



## STAFF REPORT

**TO:** Chairman and Board Members  
**FROM:** Mark Foree, General Manager  
Jeff Tissier, Chief Financial Officer  
**DATE:** April 25, 2014  
**SUBJECT:** **Request for Board Adoption of Resolution #203 — A Resolution to adopt the Final Budget for Fiscal Year 2015 and the 2015-2019-Five Year Capital Improvement Plan**

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### Recommendation

Staff recommends that the TMWA Board approve the revised Tentative Budget as the adopted Final Budget for the fiscal year ending June 30, 2015 and direct staff to file the adopted Final Budget and related 2015-2019 Capital Improvement Plan with the State of Nevada Department of Taxation as required by statute.

### Executive Summary

TMWA has prepared the revised Tentative Budget for final consideration and approval by the TMWA Board. A Tentative Budget report was presented at the March 2015 board meeting and a comparison of the revised Tentative Budget to the original Tentative Budget is accompanying this report in *Attachments A-1 and A-2*. The changes in the revised Tentative Budget are primarily due to opportunistic upgrades to the hydroelectric facilities when river flows are not sufficient to generate power. The revised Tentative Budget incorporates a few other changes from the original Tentative Budget. The changes are as follows:

- Hydroelectric revenues are expected to be \$0.5 million higher due to river flows extending into in the July/August 2015 timeframe. The original Tentative Budget did not expect river flows that would allow for sufficient generation during this period.
- Operating expenses were increased by \$0.2 million in the services and supplies category. This increase is due to advancing a number of hydroelectric facility maintenance projects while the hydroelectric plants are out of service once river flows will not be sufficient to generate power.

- Bond and note issuance expenses are now expected to be \$0.4 million less as a result of favorable terms on TMWA's new liquidity provider, Bank of Tokyo Mitsubishi UFJ.
- Consolidation expenses are expected to increase by \$0.5 million since TMWA, Washoe County and STMGID are in the process of implementing the merger. Activities center on legal, communications, transfer of customer billing to TMWA as well as land/easement and water rights title transfer. The original Tentative Budget was compiled prior to the joint board meeting where the decision to implement consolidation of the water agencies was made.
- The capital budget was increased in fiscal year 2015 from \$20.5 million to \$26.2 million. The increase is due to modifying the schedule for the Fleish tunnel/transition structure project for \$3.5 million from fiscal year 2016 to fiscal year 2015 due to the aforementioned hydro outages. Also general rehabilitation of the hydroelectric plants will be increased by \$0.4 million to take care of items that cannot be done while hydroelectric plants are operating. TMWA will need to spend \$1.8 million to expand the warehouse and parking facilities at the corporate location before transferring equipment and employees from Washoe County.

Beginning cash is expected to be \$1.3 million higher due to less capital spending in fiscal year 2014. TMWA has provided \$0.2 million for cloud seeding efforts in fiscal year 2015 since this activity can be beneficial if drought conditions persist. Also \$0.8 million has been earmarked for the Truckee River Fund to support watershed and environmental enhancements to the Tahoe and Truckee River basins.

**Truckee Meadows Water Authority  
 Proposed Final Budget for Fiscal Year 2015  
 Statement of Revenues, Expenses and Changes in Net Position**

|                                                     | Revised<br>Tentative<br>Budget | Original<br>Tentative<br>Budget | Difference      |
|-----------------------------------------------------|--------------------------------|---------------------------------|-----------------|
| <b>OPERATING REVENUES</b>                           |                                |                                 |                 |
| Charges for water sales                             | \$ 78,396,272                  | 78,396,272                      | -               |
| Hydroelectric sales                                 | 2,251,551                      | 1,705,818                       | 545,733         |
| Other operating sales                               | 2,039,000                      | 2,039,000                       | -               |
| <b>Total Operating Revenues</b>                     | <b>82,686,823</b>              | <b>82,141,090</b>               | <b>545,733</b>  |
| <b>OPERATING EXPENSES</b>                           |                                |                                 |                 |
| Salaries and wages                                  | 13,178,424                     | 13,178,424                      | -               |
| Employee benefits                                   | 6,088,260                      | 6,088,260                       | -               |
| Services and supplies                               | 20,203,023                     | 19,987,023                      | 216,000         |
| <b>Total Operating Expenses before Depreciation</b> | <b>39,469,707</b>              | <b>39,253,707</b>               | <b>216,000</b>  |
| Depreciation                                        | 24,089,448                     | 23,974,452                      | 114,996         |
| <b>Total Operating Expenses</b>                     | <b>63,559,155</b>              | <b>63,228,159</b>               | <b>330,996</b>  |
| <b>Operating Income</b>                             | <b>19,127,668</b>              | <b>18,912,931</b>               | <b>214,737</b>  |
| <b>NONOPERATING REVENUES (EXPENSES)</b>             |                                |                                 |                 |
| Investment earnings                                 | 2,149,027                      | 2,149,027                       | -               |
| Amortization of bond/note issuance costs            | (464,880)                      | (835,056)                       | 370,176         |
| Interest expense                                    | (20,823,906)                   | (20,823,906)                    | -               |
| Other non-operating revenue                         | 300,000                        | 300,000                         | -               |
| Other non-operating expenses                        | (750,000)                      | (300,000)                       | (450,000)       |
| <b>Total Nonoperating Revenues (Expenses)</b>       | <b>(19,589,759)</b>            | <b>(19,509,935)</b>             | <b>(79,824)</b> |
| <b>Income (Loss) before Capital Contributions</b>   | <b>(462,091)</b>               | <b>(597,004)</b>                | <b>134,913</b>  |
| <b>CAPITAL CONTRIBUTIONS</b>                        |                                |                                 |                 |
| Water meter retrofit program                        | 656,892                        | 656,892                         | -               |
| Developer infrastructure contributions              | 1,189,188                      | 1,189,188                       | -               |
| Developer will-serve contributions (net of refunds) | 272,004                        | 272,004                         | -               |
| Developer capital contributions-other               | 520,980                        | 520,980                         | -               |
| Developer facility charges (net of refunds)         | 1,146,600                      | 1,146,600                       | -               |
| <b>Net Capital Contributions</b>                    | <b>3,785,664</b>               | <b>3,785,664</b>                | <b>-</b>        |
| <b>Change in Net Assets</b>                         | <b>3,323,573</b>               | <b>3,188,660</b>                | <b>134,913</b>  |
| <b>NET POSITION , BEGINNING OF YEAR</b>             | <b>294,362,552</b>             | <b>294,362,552</b>              | <b>-</b>        |
| <b>NET POSITION , END OF YEAR</b>                   | <b>\$ 297,686,125</b>          | <b>297,551,212</b>              | <b>134,913</b>  |

Attachment A-1

**Truckee Meadows Water Authority  
 Proposed Final Budget for Fiscal Year 2015  
 Statement of Cash Flows**

|                                                                 | <b>Revised<br/>Tentative<br/>Budget</b> | <b>Original<br/>Tentative<br/>Budget</b> | <b>Difference</b>         |
|-----------------------------------------------------------------|-----------------------------------------|------------------------------------------|---------------------------|
| <b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>         |                                         |                                          |                           |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                                         |                                          |                           |
| Cash received from customers                                    | \$ 82,686,823                           | 82,141,090                               | 545,733                   |
| Cash paid to employees                                          | (19,266,684)                            | (19,266,684)                             | -                         |
| Cash paid to suppliers                                          | (20,203,023)                            | (19,987,023)                             | (216,000)                 |
| Net Cash Provided by Operating Activities                       | <u>43,217,116</u>                       | <u>42,887,383</u>                        | <u>329,733</u>            |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>          |                                         |                                          |                           |
| Other Revenues                                                  | 300,000                                 | 300,000                                  | -                         |
| Other Expenses                                                  | (750,000)                               | (300,000)                                | (450,000)                 |
| Net Cash Provided (used) by Noncapital Financing Activities     | <u>(450,000)</u>                        | <u>-</u>                                 | <u>(450,000)</u>          |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b> |                                         |                                          |                           |
| Acquisition and construction of capital assets                  | (26,244,996)                            | (20,469,996)                             | (5,775,000)               |
| Interest paid on financing                                      | (19,491,122)                            | (19,491,122)                             | -                         |
| Principal paid on financing                                     | (12,728,737)                            | (12,728,737)                             | -                         |
| Proceeds from capital debt issuance                             | -                                       | -                                        | -                         |
| Contributions for water meter retrofit program                  | 656,892                                 | 656,892                                  | -                         |
| Contributions from developers-will-serve letters                | 272,004                                 | 272,004                                  | -                         |
| Contributions from developers-other                             | 520,980                                 | 520,980                                  | -                         |
| Contributions from developers-facility charges                  | 1,146,600                               | 1,146,600                                | -                         |
| Bond/Note issuance costs                                        | (407,124)                               | (777,312)                                | 370,188                   |
| Net Cash (Used) by Capital and Related Financing Activities     | <u>(56,275,503)</u>                     | <u>(50,870,691)</u>                      | <u>(5,404,812)</u>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                                         |                                          |                           |
| Interest received                                               | 2,387,806                               | 2,387,807                                | -                         |
| Net Increase (Decrease) in Cash and Cash Equivalents            | <u>(11,120,581)</u>                     | <u>(5,595,501)</u>                       | <u>(5,525,080)</u>        |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>             | <b>133,949,074</b>                      | <b>132,697,662</b>                       | <b>1,251,412</b>          |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>                   | <b><u>\$ 122,828,493</u></b>            | <b><u>127,102,161</u></b>                | <b><u>(4,273,668)</u></b> |

Attachment A-2

**TRUCKEE MEADOWS WATER AUTHORITY**  
**CAPITAL IMPROVEMENT PLAN**  
**FOR FISCAL YEAR ENDING JUNE 30, 2015 THROUGH JUNE 30, 2019**  
 (Amounts in thousands of dollars)

| Summary of Capital Expenditures by Function               |                   | FY               | FY               | FY               | FY               | FY               | FY |
|-----------------------------------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|----|
|                                                           |                   | 2015             | 2016             | 2017             | 2018             | 2019             |    |
| Five Year                                                 | Total             |                  |                  |                  |                  |                  |    |
| Raw Water Supply Improvements                             | \$ 4,165          | \$ 2,065         | \$ 950           | \$ 950           | \$ 125           | \$ 75            |    |
| Ground Water Supply Improvements                          | 5,250             | 1,000            | 2,000            | 750              | 750              | 750              |    |
| Treatment Plant Improvements                              | 9,540             | 2,195            | 1,790            | 1,990            | 2,140            | 1,425            |    |
| Distribution System Improvements                          | 52,550            | 7,825            | 12,950           | 8,475            | 11,950           | 11,350           |    |
| Potable Water Storage Improvements                        | 8,750             | 2,900            | 2,900            | 400              | 2,150            | 400              |    |
| Hydroelectric Improvements                                | 9,150             | 4,500            | 540              | 2,475            | 885              | 750              |    |
| Customer Service Outlays                                  | 8,220             | 2,350            | 1,400            | 1,510            | 1,450            | 1,510            |    |
| Administrative Outlays                                    | 7,010             | 2,710            | 1,095            | 1,095            | 1,095            | 1,015            |    |
|                                                           | <b>104,635</b>    | <b>25,545</b>    | <b>23,625</b>    | <b>17,645</b>    | <b>20,545</b>    | <b>17,275</b>    |    |
| <b>Sub-Total TMWA Construction Spending &amp; Outlays</b> |                   |                  |                  |                  |                  |                  |    |
| Water Meter Retrofit/ Water Right Purchases               | 3,500             | 700              | 700              | 700              | 700              | 700              |    |
| <b>Total Projected Capital Spending</b>                   | <b>\$ 108,135</b> | <b>\$ 26,245</b> | <b>\$ 24,325</b> | <b>\$ 18,345</b> | <b>\$ 21,245</b> | <b>\$ 17,975</b> |    |

Attachment C-1

**TRUCKEE MEADOWS WATER AUTHORITY  
 CAPITAL IMPROVEMENT PLAN PRELIMINARY FUNDING PLAN  
 FOR FISCAL YEAR ENDING JUNE 30, 2015 THROUGH JUNE 30, 2019**  
 (Amounts in thousands of dollars)

|                                                           | Five Year         |                  |                  |                  |                  |                  |
|-----------------------------------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
|                                                           | Total             | FY 2015          | FY 2016          | FY 2017          | FY 2018          | FY 2019          |
| <b>Summary of Funding by Customer Class/Bonding</b>       |                   |                  |                  |                  |                  |                  |
| Capital Improvements Funded by Customer Rates             | \$ 99,910         | \$ 25,070        | \$ 23,475        | \$ 14,995        | \$ 19,595        | \$ 17,075        |
| Capital Improvements Funded by Development                | 2,725             | 475              | 150              | 950              | 950              | 200              |
| <b>Sub-Total TMWA Construction Spending &amp; Outlays</b> | <b>\$ 102,635</b> | <b>\$ 25,545</b> | <b>\$ 23,625</b> | <b>\$ 15,945</b> | <b>\$ 20,545</b> | <b>\$ 17,275</b> |
| Funded from Acquisition Bond Proceeds                     | 2,000             | -                | -                | 2,000            | -                | -                |
| Water Meter Retrofit/ Water Right Purchases               | 3,500             | 700              | 700              | 700              | 700              | 700              |
| <b>Total Projected Capital Spending</b>                   | <b>\$ 108,135</b> | <b>\$ 26,245</b> | <b>\$ 24,325</b> | <b>\$ 18,345</b> | <b>\$ 21,245</b> | <b>\$ 17,975</b> |
|                                                           |                   |                  |                  |                  |                  | \$ -             |

Attachment C-2

**TRUCKEE MEADOWS WATER AUTHORITY  
 CAPITAL IMPROVEMENT PLAN SPENDING PRIORITIZATION  
 FOR FISCAL YEAR ENDING JUNE 30, 2015 THROUGH JUNE 30, 2019  
 (Amounts in thousands of dollars)**

| <b>Summary of Funding by Priority</b>                               |                    |               |               |               |               |               |
|---------------------------------------------------------------------|--------------------|---------------|---------------|---------------|---------------|---------------|
|                                                                     | Five Year<br>Total | FY<br>2015    | FY<br>2016    | FY<br>2017    | FY<br>2018    | FY<br>2019    |
| Priority 1-----Mandatory Spending, Projects in Progress, Regulatory | \$ 63,030          | 21,265        | 11,800        | 10,670        | 9,285         | 10,010        |
| Priority 2-----Necessary Spending                                   | 26,980             | 3,560         | 10,855        | 3,630         | 5,540         | 3,395         |
| Priority 3-----Contingency Spending                                 | 18,125             | 1,420         | 1,670         | 4,045         | 6,420         | 4,570         |
|                                                                     | <b>\$ 108,135</b>  | <b>26,245</b> | <b>24,325</b> | <b>18,345</b> | <b>21,245</b> | <b>17,975</b> |

Attachment C-3

**CAPITAL IMPROVEMENT PLAN  
FOR FISCAL YEAR ENDING JUNE 30, 2015 THROUGH JUNE 30, 2019  
(Amounts in thousands of dollars)**

**SUMMARY OF PROJECTS**

| Page #                                                     | Priority |    |                                                  | Five Year<br>Total | FY<br>2015       | FY<br>2016       | FY<br>2017       | FY<br>2018       | FY<br>2019       |
|------------------------------------------------------------|----------|----|--------------------------------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Raw Water Supply Improvements</b>                       |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 1                                                          | 1        | CR | Highland Canal-Upgrades-Downstream               | \$ 825             | \$ 225           | \$ 225           | \$ 225           | \$ 75            | \$ 75            |
| 2                                                          | 1        | CR | Highland Canal-Upgrades-Diversion to CB          | 1,090              | 590              | 225              | 225              | 50               | -                |
| 3                                                          | 1        | CR | Donner Dam Improvements                          | 750                | 750              | -                | -                | -                | -                |
| 4                                                          | 1        | CR | TROA Drought Storage/Implementation              | 1,500              | 500              | 500              | 500              | -                | -                |
| <b>Subtotal -Raw Water Supply</b>                          |          |    |                                                  | <b>4,165</b>       | <b>2,065</b>     | <b>950</b>       | <b>950</b>       | <b>125</b>       | <b>75</b>        |
| <b>Ground Water Supply Improvements</b>                    |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 5                                                          | 1        | CR | Well Rehabilitation Improvements                 | 5,250              | 1,000            | 2,000            | 750              | 750              | 750              |
| <b>Subtotal-Groundwater Development</b>                    |          |    |                                                  | <b>5,250</b>       | <b>1,000</b>     | <b>2,000</b>     | <b>750</b>       | <b>750</b>       | <b>750</b>       |
| <b>Treatment Plant Improvements</b>                        |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 6                                                          | 2        | CR | Treatment Plants- General Fix & Finish           | 5,180              | 895              | 965              | 855              | 1,215            | 1,250            |
| 7                                                          | 1        | CR | SCADA Rehab/Plant Operating Software             | 2,360              | 800              | 825              | 385              | 175              | 175              |
| 8                                                          | 3        | CR | Glendale Clearwell #2 Install                    | 1,500              | -                | -                | 750              | 750              | -                |
| 9                                                          | 2        | CR | Orr Ditch PS Improvements                        | 500                | 500              | -                | -                | -                | -                |
| <b>Subtotal Treatment Improvements</b>                     |          |    |                                                  | <b>9,540</b>       | <b>2,195</b>     | <b>1,790</b>     | <b>1,990</b>     | <b>2,140</b>     | <b>1,425</b>     |
| <b>Distribution System Improvements</b>                    |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| <b>Pressure Improvements</b>                               |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 10                                                         | 1        | CR | Pressure Regulators Rehabilitation               | 2,250              | 650              | 400              | 400              | 400              | 400              |
| 11                                                         | 3        | CR | Land Acquisitions                                | 2,500              | 500              | 500              | 500              | 500              | 500              |
| 12                                                         | 1        | CR | Pump Station Rebuilds,Rehabilitations            | 5,000              | 1,000            | 1,000            | 1,000            | 1,000            | 1,000            |
| 13                                                         | 3        | CR | Standby Generator Replacements                   | 1,875              | 150              | 650              | 275              | 150              | 650              |
| <b>Sub-Total Pressure Improvements</b>                     |          |    |                                                  | <b>11,625</b>      | <b>2,300</b>     | <b>2,550</b>     | <b>2,175</b>     | <b>2,050</b>     | <b>2,550</b>     |
| <b>Water Mains/Service lines</b>                           |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 14                                                         | 1        | CR | Street & Highway Main Replacements               | 24,500             | 4,500            | 4,500            | 5,000            | 5,000            | 5,500            |
| 15                                                         | 2        | CR | Stead Main Replacement Phase II                  | 5,500              | -                | 5,500            | -                | -                | -                |
| 16                                                         | 3        | CR | California-Marsh 24" Main Replacement            | 4,750              | 250              | -                | -                | 4,500            | -                |
| 17                                                         | 3        | CR | Plumb Lane 24' Main Replacement                  | 2,900              | -                | -                | -                | -                | 2,900            |
| 18                                                         | 2        | DF | Verdi 18" Main oversizing                        | 375                | 375              | -                | -                | -                | -                |
| 19                                                         | 2        | CR | NE Sparks Feeder Main Relocation                 | 900                | -                | -                | 900              | -                | -                |
| 20                                                         | 2        | CR | Galv/Poly Service Line Replacements              | 2,000              | 400              | 400              | 400              | 400              | 400              |
| <b>Subtotal Distribution Improvements</b>                  |          |    |                                                  | <b>40,925</b>      | <b>5,525</b>     | <b>10,400</b>    | <b>6,300</b>     | <b>9,900</b>     | <b>8,800</b>     |
| <b>Potable Water Storage Improvements</b>                  |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 21                                                         | 1        | CR | Highland Reservoir Drain/Cover Replacement       | 2,500              | 2,500            | -                | -                | -                | -                |
| 22                                                         | 2        | CR | Peavine Tank Replacement                         | 2,500              | -                | 2,500            | -                | -                | -                |
| 23                                                         | 2        | CR | Sun Valley #2 Tank Replacement                   | 1,750              | -                | -                | -                | 1,750            | -                |
| 24                                                         | 1        | CR | Tank/Reservoir Fix & Finish                      | 2,000              | 400              | 400              | 400              | 400              | 400              |
| <b>Subtotal Storage Improvements</b>                       |          |    |                                                  | <b>8,750</b>       | <b>2,900</b>     | <b>2,900</b>     | <b>400</b>       | <b>2,150</b>     | <b>400</b>       |
| <b>Hydroelectric Improvements</b>                          |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 25                                                         | 3        | CR | Acquisition of Farad Hydro Plant                 | 2,000              | -                | -                | 2,000            | -                | -                |
| 26                                                         | 1        | CR | Flume, Forebay, Diversion, and Canal Improvments | 1,910              | 850              | 475              | -                | 185              | 400              |
| 27                                                         | 1        | CR | Fleisch Flume Replacement/Tunnel Project         | 3,975              | 3,500            | -                | 475              | -                | -                |
| 28                                                         | 2        | CR | Hydro Plant Equipment Replacement                | 1,265              | 150              | 65               | -                | 700              | 350              |
| <b>Subtotal Hydroelectric Improvements</b>                 |          |    |                                                  | <b>9,150</b>       | <b>4,500</b>     | <b>540</b>       | <b>2,475</b>     | <b>885</b>       | <b>750</b>       |
| <b>Customer Service Outlays</b>                            |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 29                                                         | 1        | CR | CIS System Upgrade/ Meter Reading Equipment      | 1,120              | 1,000            | -                | 60               | -                | 60               |
| 30                                                         | 2        | DF | New Business Meters                              | 850                | 100              | 150              | 200              | 200              | 200              |
| 31                                                         | 1        | CR | Meter -ERT-RTR Replacements                      | 6,250              | 1,250            | 1,250            | 1,250            | 1,250            | 1,250            |
| <b>Subtotal Customer Service</b>                           |          |    |                                                  | <b>8,220</b>       | <b>2,350</b>     | <b>1,400</b>     | <b>1,510</b>     | <b>1,450</b>     | <b>1,510</b>     |
| <b>Administrative Outlays</b>                              |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 32                                                         | 2        | CR | GIS System Mapping Equipment                     | 135                | 15               | 30               | 30               | 30               | 30               |
| 33                                                         | 2        | CR | Desktop Computer Upgrades                        | 500                | 100              | 100              | 100              | 100              | 100              |
| 34                                                         | 2        | CR | Network Server/Storage upgrades                  | 875                | 175              | 175              | 175              | 175              | 175              |
| 35                                                         | 2        | CR | Network Security Upgrades                        | 750                | 150              | 150              | 150              | 150              | 150              |
| 36                                                         | 2        | CR | Computer/Network Licensing                       | 750                | 150              | 150              | 150              | 150              | 150              |
| 37                                                         | 3        | CR | Furniture -Office Equipment                      | 100                | 20               | 20               | 20               | 20               | 20               |
| 38                                                         | 2        | CR | Backhoe Replacements                             | 360                | -                | 120              | 120              | 120              | -                |
| 39                                                         | 2        | CR | Crew Trucks / Vehicles                           | 1,290              | 250              | 250              | 250              | 250              | 290              |
| 40                                                         | 2        | CR | Security-VA/ER Projects                          | 500                | 100              | 100              | 100              | 100              | 100              |
| 41                                                         | 1        | CR | TMWA Warehouse Expansion                         | 1,750              | 1,750            | -                | -                | -                | -                |
| <b>Subtotal Administrative-Outlays</b>                     |          |    |                                                  | <b>7,010</b>       | <b>2,710</b>     | <b>1,095</b>     | <b>1,095</b>     | <b>1,095</b>     | <b>1,015</b>     |
| <b>Subtotal Construction Projects and Captial Outlays</b>  |          |    |                                                  | <b>104,635</b>     | <b>25,545</b>    | <b>23,625</b>    | <b>17,645</b>    | <b>20,545</b>    | <b>17,275</b>    |
| <b>Special Projects Funded by Development</b>              |          |    |                                                  |                    |                  |                  |                  |                  |                  |
| 42                                                         | 2        | DF | Water Meter Retrofits                            | 1,000              | 200              | 200              | 200              | 200              | 200              |
| 43                                                         | 3        | DF | Water Right Purchases                            | 2,500              | 500              | 500              | 500              | 500              | 500              |
| <b>Sub Total Special Projects Funded by Development</b>    |          |    |                                                  | <b>3,500</b>       | <b>700</b>       | <b>700</b>       | <b>700</b>       | <b>700</b>       | <b>700</b>       |
| <b>Total Construction Expenditures and Capital Outlays</b> |          |    |                                                  | <b>\$ 108,135</b>  | <b>\$ 26,245</b> | <b>\$ 24,325</b> | <b>\$ 18,345</b> | <b>\$ 21,245</b> | <b>\$ 17,975</b> |