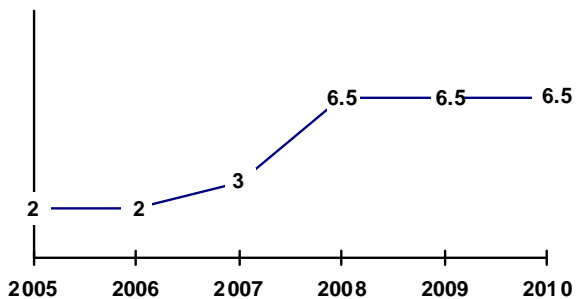


2008-09 & 2009-10 Authorized FTE Positions

Executive Manager	1.0
Supervisors / Professionals	5.0
Intern	0.5
<hr/>	
Total	6.5

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Office of the General Manager is to work with the Board to establish standards, policies and procedures, and the overall goals and Strategic Plan of the District. The Office of the General Manager reports the District's progress in meeting the established goals to support the District's mission, and provides general oversight of the District's operations. The office reports directly to the Board of Directors.

2007-08 Performance Objectives	2007-08 Performance Results
◆ Ensure collection, treatment, and disposal cost per million gallons does not exceed \$1,478.08/MG by the end of FY 2007-08.	◆ Through 9 months the cost has been \$1,397.00/mg. While expenditures are below budget, flows are also 11.27% below estimates.
◆ Ensure District does not exceed 634.0 FTEs by the end of FY 2007-08.	◆ Actual FTE count of 597 as of March 31, 2008.
◆ Maintain 100% compliance with terms and conditions of the permit.	◆ No violations.
◆ Deliver 80%+ of FY 2007-08 CIP budget.	◆ 83.72% of FY 2007-08 CIP budget estimated for delivery.

2008-09 & 2009-10 Performance Objectives

- ◆ Ensure collection, treatment, and disposal cost per million gallons does not exceed \$1,654.98 by end of fiscal year 2008-09 and \$1,738.13/MG by end of fiscal year 2009-10.
- ◆ Ensure the District does not exceed 641.0 FTEs by the end of fiscal year 2008-09 and 648.0 FTEs by end of fiscal year 2009-10.
- ◆ Maintain 100% compliance with terms and conditions of the NPDES permit.
- ◆ Deliver 80%+ of each fiscal year's CIP budget.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Cost per Million Gallons	\$1,268.38	\$1,516.06	\$1,654.98	\$1,738.13	In-house standard
◆ FTE Count	589	619	641	648	Budgeted Staffing Plan
◆ 100% Compliance	11/14/06 Chronic Toxicity	100%	100%	100%	In-house standard
◆ 80%+ of CIP Budget	105.65%	83.72%	80%+	80%+	In-house standard

General Management Administration

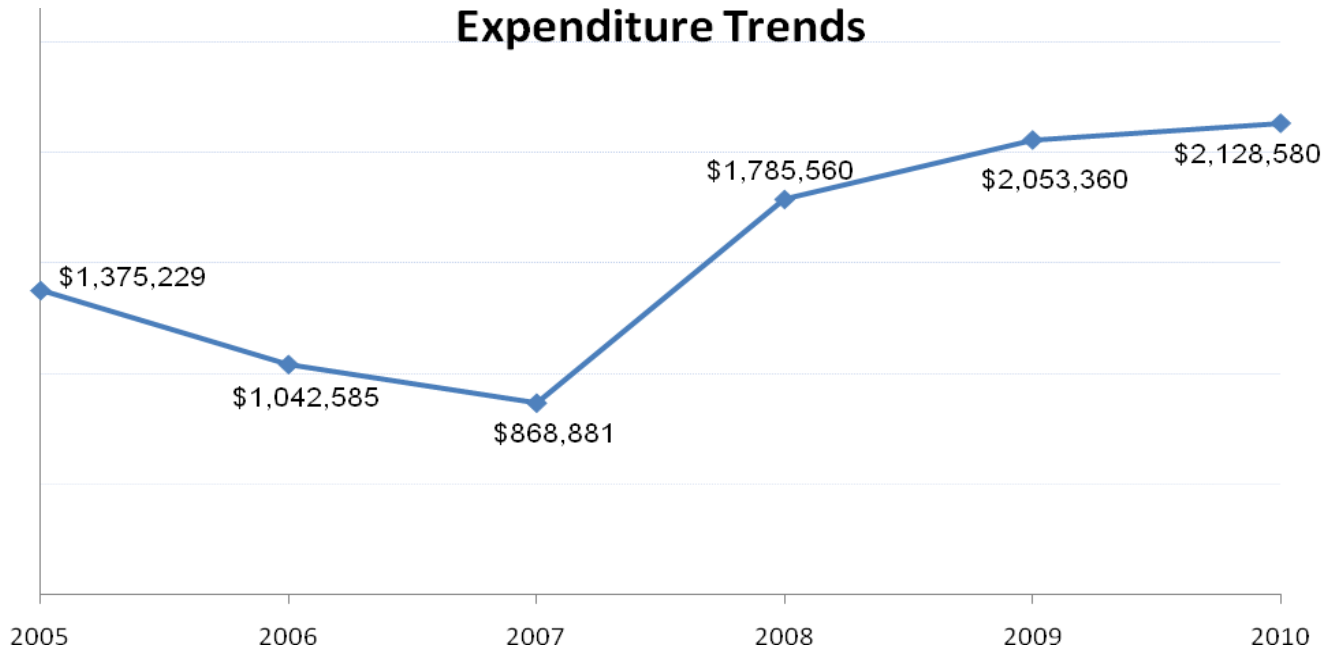
Budget Overview

The FY 2008-09 & 2009-10 budgets for the General Manager's office reflect increases of 15% and 4% over the prior year, respectively. The FY 2008-09 change is primarily due to salaries budgeted for the 4 FTE Management Discretion positions added in FY 2007-08. The other notable factor affecting the overall increase is the net result of decreasing the General Manager's contingency to 0.5% percent of the District's overall non-salary related operating budget and restoring reappropriations to 0.5% percent of the same budget base after having been allocated out of the FY 2007-08 original budget to arrive at the FY 2007-08 adjusted budget.

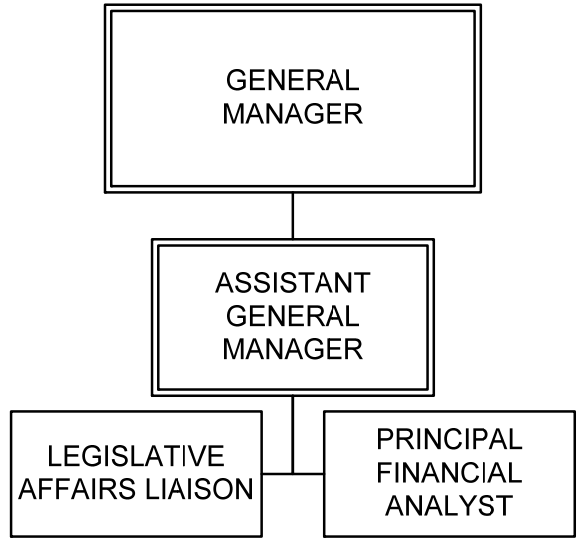
2007-08 Adjusted Budget - Total Operating Requirements	\$ 1,785,560
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (Management Discretion positions funded)	230,500
Change in OCERS retirement costs	51,400
Change in group insurance costs	7,980
Other benefit cost adjustments	24,100
Other Cost Adjustments:	
Decrease in memberships	(40,260)
Decrease in meetings	(17,500)
Decrease in legal services	(30,000)
Decrease in other professional services	(50,000)
Increase in electricity costs of the administration building	5,000
Increase in General Manager's contingency / reappropriations	87,500
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(920)
2008-09 Proposed Budget - Total Operating Requirements	\$ 2,053,360
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	30,300
Change in OCERS retirement costs	7,600
Change in group insurance costs	2,680
Other benefit cost adjustments	1,400
Other Cost Adjustments:	
Increase in memberships	1,690
Increase in meetings	2,920
Increase in electricity costs of the administration building	7,000
Increase in General Manager's contingency / reappropriations	21,200
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	430
2009-10 Proposed Budget - Total Operating Requirements	\$ 2,128,580

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 482,004	\$ 561,600	\$ 765,300	\$ 875,580	55.91%	\$ 917,560	4.79%
Supplies	173,360	250,000	196,300	191,110	(23.56%)	195,780	2.44%
Professional & Contractual Services	89,652	100,000	10,000	20,000	(80.00%)	20,000	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-
Utilities	112,953	120,000	121,000	125,000	4.17%	132,000	5.60%
Other	10,912	753,960	15,000	841,670	11.63%	863,240	2.56%
Total	\$ 868,881	\$ 1,785,560	\$ 1,107,600	\$ 2,053,360	15.00%	\$ 2,128,580	3.66%



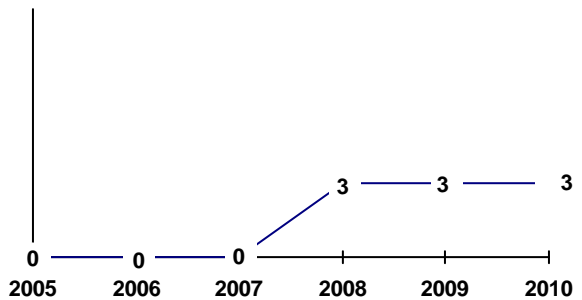
Assistant General Manager Administration



2008-09 & 2009-10 Authorized FTE Positions

Executive Manager	1.0
Supervisors / Professionals	2.0
<hr/>	
Total	<u>3.0</u>

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The Assistant General Managers Office provides general oversight to all District Operations and is responsible for interagency relations and communications, Legislative Affairs and the Strategic Plan. The Assistant General Managers Office directly oversees the Public Information Office and the Board Services and Safety and Health Divisions.

2007-08 Performance Objectives

- ◆ Complete updated Strategic Plan by 12/31/07.
- ◆ Seek \$100 Million authorization to relocate SARI Line and a \$6 Million appropriation for Secondary Treatment Upgrades.
- ◆ Update performance dashboard quarterly.
- ◆ Present for Board approval the proposed updated District agreements with SAWPA and IRWD.

2007-08 Performance Results

- ◆ Strategic Plan approved by the Board 11/28/07
- ◆ \$100 Million authorization obtained on FY2007-08
- ◆ Initial dashboard updated in April 2008.
- ◆ In process; possible SAWPA Board vote last quarter FY2007-08

2008-09 & 2009-10 Performance Objectives

- ◆ Complete Strategic Plan update by 12/31/08 and 2009
- ◆ Obtain \$4.5 million appropriation for relocation of SARI Line and Secondary Treatment
- ◆ Update performance dashboard quarterly
- ◆ Present for Board approval the proposed updated District agreements with SAWPA and IRWD.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Strategic Plan	NA	Complete 11/28/07	Complete by 12/31/08	Complete by 12/31/09	In-House Standard
◆ Funding	NA	NA	Determined by 12/31/08	Determined by 12/31/09	Federal Budget approved
◆ Dashboard	NA	By end of each quarter	By end of each quarter	By end of each quarter	In-House Standard
◆ IRWD/SAWPA	NA	SAWPA Complete	IRWD Complete	NA	In-House Standard

Assistant General Manager Administration

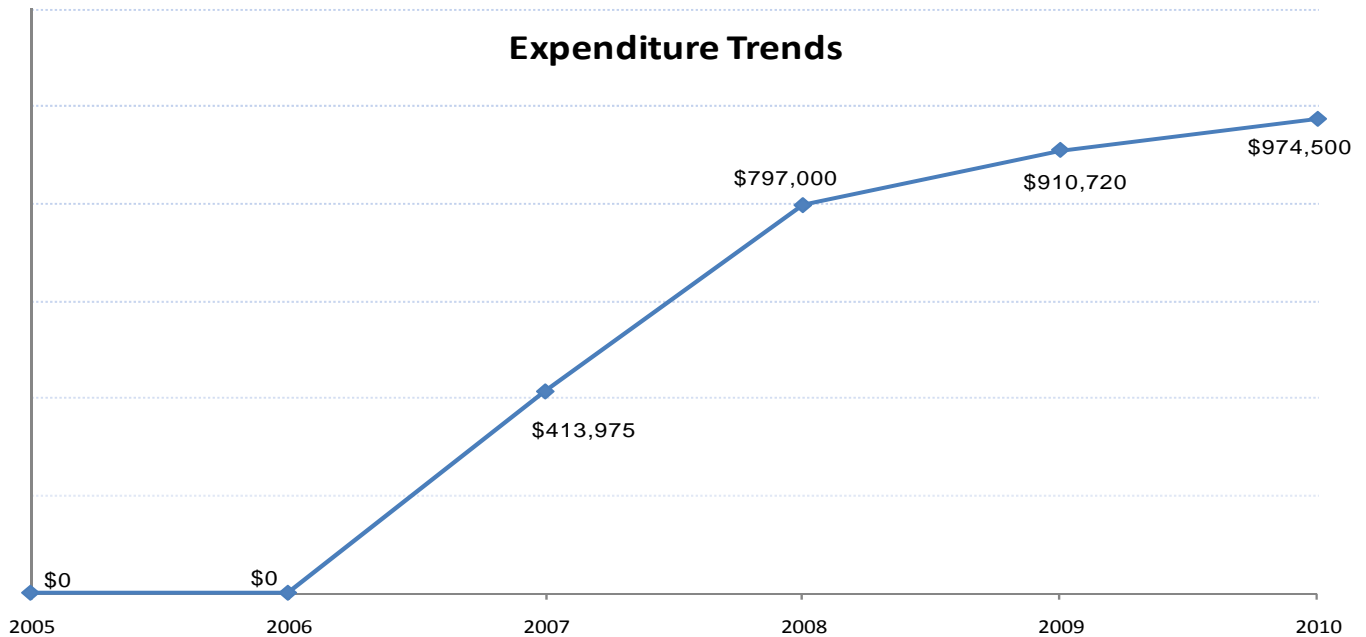
Budget Overview

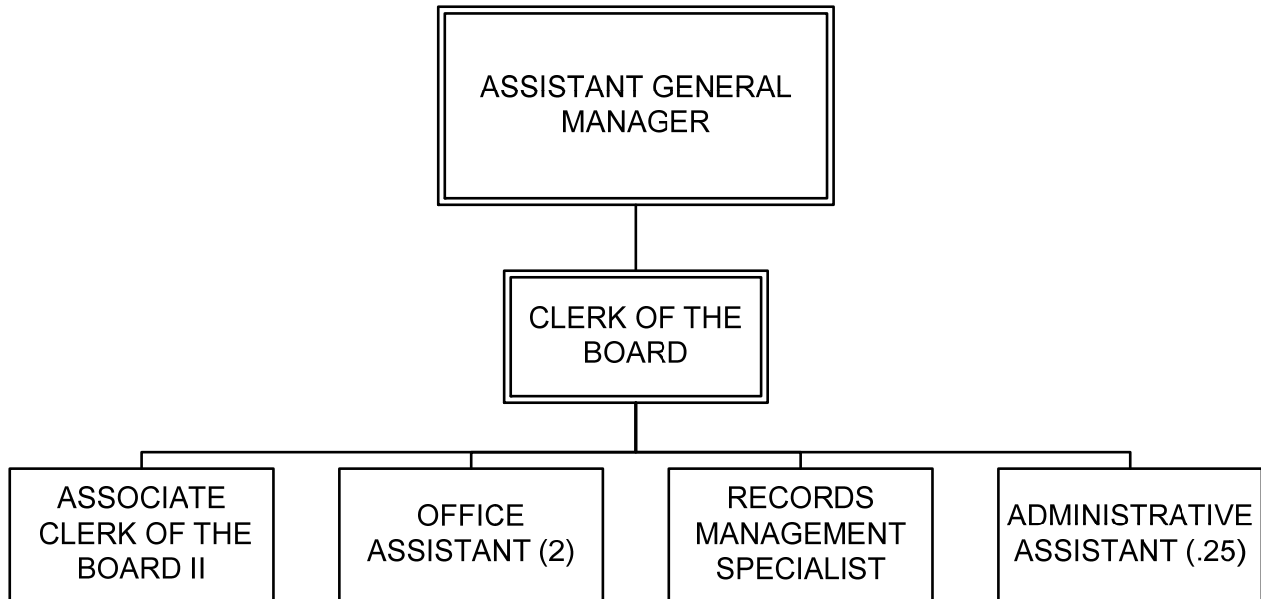
The FY 2008-09 & 2009-10 budgets for the Assistant General Manager Administration Division reflect increases of 14% and 7% over the prior year, respectively. The FY 2008-09 change is primarily due to staff reallocations during FY 2007-08.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 797,000
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	74,200
Change in OCERS retirement costs	23,700
Change in group insurance costs	5,400
Other benefit cost adjustments	(1,100)
Other Cost Adjustments:	
Decrease in meetings	(9,900)
Increase in other professional services	25,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(3,580)
2008-09 Proposed Budget - Total Operating Requirements	\$ 910,720
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	37,400
Change in OCERS retirement costs	9,300
Change in group insurance costs	3,600
Other benefit cost adjustments	2,000
Other Cost Adjustments:	
Increase in advocacy efforts	11,250
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	230
2009-10 Proposed Budget - Total Operating Requirements	\$ 974,500

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07	2007-08	2007-08	2008-09	Budget	2009-10	Budget
	Actual	Revised Budget	Projected	Proposed	% Change	Proposed	% Change
Personnel	\$ 382,211	\$ 540,100	\$ 619,200	\$ 642,300	18.92%	\$ 694,600	8.14%
Supplies	17,134	26,900	14,020	17,420	(35.24%)	17,450	0.17%
Professional & Contractual Services	14,343	225,000	275,317	250,000	11.11%	261,250	4.50%
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Other	287	5,000	1,000	1,000	(80.00%)	1,200	20.00%
Total	\$ 413,975	\$ 797,000	\$ 909,537	\$ 910,720	14.27%	\$ 974,500	7.00%



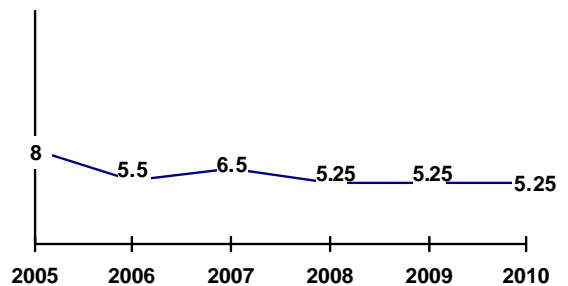


2008-09 & 2009-10 Authorized FTE Positions

Supervisors / Professionals	3.00
Administrative & Clerical	2.25

Total 5.25

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Board Services Division is to provide high levels of customer service through the Clerk of the Board's office, reception, meeting planning, audio visual and conference room setup, and records management. The Clerk of the Board's office supports the Board of Directors and the public by preparing and publishing agendas in accordance with legal requirements for meetings of the Board of Directors; recording the actions taken by the Board; publishing notices as required by law; acting as filing officer for Statement of Economic Interests filings; receiving and processing summons and complaints filed against the District; and, maintaining rosters of the Board of Directors and appointed committee assignments. Services include oversight, preservation and protection of the District's records for public, private and governmental use, including coordinating and documenting all Public Records Act requests.

2007-08 Performance Objectives

- Mail Board Agenda packages six calendar days prior to Board meetings, 100% of the time, unless otherwise authorized by the General Manager.
- Monitor and update annually the District Records Retention Schedule and Policy and Procedures to reflect any changes in laws, operations, and District structure. To be presented for Board approval annually, through adoption of a resolution.
- Coordinate quarterly District-wide disposal of retention expired records.
- Provide Public Records Act (PRA) response coordination to ensure compliance with CPRA, Government Code 6250.

2007-08 Performance Results

- Achieved 100% success rate.
- Presented to the Board in May 2008.
- Quarterly purges of paper and electronic documents, including onsite shredding of confidential documents.
- 100% response compliance rate; 98% processed within 10 days.

2008-09 & 2009-10 Performance Objectives

- ◆ Mail Board Agenda packages six calendar days prior to Board meetings, 100% of the time, unless otherwise authorized by the General Manager.
- ◆ Ensure compliance and operational effectiveness by revising the records retention policy and schedule annually.
- ◆ Conduct quarterly District-wide disposal of expired records per records retention policy.
- ◆ Comply with CPRA, GC 6250, on response to requests for public records within 10 days, unless extension is deemed appropriate by legal review.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Board Agenda Package	100% - 6 days	100% - 6 days	100% - 6 days	100% - 6 days	In-house Standard
◆ Retention Schedule and Policy and Procedures	5/2007 Resolution	5/2008 Resolution	5/2009 Resolution	5/2010 Resolution	In-house Standard
◆ Coordinate quarterly disposal of retention expired records	10/06; 4/07	10/07; 1/08; 4/08	7/08; 10/08; 1/09; 4/09	7/09; 10/09; 1/10; 4/10	In-house Standard
◆ Provide Public Records Act response coordination to ensure compliance with CPRA, GC 6250	98%; 93% within 10 days	100%; 98% within 10 days	100%; 98% within 10 days	100%; 98% within 10 days	CPRA Regulations Government Code 6250

Board Services

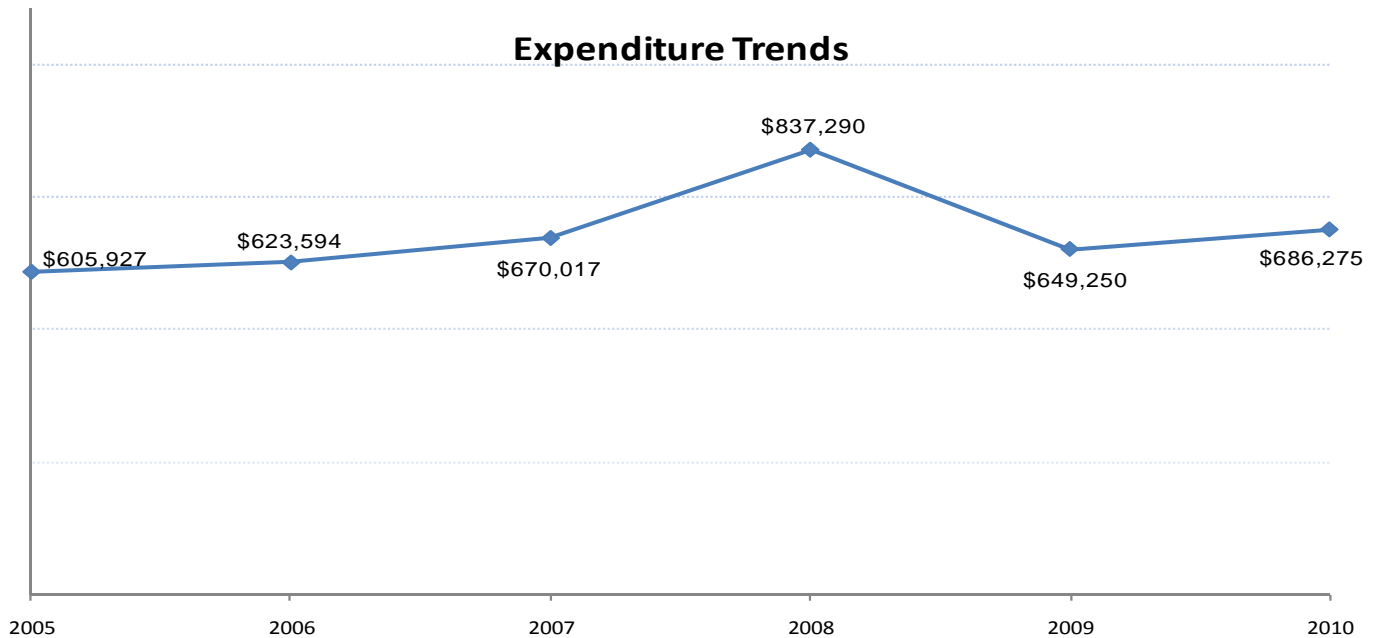
Budget Overview

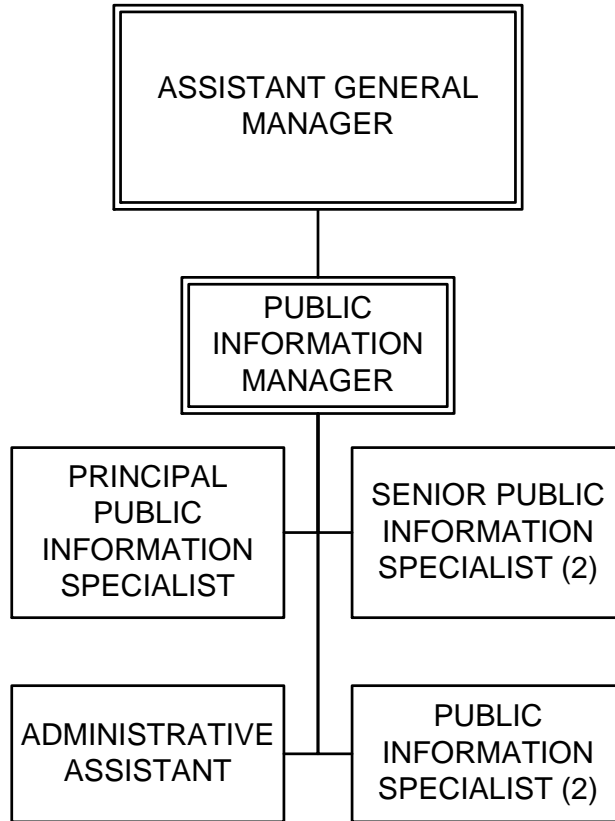
The FY 2008-09 & 2009-10 budgets for the Board Services Division reflect changes of (22%) and 6% over the prior year, respectively. The decrease is mainly due to staff reallocations during FY 2007-08. The other significant factor affecting the overall decrease is the transfer of postage costs to the Information Technology Division.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 837,290
<i>Salaries for Position Changes:</i>	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
<i>Changes in Personnel Expenses:</i>	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(61,100)
Change in OCERS retirement costs	(8,400)
Change in group insurance costs	(2,000)
Other benefit cost adjustments	(2,100)
<i>Other Cost Adjustments:</i>	
Decrease in postage (costs transferred to Division 250)	(51,700)
Decrease in legal services	(45,000)
Decrease in other professional services	(19,500)
<i>Aggregate change in Other Categories:</i>	
Aggregate change in other materials, supplies, and services	1,760
2008-09 Proposed Budget - Total Operating Requirements	\$ 649,250
<i>Changes in Personnel Expenses:</i>	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	19,700
Change in OCERS retirement costs	4,900
Change in group insurance costs	5,600
Other benefit cost adjustments	2,000
<i>Other Cost Adjustments:</i>	
Increase in meetings	4,550
<i>Aggregate change in Other Categories:</i>	
Aggregate change in other materials, supplies, and services	270
2009-10 Proposed Budget - Total Operating Requirements	\$ 686,270

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 492,217	\$ 617,400	\$ 524,300	\$ 543,800	(11.92%)	\$ 576,000	5.92%
Supplies	63,917	87,740	66,650	36,100	(58.86%)	40,700	12.74%
Professional & Contractual Services	113,223	131,000	124,500	67,200	(48.70%)	67,400	0.30%
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	630	400	1,150	1,580	295.00%	1,600	1.27%
Utilities	-	-	-	-	-	-	-
Other	30	750	570	570	(24.00%)	570	-
Total	\$ 670,017	\$ 837,290	\$ 717,170	\$ 649,250	(22.46%)	\$ 686,270	5.70%



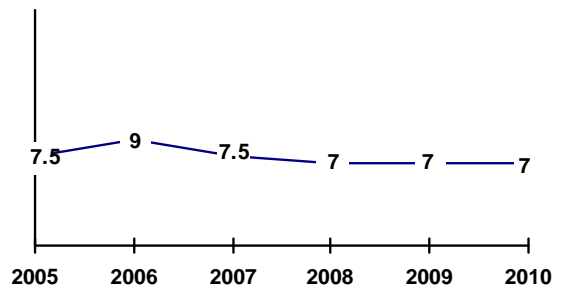


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	5.0
Administrative & Clerical	1.0

Total 7.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The Public Information Office provides services and implements programs to meet the communications needs of both internal and external audiences for the Orange County Sanitation District. The seven-person division plans and implements media relations, Web site content, community relations, construction outreach, community education and outreach, employee newsletter, intranet development, corporate identity program, collateral material and graphics development, presentation development, and crisis communications. The goal is to create a total communications program that promotes clear and transparent communications with all designated audiences and to promote the understanding of OCSD's mission to protect the environment.

2007-08 Performance Objectives

- ◆ Provide services and implement programs that meet the communications needs of OCSD's internal audiences.
- ◆ Provide services and implement programs that meet the communications needs of OCSD's external audiences.
- ◆ Support General Manager activities and provide information on current issues to Board of Directors.

2007-08 Performance Results

- ◆ Produced and circulated a monthly employee newsletter.
- ◆ Managed content and further development of employee intranet site.
- ◆ Coordinated "Bring a Kid to Work Day" event
- ◆ Assisted engineering with contractor outreach activities.
- ◆ Assisted staff in developing communications plans for Pharmaceuticals Program, Fats, Oils, and Grease Program, and Biosolids Program.
- ◆ Worked with OCWD to continue public outreach efforts and celebrate the commissioning of the GWRS Project.
- ◆ Designed agency website OCSD.com for greater efficiencies
- ◆ Mailed two community newsletters to 18,000 residents and business in the vicinity of Plants 1 & 2.
- ◆ Increased public awareness by conducting more than 70 tours
- ◆ Taught three classes of sewer Science at local high schools.
- ◆ Managed communications for more than a dozen construction projects.
- ◆ Enhanced public outreach by expanding audiences to include service groups and community influencers.
- ◆ Responded promptly to media requests.
- ◆ Conducted Board Orientation.
- ◆ Developed Director website.
- ◆ Assisted in developing communications for Board of directors.

2008-09 & 2009-10 Performance Objectives

- ◆ Provide services and implement programs that meet the communications needs of OCSD's internal audiences.
- ◆ Provide services and implement programs that meet the communications needs of OCSD's external audiences.
- ◆ Support General Manager activities and provide information on current issues to Board of Directors.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Internal Services & Programs	95%	95%	95%	95%	In-house standard
◆ External Services & Programs	95%	95%	95%	95%	In-house standard
◆ Board of Directors & GM	95%	95%	95%	95%	In-house standard

Public Information Office

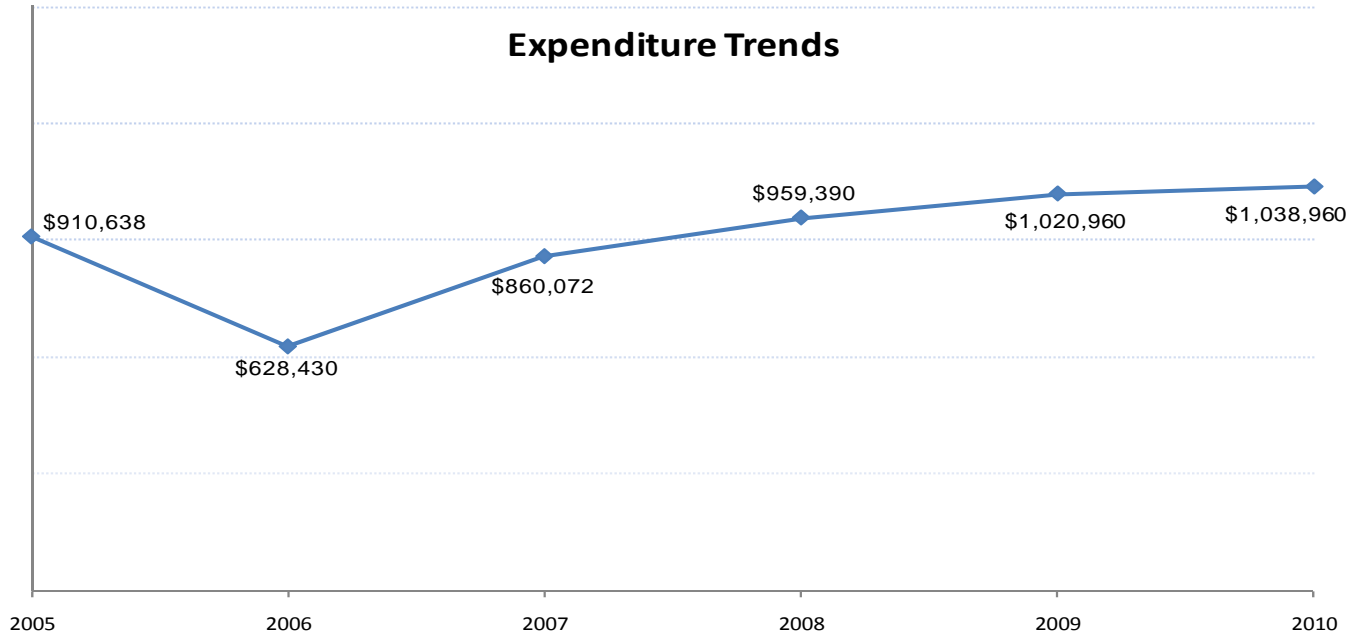
Budget Overview

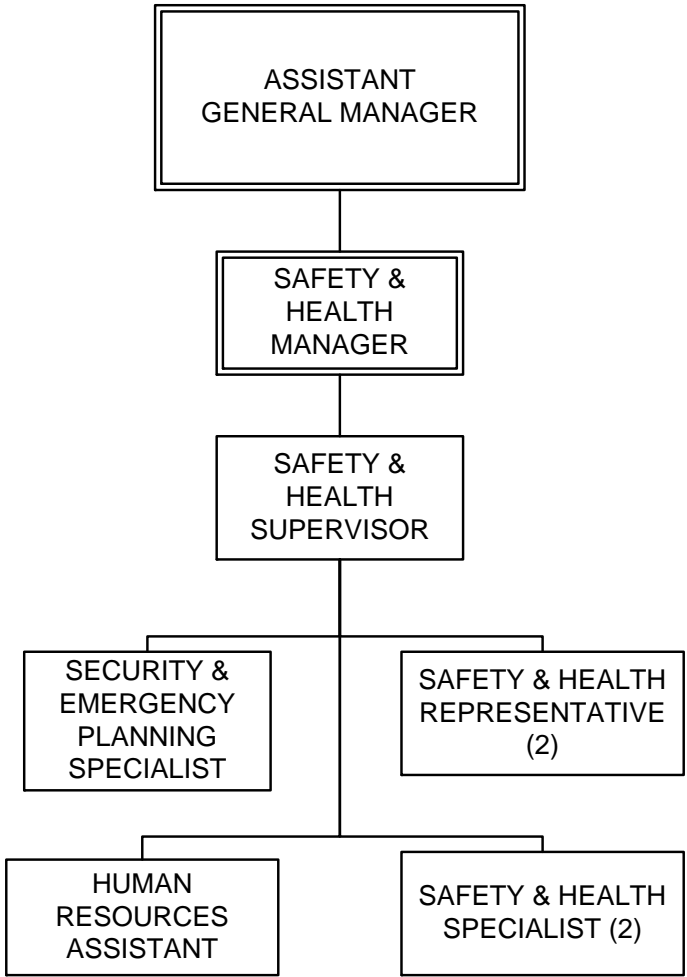
The FY 2008-09 & 2009-10 budgets for the Public Information Office Division reflect an increase of 6% and 2% from the prior year, respectively. The increase is mainly due to anticipated salary and benefits adjustments.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 959,390
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	41,500
Change in OCERS retirement costs	18,000
Change in group insurance costs	10,500
Other benefit cost adjustments	(400)
Other Cost Adjustments:	
Increase in memberships	2,850
Decrease in postage (costs transferred to Division 250)	(15,000)
Decrease in outside printing services	(12,000)
Increase in photo processing services	2,000
Increase in meetings	3,150
Decrease in temporary services	(3,500)
Decrease in legal services	(7,500)
Increase in other professional services	8,500
Increase in miscellaneous operating expense	14,930
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(1,460)
2008-09 Proposed Budget - Total Operating Requirements	\$ 1,020,960
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	43,000
Change in OCERS retirement costs	10,600
Change in group insurance costs	7,900
Other benefit cost adjustments	4,600
Other Cost Adjustments:	
Decrease in other professional services	(30,000)
Decrease in miscellaneous operating expense	(15,700)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(2,400)
2009-10 Proposed Budget - Total Operating Requirements	\$ 1,038,960

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 781,961	\$ 808,800	\$ 850,800	\$ 878,400	8.61%	\$ 944,500	7.53%
Supplies	42,287	81,120	47,690	65,860	(18.81%)	63,460	(3.64%)
Professional & Contractual Services	21,872	42,500	27,000	40,000	(5.88%)	10,000	(75.00%)
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	100	-	-	(100.00%)	-	-
Utilities	-	-	-	-	-	-	-
Other	13,952	26,870	21,770	36,700	36.58%	21,000	(42.78%)
Total	\$ 860,072	\$ 959,390	\$ 947,260	\$ 1,020,960	6.42%	\$ 1,038,960	1.76%



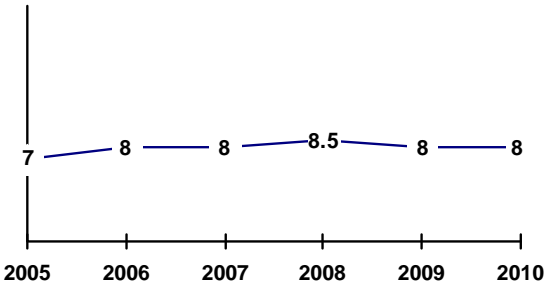


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	6.0
Administrative & Clerical	1.0

Total 8.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

We enable OCSD to meet its purpose by improving and reinforcing a workplace safety culture, and providing guidance on safe and healthful work practices.

2007-08 Performance Objectives	2007-08 Performance Results
<ul style="list-style-type: none"> ◆ Total Injury Incident Rate of 3.40 with a vision of 0.0 ◆ Recruit Active Safety and Health Program involvement by 15% of OCSD employees ◆ Develop and Implement a Safety Management Performance System to track manager's safety performance ◆ Compare Safety and Health compliance training conducted to Safety and Health compliance training required. ◆ Conduct six emergency drills to exercise the Integrated Emergency Response Plan ◆ Develop security policies and procedures based on the security program assessment 	<ul style="list-style-type: none"> ◆ Total Injury Incident Rate of 7.0 for calendar year 2007. ◆ Achieved 11% involvement rate ◆ Deferred pending completion of divisional strategic plan ◆ Conducted 87 classes resulting in 2,414 hours of training ◆ Three (3) EOC activations and Two (2) IERP drill conducted for 2007/2008 period ◆ Plan has been developed but needs EMT and Board approval.

2008-09 & 2009-10 Performance Objectives

- ◆ Implement Strategic Plans developed for the Safety Division with measurable objectives.
- ◆ Complete Security Capital Improvement Projects by 2009 Calendar year.
- ◆ Develop a Hazardous Waste Dashboard measurement to monitor the Hazardous Waste for Plant 1 and Plant 2.
- ◆ Implement a behavior based safety program to improve the safety culture for the District.
- ◆ Actively champion the Owner Controlled Insurance Program (OCIP) to gain a 1% return on Capital Improvement Projects.
- ◆ Conduct two plant wide emergency evacuation drills per year for Plant 1 and 2.

Summary	Performance Measures				Justification
	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	
◆ Total Injury Incident Rate	4.1	7.0	5.2	5.2	OCSD Goal
◆ Emergency Drills	4	4	2	2	Cal-OSHA Requirement
◆ Manager Safety Performance Program	Deferred pending completion of divisional strategic plan				Best Management Practice in accordance with the concepts of a Safety and Health Management System.
◆ Recruit Active Safety Program Involvement	11%	11%	15%	15%	Best Management Practice in accordance with the concepts of a Safety and Health Management System.
◆ Compliance Training Compliance	66%	48%	100%	100%	Best Management Practice in accordance with the concepts of a Safety and Health Management System.
◆ Security Program	80%	80%	100%	100%	Best Management Practice

Safety & Health

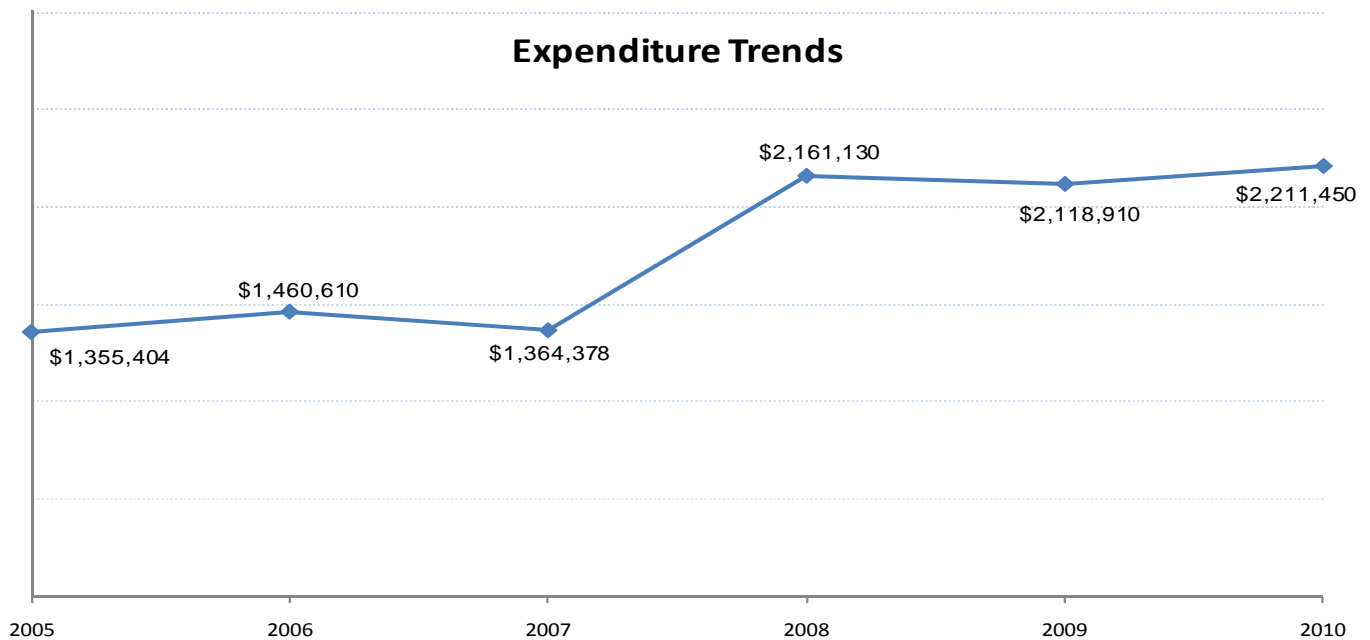
Budget Overview

The FY 2008-09 & 2009-10 budgets for the Safety & Health Division reflect a decrease of 2% and an increase of 4% from the prior year, respectively. The decrease is primarily the result of reductions in costs for training and other professional services.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 2,161,130
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	(12,400)
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	49,200
Change in OCERS retirement costs	22,200
Change in group insurance costs	10,800
Other benefit cost adjustments	18,500
Other Cost Adjustments:	
Increase in memberships	1,180
Decrease in training	(55,000)
Decrease in other professional services	(85,000)
 Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	8,300
2008-09 Proposed Budget - Total Operating Requirements	\$ 2,118,910
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	61,900
Change in OCERS retirement costs	15,400
Change in group insurance costs	9,000
Other benefit cost adjustments	5,300
Other Cost Adjustments:	
Increase in memberships	940
 Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	-
2009-10 Proposed Budget - Total Operating Requirements	\$ 2,211,450

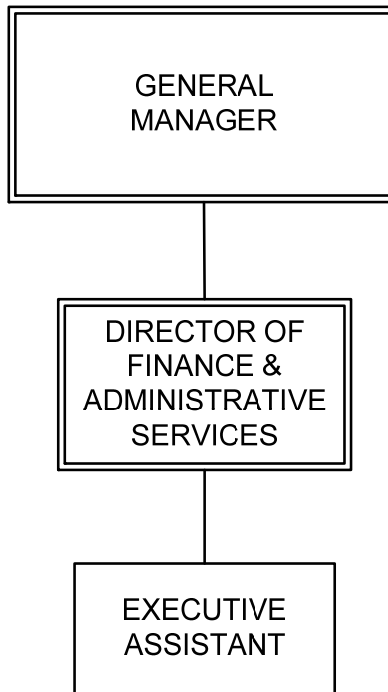
2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 824,466	\$ 980,700	\$ 820,100	\$1,069,000	9.00%	\$1,160,600	8.57%
Supplies	153,306	395,180	326,400	355,310	(10.09%)	356,250	0.26%
Professional & Contractual Services	371,779	760,900	699,820	672,900	(11.57%)	672,900	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	1,944	5,000	1,900	2,000	(60.00%)	2,000	-
Utilities	-	-	-	-	-	-	-
Other	12,883	19,350	12,700	19,700	1.81%	19,700	-
Total	\$ 1,364,378	\$ 2,161,130	\$ 1,860,920	\$ 2,118,910	(1.95%)	\$ 2,211,450	4.37%



Administrative Services Administration

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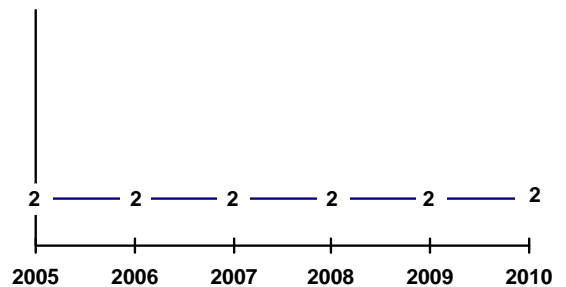


2008-09 & 2009-10 Authorized FTE Positions

Executive Manager	1.0
Administrative/Clerical	1.0

Total	2.0
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Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Administrative Services Administration Division is to oversee the functions of the Financial Management, Contracts, Purchasing, & Materials Management, Human Resources, and Information Technology Divisions. This oversight includes both day-to-day operations and strategic planning. The Office is the departmental liaison with Executive Management, the Administration Committee, the Board of Directors, and other departments of the District.

2007-08 Performance Measures

- ◆ Achieve rate of return on the Liquid Operating Portfolio comparable to 90-day Treasury Bill rate.
- ◆ Achieve rate of return on the Long Term Operating Portfolio comparable to Merrill Lynch 1-5 year Corporate/Government Bond Index.
- ◆ Achieve average interest rates paid on variable rate COPs comparable to Variable Rate COP Composite Index.
- ◆ Achieve General Liability insurance premium cost, as a percentage of operating budget, comparable to the index contained in most recent Cost of Risk Evaluation survey published by PRIMA.
- ◆ Achieve Worker's Compensation insurance premium cost, as a percentage of payroll, comparable to index contained in most recent Cost of Risk Evaluation survey published by PRIMA.

2007-08 Performance Results

- ◆ As of April 2008, the Liquid Operating Portfolio outperformed the 90-day T-Bill rate by 52 basis points.
- ◆ As of April 2008, the Long Term Operating Portfolio outperformed the index by 63 basis points for the year to date.
- ◆ The average interest rate paid on the COP debt program was 3.13 percent compared to the 3.09 percent paid by the composite index for the last 12 consecutive months through March 2008.
- ◆ The ratio of General Liability insurance premium cost to the total operating budget was 0.28 percent for FY 2007-08 in comparison to the index of 0.60 percent.
- ◆ The ratio of Worker's Compensation insurance premium cost to total budgeted payroll cost of 0.29 percent for FY 2007-08 was lower than the index of 1.49 percent.

2008-09 & 2009-10 Performance Objectives

- ◆ Submittal of annual sewer service fees (SSF) within property parcel database to the County by August 10th.
- ◆ All Treasury investments will be in compliance with the State Government Code 100% of the time.
- ◆ Sustain succession management and leadership academy programs through June 2010.
- ◆ Recommendations for Reinvention of Staffing Program by March 2009.
- ◆ Coordinate and uphold solicitation schedules in support of planned projects and emergency procurements.
- ◆ Implement Enterprise Content Management System by 2009-10.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Timely Submittal of annual SSF	Yes	Yes	August 2009	August 2010	In-house standard
◆ Investment Compliance	Yes	Yes	Expected	Expected	In-house standard
◆ Sustain Succession Management	N/A	Yes	Expected	Expected	In-house standard
◆ Reinvention of Staffing Program	N/A	N/A	Expected	Expected	In-house standard
◆ Implement Enterprise Content Management System	N/A	N/A	N/A	Expected	In-house standard

Administrative Services Administration

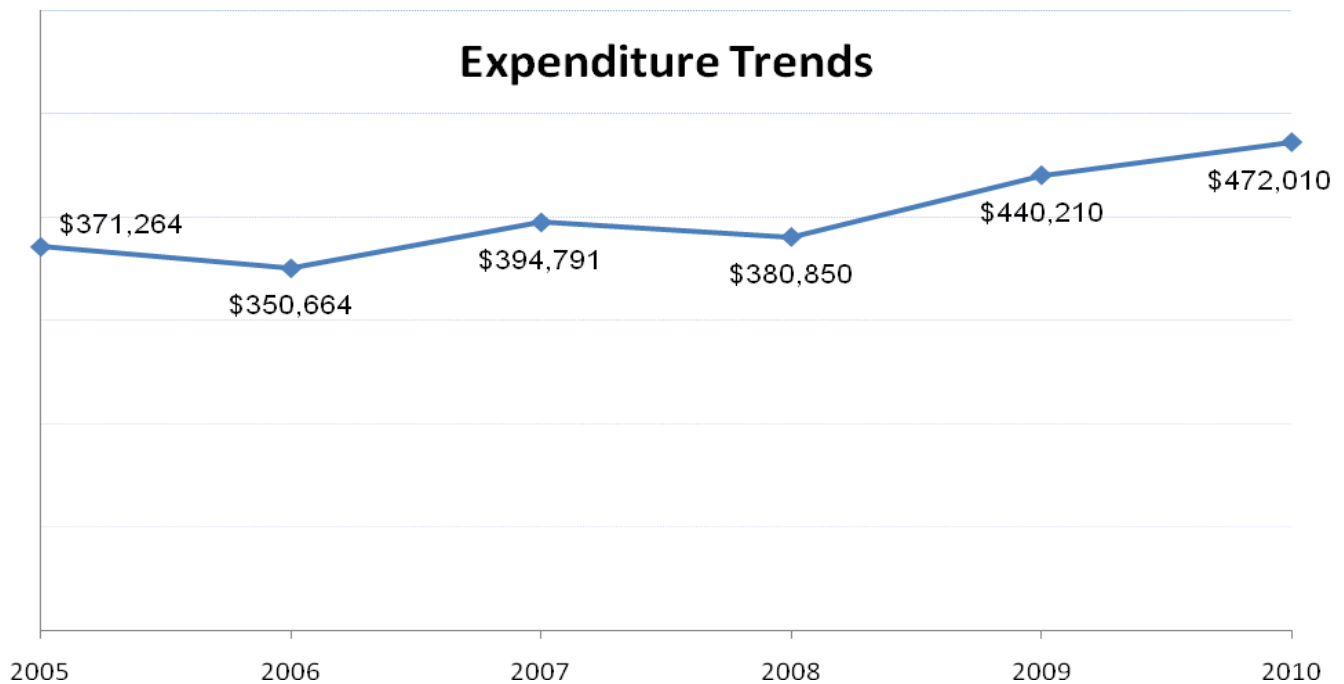
Budget Overview

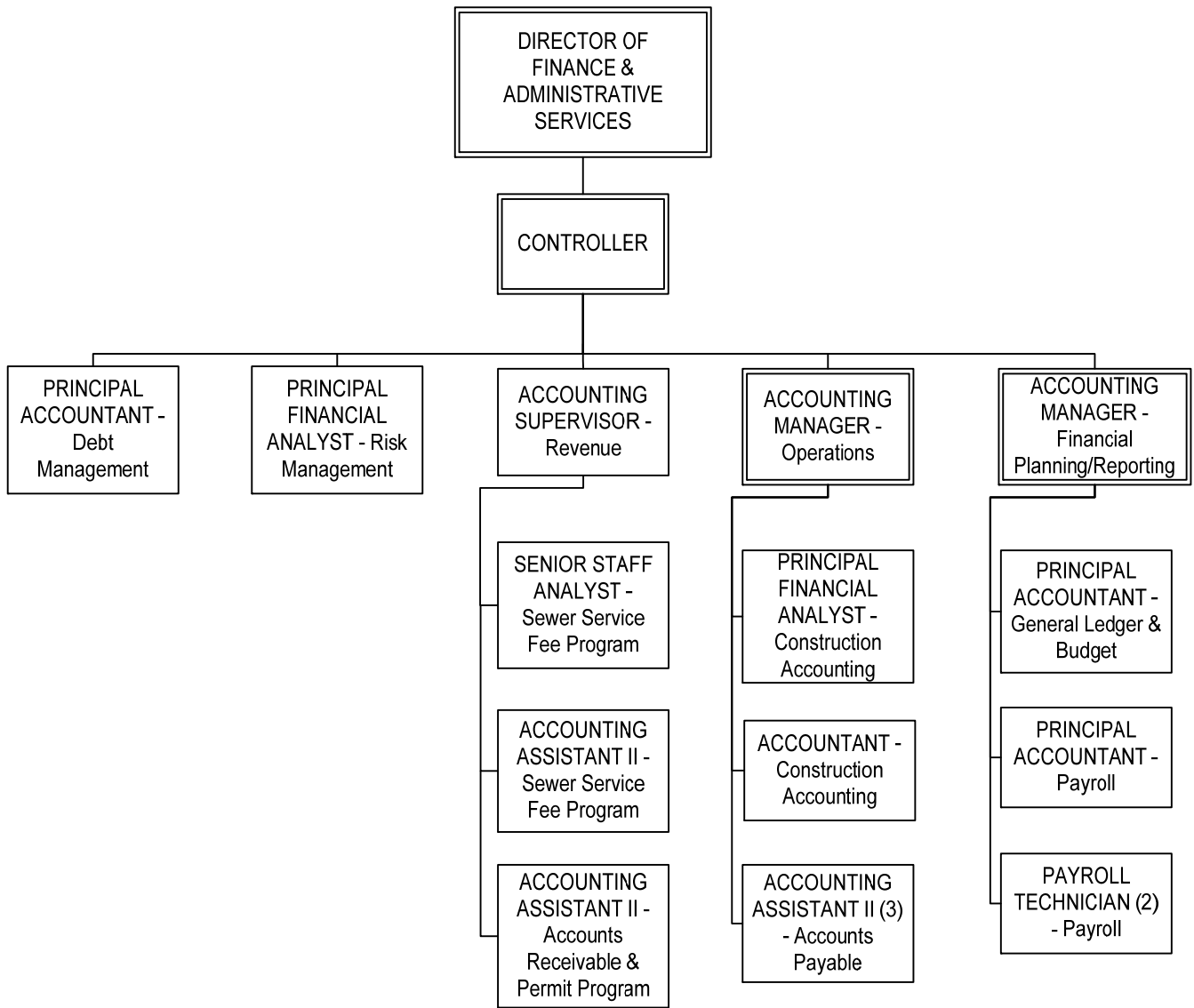
The FY 2008-09 & 2009-10 budgets for the Administrative Services Administration Division reflect an increase of 16% and 7% over the prior year, respectively. The increases are a result of anticipated annual salary and benefit adjustments.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 380,850
<i>Salaries for Position Changes:</i>	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
<i>Changes in Personnel Expenses:</i>	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	33,300
Change in OCERS retirement costs	12,000
Change in group insurance costs	3,100
Other benefit cost adjustments	12,300
<i>Other Cost Adjustments:</i>	
Decrease in legal services	(1,000)
<i>Aggregate change in Other Categories:</i>	
Aggregate change in other materials, supplies, and services	(340)
2008-09 Proposed Budget - Total Operating Requirements	\$ 440,210
<i>Changes in Personnel Expenses:</i>	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	22,400
Change in OCERS retirement costs	5,500
Change in group insurance costs	2,500
Other benefit cost adjustments	1,400
<i>Other Cost Adjustments:</i>	
<i>Aggregate change in Other Categories:</i>	
No other cost changes	-
2009-10 Proposed Budget - Total Operating Requirements	\$ 472,010

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07	2007-08	2007-08	2008-09	Budget	2009-10	Budget
	Actual	Revised Budget	Projected	Proposed	% Change	Proposed	% Change
Personnel	\$ 382,191	\$ 366,100	\$ 410,900	\$ 426,800	16.58%	\$ 458,600	7.45%
Supplies	3,075	2,650	2,210	2,360	(10.94%)	2,360	-
Professional & Contractual Services	9,437	12,000	10,200	11,000	(8.33%)	11,000	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Other	88	100	50	50	(50.00%)	50	-
Total	\$ 394,791	\$ 380,850	\$ 423,360	\$ 440,210	15.59%	\$ 472,010	7.22%



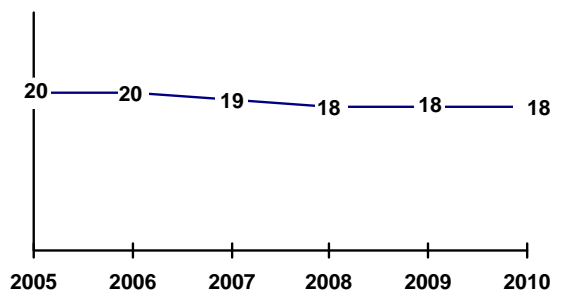


2008-09 & 2009-10 Authorized FTE Positions

Manager	3.0
Supervisors / Professionals	8.0
Administrative & Clerical	7.0

Total 18.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Financial Management Division is to maintain financial oversight and administration of all District funds and accounts. The Financial Management Division is responsible for administering the treasury management, debt financing, and risk management programs, the processing of cash receipts, accounts payable, accounts receivable, user fees, and payroll, accounting for fixed assets, and coordinating the capital and operating budget process throughout the District. The annual audit required by law and all financial reporting required of special districts by the State of California is coordinated and administered through this division.

2007-08 Performance Measures

- ◆ Issue monthly financial reports within 10 working days of the following month for 92 percent of the year.
- ◆ No more than 30 invoices for payment shall be outstanding longer than 30 days during the completion of any one accounts payable cycle 90 percent of the time.
- ◆ All sewer service fee refund requests will be processed within 45 days 90 percent of the time.
- ◆ Payroll processing will be completed on time 100 percent of the time and error free >99.5 percent of the time.
- ◆ All debt service payments will be paid electronically, on the actual due dates, and error free 100 percent of the time.
- ◆ All treasury investments will be in compliance with the California State Government Code 100% of the time.

2007-08 Performance Results

- ◆ Through April, monthly reports were distributed within 10 working days of the following month 100 percent of the time.
- ◆ No more than 30 invoices for payment were outstanding longer than 30 days during the completion of any one accounts payable cycle 100 percent of the time.
- ◆ All sewer service fee refund requests were processed within 45 days 100 percent of the time.
- ◆ Payroll was processed with an error-free rate of 99.99% on a bi-weekly and interim basis.
- ◆ All debt service payments were paid electronically, on the actual due dates, and error free 100 percent of the time.
- ◆ All treasury investments were in compliance with the California State Government Code 100% of the time.

2008-09 & 2009-10 Performance Objectives

- ◆ Issue monthly financial reports within 10 working days of the following month for 92 percent of the year.
- ◆ No more than 30 invoices for payment shall be outstanding longer than 30 days during the completion of any one accounts payable cycle 90 percent of the time.
- ◆ All sewer service fee refund requests will be processed within 45 days 90 percent of the time.
- ◆ Payroll processing will be completed on time 100 percent of the time and error free >99.5 percent of the time.
- ◆ All debt service payments will be paid electronically, on the actual due dates, and error free 100 percent of the time.
- ◆ All treasury investments will be in compliance with the California State Government Code 100% of the time.

Performance Measures

Summary	Performance Measures				Justification
	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	
◆ Financial reports issuance standard	92%	100%	92%	92%	In-house standard
◆ Accounts payable standard	100%	100%	90%	90%	In-house standard
◆ Sewer Service Refund Standard	100%	100%	90%	90%	In-house standard
◆ Payroll Error Free Standard	99.8%	99.7%	99.5%	99.5%	In-house standard
◆ Debt Service Payment Standard	100%	100%	100%	100%	In-house standard
◆ Treasury Investment Standard	100%	100%	100%	100%	In-house standard

Financial Management

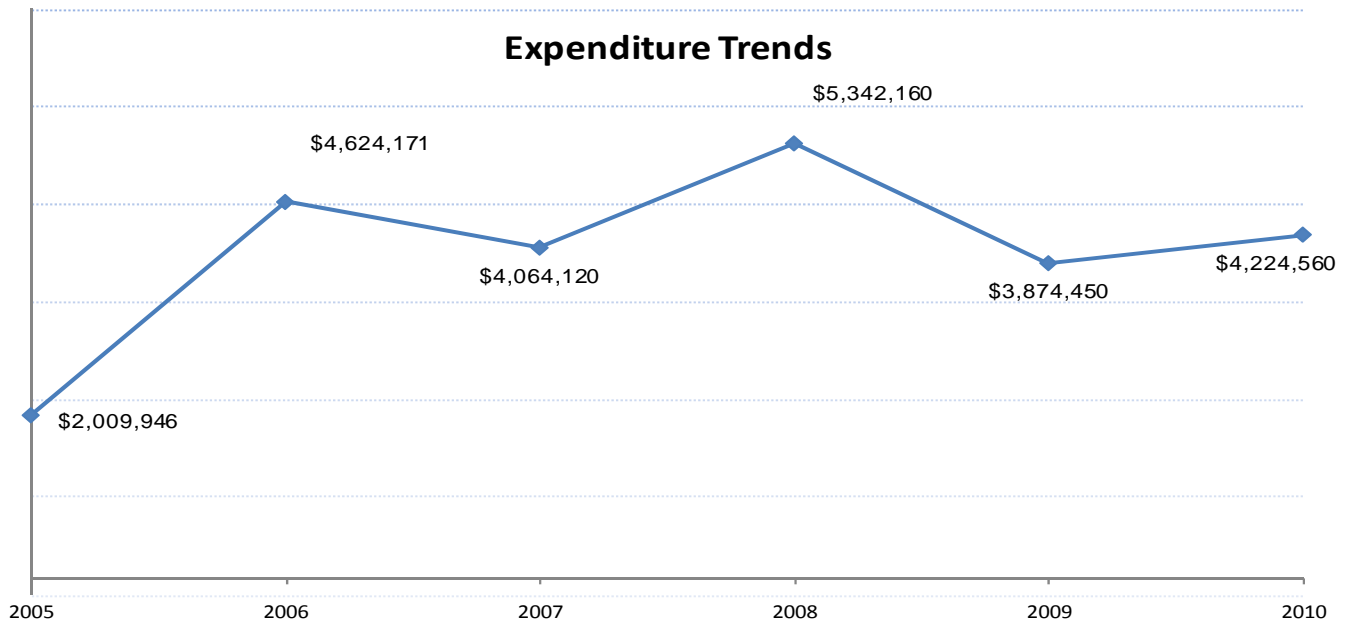
Budget Overview

The FY 2008-09 & 2009-10 budgets for the Financial Management Division reflect a decrease of 27% and an increase of 9% over the prior year, respectively. The decrease is primarily due to a decline in the estimate to be paid to the self-insurance fund for property and general liability insurance activities. Additionally, postage and printing costs decrease after preparation and mailing of proposition 218 notices in FY 2007-08. The increase in FY 2009-10 is primarily due to a higher estimate to be paid to the self-insurance fund for property and general liability insurance in order to maintain the reserve levels.

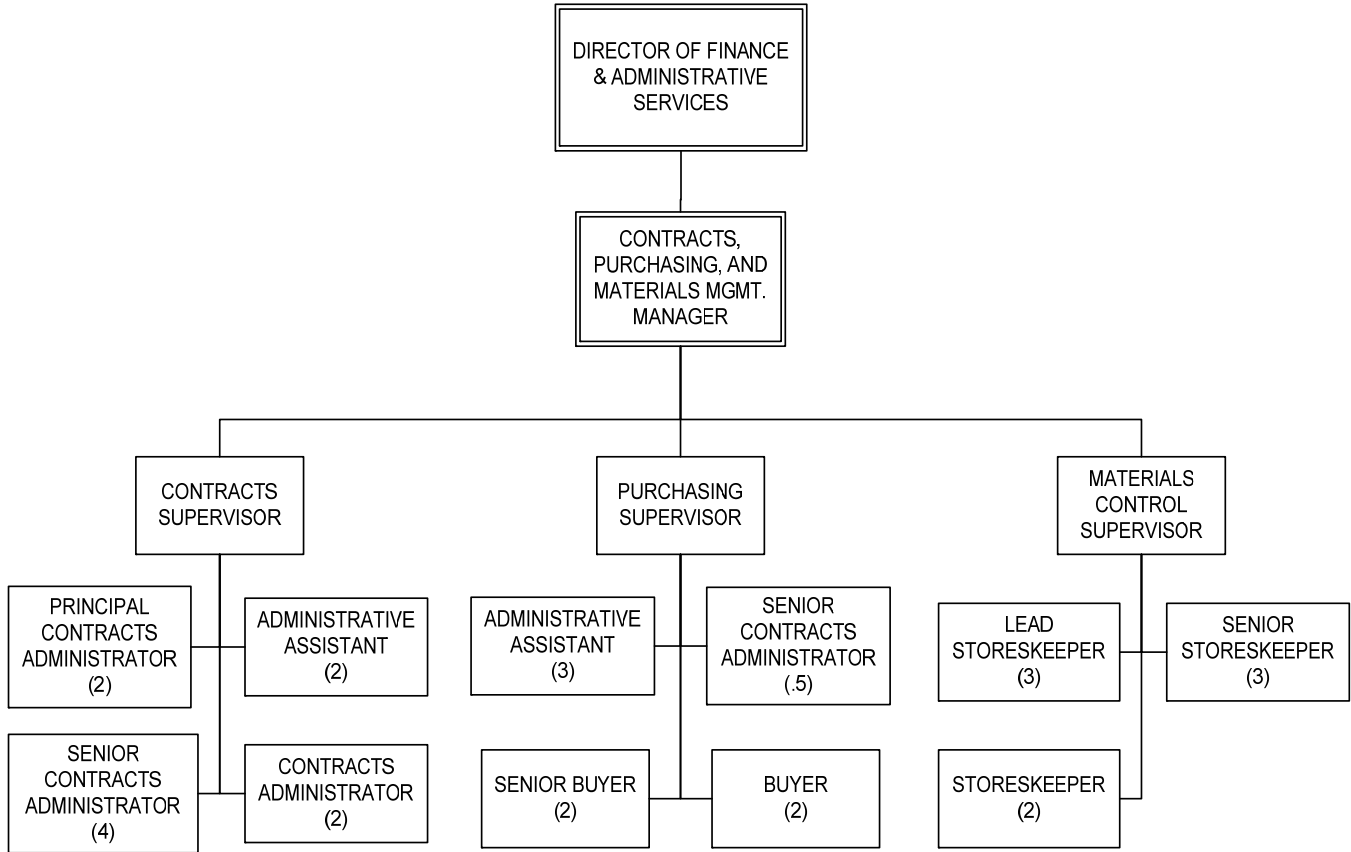
2007-08 Adjusted Budget - Total Operating Requirements	\$ 5,342,160
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	1,400
Change in OCERS retirement costs	21,800
Change in group insurance costs	17,000
Other benefit cost adjustments	29,500
Other Cost Adjustments:	
Decrease in postage	(228,050)
Decrease in outside printing	(60,900)
Decrease in county service fee	(87,000)
Decrease in temporary services	(10,000)
Decrease in other professional services	(57,380)
Decrease in property/general liability insurance in-lieu premium	(1,086,100)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(7,980)
2008-09 Proposed Budget - Total Operating Requirements	\$ 3,874,450
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	100,900
Change in OCERS retirement costs	25,000
Change in group insurance costs	19,700
Other benefit cost adjustments	11,900
Other Cost Adjustments:	
Increase in county service fee	7,000
Decrease in other contractual services	(2,550)
Increase in other professional services	12,410
Increase in property/general liability insurance in-lieu premium	170,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	5,750
2009-10 Proposed Budget - Total Operating Requirements	\$ 4,224,560

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 2,032,359	\$ 2,256,600	\$ 2,141,600	\$ 2,326,300	3.09%	\$ 2,483,800	6.77%
Supplies	32,651	326,060	289,060	33,830	(89.62%)	34,040	0.62%
Professional & Contractual Services	526,313	751,400	656,690	599,770	(20.18%)	622,070	3.72%
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	2,076	2,550	850	900	(64.71%)	950	5.56%
Utilities	-	-	-	-	-	-	-
Other	1,470,721	2,005,550	1,999,600	913,650	(54.44%)	1,083,700	18.61%
Total	\$ 4,064,120	\$ 5,342,160	\$ 5,087,800	\$ 3,874,450	(27.47%)	\$ 4,224,560	9.04%



Contracts, Purchasing, & Materials Management

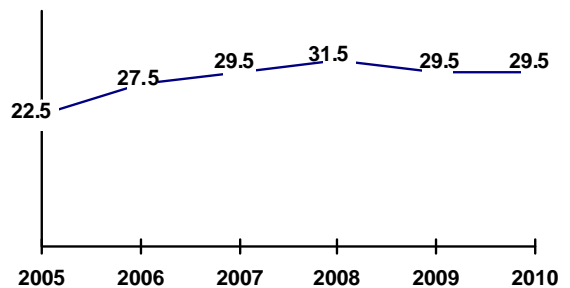


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	15.5
Administrative & Clerical	13.0

Total 29.5

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The Contracts, Purchasing and Material Management Division's goal is to provide equipment, services and information with the commitment to achieving the highest ethical, economic, and progressive contracts and purchasing standards possible. The division is responsible for contract administration and procurement for all District's departments utilizing request for quotations, request for proposals, open blanket orders, lease agreements, and oversees the sale of surplus equipment. The District's warehouses receive, inventory, and distribute supplies, materials, and equipment to all departments in addition to inventory control and analysis and surplus disposition management.

2007-08 Performance Objectives

- ◆ Continue the cycle count program and maintain a 97% accuracy rate or better
- ◆ Successfully search, edit, and incorporate 500+ new technical or professional services specifications into OCSD's specification library.
- ◆ Obtain the 2006 & 2007 "Achievement of Excellence in Procurement" (AEP) award by meeting all national requirements
- ◆ Materials reorganization at Plants 1 & 2 to improve customer service levels and inventory accuracy
- ◆ Develop a new contracts filing system incorporating all CIP contracts specimens and locate in a new area.

2007-08 Performance Results

- ◆ 97% accuracy rate achieved by the end of the fiscal year.
- ◆ Specification entries reached 275.
- ◆ 2007 AEP award received.
- ◆ Reorganization completed at both plants.
- ◆ New system completed by expansion into mezzanine area.

2008-09 & 2009-10 Performance Objectives

- ◆ Continue the cycle count program and maintain a 97% accuracy rate or better.
- ◆ Obtain the 2008 & 2009 "Achievement of Excellence in Procurement" (AEP) award by meeting all National requirements.
- ◆ Research E-Procurement systems and complete a successful implementation by end of fiscal 2008.
- ◆ Successfully develop a PDSA (Professional Design Service Agreement) Contracts Program by end of fiscal 2009.
- ◆ Successfully revise Delegation of Authority 07-04 and have approved by all Committees and Board by end of fiscal 2009.

Performance Measures

Summary	Performance Measures				Justification
	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	
◆ Cycle Count	97%	97%	97%	97%	APICS standard NPI, NAPM, NIGP, & CAPPO standards.
◆ AEP Award	Obtained	Obtained	Obtain	Obtain	
◆ E-Procurement system	N/A	N/A	Complete	N/A	Internal need to increase productivity.
◆ PDSA Program	N/A	N/A	Preliminary Research	Complete	Final phase of Contracts program.
◆ New DOA	N/A	N/A	Preliminary Research	Complete	Inconsistencies in DOA necessitate revision.

Contracts, Purchasing, & Materials Management

Budget Overview

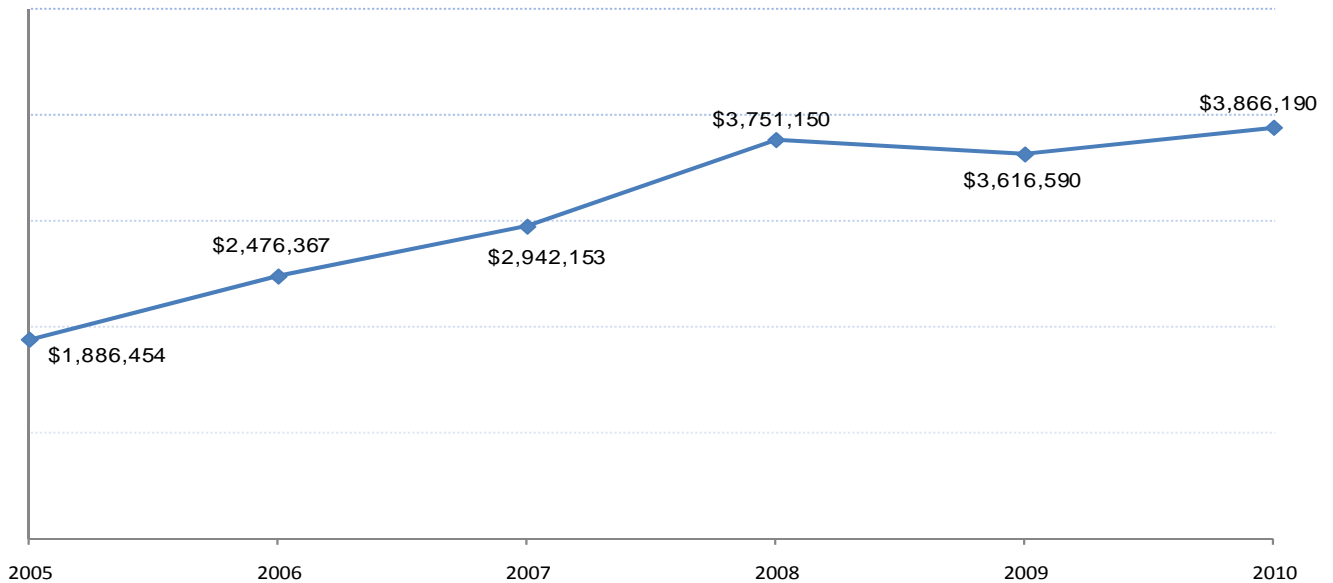
The FY 2008-09 & 2009-10 budgets for the Contracts, Purchasing, & Materials Management Division reflect a decrease of 4% and an increase of 7% over the prior year, respectively. These changes are primarily due to decreased staffing costs as a result of reallocating two positions from contracts administration to other departments.

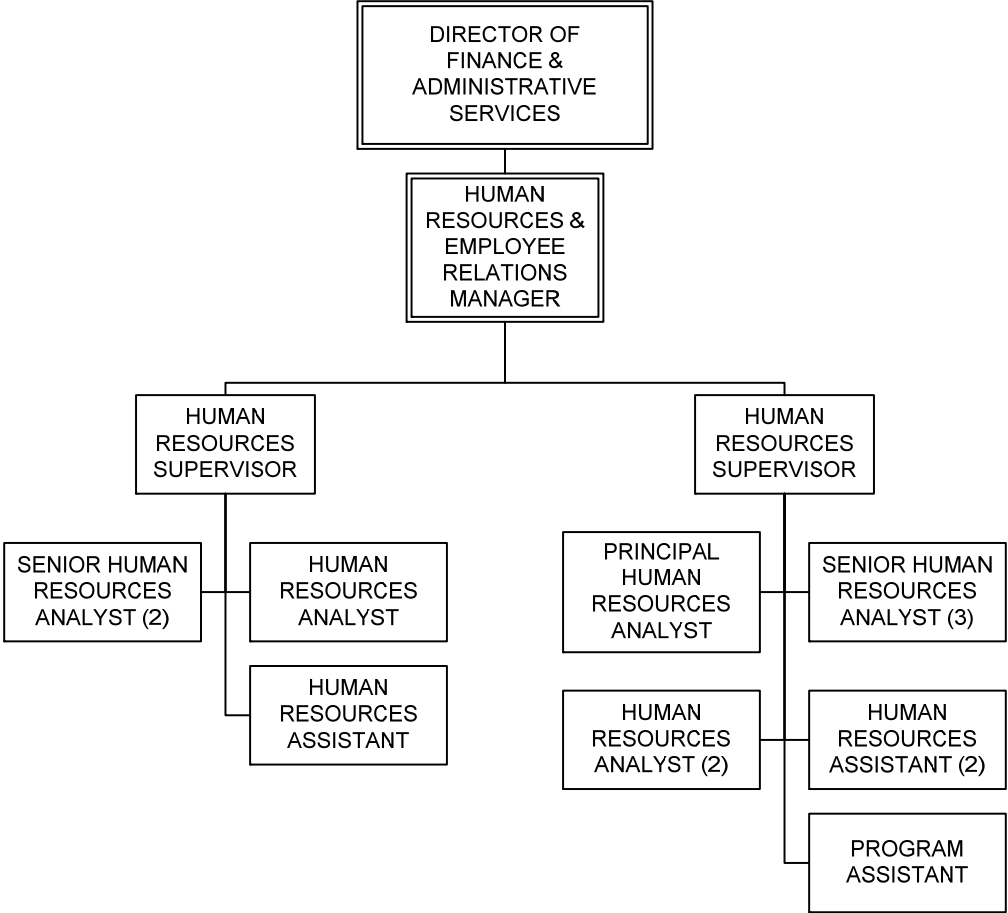
2007-08 Adjusted Budget - Total Operating Requirements	\$ 3,751,150
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	(158,400)
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	73,200
Change in OCERS retirement costs	7,800
Change in group insurance costs	14,600
Other benefit cost adjustments	(9,500)
Other Cost Adjustments:	
Decrease in minor furniture and fixtures	(12,000)
Decrease in in-house reproduction services	(4,000)
Decrease in meetings	(4,000)
Decrease in temporary services	(25,000)
Decrease in legal services	(11,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(6,260)
2008-09 Proposed Budget - Total Operating Requirements	\$ 3,616,590
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	171,400
Change in OCERS retirement costs	41,000
Change in group insurance costs	32,600
Other benefit cost adjustments	19,600
Other Cost Adjustments:	
Decrease in minor furniture and fixtures	(15,000)
Aggregate change in Other Categories:	
No other cost changes	-
2009-10 Proposed Budget - Total Operating Requirements	\$ 3,866,190

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 2,779,775	\$ 3,489,800	\$ 3,191,800	\$ 3,417,500	(2.07%)	\$ 3,682,100	7.74%
Supplies	45,417	80,350	42,890	56,590	(29.57%)	41,590	(26.51%)
Professional & Contractual Services	71,336	136,000	100,500	100,500	(26.10%)	100,500	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	887	3,500	1,000	1,000	(71.43%)	1,000	-
Utilities	-	-	-	-	-	-	-
Other	44,738	41,500	46,000	41,000	(1.20%)	41,000	-
Total	\$ 2,942,153	\$ 3,751,150	\$ 3,382,190	\$ 3,616,590	(3.59%)	\$ 3,866,190	6.90%

Expenditure Trends



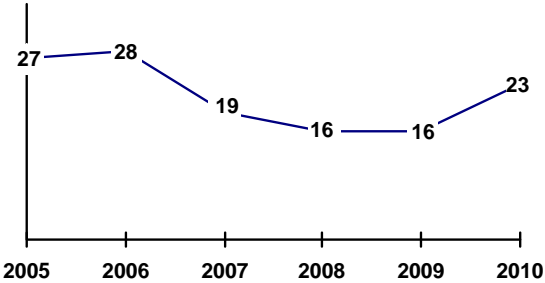


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.00
Supervisors / Professionals	12.00
Administrative/Clerical	3.00

Total **16.00**

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

We enable OCSD to meet its purpose by attracting and retaining a high quality workforce, and providing development opportunities.

2007-08 Performance Objectives

- ◆ Manage Department budget within 90-100% of authorized expenditures.
- ◆ Manage the Meet and Confer process.
- ◆ Manage Division Performance Objectives.
- ◆ Develop and implement a Leadership Academy.
- ◆ Manage staffing within authorized levels.
- ◆ Implement a Succession Management Program.

2007-08 Performance Results

- ◆ The Department budget is 48.3% expended as of 2/29/08. Project 90% or higher by the end of the fiscal year.
- ◆ Ensure 100% compliance with external and internal regulatory requirements.
- ◆ All objectives met.
- ◆ Implemented February 2008.
- ◆ Managed within Board authorized level.
- ◆ Pilot program implemented August 2007.

2008-09 & 2009-10 Performance Objectives

- ◆ Meet the training level of service of 45 hours per employee by June 2009 and June 2010.
- ◆ Sustain succession management program through June 2010.
- ◆ Implement NEOGov Applicant Tracking System by September 2008.
- ◆ Sustain the Leadership Academy through June 2010.
- ◆ Recommend management total compensation system by August 2008.
- ◆ Develop labor relations plan for MOU expiration by June 2009.
- ◆ Recommend reinvention of staffing program by March 2009.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Meet the training level of service.	N/A	N/A	45 hrs. per employee	45 hrs. per employee	Strategic Plan
◆ Sustain the Succession Management Program.	N/A	Implement	Sustain	Sustain	Organizational change
◆ Implement the NEOGov Applicant Tracking System.	N/A	Implement	N/A	N/A	Best management practice
◆ Sustain the Leadership Academy.	N/A	Implement	Sustain	Sustain	Organizational change
◆ Recommend management total compensation system.	N/A	Develop	Implement	Implement	Best management practice
◆ Develop labor relations plan for MOU expiration	N/A	N/A	Develop	Implement	Organizational Change
◆ Recommend reinvention of staffing program.	N/A	N/A	Develop	Implement	Best management practice

Human Resources

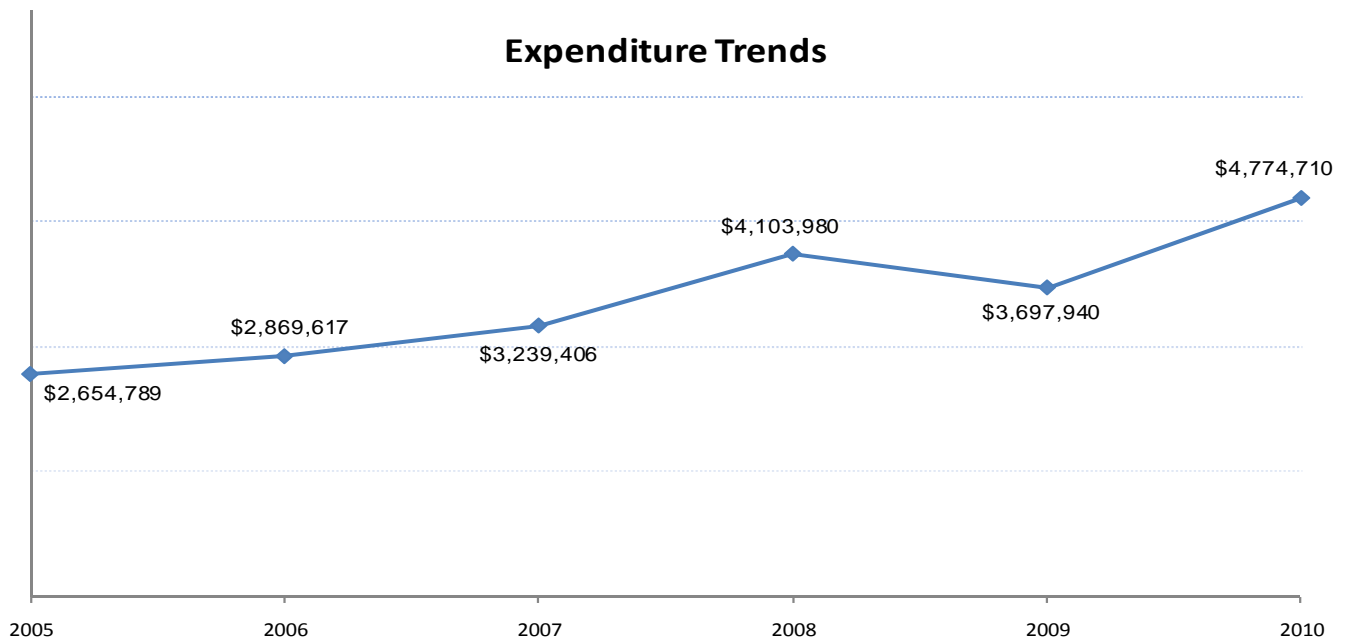
Budget Overview

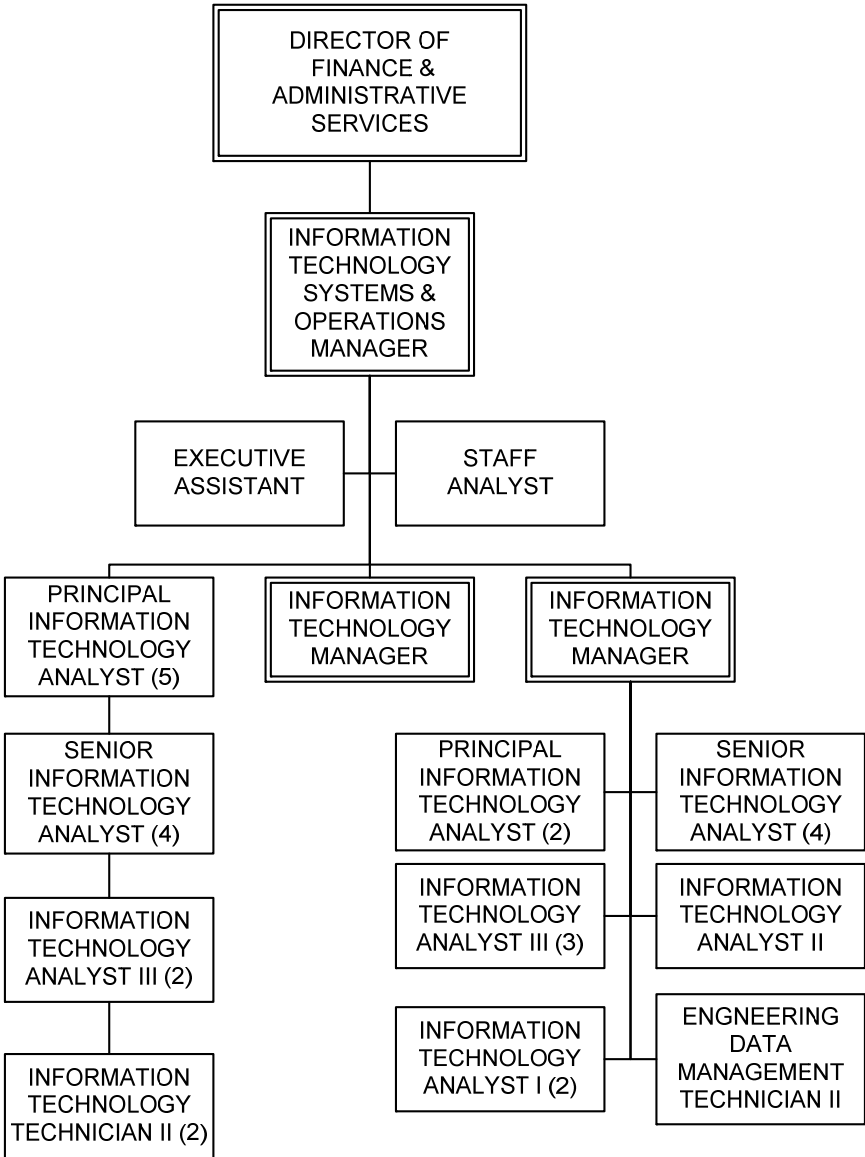
The FY 2008-09 & 2009-10 budgets for the Human Resources Division reflect a decrease of 10% and an increase of 29% over the prior year, respectively. The decrease is mainly due to staff reallocations during FY 2007-08. The increase in FY 2009-10 is primarily due to reflecting the planned District-wide increase of 7 FTE positions in this division for budget purposes until specific positions and divisional assignment are determined.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 4,103,980
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(65,800)
Change in OCERS retirement costs	3,100
Change in group insurance costs	21,800
Other benefit cost adjustments	(405,460)
Other Cost Adjustments:	
Increase in training	26,100
Increase in temporary services	11,500
Increase in legal services	8,400
Decrease in labor negotiation services	(20,000)
Increase in other professional services	11,700
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	2,620
2008-09 Proposed Budget - Total Operating Requirements	\$ 3,697,940
Salaries for Position Changes:	
New or (decreased) FTE (Specific positions to be determined)	658,100
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	98,000
Change in OCERS retirement costs	187,800
Change in group insurance costs	106,000
Other benefit cost adjustments	16,500
Other Cost Adjustments:	
Increase in other professional services	10,000
Aggregate change in Other Categories:	
No other cost changes	370
2009-10 Proposed Budget - Total Operating Requirements	\$ 4,774,710

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 2,023,469	\$ 2,806,360	\$ 2,228,230	\$ 2,360,000	(15.91%)	\$ 3,426,400	45.19%
Supplies	923,103	933,920	925,870	957,140	2.49%	957,510	0.04%
Professional & Contractual Services	266,074	335,000	292,100	343,600	2.57%	353,600	2.91%
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Other	26,760	28,700	28,000	37,200	29.62%	37,200	-
Total	\$ 3,239,406	\$ 4,103,980	\$ 3,474,200	\$ 3,697,940	(9.89%)	\$ 4,774,710	29.12%

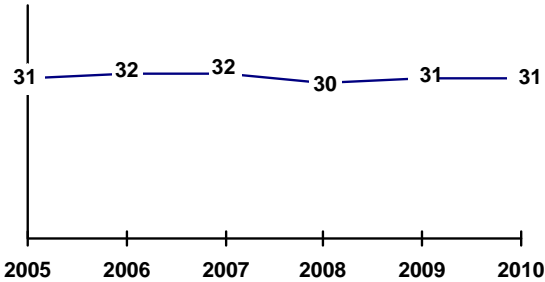




2008-09 & 2009-10 Authorized FTE Positions

Manager	3.0
Supervisors / Professionals	25.0
Technical Staff	2.0
Administrative/Clerical	1.0
Total	31.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The Information Technology Division provides support to the users of District's Information Technology related assets and services as well as developing and implementing technology solutions that best meet the needs of the District. The Division procures and manages computer hardware/software and provides end user support with a HELP Desk that performs computer and telecommunications installations, moves, and changes. The Division is also responsible for the design, installation, maintenance, troubleshooting, and upgrades of all networking infrastructure components and back-end computer system, wireless connectivity, plant radio/public address, fire/security, reprographics, and mailroom services. Additionally, this Division works closely with every Department and Division in developing an understanding of the organization's software application and information requirements and providing systems analysis and design, custom computer programming, system implementation and integration, and database/data warehousing availability and support.

2007-08 Performance Objectives

- ◆ Replace obsolete computers.
- ◆ Complete category 1 & 2 Internal Service Level Agreement (SLA) at 100% and category 3 & 4 SLA at 90%.
- ◆ Establish a software-based collaboration infrastructure.
- ◆ Maintain an average uptime or availability of 95% for all Oracle and Microsoft SQL Server computer database-related services.
- ◆ Meet 75% of all IT project milestones and strategic goals by targeted due dates.

2007-08 Performance Results

- ◆ Replaced computers less than 4 years old.
- ◆ Category 1 & 2 at 99%; category 3 & 4 at 94%.
- ◆ Microsoft Office SharePoint Server is installed, configured, and in production.
- ◆ Projected uptime availability is 95%.
- ◆ Projected to achieve 80% of project milestones.

2008-09 & 2009-10 Performance Objectives

- ◆ Uphold and endorse OCSD's Strategic Plan Levels of Service (LOS); ascertain the measurement of IT Strategic Plan (ITSP) target achievement based on the importance and completion of goals supporting the LOS in the OCSD Strategic Plan.
- ◆ Complete 80% of ITSP Planned Annual Objectives.
- ◆ Replace obsolete computing equipment.
- ◆ Reduce existing licenses/maintenance agreements by 10%.
- ◆ Maintain an average uptime of 90% for critical applications.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Maintain internal SLA	n/a	n/a	expected	expected	In-house standard
◆ IT Strategic Plan Objectives	n/a	n/a	12 objectives	12 objectives	IT Strategic Plan
◆ Critical systems availability	n/a	n/a	90%	90%	Minimum business impact
◆ Security patches applied	n/a	n/a	48 hrs.	48 hrs.	Network security
◆ Replace obsolete computers	n/a	n/a	25% of total computers	25% of total computers	Service level agreement

Information Technology

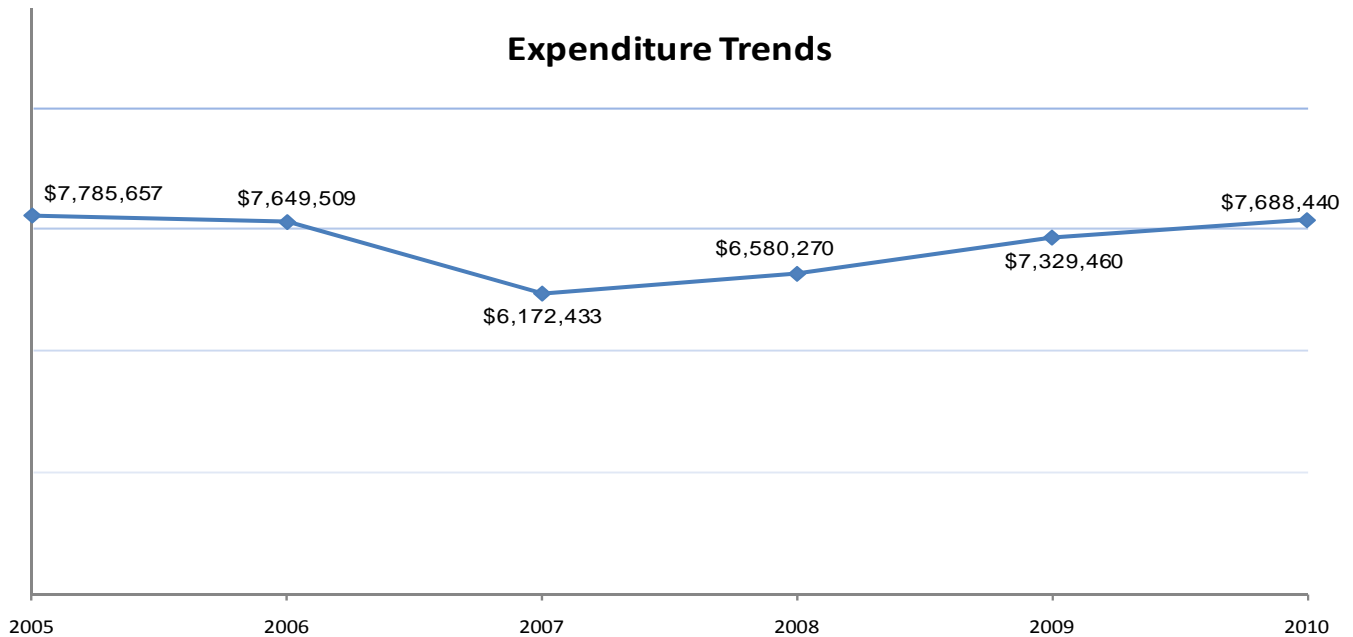
Budget Overview

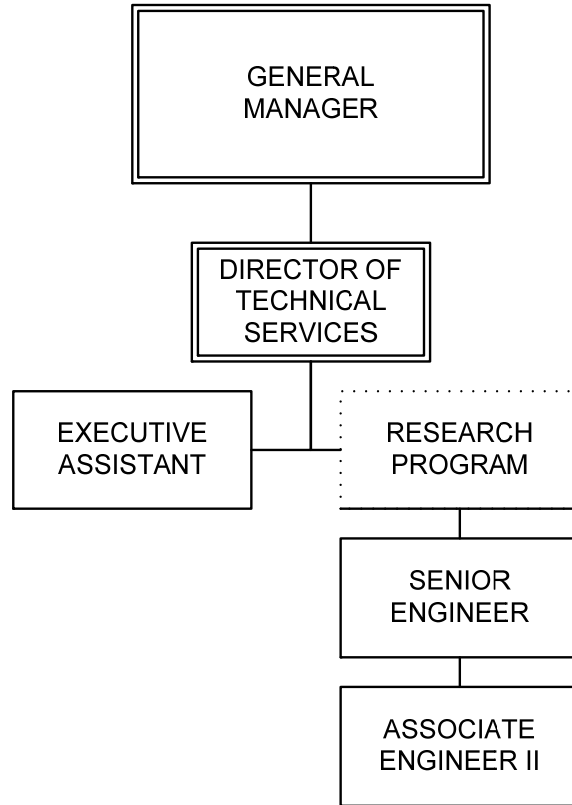
The FY 2008-09 & 2009-10 budgets for the Information Technology Division reflect increases of 11% and 5% over the prior year, respectively. The increases are primarily due to anticipated annual salary and benefit adjustments and to an expected increase in the cost of software licensing and maintenance agreements. There is also an increase related to the transfer of 1 FTE position into this Division in FY 2008-09.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 6,580,270
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	84,800
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	217,400
Change in OCERS retirement costs	113,300
Change in group insurance costs	57,200
Other benefit cost adjustments	10,500
Other Cost Adjustments:	
Increase in postage (transferred from Divisions 151 and 152)	55,000
Increase in small computer items	60,000
Decrease in other contractual services	(10,000)
Decrease in ERP support (costs transferred to software program consulting)	(247,160)
Increase in software program consulting	259,800
Decrease in other professional services	(14,000)
Increase in service maintenance agreements	121,750
Increase in telephone	48,500
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(7,900)
2008-09 Proposed Budget - Total Operating Requirements	\$ 7,329,460
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	187,200
Change in OCERS retirement costs	46,500
Change in group insurance costs	34,200
Other benefit cost adjustments	20,600
Other Cost Adjustments:	
Increase in service maintenance agreements	70,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	480
2009-10 Proposed Budget - Total Operating Requirements	\$ 7,688,440

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 3,825,054	\$ 3,908,900	\$ 4,029,300	\$ 4,392,100	12.36%	\$ 4,680,600	6.57%
Supplies	883,713	964,460	949,750	1,077,360	11.71%	1,077,840	0.04%
Professional & Contractual Services	177,423	352,360	437,540	340,000	(3.51%)	340,000	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	1,088,617	1,148,250	1,148,250	1,270,000	10.60%	1,340,000	5.51%
Utilities	194,362	201,500	240,000	250,000	24.07%	250,000	-
Other	3,264	4,800	-	-	(100.00%)	-	-
Total	\$ 6,172,433	\$ 6,580,270	\$ 6,804,840	\$ 7,329,460	11.39%	\$ 7,688,440	4.90%



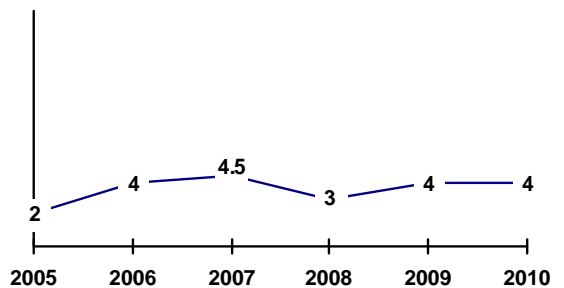


2008-09 & 2009-10 Authorized FTE Positions

Executive Manager	1.0
Supervisors/Professionals	2.0
Administrative / Clerical	1.0

Total 4.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Technical Services Administration and Research Division is to provide leadership on environmental issues for the District to oversee the functions of the Environmental Compliance and Regulatory Affairs Division, Environmental Sciences and Ocean Monitoring Division, Source Control Division, and the Research Program. This includes overseeing strategic planning of issue management and day to day operations. The Director of Technical Services is responsible for all regulatory issues related to air, land and water quality protection and provides support to the District's legislative advocacy and grants programs. The Director is the Department liaison with the Executive Management Team and the Board of Directors. The Technical Services Department provides environmental support services to other departments to accomplish the mission and goals of the District.

2007-08 Performance Objectives

- ◆ Ensure reporting divisions achieve 90%+ of the year's performance objectives.
- ◆ Ensure the Technical Services Department's expenditures are managed within 90% -100% of the proposed budget.
- ◆ Ensure reporting divisions achieve 90%+ of strategic goals and objectives.
- ◆ Secure at least \$250,000 in grant funds for OCSD.

2007-08 Performance Results

- ◆ Reporting divisions achieved performance objectives at 95%-100% through February 2008.
- ◆ Total operating expenditures on target at 60.90% through February 2008.
- ◆ Projects completed at 100%.
- ◆ This objective is the responsibility of Division 150.

2008-09 & 2009-10 Performance Objectives

- ◆ Ensure reporting divisions achieve 90%+ of the year's performance objectives.
- ◆ Ensure the Technical Services Department's expenditures are managed within 90% -100% of the proposed budget.
- ◆ Ensure reporting divisions achieve 90%+ of strategic goals and objectives.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Performance objectives	100%	95-100%	90%	90%	In-house standard
◆ Manage expenditures	100%	90-100%	90-100%	90-100%	In-house standard
◆ Strategic goals and objectives	100%	100%	90%	90%	In-house standard

Technical Services Administration & Research

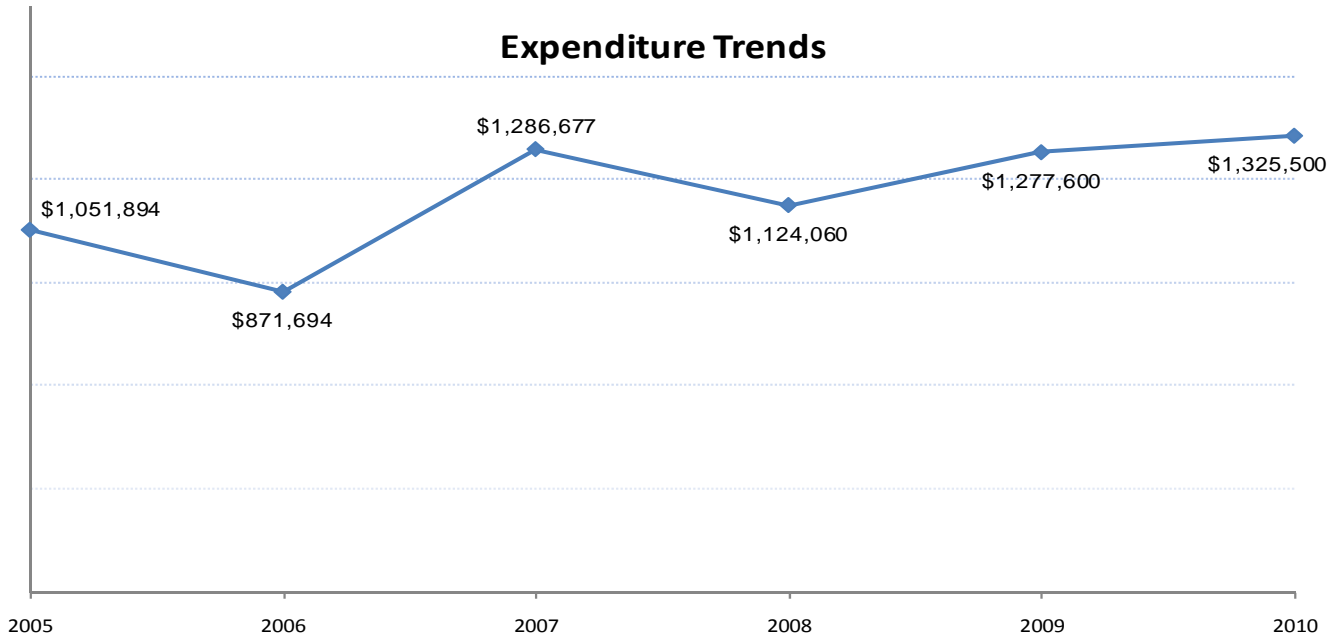
Budget Overview

The FY 2008-09 & 2009-10 budgets for the Technical Services Administration and Research Division reflect increases of 14% and 4% from the prior year, respectively. The increase is primarily due to increased research costs. The impact of the 1 FTE position transferred to this Division is largely offset by the effect of staff reallocations in FY 2007-08.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 1,124,060
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	34,000
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	1,700
Change in OCERS retirement costs	14,400
Change in group insurance costs	14,900
Other benefit cost adjustments	(800)
Other Cost Adjustments:	
Decrease in memberships (\$10,000 transferred to Division 740)	(10,350)
Increase in meetings	3,760
Increase in research costs	97,820
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(1,890)
2008-09 Proposed Budget - Total Operating Requirements	\$ 1,277,600
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	31,400
Change in OCERS retirement costs	7,800
Change in group insurance costs	4,600
Other benefit cost adjustments	2,600
Other Cost Adjustments:	
Decrease in minor furniture and fixtures	(2,500)
Increase in research costs	4,000
Aggregate change in Other Categories:	
No other cost changes	-
2009-10 Proposed Budget - Total Operating Requirements	\$ 1,325,500

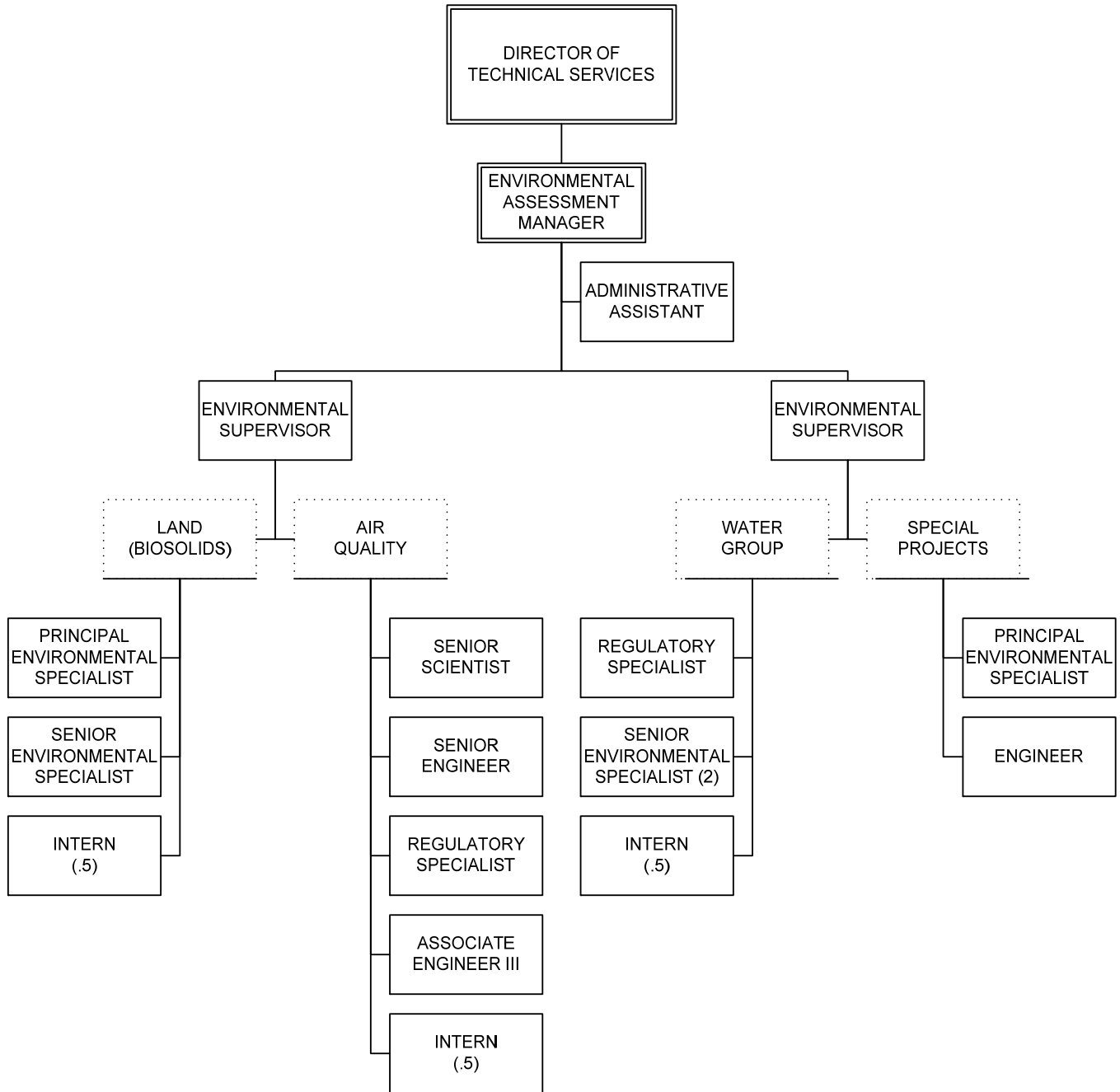
2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 302,357	\$ 559,100	\$ 554,500	\$ 623,300	11.48%	\$ 669,700	7.44%
Supplies	20,909	34,120	18,260	25,790	(24.41%)	23,290	(9.69%)
Professional & Contractual Services	273,498	6,000	6,000	6,000	-	6,000	-
Research & Monitoring	689,751	524,440	524,440	622,260	18.65%	626,260	0.64%
Repairs & Maintenance	-	200	-	-	(100.00%)	-	-
Utilities	-	-	-	-	-	-	-
Other	162	200	160	250	25.00%	250	-
Total	\$ 1,286,677	\$ 1,124,060	\$ 1,103,360	\$ 1,277,600	13.66%	\$ 1,325,500	3.75%



Environmental Compliance & Regulatory Affairs

620

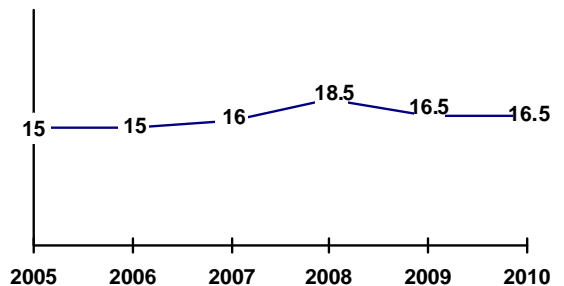


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.00
Supervisors / Professionals	13.00
Administrative / Clerical	1.00
Intern	1.50

Total 16.50

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The Environmental Compliance and Regulatory Affairs Division (ECRA) protects public health and the environment by securing and maintaining permits from regulatory agencies for activities that may impact climate, air quality, land, and wastewater. ECRA is responsible for assuring that the District maintains compliance with all wastewater, air quality/climate change and residual-related rules, regulations and permit requirements; implementation of the recommendations of the Long-Term Biosolids Management Plan; oversight of biosolids management contractors' operations; auditing and evaluating plant processes and compliance activities; evaluating and proactively developing new regulations; and building positive relationships with the regulatory community and the public.

2007-08 Performance Objectives	2007-08 Performance Results
<ul style="list-style-type: none"> ◆ Meet 100% of regulatory deadlines for required compliance reports and applications ◆ Conduct four (4) environmental audits ◆ Perform interim audit of the EMS program by the NBP's required date ◆ Evaluate biosolids compliance data and produce a timely annual report ◆ ECAP – Test SharePoint, Go No-Go decision, begin implementation of SharePoint or alternative 	<ul style="list-style-type: none"> ◆ Met performance goals ◆ In progress, four (4) planned to be completed by the end of fiscal year ◆ Met performance goals ◆ Met performance goals ◆ Testing completed and SharePoint will be used for ECAP

2008-09 & 2009-10 Performance Objectives

- ◆ Complete NPDES permit renewal application on time by April 2009
- ◆ Complete implementation of ECAP in all core environmental areas with active dashboard as required by the District's Strategic Initiative
- ◆ Meet 100% of regulatory deadlines for required compliance reports and permit applications
- ◆ Complete the development of a Greenhouse Gas emission inventory protocol and represent the District's interest in the development of climate change regulations as required by the District's Strategic Initiative on Climate Change
- ◆ Monitor the development of technologies for the remaining one-third of the District's biosolids production and select a management option as part of the Sustainable Biosolids Program's Strategic Initiative

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ NPDES Permit Renewal	N/A	Begin process and budget	Complete renewal application	Conduct negotiation of permit	Required for continuous operation by regulatory agencies
◆ ECAP Implementation	Conducted feasibility analysis	Test SharePoint and decide on software	Implement core environmental areas with dashboard	Implement other areas as agreed to with management	Strategic Initiative Goal
◆ Meet 100% of regulatory deadlines	100%	100%	100%	100%	In-house standard / Regulatory Requirement
◆ Implement a new biosolids management technology for the remaining 1/3 of OCSB biosolids.	N/A	N/A	RFP process in progress	New management option contract	Level of service conformance and Strategic Initiative
◆ Development of Greenhouse Gas emission inventory protocol / represent District's interest in development of climate change regulations	N/A	N/A	Submit annual GHG emissions inventory to CARB	Submit annual GHG emissions inventory to CARB	Regulatory requirement & part of District Strategic Initiative on Climate Change

Environmental Compliance & Regulatory Affairs

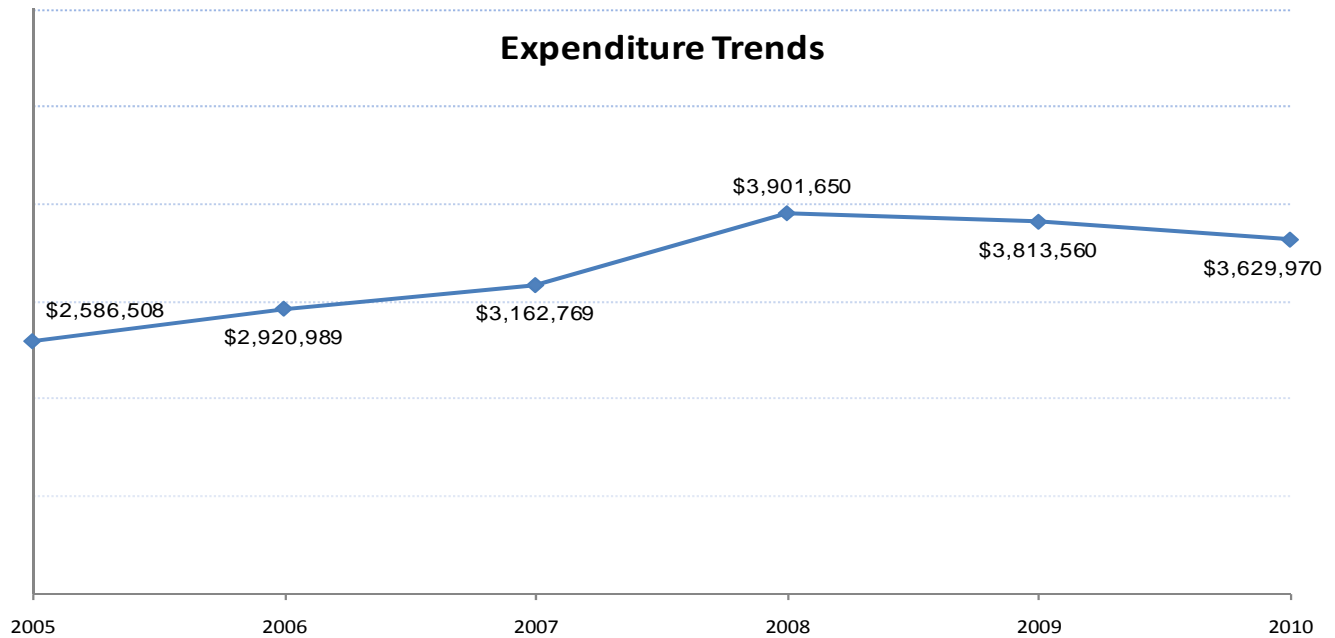
Budget Overview

The FY 2008-09 & 2009-10 budgets for the Environmental Compliance & Regulatory Affairs Division reflect decreases of 2% and 5% over the prior year, respectively. The decrease due to the reduction of 2 FTE positions is largely offset by net increases in other categories such as legal and other professional services as well as regulatory operating fees transferred into this Division. The costs for legal and other professional services are expected to decrease in FY 2009-10.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 3,901,650
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	(192,700)
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(392,700)
Change in OCERS retirement costs	(113,600)
Change in group insurance costs	(22,900)
Other benefit cost adjustments	13,850
Other Cost Adjustments:	
Decrease in in-house reproduction services	(6,240)
Decrease in outside printing services	(4,030)
Increase in property tax fees (costs transferred from Division 840)	33,000
Increase in temporary services	25,000
Increase in legal services	180,000
Increase in auditing fees	86,000
Increase in engineering services	10,000
Decrease in environmental scientific consulting	(25,000)
Increase in advocacy efforts	15,000
Increase in other professional services	192,000
Decrease in environmental monitoring & research costs	(93,300)
Increase in regulatory operating fees (transferred from Division 840)	215,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(7,470)
2008-09 Proposed Budget - Total Operating Requirements	\$ 3,813,560
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	88,500
Change in OCERS retirement costs	22,000
Change in group insurance costs	16,800
Other benefit cost adjustments	9,900
Other Cost Adjustments:	
Decrease in temporary services	(25,000)
Decrease in legal services	(205,000)
Decrease in auditing fees	(10,000)
Decrease in other professional services	(150,000)
Increase in environmental monitoring & research costs	40,000
Increase in regulatory operating fees	26,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	3,210
2009-10 Proposed Budget - Total Operating Requirements	\$ 3,629,970

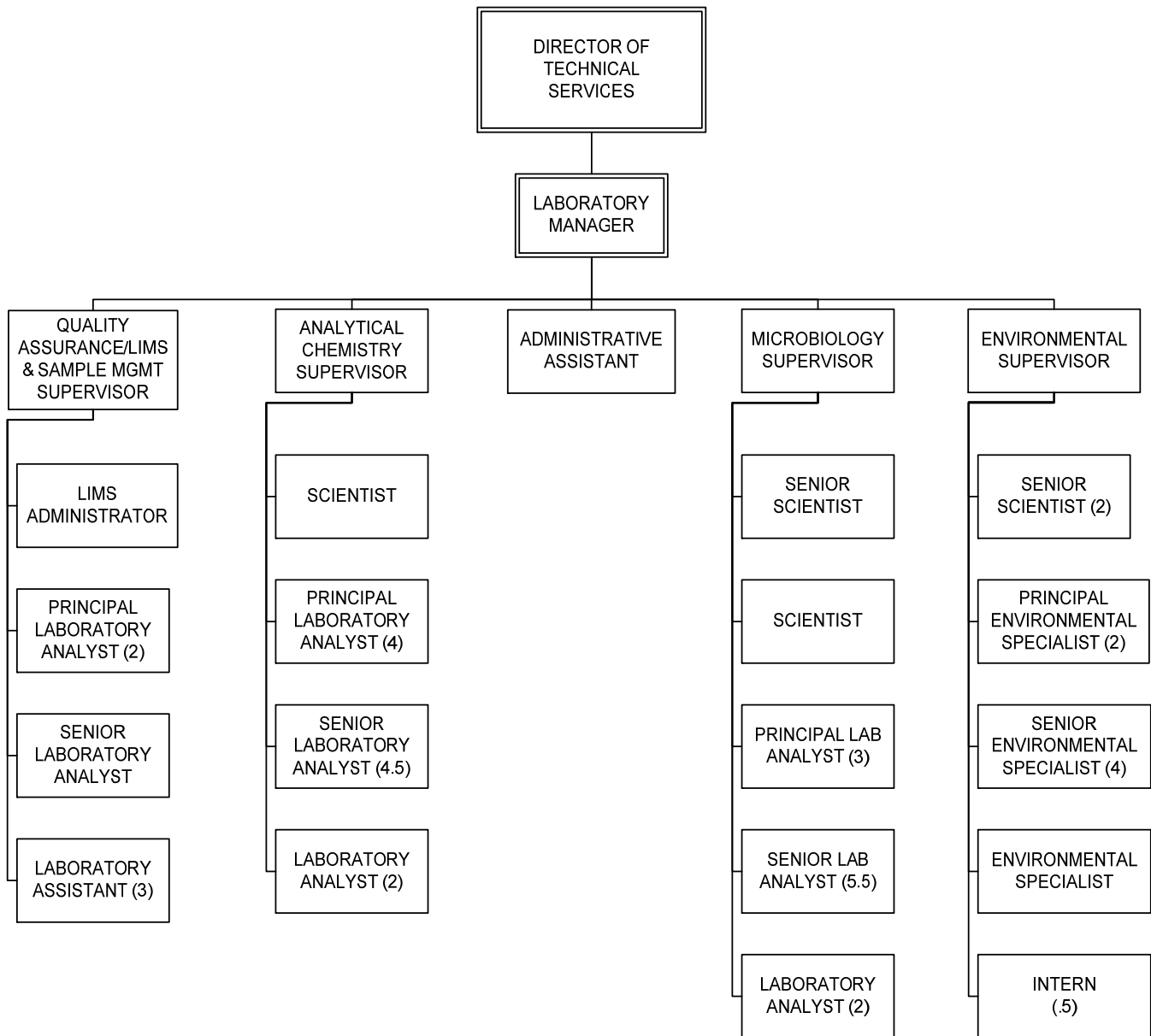
2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 2,006,990	\$ 3,021,150	\$ 2,336,800	\$ 2,313,100	(23.44%)	\$ 2,450,300	5.93%
Supplies	110,622	69,950	55,650	87,460	25.03%	90,670	3.67%
Professional & Contractual Services	312,322	216,000	151,000	699,000	223.61%	309,000	(55.79%)
Research & Monitoring	653,714	358,300	226,000	265,000	(26.04%)	305,000	15.09%
Repairs & Maintenance	38,213	4,600	4,600	4,500	(2.17%)	4,500	-
Utilities	-	-	-	-	-	-	-
Other	40,908	231,650	231,100	444,500	91.88%	470,500	5.85%
Total	\$ 3,162,769	\$ 3,901,650	\$ 3,005,150	\$ 3,813,560	(2.26%)	\$ 3,629,970	(4.81%)



Environmental Laboratory and Ocean Monitoring

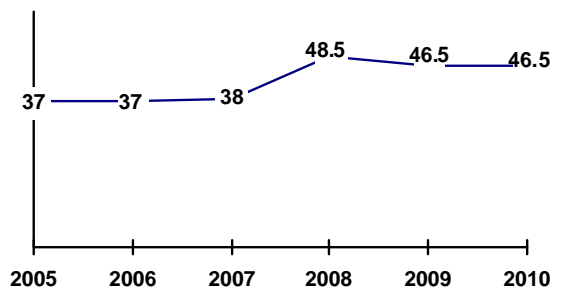
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2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	41.0
Administrative / Clerical	1.0
Technical Staff	3.0
Intern	0.5
Total	46.5

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

Provide laboratory testing services and data interpretation to OCSD customers in order to monitor the operation of the wastewater treatment plant, the impact of treated and discharged wastewater on the receiving waters, and to assure compliance to regulations within the Ocean Discharge Permit.

2007-08 Performance Objectives

- ◆ Meet test/FTE standards within 10% of FY 06/07. Meet benchmark standard within 10% variance. Meet turnaround time standard-10% variance.
- ◆ Compliance test standards 95% correct on first and 100% on second attempt.
- ◆ Complete GWR removal study by 6/30/08.
- ◆ Manage division cost within 10% of budget
- ◆ Collect/test all ocean monitoring samples as scheduled. File Annual Report by March 1.

2007-08 Performance Results

- ◆ YTD through February performance above previous year and benchmark standards. Turnaround time standard met.
- ◆ All compliance test samples (about 80) accurately analyzed on first attempt.
- ◆ Phases I & II complete and report in preparation. Phase III delayed for GWR technical reasons and will be rescheduled.
- ◆ Through February, expenses 8% underbudget
- ◆ All samples collected on schedule. Annual Report filed with regulators on schedule.

2008-09 & 2009-10 Performance Objectives

- ◆ Meet test/FTE standards within 10% of FY 06/07. Meet benchmark standard within 10% variance. Meet turnaround time standard-10% variance.
- ◆ Compliance test standards 95% correct on first and 100% on second attempt.
- ◆ Manage division cost to within 10% of budget
- ◆ Support GWR routine monitoring requirements as defined by project goals.
- ◆ Collect and test all sediment and water quality ocean samples according to schedule. File Annual Report with regulators by March 1.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Lab Standards	100%	100%	95%	95%	In house standard
◆ Lab Productivity	113%	95%	95%	95%	In house standard
◆ OMP Productivity	100%	100%	100%	100%	Compliance/In house standard
◆ Budget vs actual	96%	95%	100%	100%	Percent of budget spent
◆ GWR Goals	NA	90%	90%	90%	Percent of goal complete

Environmental Laboratory and Ocean Monitoring

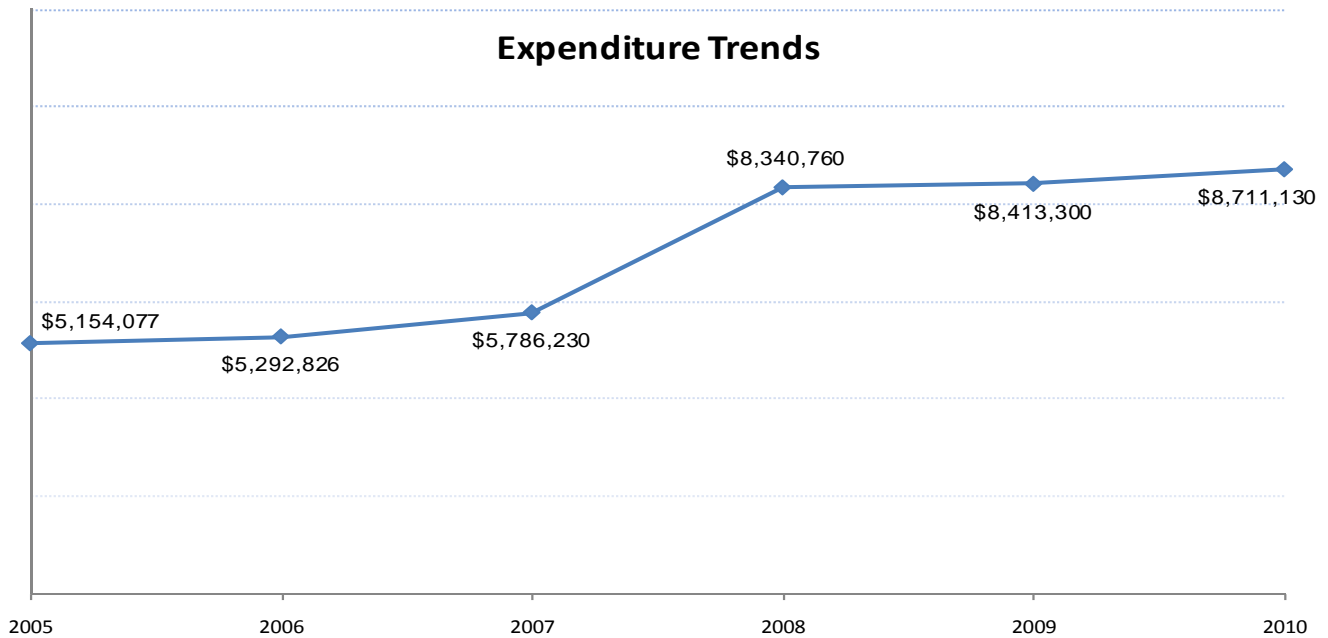
Budget Overview

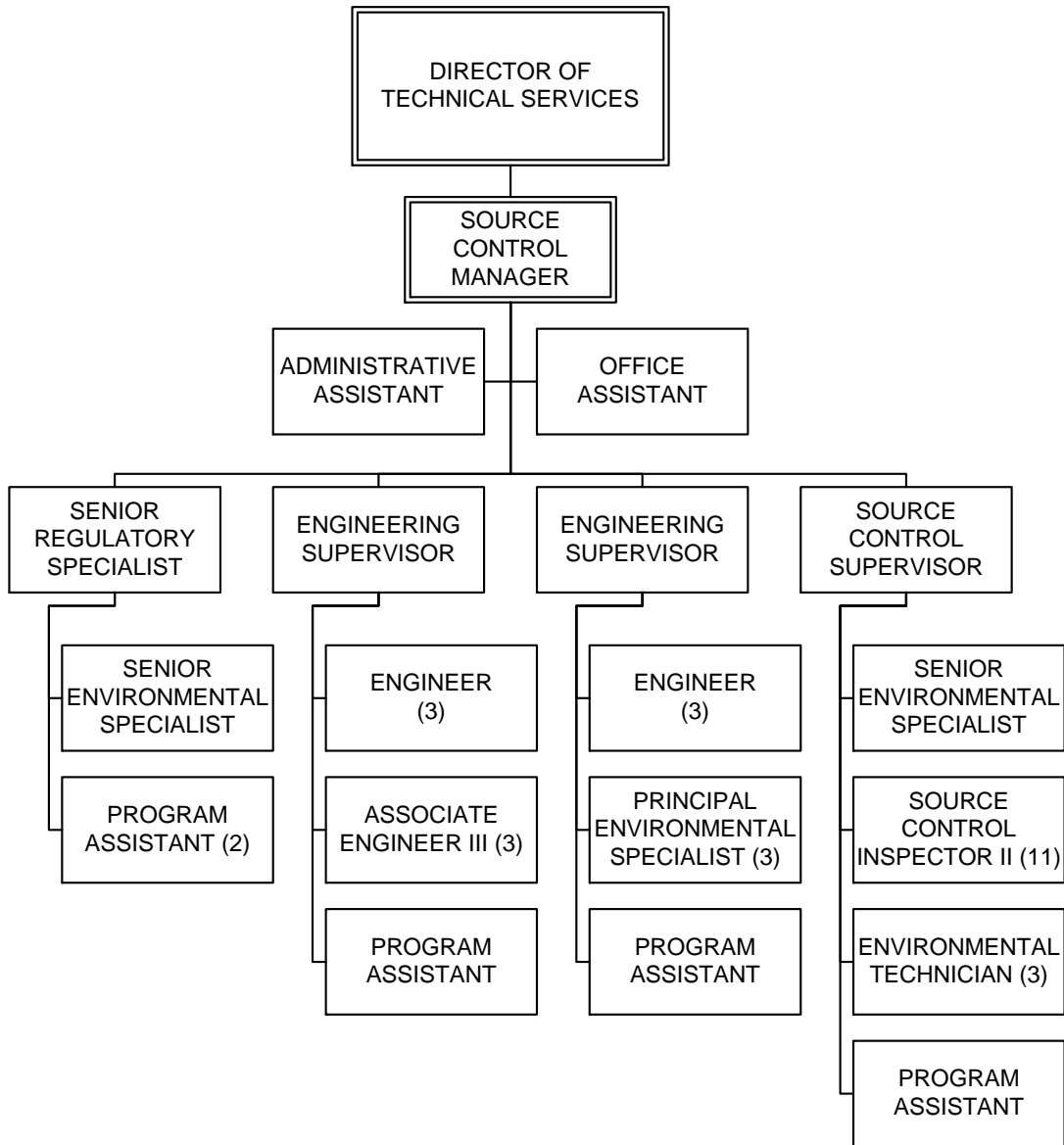
The FY 2008-09 & 2009-10 budgets for the Environmental Laboratory and Ocean Monitoring Division reflect increases of 1% and 4% over the prior year, respectively. The increases are mainly due to the anticipated annual salary and benefit adjustments. The increase is partially offset in FY 2008-09 by the reallocation of two interns and a program assistant for a reduction of 2 FTEs in this division. Further offset is achieved through a decrease in strategic process studies within the area of environmental monitoring.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 8,340,760
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	(79,400)
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	132,000
Change in OCERS retirement costs	75,600
Change in group insurance costs	55,600
Other benefit cost adjustments	2,600
Other Cost Adjustments:	
Increase in meetings	6,450
Increase in gas, diesel, & oil	8,600
Decrease in tools	(10,000)
Increase in outside lab services	21,000
Increase in temporary services	10,000
Decrease in auditing fees	(104,000)
Decrease in environmental scientific consulting	(12,000)
Increase in other professional services	30,000
Decrease in environmental monitoring & research costs	(150,850)
Increase in repairs and maintenance	17,200
Increase in service maintenance agreements	47,180
Increase in insurance premiums	18,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	4,560
2008-09 Proposed Budget - Total Operating Requirements	\$ 8,413,300
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	226,700
Change in OCERS retirement costs	56,000
Change in group insurance costs	50,300
Other benefit cost adjustments	30,600
Other Cost Adjustments:	
Increase in laboratory chemicals	14,500
Increase in temporary services	(8,200)
Decrease in environmental scientific consulting	(16,000)
Decrease in other professional services	(30,000)
Decrease in environmental monitoring & research costs	(60,550)
Increase in repairs and maintenance	19,750
Increase in electricity	14,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	730
2009-10 Proposed Budget - Total Operating Requirements	\$ 8,711,130

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 4,306,964	\$ 5,898,000	\$ 5,924,900	\$ 6,084,400	3.16%	\$ 6,448,000	5.98%
Supplies	752,296	738,440	731,140	746,650	1.11%	758,580	1.60%
Professional & Contractual Services	144,338	345,000	166,000	290,000	(15.94%)	238,400	(17.79%)
Research & Monitoring	466	690,000	346,000	539,150	(21.86%)	478,600	(11.23%)
Repairs & Maintenance	186,579	218,820	276,000	283,200	29.42%	301,950	6.62%
Utilities	370,775	390,000	390,000	396,000	1.54%	410,000	3.54%
Other	24,812	60,500	57,770	73,900	22.15%	75,600	2.30%
Total	\$ 5,786,230	\$ 8,340,760	\$ 7,891,810	\$ 8,413,300	0.87%	\$ 8,711,130	3.54%



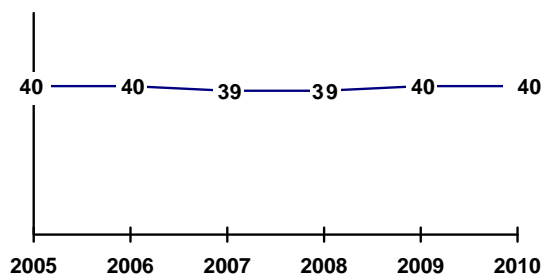


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	18.0
Administrative / Clerical	7.0
Technical Staff	14.0

Total 40.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The Source Control Division is responsible for administering and enforcing the District's Ordinance and General Pretreatment Regulations by administering extensive permitting, monitoring, inspection, compliance screening, follow-up enforcement, and reporting programs to regulate industrial discharges into sewer facilities. During the past few years, the division's responsibilities and functions have been expanded to comply with the newly added regulatory mandates and the District's goal of participating in the overall management of the region's water resources. The expansion includes the addition of 1) Urban Runoff program to improve the condition of the regional coastal area by accepting runoff from storm diversions, 2) Fat, Oil and Grease (FOG) Program to eliminate the sewerage blockages and spill resulted from grease discharge from food establishments, and 3) Non-point Source Control Program to control pollutants of concern from drinking water perspective.

2007-08 Performance Objectives

- ◆ Conduct monitoring of industrial facilities within 95% of the benchmark.
- ◆ Conduct 100% enforcement action and follow-up monitoring within 30 days of each noncompliance event.
- ◆ Issue and renew 100% of the industrial wastewater permits prior to the expiration date.
- ◆ Coordinate the efforts by a consultant to conduct Industrial Wastewater Treatment Operator Training Courses as budgeted.
- ◆ Conformance with the biosolids EMS Program as it pertains to Source Control program.
- ◆ Develop a Non-Industrial program to control pollutants of concern from a drinking water perspective.

2007-08 Performance Results

- ◆ Staff conducted monitoring of industrial facilities within an average of over 95% of the benchmark.
- ◆ Staff conducted 100% enforcement action and follow-up monitoring within 30 days of each noncompliance event.
- ◆ Staff issued and renewed 100% of the industrial wastewater permits prior to the expiration date.
- ◆ Due to process of Request for Proposal in hiring a consultant, about half of the Wastewater Treatment Operator Training Courses were completed successfully utilizing about half of budgeted amount.
- ◆ All the requirements of the biosolids EMS program regarding Source Control Program are met and completed.
- ◆ Different modules of the Non-Industrial program for tackling drinking water pollutants of concern were developed and implemented.

2008-09 & 2009-10 Performance Objectives

- ◆ Conduct monitoring of industrial facilities within 95% of this benchmark.
- ◆ Conduct 100% enforcement action and follow-up monitoring within 30 days of each noncompliance event.
- ◆ Issue and renew 100% of the industrial wastewater permits prior to the expiration date.
- ◆ Continue to conduct the Industrial Wastewater Treatment Operator Training Course.
- ◆ Continue to implement the fats, oil & grease (FOG) control program and strategies on a regional basis in conformance with the Wastewater Discharge Requirements Order.
- ◆ Develop proactive source control strategies and continue to implement a Non-point Source Control Program to control pollutants from drinking water perspective.
- ◆ Conformance with the biosolids EMS program as it pertains to the Source Control Program.

Performance Measures

Summary	Performance Measures				Justification
	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	
◆ Field inspection performance	92%	95%	95%	95%	In-house standard
◆ Enforcement follow-up	100%	100%	100%	100%	In-house standard
◆ Permit issuance/renewal	100%	100%	100%	100%	In-house standard
◆ Industrial Wastewater Treatment Operator Training	100% of milestone	100% of milestone	100% of milestone	100% of milestone	In-house standard
◆ Fats, Oil & Grease Program	100% of milestone	100% of milestone	100% of milestone	100% of milestone	In-house standard
◆ Implementation of a Non-Point Source Control program	100% of milestone	100% of milestone	100% of milestone	100% of milestone	In-house standard
◆ Conformance with the biosolids EMS program	100% of milestone	100% of milestone	100% of milestone	100% of milestone	In-house standard

Source Control

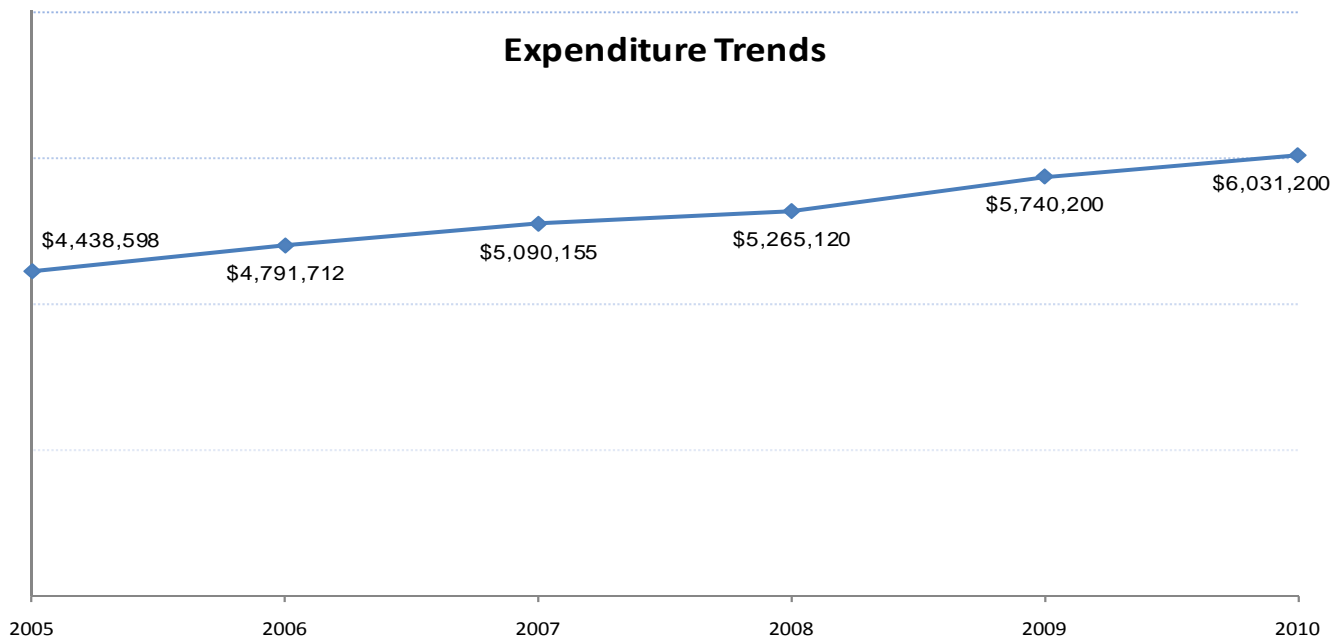
Budget Overview

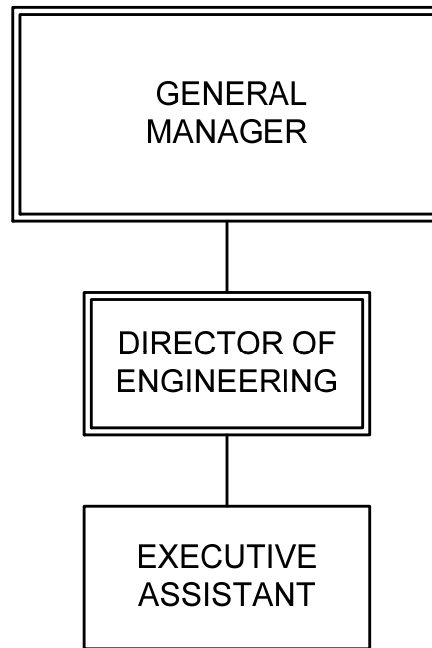
The fiscal year 2008-09 & 2009-10 budgets for the Source Control Division reflect increases of 9% and 5% over the prior year, respectively. The increase is mainly due to the combination of a net increase of 1 FTE position along with anticipated annual salary and benefit adjustments. Reproduction and printing costs also increase as the Division prepares public outreach materials pertaining to disposal of pollutants of concern. These increases are minimally offset by a decrease in costs for legal services.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 5,265,120
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	109,500
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	124,700
Change in OCERS retirement costs	110,300
Change in group insurance costs	69,100
Other benefit cost adjustments	7,400
Other Cost Adjustments:	
Increase in in-house reproduction services	35,000
Increase in outside printing services	60,000
Decrease in meetings	(7,200)
Decrease in legal services	(30,000)
Decrease in miscellaneous operating expense	(4,500)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	780
2008-09 Proposed Budget - Total Operating Requirements	\$ 5,740,200
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	177,900
Change in OCERS retirement costs	43,100
Change in group insurance costs	43,400
Other benefit cost adjustments	26,600
Other Cost Adjustments:	
Aggregate change in Other Categories:	
No other cost changes	-
2009-10 Proposed Budget - Total Operating Requirements	\$ 6,031,200

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 4,643,195	\$ 4,894,000	\$ 5,242,200	\$ 5,315,000	8.60%	\$ 5,606,000	5.48%
Supplies	132,847	162,820	147,800	251,400	54.40%	251,400	-
Professional & Contractual Services	308,964	197,000	125,000	167,000	(15.23%)	167,000	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	3,122	4,300	4,300	4,300	-	4,300	-
Utilities	-	-	-	-	-	-	-
Other	2,027	7,000	2,500	2,500	(64.29%)	2,500	-
Total	\$ 5,090,155	\$ 5,265,120	\$ 5,521,800	\$ 5,740,200	9.02%	\$ 6,031,200	5.07%



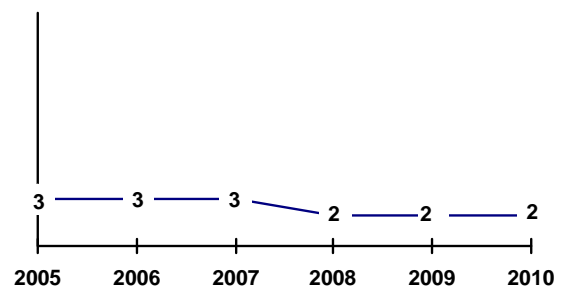


2008-09 & 2009-10 Authorized FTE Positions

Executive Managers	1.0
Administrative / Clerical	1.0

Total	<u>2.0</u>
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Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission statement of this Department is to deliver world class engineered projects through skilled staff, technical excellence, proactive project planning, effective project delivery, effective communication, and critical thinking.

2007-08 Performance Objectives

- ◆ Expend minimum of 90% of project annual cash flows.
- ◆ Ensure that reporting division's expenditures are managed to less than < 100% of proposed budgets.
- ◆ Ensure that reporting divisions achieve 90% of performance measures.

2007-08 Performance Results

- ◆ Will expend min 90% of project budgets. (101% for 2007-08 projected)
- ◆ All divisions were managed to < 100%.
- ◆ Reporting divisions were < 90% of performance measures.

2008-09 & 2009-10 Performance Objectives

- ◆ Expend minimum of 90% of project annual cash flows.
- ◆ Ensure that reporting divisions' expenditures are managed to less than 100% of the proposed budgets.
- ◆ Ensure that reporting divisions achieve 90% of individual performance objectives.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Manage project annual cash flows (CIP) Min 90%	109%	101%	90% min.	90% min.	In-house standard
◆ Manage Division Budgets. (JO) < 100%	<100% except Division 740 (106.8%)	<100%	<100%	<100%	In-house standard
◆ Ensure reporting divisions achieve performance measures. Min. 90%	76.9%	77%	90% min.	90% min.	In-house standard

Engineering Administration

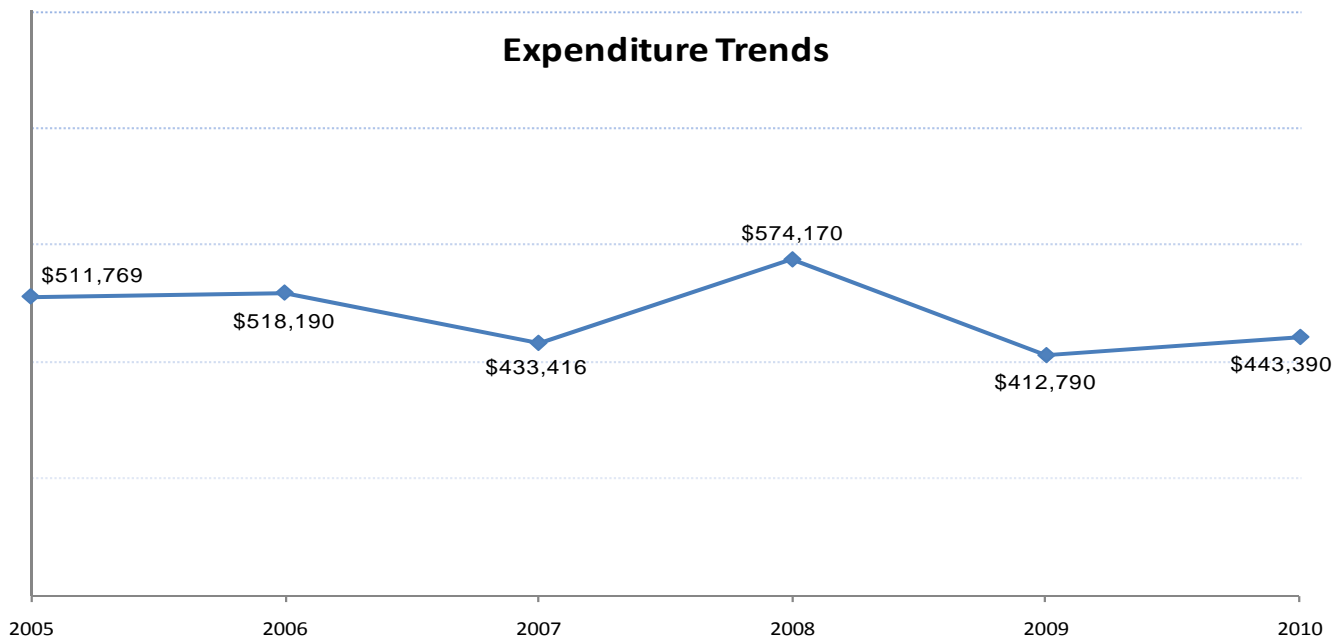
Budget Overview

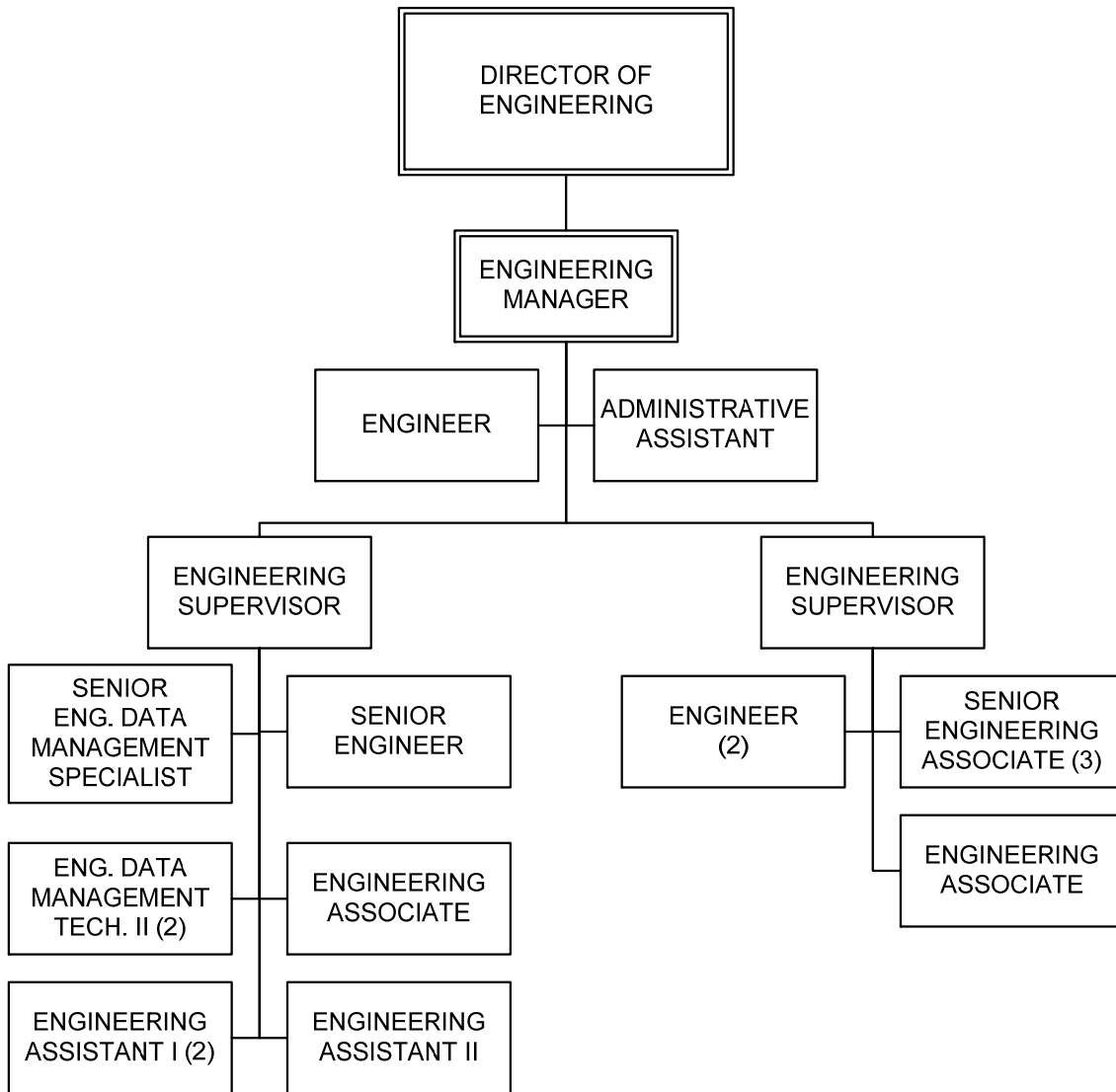
The FY 2008-09 & 2009-10 budgets for the Engineering Administration Division reflect a decrease of 28% and an increase of 7% over the prior year, respectively. The FY 2008-09 decrease is primarily due to staff reallocations during FY 2007-08. The increase in FY 2009-10 is essentially a result of anticipated annual salary and benefit adjustments.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 574,170
<i>Salaries for Position Changes:</i>	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
<i>Changes in Personnel Expenses:</i>	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(150,400)
Change in OCERS retirement costs	(31,600)
Change in group insurance costs	(8,300)
Other benefit cost adjustments	17,200
<i>Other Cost Adjustments:</i>	
Increase in meetings	1,550
Increase in legal services	9,920
<i>Aggregate change in Other Categories:</i>	
Aggregate change in other materials, supplies, and services	250
2008-09 Proposed Budget - Total Operating Requirements	\$ 412,790
<i>Changes in Personnel Expenses:</i>	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	21,400
Change in OCERS retirement costs	5,300
Change in group insurance costs	2,500
Other benefit cost adjustments	1,400
<i>Other Cost Adjustments:</i>	
<i>Aggregate change in Other Categories:</i>	
No other cost changes	-
2009-10 Proposed Budget - Total Operating Requirements	\$ 443,390

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 410,481	\$ 568,800	\$ 395,000	\$ 395,700	(30.43%)	\$ 426,300	7.73%
Supplies	1,542	3,130	2,990	5,090	62.62%	5,090	-
Professional & Contractual Services	21,393	2,080	11,000	12,000	476.92%	12,000	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Other	-	160	100	-	(100.00%)	-	-
Total	\$ 433,416	\$ 574,170	\$ 409,090	\$ 412,790	(28.11%)	\$ 443,390	7.41%



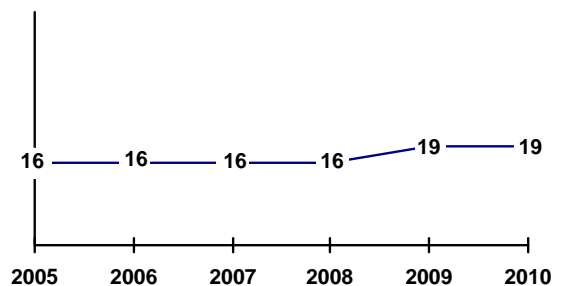


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	17.0
Administrative / Clerical	1.0

Total 19.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the proposed Planning Division is responsible for facility records management, master planning, water resources management, and California Environmental Quality Act review. The Division will also be responsible for annexations, connection permitting, easements, and agency agreements.

2007-08 Performance Objectives

- ◆ Ensure that division's expenditures are managed to <100% of proposed budget.
- ◆ Respond to 100% of environmental correspondence within the specified deadline of 30 - 45 days.
- ◆ Process 90% of connection permits within one day of request.

2007-08 Performance Results

- ◆ <100% for FY 2007-08 of proposed budget.
- ◆ Will respond to correspondence 100% within the 30 - 45 day timeframe.
- ◆ Will process a minimum of 90% of connection permits within one day of request.

2008-09 & 2009-10 Performance Objectives

- ◆ Ensure that the division's expenditures are managed to <100% of proposed budget.
- ◆ Respond to 100% of environmental correspondence within the specified deadline of 30-45 days.
- ◆ Process 95% of connection permits within one day of the request.
- ◆ Validate 100% facility records for compliance with CAD standards at completion of projects.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Division's Expenditures	106.8%	<100%	<100%	<100%	In-house standard
◆ Environmental Correspondence	100% - Met Goal	Will meet Goal 100%	Will meet Goal 100%	Will meet Goal 100%	In-house standard
◆ Process Connection fees with one day	Met Min 90%	Will meet min 90%	Will meet min 95%	Will meet min 95%	In-house standard
◆ Validate Facility Records	N/A	N/A	100%	100%	In-house standard

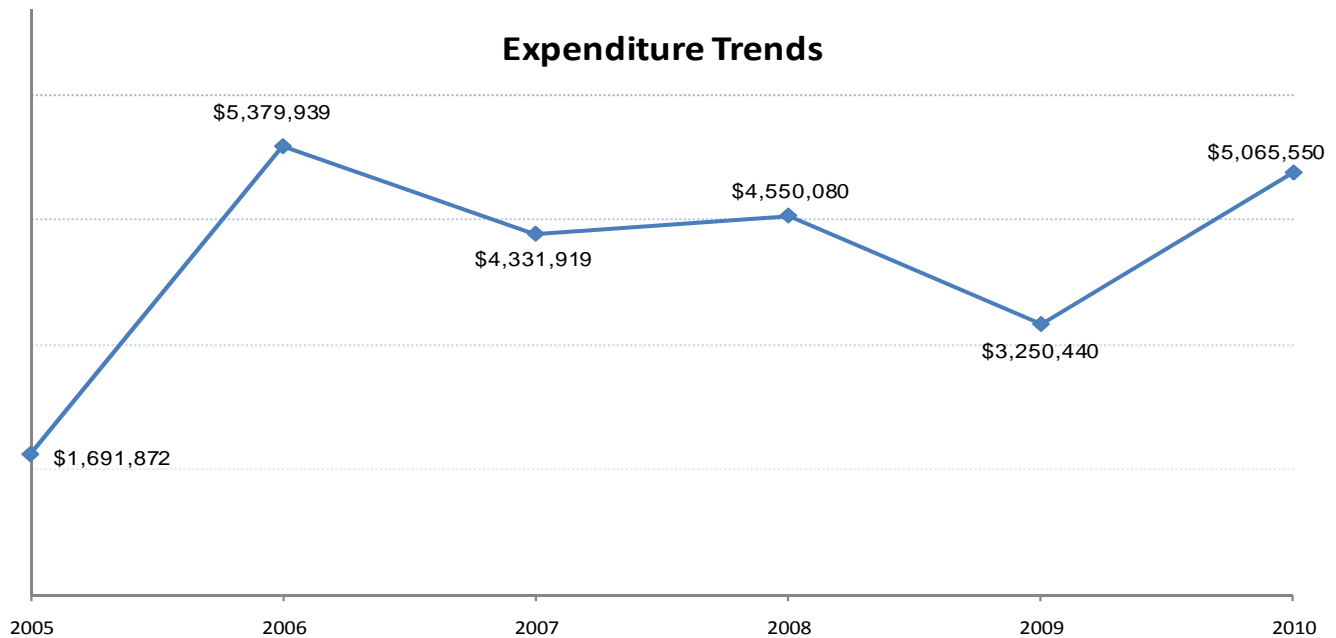
Budget Overview

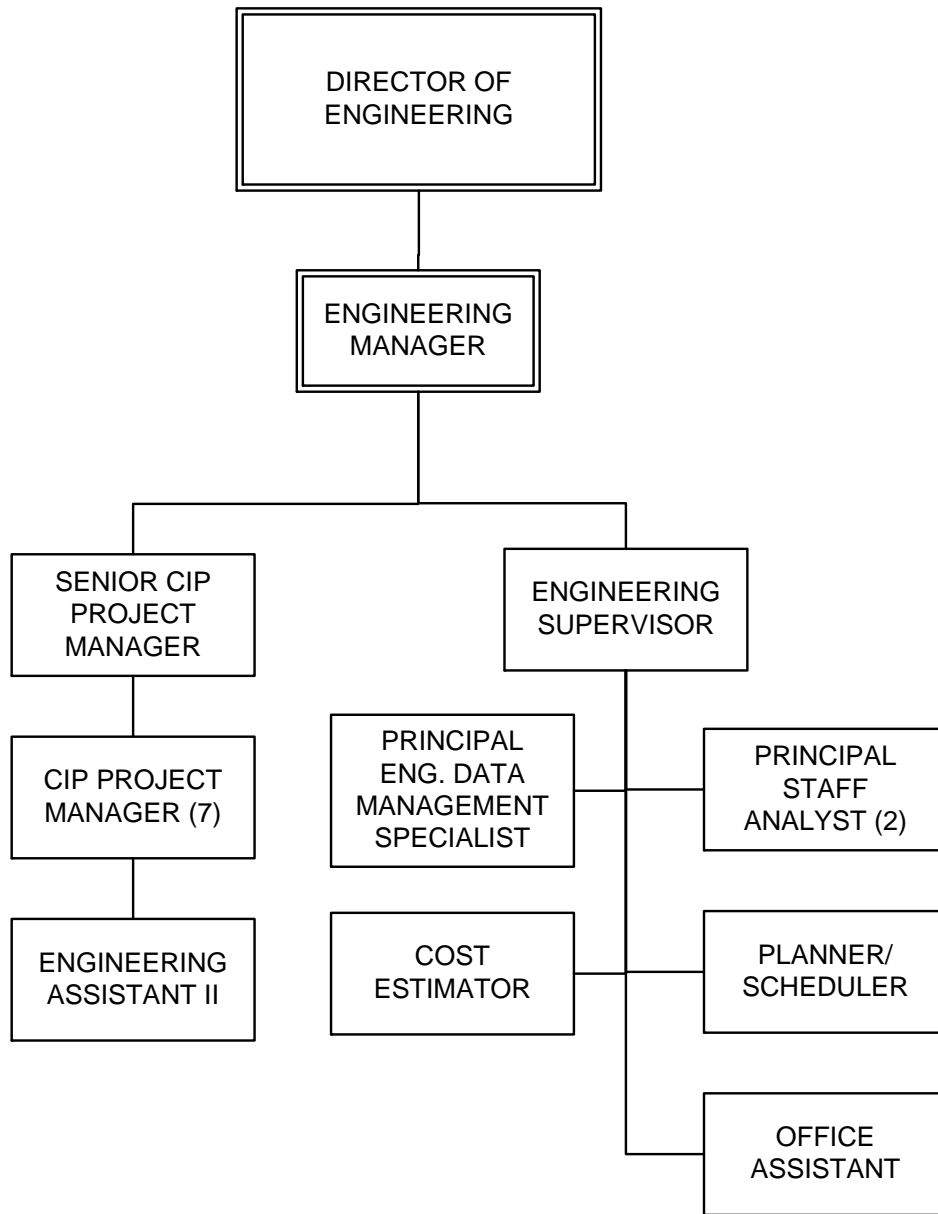
The FY 2008-09 & 2009-10 budgets for the Planning Division reflect a decrease of 29% and an increase of 56% over the prior year, respectively. The decrease is due to a decrease in the amount of capital grants that will be paid to member agencies in FY 2008-09 which is partially offset by the transfer of 3 FTE positions to this division. The increase in FY 2009-10 is due to an increase in the amount of capital grants that will be paid to member agencies as well as to annual salary and benefit adjustments.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 4,550,080
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	303,400
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	191,500
Change in OCERS retirement costs	141,700
Change in group insurance costs	69,400
Other benefit cost adjustments	12,900
Other Cost Adjustments:	
Increase in memberships (\$10,000 transferred from Division 610)	16,200
Increase in outside printing services	2,960
Increase in meetings	4,170
Increase in temporary services	61,510
Increase in other professional services	110,000
Decrease in legal services	(12,200)
Decrease in capital grants to member agencies	(2,200,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(1,180)
2008-09 Proposed Budget - Total Operating Requirements	\$ 3,250,440
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	97,100
Change in OCERS retirement costs	24,200
Change in group insurance costs	20,800
Other benefit cost adjustments	12,700
Other Cost Adjustments:	
Increase in memberships	5,530
Decrease in other professional services	(110,000)
Increase in capital grants to member agencies	1,764,530
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	250
2009-10 Proposed Budget - Total Operating Requirements	\$ 5,065,550

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07	2007-08	2007-08	2008-09	Budget	2009-10	Budget
	Actual	Revised Budget	Projected	Proposed	% Change	Proposed	% Change
Personnel	\$ 1,980,163	\$ 1,902,900	\$ 2,469,000	\$ 2,621,800	37.78%	\$ 2,776,600	5.90%
Supplies	78,410	84,720	84,270	106,870	26.14%	112,650	5.41%
Professional & Contractual Services	145,296	60,690	60,690	220,000	262.50%	110,000	(50.00%)
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	1,040	1,040	1,040	-	1,040	-
Utilities	-	-	-	-	-	-	-
Other	2,128,050	2,500,730	2,403,990	300,730	(87.97%)	2,065,260	586.75%
Total	\$ 4,331,919	\$ 4,550,080	\$ 5,018,990	\$ 3,250,440	(28.56%)	\$ 5,065,550	55.84%



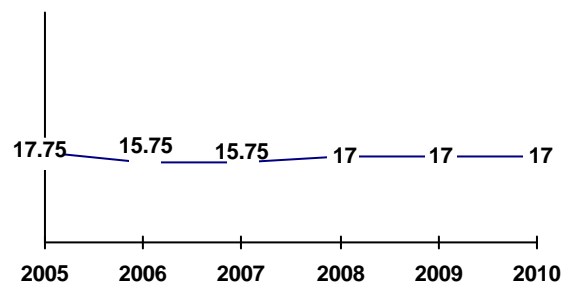


Staffing Trends

2008-09 & 2009-10 Authorized FTE Positions

Manager	1.00
Supervisors / Professionals	14.00
Administrative / Clerical	1.00
Engineering Insp. / Asst.	1.00

Total 17.00



2008-09 & 2009-10 Budget

Service Description

The mission of the Project Management Office Division (PMO) is to be responsible for managing the design and construction of new collection and treatment and disposal facilities plus the rehabilitation of older facilities to ensure the safe cost effective transport and treatment of influent/effluent. This division is responsible for the delivery of capital projects from the preliminary design stages through closeout of construction. The PMO provides standards, processes, and methodologies to improve project quality, cost and timeliness.

2007-08 Performance Objectives

- ◆ Ensure that the division's expenditures are managed to less than 100% of the proposed budget.
- ◆ Expend minimum 90% of project budgets.
- ◆ Meet 100% of project milestones.
- ◆ CIP utilization staff rate @ 80% min.
- ◆ Baseline PMO level of maturity and increase PMO level of maturity by minimum of 1 point on a 5 point scale.

2007-08 Performance Results

- ◆ Will be managed to < 100% of proposed budget.
- ◆ Will expend min 90% of project budgets. 101% for 2007-08 projected.
- ◆ Will meet 85% (105/123) for FY 2007-08
- ◆ 80% through February 2008.
- ◆ Model being restructured. Measurement of increase to occur in the next FY.

2008-09 & 2009-10 Performance Objectives

- ◆ Ensure that the division's JO expenditures are managed to less than 100% of the proposed budget.
- ◆ Expend minimum 90% of project annual cash flow. (CIP)
- ◆ Meet 100% of project milestones.
- ◆ CIP Staff Utilization Rate 80% min.
- ◆ Develop and implement an effective Lessons Learned Program for next FY year.
- ◆ Increase PMO level of maturity minimum of ½ point (1-5 point scale) based on the 9 Project Management Book of Knowledge (PMBOK) areas each FY year.
- ◆ Maintain or improve non-construction costs @ 31% or less.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Manage Division's (JO)	98.86%	<100%	<100%	<100%	In-house standard
◆ Maturity Model – increase Div. level	N/A	N/A	Inc. by ½ pt.	Inc. by ½ pt.	In-house standard
◆ Expend min 90% of (CIP)	109%	101%	Min 90%	Min 90%	In-house standard
◆ Meet 100% Project Milestone	70%	85%	100%	100%	In-house standard
◆ CIP Staff Rate at 80% min.	80%	80%	Min 80%	Min 80%	In-house standard
◆ Develop effective Lessons Learned Program	N/A	N/A	LL in Place	LL in Place	In-house standard
◆ Non Constr. Costs	N/A	N/A	< 31%	<31%	In-house standard

Project Management Office

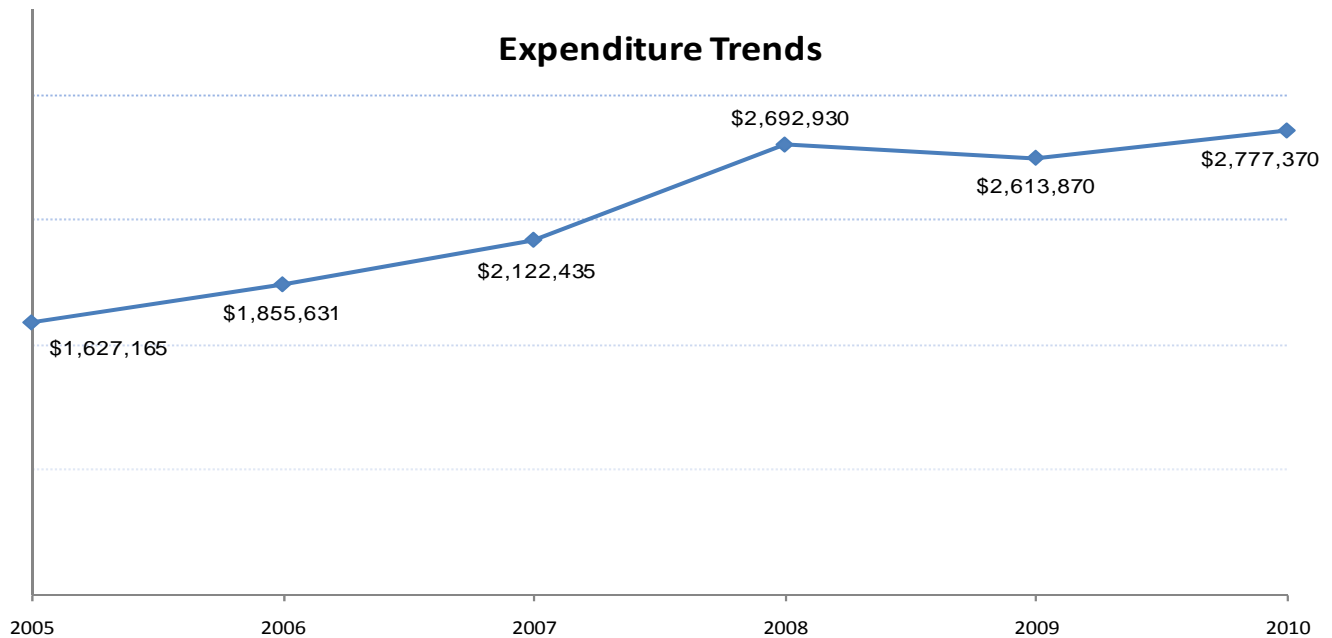
Budget Overview

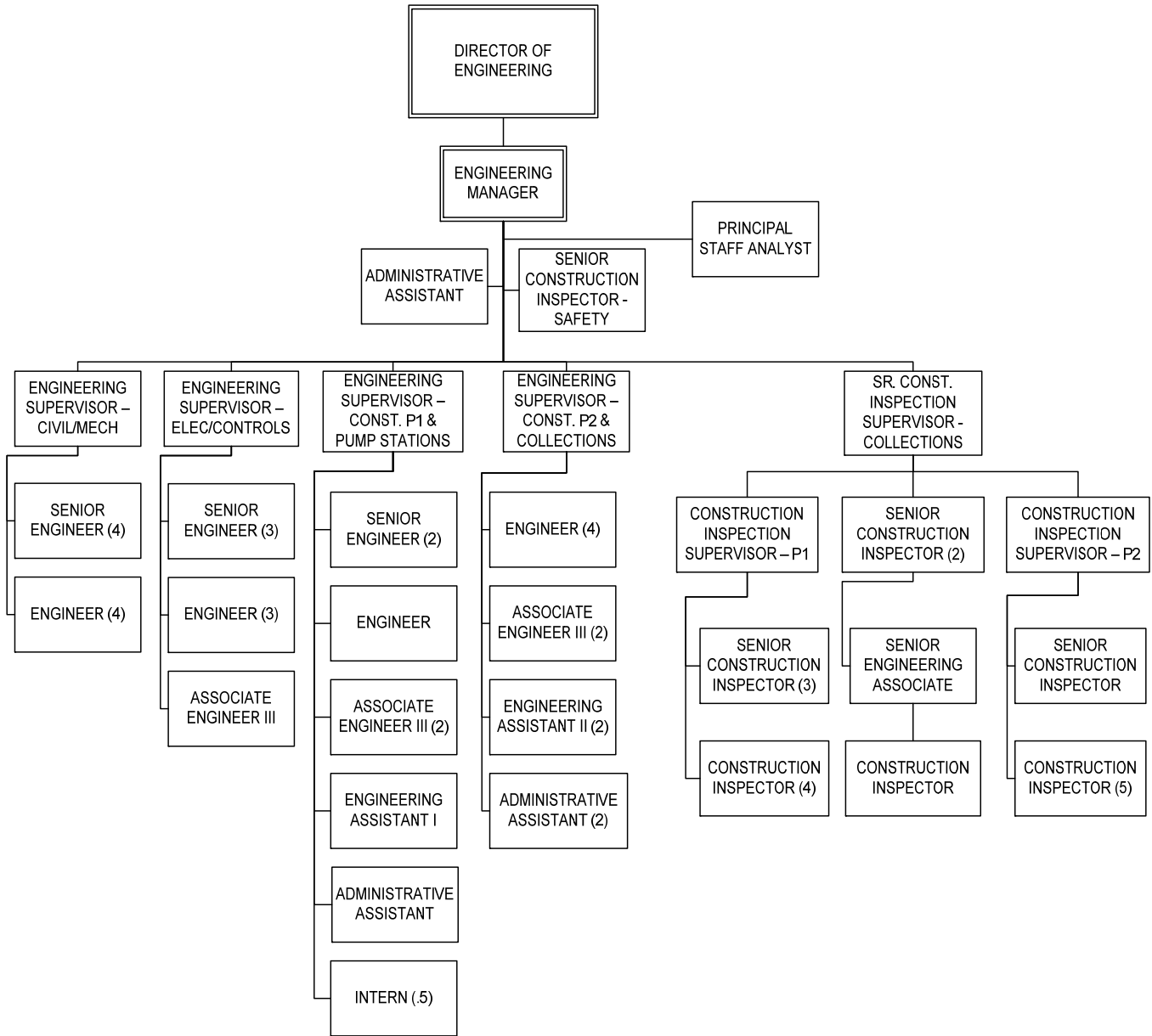
The FY 2008-09 & 2009-10 budgets for the Project Management Office Division reflect a decrease of 3% and an increase of 6% over the prior year, respectively. The decrease is mainly due to staff reallocations during FY 2007-08.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 2,692,930
<i>Salaries for Position Changes:</i>	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
<i>Changes in Personnel Expenses:</i>	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(90,600)
Change in OCERS retirement costs	2,700
Change in group insurance costs	5,400
Other benefit cost adjustments	10,000
<i>Other Cost Adjustments:</i>	
Decrease in in-house reproduction services	(8,040)
Increase in legal services	1,000
<i>Aggregate change in Other Categories:</i>	
Aggregate change in other materials, supplies, and services	480
2008-09 Proposed Budget - Total Operating Requirements	\$ 2,613,870
<i>Changes in Personnel Expenses:</i>	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	107,000
Change in OCERS retirement costs	26,600
Change in group insurance costs	18,900
Other benefit cost adjustments	11,300
<i>Other Cost Adjustments:</i>	
No other significant cost changes	-
<i>Aggregate change in Other Categories:</i>	
Aggregate change in other materials, supplies, and services	(300)
2009-10 Proposed Budget - Total Operating Requirements	\$ 2,777,370

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 2,051,970	\$ 2,659,700	\$ 2,340,100	\$ 2,587,200	(2.73%)	\$ 2,751,000	6.33%
Supplies	26,750	31,980	17,230	24,470	(23.48%)	24,170	(1.23%)
Professional & Contractual Services	40,049	-	720	1,000	-	1,000	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	133	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Other	3,533	1,250	1,250	1,200	(4.00%)	1,200	-
Total	\$ 2,122,435	\$ 2,692,930	\$ 2,359,300	\$ 2,613,870	(2.94%)	\$ 2,777,370	6.26%

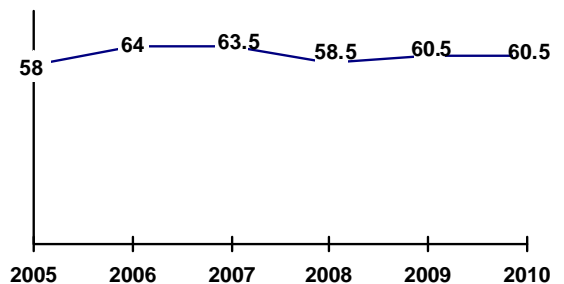




2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	35.0
Administrative / Clerical	4.0
Engineering Insp. / Asst.	20.0
Interns	0.5
Total	60.5

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission at the Engineering and Construction Division is to provide administration, design, inspection and other necessary engineering services to the Project Management office and Planning Division for the Engineering Department and other District Divisions for the execution of projects which meet the operational needs of the District at a reasonable cost, in a timely manner and to an acceptable degree of quality.

2007-08 Performance Objectives

- ◆ Ensure that the division's expenditures are managed to <100% of JO Budget.
- ◆ Return 80% of construction submittals by date.
- ◆ Overall Staff Utilization rate at 75% minimum for Construction.
- ◆ Reduce program Change Order toward COMP Goal.

2007-08 Performance Results

- ◆ Expenditures managed to < 100%.
- ◆ Will return a minimum of 80% by due date.
- ◆ Staff utilization rate at 73% through February 2008 – will be 2% short of goal.
- ◆ Change order cost projected to be at 8.76% end of FY 2007-08.

2008-09 & 2009-10 Performance Objectives

- ◆ Ensure the division's expenditures are managed to < 100% of the proposed budget.
- ◆ Return 80% of construction submittals by specified due date.
- ◆ Overall Staff Utilization rate > 75%.
- ◆ Reduce program change order performance towards COMP goal.
- ◆ Meet Full Secondary Consent Decree Dates.
- ◆ Support SARI project relocate by 2011.
- ◆ Implement CIP with no serious accidents.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Manage division budget	93.7%	<100%	<100%	<100%	In-house standard
◆ Return construction submittals within specified time	91%	92%	>80%	>80%	In-house standard
◆ Overall Staff Utilization Rate	73%	73% Through 02/08	>75%	>75%	In-house standard
◆ Reduce Prog CO Performance	16.06%	8.76%	8.37%	8.22%	In-house standard
◆ Meet Consent Decree Dates	N/A	N/A	Meet Dates	Meet Dates	In-house standard
◆ Support SARI project relocation	N/A	N/A	Continued Support	Continued Support	In-house standard
◆ CIP – No serious accidents	N/A	N/A	0%	0%	In-house standard

Engineering and Construction

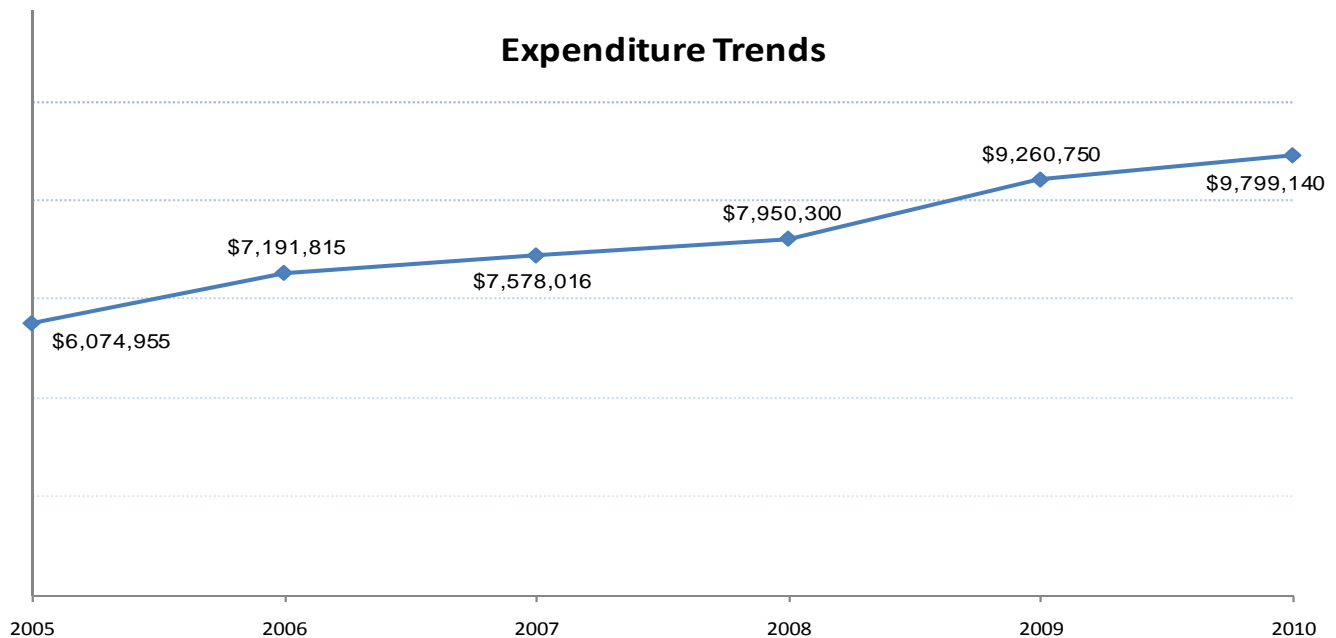
Budget Overview

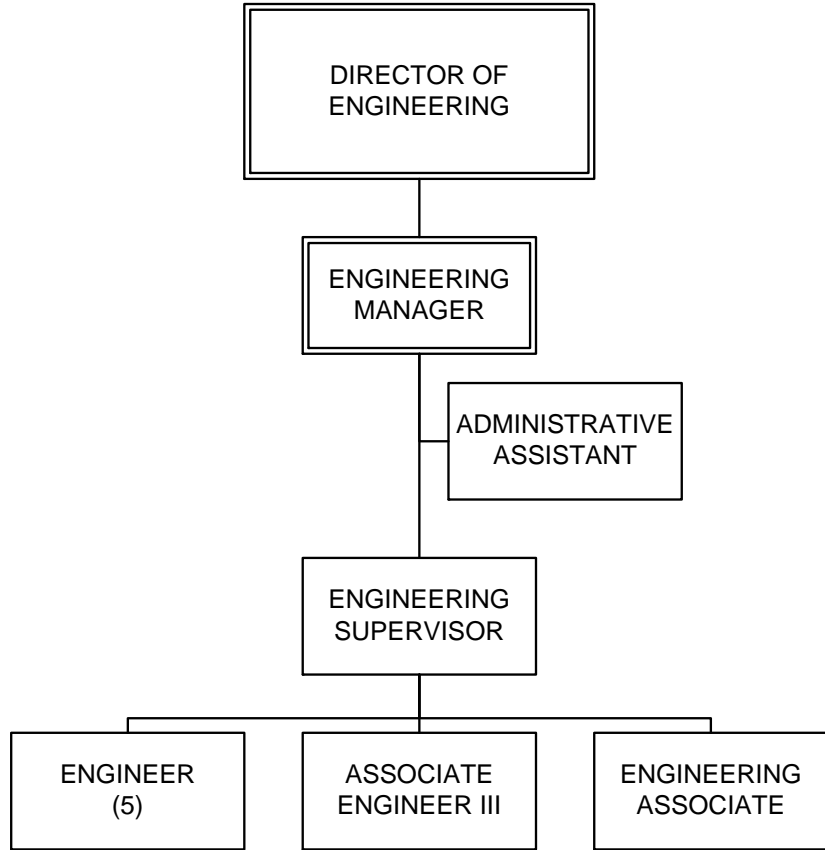
The FY 2008-09 & 2009-10 budgets for the Engineering and Construction Division reflect increases of 16% and 6% over the prior year, respectively. The increase is due to a net addition of 2 FTE positions due to staff reallocations and the anticipated salary and benefit adjustments each year. The division's staff composition is changed due to addition of professional engineering staff and loss of 2 intern positions. There is also an increase for engineering services transferred from the disbanded Regional Assets & Services Division.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 7,950,300
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	255,100
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	357,700
Change in OCERS retirement costs	239,500
Change in group insurance costs	118,200
Other benefit cost adjustments	30,700
Other Cost Adjustments:	
Decrease in memberships	(3,490)
Decrease in minor furniture and fixtures	(2,850)
Increase in meetings	8,090
Increase in engineering services	317,700
Decrease in repairs and maintenance	(9,340)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(860)
2008-09 Proposed Budget - Total Operating Requirements	\$ 9,260,750
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	339,700
Change in OCERS retirement costs	82,000
Change in group insurance costs	66,200
Other benefit cost adjustments	39,900
Other Cost Adjustments:	
Increase in engineering services	8,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	2,590
2009-10 Proposed Budget - Total Operating Requirements	\$ 9,799,140

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 7,489,749	\$ 7,804,700	\$ 7,622,900	\$ 8,805,900	12.83%	\$ 9,333,700	5.99%
Supplies	62,994	103,910	97,130	107,100	3.07%	109,090	1.86%
Professional & Contractual Services	109	-	-	317,700	-	325,700	2.52%
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	6,544	12,400	3,000	3,060	(75.32%)	3,120	1.96%
Utilities	13,222	17,000	17,500	17,000	-	17,340	2.00%
Other	5,398	12,290	9,790	9,990	(18.71%)	10,190	2.00%
Total	\$ 7,578,016	\$ 7,950,300	\$ 7,750,320	\$ 9,260,750	16.48%	\$ 9,799,140	5.81%



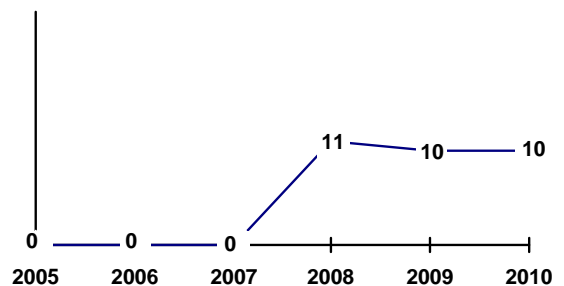


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	8.0
Administrative / Clerical	1.0

Total 10.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Facilities Engineering Division is to provide engineering, design and construction services for completing fast-track type projects, special projects, repair project works, and/or emergency projects.

2007-08 Performance Objectives

- ◆ Manage division expenditures to less than 100% of the budget amounts.
- ◆ Expend minimum 85% of CIP project budgets.
- ◆ Manage CIP change orders to no more than 20% of construction cost.
- ◆ Complete 50 to 65 projects

2007-08 Performance Results

- ◆ Expenditures managed within 100% of project budgets. (80% for 2007-08 projected)
- ◆ CIP fiscal year expenditures projected at 81%.
- ◆ Change order cost projected at 12% by end of fiscal year.
- ◆ Projected to complete 30 projects

2008-09 & 2009-10 Performance Objectives

- ◆ Manage division expenditures to less than 100% of budget amounts.
- ◆ Manage CIP change orders to less than 20% of construction costs.
- ◆ Expend at least 85% of CIP cash flow.
- ◆ Complete at least 50 CIP project designs/bid submittals.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Manage Division Operating Budgets.	N/A	80%	<100%	<100%	In-house standard
◆ Manage CIP Change Orders	N/A	12%	<20%	<20%	In-house standard
◆ Manage CIP Cash Flow	N/A	81%	85% min	85% min	In-house standard
◆ Complete CIP Projects	N/A	30 Projects	50 Projects min	50 Projects min	In-house standard

Facilities Engineering

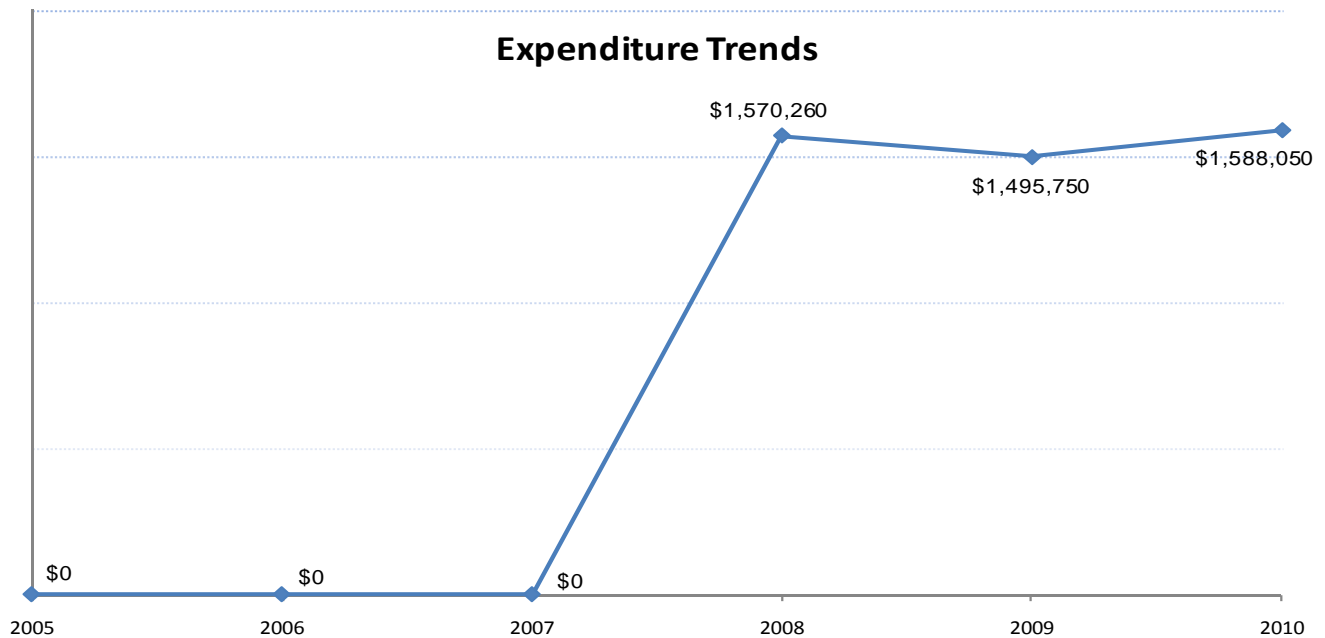
Budget Overview

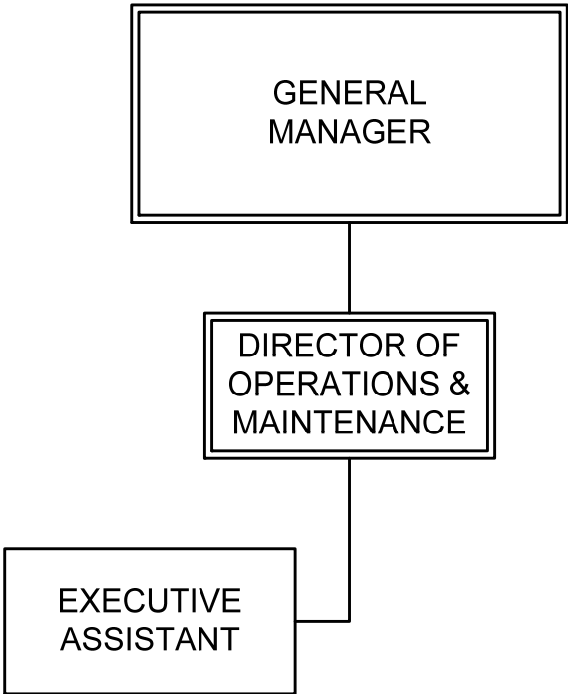
The FY 2008-09 & 2009-10 budgets for the Facilities Engineering Division reflect a decrease of 5% and an increase of 6% over the prior year, respectively. The decrease is due to a reduction of 1 FTE position with the reallocation of a senior engineer position to another division within the Engineering Department. The increase in FY 2009-10 is due to anticipated salary and benefit adjustments.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 1,570,260
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	(98,600)
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	37,600
Change in OCERS retirement costs	(700)
Change in group insurance costs	4,500
Other benefit cost adjustments	(2,100)
Other Cost Adjustments:	
Increase in books and publications	1,760
Decrease in minor furniture and fixtures	(5,500)
Decrease in safety equipment and tools	(7,100)
Decrease in engineering services	(5,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	630
2008-09 Proposed Budget - Total Operating Requirements	\$ 1,495,750
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	60,600
Change in OCERS retirement costs	15,000
Change in group insurance costs	11,300
Other benefit cost adjustments	6,700
Other Cost Adjustments:	
Decrease in books and publications	(2,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	700
2009-10 Proposed Budget - Total Operating Requirements	\$ 1,588,050

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ -	\$ 1,513,000	\$ 1,223,700	\$ 1,453,700	(3.92%)	\$ 1,547,300	6.44%
Supplies	-	31,810	32,714	21,700	(31.78%)	20,400	(5.99%)
Professional & Contractual Services	-	25,000	22,000	20,000	(20.00%)	20,000	-
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Other	-	450	320	350	(22.22%)	350	-
Total	\$ -	\$ 1,570,260	\$ 1,278,734	\$ 1,495,750	(4.75%)	\$ 1,588,050	6.17%



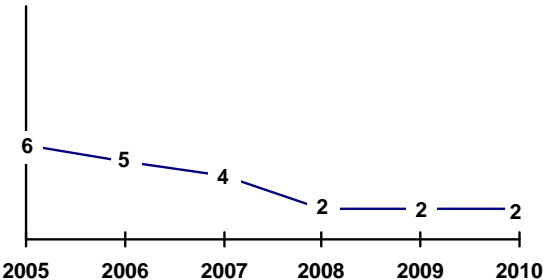


2008-09 & 2009-10 Authorized FTE Positions

Executive Manager	1.0
Administrative / Clerical	1.0

Total 2.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Operation & Maintenance Administration Division is to provide leadership, support, as well as management oversight and development of the Department. Ratepayer owned facilities and assets managed by the O&M divisions have a replacement value that exceeds \$ 5.5 Billion. The Director as a member of the Executive Management Team provides counsel and expertise in developing the necessary strategies to maintain alignment with the District's Strategic Plan, Levels of Service and annual Divisional workplans in alignment with resource availability. The Director and staff also proactively network with the OCSD member cities and sewerage agencies and regional regulators on operational issues.

2007-08 Performance Objectives

2007-08 Performance Results

- | | |
|--|---|
| <ul style="list-style-type: none"> ◆ Achieve 100% compliance with water, solids, air, and energy permits. ◆ Manage all O&M expenditures to within 96-100% of approved budget and related risk levels. ◆ Ensure that the annual OCSD City and Agency Collection Facilities O&M and sewer fee survey is completed on schedule. ◆ Ensure that the Strategic Initiative regarding the "Local Sewer Services" is completed for third party analysis and possible action by our Board. | <ul style="list-style-type: none"> ◆ In compliance. ◆ Estimated to be at 93.26% ◆ Survey completed and distributed on schedule. ◆ Local Sewer Services Staff report completed. The Board also supported staff's recommendation to establish a new and separate local sewer service fee. |
|--|---|

2008-09 & 2009-10 Performance Objectives

- ◆ Achieve 100% compliance with water, solids, air, and energy permits.
- ◆ Achieve a compliance level of $\geq 80\%$ of the Level of Service (LOS) targets consistent with resource availability.
- ◆ Manage O&M expenditures to within 96-100% of approved budget.
- ◆ Ensure that the annual OCSD City and Agency Collection Facilities O&M survey is completed on schedule.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Compliance with Permits	One chronic toxicity exceedance	100%	100%	100%	In-house standard for all facilities
◆ Budget compliance	84.78%	93.26%	96% - 100%	96% - 100%	In-house standard
◆ LOS compliance	-	-	$\geq 80\%$	$\geq 80\%$	New In-house standard

Operations & Maintenance Administration

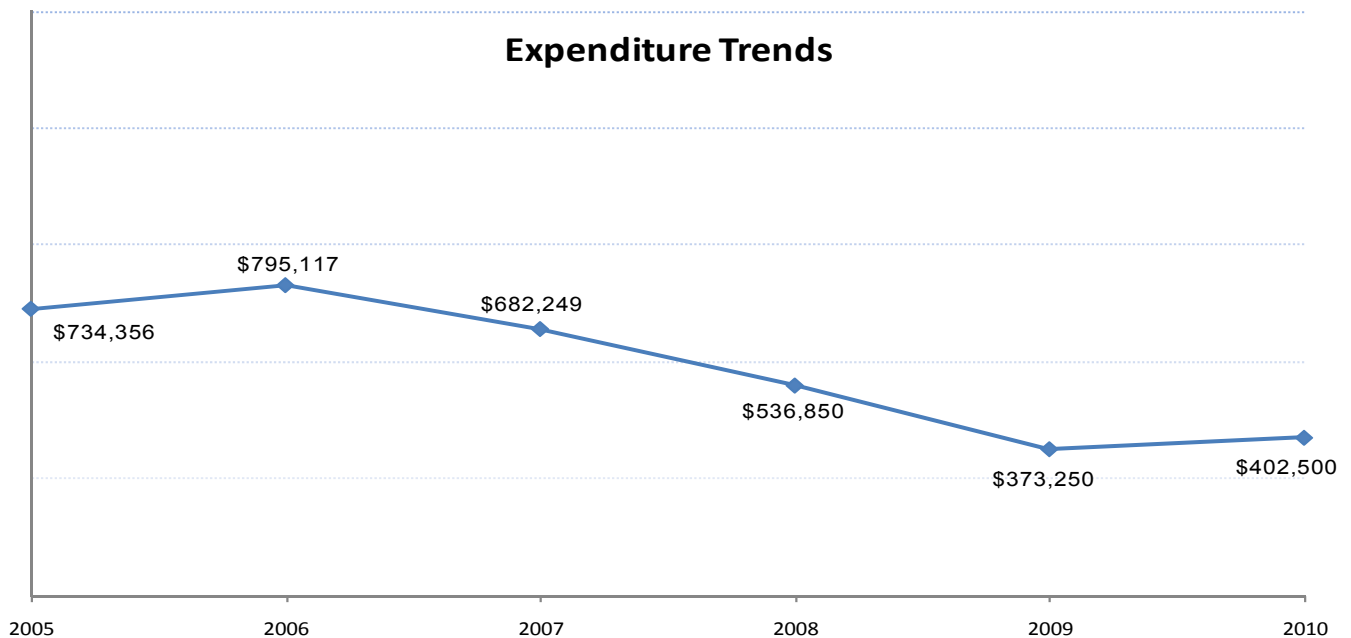
Budget Overview

The FY 2008-09 & 2009-10 budgets for the Operations & Maintenance Administration Division reflect a decrease of 30% and an increase of 8% over the prior year, respectively. These changes are mainly due to staff reallocations during FY 2007-08.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 536,850
<i>Salaries for Position Changes:</i>	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
<i>Changes in Personnel Expenses:</i>	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(117,600)
Change in OCERS retirement costs	(24,200)
Change in group insurance costs	(7,800)
Other benefit cost adjustments	11,400
<i>Other Cost Adjustments:</i>	
Decrease in meetings	(10,300)
Decrease in legal services	(8,000)
Decrease in other professional services	(8,500)
 <i>Aggregate change in Other Categories:</i>	
Aggregate change in other materials, supplies, and services	1,400
2008-09 Proposed Budget - Total Operating Requirements	\$ 373,250
<i>Changes in Personnel Expenses:</i>	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	19,400
Change in OCERS retirement costs	4,800
Change in group insurance costs	2,500
Other benefit cost adjustments	1,400
<i>Other Cost Adjustments:</i>	
Increase in legal services	1,000
 <i>Aggregate change in Other Categories:</i>	
Aggregate change in other materials, supplies, and services	150
2009-10 Proposed Budget - Total Operating Requirements	\$ 402,500

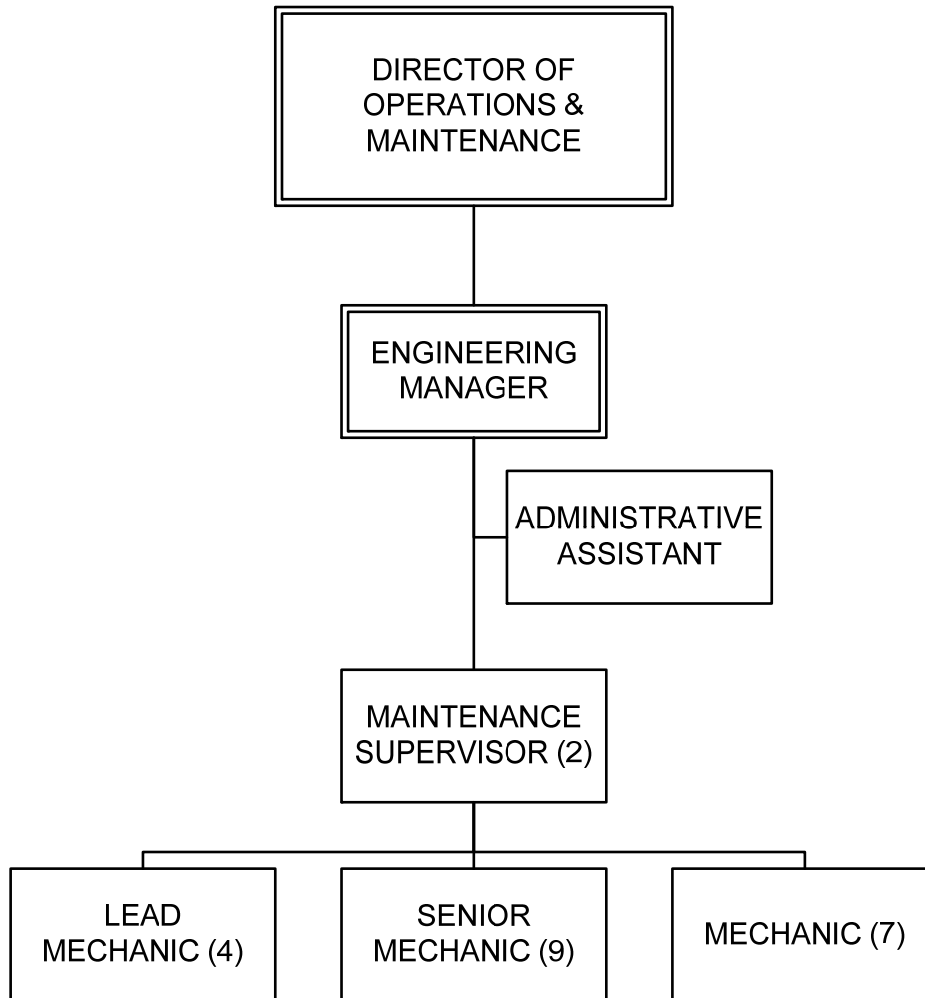
2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 637,831	\$ 497,900	\$ 362,600	\$ 359,700	(27.76%)	\$ 387,800	7.81%
Supplies	32,279	16,520	7,360	6,450	(60.96%)	6,600	2.33%
Professional & Contractual Services	11,056	21,500	13,300	5,000	(76.74%)	6,000	20.00%
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Other	1,083	930	1,300	2,100	125.81%	2,100	-
Total	\$ 682,249	\$ 536,850	\$ 384,560	\$ 373,250	(30.47%)	\$ 402,500	7.84%



Collection Facilities Operations & Maintenance

420

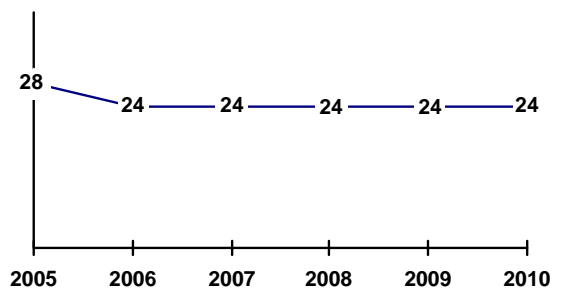


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	2.0
Operations & Maintenance	20.0
Administrative / Clerical	1.0

Total 24.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Collection Facilities Operations and Maintenance Division is to provide reliable collection and transportation of wastewater and efficient, safe operation and maintenance of the system in the 471 square mile regional service area. Assets consist of the 429 mile long regional interceptor and trunk sewer system's piping, sixteen off-site pumping facilities, and the 152 mile long local sewer system serving portions of the City of Tustin and the Unincorporated Areas north of Tustin and in east Orange. Services are delivered through trained and certified staff and/or contractors. The Division maintains a regional leadership role in the District's WDR Compliance effort in the areas of O&M, repairs, and staff development including certification. The Division is in its fifth year of developing the Dig Alert compliance program for protecting collection facilities assets.

2007-08 Performance Objectives

- ◆ Ensure division expenditures are managed within 96-100% of the approved budget.
- ◆ Keep preventable manhole overflows due to mainline blockages below the national average of 2.1 per hundred miles per year or less than 13 per year.
- ◆ Achieve 80% wrench time for pump station crew.
- ◆ Complete an average of 90% of scheduled maintenance in troubled spot areas through FY 2006/07.
- ◆ Complete 80% of weekly production targets for contractors on small diameter (12" and smaller) sewer cleaning.
- ◆ 100% Compliance of mandatory safety training with zero "no shows".

2007-08 Performance Results

- ◆ Expect to achieve 90% expenditure of Div. 420 budget by end of FY 2007-08
- ◆ Manhole overflows are currently at 6 spills through the end of Feb. 2008 which represents 1.03 spills per 100 miles of sewer which is about half of the national average
- ◆ Achieved 68% wrench time so far this year
- ◆ Completed 79% of scheduled maintenance in trouble spots so far this year
- ◆ Completed 100% of weekly production targets for contractors who clean the small diameter sewers (12" and below) in Service Area 7
- ◆ Achieved 100% compliance (zero no shows)

2008-09 & 2009-10 Performance Objectives

- ◆ Ensure division JO budget expenditures are managed within 95 -100% of the approved budget.
- ◆ Keep preventable sanitary sewer overflows due to mainline blockages below the national average of 2.1 per hundred miles per year or less than 13 per year.
- ◆ Complete an average of 90% of scheduled maintenance for pump station crews in the pump stations
- ◆ Complete an average of 90% of scheduled maintenance in troubled spot areas.
- ◆ Complete 80% of weekly production targets for contractors on small diameter (12" and smaller) sewer cleaning.
- ◆ Maintain 100% compliance with mandatory safety training with zero "no shows".

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Joint operating budget	84.68%	90%	95-100%	95-100%	In-house standard
◆ Preventable overflows	8 spills	6 spills	< 13/yr	< 13/yr	WDR/ASCE/EPA Report
◆ Pump Station Scheduled Maintenance	N/A	80%	> 90%	> 90%	In-house standard
◆ Trouble Spot Scheduled Maintenance	78%	85%	> 90%	> 90%	In-house standard
◆ Meet weekly local sewer targets	95%	100%	100%	100%	In-house standard
◆ Safety Training Compliance	96%	100%	100%	100%	In-house standard

Collection Facilities Operations & Maintenance

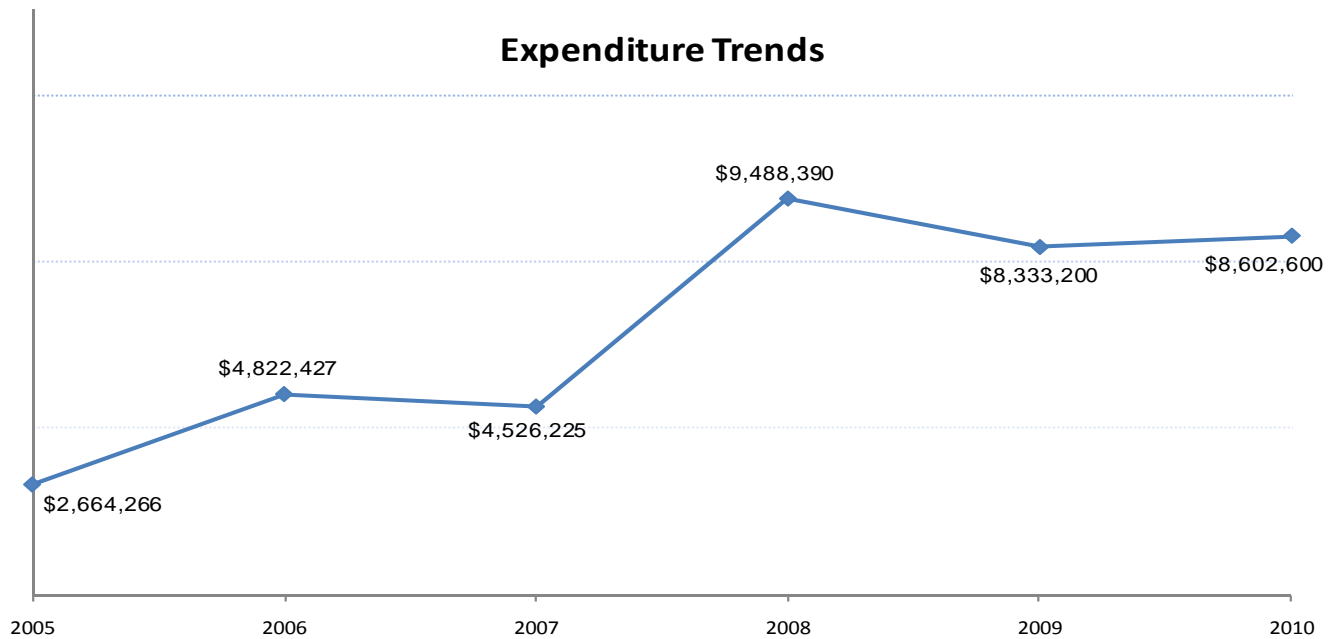
Budget Overview

The FY 2008-09 & 2009-10 budgets for the Collection Facilities Operations & Maintenance Division reflect a decrease of 12% and an increase of 3% over the prior year, respectively. The reduction is primarily due to the transfer of a portion of odor control costs to Plant No. 1 and Plant No. 2 Operations Divisions. This transfer is based on a determination that 40 percent of the usage and cost of certain chemicals applies to the treatment plant and the remaining 60 percent applies to the collection facilities.

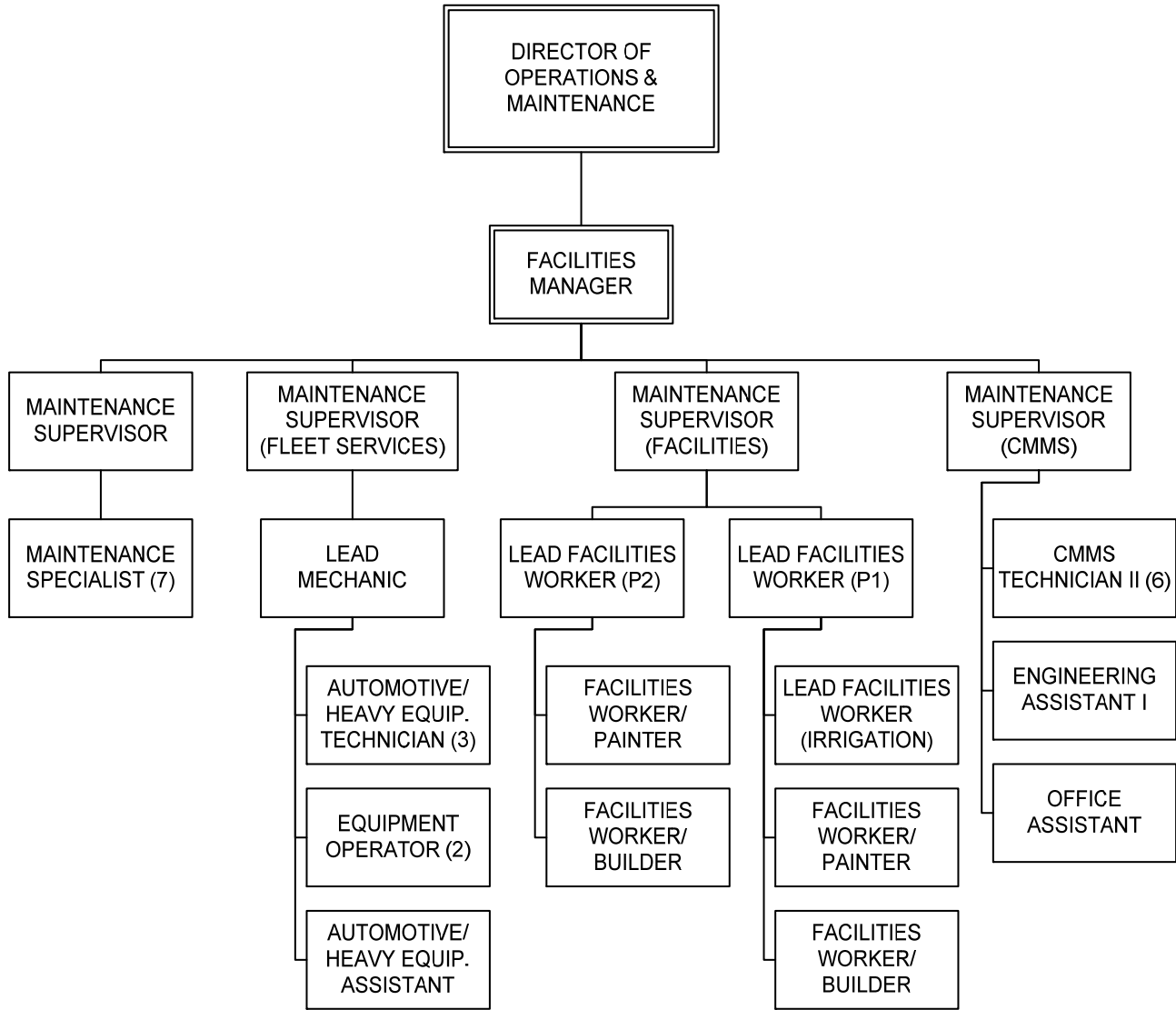
2007-08 Adjusted Budget - Total Operating Requirements	\$ 9,488,390
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	215,800
Change in OCERS retirement costs	69,600
Change in group insurance costs	46,200
Other benefit cost adjustments	33,800
Other Cost Adjustments:	
Decrease in odor control chemicals (costs transferred to Divisions 830 & 840)	(1,114,600)
Increase in safety equipment/tools	15,000
Decrease in other contractual services	(385,000)
Increase in engineering services	116,800
Decrease in other professional services	(191,500)
Increase in repairs & maintenance costs	57,000
Decrease in utility costs of pump stations	(21,900)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	3,610
2008-09 Proposed Budget - Total Operating Requirements	\$ 8,333,200
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	116,500
Change in OCERS retirement costs	27,800
Change in group insurance costs	26,200
Other benefit cost adjustments	15,900
Other Cost Adjustments:	
Increase in odor control chemicals	174,500
Increase in tools	30,000
Decrease in engineering services	(212,500)
Increase in repairs & maintenance costs	70,000
Increase in utility costs of pump stations	20,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1,000
2009-10 Proposed Budget - Total Operating Requirements	\$ 8,602,600

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 2,048,717	\$ 2,236,000	\$ 2,463,000	\$ 2,601,400	16.34%	\$ 2,787,800	7.17%
Supplies	74,788	3,785,590	3,806,820	2,693,200	(28.86%)	2,898,700	7.63%
Professional & Contractual Services	1,265,919	1,984,200	1,899,200	1,522,800	(23.25%)	1,310,300	(13.95%)
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	584,111	853,000	793,000	910,000	6.68%	980,000	7.69%
Utilities	547,123	626,900	576,900	605,000	(3.49%)	625,000	3.31%
Other	5,567	2,700	-	800	(70.37%)	800	-
Total	\$ 4,526,225	\$ 9,488,390	\$ 9,538,920	\$ 8,333,200	(12.17%)	\$ 8,602,600	3.23%



Facilities Maintenance & Fleet Services

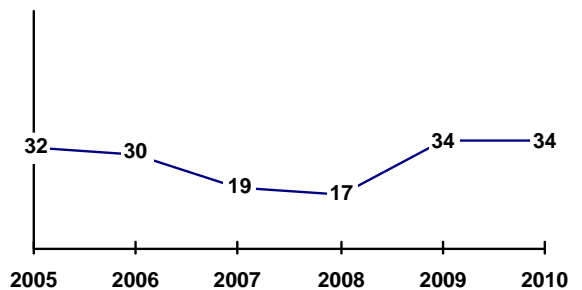


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	4.0
Operations & Maintenance	28.0
Administrative / Clerical	1.0

Total 34.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

The mission of the Facilities Maintenance and Fleet Services Division is to provide cost-effective, quality focused asset management with staff and/or contractors in the following areas: Grounds, Custodial, Painting, Signage and Structure Maintenance including appurtenances, Computerized Maintenance Management System (CMMS) support, Vehicles and mobile equipment, mobile crane support and motor pool management. The Division acts as a liaison between O&M divisions and other stakeholders in the areas of procurement, change management, project management, and contractual services.

2007-08 Performance Objectives

- ◆ Ensure division expenditures are managed to within 96-100% of the approved budget.
- ◆ Implement Fleet Management software with standardized reporting tools similar to other best practices cities and agencies.
- ◆ Maintain a monthly fleet services technical staff wrench time of 57% based on actual available site hours.
- ◆ Maintain an annual fully burdened divisional wrench time of 55%. The wrench time component is comprised of preventative maintenance, predictive maintenance, corrective maintenance, managed activities, and construction (Improvements)
- ◆ Implement a Pavement Management program. Develop and install attribute data, condition assessment tools, populate asset register in CMMS (or other) and implement PM/CM program in in-house CMMS or other.

2007-08 Performance Results

- ◆ Estimated to be at 98.6%.
- ◆ Implementation of Fleet Management software system with standardized reporting tools completed.
- ◆ Maintained a monthly average of 61.8%.
- ◆ Maintained an annual divisional average of 57.2%.
- ◆ Implementation of Pavement Management program. Asset register and PM/CM program to be implemented in new asset management software scheduled for implementation FY 2008-09.

2008-09 & 2009-10 Performance Objectives

- ◆ Volatile Organic Compound (VOC's). 100% records compliance for painting / coatings glues, solvents and other VOC's.
- ◆ Safe and Reliable vehicle and equipment operations. Zero incidents or accidents and 10% rework as a result of Fleet Services staff's performance.
- ◆ Clean work environment, facilities maintenance. In house survey publishes with results meeting at or above a minimum of 80% very satisfied or extremely satisfied.
- ◆ Vehicle and equipment emissions. Fleet Services to maintain 100% of compliance with state regulations.
- ◆ Total Injury Frequency Rate. Maintain a frequency rate of less than 6.0

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Joint operating budget	89.6%	98.7%	N/A	N/A	In house standard
◆ Technical staff wrench time	57.0%	61.8%	N/A	N/A	In house standard
◆ Facilities Clean Work Environment (Survey)	N/A	N/A	80% very satisfied	80% very satisfied	In house standard
◆ Vehicle & equipment emissions compliance	N/A	N/A	100%	100%	Compliance with CARB regulations.
◆ Volatile Organic Compounds compliance	N/A	N/A	100%	100%	Compliance with AQMD regulations.

Facilities Maintenance & Fleet Services

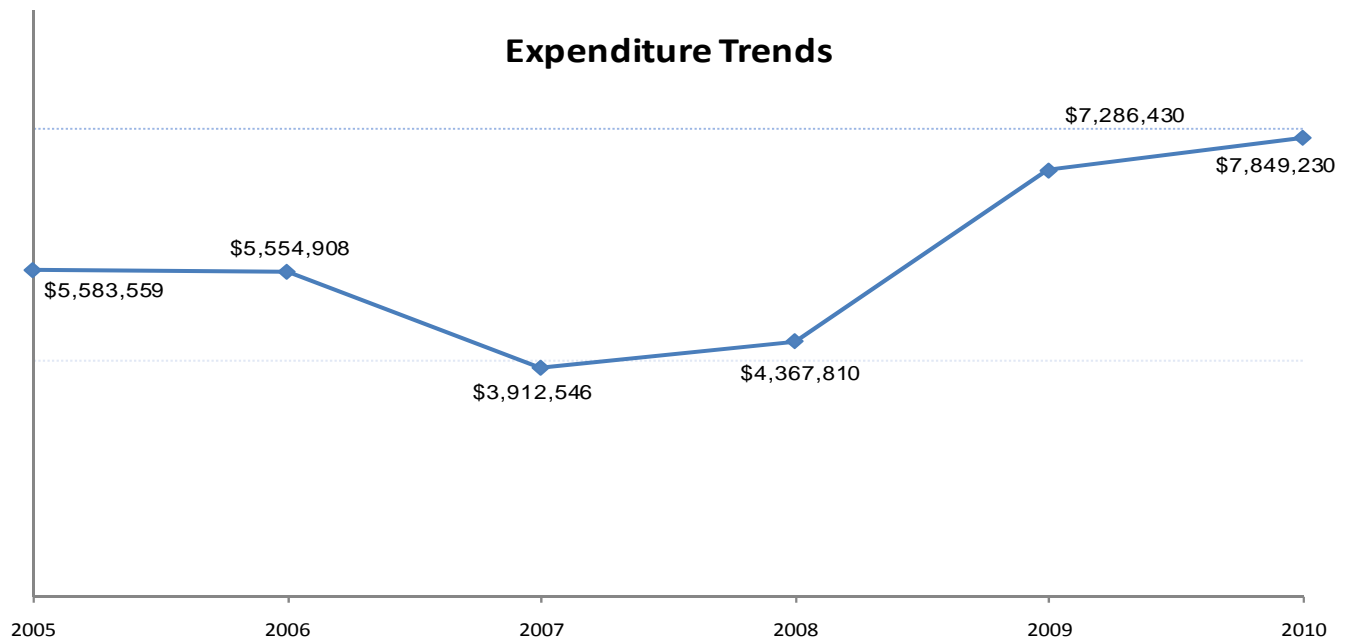
Budget Overview

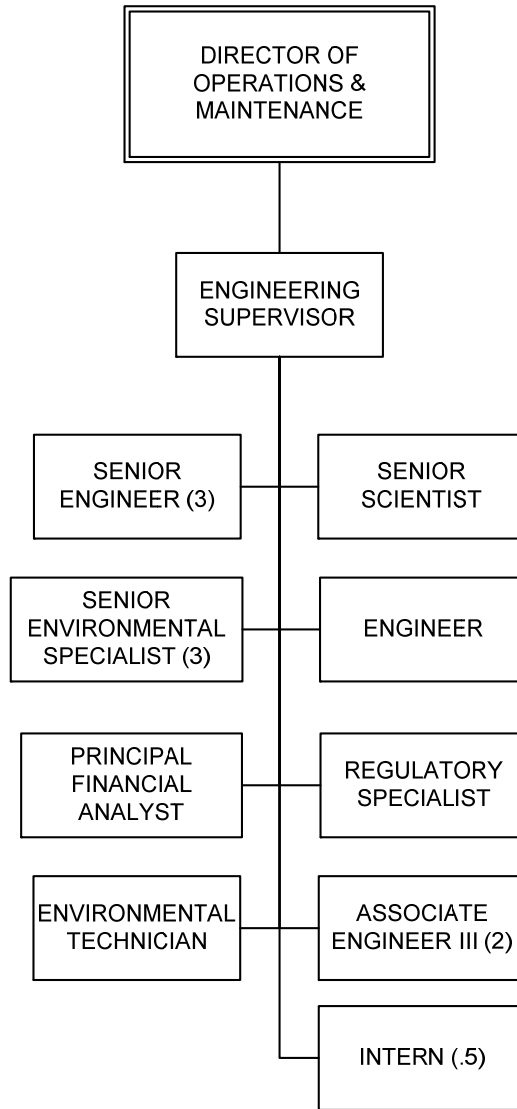
The FY 2008-09 & 2009-10 budgets for the Facilities Maintenance and Fleet Services Division reflect increases of 67% and 8% over the prior year, respectively. The increase is a result of transferring the duties of Computerized Maintenance Management System (CMMS) support and Departmental contract services management along with the associated 17 FTE positions from the Mechanical and Reliability Maintenance Division within the Operations & Maintenance Department.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 4,367,810
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	1,569,500
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	75,800
Change in OCERS retirement costs	397,900
Change in group insurance costs	204,000
Other benefit cost adjustments	33,200
Other Cost Adjustments:	
Decrease in vehicle fuel & lubricants	(45,000)
Increase in compressed natural gas	12,300
Decrease in miscellaneous operating supplies	(30,000)
Increase in groundskeeping contractual services	42,700
Increase in janitorial services	10,400
Decrease in engineering services	(13,400)
Increase in repairs and maintenance costs	623,000
Increase in services maintenance agreements	31,100
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	7,120
2008-09 Proposed Budget - Total Operating Requirements	\$ 7,286,430
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	153,900
Change in OCERS retirement costs	33,900
Change in group insurance costs	36,900
Other benefit cost adjustments	22,600
Other Cost Adjustments:	
Increase in vehicle fuel & lubricants	15,000
Increase in compressed natural gas	15,000
Increase in groundskeeping contractual services	10,000
Increase in janitorial services	30,000
Increase in repairs and maintenance costs	227,000
Increase in services maintenance agreements	10,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	8,500
2009-10 Proposed Budget - Total Operating Requirements	\$ 7,849,230

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 1,621,757	\$ 1,976,300	\$ 1,863,500	\$ 4,256,700	115.39%	\$ 4,504,000	5.81%
Supplies	496,844	618,610	536,350	564,230	(8.79%)	597,730	5.94%
Professional & Contractual Services	876,417	840,300	835,000	880,000	4.72%	925,000	5.11%
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	912,381	928,900	1,075,000	1,583,000	70.42%	1,820,000	14.97%
Utilities	48	-	-	-	-	-	-
Other	5,099	3,700	3,800	2,500	(32.43%)	2,500	-
Total	\$ 3,912,546	\$ 4,367,810	\$ 4,313,650	\$ 7,286,430	66.82%	\$ 7,849,230	7.72%



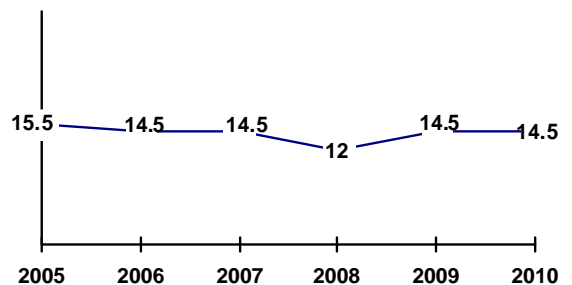


2008-09 & 2009-10 Authorized FTE Positions

Supervisors / Professionals 14.0
 Intern 0.5

Total 14.5

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

Provide process support so that OCSD operates in compliance with air, land, and water regulations, odor and corrosion are minimized and treatment is optimized, with minimal impact on the regional collection system and plant neighbors.

2007-08 Performance Objectives	2007-08 Performance Results
◆ Manage to within 96-100% of the division's joint operating expenses budget.	◆ Division 820 budget is projected to be 94%
◆ Ensure the utility, chemical, biosolids, and oxygen service contracts are managed to within 90-100% of the approved operating budget (\$38.64 million)	◆ Contracts are projected to be managed to 92 %
◆ Assist Operations in achieving optimization through 1% savings (\$400,000)	◆ Optimized chemicals by >1% of budget
◆ Manage the collection system chemicals to within 80-100% (from div. 660)	◆ Collection system chemicals are projected to be managed to 99 %
◆ Prepare 35 specifications	◆ Responsibility moved to Division 770

2008-09 & 2009-10 Performance Objectives

- ◆ Manage the division's joint operating expenses budget to \leq 100%.
- ◆ Ensure the utility, chemical, and oxygen service contracts are managed to less than 100% of the approved operating budget.
- ◆ Assist Operations in achieving optimization through \geq 2% reduction in chemical dosing without decreasing level of service.
- ◆ Ensure continuous odor and corrosion treatment in the Collection System to achieve Level of Service and internal targets for 100% of time based upon average

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Manage Division Budget	88%	94%	\leq 100%	\leq 100%	In-house standard
◆ Contract Management	81%	92%	\leq 100%	\leq 100%	In-house standard
◆ Optimization	>1%	> 1%	\geq 2%	\geq 2%	In-house standard
◆ Odor and corrosion treatment in the Collection System	N/A	N/A	100%	100%	Level of Service
◆ Manage the collection system chemicals to within 80-100% (from Div. 660)	94%	99%	N/A	N/A	In-house standard

Operations & Maintenance Process Engineering

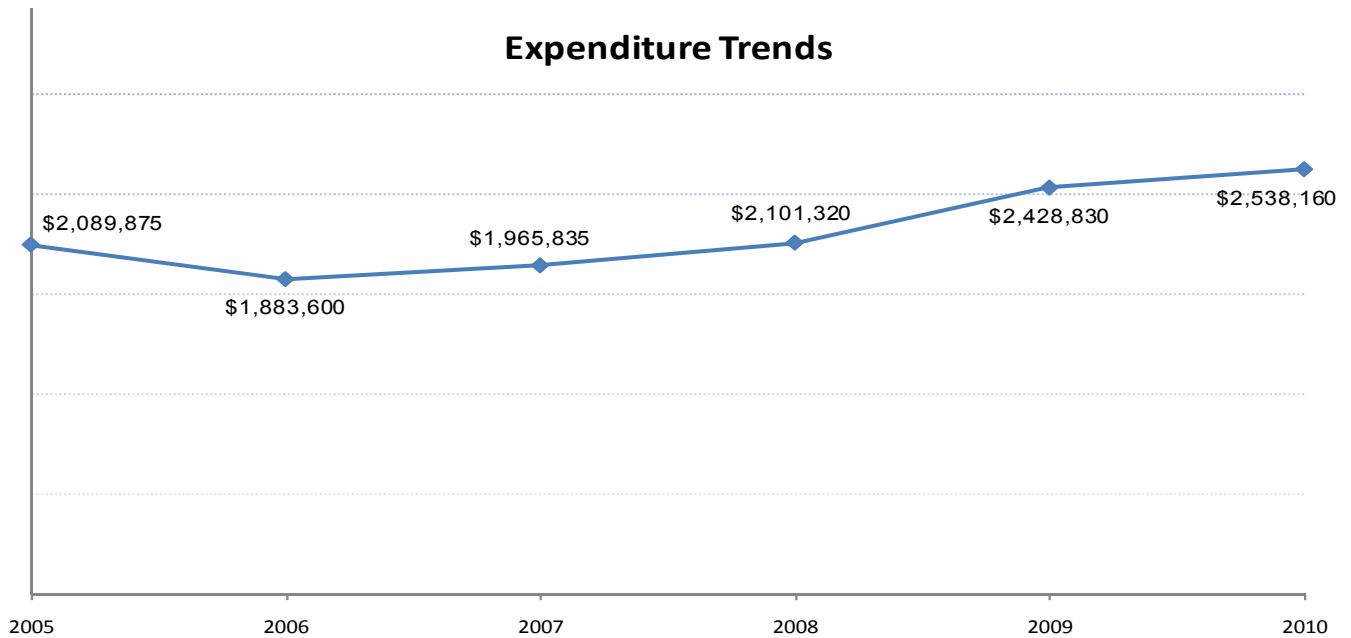
Budget Overview

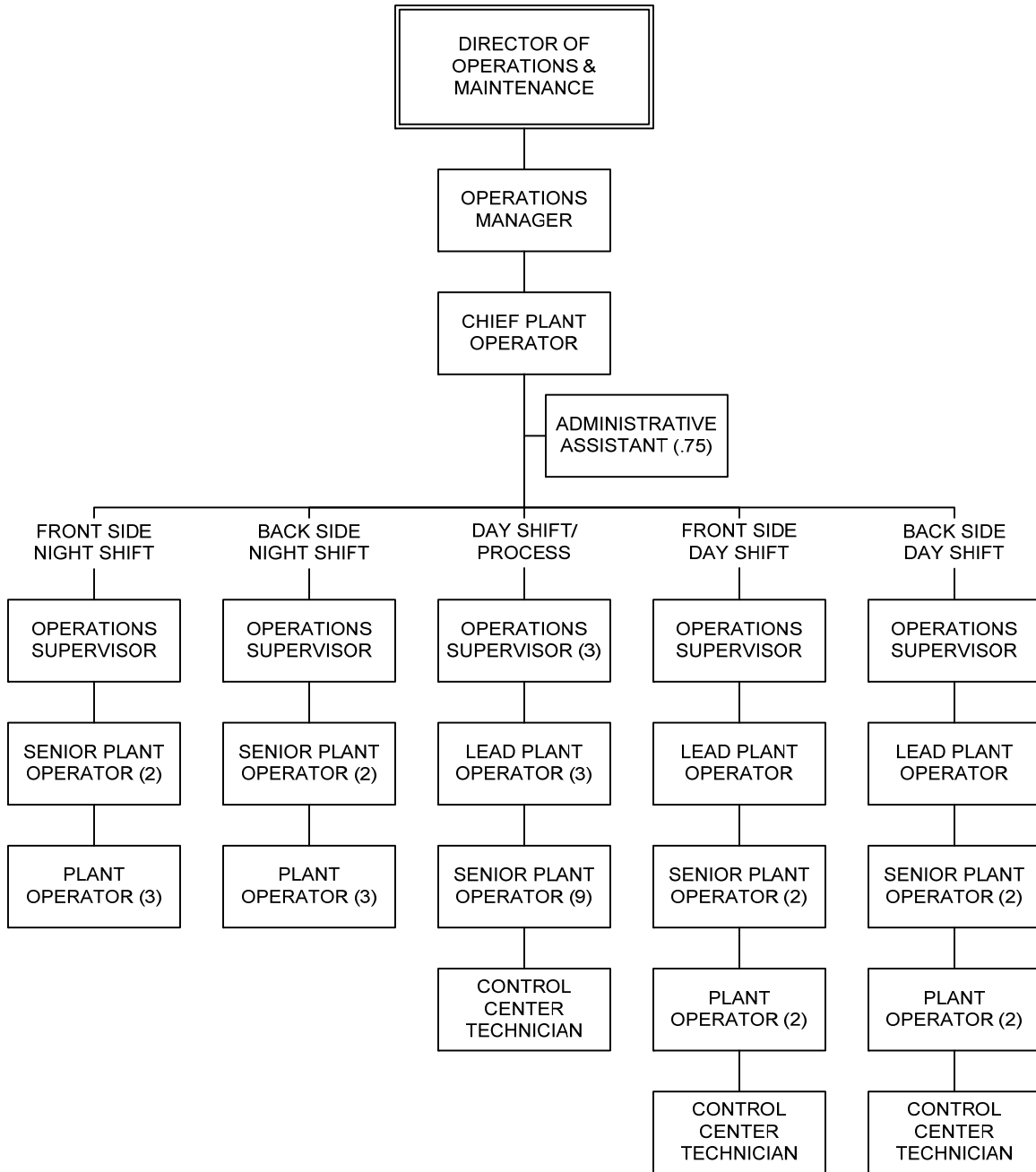
The FY 2008-09 & 2009-10 budgets for the Operations & Maintenance Process Engineering Division reflect increases of 16% and 5% over the prior year, respectively. The increase is due to a net transfer of 2.5 FTE positions into this division. This increase is slightly offset by a decrease in costs for repairs and maintenance.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 2,101,320
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	176,500
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	76,000
Change in OCERS retirement costs	80,100
Change in group insurance costs	45,200
Other benefit cost adjustments	(50)
Other Cost Adjustments:	
Increase in minor furniture and fixtures	10,800
Decrease in meetings	(2,500)
Decrease in safety equipment and tools	(6,400)
Decrease in laboratory supplies	(5,500)
Decrease in outside lab services	(4,000)
Increase in temporary services	35,000
Increase in other contractual services	9,000
Decrease in other professional services	(24,000)
Decrease in repairs and maintenance	(54,900)
Decrease in regulatory operating fees	(4,800)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(2,940)
<hr/>	
2008-09 Proposed Budget - Total Operating Requirements	\$ 2,428,830
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	79,100
Change in OCERS retirement costs	19,600
Change in group insurance costs	15,400
Other benefit cost adjustments	9,300
Other Cost Adjustments:	
Decrease in minor furniture and fixtures	(6,000)
Increase in temporary services	25,000
Decrease in other contractual services	(30,000)
Decrease in repairs and maintenance	(4,200)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1,130
<hr/>	
2009-10 Proposed Budget - Total Operating Requirements	\$ 2,538,160

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 1,562,852	\$ 1,643,050	\$ 1,685,000	\$ 2,020,800	22.99%	\$ 2,144,200	6.11%
Supplies	34,969	55,270	41,050	49,180	(11.02%)	43,810	(10.92%)
Professional & Contractual Services	182,615	292,000	216,500	308,000	5.48%	303,000	(1.62%)
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	2,056	92,850	21,500	39,950	(56.97%)	35,950	(10.01%)
Utilities	-	-	-	-	-	-	-
Other	183,343	18,150	11,800	10,900	(39.94%)	11,200	2.75%
Total	\$ 1,965,835	\$ 2,101,320	\$ 1,975,850	\$ 2,428,830	15.59%	\$ 2,538,160	4.50%

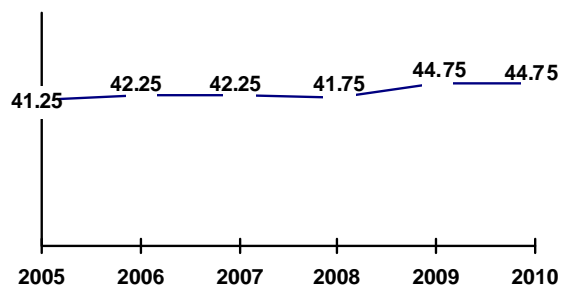




Staffing Trends

2008-09 & 2009-10 Authorized FTE Positions

Manager	1.00
Supervisors / Professionals	8.00
Operations & Maintenance	35.00
Administrative / Clerical	0.75
Total	44.75



2008-09 & 2009-10 Budget

Service Description

To safely, reliably, and cost effectively operate Plants Nos. 1 and 2 to meet all regulatory requirements for the land, air, and water environments of Orange County and the 2.5 million residents we serve.

2007-08 Performance Objectives

- ◆ Achieve 100% NPDES Compliance
- ◆ Maintain a Total Injury Frequency Rate (TIFR) at below the industry average of 5.2
- ◆ Maintain overtime at less than 10% of the total hours worked

2007-08 Performance Results

- ◆ 100% Compliance
- ◆ Through eight months the case rate was 11.6
- ◆ Through eight months overtime was approximately 7% of the total hours worked

2008-09 & 2009-10 Performance Objectives

- ◆ Achieve 100% NPDES Compliance
- ◆ Maintain 30 day geometric mean for total coliform at the final sampler at or below 100,000 MPN
- ◆ Maintain overtime at less than 10% of the total hours worked
- ◆ Maintain total accident rate below 5.2 accidents per 100 employees

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Compliance	< 100%	100%	100%	100%	Permit Requirement
◆ 30 Day Geo Mean	NA	NA	<=100,000	<=100,000	In-house standard
◆ Overtime %	<= 10%	<= 10%	<= 10%	<= 10%	In-house standard
◆ Accident Rate	5.0	< 11	< 5.2	< 5.2	Industry standard

Plant No. 1 Operations

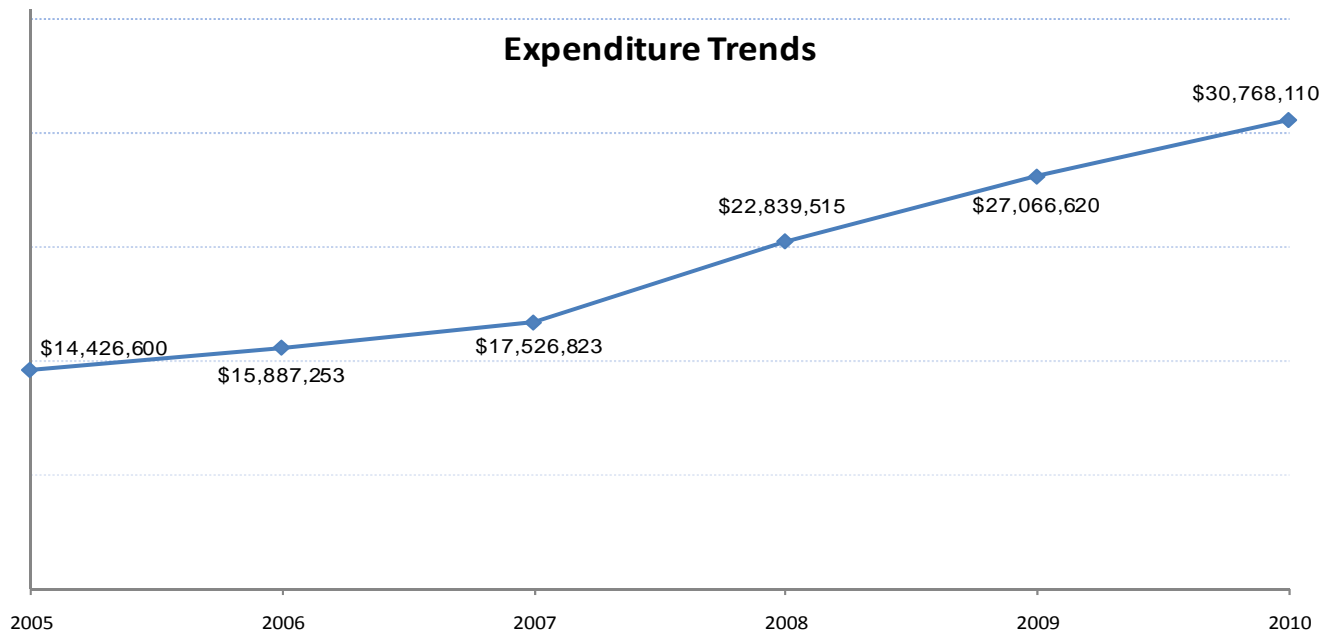
Budget Overview

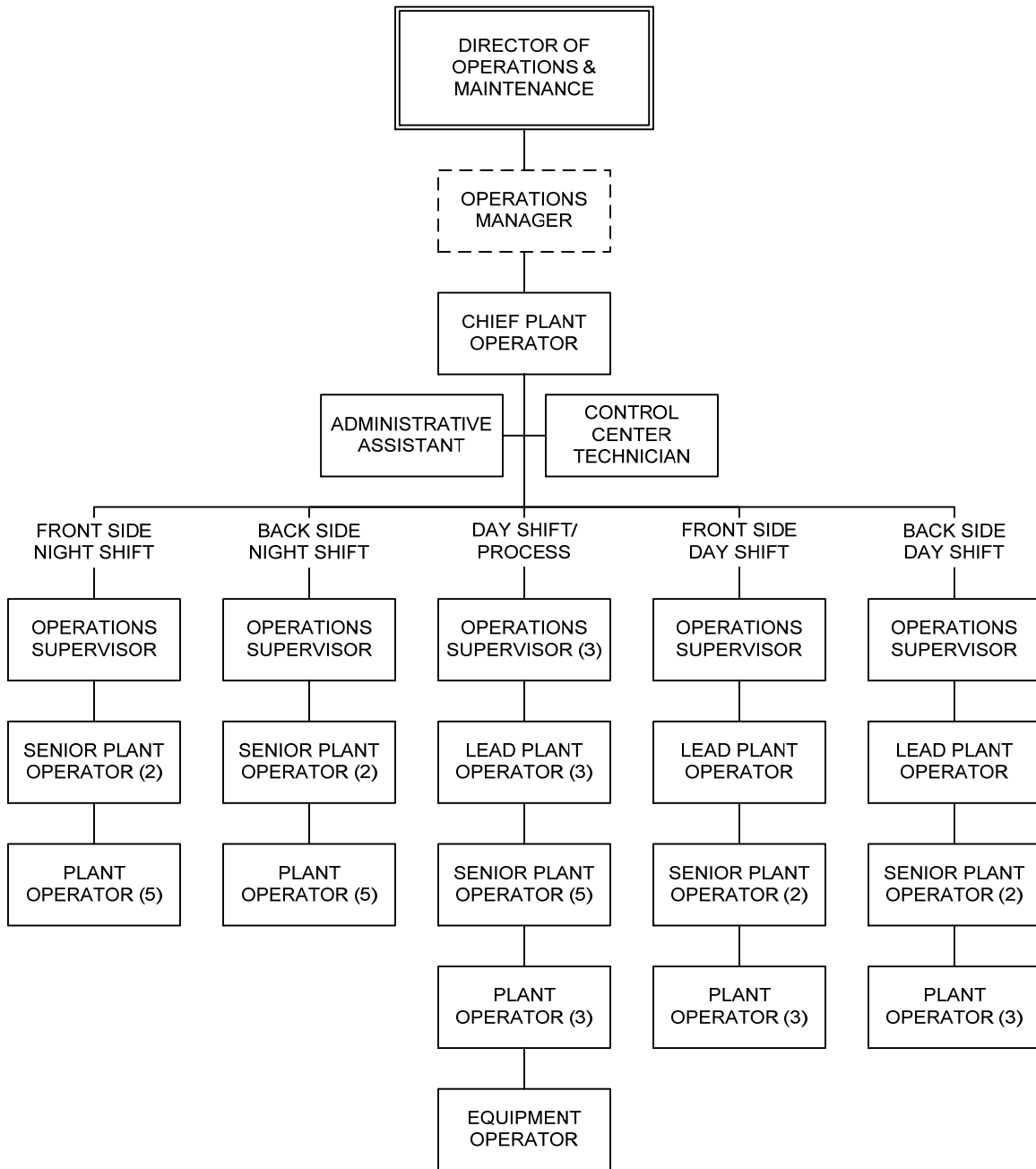
The FY 2008-09 & 2009-10 budgets for the Plant Number 1 Operations Division reflect increases of 19% and 14% over the prior year, respectively. These increases are mainly the result of an increase of 3 FTE positions reallocated from other divisions and increases in the cost of solids removal and odor control chemicals. These cost increases are slightly offset by decreases in the cost of utilities and disinfection chemicals.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 22,839,515
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	182,300
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	150,900
Change in OCERS retirement costs	143,900
Change in group insurance costs	94,800
Other benefit cost adjustments	18,700
Other Cost Adjustments:	
Increase in chemical coagulants	267,960
Increase in odor control chemicals (includes costs transferred from Division 420)	1,054,200
Decrease in disinfection chemicals	(541,795)
Increase in solids removal costs	3,315,800
Increase in other waste disposal	69,500
Increase in repairs and maintenance	55,000
Decrease in electricity costs	(611,000)
Increase in water costs	26,080
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	760
2008-09 Proposed Budget - Total Operating Requirements	\$ 27,066,620
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	219,600
Change in OCERS retirement costs	50,900
Change in group insurance costs	49,000
Other benefit cost adjustments	29,800
Other Cost Adjustments:	
Increase in chemical coagulants	835,500
Increase in odor control chemicals	255,180
Decrease in disinfection chemicals	(2,900)
Increase in solids removal costs	2,070,000
Increase in other waste disposal	13,000
Increase in electricity costs	150,000
Increase in water costs	30,010
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1,400
2009-10 Proposed Budget - Total Operating Requirements	\$ 30,768,110

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 4,582,952	\$ 4,788,800	\$ 4,882,300	\$ 5,379,400	12.33%	\$ 5,728,700	6.49%
Supplies	4,533,678	6,248,755	5,031,960	7,030,220	12.51%	8,118,200	15.48%
Professional & Contractual Services	5,660,729	7,974,200	7,205,000	11,359,500	42.45%	13,442,500	18.34%
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	6,605	3,000	8,000	58,000	1833.33%	59,200	2.07%
Utilities	2,739,220	3,819,920	2,854,550	3,232,000	(15.39%)	3,412,010	5.57%
Other	3,639	4,840	6,500	7,500	54.96%	7,500	-
Total	\$ 17,526,823	\$ 22,839,515	\$ 19,988,310	\$ 27,066,620	18.51%	\$ 30,768,110	13.68%



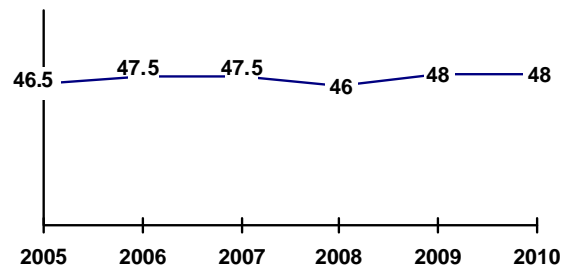


2008-09 & 2009-10 Authorized FTE Positions

Supervisors / Professionals	8.0
Administrative / Clerical	1.0
Operations & Maintenance	39.0

Total 48.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

To safely, reliably, and cost effectively operate Plants Nos. 1 and 2 to meet all regulatory requirements for the land, air, and water environments of Orange County and the 2.5 million residents we serve.

2007-08 Performance Objectives

- ◆ Achieve 100% NPDES Compliance
- ◆ Maintain a Total Injury Frequency Rate (TIFR) at below the industry average of 5.2
- ◆ Maintain overtime at less than 10% of the total hours worked

2007-08 Performance Results

- ◆ 100% Compliance
- ◆ Through eight months the case rate was 21.3
- ◆ Through eight months overtime was approximately 6% of the total hours worked

2008-09 & 2009-10 Performance Objectives

- ◆ Achieve 100% NPDES Compliance
- ◆ Maintain 30 day geometric mean for total coliform at the final sampler at or below 100,000 MPN
- ◆ Maintain overtime at less than 10% of the total hours worked
- ◆ Maintain total accident rate below 5.2 accidents per 100 employees

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Compliance	< 100%	100%	100%	100%	Permit Requirement
◆ 30 Day Geo Mean	NA	NA	<=100,000	<=100,000	In-house standard
◆ Overtime %	<= 10%	<= 10%	<= 10%	<= 10%	In-house standard
◆ Accident Rate	20.7	< 21	< 5.2	< 5.2	Industry standard

Plant No. 2 Operations

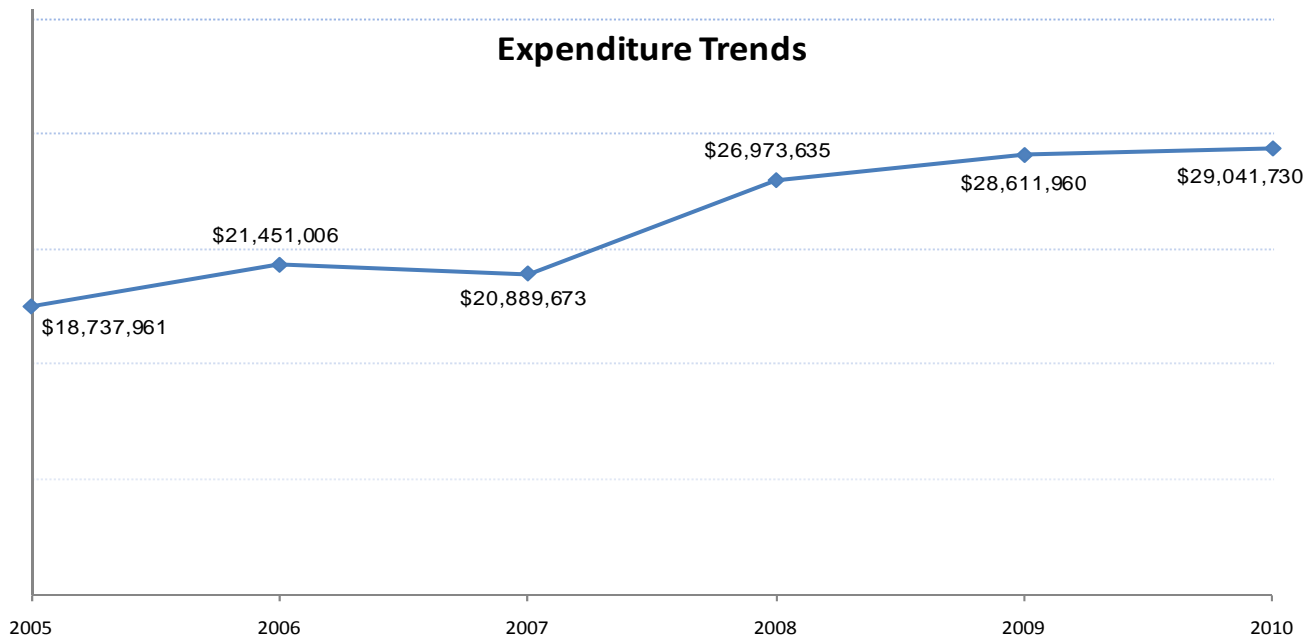
Budget Overview

The FY 2008-09 & 2009-10 budgets for the Plant Number 2 Operations Division reflect increases of 6% and 2% over the prior year, respectively. These increases are mainly the result of an increase of 2 FTE positions reallocated from other divisions and increases in the cost of solids removal and odor control chemicals. These cost increases are offset somewhat by a reduction in cost of disinfection chemicals and utilities.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 26,973,635
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	38,600
New or (decreased) FTE	56,600
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	203,400
Change in OCERS retirement costs	91,900
Change in group insurance costs	81,600
Other benefit cost adjustments	39,000
Other Cost Adjustments:	
Increase in chemical coagulants	33,080
Increase in odor control chemicals (includes costs transferred from Division 420)	818,920
Decrease in disinfection chemicals	(1,315,605)
Increase in safety equipment and tools	14,400
Decrease in property tax fees (costs transferred to Division 620)	(33,000)
Increase in solids removal costs	2,271,750
Decrease in other waste disposal	(26,000)
Increase in oxygen plant operations	50,500
Increase in repairs and maintenance	50,680
Decrease in electricity costs	(457,000)
Decrease in regulatory operating fees (transferred to Division 620)	(283,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	2,500
2008-09 Proposed Budget - Total Operating Requirements	\$ 28,611,960
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	200,800
Change in OCERS retirement costs	49,900
Change in group insurance costs	51,900
Other benefit cost adjustments	31,900
Other Cost Adjustments:	
Increase in chemical coagulants	56,700
Increase in odor control chemicals	81,700
Decrease in disinfection chemicals	(84,300)
Decrease in safety equipment and tools	(9,380)
Increase in solids removal costs	(120,000)
Increase in other waste disposal	6,500
Increase in oxygen plant operations	13,000
Increase in electricity costs	135,000
Increase in water costs	13,610
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	2,440
2009-10 Proposed Budget - Total Operating Requirements	\$ 29,041,730

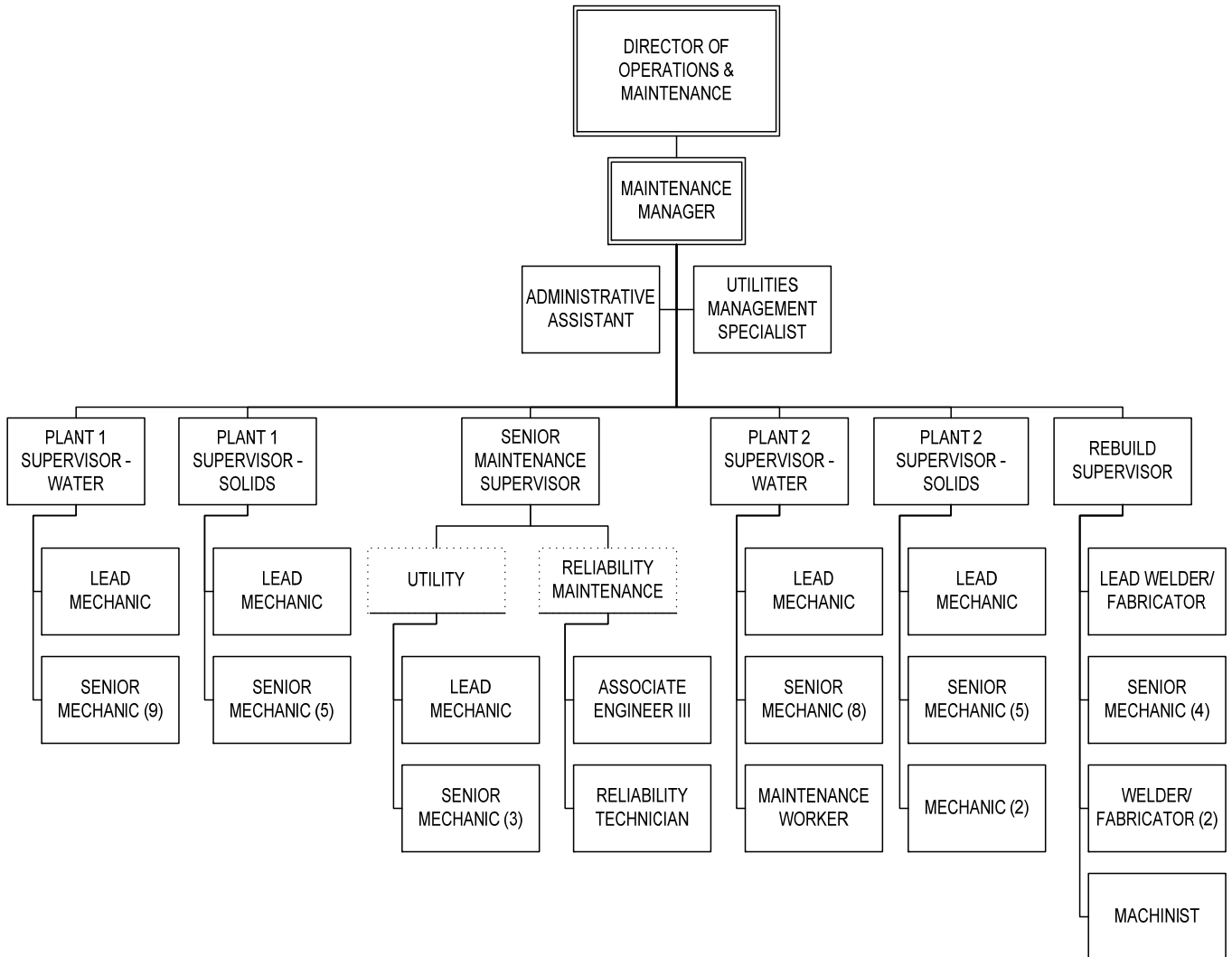
2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07	2007-08	2007-08	2008-09	Budget	2009-10	Budget
	Actual	Revised Budget	Projected	Proposed	% Change	Proposed	% Change
Personnel	\$ 5,105,833	\$ 5,299,500	\$ 5,502,600	\$ 5,810,600	9.64%	\$ 6,145,100	5.76%
Supplies	6,891,863	11,050,285	7,024,360	10,570,960	(4.34%)	10,616,860	0.43%
Professional & Contractual Services	6,890,046	7,701,750	7,838,950	9,998,000	29.81%	9,897,500	(1.01%)
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	3,715	4,320	5,000	55,000	1173.15%	56,200	2.18%
Utilities	1,995,221	2,631,000	1,703,420	2,173,400	(17.39%)	2,322,010	6.84%
Other	2,995	286,780	203,820	4,000	(98.61%)	4,060	1.50%
Total	\$ 20,889,673	\$ 26,973,635	\$ 22,278,150	\$ 28,611,960	6.07%	\$ 29,041,730	1.50%



Mechanical and Reliability Maintenance

850

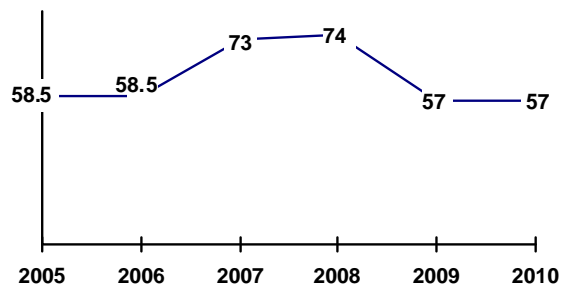


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	8.0
Administrative / Clerical	1.0
Operations & Maintenance	47.0

Total 57.0

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

To provide appropriate maintenance support for wastewater treatment processes in a safe, efficient, and effective manner so that OCSD can meet all discharge requirements.

2007-08 Performance Objectives

- ◆ Maintain a work order backlog of no less than 4 weeks and no greater than 6 weeks based on available on-site technical staff hours for the division.
- ◆ Maintain overtime between 5 percent and 7 percent of total hours worked.
- ◆ Maintain an Injury Case Rate below 5.2.

2007-08 Performance Results

- ◆ Through 8 months the average backlog was 8.59 weeks
- ◆ Through 8 months the overtime percentage was 8.49 percent
- ◆ Through 8 months the case rate is 15.7

2008-09 & 2009-10 Performance Objectives

- ◆ Maintain a total work order backlog of no less than 4 weeks and no greater than 6 weeks
- ◆ Maintain overtime between 5% and 7% of total hours worked
- ◆ Maintain an Injury Case Rate below 5.2

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Work Order Backlog	6.43	8 Weeks	>4Wks, <6Wks	>4Wks, <6Wks	Industry Standard
◆ Overtime	6.71%	8%	5-7%	5-7%	In-House Standard Based on Industry Standards
◆ Injury Case Rate	7.8	<15.7	5.2	5.2	Industry Standard

Mechanical and Reliability Maintenance

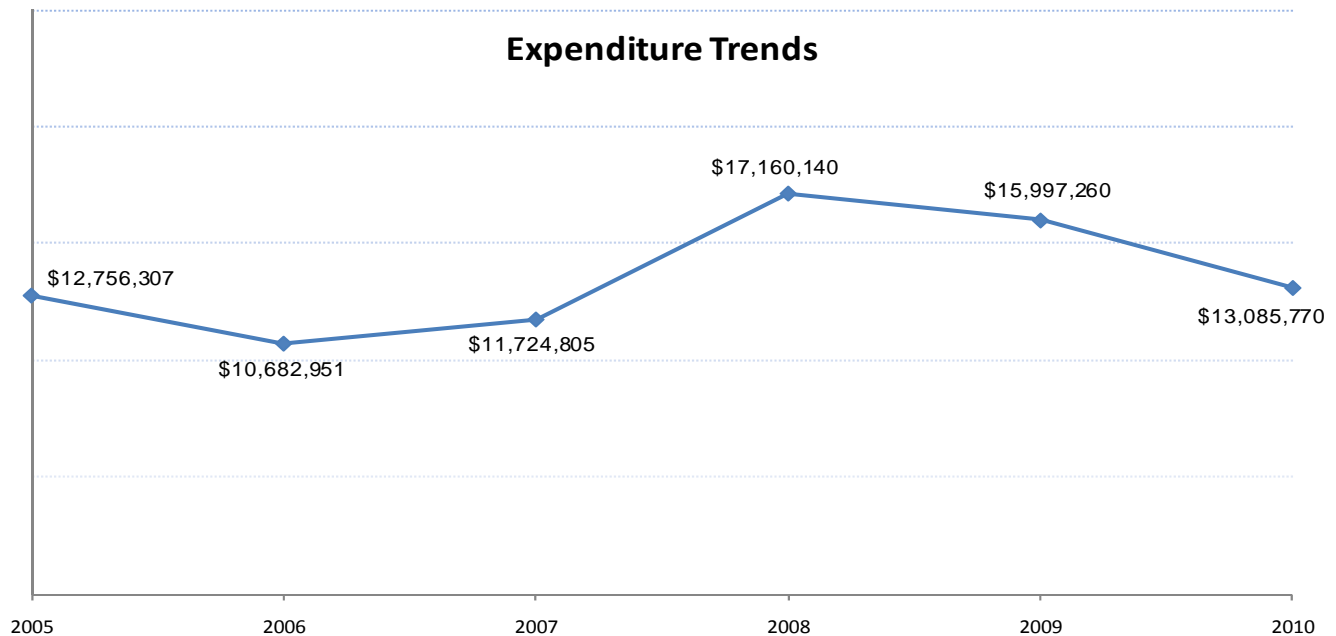
Budget Overview

The FY 2008-09 & 2009-10 budgets for the Mechanical and Reliability Maintenance Division reflect decreases of 7% and 18% from the prior year, respectively. The decrease is primarily due to a net reduction of 17 FTE positions resulting from transferring 17 FTEs to the Facilities Maintenance & Fleet Services Division as well as 4 additional FTEs to Construction Engineering and O&M Process Engineering Divisions, and adding 4 new FTE positions. These decreases are partially offset by an increase in other waste disposal cost in FY 2008-09 related to increased digester cleaning.

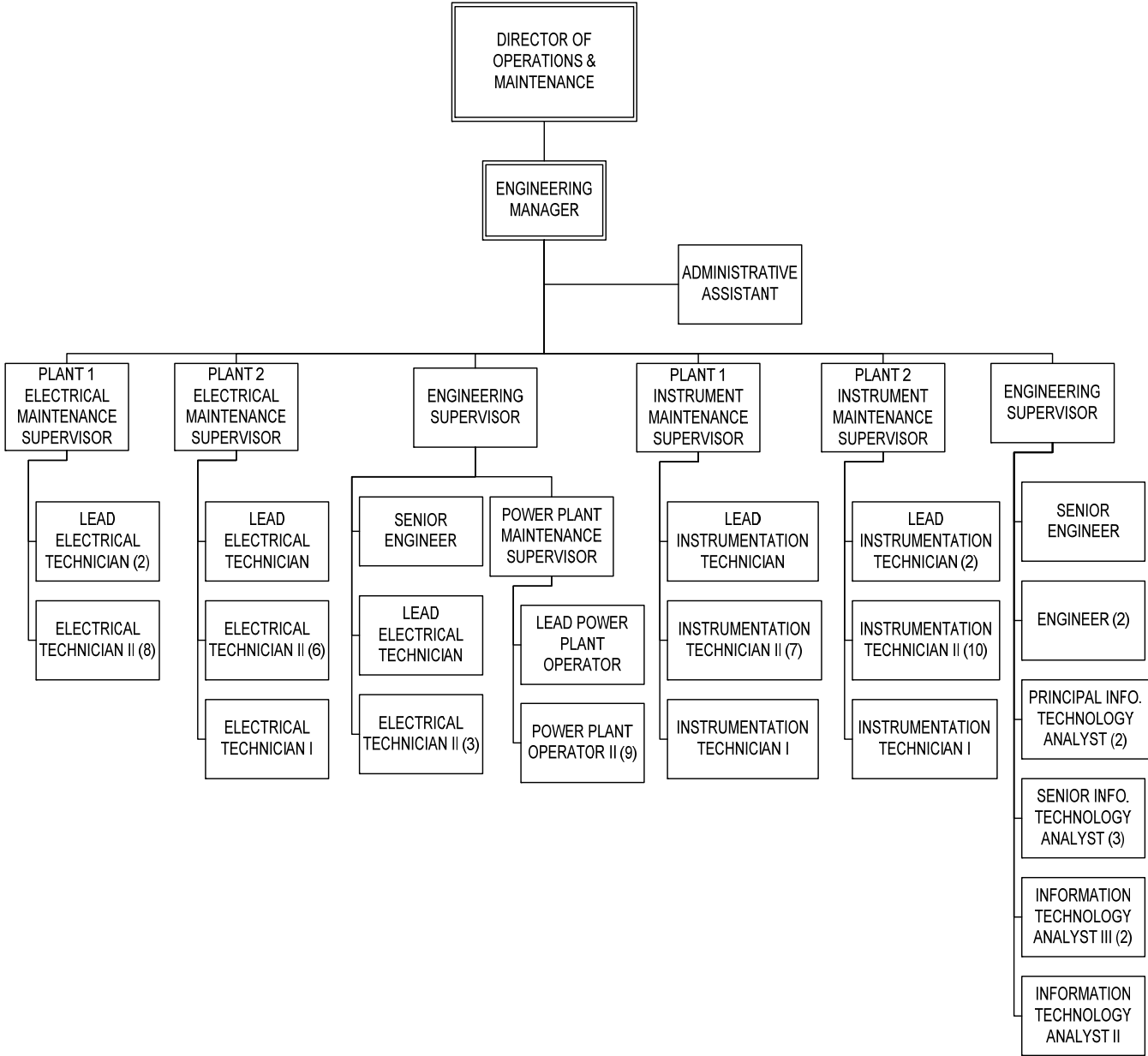
2007-08 Adjusted Budget - Total Operating Requirements	\$ 17,160,140
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	(1,989,200)
New or (decreased) FTE	218,300
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(159,100)
Change in OCERS retirement costs	(358,300)
Change in group insurance costs	(105,900)
Other benefit cost adjustments	(8,000)
Other Cost Adjustments:	
Decrease in meetings	(2,850)
Increase in gas, diesel, & oil	19,050
Increase in safety equipment and tools	86,100
Increase in solvents, paint, and janitorial supplies	3,600
Increase in other waste disposal	1,600,000
Decrease in temporary services	(3,500)
Decrease in engineering services	(205,000)
Decrease in repairs and maintenance	(223,600)
Decrease in service maintenance agreements	(52,140)
Increase in freight	11,250
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	6,410
2008-09 Proposed Budget - Total Operating Requirements	\$ 15,997,260
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	244,200
Change in OCERS retirement costs	56,500
Change in group insurance costs	61,600
Other benefit cost adjustments	37,900
Other Cost Adjustments:	
Increase in gas, diesel, & oil	3,050
Decrease in safety equipment and tools	(19,450)
Decrease in other waste disposal	(1,500,000)
Decrease in engineering services	(65,000)
Decrease in repairs and maintenance	(1,733,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	2,710
2009-10 Proposed Budget - Total Operating Requirements	\$ 13,085,770

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 7,668,970	\$ 8,813,600	\$ 8,872,200	\$ 6,411,400	(27.26%)	\$ 6,811,600	6.24%
Supplies	359,768	292,950	314,540	401,700	37.12%	385,450	(4.05%)
Professional & Contractual Services	306	2,423,500	1,300,000	3,815,000	57.42%	2,250,000	(41.02%)
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	3,645,706	5,546,400	5,676,500	5,270,660	(4.97%)	3,537,720	(32.88%)
Utilities	23,022	16,640	18,000	18,500	11.18%	19,000	2.70%
Other	27,033	67,050	177,645	80,000	19.31%	82,000	2.50%
Total	\$ 11,724,805	\$ 17,160,140	\$ 16,358,885	\$ 15,997,260	(6.78%)	\$ 13,085,770	(18.20%)



Instrumentation & Electrical Maintenance

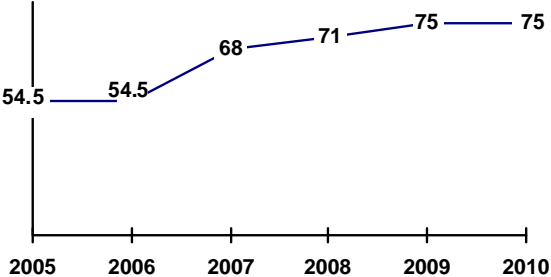


2008-09 & 2009-10 Authorized FTE Positions

Manager	1.0
Supervisors / Professionals	19.0
Administrative / Clerical	1.0
Operations & Maintenance	54.0

Total **75.0**

Staffing Trends



2008-09 & 2009-10 Budget

Service Description

We protect public health and the environment by providing reliable power distribution, power generation, electrical and instrument maintenance, and process control systems. Our professional, highly skilled staff use best practices and technology to provide Collections, Plant Operations, and District staff with electrical power, control systems, and environmental controls that are safe, on line, and available for use.

2007-08 Performance Objectives

- ◆ Maintain a Total Injury Frequency Rate (TIFR) at or below Industry Average of 6.0.
- ◆ Maintain all three Supervisory Control and Data Acquisition (SCADA) Servers availability above 99.5%.
- ◆ Maintain a workorder backlog of less than 6 weeks for Instrument and Electrical Maintenance.
- ◆ Maintain an average Federal Energy Regulatory Commission (FERC) efficiency rating for the Central Generation Plants greater than 34%.

2007-08 Performance Results

- ◆ The Total Injury Frequency Rate was 11.7.
- ◆ All servers were available greater than 99.5%.
- ◆ The average work order backlog is 4.2 weeks.
- ◆ The facilities averaged 34% efficiency.

2008-09 & 2009-10 Performance Objectives

- ◆ Maintain electrical power availability at the distribution level greater than 99.9% (8 hr/yr of unplanned outage).
- ◆ Maintain all three supervisory control and data acquisition system servers above 99.9% (8 hr/yr of unplanned downtime).
- ◆ Maintain a safe work environment measure by a National Case Rate lower than the national standard for Electrical Contractors.
- ◆ Maintain an average Federal Energy Regulatory Commission (FERC) efficiency rating for the Central Generation Plants greater than 34%.
- ◆ Maintain a workorder backlog of less than 6 weeks for Instrument and Electrical Maintenance.

Performance Measures

Summary	2006-07 Actual	2007-08 Projected	2008-09 Proposed	2009-10 Proposed	Justification
◆ Power Availability	>99.9%	>99.9%	>99.9%	>99.9%	In house standard
◆ SCADA Availability	>99.9%	>99.9%	>99.9%	>99.9%	In house standard
◆ Safe Work Environment	NA	8.2	<5.8	<5.8	Electrical Contractor Avg.
◆ Cen Gen Efficiency	35%	34%	>34%	>34%	Federal Energy Standard
◆ Backlog	6.75	4.2	<6 weeks	<6 weeks	Industry Standard

Instrumentation & Electrical Maintenance

Budget Overview

The FY 2008-09 & 2009-10 budgets for the Instrumentation and Electrical Maintenance Division reflect increases of 21% and 4% over the prior year, respectively. The increase is mainly due to the addition of 4 FTE positions in FY 2008-09 as well as increased costs for natural gas and repairs and maintenance.

2007-08 Adjusted Budget - Total Operating Requirements	\$ 12,535,040
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	103,600
New or (decreased) FTE	165,600
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	497,900
Change in OCERS retirement costs	188,600
Change in group insurance costs	153,000
Other benefit cost adjustments	162,600
Other Cost Adjustments:	
Increase in minor furniture and fixtures	28,270
Increase in safety equipment and tools	18,500
Increase in engineering services	150,000
Increase in repairs and maintenance	328,000
Increase in service maintenance agreements	2,080
Increase in natural gas costs	765,000
Increase in GAP water costs	77,170
Decrease in outside equipment rental	(4,000)
Increase in freight	8,400
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	7,170
2008-09 Proposed Budget - Total Operating Requirements	\$ 15,186,930
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	375,500
Change in OCERS retirement costs	85,700
Change in group insurance costs	82,100
Other benefit cost adjustments	49,800
Other Cost Adjustments:	
Decrease in minor furniture and fixtures	(17,050)
Decrease in safety equipment and tools	(11,100)
Decrease in engineering services	(150,000)
Increase in repairs and maintenance	108,000
Increase in GAP water costs	122,430
Increase in freight	2,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	9,360
2009-10 Proposed Budget - Total Operating Requirements	\$ 15,843,670

2008-09 & 2009-10 Budget

Operating Expenses By Category	2006-07 Actual	2007-08 Revised Budget	2007-08 Projected	2008-09 Proposed	Budget % Change	2009-10 Proposed	Budget % Change
Personnel	\$ 7,746,299	\$ 8,600,900	\$ 9,294,800	\$ 9,872,200	14.78%	\$ 10,465,300	6.01%
Supplies	259,425	240,720	238,430	293,060	21.74%	270,670	(7.64%)
Professional & Contractual Services	51,281	60,000	30,000	211,500	252.50%	63,000	(70.21%)
Research & Monitoring	-	-	-	-	-	-	-
Repairs & Maintenance	1,068,876	1,502,920	1,722,920	1,833,000	21.96%	1,943,000	6.00%
Utilities	2,076,316	2,060,300	2,482,000	2,902,470	40.88%	3,024,900	4.22%
Other	17,308	70,200	56,600	74,700	6.41%	76,800	2.81%
Total	\$ 11,219,505	\$ 12,535,040	\$ 13,824,750	\$ 15,186,930	21.16%	\$ 15,843,670	4.32%

