

EXHIBIT 1 TO ADMINISTRATIVE CIVIL LIABILITY COMPLAINT R5-2016-0536

Economic Benefit Analysis																	
Deuel Vocational Institution, Wastewater Treatment Facility																	
Compliance Action	Capital Investment				One-Time Non-Depreciable Expenditure				Annual Cost			Non-Compliance Date	Compliance Date	Penalty Payment Date	Discount Rate	Benefit of Non-Compliance	
	Amount	Basis	Date	Delayed?	Amount	Basis	Date	Delayed?	Amount	Basis	Date						
RO Plant Spare Parts Status Report		ECI	1/1/2015	Y	\$ 1,306.38	ECI	10/13/2016	Y		ECI	1/1/2015	5/1/2015	10/13/2016	10/13/2016	3.60%	\$ 30	
MBR Modules Replacement Time Schedule Report		ECI	1/1/2015	Y	\$ 653.19	ECI	10/13/2016	Y		ECI	1/1/2015	5/1/2015	10/13/2016	10/13/2016	3.60%	\$ 16	
Facility's O&M/SOP Updates		ECI	1/1/2015	Y	\$ 5,225.54	ECI	10/13/2016	Y		ECI	1/1/2015	6/1/2015	10/13/2016	10/13/2016	3.60%	\$ 111	
1st Quarter 2015 Report		ECI	1/1/2015	Y	\$ 979.79	ECI	10/13/2016	N		ECI	1/1/2015	4/30/2015	10/13/2016	10/13/2016	3.60%	\$ 1,000	
2nd Quarter 2015 Report		ECI	1/1/2015	Y	\$ 979.79	ECI	10/13/2016	N		ECI	1/1/2015	7/30/2015	10/13/2016	10/13/2016	3.60%	\$ 997	
3rd Quarter 2015 Report		ECI	1/1/2015	Y	\$ 979.79	ECI	10/13/2016	N		ECI	1/1/2015	10/30/2015	10/13/2016	10/13/2016	3.60%	\$ 993	
4th Quarter 2015 Report		ECI	1/1/2015	Y	\$ 979.79	ECI	10/13/2016	N		ECI	1/1/2015	1/30/2016	10/13/2016	10/13/2016	3.60%	\$ 989	
MBR Replacement	\$ 860,000	PCI	4/21/2015	Y		ECI	1/1/2015	N		ECI	1/1/2015	9/20/2012	10/13/2016	10/13/2016	4.00%	\$ 2,042,025	
Procurement of Spare Parts		ECI	1/1/2015	Y	\$ 250,000	PCI	4/30/2015	Y		ECI	1/1/2015	8/1/2015	10/13/2016	10/13/2016	3.60%	\$ 4,844	
Annual MBR Removal & Cleaning		ECI	1/1/2015	Y		ECI	1/1/2015	N	\$ 7,656	ECI	10/13/2016	9/20/2011	1/1/2016	1/1/2016	4.10%	\$ 33,769	
Income Tax Schedule: Municipality Analyst: Bryan Elder Total Benefit: \$ 2,084,774 USEPA BEN Model Version: Version 5.5.0 (July 2015) Date/Time of Analysis: 5/31/2016 11:40 Assumptions: <ol style="list-style-type: none"> 1 RO Plant Spare Parts Status Report based on 20 labor hours for CDCR Water & Sewage Plant Supervisor. 2 MBR Modules Replacement Time Schedule Report based on 10 labor hours for CDCR Water & Sewage Plant Supervisor. 3 Facilities O&M/SOP Updates based on 80 labor hours for CDCR Water & Sewage Plant Supervisor. 4 Quarterly Reports based on 15 hours for CDCR Water & Sewage Plant Supervisor. 5 MBR Replacement costs based on GE Water & Process Technologies Proposal (4/21/2015). Product warrantied for 24 months, which has been used as replacement life. 6 Spare parts cost based on 4/30/15 submittal from DVI indicating \$250,000 in spare parts being budgeted. 7 Annual MBR removal and cleaning based on annual rental of crane for membrane removal, and 40 hours for CDCR Water & Sewage Plant Supervisor. 8 CDCR Water & Sewage Plant Supervisor labor rate based on low range of salary published for position as of 4/11/2016 of \$5661 per month. A multiplier of 2.0 was used to correct the salary to include additional labor expenses such as benefits, administrative expenses, and personnel expenses. 9 Non-compliance dates for reporting violations are deadlines outlined in CAO. 10 Non-compliance date for MBR replacement is identified as 2 years following initial plant operation (9/20/10). 11 Non-compliance date for spare parts procurment estimated as 3 months following deadline for the RO Plant Spare Parts Status Report. 12 Non-compliance date for annual MBR removal and cleaning estimated as starting one year following initial plant operation. 13 Compliance date and Penalty Payment Date are estimated as 10/13/16, the projected date of hearing. 14 Costs based mostly on labor have been adjusted using an employment cost index (ECI) built into the BEN model. Costs based on equipment/parts have been adjusted using a plant cost index (PCI) built into the BEN model. 15 For the purposes of analysis, CDCR (responsible party) has been entered as a municipality into the BEN model. 																	