-only		Path Successor Normal Task		Path Driving Predecessor Summary Task
Split		External Milestone		Duration-only		Deadline		Path Driven Successor Normal Task		Path Predecessor Normal Task
Milestone		Inactive Task		Manual Summary Rollup		Path Successor Milestone Task		Path Predecessor Milestone Task		Path Driving Predecessor Normal Task
Summary		Inactive Milestone		Manual Summary		Path Successor Summary Task		Path Driving Predecessor Milestone Task		Path Driven Successor Milestone Task
Project Summary		Inactive Summary		Start-only		Path Driven Successor Summary Task		Path Predecessor Summary Task		Progress

City of Morro Bay											
Water Reclamation Facility Advisory Committee (WRFAC) Quarterly Budget Review Summary 2Q16/17											
EXPENDITURES											
Key Definitions											
			Quarter Projected Budget	Portion of Fiscal Year Budget Management Expects Necessary to Meet Quarter Expenditures				YTD Projected Budget	Sum of Current Quarter Projected Budget and All Prior Quarter Projected Budgets		
Accounts		Current Quarter				Fiscal Year To Date (YTD)					
Fund/Code	Object Name	Projected Budget	Expenditures	Percent Expended	Variance	Projected Budget	YTD Expenditures	Percent Expended	Variance		
599-8312	Contractual Services										
6105	Past Siting Studies (Completed - no further encumbrance)	--	--	--	--	--	--	--	--	--	
6105	Current Consultant Contracts (see P. 3)	\$802,851	\$201,356	25.08%	\$601,495	\$3,211,405	\$488,674	15.22%	\$2,722,731		
6105	Water Rights Legal Support (See Note 2)	\$0	\$0	--	--	\$0	\$0	--	--		
6105	Rate Study	\$0	\$0	--	--	\$0	\$0	--	--		
	Subtotal	\$802,851	\$201,356	25.08%	\$601,495	\$3,211,405	\$488,674	15.22%	\$2,722,731		
599-8312	Labor (Fully Burdened)										
4910,4999	Labor and Benefits	\$15,000	\$13,333	88.89%	\$1,667	\$60,000	\$29,502	49.17%	\$30,498		
	Subtotal	\$15,000	\$13,333	88.89%	\$1,667	\$60,000	\$29,502	49.17%	\$30,498		
599-8312	Other Costs										
6105, 6162	Laboratory/Sampling	\$34,500	\$843	2.44%	\$33,657	\$138,000	\$11,697	8.48%	\$126,303		
5199,6106, 6105,6710	Printing and Advertising	\$0	\$4,560	--	(\$4,560)	\$0	\$9,508	--	(\$9,508)		
5199	Software license and fees	\$0	\$0	--	--	\$42,204	\$0	0.00%	\$42,204		
5199,7101	Property Acquisition	\$0	\$0	--	--	\$2,425,000	\$0	0.00%	\$2,425,000		
5199, 6106, 6750	Program office equipment	\$500	\$1,277	255.39%	(\$777)	\$2,000	\$1,781	89.03%	\$219		
5199, 6514	Travel expense	\$0	\$0	--	--	\$0	\$0	--	--		
	Subtotal	\$35,000	\$6,680	19.09%	\$28,320	\$2,607,204	\$22,986	0.88%	\$2,584,218		
	TOTALS	\$852,851	\$221,369	25.96%	\$631,482	\$5,878,609	\$541,161	9.21%	\$5,337,448		
	Difference from City Adopted Budget						(\$67,996)				
	City Adopted Budget						\$5,946,605				
REVENUE											
Key Definitions											
			Quarter Projected Budget	Portion of Fiscal Year Budget Management Expects To Be Recognized During Quarter				YTD Projected Budget	Sum of Current Quarter Projected Budget and All Prior Quarter Projected Budgets		
Accounts (See Note 1)		Current Quarter				Fiscal Year To Date (YTD)					
Funding Source	Revenue Name	Projected Budget	Recognized Revenue	Percent Recognized	Variance	Projected Budget	YTD Recognized Revenue	Percent Recognized	Variance		
SWRCB	Grants										
	Recycled Water Planning Grant	\$0	\$0	0.00%	\$0	\$0	\$0	0.00%	\$0		
	Subtotal	\$0	\$0	0.00%	\$0	\$0	\$0	0.00%	\$0		
SWRCB	Supplemental Environmental Project										
	SEP from California Men's Colony	\$0	\$0	0.00%	\$0	\$0	\$0	0.00%	\$0		
	Subtotal	\$0	\$0	0.00%	\$0	\$0	\$0	0.00%	\$0		
SWRCB	State Revolving Fund (SRF) Loan										
	SRF Planning Loan Proceeds	\$852,851	\$0	0.00%	(\$852,851)	\$5,878,609	\$0	0.00%	(\$5,878,609)		
	SRF Construction Loan Proceeds	\$0	\$0	0.00%	\$0	\$0	\$0	0.00%	\$0		
	Subtotal	\$852,851	\$0	0.00%	(\$852,851)	\$5,878,609	\$0	0.00%	(\$5,878,609)		
User Rates	Cash funds from Current Operations										
	Cash funds from Current Operations	\$0	\$221,369	--	\$221,369	\$0	\$541,161	--	\$541,161		
	Subtotal	\$0	\$221,369	--	\$221,369	\$0	\$541,161	--	\$541,161		
	TOTALS	\$852,851	\$221,369	25.96%	(\$631,482)	\$5,878,609	\$541,161	9.21%	(\$5,337,448)		

Notes:

- 1) Unless shown otherwise, current project expenses are funded by revenue from user rates and fees. There is no separate revenue fund for the WRF.
- 2) Budgets for water rights legal support and property acquisition have not yet been established. Detailed budget development will take place after completing the project descriptions in the Facility Master Plan and Master Reclamation Plan.
- 3) Encumbrance balance is only calculated for expenditures associated with contracts.
- 4) Total Project Amended Budget based on May 2015 Water and Sewer Rate Study. Original budget was \$75M including 25% participation from Cayucos SD which was removed in this analysis. 25% debt coverage (on City's contribution only) was included in the rate study and in this calculation.
- 5) Expenditures for Current Consultant Contracts for a period (quarter or fiscal year) are based on the dates on which the work was performed, and not on invoice or payment date.
- 6) Total Project Amended Budget is calculated from FY1617 Projected Budget plus Total Project Expenditures from end of FY1516. Detailed budget development will take place after completing the project descriptions in the Facility Master Plan and Master Reclamation Plan.
- 7) City adopted budget differs from WRF budget sheet for fiscal year 2016/2017 presented at June 14, 2016 City Council Meeting.

City of Morro Bay						
Water Reclamation Facility Advisory Committee (WRFAC) Quarterly Budget Review Summary 2Q16/17						
EXPENDITURES						
Key Definitions						
				Encumbrance Balance	Sum Of All Project Contracts Less Actual Expenditures Against Contracts (See Note 3)	
Accounts			Total Project			
Fund/Code	Object Name	Amended Budget	Expenditures	Encumbrance Balance	Percent Expended	Variance
599-8312	Contractual Services					
6105	Past Siting Studies (Completed - no further encumbrance)	\$534,418	\$448,057	\$0	83.84%	\$86,361
6105	Current Consultant Contracts (see P. 3)	\$4,653,067	\$1,934,735	\$2,718,332	41.58%	\$2,718,332
6105	Water Rights Legal Support (See Note 2)	\$0	\$7,880	--	--	(\$7,880)
6105	Rate Study	\$0	\$1,457	--	--	(\$1,457)
	Subtotal	\$5,187,485	\$2,392,129	\$2,718,332	46.11%	\$2,795,356
599-8312	Labor (Fully Burdened)					
4910,4999	Labor and Benefits	\$400,000	\$242,514	--	60.63%	\$157,486
	Subtotal	\$400,000	\$242,514	--	60.63%	\$157,486
599-8312	Other Costs					
6105, 6162	Laboratory/Sampling	\$200,000	\$35,335	--	17.67%	\$164,665
5199,6106, 6105,6710	Printing and Advertising	\$0	\$22,867	--	--	(\$22,867)
5199	Software license and fees	\$371,205	\$42,206	\$329,000	11.37%	\$329,000
5199,7101	Property Acquisition	\$2,425,000	\$30,500	--	1.26%	\$2,394,500
5199, 6106, 6750	Program office equipment	\$2,000	\$6,032	--	301.59%	(\$4,032)
5199, 6514	Travel expense	\$0	\$379	--	--	(\$379)
	Subtotal	\$2,998,205	\$137,319	\$329,000	4.58%	\$2,860,886
	TOTALS	\$8,585,690	\$2,771,963	\$3,047,331	32.29%	\$5,813,727
Difference from City Adopted Budget						
City Adopted Budget						
REVENUE						
Key Definitions						
Accounts (See Note 1)			Total Project			
Funding Source	Revenue Name	Amended Budget	Recognized Revenue		Percent Recognized	Variance
SWRCB	Grants					
	Recycled Water Planning Grant	\$75,000	\$0		0.00%	(\$75,000)
	Subtotal	\$75,000	\$0		0.00%	(\$75,000)
SWRCB	Supplemental Environmental Project					
	SEP from California Men's Colony	\$87,361	\$87,361		100.00%	\$0
	Subtotal	\$87,361	\$87,361		100.00%	\$0
SWRCB	State Revolving Fund (SRF) Loan					
	SRF Planning Loan Proceeds	\$10,375,000	\$0		0.00%	(\$10,375,000)
	SRF Construction Loan Proceeds	\$59,937,500	\$0		0.00%	(\$59,937,500)
	Subtotal	\$70,312,500	\$0		0.00%	(\$70,312,500)
User Rates	Cash funds from Current Operations					
	Cash funds from Current Operations	\$0	\$2,684,601		0.00%	\$2,684,601
	Subtotal	\$0	\$2,684,601		0.00%	\$2,684,601
	TOTALS	\$70,474,861	\$2,771,963		3.93%	(\$67,702,898)

Notes:

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- 3) Encumbrance balance is only calculated for expenditures associated with contracts. P. 2 of 3
- 4) Total Project Amended Budget based on May 2015 Water and Sewer Rate Studies. Original budget was \$75M including 25% participation from Cayucos SD which was removed in this analysis. 25% debt coverage (on City's contribution only) was
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- 7) City adopted budget differs from WRF budget sheet for fiscal year 2016/2017 presented at June 14, 2016 City Council Meeting.

City of Morro Bay												
Water Reclamation Facility Advisory Committee (WRFCAC) Consultant Contract Summary (From Inception through 12-31-2016)												
Current Consultant Contracts												
Number	Title	Status	Total	Approved Change Orders	Total With Approved Change Orders	Draw Requests	Total Payments	Total Remaining	% Paid	% Complete	Pending Change Orders	Vendor
SC--001	Facility Master Plan	Approved	\$710,123.00	\$123,819.00	\$833,942.00	\$669,484.42	\$623,925.04	\$210,016.96	74.82%	80.28%	\$0.00	Black & Veatch
SC--002	CEQA/NEPA Documentation and Consulting	Approved	\$346,538.00	\$0.00	\$346,538.00	\$41,594.88	\$36,349.08	\$310,188.92	10.49%	12.00%	\$0.00	ESA
SC--003	Fatal Flaw Cultural Resources	Approved	\$18,260.87	\$0.00	\$18,260.87	\$22,660.87	\$18,260.87	\$0.00	100.00%	124.10%	\$40,056.56	Far Western
SC--005	MacElvaine Property - Fatal Flaw - Biological Resources	Approved	\$12,835.00	\$0.00	\$12,835.00	\$11,240.00	\$11,240.00	\$1,595.00	87.57%	87.57%	\$0.00	Kevin Merk Associates
SC--006	Survey - Righetti Property	Approved	\$15,644.00	\$0.00	\$15,644.00	\$12,502.50	\$12,502.50	\$3,141.50	79.92%	79.92%	\$0.00	JoAnn Head Land Surveying
SC--007	Survey - Highway 41 and MacElvaine Property	Approved	\$45,050.00	\$0.00	\$45,050.00	\$47,820.50	\$47,820.00	(\$2,770.00)	106.15%	106.15%	\$0.00	JoAnn Head Land Surveying
SC--008	Salinity Identification Study	Approved	\$23,640.00	\$37,080.00	\$60,720.00	\$52,717.83	\$49,687.83	\$11,032.17	81.83%	86.82%	\$0.00	Larry Walker Associates
SC--009	MacElvaine Property (SE) - Fatal Flaw - Geotech and Initial Hydrologic File	Approved	\$38,600.00	\$47,800.00	\$86,400.00	\$86,364.95	\$86,364.95	\$35.05	99.96%	99.96%	\$0.00	Fugro
SC--010	Grant and Loan Funding - Tracking and SRF Support	Approved	\$65,752.00	\$0.00	\$65,752.00	\$36,294.47	\$36,294.47	\$29,457.53	55.20%	55.20%	\$0.00	Kestrel
SC--011	2015 Program Management	Approved	\$920,808.00	\$0.00	\$920,808.00	\$769,601.63	\$725,245.82	\$195,562.18	78.76%	83.58%	\$0.00	MKN & Associates, Inc.
SC--012	Evaluate Alternative Concepts for Disposal of Treated Effluent	Approved	\$22,000.00	\$74,947.00	\$96,947.00	\$96,889.19	\$81,986.55	\$14,960.45	84.57%	99.94%	\$61,000.00	GSI Water Solutions
SC--013	Geotechnical Services Righetti II Site	Approved	\$35,902.00	\$0.00	\$35,902.00	\$27,325.35	\$27,325.35	\$8,576.65	76.11%	76.11%	\$0.00	Yeh and Associates
SC--014	Survey Services for South Bay Blvd Site	Approved	\$29,850.00	\$0.00	\$29,850.00	\$27,774.00	\$23,314.00	\$6,536.00	78.10%	93.05%	\$0.00	JoAnn Head Land Surveying
SC--015	Geotechnical Services South Bay Blvd Site	Approved	\$33,600.00	\$0.00	\$33,600.00	\$32,464.59	\$32,464.59	\$1,135.41	96.62%	96.62%	\$0.00	Yeh and Associates
Total			\$2,318,602.87	\$283,646.00	\$2,602,248.87	\$1,934,735.18	\$1,812,781.05	\$789,467.82	69.66%	74.35%	\$101,056.56	

Notes: 1) Contract SC-004 was unused and was combined with Contract SC-003. 2) Contracts SC--006 and SC--007 for JoAnn Head Land Survey are one amended contract with the City.
 2) Scope amendment for contract SC-003 was in approval process, but final amendment had not been signed prior to invoicing.
 3) Total Draw Requests are equivalent to Total Project Expenditures for Current Consultant Contracts on Page 2.