



REGULAR MEETING
BOARD OF DIRECTORS
THURSDAY, APRIL 26, 2018 – 6:30PM
3 DAIRY LANE, BELMONT CALIFORNIA

AGENDA

1. OPENING

- A. Call to Order
- B. Establishment of Quorum
- C. Pledge of Allegiance

2. PUBLIC COMMENT

Members of the public may address the Board on the Consent Agenda or any item of interest within the jurisdiction of the Board but not on its agenda today. In compliance with the Brown Act, the Board cannot discuss or act on items not on the agenda. Please complete a speaker's form and give it to the District Secretary. Each speaker is limited to three (3) minutes.

3. AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS

4. ACKNOWLEDGEMENTS/PRESENTATIONS

None

5. CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one motion. If Directors wish to discuss a consent item other than simple clarifying questions, a request for removal may be made. Such items are pulled for separate discussion and action after the Consent Agenda as a whole is acted upon.

- A. Approve Minutes for the Regular Board Meeting on March 22, 2018
- B. Approve Expenditures from March 15, 2018 through April 13, 2018
(Check sequence legend included in Administrative Services Manager's report.)

6. HEARINGS AND APPEALS

None.

7. MPWD FY 2016-2021 CAPITAL IMPROVEMENT PROGRAM AND 2016 COP (CERTIFICATES OF PARTICIPATION) FINANCING

- A. Receive Quarterly Reconciliation Report on 2016 COP Financing for Period January 1, 2018 through March 31, 2018, and Quarterly Project Fund Report through March 31, 2018

8. REGULAR BUSINESS AGENDA

- A. Discuss Operational Revenue Requirements and Water Rate Update for Fiscal Year FY 2018/2019, and Consider Ordinance No. 117 Amending Attachment "A" to the MPWD Water Service Ordinance, regarding Rates and Charges, effective July 1, 2018
- B. Review and Discuss DRAFT Operating and Capital Budgets for Fiscal Year 2018/2019

- C. Receive General Manager's Report on Organizational Succession Planning, and Consider and Approve MPWD Reorganization effective April 30, 2018
- D. Consider San Mateo County Local Agency Formation Commission (LAFCo) Call for Nominations for Regular Special District Member
- E. Receive BAWSCA Report from Vice President Louis Vella

9. MANAGER'S AND BOARD REPORTS

- A. General Manager's Report
 - 1. Supplemented by Administrative Services Manager's Report
 - 2. Supplemented by Operations Manager's Report
 - 3. Supplemented by District Engineer's Report
- B. Financial Reports
 - 1. Receive Financial Reports for Month Ended March 31, 2018
- C. Director Reports

10. COMMUNICATIONS

11. CLOSED SESSION

- A. Conference with Labor Negotiators pursuant to Government Code § 54957.6
 Agency Designated Representative: General Manager Tammy Rudock
 Employee Organization: MPWD Employees Association
- B. Conference with Real Property Negotiators pursuant to Government Code § 54956.8
 Properties: 1510 Folger Drive, and 1513-1515 Folger Drive, in Belmont, CA; and
 "F" Street Vacant Lot (at Intersection of F Street and El Camino Real) in San Carlos, CA
 Agency Negotiators: General Manager Tammy Rudock and District Counsel Julie Sherman
 Negotiating Parties: Owners
 Under Negotiation: Price
- C. Conference with Legal Counsel – Existing Litigation
 Pursuant to Government Code § 54956.9 Subdivision (b)
Thomas Felactu, et ux. v. Mid-Peninsula Water District, et al.
 San Mateo County Case No. 18CIV01226

12. ADJOURNMENT

This agenda was posted at the Mid-Peninsula Water District's office, 3 Dairy Lane, in Belmont, California, and on its website at www.midpeninsulawater.org.

ACCESSIBLE PUBLIC MEETINGS

Upon request, the Mid-Peninsula Water District will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation (including auxiliary aids or services), to enable individuals with disabilities to participate in public meetings. Please contact the District Secretary at (650) 591-8941 to request specific materials and preferred alternative format or auxiliary aid or service at least 48 hours before the meeting.

Next Board Meeting: Thursday, May 24, 2018, at 6:30PM

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REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE MID-PENINSULA WATER DISTRICT

March 22, 2018
Belmont, California

1. OPENING

A. Call to Order:

The regular meeting of the Mid-Peninsula Water District Board of Directors was called to order by Vice-President Vella at 6:30PM.

B. Establishment of Quorum:

PRESENT: Directors Vella, Stuebing, Zucca and Linvill.

Director Warden was absent. Director Vella chaired the Board Meeting.

A quorum was present.

ALSO PRESENT: General Manager Tammy Rudock, Operations Manager Rene Ramirez, District Secretary/Administrative Services Manager Candy Pina, District Counsel Julie Sherman, District Engineer Joubin Pakpour and District Treasurer Jeff Ira.

C. Pledge of Allegiance – The Pledge of Allegiance was led by Director Vella.

2. PUBLIC COMMENTS

None.

3. AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS

None.

4. ACKNOWLEDGEMENTS/PRESENTATIONS

A. 15-Year Service Anniversary on March 3, 2018 – Robby Piccolotti

B. 10-Year Service Anniversary on April 1, 2018 – Jeanette Kalabolas

General Manager Rudock shared that Robby Piccolotti was unable to attend the meeting. She acknowledged that Jeanette Kalabolas was in the audience and briefed the Board on her duties and responsibilities at the MPWD and expressed appreciation for her service. District Administrative Services Manager Candy Pina also commented on Jeanette’s “can do” attitude and teamwork.

5. CONSENT AGENDA

A. Approve Minutes for the Regular Board Meeting of February 22, 2018

B. Approve Expenditures from February 16, 2018 through March 14, 2018

C. Consider Resolution 2018-07 Authorizing an ICMA-RC 401 Governmental Money Purchase Plan and Trust as a Voluntary Employee Benefit and Approving the Administrative Services Agreement

Director Stuebing moved to approve the minutes for the Regular Board Meeting on February 22, 2018, expenditures from February 16, 2018 through March 14, 2018 and

52 the adoption of Resolution 2018-07 Authorizing an ICMA-RC 401 Governmental Money
53 Purchase Plan and Trust as a Voluntary Employee Benefit and Approving the
54 Administrative Services Agreement. Director Linvill seconded and it was unanimously
55 approved.
56

57 **6. HEARINGS AND APPEALS**

58 None.

59
60 **7. MPWD FY 2016-2021 CAPITAL IMPROVEMENT PROGRAM AND 2016 COP**
61 **(CERTIFICATES OF PARTICIPATION) FINANCING**

62 None.
63

64 **8. REGULAR BUSINESS AGENDA**

65 **A. Discuss Preliminary Revenue Requirements and Water Rate Update for FY**
66 **2018/2019**

67 General Manager Rudock shared water rate projections from SFPUC's financial
68 projections provided at the Annual Wholesalers meeting held February 15, 2018,
69 introduced Alex Handlers with Bartle Wells Associates and acknowledged that
70 Bud Levine from Wulff, Hansen and Company was also in the attendance.
71

72 Alex Handlers with Bartle Wells Associates gave a presentation on the
73 Preliminary Water Rates draft long-term finance plan and water rate update
74 developed with staff. An overall 4.1% water rate increase is proposed as a result
75 of the updated financial projections for FY 2018/2019, including continued
76 nominal increases to the monthly fixed system charges and a 2.8% commodity
77 charge increase.
78

79 The Board discussed the projected revenue requirements for FY 2018/2019 and
80 required water rates as outlined in the Cash Flow Projections chart in the
81 updated report.
82

83 General Manager Rudock reported that the water rate increase approved by the
84 Board during the Proposition 218 water rate process in 2015 was 6% for FY
85 2018/2019. The updated financials projected an overall water rate increase of
86 4.1%, which would be 1.9% less than what was previously approved. If
87 approved by the Board, customers would receive the legally-required notice thirty
88 days prior to the July 1, 2018 effective date. Staff will bring this item back next
89 month for consideration.
90

91 **B. Discuss Preliminary WORKING DRAFT MPWD Fiscal Year 2018/2019 Operating**
92 **and Capital Budget Summaries and Assumptions**

93 General Manager Rudock shared highlights from the proposed Preliminary Working
94 Draft budget summaries. A brief Board discussion followed.
95

96 Director Zucca noted a correction to the staff report highlights for Operations and
97 Projected Water Commodity Charges if the Board approved a 2.8% increase to
98 commodity charges. General Manager Rudock stated she would correct that for
99 next month's discussion.

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C. Receive Structural Review and Retrofit Strategy Report by Cornerstone Structural Engineering Group for the MPWD’s Dairy Lane Headquarters Building and Premises

District Engineer Pakpour reported on the findings from the Cornerstone Structural Engineering Group’s seismic evaluation and retrofit recommendations for the 3 Dairy Lane Building.

Director Linvill commented that although evaluation results yielded no imminent structural threats, she recommends the 3 Dairy Lane retrofit remain a priority.

Vice President Vella inquired about emergency operations coordination with the City of Belmont. General Manager Rudock advised that although there is a list of shared agency resources at the county level, each agency is responsible for its operational Emergency Operations Center. Vice President Vella expressed that joint coordination efforts with the City of Belmont should not be discounted. Director Zucca commented that all MPWD properties need to be considered when developing an Emergency Action Plan. General Manager Rudock confirmed that the MPWD is actively engaged with, and a member of, the San Mateo County Emergency Managers Association, including attending monthly meetings, and sharing equipment, fuel, and resources listings in the event of an emergency.

Director Vella asked about the building’s Immediate Occupancy Level Rating and the risk of a red-tag. District Engineer Pakpour confirmed that the building was evaluated as an essential facility. This is the same level of design as for hospitals, police / fire stations and schools. If the District moves ahead with a retrofit program, staff recommendation is to bring the building's seismic performance up to an essential level facility. The analysis indicates the building currently does not meet an essential facility performance level and may not be able to be occupied after a major seismic event.

General Manager Rudock concluded that staff will be developing a phased rehabilitation and retrofit project and plan, including the recommendations, and a proposed project budget and schedule, and would bring that back for the Board’s consideration.

D. Consider Resolution 2018-08 Establishing Surplus Items List 18-01 and Declaring Items in District Inventory as Surplus and Authorizing Staff to Sell via GovDeals.com

Operations Manager Ramirez reported on the second list of surplus inventory items presented to GovDeals.com. Director Vella inquired about declared surplus items that go unclaimed at auction. Operations Manager Ramirez advised there were a number of alternative disposal options – resale through public ads, donate, keep, recycle, disposal, etc. Director Zucca commented that

145 if surplus does not sell, staff should bring their plan of action for disposal before
146 the Board for direction so that full transparency is maintained.

147
148 Director Stuebing moved to approve Resolution 2018-08 Establishing Surplus
149 Items List 18-01 and Declaring Items in District Inventory as Surplus and
150 Authorizing Staff to Sell via GovDeals.com. Director Linvill seconded and it was
151 unanimously approved.

152
153 **E. Consider Resolution 2018-09 approving a Salary Adjustment for the**
154 **General Manager effective January 1, 2015 and Corresponding Fourth**
155 **Amendment to the General Manager’s Employment Agreement**

156 In accordance with the Brown Act, District Counsel Sherman provided an oral
157 summary of the proposed amendments to the General Manager's employment
158 agreement.

159
160 Director Linvill moved to approve Resolution 2018-09 approving a Salary
161 Adjustment for the General Manager effective January 1, 2015 and
162 Corresponding Fourth Amendment to the General Manager’s Employment
163 Agreement. Director Stuebing second and it was unanimously approved.

164
165 Director Stuebing complimented General Manager Rudock on her efforts and
166 accomplishment in securing the joint Sanitary Sewer and Water Rehabilitation
167 Agreement with the City of Belmont.

168
169 **9. MANAGER AND BOARD REPORTS**

170 **A. General Manager’s Report**

171 General Manager Rudock reported on the labor negotiations, which will begin
172 soon, the Moccasin Dam Breach advisory issued on March 22, 2018 by SFPUC
173 and February 2018 Water Conservation statistics.

174
175 **1. Supplemented by Administrative Services Manager’s Report**

176 Administrative Services Manager Pina invited the Board to attend the service
177 anniversary luncheon MPWD will be hosting in honor of Jeanette Kalabolas
178 on Tuesday, March 27, 2018 at 12:00PM.

179
180 **2. Supplemented by Operations Manager’s Report**

181 Operations Manager Ramirez reported on the water main break at Alameda
182 and El Verano Way. The Board had questions surrounding cast iron pipe
183 breaks. Operations Manager Ramirez responded staff is doing its best to
184 address hot spots identified by the hydraulic water modeling, adding that
185 breaks typically result from external elements that result in a pipe’s corrosion
186 such as no wrap, quality of back-fill soil, age, etc.

187
188 Director Zucca inquired about lead piping within the system. Operations
189 Manager Ramirez confirmed MPWD is not aware of any lead pipes in the

190 ground; however, lead testing of schools within our service area continues per
191 the state requirement.

192
193 **3. Supplemented by District Engineer's Report**
194 District Engineer Pakpour gave a status update on the current CIP Project
195 and the upcoming FY 2018/2019 project and schedule.

196
197 **B. Financial Reports**
198 **Receive Financial Reports for Month Ended February 28, 2018**
199 General Manager Rudock reported Operating revenues are up 10% and
200 Operating expenses are down approximately 10-11% YTD. She also reminded
201 the Board that a debt services payment will be made May 1, 2018.

202
203 **C. Director Reports**
204 Director Stuebing reported that LAFCO terms are expiring and nominations are
205 due by June 12, 2018. General Manager Rudock advised that she would add
206 this item to next month's Agenda for the Board to discuss further.

207
208 Director Vella reported on the BAWSCA Board meeting he recently attended.

209
210 **10. COMMUNICATIONS**
211 General Manager Rudock reported that CSDA Term-Election Nominations are due
212 April 18, 2018. The Board shared with staff that they would not be making any
213 nomination and offered the best of luck to the candidates running.

214
215 General Manager Rudock also reported on LAFCO and JPIA highlights.

216
217 **11. ADJOURNMENT**
218 The meeting was adjourned at 8:04PM.

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222 _____
223 DISTRICT SECRETARY

224 APPROVED:

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228 BOARD PRESIDENT

Accounts Payable

Checks by Date - Summary by Check Date

User: candyp
 Printed: 4/16/2018 1:23 PM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
1035	pakpour	PAKPOUR CONSULTING GROUP, INC	03/14/2018	21,207.38
1036	WESTYOST	WEST YOST ASSOCIATES	03/14/2018	9,968.00
1037	ROMIGENG	ROMIG ENGINEERS	03/14/2018	2,870.60
33261	ATT60197	AT&T 60197	03/14/2018	40.15
33262	BPLANDSC	BAY POINTE LANDSCAPE	03/14/2018	3,250.00
33263	CORNERST	CORNERSTONE STRUCTURAL ENGIN	03/14/2018	950.00
33264	FASTSIGN	FASTSIGNS	03/14/2018	341.17
33265	FERGWATE	FERGUSON WATER INC.	03/14/2018	10,950.00
33266	HACHCOMI	HACH COMPANY INC	03/14/2018	1,145.91
33267	HOMEDEPC	HOME DEPOT	03/14/2018	104.25
33268	LIFTOFFD	LIFTOFF DIGITAL	03/14/2018	705.00
33269	LINCOLNL	LINCOLN LIFE	03/14/2018	200.00
33270	MOSSRUBB	MOSS RUBBER & EQUIPMENT CORP	03/14/2018	32.33
33271	OFFICEDE	OFFICE DEPOT, INC.	03/14/2018	10.88
33272	PACWEST	PACIFIC WEST SECURITY, INC.	03/14/2018	2,055.00
33273	PRECISE	PRECISE, INC.	03/14/2018	1,123.73
33274	sandiear	SANDIE ARNOTT	03/14/2018	3,134.37
33275	WATTSCOH	WATTS, COHN AND PARTNERS, INC.	03/14/2018	11,000.00
Total for 3/14/2018:				69,088.77
686	CALPERS	CALPERS	03/15/2018	7,457.77
687	HEALTHEQ	Health Equity	03/15/2018	818.13
688	ICMACONT	ICMA contributions	03/15/2018	716.24
Total for 3/15/2018:				8,992.14
691	CALPERS	CALPERS	03/16/2018	2,688.21
692	ICMACONT	ICMA contributions	03/16/2018	2,073.08
693	HEALTHEQ	Health Equity	03/16/2018	437.00
694	ADPPAYRL	adp	03/16/2018	9,981.10
695	ADPPAYRL	adp	03/16/2018	4,764.91
33276	ANDERSNM	MICHAEL ANDERSON	03/16/2018	477.39
Total for 3/16/2018:				20,421.69
1038	HYDROENC	HYDROSCIENCE ENGINEERS INC.	03/21/2018	4,208.75
1039	ROMIGENG	ROMIG ENGINEERS	03/21/2018	440.80
1040	STOLOSKI	STOLOSKI & GONZALEZ, Inc.	03/21/2018	242,024.22
33277	AIRGAS	AIRGAS, LLC	03/21/2018	315.50
33278	ATT60197	AT&T 60197	03/21/2018	80.04
33279	BAWSCA	BAY AREA WATER SUPPLY & CONSER	03/21/2018	94.00
33280	BLUELINE	BLUELINE RENTAL	03/21/2018	3,655.21
33281	EQUIPMEN	BUS & EQUIPMENT REPAIR	03/21/2018	1,165.79
33282	CALWAEFF	CALIFORNIA WATER EFFICIENCY PAR	03/21/2018	2,923.98
33283	CINTS	CINTAS CORPORATION	03/21/2018	836.23
33284	COMCAST	COMCAST	03/21/2018	581.61

Check No	Vendor No	Vendor Name	Check Date	Check Amount
33285	GLOBALSU	GLOBAL SUN LANDSCAPE	03/21/2018	561.00
33286	GRAYCORE	COREY GRAY	03/21/2018	596.30
33287	HACHCOMI	HACH COMPANY INC	03/21/2018	463.44
33288	HMBPAVIN	HALF MOON BAY GRADING & PAVINC	03/21/2018	5,704.55
33289	HASSETTH	HASSETT HARDWARE	03/21/2018	6.11
33290	HOMEDEPC	HOME DEPOT	03/21/2018	150.18
33291	INDORAIR	INDOOR AIR DESIGN, INC.	03/21/2018	175.00
33292	INTRBATT	INTERSTATE BATTERY SYSTEM, INC.	03/21/2018	462.20
33293	LASALCON	LASAL CONTRUCTION INC.	03/21/2018	596.30
33294	MARINSEP	MARIN SEPIC	03/21/2018	638.30
33295	MHN	MHN	03/21/2018	45.54
33296	NATTRAIN	NATIONAL SEMINARS TRAINING	03/21/2018	299.00
33297	NOSAJDIS	NOSAJ DISPOSABLES, INC.	03/21/2018	149.39
33298	OFFICEDE	OFFICE DEPOT, INC.	03/21/2018	108.36
33299	OLSEN	STAN OLSEN	03/21/2018	280.00
33300	PACOFFIC	PACIFIC OFFICE AUTOMATION	03/21/2018	283.47
33301	PARS	PARS	03/21/2018	300.00
33302	PENBLDG	PENINSULA BUILDING MATERIALS	03/21/2018	839.76
33303	PETCAT	PETERSON CAT	03/21/2018	290.88
33304	PG&E	PG&E CFM/PPC DEPT	03/21/2018	4,111.39
33305	PGENONCO	PG&E NON-ENERGY COLLECTION UN	03/21/2018	1,079.98
33306	PINA	CANDY PINA	03/21/2018	209.00
33307	PRECISE	PRECISE, INC.	03/21/2018	8,277.45
33308	RECOLOGY	RECOLOGY SAN MATEO	03/21/2018	1,309.56
33309	RDWDTIRE	REDWOOD GENERAL TIRE CO INC	03/21/2018	352.39
33310	RANDB	ROBERTS & BRUNE CO. INC.	03/21/2018	3,022.15
33311	ROMIGENG	ROMIG ENGINEERS	03/21/2018	685.00
33312	SCOTSMAN	WILLIAMS SCOTSMAN	03/21/2018	538.00
33313	SHIELDSH	SHIELDS HARPER	03/21/2018	399.50
33314	STANDINS	STANDARD INSURANCE COMPANY	03/21/2018	968.22
33315	STATEPLU	STATE PLUMBING AND HEATING SUP	03/21/2018	116.36
33316	TAPMASTR	TAP MASTER, INC	03/21/2018	5,789.00
33317	UNLMTOOI	UNLIMITED TOOL & REPAIR, INC.	03/21/2018	2,130.38
33318	VALLEYOL	VALLEY OIL COMPANY	03/21/2018	1,720.69
33319	UB*00128	ARB, INC	03/21/2018	1,755.18
33320	UB*00140	I CHEN	03/21/2018	5.00
33321	UB*00141	WALTER CHEN	03/21/2018	13.80
33322	UB*00139	MICHELLE CHUN	03/21/2018	94.38
33323	UB*00129	LAURA DIGIOACCHINO	03/21/2018	68.12
33324	UB*00136	FRESCH, LLC	03/21/2018	198.18
33325	UB*00137	CHENGYU GUO	03/21/2018	13.76
33326	UB*00127	DAVID & AURA HORTON	03/21/2018	43.48
33327	UB*00123	KUNZIK & SARA CONSTRUCTION	03/21/2018	1,604.46
33328	UB*00038	TRACEY LEE	03/21/2018	8.00
33329	UB*00133	GREG LOPEZ	03/21/2018	25.22
33330	UB*00131	JAMIE MACCOMBS	03/21/2018	8.18
33331	UB*00115	NANDITA MANTENA	03/21/2018	100.00
33332	UB*00135	ROBB MCFADDEN	03/21/2018	121.00
33333	UB*00138	ROBB MCFADDEN	03/21/2018	49.00
33334	UB*00124	MNM PARTNERS	03/21/2018	25.00
33335	UB*00142	MADELINE O'CONNOR	03/21/2018	10.60
33336	UB*00130	PENINSULA IRRIGATION COMPANY	03/21/2018	265.59
33337	UB*00125	JACK SAFRA	03/21/2018	13.54
33338	UB*00126	MELISSA SUN	03/21/2018	120.58
33339	UB*00134	JOE VIOLA	03/21/2018	7.36
33340	UB*00132	THOMAS YAN	03/21/2018	14.23

Check No	Vendor No	Vendor Name	Check Date	Check Amount
			Total for 3/21/2018:	303,549.64
697	WFBUSCAR	WELLS FARGO BUSINESS CARD	03/28/2018	758.01
698	WFBUSCAR	WELLS FARGO BUSINESS CARD	03/28/2018	995.61
33341	ACWA5661	ACWA JPIA	03/28/2018	950.00
33342	ACWAJPIA	ACWA/JPIA	03/28/2018	22,355.00
33343	ANDRUSHE	HEATHER ANDRUS	03/28/2018	1,552.88
33344	ATT60197	AT&T 60197	03/28/2018	1,199.76
33345	COMCASTB	COMCAST BUSINESS	03/28/2018	632.90
33346	DBGAYALL	DB GAYA CONSULTING LLC	03/28/2018	500.00
33347	DUKESROO	DUKES ROOT CONTROL	03/28/2018	1,506.81
33348	HOMEDEPC	HOME DEPOT	03/28/2018	208.93
33349	LINCOLNL	LINCOLN LIFE	03/28/2018	200.00
33350	MHN	MHN	03/28/2018	45.54
33351	OFFICEDE	OFFICE DEPOT, INC.	03/28/2018	112.81
33352	PACOFFIC	PACIFIC OFFICE AUTOMATION	03/28/2018	184.88
33353	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	03/28/2018	500.00
33354	PIT71896	PITNEY BOWES 371896	03/28/2018	303.28
33355	SFPUCWAT	SFPUC WATER QUALITY	03/28/2018	3,155.00
33356	MINSONGG	MIN SONG	03/28/2018	1,644.00
33357	SBRECYCL	SOUTH BAY RECYCLING	03/28/2018	3,000.00
33358	STEPFORD	STEPFORD BUSINESS, INC.	03/28/2018	1,440.00
33359	TBCSAFTY	TBC SAFETY-SAN FRANCISCO	03/28/2018	1,423.11
33360	THOMPRED	THOMPSON REUTERS - WEST PMT CE	03/28/2018	216.87
33361	VERIZON	VERIZON WIRELESS	03/28/2018	890.66
			Total for 3/28/2018:	43,776.05
699	CALPERS	CALPERS	03/30/2018	2,941.60
720	SUPERIOR	SUPERIOR PRESS	03/30/2018	187.23
			Total for 3/30/2018:	3,128.83
700	HEALTHEQ	Health Equity	03/31/2018	200.00
701	ICMACONT	ICMA contributions	03/31/2018	2,073.08
702	ADPPAYRL	adp	03/31/2018	11,444.12
703	ADPPAYRL	adp	03/31/2018	5,212.02
704	CALPERS	CALPERS	03/31/2018	7,501.52
705	HEALTHEQ	Health Equity	03/31/2018	862.08
706	ICMACONT	ICMA contributions	03/31/2018	716.24
707	ADPPAYRL	adp	03/31/2018	39,534.18
708	ADPPAYRL	adp	03/31/2018	15,042.33
709	ADPPAYRL	adp	03/31/2018	477.39
			Total for 3/31/2018:	83,062.96
33362	ATT60197	AT&T 60197	04/04/2018	20.37
33363	BAWSCA	BAY AREA WATER SUPPLY & CONSER	04/04/2018	18,151.00
33364	EQUIPMEN	BUS & EQUIPMENT REPAIR	04/04/2018	816.81
33365	CARQUEST	CARQUEST AUTO PARTS	04/04/2018	223.09
33366	CINTASOH	CINTAS	04/04/2018	496.70
33367	CINTS	CINTAS CORPORATION	04/04/2018	833.98
33368	CORNERST	CORNERSTONE STRUCTURAL ENGIN	04/04/2018	2,275.00
33369	GRANITE	GRANITE ROCK, INC.	04/04/2018	590.43
33370	HMBPAVIN	HALF MOON BAY GRADING & PAVINC	04/04/2018	8,514.79

Check No	Vendor No	Vendor Name	Check Date	Check Amount
33371	HASSETTH	HASSETT HARDWARE	04/04/2018	38.40
33372	HOMEDPC	HOME DEPOT	04/04/2018	132.82
33373	PENBLDG	PENINSULA BUILDING MATERIALS	04/04/2018	936.05
33374	PG&E	PG&E CFM/PPC DEPT	04/04/2018	12,475.72
33375	PINA	CANDY PINA	04/04/2018	95.48
33376	RDWDTIRE	REDWOOD GENERAL TIRE CO INC	04/04/2018	1,571.73
33377	RANDB	ROBERTS & BRUNE CO. INC.	04/04/2018	3,934.11
33378	SFWATER	SAN FRANCISCO WATER DEPT	04/04/2018	375,782.20
33379	SMENVIRN	SAN MATEO CO. ENVIRO. HEALTH	04/04/2018	1,751.00
33380	SCHAAFWF	SCHAAF & WHEELER	04/04/2018	6,068.02
33381	USAUTOGL	US AUTO GLASS	04/04/2018	728.10
33382	VALLEYOL	VALLEY OIL COMPANY	04/04/2018	949.98
33383	VANGUARE	VANGUARD CLEANING SYSTEMS, INC	04/04/2018	385.00
Total for 4/4/2018:				436,770.78
33384	ACCELA	ACCELA, INC. #774375	04/11/2018	2,923.00
33385	ACWAJPIA	ACWA/JPIA	04/11/2018	52,701.98
33386	ATT60197	AT&T 60197	04/11/2018	60.42
33387	DAVIDSON	JOHN T. DAVIDSON OR DBA JRocket77	04/11/2018	4,612.25
33388	E&MELECT	E&M ELECTRIC & MACHINERY, INC.	04/11/2018	4,606.80
33389	GRACOJON	JONATHAN GRACO	04/11/2018	6,891.03
33390	GRANITE	GRANITE ROCK, INC.	04/11/2018	1,001.03
33391	HANSONBR	HANSON, BRIDGETT	04/11/2018	7,890.50
33392	MENACHEN	NICOLE MENACHE	04/11/2018	82.00
33393	OFFICEDE	OFFICE DEPOT, INC.	04/11/2018	134.73
33394	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	04/11/2018	5,723.83
33395	PINA	CANDY PINA	04/11/2018	40.00
33396	PRECISE	PRECISE, INC.	04/11/2018	572.19
33397	RAVELLA	LAURA RAVELLA	04/11/2018	21.21
33398	RANDB	ROBERTS & BRUNE CO. INC.	04/11/2018	92.12
33399	SMELECTR	SAN MATEO ELECTRIC SUPPLY	04/11/2018	401.12
33400	TBCSAFTY	TBC SAFETY-SAN FRANCISCO	04/11/2018	950.23
33401	USPOSTAL	U S POSTAL SERVICE	04/11/2018	296.00
Total for 4/11/2018:				89,000.44
724	CALPERS	CALPERS	04/13/2018	7,465.11
725	HEALTHQ	Health Equity	04/13/2018	718.13
726	ICMACONT	ICMA contributions	04/13/2018	716.24
727	ADPPAYRL	adp	04/13/2018	37,411.48
728	ADPPAYRL	adp	04/13/2018	14,205.84
729	CALPERS	CALPERS	04/13/2018	2,730.44
730	ICMACONT	ICMA contributions	04/13/2018	2,073.08
731	HEALTHQ	Health Equity	04/13/2018	200.00
732	ADPPAYRL	adp	04/13/2018	10,286.52
733	ADPPAYRL	adp	04/13/2018	4,991.09
734	CALPERS	CALPERS	04/13/2018	9,302.08
Total for 4/13/2018:				90,100.01
Report Total (180 checks):				1,147,891.31



AGENDA ITEM NO. 7.A.

DATE: April 26, 2018
 TO: Board of Directors
 FROM: Tammy Rudock, General Manager
 Candy Pina, Administrative Services Manager
 Rene Ramirez, Operations Manager

SUBJECT: RECEIVE QUARTERLY RECONCILIATION REPORT ON 2016 COP FINANCING FOR PERIOD JANUARY 1, 2018 THROUGH MARCH 31, 2018, AND QUARTERLY PROJECT FUND REPORT THROUGH MARCH 31, 2018

RECOMMENDATION

Receive Quarterly Reconciliation Report on 2016 COP Financing for period January 1, 2018 through March 31, 2018, and Quarterly Project Fund Report through March 31, 2018.

FISCAL IMPACT

MPWD 2016 COP CIP - RECONCILIATION @ 03/31/18		
Date	Activity	COP Funds
12/21/2016	Net Proceeds as of 12/21/16 to COP CIP	\$ 19,143,020.98
3/20/2017	Transfer to Project Funds	\$ 42,875.50
3/31/2018	Project Costs	\$ (1,901,785.70)
3/31/2018	Total Dividends Earned	\$ 171,278.24
3/31/2018	Balance	\$ 17,455,389.02

DISCUSSION

Staff's 2016 COP Quarterly Reconciliation Report is attached. Trustee bank statements were reconciled and the project fund balance at March 31, 2019, was \$17,455,389.02.

Also attached is the quarterly project fund report on capital project expenditures. Dan Bergmann will not be able to attend the Board meeting but staff will be available to respond to any questions.

Attachments: 2016 COP Quarterly Reconciliation Report through March 31, 2018
 2016 COP Quarterly Project Fund Report through March 31, 2018

BOARD ACTION: APPROVED:____ DENIED:____ POSTPONED:____ STAFF DIRECTION:____

UNANIMOUS____ WARDEN____ VELLA____ LINVILL____ ZUCCA____ STUEBING____

MPWD 2016 COP CIP - RECONCILIATION @ 03/31/18

Date	Activity	COP Funds
12/21/2016	Net Proceeds as of 12/21/16 to COP CIP	\$ 19,143,020.98
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3/31/2018	Project Costs	\$ (1,901,785.70)
3/31/2018	Total Dividends Earned	\$ 171,278.24
3/31/2018	Balance	\$ 17,455,389.02

COST OF ISSUANCE

Date	Activity	Closing Costs
12/21/2016	Deposit from Net Proceeds	\$ 251,000.00
12/21/2016	Total Issuance Costs	\$ (208,124.50)
3/20/2017	Transfer to Project Funds	\$ (42,875.50)
	Total	\$ -

COP Project Costs YTD

Date	Activity	Project Costs
3/31/2018	Karen/Folger/Mezes/South/Arthur Water Main Replacement (WMR)	\$ 1,310,795.83
3/31/2018	Hillcrest Pressure Regulating Station	\$ 119,185.95
3/31/2018	Dekoven Tank Replacement	\$ 9,926.44
3/31/2018	Old County Road WMR	\$ 4,637.08
3/31/2018	El Camino Real/Malcolm Ave WMR	\$ 147,148.12
3/31/2018	Notre Dame/Tahoe/Cliffside	\$ 66,408.46
3/31/2018	SR 101 Crossing at PAMF Hospital	\$ 197,798.15
3/31/2018	Francis, Academy, Davey (w/Belmont)	\$ 45,885.67
	Total	\$ 1,901,785.70

Dividends Earned

Date	Activity	Interest Earned
12/31/2017	Dividends Earned (Jan - Dec 2017)	\$ 120,105.20
1/31/2018	Dividends Earned	\$ 16,315.52
2/28/2018	Dividends Earned	\$ 17,717.32
3/31/2018	Dividends Earned	\$ 17,140.20
	Total	\$ 171,278.24

Updated 04/03/18

April 20, 2018

Tammy Rudock, General Manager
Mid-Peninsula Water District

Email: trudock@midpeninsulawater.org

Re: Certificate of Participation (COP) Spending Report as of March 31, 2018

Dear Ms. Rudock:

The following are highlights from tracking of quarterly and overall COP spending as of March 31, 2018.

Total COP funds spent are \$1,901,786. This is 9.8 percent of the total current balance of \$19,357,195.
(Table 1 and Chart)

Quarterly COP spending was \$817,769. Of this total, construction payments were \$668,854, and engineering costs were \$148,915. (Tables 1 and 2.) Quarterly spending reconciles exactly to the project detail. (Table 3.)

Quarterly Pay-Go spending was \$39,305. The total amount of Pay-Go funds to date for the projects listed is \$116,281. (Table 3)

Schedule and Cost Changes. Per Rene Ramirez, the cost for the Folger Drive Improvements has exceeded its estimate because of unforeseen change orders. The completion dates for the "Francis, Academy, Davis" project, and Hillcrest Pressure Regulating Station have been postponed. (Table 3 Detail Tabs.)

Sincerely,



Dan Bergmann
Principal



Table 1				
Bank of New York MPWD Account 361685				
	Dividends	Expenditures		End Balance
Beginning Project Funds		Monthly	Quarterly	\$19,143,020.82
Quarter Ending				
Mar-17 ¹	\$42,875.50	0.00		\$19,185,896.32
Mar-17	12,640.32	0.00		19,198,536.64
Jun-17	26,269.49	(268,386.44)	(268,386.44)	18,956,419.69
Jul-17	11,186.97	(37,411.30)		18,930,195.36
Aug-17	13,178.04	(76,232.49)		18,867,140.91
Sep-17	13,889.47	(30,529.45)	(144,173.24)	18,850,500.93
Oct-17	13,740.78	(31,325.20)		18,832,916.51
Nov-17	14,584.55	(269,821.99)		18,577,679.07
Dec-17	14,615.74	(370,309.75)	(671,456.94)	18,221,985.06
Jan-18	16,315.52	(315,748.56)		17,922,552.02
Feb-18	17,717.32	(221,300.77)		17,718,968.57
Mar-18	17,140.20	(280,719.75)	(817,769.08)	17,455,389.02
Totals	\$214,153.90	(\$1,901,786)	(\$1,901,786)	\$17,455,389
Total Funds	\$19,357,174.72			
Percent of Total Spent	9.8%			
Notes				
1) Transfer to Project Funds				

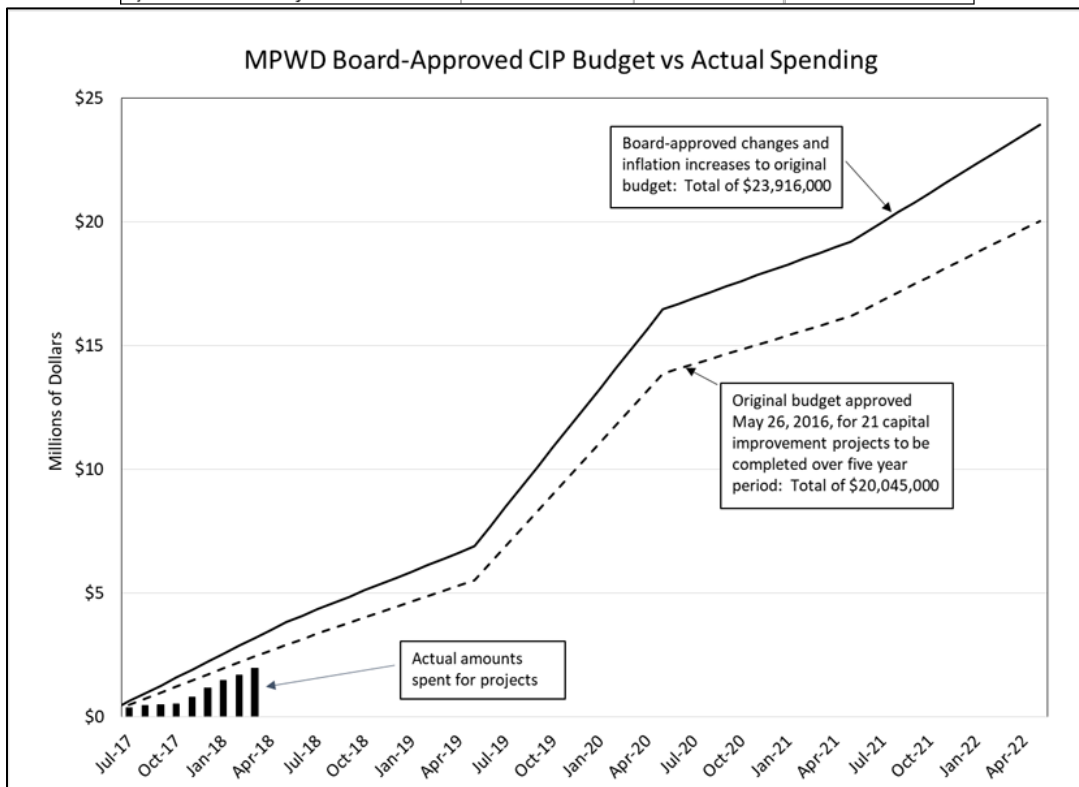




Table 2

MPWD Projects: Through March 31, 2018		Requisitions											
Project	#	17	18	19	20	21	Subtotals	Construction	Engineering				
Karen Road Improvements	15-73	\$455,600	1,971.45	993.90	1,411.20	92.57	4,469.12		4,469.12				
Folger Drive Improvements	15-65	449,376	1,141.42	134,711.53	1,579.20	17,193.32	415,382.47	411,446.04	3,936.43				
Mezes Avenue Improvements	15-14	187,240	1,117.44	397.56	564.48	224,971.51	227,050.99	224,934.48	2,116.51				
South Road Abandonment	15-44	443,968	1,007.13	33,576.12	1,565.76	102.71	36,251.72	32,473.36	3,778.36				
Arthur Avenue Improvements	15-22	509,680	1,127.04	1,126.43	1,599.36	104.91	3,957.74		3,957.74				
Dekoven Tanks Replacement	15-89	4,009,576					0.00		0.00				
Hillcrest Pressure Regulating Station	15-87	369,888	6,166.13	6,941.81	2,550.19		15,658.13		15,658.13				
Old County Road Improvements	15-75	3,892,590		149.63			149.63		149.63				
El Camino Real Improvements	15-76	2,489,975	1,346.63	26,575.00	3,269.60	4,208.75	35,399.98		35,399.98				
Notre Dame Avenue Loop Closure	15-10	1,009,891					0.00		0.00				
Notre Dame Abandonment			3,623.79	2,628.73	2,080.77		8,333.29		8,333.29				
Tahoe Drive Area Improvements	15-28	563,692	5,106.34	3,704.20	2,932.05		11,742.59		11,742.59				
Cliffside Court Improvements	15-38	258,998	10,322.00	7,487.70	5,926.87		23,736.57		23,736.57				
N. Rd Cross Country / Davey Glen Rd Impr.	15-43	727,328					0.00		0.00				
Zone 5 Fire Hydrant Upgrades	15-06	168,730					0.00		0.00				
Civic Lane Improvements	15-78	887,405					0.00		0.00				
Dekoven Tank Utilization Project	15-09	1,185,325					0.00		0.00				
Belmont Canyon Road Improvements	15-29	480,300					0.00		0.00				
North Road Improvements	15-42	258,998					0.00		0.00				
SR 101 Crossing at PAMF Hospital	15-72	2,033,486	16,338.64	3,008.16	10,566.50		29,913.30		29,913.30				
Williams Ave, Ridge Rd, Hillman Ave Impr.	15-16	1,352,053					0.00		0.00				
Monte Cresta Dr / Alhambra Drive Impr.	15-17	1,313,786					0.00		0.00				
Francis, Academy, Davey (w/Belmont)		0	4,396.35	1,327.20			5,723.55		5,723.55				
TOTALS			53,664.36	262,084.20	221,300.77	34,045.98	817,769.08	668,853.88	148,915.20				
TOTALS GROUPED TO RECONCILE WITH BNY MONTHLY			315,748.56	221,300.77	280,719.75	246,673.77	817,769.08	817,769.08	817,769.08				



Table 3

MPWD Projects: Through March 31, 2018		Cost Estimate		Amount Spent			Planned Completion
Project	#	Original ¹	Updated	COP	Pay-Go	Total	
Karen Road Improvements	15-73	\$425,000	\$455,600	(\$96,809)	(\$1,280)	(\$98,089)	Jun-18
Folger Drive Improvements	15-65	420,000	449,376	(525,544)	(17,590)	(543,134)	Jun-18
Mezes Avenue Improvements	15-14	175,000	187,240	(245,730)	(12,693)	(258,423)	Jun-18
South Road Abandonment	15-44	415,000	443,968	(385,836)	(2,678)	(388,514)	Jun-18
Arthur Avenue Improvements	15-22	475,000	509,680	(56,876)	(4,209)	(61,085)	Jun-18
Francis, Academy, Davey (w/Belmont)	15-43	680,000	\$1,422,328	(45,888)	(36,615)	(82,503)	Dec-18
Hillcrest Pressure Regulating Station	15-87	345,000	369,888	(119,186)	0	(119,186)	Jun-19
Notre Dame Abandonment	15-49	n/a	\$173,120	(11,853)	0	(11,853)	Jun-19
Notre Dame Avenue Loop Closure	15-10	910,000	1,009,891	(2,254)	0	(2,254)	Jun-19
Tahoe Drive Area Improvements	15-28	510,000	563,692	(17,961)	0	(17,961)	Jun-19
Cliffside Court Improvements	15-38	220,000	258,998	(34,341)	0	(34,341)	Jun-19
Zone 5 Fire Hydrant Upgrades	15-06	150,000	168,730				Jun-19
Civic Lane Improvements	15-78	800,000	887,405				Jun-19
Dekoven Tank Utilization Project	15-09	1,035,000	1,185,325				Jun-20
Dekoven Tanks Replacement	15-89	3,500,000	4,009,576	(9,926)	(40,687)	(50,613)	Jun-20
Old County Road Improvements	15-75	3,400,000	3,892,590	(4,636)	0	(4,636)	Jun-20
Belmont Canyon Road Improvements	15-29	420,000	480,300				Jun-20
North Road Improvements	15-42	220,000	258,998				Jun-21
El Camino Real Improvements	15-76	2,100,000	2,489,975	(147,147)	0	(147,147)	Jun-21
SR 101 Crossing at PAMF Hospital	15-72	1,670,000	2,033,486	(197,799)	(529)	(198,328)	Jun-22
Williams Ave, Ridge Rd, Hillman Ave Impr.	15-16	1,100,000	1,352,053				Jun-22
Monte Cresta Dr / Alhambra Drive Impr.	15-17	1,075,000	1,313,786				Jun-22
TOTALS		\$20,045,000	\$23,916,005	(\$1,901,786)	(\$116,281)	(\$2,018,067)	

COP Beginning Fund Total
\$19,143,021

Dividend Totals
\$214,154

COP Remaining Balance
\$17,455,389

Notes:

1) Resolution No. 2016-06, May 26, 2016



AGENDA ITEM NO. 8.A.

DATE: April 26, 2018
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: DISCUSS OPERATIONAL REVENUE REQUIREMENTS AND WATER RATE UPDATE FOR FISCAL YEAR 2018/2019, AND CONSIDER ORDINANCE NO. 117 AMENDING ATTACHMENT "A" TO THE MPWD WATER SERVICE ORDINANCE, REGARDING RATES AND CHARGES, EFFECTIVE JULY 1, 2018

RECOMMENDATION:

Discuss operational revenue requirements and the Water Rate Update by Bartle Wells Associates (BWA) for Fiscal Year 2018/2019, and adopt Ordinance No. 117 amending Attachment "A" to the MPWD Water Service Ordinance, regarding rates and charges, effective July 1, 2018.

FISCAL IMPACT:

An annual water revenue requirement and water rate increase of 4.1% is projected for FY 2018/2019. Water commodity charges would increase by 2.8% and the monthly fixed system charge would nominally increase—by \$2.00-\$5.00 month for the majority of customers within the MPWD system. Table 7 in the attached BWA report reflects the projected water rates.

The maximum water rate increase approved by the Board for FY 2018/2019 during the 2015 Proposition 218 process was 6.0%. Last fiscal year there were no increases in MPWD water rates.

With adoption of the 4.1% water rate increase effective July 1, 2018, approximately \$450,000 more in water revenues is projected to be collected in FY 2018/2019.

The annual average CPI for All Urban Consumers in 2017 was 3.2% per the U.S. Department of Labor, Bureau of Labor Statistics, for the San Francisco-Oakland-Hayward area. For the first two months of 2018, it was 3.6%.

BACKGROUND:

As discussed last month, the projected SFPUC wholesale water rate increase is 0% effective July 1, 2018, meaning that SFPUC's per unit wholesale water rate will remain \$4.10CCF for FY 2018/2019. This will be confirmed at the SFPUC's water rate hearing scheduled in May.

A preliminary financial plan, including water rate projections, was presented last month by BWA and staff and is attached for reference.

Key factors considered during development of the 2018 updated multi-year financial plan and cash flow projections:

1. Maintain at least a 1.3 debt service coverage;
2. Caution about relying on one-time development revenues (Capacity Charges and Water Demand Offset Fees);
3. Additional staffing needed for increased workload (resulting from added development and increased operational duties, and accounting responsibilities) but also for succession planning in preparation for upcoming retirements. *(Note: The Board's approval on February 22, 2018 of pre-funding MPWD liabilities with cash reserves resulted in annual operational cost savings to cover most of the projected increased personnel costs for additional staffing.)*
4. In the past MPWD has spent closer to \$1.5 million per year on capital replacement and capital outlay. That means at a minimum \$500,000 should be budgeted each year, along with the \$1,045,000 annual debt service payment, to maintain that objective.
5. Recent Board action to fund the OPEB and pension liabilities from MPWD cash reserves was included as part of the multi-year financial plan and water rate update.
6. The Project Fund for the 2016 COPs was added to the multi-year financial plan.

DISCUSSION:

The last financial review and water rate update was completed in 2016 by Bartle Wells Associates (BWA). The attached Preliminary Draft report dated March 15, 2018, was presented to the Board last month by Alex Handlers of BWA.

As a result of the above assumptions, an overall projected rate increase for FY 2018/2019 would be 4.1%, broken down as follows:

- 2.8% Adjustment in Commodity Charges; and
- Continued minor increases to the monthly fixed system charges.

Please refer to Table 7 in the BWA update. When comparing the updated projected 4.1% water rate increase for FY 2018/2019 to the adopted rate increases for FY 2018/2019, it would actually result in a reduced financial impact to customers.

MPWD WATER RATES COMPETITIVENESS

It is the MPWD’s mission to operate the system and serve customers as efficiently and cost-effectively as possible. Three (3) water rate comparison charts among Bay area water suppliers for FY 2017/2018 are included in the BWA attachment:

- Single Family Residential Water Charges – Low Use (3 CCF Monthly)
- Single Family Residential Water Charges – Median Use (6 CCF Monthly)
- Single Family Residential Water Charges – Average Use (7 CCF Monthly)

First, the MPWD has been prudent in its planning to subtly adjust its fixed system charges, because the majority of the 15 agencies surveyed are charging a similar amount, which reflected the MPWD rate is within market. Revenues from MPWD fixed charges represent 22.8% of the estimated water rate revenues. (Note: 77.2% of the revenues come from consumption charges. Reference Table 3 in the BWA report.)

Next, for lower tier use, the MPWD ranks among the lowest for serving those customers. While #6 in this group, the MPWD low-tier rates appeared competitive.

Finally, in the median and average use categories, the MPWD ranks competitively (within 10%) along with 9 out of 15 of the water suppliers surveyed.

Given MPWD’s history of prudent fiscal stewardship and management, and responsible attention to its capital rehabilitation and replacement programming, it is staff’s recommendation that the Board adopt the water rate adjustments in FY 2018/2019 as projected and outlined in the 2018 BWA financial plan and water rate update.

CITY OF BELMONT’S PROJECTED SEWER RATE INCREASES

Attached for information is the City’s staff report about its upcoming Proposition 218 process for proposed 7.0% annual sewer rate adjustments for the next two fiscal years 2018/2019 and 2019/2020.

Attachments: Ordinance 117
BWA Water Rate Update for the MPWD dated April 20, 2018
City of Belmont Staff Report dated April 24, 2018 for Proposed Sewer Rate Adjustments in FYs 2018/2019 and 2019/2020

BOARD ACTION: A PPROVED:_____ DENIED:_____ POSTPONED:_____ STAFF DIRECTION:_____

UNANIMOUS_____ WARDEN_____ VELLA_____ LINVILL_____ ZUCCA_____ STUEBING_____

ORDINANCE NO. 117

**AN ORDINANCE AMENDING ATTACHMENT “A” REGARDING RATES AND CHARGES
TO THE WATER SERVICE ORDINANCE
FOR THE MID-PENINSULA WATER DISTRICT**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, the Board of Directors of the Mid-Peninsula Water District is authorized to establish and modify, as necessary, the rates and charges imposed for the provision of water service to its customers; and

WHEREAS, these rates and charges are set forth in Attachment “A” to the Water Service Ordinance, which was most recently updated and adopted as Ordinance No. 116 on April 28, 2016; and

WHEREAS, since the last adjustment in the rates and charges for water service to District customers as set forth in Attachment “A,” the District continues to experience and anticipates further increases in operating and capital improvement costs, including the need to replace aging and substandard water distribution pipelines; and

WHEREAS, in order for the District to maintain its operations, address existing system deficiencies, improve fire flow and service reliability, adequately fund a long-term capital improvement program in light of these substantial increases in the costs of doing business, the recommended increases, effective July 1, 2018, within the District’s adopted 5-year water rates plan included a minimal increase in the monthly fixed system, which increases are compliant with the District’s methodology that reasonably and equitably apportions costs in each of the District’s water rate components; and

WHEREAS, the District will provide no less than a 30-day notice of the approved rate increases by mailing a notice to each of its ratepayers by May 31, 2018; and

WHEREAS, having considered the entire record, including all the financial analyses and operational and capital budget projections, the Board of Directors has determined that the proposed changes in the District’s monthly fixed system charges and commodity charges, for its residential and non-residential

customers are necessary and appropriate so as to allow the District to continue its operations and service at the same level and quality, to continue its critical capital improvement program.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Mid-Peninsula Water District as follows:

Section 1: Attachment “A” to the Water Service Ordinance of the Mid-Peninsula Water District is amended and restated in its entirety as set forth on Attachment “A” attached hereto.

Section 2 – Effective Date: This Ordinance shall take effect and be in full force as of the date of its enactment, with the new rates reflected in bills to be sent to District customers commencing July 1, 2018. All prior ordinances or parts of ordinances that may be inconsistent with this Ordinance No. 117 hereby are repealed.

REGULARLY PASSED AND ADOPTED at a meeting of the Board of Directors of the Mid-Peninsula Water District duly held on the 26th day of April 2018 by the following vote:

AYES:

NOES:

ABSENT:

President of the Board of Directors
Mid-Peninsula Water District

ATTEST:

Secretary of the Board



Water Rate Update

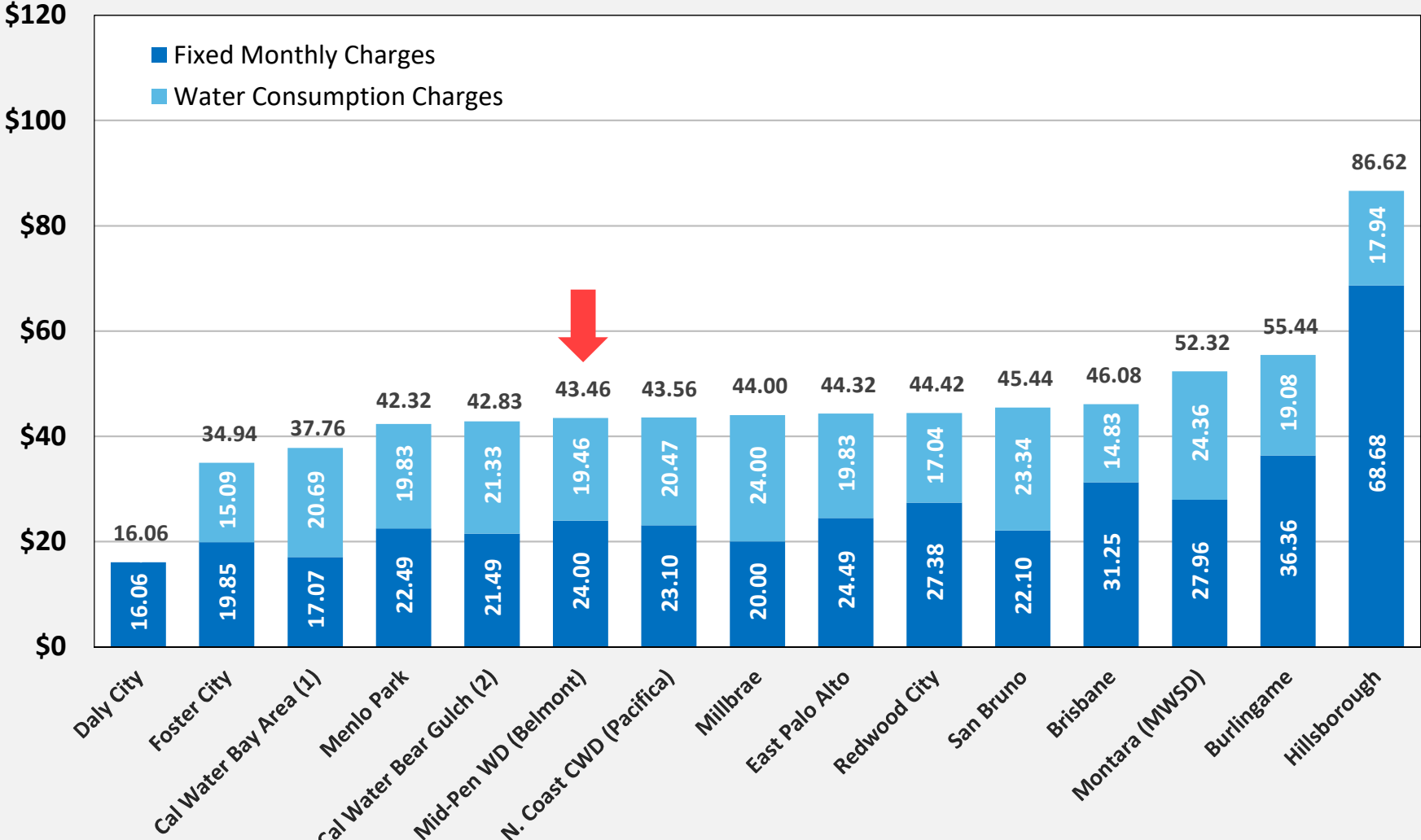
Preliminary Draft 03-15-18



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

Single Family Residential Monthly Water Charges 2017/18

Low Use: 3 ccf monthly use (74 gpd)



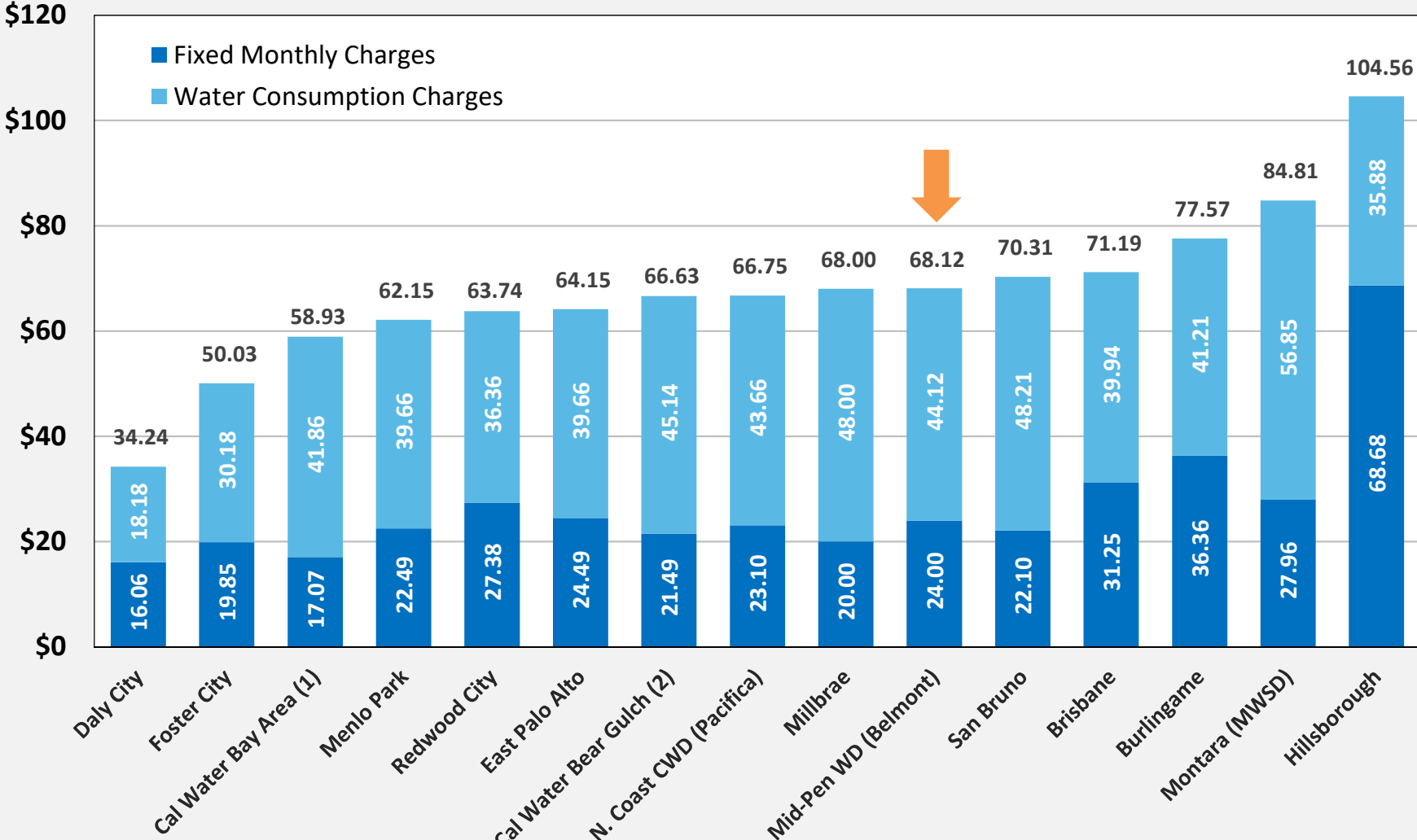
1 Bay Area service areas includes San Carlos, San Mateo, South San Francisco.

2 Bear Gulch service area includes Atherton, Woodside, and part of Menlo Park.

Rates Effective March 2018

Single Family Residential Monthly Water Charges 2017/18

Median Use: 6 ccf monthly water use (148 gpd)



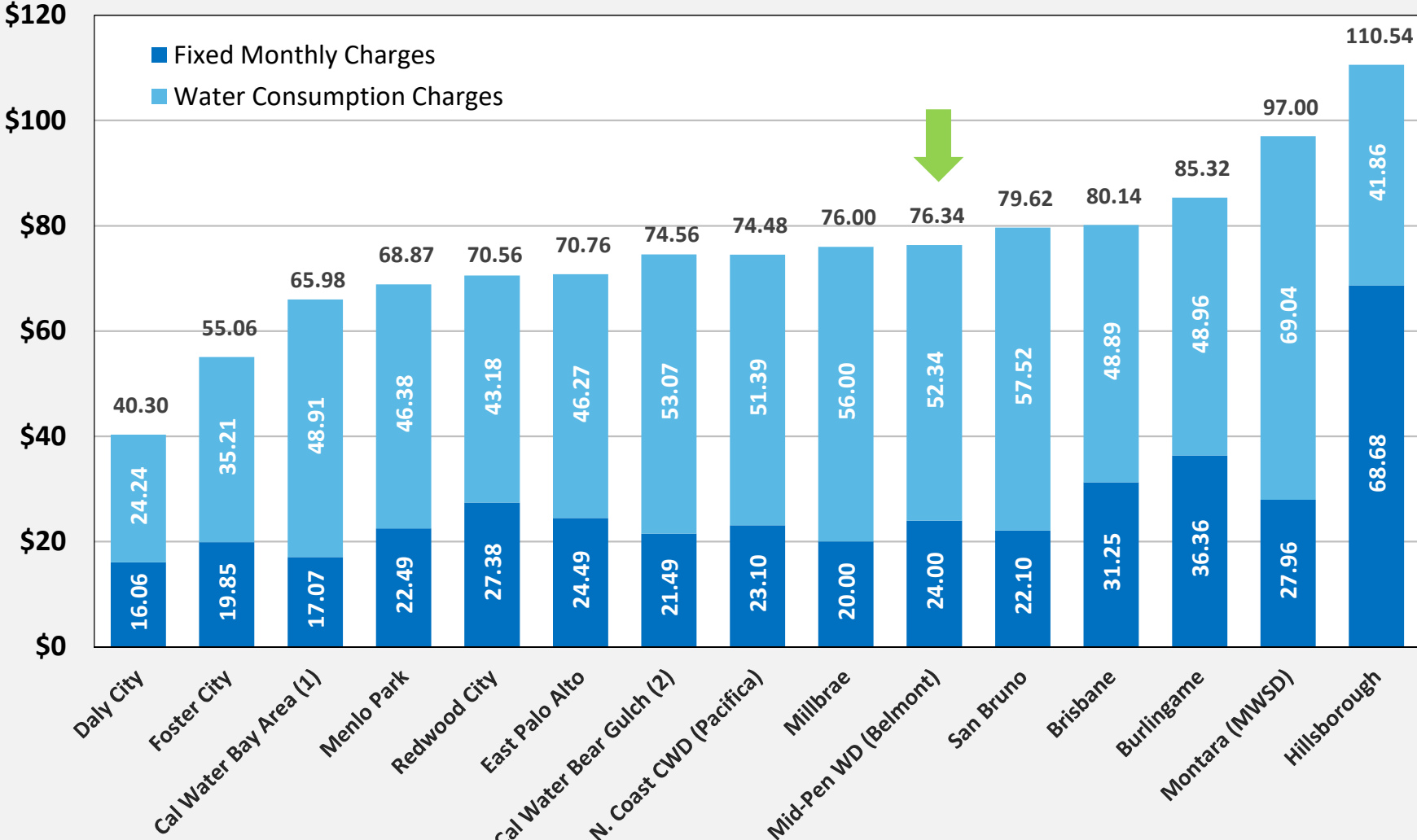
1 Bay Area service areas includes San Carlos, San Mateo, South San Francisco.

2 Bear Gulch service area includes Atherton, Woodside, and part of Menlo Park.

Rates Effective March 2018

Single Family Residential Monthly Water Charges 2017/18

Average Use: 7 ccf of monthly water use (172 gpd)



1 Bay Area service areas includes San Carlos, San Mateo, South San Francisco.

2 Bear Gulch service area includes Atherton, Woodside, and part of Menlo Park.

Rates Effective March 2018

Table 1
 Mid-Peninsula Water District
 Water Sales by Fiscal Year

*Includes estimates for remainder
 of fiscal year 2017/18*

	Water Consumption (hcf)					
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
July	155,974	156,081	134,669	102,202	111,110	117,761
August	153,190	155,788	128,924	104,096	113,341	124,029
September	145,980	145,551	118,284	101,546	112,591	127,050
October	122,618	122,117	109,652	95,095	101,247	117,970
November	90,723	106,535	86,670	81,298	76,838	100,278
December	80,604	94,062	72,835	67,438	66,486	76,510
January	84,202	102,910	82,360	70,890	67,261	85,964
February	86,478	73,221	79,782	60,940	65,165	65,000
March	106,663	89,152	102,964	65,700	63,193	63,000
April	120,265	96,019	91,491	73,821	69,702	70,000
May	155,736	126,934	97,806	85,446	89,353	89,000
June	150,614	139,729	103,863	108,136	108,136	108,000
Total	1,453,047	1,408,099	1,209,300	1,016,608	1,044,423	1,144,562
% Change		-3.1%	-14.1%	-15.9%	2.7%	9.6%

2017/18 year-to-date water consumption through January 2018 is 15.5% higher than the same period in the prior fiscal year; assuming water use parallels prior year use for the remaining months of the fiscal year, water use will end up about 9.6% higher than 2016/17.

Table 2
Mid-Peninsula Water District
Water Rates

		July 1 2015	July 1 2016		July 1 2017		July 1 2018	July 1 2019
		Adopted & Charged	Adopted	Charged	Adopted	Charged	Adopted	Adopted
Fixed Monthly Charges					<i>No Increase</i>			
<i>Billed based on meter size</i>								
<u>Meter</u>	<u>Meter Ratio</u>							
5/8"	1.00	\$22.00	\$24.00	\$24.00	\$26.00	\$24.00	\$28.00	\$30.00
1"	1.50	33.00	36.00	36.00	39.00	36.00	42.00	45.00
1 1/2"	2.50	55.00	60.00	60.00	65.00	60.00	70.00	75.00
2"	4.00	88.00	96.00	96.00	104.00	96.00	112.00	120.00
3"	6.00	132.00	144.00	144.00	156.00	144.00	168.00	180.00
4"	10.00	220.00	240.00	240.00	260.00	240.00	280.00	300.00
6"	25.00	550.00	600.00	600.00	650.00	600.00	700.00	750.00
Water Consumption Charges					<i>No Increase</i>			
<i>Billed based on monthly metered water use (\$/hcf)*</i>								
<u>Residential Use per Tier</u>								
Tier 1	0 - 2 hcf		0 - 2 hcf		0 - 2 hcf		0 - 2 hcf	0 - 2 hcf
Tier 2	3 - 9 hcf		3 - 8 hcf		3 - 8 hcf		3 - 8 hcf	3 - 8 hcf
Tier 3	10 - 22 hcf		9 - 20 hcf		9 - 20 hcf		9 - 20 hcf	9 - 20 hcf
Tier 4	>22 hcf		>20 hcf		>20 hcf		>20 hcf	>20 hcf
<u>Residential Rate Tiers</u>				With \$0.32 Pass-Through				
Tier 1		\$5.00	\$5.30	\$5.62	\$5.60	\$5.62	\$5.90	\$6.25
Tier 2		7.50	7.90	8.22	8.30	8.22	8.65	9.00
Tier 3		9.00	9.50	9.82	10.00	9.82	10.50	11.00
Tier 4		10.50	11.10	11.42	11.70	11.42	12.35	13.00
<u>Commercial Rate Tiers</u>								
Tier 1	0 - 5 hcf	\$7.00	\$7.25	\$7.57	\$7.50	\$7.57	\$7.75	\$8.00
Tier 2	Over 5 hcf	8.00	8.35	8.67	8.70	8.67	9.10	9.50
* 1 hcf = one hundred cubic feet or approximately 748 gallons.								

Table 3
 Mid-Peninsula Water District
 Estimated Water Rate Revenues 2017/18

	Water Use (hcf)	Usage Charges	Fixed Charges	Total Charges
July	117,761	\$991,425	\$221,480	\$1,212,905
August	124,029	1,058,492	221,539	1,280,031
September	127,050	1,086,960	221,731	1,308,691
October	117,970	969,367	220,229	1,189,596
November	100,278	842,728	221,252	1,063,980
December	76,510	597,628	221,492	819,120
January	85,964	460,723	221,521	682,244
February	65,000	517,000	221,500	738,500
March	63,000	207,000	221,500	428,500
April	70,000	555,000	221,500	776,500
May	89,000	718,000	221,500	939,500
June	108,000	992,000	221,500	1,213,500
Total	1,144,562	8,996,323	2,656,744	11,653,067
<i>% of Total</i>		77.2%	22.8%	100.0%

Table 4
 Mid-Peninsula Water District
 Projected vs. Actual SFPUC Wholesale Water Rates

	July 1 2015	July 1 2016	July 1 2017	July 1 2018
Prior SFPUC Projections (2015 Rate Study)	3.75	3.78	3.79	4.31
Actual or Updated Wholesale Rates	3.75	4.10	4.10	4.10
Difference	-	0.32	0.31	(0.21)

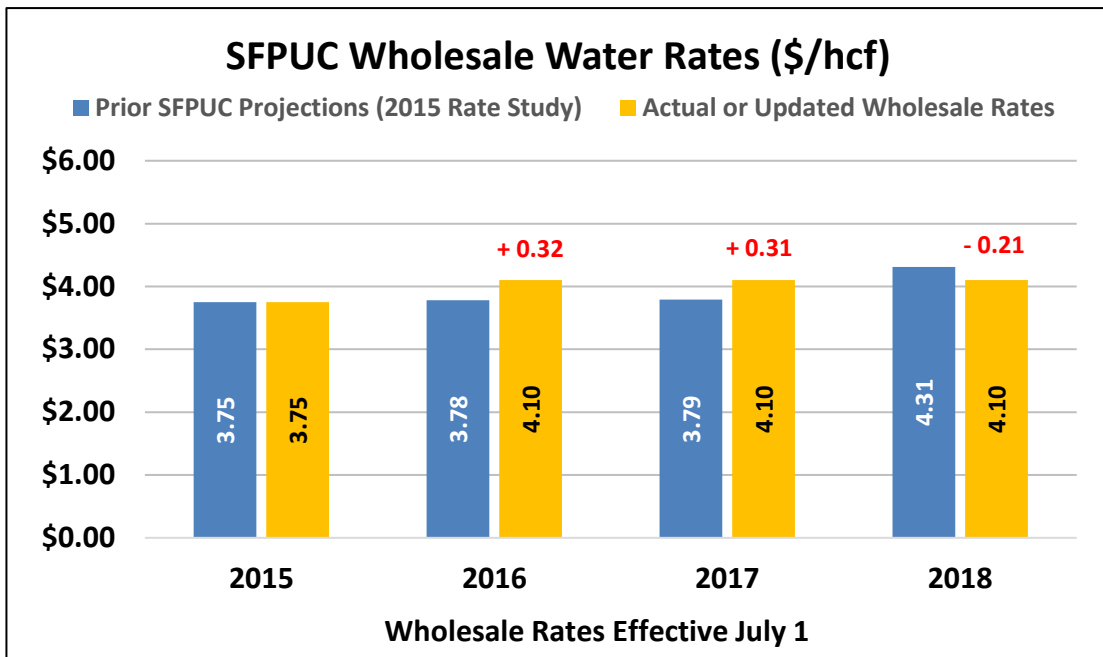


Table 5
 Mid-Peninsula Water District
 Fund Reserves

	Fund Reserves as of June 30				
	2013	2014	2015	2016	2017
Cash & Equivalents	\$3,621,126	\$4,465,380	\$3,582,734	\$4,265,885	\$5,203,740
Plus					
Accounts Receivable	916,448	849,549	679,566	973,931	1,212,306
Prepaid Expenses & Assets	<u>115,278</u>	<u>92,625</u>	<u>135,503</u>	<u>255,814</u>	<u>231,282</u>
Subtotal	1,031,726	942,174	815,069	1,229,745	1,443,588
Less					
Accounts Payable	162,195	422,373	185,507	206,936	236,936
Accrued Expenses/Unearned Revs	<u>131,706</u>	<u>54,431</u>	<u>78,189</u>	<u>711,290</u>	<u>1,512,722</u>
Subtotal	293,901	476,804	263,696	918,226	1,749,658
Adjusted Total	4,358,951	4,930,750	4,134,107	4,577,404	4,897,670
Source: Audited Financial Statements					

Table 6 - MPWD Cash Flow Projections

Draft 03-15-18

	2017/18	2018/19	2019/20	2020/21	2021/22
		Projected	Projected	Projected	Projected
Overall Rate Increase	0.0%	4.1%	4.1%	4.0%	6.0%
Consumption Charge Adjustments	0.0%	2.8%	3.0%	3.0%	6.0%
Fixed Rate Adjustments (1-year lag)	0.0%	8.3%	7.7%	7.1%	6.0%
Growth in Service Connections	32	5	5	1	5
Water System Capacity Charge	\$9,750	\$9,950	\$10,150	\$10,350	\$10,560
Change in Water Sales	9.6%	0.0%	0.0%	0.0%	0.0%
Total Water Sales (hcf)	1,144,600	1,144,600	1,144,600	1,144,600	1,144,600
SFPUC Water Purchases (hcf) +7%	1,224,700	1,224,700	1,224,700	1,224,700	1,224,700
Projected SFPUC Rate per hcf	\$4.10	\$4.10	\$4.10	\$4.30	\$4.50
<i>Prior Est of SFPUC Rate per hcf</i>	<i>\$3.79</i>	<i>\$4.31</i>	<i>\$4.72</i>	<i>\$4.74</i>	<i>\$4.90</i>
Interest Earnings Rate	1.5%	1.5%	1.5%	1.5%	1.5%
Cost Escalation		4.0%	4.0%	4.0%	4.0%
Beginning Fund Reserves	\$4,898,000	\$3,729,000	\$2,357,000	\$2,659,000	\$2,781,000
REVENUES					
Monthly Service Charges	2,657,000	2,880,000	3,104,000	3,326,000	3,528,000
Water Sales	8,996,000	9,248,000	9,525,000	9,811,000	10,400,000
Subtotal Rate Revenues	11,653,000	12,128,000	12,629,000	13,137,000	13,928,000
<i>Annual Increase %</i>	<i>3.5%</i>	<i>4.1%</i>	<i>4.1%</i>	<i>4.0%</i>	<i>6.0%</i>
Interest Revenue	50,000	56,000	35,000	40,000	42,000
Lease of Physical Property	150,000	155,000	160,000	165,000	170,000
Property Taxes	260,000	268,000	276,000	284,000	293,000
Capacity/Demand Offset Charges	310,000	250,000	250,000	10,000	53,000
Other/Miscellaneous Revenues	295,000	65,000	67,000	69,000	71,000
Total Revenues	12,718,000	12,922,000	13,417,000	13,705,000	14,557,000
EXPENSES					
<u>Operating & Maintenance</u>					
Personnel Costs	2,978,000	3,097,000	3,221,000	3,350,000	3,484,000
SFPUC Water Purchases	5,096,000	5,096,000	5,096,000	5,341,000	5,586,000
BAWSCA Bond Surcharge	500,000	500,000	500,000	500,000	500,000
Maintenance & Repair	654,000	680,000	707,000	735,000	764,000
Utilities	306,000	318,000	331,000	344,000	358,000
Professional Services	406,000	422,000	439,000	457,000	475,000
Admin & Equipment	317,000	330,000	343,000	357,000	371,000
Membership & Gov't Fees	209,000	217,000	226,000	235,000	244,000
Other Operating Costs	400,000	416,000	433,000	450,000	468,000
Subtotal	10,866,000	11,076,000	11,296,000	11,769,000	12,250,000
Debt Service	1,052,000	1,068,000	1,069,000	1,064,000	1,070,000
<u>Non-Operating</u>					
Capital Improvements (Pay-Go)	419,000	600,000	750,000	750,000	1,500,000
OPEB & PRSP Contributions	1,550,000	1,550,000	0	0	0
Subtotal	1,969,000	2,150,000	750,000	750,000	1,500,000
Total Expenses	13,887,000	14,294,000	13,115,000	13,583,000	14,820,000
Revenues Less Expenses	(1,169,000)	(1,372,000)	302,000	122,000	(263,000)
Ending Fund Reserves	3,729,000	2,357,000	2,659,000	2,781,000	2,518,000
<i>% of O&M+Debt</i>	<i>31%</i>	<i>19%</i>	<i>22%</i>	<i>22%</i>	<i>19%</i>
Debt Service Coverage	1.76	1.73	1.98	1.82	2.16
Project Fund for 2016 COPs					
Beginning Project Fund	19,225,000	15,977,000	12,815,000	4,217,000	1,090,000
Interest Earnings	200,000	143,000	85,000	26,000	5,000
Capital Improvements	3,448,000	3,305,000	8,683,000	3,153,000	1,095,000
Ending Project Fund	15,977,000	12,815,000	4,217,000	1,090,000	0
<i>Capital Funding Target</i>	<i>3,448,000</i>	<i>3,305,000</i>	<i>8,683,000</i>	<i>3,153,000</i>	<i>4,074,000</i>

Table 7
 Mid-Peninsula Water District
 Projected Water Rates

Draft Idea for Discussion

Fixed Charges: Lag Adopted Rate Increases by 1 Year
 Usage Charges: Adopted Rates Adjusted by SFPUC Differential

Proposed Rates Effective July 1, 2018						
		2017/18 Current Rates	2018/19 Adopted Rates	Decrease from Adopted Rates		2018/19 Proposed Rates
				\$	%	
Fixed Monthly Charges						
<i>Billed based on meter size</i>						
<u>Meter</u>	<u>Meter Ratio</u>					
5/8"	1.00	\$24.00	\$28.00	(\$2.00)	-7.1%	\$26.00
1"	1.50	36.00	42.00	(3.00)	-7.1%	39.00
1 1/2"	2.50	60.00	70.00	(5.00)	-7.1%	65.00
2"	4.00	96.00	112.00	(8.00)	-7.1%	104.00
3"	6.00	144.00	168.00	(12.00)	-7.1%	156.00
4"	10.00	240.00	280.00	(20.00)	-7.1%	260.00
6"	25.00	600.00	700.00	(50.00)	-7.1%	650.00
Water Consumption Charges						
<i>Billed based on monthly metered water use (\$/hcf)</i>						
<u>Residential Rate Tiers</u>						
Tier 1	0 - 2 hcf	\$5.62	\$5.90	(0.21)	-3.6%	\$5.69
Tier 2	3 - 8 hcf	8.22	8.65	(0.21)	-2.4%	8.44
Tier 3	9 - 20 hcf	9.82	10.50	(0.21)	-2.0%	10.29
Tier 4	Over 20 hcf	11.42	12.35	(0.21)	-1.7%	12.14
<u>Commercial Rate Tiers</u>						
Tier 1	0 - 5 hcf	\$7.57	\$7.75	maintain current rate	0.0%	\$7.57
Tier 2	Over 5 hcf	8.67	9.10	(0.21)	-2.3%	8.89
Note: 1 hcf = one hundred cubic feet or approximately 748 gallons.						

* Accounts for difference between SFPUC's prior projected rate used in the rate study (\$4.31), and SFPUC's latest wholesale rate projection for fiscal year 2018/19 (4.10).

Table 8
Mid-Peninsula Water District
Impact of Proposed Rates on Monthly Water Bills

Impact of Proposed Rates Effective July 1, 2018							
Monthly Use (hcf)	% of Bills in Block	% of Bills at or Below	Monthly Charges			Impact of Proposed Rates Compared to	
			Current	Adopted	Proposed	Current Rates	Adopted Rates
0	1.1%	1.1%	\$24.00	\$28.00	\$26.00	\$2.00	(\$2.00)
1	2.8%	3.9%	29.62	33.90	31.69	2.07	(2.21)
2	5.1%	9.1%	35.24	39.80	37.38	2.14	(2.42)
3	7.5%	16.5%	43.46	48.45	45.82	2.36	(2.63)
4	9.4%	26.0%	51.68	57.10	54.26	2.58	(2.84)
5	9.9%	35.8%	59.90	65.75	62.70	2.80	(3.05)
6	9.0%	44.9%	68.12	74.40	71.14	3.02	(3.26)
7	7.7%	52.6%	76.34	83.05	79.58	3.24	(3.47)
8	6.9%	59.5%	84.56	91.70	88.02	3.46	(3.68)
9	5.8%	65.3%	94.38	102.20	98.31	3.93	(3.89)
10	5.0%	70.2%	104.20	112.70	108.60	4.40	(4.10)
11	4.3%	74.5%	114.02	123.20	118.89	4.87	(4.31)
12	3.7%	78.2%	123.84	133.70	129.18	5.34	(4.52)
13	3.1%	81.3%	133.66	144.20	139.47	5.81	(4.73)
14	2.7%	84.0%	143.48	154.70	149.76	6.28	(4.94)
15	2.2%	86.2%	153.30	165.20	160.05	6.75	(5.15)
16	1.9%	88.1%	163.12	175.70	170.34	7.22	(5.36)
17	1.6%	89.6%	172.94	186.20	180.63	7.69	(5.57)
18	1.3%	91.0%	182.76	196.70	190.92	8.16	(5.78)
19	1.2%	92.2%	192.58	207.20	201.21	8.63	(5.99)
20	1.1%	93.3%	202.40	217.70	211.50	9.10	(6.20)
21	0.9%	94.2%	213.82	230.05	223.64	9.82	(6.41)
22	0.7%	94.9%	225.24	242.40	235.78	10.54	(6.62)
23	0.7%	95.6%	236.66	254.75	247.92	11.26	(6.83)
24	0.6%	96.2%	248.08	267.10	260.06	11.98	(7.04)
25	0.4%	96.6%	259.50	279.45	272.20	12.70	(7.25)
26	0.4%	97.1%	270.92	291.80	284.34	13.42	(7.46)
27	0.4%	97.4%	282.34	304.15	296.48	14.14	(7.67)
28	0.3%	97.8%	293.76	316.50	308.62	14.86	(7.88)
29	0.2%	98.0%	305.18	328.85	320.76	15.58	(8.09)
30	0.2%	98.2%	316.60	341.20	332.90	16.30	(8.30)
50	31-50: 1.5%	99.7%	545.00	588.20	575.70	30.70	(12.50)
75	>50: 0.3%	100.0%	830.50	896.95	879.20	48.70	(17.75)



STAFF REPORT

Agency: City of Belmont
Staff Contact: Leticia Alvarez, Public Works Department, 650-595-7469, lalvarez@belmont.gov
Agenda Title: Comprehensive Sewer Rate Study – Proposition 218 Notice for Sewer Rate Changes Effective Fiscal Years 2018/2019 and 2019/2020
Agenda Action: Resolution

Recommendation

Adopt a resolution setting the maximum sewer rates for Fiscal Years 2018/2019 and 2019/2020 with a drought regulation adjustment and setting a Public Hearing for June 12, 2018.

Background

The City's Sewer Operations is a revenue neutral utility, and the sewer fees reflects only those charges sufficient to support the community's sewer services. The Sewer Rate Revenue is used to wholly fund operations; maintenance and debt service for the capital improvements associated with of the City of Belmont's sewer utility systems, and to fund City of Belmont's sewer treatment costs at the Wastewater Treatment Plant managed by the Silicon Valley Clean Water (SVCW).

City retained HDR Engineering, Inc. (HDR) to update the comprehensive sewer rate study. This study is based on the previous rate study analyses completed by HDR in 2016. The conclusions and recommendations of the 2016 study resulted in the approval of rates for a two year period, of FY 2016/2017 through FY 2017/2018.

The prior study, provided recommendations, and rates, to fund an adequate level of renewal and replacement and include funding of capital projects from prior years. This study reviews the adequacy of the existing sewer rates to meet their system improvement needs, and provide the basis for appropriate rate structures for each customer classification.

In developing the sewer revenue requirement, it was assumed the utility must financially "stand on its own" and be properly funded. As a result, the revenue requirement analysis as developed assumes the full and proper funding needed to operate and maintain the system on a financially sound and prudent basis.

Analysis

HDR prepared and analyzed the revenue requirement for a five-year projected time period (FY 2018/17 – FY 2023/24). Reviewing a multi-year time period is recommended in an attempt to identify any major expenses that may be on the horizon. By anticipating future financial requirements, the City can begin planning for these changes sooner, thereby minimizing short-term rate impacts and overall long-term rates.

The vast majority of the City’s rate revenues are derived from residential customers. Currently, the City has two major classes of service: residential and non-residential customers. Non-residential customers are further categorized between low-strength and high-strength customers. The City’s sewer rate structure includes a fixed component, as well as a component based on the customers’ winter water average consumption. Each year, the City requests the water consumption data from the Mid-Peninsula Water District to develop the proposed sewer rates, and resulting revenue forecast, for the next fiscal year.

In the 2016 rate study, it was recommended that the City make adjustments to the winter water calculation that takes into account the mandated conservation on the City’s sewer customers. Consumption data from Mid-Peninsula Water District indicates that consumption has not returned to pre-drought levels. It is proposed, that the City continue to apply a drought regulation adjustment of 1.14 to consumption levels.

Presented below is the proposed rate transition based on a five-year projected time period. *Please note that the table below includes an adjustment to the flow calculation to account for drought consumption levels.*

City of Belmont Sewer Utility						
Proposed Rate Adjustments - 5 Year Rate Transition Plan						
Rate Adjustment July 1 each year		7.0%	7.0%	7.0%	6.5%	6.5%
	Present	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2023/24
Collection Residential						
Base Charge - Annual	\$284.45	\$304.36	\$325.67	\$348.46	\$371.11	\$395.24
Flow Charge (\$/HCF x 1.14 DRA)	\$4.05	\$4.33	\$4.64	\$4.96	\$5.28	\$5.63
Commercial						
Base Charge	\$284.45	\$304.36	\$325.67	\$348.46	\$371.11	\$395.24
Flow Charge (\$/HCF x 1.14 DRA)	\$4.05	\$4.33	\$4.64	\$4.96	\$5.28	\$5.63
Low strength						
High Strength	\$7.87	\$8.42	\$9.01	\$9.64	\$10.27	\$10.94
Treatment						
Residential						
Base Charge - Annual	\$149.50	\$159.97	\$171.16	\$183.14	\$195.05	\$207.73
Flow Charge (\$/HCF x 1.14 DRA)	\$2.00	\$2.14	\$2.29	\$2.45	\$2.61	\$2.78
Commercial						
Base Charge	\$149.50	\$159.97	\$171.16	\$183.14	\$195.05	\$207.73
Flow Charge (\$/HCF x 1.14 DRA)	\$2.00	\$2.14	\$2.29	\$2.45	\$2.61	\$2.78
Low strength						
High Strength	\$3.90	\$4.17	\$4.47	\$4.78	\$5.09	\$5.42

Staff is recommending that the City Council set the maximum sewer rates with a drought regulation adjustment as noted in the table above for FY 2018/2019 and FY 2019/2020.

Should the City Council agree with staff’s recommendation to propose adjustments in rates, staff is requesting Council direction on the maximum rate to notice for the Proposition 218 process as described below. Based on Council direction, staff will prepare a Notice and an authorizing Resolution stating the City’s intention to increase Sewer Rates effective FY 2018/2019 and 2019/2020, and schedule a public hearing on the proposed rate structure.

Proposition 218

Charges for sewer service are property-related charges subject to Proposition 218. These charges need not be submitted to an election of voters or property owners, but they are subject to a majority protest proceeding. That process is summarized as follows: (1) the City calculates a budget sufficient to cover the cost of service and determines how to spread that budget as rates across different kinds of customers (e.g., single-family, multi-family, non-residential), (2) the City provides 45 days mailed notice of a public hearing on the proposed new rates to every property owner or customer of record who will pay the new rates, (3) the City conducts the hearing and accepts written protests from property owners and customers of record, and (4) the City tallies the protests; if more than half of the affected property owners and customers of record protest the new rates in writing before the end of the hearing, the agency cannot impose the new rates; otherwise it may impose the rates at any level which does not exceed the rates stated in the notice. Majority protests under these rules are not common except when a very small number of ratepayers are involved. Accordingly, the primary consequences of this process are the delay and cost associated with the noticed hearing and the opportunity for public input on the decision.

Alternatives

- 1. Refer to Staff for additional information
- 2. Take no action

Attachments

- A. Resolution
- B. Draft Comprehensive Sewer Rate Study

Fiscal Impact

- No Impact/Not Applicable
- Funding Source Confirmed:

Source:

- Council
- Staff
- Citizen Initiated
- Other*

Purpose:

- Statutory/Contractual Requirement
- Council Vision/Priority
- Discretionary Action
- Plan Implementation*

Public Outreach:

- Posting of Agenda
- Other*

*



AGENDA ITEM NO. 8.B.

DATE: April 26, 2018
 TO: Board of Directors
 FROM: Tammy Rudock, General Manager
 Candy Pina, Administrative Services Manager
 Rene Ramirez, Operations Manager

SUBJECT: REVIEW AND DISCUSS DRAFT MPWD OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2018/2019

RECOMMENDATION

Review and discuss the DRAFT MPWD Operating and Capital Budgets for Fiscal Year 2018/2019.

FISCAL IMPACT

BUDGET CATEGORY	PROPOSED FY 2018/2019	PROJECTED FY 2017/2018	ACTUAL FY 2016/2017	ACTUAL FY 2015/2016	ACTUAL FY 2014/2015	ACTUAL FY 2013/2014
Total Operating Revenues	\$12,992,000	\$12,228,920	\$11,922,416	\$10,582,037	\$9,866,874	\$10,360,026
Total Operating Expenditures*	\$12,906,051	\$12,710,419	\$10,896,225	\$ 9,676,399	\$9,293,119	\$ 8,981,349
Net Transfer to Capital	\$ 85,949***	<\$ 481,499>**	\$ 1,026,191	\$ 905,638	\$ 573,755	\$ 1,378,677

*Total Operating Expenditures include Depreciation Expense.

**An Operating Surplus in the amount of \$418,501 is projected in FY 2017/2018; however, the Net Transfer to Capital is reduced after the full amount of Depreciation expense (\$900,000) is deducted and transferred to the Capital Pay-Go Program.

***An Operating Surplus in the amount of \$1,017,449 is projected in FY 2018/2019, which exceeds the projected Depreciation expense (\$931,500), by \$85,949. Both amounts (\$931,500 + \$85,949) would be transferred to the proposed Capital Pay-Go Program.

DISCUSSION

FY 2018/2019 OPERATING BUDGET

The following assumptions were made in preparation of the attached DRAFT FY 2018/2019 Operating Budget:

REVENUES

- FY 2018/2019 Water Commodity Charges and Fixed System Charges reflect the proposed overall 4.1% water rate adjustments (2.8% increase to commodity charges and small increases to monthly fixed system charges).

- Total Operating Revenues are projected to increase by \$724,280 (6.2%). Besides the projected increases from the proposed 4.1% water rate adjustments, actual FY 2017/2018 fiscal year water sales indicate that revenues will be higher than projected and nearer the water sales projections reflected in the BWA 2018 Water Rate Update. Also property taxes are likely to increase.
- Development revenues (Water System Capacity Charges and Water Demand Offset Charges) have already been collected by the MPWD and are expected to be recognized next fiscal year.
- Total Non-Operating Revenues are projected to increase by \$38,800 (6.8%) when compared with the projected Total Operating Revenues for FY 2016/2017.

EXPENDITURES

- A 3.5% inflationary factor was applied to Salaries & Wages and Payroll Taxes & Benefits and is projected to cover any wage adjustments that might be needed after the completion of the 2018 Total Compensation Study, employee annual merit increases, and the hiring of new employees. The annual average CPI for Urban Wage Earners and Clerical Workers in 2017 was 3.1% per the U.S. Department of Labor, Bureau of Labor Statistics, for the San Francisco-Oakland-Hayward area. For the first two months of 2018, it was 3.8%.
- Salaries & Wages, and Payroll Taxes and Benefits, were increased to cover new hires.
- The SFPUC Treated Water projected expenditure was basically held steady at the FY 2016/2017 projected expense since there will be no wholesale customer rate adjustments in FY 2018/2019.
- The majority of operating expenses were held at the budgeted amounts for FY 2017/2018, and a 3.5% inflationary factor was applied to them in FY 2018/2019. The annual average CPI for All Urban Consumers in 2017 was 3.2% per the U.S. Department of Labor, Bureau of Labor Statistics, for the San Francisco-Oakland-Hayward area. For the first two months of 2018, it was 3.6%.
- The MPWD's debt service coverage requirement for the 2016 COP is 1.3, and it is projected to be ___ for FY 2018/2019.

Alternatively, for operations, the Board could elect to:

- Not increase water rates or reduce the amount of the proposed water rate adjustment (4.1%). This would not only impact operations but also the funding of the proposed Capital budget for FY 2018/2019. The proposed water rate adjustment is just under one percent more than the CPI was in 2017 (3.2%); and/or
- Direct staff to reduce the new hires, which could become an issue of operational, administrative, and financial readiness with the increased workload and upcoming staff retirements; and/or
- Direct staff to further reduce operational expenses, which have already been reduced over the years to cover new and/or increased costs or programs or operational requirements.

FY 2018/2019 CAPITAL BUDGET

Staff is proposing a cash-funded Capital Budget in FY 2018/2019 totaling \$1,575,449, including:

- Capital Improvement Projects
 - 2017 Joint WMR and Belmont Sewer Rehab (Pay-Go Portion) - \$500,000; and
 - Continued AMI meter change-out program - \$827,449.
- Capital Outlay
 - Replacement Mini-Excavator for Operations - \$50,000;
 - Replacement Service Truck for Operations - \$148,000; and
 - Miscellaneous Capital Outlay (placeholder for unknown outlay items or capitalized adjustments) - \$50,000.

The capital projects were identified as priorities within the MPWD 2017-2018 Strategic Plan.

\$1.0 million would complete the AMI meter change-out program. Staff believes there could be adequate reserves (above the \$3.0 million target) to transfer the balance needed (\$180,000) to complete the project. Next month's final DRAFT will contain that recommendation if the revenue trends continue this fiscal year. The plan is that new hires would be trained on meter installations initially and that would be their priority, along with an existing Water System Operator as trainer and for oversight.

A total of \$558,000 is projected to be transferred from MPWD cash reserves. During the Board's consideration of the MPWD Cash Reserve Policy at its February 22, 2018, regular meeting, \$500,000 of cash reserves was committed for the approved 2017 Joint WMR and Belmont Sewer Rehabilitation project (pay-go portion), but only \$463,000 is projected to be transferred because of projected Operating surplus funds in FY 2018/2019.

The remainder of \$95,000 to be transferred from MPWD cash reserves is represented by proceeds from the sale of surplus vehicles, equipment, and materials during the fiscal year. A total of approximately \$95,000 was collected in auction proceeds and not used in operations, and therefore, reserved. The proposed mini-excavator replaces a large backhoe sold at auction. It would be much more functional and easier to use in tight project areas with limited space within the MPWD system. The same goes for the proposed service truck. A large 2005 Peterbilt was sold at auction and a different truck model would be much more useful for Operations staff and easier to maneuver around town. One other service truck from the MPWD fleet would be proposed for surplus and auction next fiscal year with the purchase of a new service truck.

Alternatively, regarding capital program, the Board could elect to:

- Fund the committed 2017 Joint WMR and Belmont Sewer Rehabilitation project (pay-go portion) - \$500,000 from the Operating revenue transfers rather than a cash reserve transfer; and/or
- Not fund as much of the AMI Meter Change-Out Program and delay its completion until next fiscal year; and/or
- Purchase the replacement mini-excavator in FY 2018/2019 with the auction proceeds in reserve, and direct staff to wait until next fiscal year for the service truck. This would avoid the leasing costs for a mini-excavator.

When considering the MPWD's FY 2018/2019 debt service payment in the amount of \$1,051,500 plus the proposed pay-go Capital budget totaling \$1,575,449, a total of \$2,626,949 is proposed for Capital expenditures. That is much more than the \$1.5 million to \$2.0 million that has been spent in previous years, but there are other elements to consider. There is no question about the capital expenditure for the joint project with the City of Belmont, and it is a one-time capital expense. The remainder of the City's sewer rehabilitation program did not contain any projects for coordination with the MPWD. And, completing the AMI meter change-out project is not only a strategic priority and identified CIP but it would provide operational efficiencies as well. All customers would be on AMI and have access to live consumption information, and an employee that is meter reading part-time would be freed up to return to Operations full-time.

Once the AMI project is completed, next fiscal year staff will need to discuss with the Board which capital projects to pursue from the remaining CIP project list (\$32 million in 2015 dollars), or, alternatively, consider reserving any Operating surpluses to save for funding the COP project gap (approximately \$4.0 million).

Attachments: DRAFT FY 2018/2019 MPWD Operating and Capital Budgets

BOARD ACTION: APPROVED:_____ DENIED:_____ POSTPONED:_____ STAFF DIRECTION:_____

UNANIMOUS _____ WARDEN _____ STUEBING _____ VELLA _____ LINVILL _____ ZUCCA _____

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**MID-PENINSULA WATER DISTRICT
BUDGET FOR YEAR 2018-2019
SUMMARY**

DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUALS 7/1/2017 3/31/18	DRAFT FY 2018-2019 BUDGET \$	Increase (Decrease)	Y-T-D % OF BUDGET
OPERATING REVENUE					
WATER COMMODITY CHARGES	8,700,000	7,334,037	9,200,000	500,000	5.7%
FIXED SYSTEM CHARGES	2,663,720	1,993,918	2,880,000	216,280	8.1%
FIRE SERVICE CHARGES	14,000	11,417	14,000	-	0.0%
SERVICE LINE & INSTALLATION CHGS	10,000	76,762	10,000	-	0.0%
MISCELLANEOUS OPERATING	10,000	63,364	10,000	-	0.0%
PROPERTY TAX REVENUE	260,000	242,262	268,000	8,000	3.1%
TOTAL OPERATING REVENUE	11,657,720	9,721,760	12,382,000	724,280	6.2%
WATER SYSTEM CAPACITY CHARGES	200,000	283,109	250,000	50,000	25.0%
WATER DEMAND OFFSET CHARGES	10,000	33,899	65,000	55,000	550.0%
MISCELLANEOUS NON-OPERATING	10,000	(2,260)	10,000	-	0.0%
INTEREST REVENUE - LAIF (RESTRICTED)	40,000	52,036	25,000	(15,000)	-37.5%
INTEREST REVENUE - COP (RESTRICTED)	150,000	134,118	100,000	(50,000)	-33.3%
LEASE OF PHYSICAL PROPERTY	150,000	121,995	155,000	5,000	3.3%
LANDSCAPE PERMIT REVENUE	11,200	12,000	5,000	(6,200)	-55.4%
TOTAL NON-OPERATING REVENUE	571,200	634,897	610,000	38,800	6.8%
TOTAL REVENUE	12,228,920	10,356,658	12,992,000	763,080	6.2%
OPERATING EXPENDITURES (OP EXP)					
SALARIES & WAGES	1,893,566	1,210,912	1,982,741	89,175	4.7%
PAYROLL TAXES & BENEFITS	1,084,880	731,209	1,025,467	(59,413)	-5.5%
PURCHASED WATER	5,554,624	4,222,208	5,654,624	100,000	1.8%
OUTREACH & EDUCATION	92,400	37,479	95,634	3,234	3.5%
M&R - OPS SYSTEM	486,598	282,126	474,775	(11,823)	-2.4%
M&R - FACILITIES & EQUIPMENT	166,860	103,756	172,700	5,840	3.5%
MAJOR MAINTENANCE	30,000	12,376	31,050	1,050	3.5%
OFFICE SUPPLIES & EQUIPMENT	317,278	197,011	328,383	11,105	3.5%
MEMBERSHIP & GOV FEES	208,613	155,517	215,914	7,301	3.5%
BAD DEBT & CLAIMS	17,000	(2,662)	17,595	595	3.5%
UTILITIES	306,200	187,402	316,917	10,717	3.5%
PROFESSIONAL SERVICES	406,450	297,864	420,676	14,226	3.5%
TRAINING/TRAVEL & RECRUITMENT	45,000	21,983	61,575	16,575	36.8%
RESTRICTED EARNINGS	216,000	186,154	125,000	(91,000)	-42.1%
DEBT SERVICE TRUSTEE FEES & EXP	-	1,700	-	-	N/A
DEBT SERVICE 2016 COPs	984,950	844,823	1,051,500	66,550	6.8%
TOTAL OP EXP LESS DEPRECIATION	11,810,419	8,489,857	11,974,551	164,132	1.4%
TOTAL OP REV LESS OP EXP & DEPR	418,501	1,866,800	1,017,449	598,948	143.1%
DEPRECIATION	900,000	654,614	931,500	31,500	3.5%
TOTAL OP REVENUE LESS OP EXP	(481,499)	1,212,186	85,949	567,448	-117.9%
NET TRANSFERS TO CAPITAL	481,499	(1,212,186)	(85,949)	(567,448)	-117.9%
NET RESULTS OF OPERATIONS	40	-	-	-	

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MID-PENINSULA WATER DISTRICT OPERATIONS BUDGET FOR YEAR 2017-2018 DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	DRAFT FY 2018-2019 BUDGET \$	Increase (Decrease)	% OF BUDGET
4010	Water Commodity Charges	8,700,000	7,334,037	9,200,000	500,000	5.7%
4020	Fixed System Charges	2,663,720	1,993,918	2,880,000	216,280	8.1%
4030	Fire Service Charges	14,000	11,417	14,000	-	0.0%
4050	Service Line & Installation Charges	10,000	76,762	10,000	-	0.0%
4080	Miscellaneous Operating	10,000	63,364	10,000	-	0.0%
4000	TOTAL WATER CHARGES	11,397,720	9,479,498	12,114,000	716,280	6.3%
4202	Property Tax Revenue	260,000	242,262	268,000	8,000	3.1%
4200	OTHER OPERATING REVENUE	260,000	242,262	268,000	8,000	3.1%
	TOTAL OPERATING REVENUE	11,657,720	9,721,760	12,382,000	724,280	6.2%
4060	Water System Capacity Charges	200,000	283,109	250,000	50,000	25.0%
4070	Water Demand Offset Charges	10,000	33,899	65,000	55,000	550.0%
4090	Miscellaneous - Non Operating	10,000	(2,260)	10,000	-	0.0%
					-	N/A
4102	Interest Revenue- LAIF (Restricted)	40,000	52,036	25,000	(15,000)	-37.5%
4103	Interest Revenue-COP Funds (Restricted)	150,000	134,118	100,000	(50,000)	-33.3%
4100	INTEREST REVENUE	190,000	186,154	125,000	(65,000)	-34.2%
4201	Lease of Physical Property	150,000	121,995	155,000	5,000	3.3%
4208	Landscape Plan Permit Review	11,200	12,000	5,000	(6,200)	-55.4%
4200	OTHER NON-OPERATING REVENUE	161,200	133,995	160,000	(1,200)	-0.7%
4000	TOTAL NON-OPERATING REVENUE	571,200	634,897	610,000	38,800	6.8%
	TOTAL OPERATING & NON-OP REVENUE	12,228,920	10,356,658	12,992,000	763,080	6.2%
6011	Salaries & Wages	1,822,566	1,150,556	1,886,356	63,790	3.5%
6012	Director Compensation	11,000	6,000	11,385	385	3.5%
6010	GROSS REGULAR WAGES	1,833,566	1,156,556	1,897,741	64,175	3.5%
6017	CAPITAL SALARY & WAGES reversed	-	-	-	-	
6021	Overtime Labor	30,000	26,309	45,000	15,000	50.0%
6022	Standby Labor	30,000	28,047	40,000	10,000	33.3%
6020	SUB-TOTAL SALARY & WAGES	1,893,566	1,210,912	1,982,741	89,175	63.9%
6031	FICA/Medicare PR Tax	125,000	92,560	151,184	26,184	20.9%
6038	ACWA Health Care	329,600	284,194	430,723	101,123	30.7%
6039	ACWA Dental	25,000	22,433	32,179	7,179	28.7%
6040	ACWA Vision	4,481	3,907	4,638	157	3.5%
6041	ACWA Life/AD&D	4,326	3,671	4,577	251	5.8%
6042	Standard LDL/SDL Disability	10,000	8,696	18,000	8,000	80.0%
6043	Workers' Comp Insurance	40,000	28,855	41,400	1,400	3.5%

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2017-2018
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	DRAFT FY 2018-2019 BUDGET \$	Increase (Decrease)	% OF BUDGET
6044	Unemployment	1,030	-	1,066	36	3.5%
6045	CALPERS Retirement - ER 2%@55	275,000	181,410	164,625	(110,375)	-40.1%
6046	Retirees' ACWA Health Care	57,680	48,003	-	(57,680)	N/A
6047	Directors' ACWA Health Care	111,240	88,287	115,133	3,893	3.5%
6049	Medical Reimbursement	1,030	410	1,066	36	3.5%
6050	Employee Service Recognition	10,000	7,118	10,350	350	3.5%
6051	Safety Incentive Program	15,000	4,577	15,525	525	3.5%
6052	Uniforms	25,493	20,528	35,000	9,507	37.3%
6053	PARS OPEB Expense	50,000	98,212	-	(50,000)	N/A
6030	TOTAL PAYROLL TAXES & BENEFITS	1,084,880	892,860	1,025,467	(59,413)	-5.5%
6054	CAPITAL PAYROLL, TAXES & BENEFITS		(161,651)			N/A
6000	PERSONNEL COSTS	2,978,446	1,942,120	3,008,208	29,762	1.0%
6101	SFPUC Treated Water	5,000,000	3,796,670	5,100,000	100,000	2.0%
6102	BAWSCA (Debt Service Surcharges)	476,000	366,840	476,000	-	0.0%
6103	Rates Stabilization	-	-	-	-	N/A
6104	SFPUC Water Service Charge	78,624	58,698	78,624	-	0.0%
6100	PURCHASED WATER	5,554,624	4,222,208	5,654,624	100,000	1.8%
6301	Water Conservation Program	7,200	4,281	7,452	252	3.5%
6302	School Conservation Program	7,200	22,827	7,452	252	3.5%
6303	Public Outreach & Education	15,000	5,046	15,525	525	3.5%
6305	HET Rebates	19,750	1,932	20,441	691	3.5%
6306	Washing Machine Rebates	-	-	-	-	N/A
6307	Lawn-Be-Gone Rebates	38,100	3,177	39,434	1,334	3.5%
6308	Rain Barrel Rebates	5,150	215	5,330	180	3.5%
6304	TOTAL WATER CONSERVATION REBATES	63,000	5,324	65,205	2,205	3.5%
6300	OUTREACH/EDUCATION	92,400	37,479	95,634	3,234	3.5%
6401	Water Quality	69,010	18,811	60,000	(9,010)	-13.1%
6402	Pumping	65,148	3,767	50,000	(15,148)	-23.3%
6403	Storage Tanks	10,300	744	10,661	361	3.5%
6404	Mains/Distribution	200,000	191,542	207,000	7,000	3.5%
6405	Meters & Service	30,900	11,237	31,982	1,082	3.5%
6406	Fire Hydrants	31,930	28,398	33,048	1,118	3.5%
6407	Regulator Stations	6,180	2,812	6,396	216	3.5%
6408	Safety	32,960	12,780	34,114	1,154	3.5%
6409	SCADA Maintenance	15,450	10,182	15,991	541	3.5%
6410	Generator Maintenance	24,720	1,853	25,585	865	3.5%
6400	M&R - OPS SYSTEMS	486,598	282,126	474,775	(11,823)	-2.4%
6501	M&R-Buildings&Grounds	95,790	61,286	99,143	3,353	3.5%
6502	M&R- Equipment&Tools	21,630	8,674	22,387	757	3.5%
6503	M&R- Vehicles & Large Equipment	19,570	16,742	20,255	685	3.5%
6504	M&R - Fuel	29,870	17,054	30,915	1,045	3.5%
6500	M&R - FACILITIES & EQUIPMENT	166,860	103,756	172,700	5,840	3.5%

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2017-2018
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	DRAFT FY 2018-2019 BUDGET \$	Increase (Decrease)	% OF BUDGET
6601	Cathodic Protection Survey		(1,424)		-	N/A
6602	Leak Detection Survey	30,000	13,800	31,050	1,050	3.5%
6600	MAJOR MAINTENANCE	30,000	12,376	31,050	1,050	3.5%
6701	Office Supplies	15,450	5,105	15,991	541	3.5%
6702	Insurance- Liability/Vehicles	80,000	54,542	82,800	2,800	3.5%
6703	Postage	8,240	1,399	8,528	288	3.5%
6704	Printing/Printing Supplies	10,000	6,916	10,350	350	3.5%
6705	Equipment Services/Maintenance	20,000	9,221	20,700	700	3.5%
6706	Computer Supplies & Upgrades	32,000	13,633	33,120	1,120	3.5%
6707	Security & Safety	11,073	3,881	11,461	388	3.5%
6708	Other Fees	515	-	533	18	3.5%
6709	Customer Credit Card Svs Fees	140,000	102,313	144,900	4,900	3.5%
6700	OFFICE SUPPLIES & EQUIP	317,278	197,011	328,383	11,105	3.5%
6801	Dues & Publications	30,685	25,445	31,759	1,074	3.5%
6802	Gov't Fees & Licenses	29,848	19,394	30,893	1,045	3.5%
6803	BAWSCA Membership Assessments	76,000	36,302	78,660	2,660	3.5%
6804	Env Health - Cross Connection Inspection	31,930	24,525	33,048	1,118	3.5%
6805	Software License	40,150	49,851	41,555	1,405	3.5%
6800	MEMBERSHIP & GOV FEES	208,613	155,517	215,914	7,301	3.5%
6901	Bad Debt	7,000	(2,089)	7,245	245	3.5%
6902	Claims	10,000	(573)	10,350	350	3.5%
6900	BAD DEBT & CLAIMS	17,000	(2,662)	17,595	595	3.5%
7001	Utilities-Internet/Cable	10,000	5,552	10,350	350	3.5%
7002	Utilities-Cellular Telephones	12,206	8,255	12,633	427	3.5%
7003	Utilities-Electric-Pumping	226,600	133,925	234,531	7,931	3.5%
7004	Utilities-Electric-Bldgs&Grounds	24,720	17,331	25,585	865	3.5%
7005	Utilities-Telephones	25,000	17,637	25,875	875	3.5%
7006	Utilities-Sewer - NPDES	7,674	4,702	7,943	269	3.5%
7000	UTILITIES	306,200	187,402	316,917	10,717	3.5%
7101	Prof Serv - District Counsel	75,000	48,934	77,625	2,625	3.5%
7102	Prof Serv - District Engineer	65,000	49,533	67,275	2,275	3.5%
7103	Prof Serv - IT	19,750	15,150	20,441	691	3.5%
7104	Prof Serv- Annual Finance Audit	19,000	19,050	19,665	665	3.5%
7105	Prof Serv - Mngmt Consult	-	-	-	-	N/A
7106	Prof Serv- Accounting & Payroll	21,750	13,464	22,511	761	3.5%
7107	Prof Serv- Customer Billing	72,250	46,726	74,779	2,529	3.5%
7109	Prof Serv - Answering Svs	5,000	2,529	5,175	175	3.5%
7110	Prof Serv - Miscellaneous	125,000	100,679	129,375	4,375	3.5%
7111	Prof Serv - District Treasurer	3,700	1,800	3,830	130	3.5%
7100	PROFESSIONAL SERVICES	43 406,450	297,864	420,676	14,226	3.5%

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2017-2018
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	DRAFT FY 2018-2019 BUDGET \$	Increase (Decrease)	% OF BUDGET
7201	Director Travel	5,000	2,733	5,175	175	3.5%
7202	Director Expense	1,000	-	1,035	35	3.5%
7203	Elections	-	-	15,000	15,000	N/A
7204	Employee Travel/Training	32,000	17,121	33,120	1,120	3.5%
7205	Meetings Expense	7,000	2,129	7,245	245	3.5%
7200	TRAINING & TRAVEL	45,000	21,983	61,575	16,575	36.8%
7302	Restricted Earnings Expense - Interest LAIF & COP	216,000	186,154	125,000	(91,000)	-42.1%
7300	RESTRICTED EARNINGS EXPENSE	216,000	186,154	125,000	(91,000)	-42.1%
8001	Working Reserves: Capital	-	-	-	-	N/A
8002	Working Reserves: Operating	-	-	-	-	N/A
8000	RESERVES	-	-	-	-	N/A
9010	DEPRECIATION	900,000	654,614	931,500	31,500	3.5%
9011	DEBT SERVICE TRUSTEE FEES & EXPENSES	-	1,700	-	-	N/A
9012	DEBT SERVICE 2017-2018 COPs	984,950	844,823	1,051,500	66,550	6.8%
SUB-TOTAL - OPERATING EXPENSES		9,731,973	7,202,351	9,897,843	165,870	1.7%
TOTAL OPERATING EXPENSES		12,710,419	9,144,472	12,906,051	195,632	1.5%
NET OPERATING SURPLUS/(LOSS) TRANSFER TO CAPITAL		(481,499)	1,212,186	85,949	567,448	
Debt Service Coverage Ratio (DSCR)				1.97%		

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MID-PENINSULA WATER DISTRICT BUDGET FOR FY 2018-2019 Capital Projects

DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	DRAFT FY 2018-2019 BUDGET \$
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)			
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	375,000	13,672	500,000
AMI Meter Change Out Program	-	-	827,449
CAPITAL IMPROVEMENTS - WIP TOTAL	375,000	13,672	1,327,449
CAPITAL OUTLAY			
Replacement Mini-Excavator for Operations	-	-	50,000
Replacement Service Truck for Operations			148,000
Replacement Priinter/Scanner/Copier	18,504	18,504	-
Miscellaneous Capital Outlay/Projects	25,000	-	50,000
CAPITAL OUTLAY TOTAL	43,504	18,504	248,000
CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL	418,504	32,176	1,575,449
DEPRECIATION	900,000	654,614	931,500
TRANSFER FROM OPS	(481,496)	1,212,186	85,949
TRANSFER FROM CAPITAL RESERVES (PRIOR YEAR)	-	-	558,000
TRANSFER (TO)/FROM CAPITAL RESERVES	-	(1,834,624)	-
CAPITAL OUTLAY/CAPITAL PROJECTS	(418,504)	(32,176)	(1,575,449)
NET RESULTS OF CAPITAL	-	0	(0)



AGENDA ITEM NO. 8.C.

DATE: April 26, 2018
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: RECEIVE GENERAL MANAGER’S REPORT ON ORGANIZATIONAL SUCCESSION PLANNING, AND CONSIDER AND APPROVE MPWD REORGANIZATION EFFECTIVE APRIL 30, 2018

RECOMMENDATION:

Receive the General Manager’s report on organizational succession planning, and approve the MPWD reorganization effective April 30, 2018.

FISCAL IMPACT:

Three (3) new Water Service Operators and one (1) Accountant are proposed as new hires. Personnel costs for the new hires would be:

Salaries & Wages:	\$292,722
Benefits:	<u>\$193,125</u>
Total:	\$485,847

These amounts were included in the projections for the FY 2018/2019 Operating Budget.

DISCUSSION:

Increased new development in Belmont and San Carlos, upcoming staff retirements, and the increased workload as a result of regulatory, financial, and operational impacts now and over the next few years drive the need for prudent hiring and succession planning in order to avoid any lapses in operations.

The MPWD organization currently consists of 18 full-time employees as reflected in the attached Organizational Chart dated April 26, 2018.

As can be seen by the second Organizational Chart as of December 31, 2020, there are three (3) of us that will be retiring (highlighted in red). The attached third Organizational Chart as of December 31, 2022 shows that almost 1/3 of the MPWD staff will be eligible for retirement or retired (highlighted in yellow).

Therefore, staff recommends that three (3) Water Service Operators be hired and one (1) Accountant as reflected in the fourth Organizational Chart titled *PROPOSED – April 30, 2018*.

OPERATIONS

The goal would be for the three (3) Water Service Operators (WSO) to be trained by Operations Supervisors and staff, initially in meter operations so that the AMI meter change-out project could be completed. This would allow for the new Operations staff to learn the area and system. Two of them would be assigned to one Operations Supervisor presently assigned to capital project inspection, and one would be assigned to the Operations Supervisor responsible for the AMI project and all new development, which will be further explained during the Board meeting presentation. Existing Operations staff and/or new staff will share the duties and responsibilities of the retiring Lead Operator because of the significance of the assigned tasks (e.g., Water Quality, Safety, and Risk Management). A new WSO would replace the retiring Maintenance Technician. After AMI meter installations are completed, the WSOs would be trained in the respective operations as assigned or where needed and, through attrition, replace retiring Operations employees.

ADMINISTRATION

The Accountant would be taking responsibility for many of the basic front line accounting system functions currently being accomplished by the Administrative Services Manager. This would allow for more management level duties (e.g, Human Resources, budget development) that are currently administered and overseen by the General Manager to be taken on by the Administrative Services Manager. The Accountant would be trained as backup for the Administrative Services Manager as well.

Further succession planning is needed regarding the General Manager position when I retire in 2020. If an internal promotion is considered, then there would also need to be a plan for replacement of that position. Staff will address that issue with the Board.

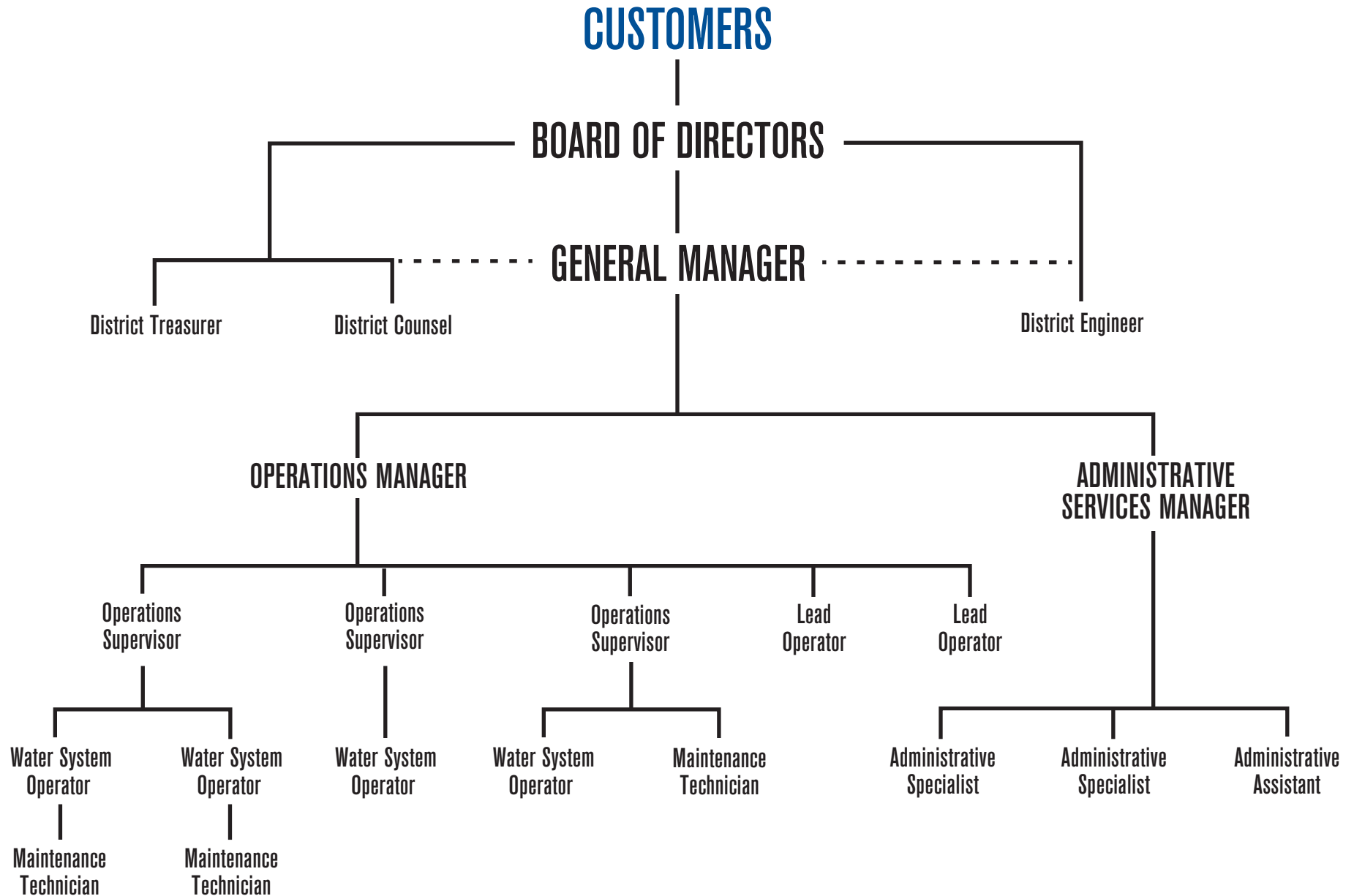
- Attachments: Organizational Chart dated April 26, 2018
 Organizational Chart – As of 12/31/2020
 Organizational Chart – As of 12/31/2022
 Organizational Chart – PROPOSED – April 30, 2018

BOARD ACTION: APPROVED:_____ DENIED:_____ POSTPONED:_____ STAFF DIRECTION:_____

UNANIMOUS_____ WARDEN_____ VELLA_____ LINVILL_____ ZUCCA_____ STUEBING_____



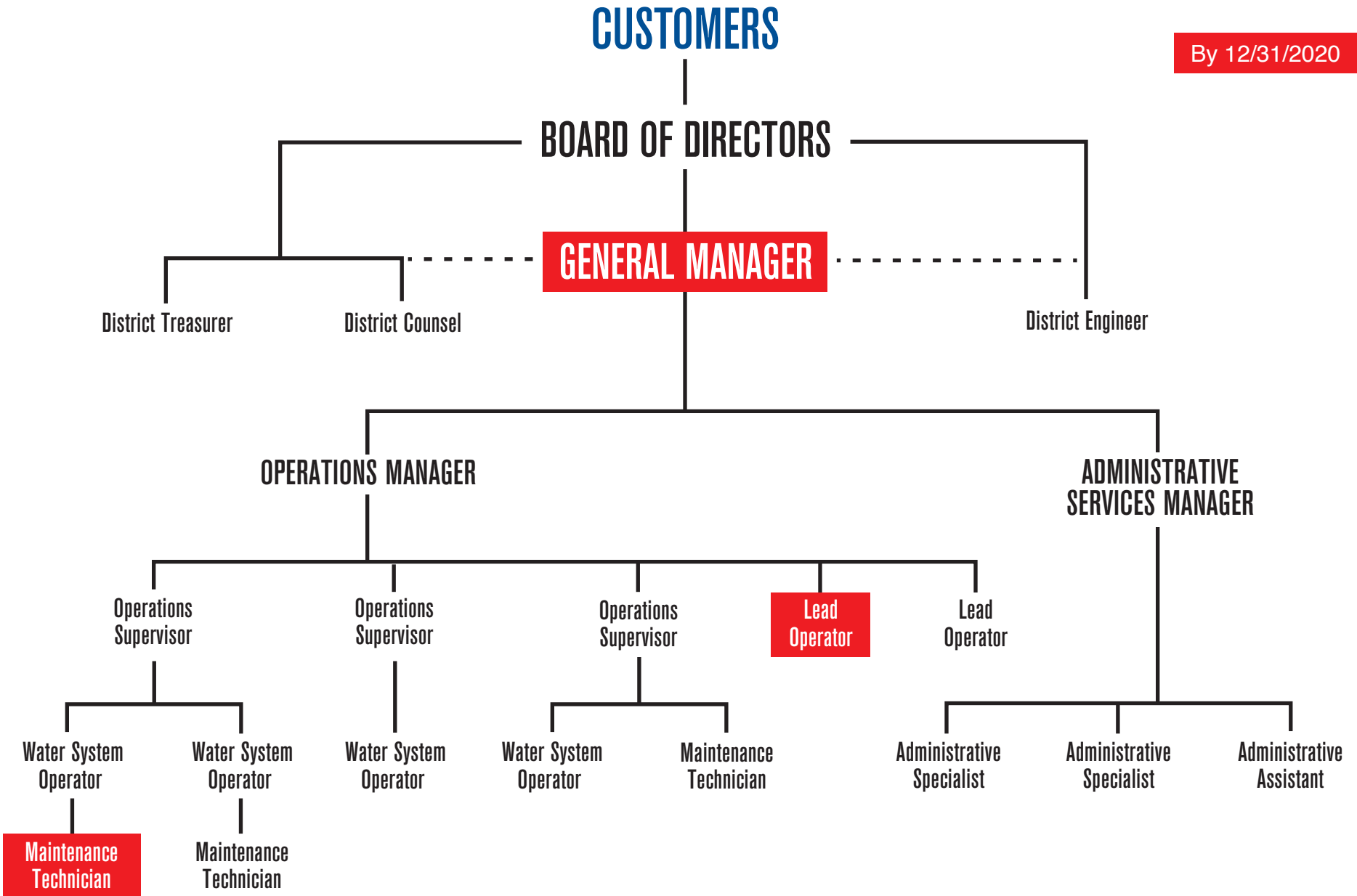
MPWD ORGANIZATIONAL CHART





MPWD ORGANIZATIONAL CHART

By 12/31/2020





MPWD ORGANIZATIONAL CHART

CUSTOMERS

By 12/31/2020

By 12/31/2022

BOARD OF DIRECTORS

GENERAL MANAGER

District Treasurer

District Counsel

District Engineer

OPERATIONS MANAGER

ADMINISTRATIVE SERVICES MANAGER

Operations Supervisor

Operations Supervisor

Operations Supervisor

Lead Operator

Lead Operator

Water System Operator

Water System Operator

Water System Operator

Water System Operator

Maintenance Technician

Administrative Specialist

Administrative Specialist

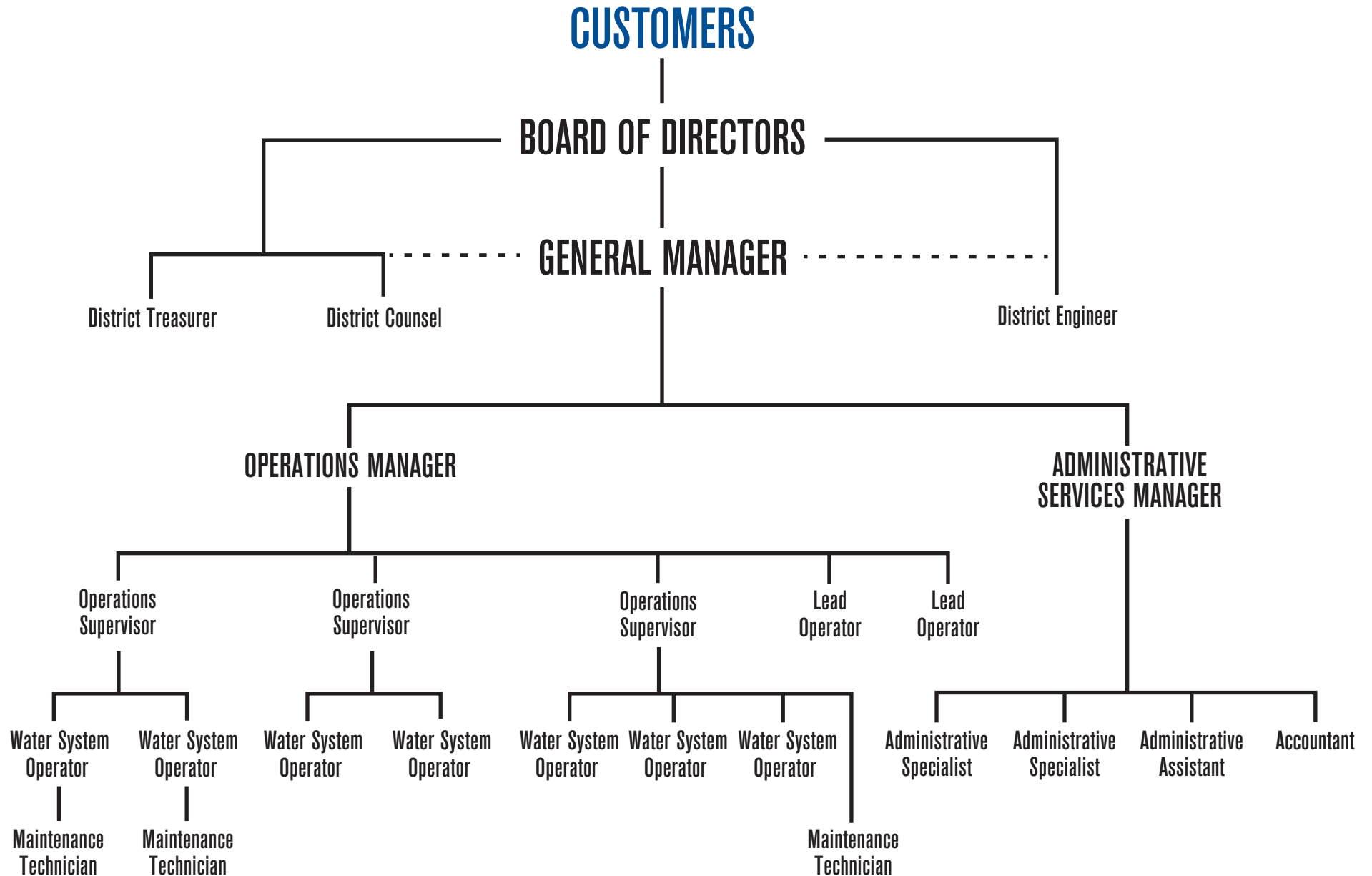
Administrative Assistant

Maintenance Technician

Maintenance Technician



MPWD ORGANIZATIONAL CHART





AGENDA ITEM NO. 8.D.

DATE: April 26, 2018
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: CONSIDER SAN MATEO COUNTY LOCAL AGENCY FORMATION COMMISSION CALL FOR NOMINATIONS FOR REGULAR SPECIAL DISTRICT MEMBER

RECOMMENDATION:

Consider San Mateo County Local Agency Formation Commission (LAFCo) call for nominations for regular Special District member.

FISCAL IMPACT:

None.

DISCUSSION:

Attached is the LAFCo call for nominations dated March 16, 2018. The regular Special District member's term on LAFCo expires next month (May 2018). The nomination would be to fill the seat for the next term that expires in May 2022. The election will likely be by mail ballot.

Nominations are required to be in writing and signed by the Board President or their designee and received by LAFCo by 5:00PM on Tuesday, June 12, 2018.

Attachment: LAFCo Call for Nominations dated March 16, 2018

BOARD ACTION: APPROVED:_____ DENIED:_____ POSTPONED:_____ STAFF DIRECTION:_____

UNANIMOUS_____ WARDEN_____ VELLA_____ LINVILL_____ ZUCCA_____ STUEBING_____



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

Please forward to Board President

CORRECTED

March 16, 2018

To: Presiding Officers/Board Presidents
Independent Special Districts, San Mateo County

Subject: Call for Nominations: Special District Selection Committee Mail Ballot to Elect
Regular Special District Member on San Mateo LAFCo Pursuant to Section 56332

This corrected letter is being sent to clarify that the position that is expiring in May 2018 is the regular Independent Special District Member on LAFCo.

As you know, San Mateo LAFCo is comprised of two county supervisor members appointed by the Board of Supervisors, two city council members appointed by the City Selection Committee (also known as the Council of Mayors), two special district members selected by the Special Districts Selection Committee (comprised of the presiding officers of the independent special districts), and one public member appointed by the six members of the Commission. An alternate for each type of membership is also selected in the same manner as regular members. Terms are four years ending on the first Monday in May and members serve until reappointed or their successor is appointed.

The purpose of this letter is to open the nomination period for the Independent Special District Selection Committee (SDSC) members for candidates to fill the independent special district regular member term that will expire in **May 2022**. This position with a term ending May 2018 is currently held by Joshua Cosgrove of North Coast County Water District. Government Code Section 56332 directs that the LAFCo Executive Officer shall call a meeting or provide for mail ballot to appoint independent special district members to LAFCo to fill vacancies or expiring terms. In this case, it has been determined that the election of a regular special district member for the upcoming four-year term ending **May 2022** shall be held by mail ballot. LAFCo will accept written nominations on your district's letterhead signed by your board president or board-appointed alternate. (No board action is necessary unless your board president is not able to participate.) Nominations may only be submitted in writing and with the signature of

COMMISSIONERS: MIKE O'NEILL, CHAIR, City ▪ ANN DRAPER, VICE CHAIR, Public ▪ JOSHUA COSGROVE, Special District ▪ RICH GARBARINO, City
DON HORSLEY, County ▪ JOE SHERIDAN, Special District ▪ WARREN SLOCUM, County

ALTERNATES: KATI MARTIN, Special District ▪ HARVEY RARBACK, City ▪ SEPI RICHARDSON, Public ▪ DAVE PINE, County

STAFF: MARTHA POYATOS, EXECUTIVE OFFICER ▪ REBECCA ARCHER, LEGAL COUNSEL ▪ JEAN BROOK, COMMISSION CLERK

the Special District President/Chair (or Board-appointed alternate board member) and must be received by LAFCo by 5:00 pm, on Tuesday, June 12, 2018.

Once the nomination period is closed, the LAFCo Executive Officer will distribute a notice and mail ballots, requesting return of the ballot no later than 21 days from the date of the notice. Section 56332(c)(2) provides for distribution of mail ballots by certified mail or by electronic mail with the consent of the district. For both expediency and cost savings it is hoped that districts will consent to distribution of the ballots by electronic mail. To this end, it is requested that your District return the attached "Authorization to transmit the LAFCo Special District Member Ballot by Electronic Mail" and provide LAFCo with the desired email address for distribution of the ballot.

In summary, nominations are now open for the independent special district regular member term that will expire in May 2018 and we need your district's authorization to transmit an election ballot via email.

Board presidents or board-appointed alternates are requested to complete the following two steps:

1. Submit written nominations on your district's letterhead with your signature or that of a board-appointed alternate.
2. Complete and submit the "Authorization to transmit the LAFCo Special District Member Mail Ballot by Electronic Mail."

You must return your authorization form and all nominations to LAFCo no later than 5:00 pm on Tuesday, June 12, 2018.

If you have questions concerning this process, please contact me directly.

Sincerely,



Martha Poyatos
Executive Officer

Attachment: Authorization Form

Distribution: Independent Special Districts in San Mateo County

CORRECTED

March 16, 2018

**Authorization to Transmit Special District Selection Committee Ballot
by Electronic Mail**

Pursuant to Section 56332(c)(2)

The _____ District hereby authorizes San Mateo LAFCo
(Name of district)

to send the Special District Selection Committee Ballot by electronic mail (email) to:

(Name of Board President or Board-authorized
Voting Delegate)

(Email address)

for the purpose of voting for **Regular Special District term ending May 2022.**

Submitted by: _____
(Printed name of District President or District Manager/Chief)

Signature: _____

Date: _____

Please return no later than **5:00 pm, Tuesday, June 12, 2018** by mail, fax, or electronic mail to:

Martha Poyatos, Executive
Officer
San Mateo LAFCo
455 County Center, 2nd Floor
Redwood City, CA 94063

650/363-4224 – phone
650/363-4849 – fax

Email: mpoyatos@smcgov.org



TO: Board of Directors
FROM: Tammy A. Rudock
General Manager
DATE: April 26, 2018

MANAGER'S REPORT

FOLLOW-UP FROM 03/22/18 REGULAR BOARD MEETING

- Continued to work with District Counsel and ICMA-RC on finalizing ICMA-RC 401 Governmental Money Purchase Plan and Trust as Voluntary Employee Benefit.
- Completed auction at GovDeals.com and the Operations Manager will report on the results.
- Executed Fourth Amendment to the General Manager's Employee Agreement and posted to the website.

2018 TOTAL COMPENSATION STUDY

Management met with the MPWD Employees Association and the following comparator agencies were agreed to for the 2018 Total Compensation Study:

- Alameda County Water District
- City of Burlingame
- City of Foster City
- City of Menlo Park
- City of Millbrae
- City of Redwood City
- City of San Bruno
- Coastside County Water District
- North Coast County Water District
- Westborough Water District

A notice to proceed was issued to KOFF & Associates, and the study is anticipated to take 10-12 weeks for completion. Target presentation to the Board: July 26, 2018 or August 23, 2018.

RULES OF THE BOARD

As committed, District Counsel and I met on April 16, 2018, and finalized a draft of the Rules of the Board, which were created from all of the different draft copies, including the one from the Board's committee. The finalized draft was transmitted on April 18th to the Board's Committee, Directors Linvill and Warden, for review and input. It is anticipated that the rules will be presented next month to the Board for consideration.

MPWD WATER CAPACITY CHARGES AND WATER DEMAND OFFSET FEES

Staff is preparing options for the Board’s consideration next month based upon recommendations made in the original Bartle Wells Associates report that these fees and charges be reviewed annually and adjusted for inflation. The fees and charges were approved by the Board on April 23, 2015 per Ordinance No. 112, and effective on May 23, 2015. No adjustments have been made since enactment.

UPDATE ON OPEB ACTUARIAL REPORT AS OF JULY 1, 2017

Staff continued working with actuarial consultant, Demsey, Filliger & Associates (DFA) in preparation of the 2017 OPEB Actuarial report. We anticipate a review with the Board during its regular meeting scheduled on June 28, 2018.

MPWD MISCELLANEOUS FEES AND CHARGES

Under current review by Dan Bergmann and staff are the MPWD’s Miscellaneous Fees and Charges. An associated revision to the MPWD’s Water Service Ordinance 103 will also be required, which will be coordinated with District Counsel. Field work identifying resources, cost-of-service analyses, and market comparisons, were initiated during the week of April 16th. Staff anticipates an initial discussion with the Board at its regularly scheduled meeting on June 28, 2018.

REQUEST FOR COMPENSATION FOR DAMAGES BY CITY OF BELMONT CONTRACTOR

Staff, District Counsel, Belmont City staff, and the Belmont City Attorney worked together regarding submittal of a request for compensation of costs incurred by the MPWD totaling \$15,948 as a result of damages to a water main on July 10, 2017 by Bay Pacific Pipelines, Inc., a contractor providing construction services to the City of Belmont for its 2016 Sewer Rehabilitation Project. The objective is to reimburse the MPWD from project retention funds held by the City under its contract with Bay Pacific.

Bay Pacific damaged the MPWD’s water main while performing work on the City’s sewer main on the 4100 block of Skymont Drive. During excavation to access the City’s sewer line, the contractor’s trench collapsed causing the MPWD’s water main to break. Additionally, Bay Pacific created a contamination risk to the water supply when their employees pumped water out of the trench with equipment previously used on the sewer project, requiring disinfection and water quality sampling before restoration of service to MPWD customers. Bypass water service was provided by the MPWD during the incident, until service was restored on July 17, 2017.

WATER CONSERVATION SUMMARY

Water consumption for March 2018 was down 27.5% when compared to 2013.

The R-GPCD (Residential-Gallons per Capita per Day) was 62.4 (compared to 84.0 in 2013).

Cumulative water savings from July 1, 2017 through March 31, 2018 (compared to 2013) was -14.9%.

The quarterly update on water conservation activities is attached.

3-MONTH “LOOK AHEAD” FOR BOARD MEETINGS

MAY 24, 2018

- Consider final DRAFT Operating and Capital Budgets for FY 2018/2019.
- Consider CPI increase in Water Capacity Charges and Water Demand Offset Fees.
- Review DRAFT MPWD Rules of the Board.
- Receive BAWSCA report.

JUNE 28, 2018

- Adopt FY 2018/2019 Operating and Capital Budgets.
- Receive MPWD OPEB Actuarial Report (as of July 1, 2017).
- Initial review and discussion of preliminary schedule of proposed/updated MPWD Miscellaneous Fees and Charges.

JULY 26, 2018

- Establish Appropriations Limit.
- Consider/Approve budgeted annual professional services agreements.
- Receive BAWSCA report.

UPCOMING MEETINGS/EVENTS

HIA Meeting (Belmont): May 3, 2018

BAWSCA Water Management Meeting (Foster City): May 3, 2018

ACWA JPIA 2018 Spring Conference & Exhibition (Sacramento): May 7-11, 2018

CSDA Special Districts Legislative Days (Sacramento): May 22-23, 2018

CSDA Annual Conference and Exhibition Showcase (Indian Wells): September 24-27, 2018

ACWA JPIA 2018 Fall Conference & Exhibition (San Diego): November 26-30, 2018

ACWA JPIA 2019 Fall Conference & Exhibition (Monterey): May 6-10, 2019



DATE: April 19, 2018
TO: Tammy Rudock, General Manager
FROM: Jeanette Kalabolas, Water Conservation Administrative Specialist

SUBJECT: 2018 FIRST QUARTER WATER CONSERVATION STAFF REPORT

SUBJECT #1: MPWD Annual Demand Projections Graph Update

BACKGROUND: In April 2017 staff advised it would share annually with the Board going forward up-to-date informal wholesale customer water demand projections provided by BAWSCA to better assist SFPUC in determining rates for the next fiscal year

DISCUSSION: The graph reflecting FY13-14 through present has been updated and attached. Again projected calculations were determined by referencing BAWSCA's Draft Technical Memo #3 where MPWD's water use efficiency has been evaluated and established in Million Gallons per Day (MGD) through 2040. FY18-19 projection volumes were established by converting the agreed 2018 Total Production with No Plumbing Code Savings of 3.25 MGD to 1,586,207 CCF. July–December 2017 actual sales of 688,702 CCF were provided by SFPUC and January–June 2018 were estimated at 711,297 CCF. This calculation was arrived at by averaging the reported FY16-17 projected use and reported FY17-18 projected use.

SUBJECT #2: Best Practices in Agenda Preparation and Minute Taking Webinar

BACKGROUND: Two-hour online course on procedures and legal requisites as they relate to Brown Act, agendas, Board packets and recording of minutes

DISCUSSION: The webinar defined the Brown Act and its purpose, what constitutes a meeting and a group, committee or authority as a legislative body, how communications between agency staff and the Board should be handled, Resolutions, agenda and packet preparation, posting of public notices and availability of records, special and emergency meeting guidelines, public participation, action versus formal minute requirements, recordings and their uses, reasons for a closed session, enforcement, and 2017-2019 Assembly Bill updates.

SUBJECT #3: Out-Sourcing Commercial WELO Post-Audit Inspections

BACKGROUND: MPWD Water Service Ordinance No. 115 requires staff to perform on-site audit inspection to confirm landscape and irrigation designs match application detail submitted on residential, multi-family and commercial new development projects in excess of 500 square feet and rehabilitation projects exceeding 1000 square feet

DISCUSSION: Staff is currently exploring the idea of hiring of an outside contractor to perform final post-site inspections before signing off on certificates of completion and issuing project approvals to the City of Belmont on commercial building projects. Development plans are often complex, large in scale and require special attention to environmental decrees. It was recently brought to staff's attention that a number of BAWSCA agencies use the current Lawn Be Gone Program's Landscape Service Provider in the capacity of auditor, so staff reached out to a number of agencies including Global Sun Landscape (GSL), the company under BAWSCA contract for feedback on how this process works. They shared that GSL is used in a consultant capacity on various levels ranging solely from site measurement and ETo calculation verification to plan check-review or post-site inspections, or both, to all of the above. Most associated costs are collected by the contractor through independent invoicing, which customers are made aware of during the application process. Staff expects a decision on the matter by Fiscal Year-End 2018.

SUBJECT #4: BAWSCA's Conservation (Making Water Conservation A California Way of Life) Strategic Plan Workshops 1 and 2 Action to Date

BACKGROUND: Develop a multi-year strategy to help member agencies meet the State's EO B-37-16 Making Conservation A California Way of Life Objectives

DISCUSSION: Workshop 1 was held January 10, 2018. The member agency gathering resulted in the following action items: Identify BAWSCA agencies that would be candidates for DWR aerial measurement pilot study and develop budget calculations to assess costs associated with measuring agency service territories; explore additional cost-effective CII audit options; continue regional information sharing on AMI implementation; re-evaluate CII classifications; write-up an approach for a BAWSCA Water Loss Management Subscription Program; and meter testing best practices. Workshop 2 was held February 28, 2018 and this member agency gathering resulted in the following action items: Continuation of aerial mapping pilot study dialogue; BAWSCA to consider a residential indoor vs. outdoor water use analysis to evaluate potential water savings opportunities; due to low interest the CII account re-classification idea was shelved; BAWSCA will establish a working group to explore the Water Loss Management Subscription Program concept further; and discussed the creation of an AMI Symposium and agencies were surveyed on best ways to share strategy feedback between one another.

SUBJECT #5: San Francisco Public Utility Commission (SFPUC) Joins National Mayor's Challenge for Water Conservation

BACKGROUND: City leaders nationwide are challenging their residents through a non-profit community service campaign to use water more efficiently, save energy and other natural resources and reduce pollution through a series of online pledge promises. The program is sponsored by Toyota and runs April 1-April 30, 2018

DISCUSSION: The program, in its 7th year is divided by population categories - 5,000-29,999, 30,000-99,999, 100,000-299,999, 300,000-599,999 and 600,000+ to make the contest fair and equitable. Contestants in participating cities promise to make more sustainable choices and in doing so become eligible to win hundreds of eco-friendly prizes. The program also helps to educate communities on available resources and benefits charities, as well. SFPUC entered the 2018 race and BAWSCA has shared that its understanding is that the contest is open to ALL within the industry and not just City officials. There are no costs to join. A media marketing toolkit is provided upon enrollment and the commitment offers a compelling, positive way to motivate a community to conserve. MPWD will consider enrollment in the challenge for 2019.

SUBJECT #6: SFPUC Water Supply Availability Update

BACKGROUND: Water conditions report that offers retailers a snapshot into supply averages, totals and expectations

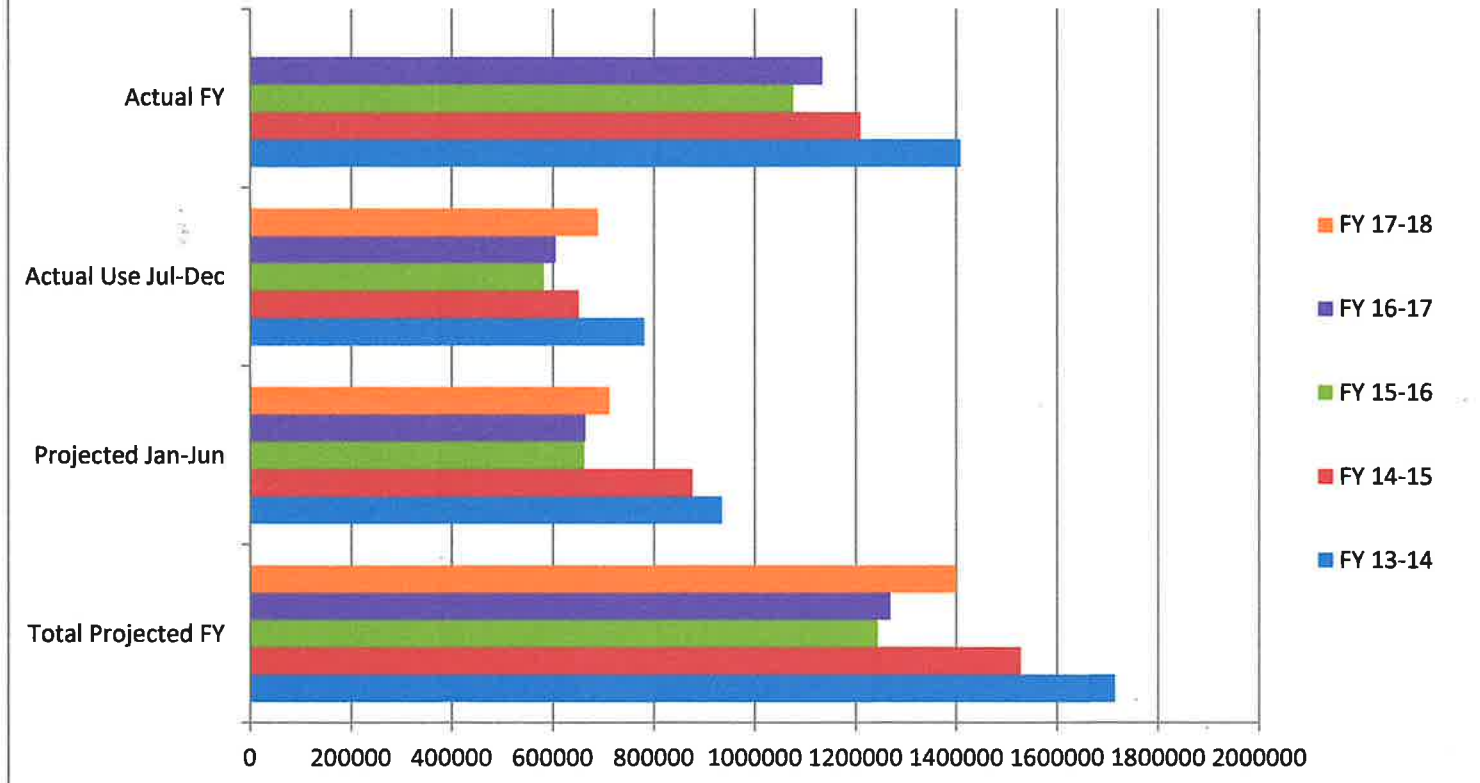
DISCUSSION: The Final Hydrological Conditions Report was issued April 11, 2018. After a relatively dry winter the rain and snow that fell in March has eased drought concerns through much of the state. Although March saw several storms water year precipitation is still running below normal for both the local and Hetch Hetchy watersheds (70% of the average annual WY total). On April 1 final water supply availability estimates measured 67% of long term averages. Storage levels remain high for this time of year with the exception of Lakes Eleanor and Cherry due to maintenance and repair work. The Water Bank is projected to debit throughout April as reservoirs continue to fill and inflow forecasts project that the total system storage will fill to 50% or greater. Demands continue to be at or below pre-drought levels. SFPUC anticipates no conservation mandate for Water Year (WY) 2018. This year's customer call to action is a request that retailers mirror the states campaign and push "Conservation as a Way of Life for ALL Californians".

SUBJECT #7: Captured Rainwater for Indoor Use Purposes

BACKGROUND: In 2013 California Building Standards Commission and Department of Housing and Community Development adopted Chapter 17 - Non-Potable Rainwater Catchment Systems as part of the plumbing code permitting the use of outdoor rainwater harvesting systems in a small range of capacities indoors

DISCUSSION: U.S. regulations for rain water catchment systems and outdoor non-potable use have been in place for decades. Industry interest in rain water catchment systems for indoor non-potable uses such as toilet flushing, laundry and bathing has recently begun to gain momentum. The EPA and other research groups have conducted studies and concluded that harvested rainwater using a "first flush" system and protected from light can be safe for household use. In 2014, Ecology Action, a Santa Cruz County based non-profit was awarded SWRCB Proposition 84 Grant funding to provide financial incentives to permit, construct, and monitor the first indoor, non-potable rainwater harvesting systems for toilet flushing and clothes washing in the Monterey Bay area. The purpose of the study was to monitor water quality and gauge customer return on investment and report out. Findings were positive in that minimum water quality code could successfully be met through micron filtration and chlorine injections or ultraviolet disinfection. Results also yielded that although incentives are beneficial integrating dual plumbing into initial building design or remodels is a much more efficient and less expensive alternative than retrofitting existing structures. In 2017 Ecology Action secured a second grant from Santa Clara Valley Water District (SCVWD) for an additional study currently underway to investigate water savings based on the same indoor harvest use premises identified above. SCVWD awarded the non-profit \$49,500 for the group to consult with select Santa Clara County residential, commercial, and institutional properties. Final results will be published at the conclusion of the study for regional industry reflection.

BAWSCA Demand Projections Reported to SFPUC in CCF





TO: Board of Directors

FROM: Candy Pina

DATE: April 26, 2018

ADMINISTRATIVE SERVICES MANAGER'S REPORT

FINANCIAL REPORTING:

1) **Schedule of Cash and Investments:**

SCHEDULE OF CASH AND INVESTMENTS		
CASH ACCOUNT	BALANCE @ 03/31/18	BALANCE @ 04/13/18
PETTY CASH	\$400	\$400
CASH DRAWER	\$200	\$200
WELLS FARGO CHECKING	\$345,926	\$20,531
LAIF	\$6,922,532	\$6,922,532
BNY INSTALLMENT ACCOUNT	\$365,448	\$365,448
TOTAL	\$7,634,507	\$7,309,111

Month End Bal of PARS/OPEB for February 2018 (March 2018 report not available): \$968,946.92.
 Total Net Losses of \$24,761.20 were reported. Net Earnings FY17/18 to date total \$30,938.15.

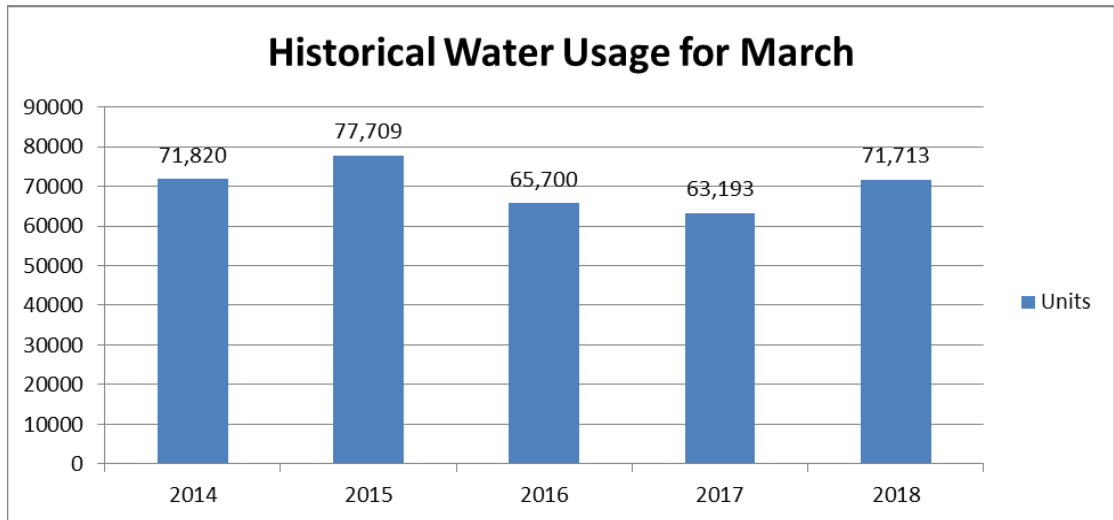
MPWD RESERVE FUNDS				
Reserve Account	Balance @ 02/28/2016	Balance @ 02/28/2017	Balance @ 02/28/2018	Budget for Reserve Policy
Capital Reserves	\$ 1,295,326	\$ 3,068,454	\$ 4,172,532	\$ 2,500,000
Emergency Reserves	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Working Capital Reserves	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
TOTAL RESERVE FUNDS	\$ 3,795,326	\$ 5,568,454	\$ 6,672,532	\$ 5,000,000

Reserve Account	Balance @ 03/31/2016	Balance @ 03/31/2017	Balance @ 03/31/2018	Budget for Reserve Policy
Capital Reserves			\$ 1,822,532	\$ 1,500,000
Working Capital Reserves			\$ 1,500,000	\$ 1,500,000
TOTAL RESERVE FUNDS	\$ 3,795,326	\$ 5,568,454	\$ 3,322,532	\$ 3,000,000
Committed Capital Pay-Go			\$ 500,000	\$ 500,000
PARS OPEB Liability			\$ 1,500,000	\$ 1,500,000
PARS PRSP Pension Liability			\$ 1,600,000	\$ 1,600,000
APPROVED RESERVE EXP			\$ 3,600,000	\$ 3,600,000
TOTAL RESERVE FUNDS	\$ 3,795,326	\$ 5,568,454	\$ 6,922,532	\$ 6,600,000

* Per Board Resolutions 2018-02; 2018-03; 2018-04 adopted 2/22/18.

2) Water Revenue Report:

WATER REVENUES for FISCAL YEAR 2017/2018					
Month	Total Units	Water Commodity Charges	Fixed System Charges	Total Water Revenues	Misc Rev
JUL	117,761	991,424.67	221,479.51	1,212,904.18	1,263.43
AUG	124,029	1,058,492.93	221,538.81	1,280,031.74	1,262.50
SEP	127,050	1,086,959.69	221,731.22	1,308,690.91	1,262.50
OCT	117,970	969,366.58	220,229.28	1,189,595.86	1,270.47
NOV	100,278	842,727.91	221,252.40	1,063,980.31	1,257.50
DEC	76,510	597,628.22	221,492.48	819,120.70	1,276.32
JAN	85,964	649,485.61	221,521.30	871,006.91	1,271.28
FEB	74,590	563,551.39	220,748.00	784,299.39	1,277.00
MAR	71,713	574,400.00	223,925.00	798,325.00	1,276.00
TOTAL	895,865	7,334,037.00	1,993,918.00	9,327,955.00	11,417.00



CONFERENCES, TRAINING, & MEETINGS:

- 1) Candy Pina: 04/10/18 – NovusAGENDA – Minutes Training/Review
- 2) Candy Pina: 04/11/18 – NovusAGENDA – Board Packet Training/Review
- 3) Candy Pina: 04/13/18 – Leadership Essentials Webinar
- 4) Jeanette Kalabolas: 04/16/18 - Best Practices in Agenda Preparation & Taking Minutes Webinar
- 5) Candy Pina: 04/17/18 – Meeting with Dan Bergmann re: COP report and Fees Rate Study
- 6) Candy Pina: 04/19/18 – Meeting with Jen Dermon from District Treasurer's office for financial review
- 7) Jeanette Kalabolas/Candy Pina: 04/21/18 – Belmont Earth Day
- 8) Jeanette Kalabolas/Laura Ravella/Misty Malczon/Candy Pina: 04/24/18 - Cipriani Field Trip at MPWD

TEAM BUILDING ACTIVITIES:

We celebrated with MPWD employees this month at the Annual Employee Appreciation Dinner.

We continue to celebrate birthdays.

LEGEND FOR MONTHLY EXPENDITURES REPORT:

3-digit checks: EFT checks

4-digit checks: Trustee BNY disbursements from COP Project Fund

5-digit checks: Vendor checks



TO: Board of Directors
FROM: Rene A. Ramirez, Operations Manager
DATE: April 26, 2018

OPERATIONS REPORT – March

Projects:

- We are still waiting for the dust to settle on the lawsuit so that staff can replace the last meter in Zone 1. As noted before, their water continues to be metered;
- Held a construction progress meeting with Stoloski & Gonzalez attended by District Engineer and District staff;
- Met with HydroScience Engineers for to go over basis of design report for the El Camino Real CIP;
- Met with Pakpour Consulting Group to go over utility information for the 2018 Water Main Replacement Project;
- Participated in a conference call with West Yost Associates to discuss a geotechnical report related to the Highway 101 crossing CIP; and
- Prepare for and hot-tap a 4-inch fire service at 840 Old County Road.

Maintenance:

- Responded to and completed 284 USA (underground service alerts) requests and identified infrastructure before digging in the streets or easements. Last month we marked 276 locations, a 7% decrease;
- Read meters in zones without AMI;
- Backfill and pave Monserrat trench where tee was removed from system – this was a part of the system that leaked down the hill side to San Juan last summer;
- Dig and repair broken curb stop at 2104 Coronet Boulevard;
- Dig and abandon a 5/8-inch service line at 699 Ralston Avenue;
- Working in shop due to incimate weather and carrying out some maintenance on barricades, parking signage; drilling holes in meter lids for AMI on those lids in stock that do not have a hole;
- Wanted to report out a major road repair on Alameda de las Pulgas following a water leak on March 23 requiring Half Moon Bay Grading and Paving to repair for District in coordination with City at a cost of \$107,700;
- Collected a requisite 44 water samples for bacteriological testing – all samples were normal and showed no signs of coliform bacteria;
- Continued to routinely monitor water system dead-ends continued for disinfectant residual; and

- Monitored for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring. One of two tanks at the following tank sites was removed from service for maintenance work and to maintain water quality: Buckland, Exbourne and Dekoven.

System Repairs:

Date	Location	Event	Material	Installation Date	Estimated Water Loss (Gals.)
3/10/18	Alameda de las Pulgas @ El Verano	Main Break – Split pipe	CIP	1952	42Kgals
3/3/18	Karen Road	Main Break – Split pipe	CIP	1952	Unknown
3/23/18	1512 Solana Road	Main Break – Split pipe	CIP	1954	Unknown
3/23/18	1533 Vine Street	Main Break-Split pipe	CIP	1958	Unknown

Development:

Staff is currently working with developers on 43 development projects up from 36 last month:

Mixed Use Commercial/Residential:

- o 576-600 El Camino Real – Fees paid, awaiting scheduling request from contractor;
- o 400-490 El Camino Real – Tentative schedule for meter installations;
- o 1325 Old County Rd. – Currently reviewing plans; letter of intent provided
- o 800 Belmont Ave. – Contacted by developer tentative plans; and
- o 815 Old County Rd. – Contacted by developer tentative plans.

Commercial:

- o 539 Harbor Blvd. – Updated installation quote;
- o 1201 Shoreway Road – Awaiting contractor schedule for inspection;
- o 1477 El Camino Real – Currently reviewing their plans;
- o 699 Ralston Ave. – Installation and service abandonment complete;
- o 940 Old County Road - Awaiting underground flush;
- o Belmont Ave Parcel APN's – (2) awaiting plans;
- o 1500 Ralston Ave. – Currently reviewing plans;
- o 2200 Carlmont Dr. – Fee Schedule provided to architect;
- o 1400 Alameda de las Pulgas – Plans approved, awaiting submittals ;
- o 400 Industrial Road – Plans approved fee schedule provided to developer; and

- 2710 Ralston Ave. – Awaiting plans.

Residential/Multi-Family:

- 1829 Oak Knoll – Installation scheduled;
- 10 Notre Dame Place – Pre-constuction meeting scheduled;
- 1919 Oak Knoll Dr. – Currently reviewing their plans;
- 1630 Robin Whipple – Currently reviewing their plans;
- 2720 Belmont Canyon Rd - Currently reviewing their plans;
- 1922 Bayview – Plans approved, fee schedule provided;
- 2515 Carlmont Dr. - Currently reviewing their plans;
- 1105 Tahoe – Developer requesting fire flow;
- 2856 San Juan - Plans approved, fee schedule provided;
- 2009 Mezes – Currently reviewing their plans;
- 2723 Monserrat – Currently reviewing their plans;
- 796 Miramar Terrace - Currently reviewing their plans;
- 2114 Cipriani – Currently reviewing their plans;
- Bishop Road development – Payment for install, 1 of 3;
- Talbryn Dr. parcel - Developer requesting system information;
- Ralston Parcel - Developer requesting system information;
- 2620 Ponce – Currently reviewing their plans;
- 1320 Talbryn Lane Development- Developer returned WSA agreement;
- 2712 Comstock – Installed, awaiting backflow installation;
- 2689 Comstock – Installed, awaiting backflow installation;
- 3918 Christian Dr. – Plans approved;
- 517 Middlesex Road - Currently reviewing their plans;
- 665 South - Currently reviewing their plans;
- 2514 Carmelita - Currently reviewing their plans;
- 1121 Notre Dame - Currently reviewing their plans;
- 3900 Marsten – Currently reviewing their plans; and
- 1121 Judson St. - Plans approved.

Administration:

- Discussing uniform needs with field staff as current contract is set to expire in a couple of months;
- All Operations staff attended a “lunch and learn” provided by the General Manager for all employees to go over the District’s benefits package;
- Held an Operations staff meeting;
- Participated in a pre-construction meeting with the City of Belmont, construction manager Tanner Pacific and contractor K. J. Woods on the joint water and sewer project that is anticipated to begin in May/June 2018;
- Several members of staff attended an AWWA Operator Symposium over a two-day period in Burlingame to network and obtain certification contact hours;
- Participated in a conference call with City of Belmont and their consulting engineer to discuss their sewer project on Shoreway Road and potential conflicts and solutions with the District’s water system;
- A couple of District Operators attended a supervising class as a part of training;

- Continue to actively managing five (5) engineering design contracts related to the CIP; and
- Continued to actively manage power use during pumping operations.



MEMO

Agency: Mid-Peninsula Water District **Date** April 19, 2018
Attn: Board of Directors
Project Name: Karen, Mezes, Arthur, South & Folger Water Main Improvements **Project No.** 10012.16
Reference: Project Update
From: Joubin Pakpour, P.E. – District Engineer *JP*

Construction Status

During March, with nine rain days, S&G only had a total of 13 working days. During this month 8-inch water main, 8-inch PRV station and all the fire hydrants along Arthur Avenue were installed. Starting in April, S&G will complete the tie-ins along the Arthur Avenue and will move the service meter connections over to the new water main, at the same time an additional crew will install the 8-inch water main along Karen Road.

Project Schedule

On March 08, 2018, S&G requested an additional 35 working days to be added to the contract mainly due to lower production rate caused by unforeseen problems such as utility conflict, changes in water main alignments, etc. The District project team evaluated S&G request and ultimately decided to grant S&G an additional 20 working days.

As of April 1, 2018, the project has 36 out of 161 working days remaining on the contract (110 contract days with an additional 51 days for Change Orders No.1, No.2, and No.3), with 32% of the work remaining.

Remaining work on South Road, Folger Road, Folger Court and Mezes Avenue, includes slurry seal and striping. Remaining work on Arthur Avenue includes three tie-ins, service connections, paving, slurry seal, and striping.

Change Orders

Enclosed please find Change Order No.3 for 29 working days of non-compensable time extension due to inclement weather and S&G request dated March 8, 2018. With no additional cost for change order No.3, the total change order as of March 31, 2018, is (\$24,518.94) or 1.7% of the total contract amount, same as the previous report.

Request for Progress Payment No. 6

As of March 31, 2018, S&G completed 68% of the contractual work (**\$1,423,099.94**). Enclosed please find Progress Payment No.6 due S&G for this period for **\$361,921.00** (value of work including change order, less 5% retention). The work performed to date has been satisfactory, and payment is recommended.

	Current Month	Total	
Original Contract Amount		\$ 2,055,271.00	
Approved Change Orders	\$0.00	\$ 34,518.94	1.7%
Final Contract Amount		\$ 2,089,789.94	
Previous Value of Work Completed		\$ 1,042,129.94	
Previously Paid		\$ 990,023.94	
Current Request (Includes Change orders, Less Retention)	\$ 361,921.00	\$ 1,351,944.94	
Retention	\$ 19,049.00	\$ 71,155.00	
Total Value of Work Completed	\$ 380,970.00	\$ 1,423,099.94	68%
Total Remaining on Contract		\$ 666,690.00	32%

**Mid-Peninsula Water District Water District
Karen, Mezes, Arthur, South and Folger Water Main Improvements
Project No. 10012.16**

**Change Order No. 3
Stoloski & Gonzalez, Inc.
April 19, 2018**

Item No. 1 – Twenty (20) working day non-compensable time extension per Stoloski & Gonzalez (S&G) Request.

On March 08, 2018, S&G requested an additional 35 working days to be added to the contract mainly due to lower production rate caused by unforeseen problems such as utility conflict, changes in alignment, etc. The District project team evaluated S&G request and ultimately decided to grant S&G an additional 20 working days.

Total Cost of Item No. 1 -	\$ 0.00
Total Increase of Working Days for Item No. 1 -	20 Day

Item No. 2 – Nine (9) working day non-compensable time extension due to inclement weather.

During March 2018, S&G requested additional working days to account for project shutdowns due to inclement weather. The District agreed to a non-compensable time extension of Nine (9) working days for the dates listed below.

March 1, 2018	March 2, 2018	March 13, 2018
March 14, 2018	March 15, 2018	March 16, 2018
March 20, 2018	March 21, 2018	March 22, 2018

Total Cost of Item No. 2 -	\$ 0.00
Total Increase of Working Days for Item No. 2 -	9 Days

Total Cost of Change Order No. 3	\$ 0.00
Overall Increase of Working Days for Change Order No. 3 -	29 Days

Other Terms Remain in Effect

This Change Order fully resolves all cost and time issues related to the work described above, including any indirect effects or the effect of this Change Order on any other work performed by Stoloski & Gonzalez, Inc. This Change Order does not modify or supersede any provision of the Contract, unless, and only to the extent, explicitly stated in this Change Order.

Signature Block

Prepared by:

Feraydoon Jahanian-Farsi
District Project Manager
Pakpour Consulting Group

Reviewed and Approved by:

Michael Anderson
District Inspector
Mid-Peninsula Water District

Reviewed and Approved by:

Joubin Pakpour, P.E.
District Engineer
Pakpour Consulting Group

Reviewed and Approved by:

Tammy Rudock
General Manager
Mid-Peninsula Water District

Reviewed and Approved by:

Mark Stoloski
Project Manager
Stoloski & Gonzalez, Inc.

Bid Item	Description	Original Contract Amount				Change Order			Revised Contract Amount			Earned This Period			Prior Billing			Total to Date		
		Unit	Unit Price	Qty.	Total Price	Qty.	Unit Price	Total Price	Qty.	Unit Price	Total Price	Qty.	Amount Earned	%	Qty.	Amount Earned	%	Qty.	Amount Earned	%
1	8" Fusible C900 PVC	LF	\$ 203	972	\$ 197,316.00	0	\$ 203	\$ -	972	\$ 203.00	\$ 197,316.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
2	8-inch Class 350 DIP	LF	\$ 309	1,563	\$ 482,967.00	0	\$ 309	\$ -	1,563	\$ 309.00	\$ 482,967.00	1080	\$ 333,720.00	69%	533	\$ 164,697.00	34%	1613	\$ 498,417.00	103%
3	10-inch Class 350 DIP	LF	\$ 336	785	\$ 263,760.00	0	\$ 336	\$ -	785	\$ 336.00	\$ 263,760.00	0	\$ -	0%	794	\$ 266,784.00	101%	794	\$ 266,784.00	101%
4	Dairy Lane - Fire Service Tie-in at Sta. 10+00 (Detail A)	LS	\$ 6,500	1	\$ 6,500.00	0	\$ 6,500	\$ -	1	\$ 6,500.00	\$ 6,500.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
5	Karen Road/O'Neill Avenue - Tie-in to 8" PVC at Sta. 11+79 (Detail B)	LS	\$ 8,500	1	\$ 8,500.00	0	\$ 8,500	\$ -	1	\$ 8,500.00	\$ 8,500.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
6	Karen Road/O'Neill Avenue - Tie-in to 12" ACP at Sta. 12+12 (Detail C)	LS	\$ 6,500	1	\$ 6,500.00	0	\$ 6,500	\$ -	1	\$ 6,500.00	\$ 6,500.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
7	Karen Road - Fire Service Tie-in at Sta. 13+97	LS	\$ 7,000	1	\$ 7,000.00	0	\$ 7,000	\$ -	1	\$ 7,000.00	\$ 7,000.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
8	Karen Road/Harbor Blvd - Tie-in to 12" ACP at Sta. 19+72 (Detail D)	LS	\$ 19,000	1	\$ 19,000.00	0	\$ 19,000	\$ -	1	\$ 19,000.00	\$ 19,000.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
9	Mezes Avenue - Tie-in to 6" CIP, Sta. 10+00 to 10+15 (Detail E)	LS	\$ 12,000	1	\$ 12,000.00	0	\$ 12,000	\$ -	1	\$ 12,000.00	\$ 12,000.00	0	\$ -	0%	1	\$ 12,000.00	100%	1	\$ 12,000.00	100%
10	Mezes Avenue - Tie-in to 6" CIP, Sta. 13+45 to 13+55 (Detail F)	LS	\$ 10,500	1	\$ 10,500.00	0	\$ 10,500	\$ -	1	\$ 10,500.00	\$ 10,500.00	0	\$ -	0%	1	\$ 10,500.00	100%	1	\$ 10,500.00	100%
11	Mezes Avenue/Lyon Avenue - Tie-in to 4" PVC, Sta. 20+59 to 20+88 (Detail G)	LS	\$ 23,000	1	\$ 23,000.00	0	\$ 23,000	\$ -	1	\$ 23,000.00	\$ 23,000.00	0	\$ -	0%	1	\$ 23,000.00	100%	1	\$ 23,000.00	100%
12	Arthur Avenue - Tie-in to 8" CIP, Sta. 10+00 to 10+10 (Detail H)	LS	\$ 10,900	1	\$ 10,900.00	0	\$ 10,900	\$ -	1	\$ 10,900.00	\$ 10,900.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
13	Arthur Avenue/Coronet Blvd - Tie-in to 8" CIP at Sta. 10+54 (Detail I)	LS	\$ 15,600	1	\$ 15,600.00	0	\$ 15,600	\$ -	1	\$ 15,600.00	\$ 15,600.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
14	Arthur Avenue/Covington Road - 6" DIP Modification (Detail J)	LS	\$ 12,700	1	\$ 12,700.00	0	\$ 12,700	\$ -	1	\$ 12,700.00	\$ 12,700.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
15	Arthur Avenue/Alameda de las Pulgas - Tie-in to 8" CIP at Sta. 20+93 (Detail K)	LS	\$ 16,000	1	\$ 16,000.00	0	\$ 16,000	\$ -	1	\$ 16,000.00	\$ 16,000.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
16	Middle Road/Notre Dame Avenue - 6"/8" CIP Tie-ins (Detail L)	LS	\$ 29,000	1	\$ 29,000.00	0	\$ 29,000	\$ -	1	\$ 29,000.00	\$ 29,000.00	0	\$ -	0%	1	\$ 29,000.00	100%	1	\$ 29,000.00	100%
17	South Road/Middle Road - 6" CIP Tie-in (Detail M)	LS	\$ 32,000	1	\$ 32,000.00	0	\$ 32,000	\$ -	1	\$ 32,000.00	\$ 32,000.00	0	\$ -	0%	1	\$ 32,000.00	100%	1	\$ 32,000.00	100%
18	South Road/Debbie Lane - 6" CIP Tie-in (Detail N)	LS	\$ 35,400	1	\$ 35,400.00	0	\$ 35,400	\$ -	1	\$ 35,400.00	\$ 35,400.00	0	\$ -	0%	1	\$ 35,400.00	100%	1	\$ 35,400.00	100%
19	South Road/Hainline Drive - 4" CIP Tie-in (Detail O)	LS	\$ 21,000	1	\$ 21,000.00	0	\$ 21,000	\$ -	1	\$ 21,000.00	\$ 21,000.00	0	\$ -	0%	1	\$ 21,000.00	100%	1	\$ 21,000.00	100%
20	South Road/Korbel Way - 4" CIP Tie-in (Detail P)	LS	\$ 18,000	1	\$ 18,000.00	0	\$ 18,000	\$ -	1	\$ 18,000.00	\$ 18,000.00	0	\$ -	0%	1	\$ 18,000.00	100%	1	\$ 18,000.00	100%
21	South Road Vannier Drive - 4" CIP Tie-in (Detail Q)	LS	\$ 18,500	1	\$ 18,500.00	0	\$ 18,500	\$ -	1	\$ 18,500.00	\$ 18,500.00	0	\$ -	0%	1	\$ 18,500.00	100%	1	\$ 18,500.00	100%
22	South Road/College View Way - 8" ACP Tie-in (Detail R)	LS	\$ 22,000	1	\$ 22,000.00	0	\$ 22,000	\$ -	1	\$ 22,000.00	\$ 22,000.00	0	\$ -	0%	1	\$ 22,000.00	100%	1	\$ 22,000.00	100%
23	Folger Drive - Tie-in to 10" DIP, Sta: 10+00 to 10+10 (Detail S)	LS	\$ 6,000	1	\$ 6,000.00	0	\$ 6,000	\$ -	1	\$ 6,000.00	\$ 6,000.00	0	\$ -	0%	1	\$ 6,000.00	100%	1	\$ 6,000.00	100%
24	Folger Drive/Notre Dame Avenue - Tie-in to 6" CIP, Sta. 17+95 to 18+00 (Detail T)	LS	\$ 7,000	1	\$ 7,000.00	0	\$ 7,000	\$ -	1	\$ 7,000.00	\$ 7,000.00	0	\$ -	0%	1	\$ 7,000.00	100%	1	\$ 7,000.00	100%
25	10" Gate Valve	EA	\$ 3,600	5	\$ 18,000.00	0	\$ 3,600	\$ -	5	\$ 3,600.00	\$ 18,000.00	0	\$ -	0%	5	\$ 18,000.00	100%	5	\$ 18,000.00	100%
26	8" Gate Valve	EA	\$ 2,500	42	\$ 105,000.00	0	\$ 2,500	\$ -	42	\$ 2,500.00	\$ 105,000.00	6	\$ 15,000.00	14%	25	\$ 62,500.00	60%	31	\$ 77,500.00	74%
27	8" Fire Service Connection (Assembly)	EA	\$ 17,500	1	\$ 17,500.00	0	\$ 17,500	\$ -	1	\$ 17,500.00	\$ 17,500.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
28	6" Fire Hydrant Assembly	EA	\$ 12,500	12	\$ 150,000.00	0	\$ 12,500	\$ -	12	\$ 12,500.00	\$ 150,000.00	1	\$ 12,500.00	8%	6	\$ 75,000.00	50%	7	\$ 87,500.00	58%
29	Fire Hydrant Bollard	EA	\$ 400	20	\$ 8,000.00	0	\$ 400	\$ -	20	\$ 400.00	\$ 8,000.00	4	\$ 1,600.00	20%	0	\$ -	0%	4	\$ 1,600.00	20%
30	Fire Hydrant Retaining Wall	EA	\$ 3,900	1	\$ 3,900.00	0	\$ 3,900	\$ -	1	\$ 3,900.00	\$ 3,900.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
31	2" Blow-Off Assembly	EA	\$ 4,200	1	\$ 4,200.00	0	\$ 4,200	\$ -	1	\$ 4,200.00	\$ 4,200.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%

Bid Item	Description	Original Contract Amount				Change Order			Revised Contract Amount			Earned This Period			Prior Billing			Total to Date		
		Unit	Unit Price	Qty.	Total Price	Qty.	Unit Price	Total Price	Qty.	Unit Price	Total Price	Qty.	Amount Earned	%	Qty.	Amount Earned	%	Qty.	Amount Earned	%
32	1" Combination Air Valve	EA	\$ 3,100	1	\$ 3,100.00	0	\$ 3,100	\$ -	1	\$ 3,100.00	\$ 3,100.00	0	\$ -	0%	3	\$ 9,300.00	300%	3	\$ 9,300.00	300%
33	8" PRV Station	LS	\$ 31,000	1	\$ 31,000.00	0	\$ 31,000	\$ -	1	\$ 31,000.00	\$ 31,000.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
34	Anode Test Station	EA	\$ 1,400	11	\$ 15,400.00	0	\$ 1,400	\$ -	11	\$ 1,400.00	\$ 15,400.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
35	2" Service Connection to Existing Meter	EA	\$ 3,700	1	\$ 3,700.00	0	\$ 3,700	\$ -	1	\$ 3,700.00	\$ 3,700.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
36	1.5" Service Connection	EA	\$ 3,500	1	\$ 3,500.00	0	\$ 3,500	\$ -	1	\$ 3,500.00	\$ 3,500.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
37	1" Service Connection with 2" Service line	EA	\$ 3,200	1	\$ 3,200.00	0	\$ 3,200	\$ -	1	\$ 3,200.00	\$ 3,200.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
38	1" or 5/8" Service Connection	EA	\$ 3,100	68	\$ 210,800.00	0	\$ 3,100	\$ -	68	\$ 3,100.00	\$ 210,800.00	0	\$ -	0%	43	\$ 133,300.00	63%	43	\$ 133,300.00	63%
39	Residential PRV	EA	\$ 400	3	\$ 1,200.00	0	\$ 400	\$ -	3	\$ 400.00	\$ 1,200.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
40	Service Meter Retaining Wall	EA	\$ 1,100	5	\$ 5,500.00	0	\$ 1,100	\$ -	5	\$ 1,100.00	\$ 5,500.00	0	\$ -	0%	5	\$ 5,500.00	100%	5	\$ 5,500.00	100%
41	Abandon Existing Fire Hydrant Assembly	EA	\$ 800	7	\$ 5,600.00	0	\$ 800	\$ -	7	\$ 800.00	\$ 5,600.00	0	\$ -	0%	3	\$ 2,400.00	43%	3	\$ 2,400.00	43%
42	Abandon Existing Gate Valve/Blow-Off	EA	\$ 450	25	\$ 11,250.00	0	\$ 450	\$ -	25	\$ 450.00	\$ 11,250.00	0	\$ -	0%	21	\$ 9,450.00	84%	21	\$ 9,450.00	84%
43	Traffic Striping and Markings	LS	\$ 25,000	1	\$ 25,000.00	0	\$ 25,000	\$ -	1	\$ 25,000.00	\$ 25,000.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
44	Type II Slurry Seal	SF	\$ 0.39	120,200	\$ 46,878.00	0	\$ 0.39	\$ -	120,200	\$ 0.39	\$ 46,878.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
45	4" Deeplift Pavement Repair at Karen Road	SF	\$ 12	2,900	\$ 34,800.00	0	\$ 12	\$ -	2,900	\$ 12.00	\$ 34,800.00	0	\$ -	0%	590	\$ 7,080.00	20%	590	\$ 7,080.00	20%
46	Traffic Control	LS	\$ 45,000	1	\$ 45,000.00	0	\$ 45,000	\$ -	1.00	\$ 45,000.00	\$ 45,000.00	0.35	\$ 15,750.00	35%	0.40	\$ 18,000.00	40%	0.75	\$ 33,750.00	75%
47	Street Sweeping	EA	\$ 600	36	\$ 21,600.00	0	\$ 600	\$ -	36	\$ 600.00	\$ 21,600.00	4	\$ 2,400.00	11%	2	\$ 1,200.00	6%	6	\$ 3,600.00	17%
	Change Order No.1 (November 1, 2017 thru December 31, 2017)					1	\$ 23,716.83	\$ 23,716.83	1	\$ 23,716.83	\$ 23,716.83	0	\$ -	0%	1	\$ 23,716.83	100%	1	\$ 23,716.83	100%
	Change Order No.2 (January 1, 2018 thru February 28, 2018)					1	\$ 10,802.11	\$ 10,802.11	1	\$ 10,802.11	\$ 10,802.11	0	\$ -	0%	1	\$ 10,802.11	100%	1	\$ 10,802.11	100%
	Change Order No.3 (March 1, 2018 thru March 31, 2018)					1	\$ -	\$ -	1	\$ -	\$ -	1	\$ -	0%	1	\$ -	0%	1	\$ -	0%
	Contract Amount				\$2,055,271.00			\$34,518.94			\$2,089,789.94									
	Amount Earned											\$380,970.00	18%		\$1,042,129.94	50%		\$1,423,099.94	68%	
	Retention (5%)											(\$19,049.00)			(\$52,106.00)			(\$71,155.00)		
	Progress Payment No.1																		(\$135,090.00)	
	Progress Payment No.2																		(\$220,599.00)	
	Progress Payment No.3																		(\$260,757.00)	
	Progress Payment No.4																		(\$142,355.83)	
	Progress Payment No.5																		(\$231,222.11)	
	Amount Due											\$361,921.00						\$361,921.00		
	Amount Remaining on Contract																	\$666,690.00	32%	

Prepared By

JP

Joubin Pakpour, P.E.
District Engineer

Amount Remaining on Contract	\$666,690.00	32%
Total Retention Being Held	\$71,155.00	

Karen, Mezes, Arthur, South Folger Water Main Improvements
Progress Payment No. 06
Breakdown Summary

Karen Road	Current	Total	
Original Contract Amount		\$438,196.00	
Approved Change Orders	\$0.00	\$0.00	0%
Final Contract Amount		\$438,196.00	
Previous Value of Work Completed		\$0.00	
Previously Paid		\$0.00	
Current Request (Less Retention)	\$0.00	\$0.00	
Retention	\$0.00	\$0.00	
Total Value of Work Completed	\$0.00	\$0.00	0%
Total Remaining on Contract		\$438,196.00	100%

Mezes Avenue	Current	Total	
Original Contract Amount		\$235,278.00	
Approved Change Orders	\$0.00	\$4,505.24	2%
Final Contract Amount		\$239,783.24	
Previous Value of Work Completed		\$232,031.24	
Previously Paid		\$220,429.24	
Current Request (Less Retention)	\$0.00	\$220,429.24	
Retention	\$0.00	\$11,602.00	
Total Value of Work Completed	\$0.00	\$232,031.24	97%
Total Remaining on Contract		\$7,752.00	3%

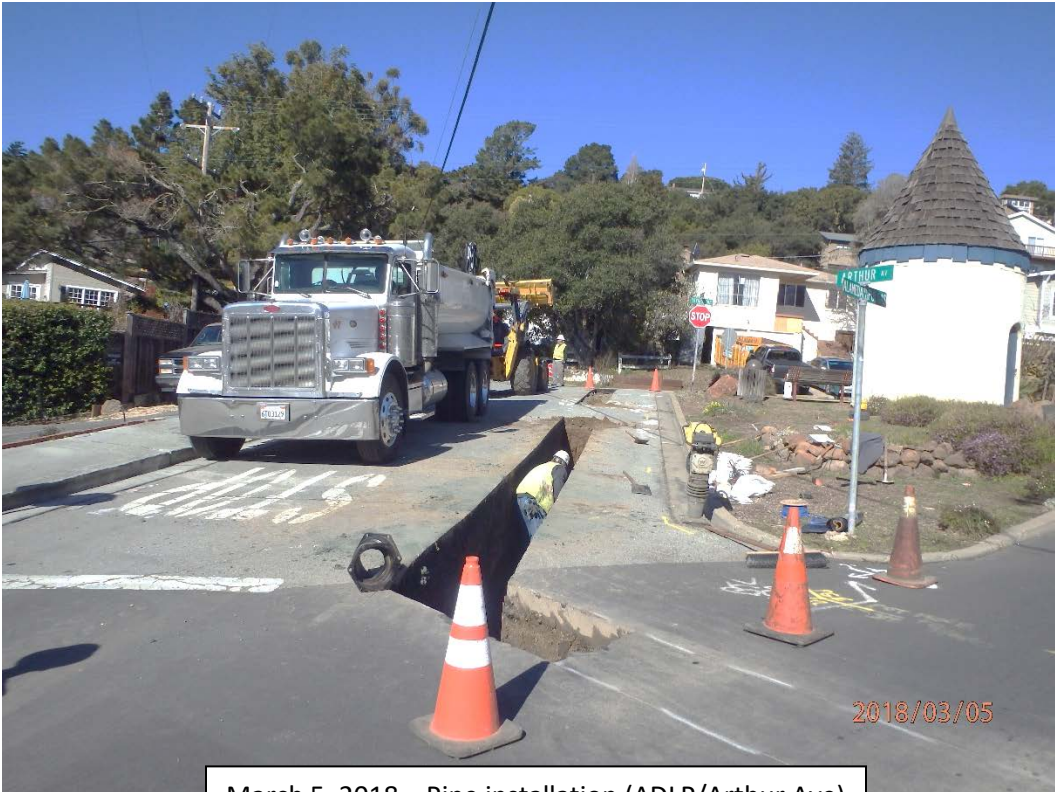
Arthur Avenue	Current	Total	
Original Contract Amount		\$553,771.00	
Approved Change Orders	\$0.00	\$0.00	0%
Final Contract Amount		\$553,771.00	
Previous Value of Work Completed		\$0.00	
Previously Paid		\$0.00	
Current Request (Less Retention)	\$360,401.00	\$360,401.00	
Retention	\$18,969.00	\$18,969.00	
Total Value of Work Completed	\$379,370.00	\$379,370.00	69%
Total Remaining on Contract		\$174,401.00	31%

South Road	Current	Total	
Original Contract Amount		\$366,929.00	
Approved Change Orders	\$0.00	\$1,342.68	0.4%
Final Contract Amount		\$368,271.68	
Previous Value of Work Completed		\$346,218.68	
Previously Paid		\$328,907.68	
Current Request (Less Retention)	\$760.00	\$329,667.68	
Retention	\$40.00	\$17,351.00	
Total Value of Work Completed	\$800.00	\$347,018.68	94%
Total Remaining on Contract		\$21,253.00	6%

Folger Drive	Current	Total	
Original Contract Amount		\$461,097.00	
Approved Change Orders		\$28,671.02	6.2%
Final Contract Amount		\$489,768.02	
Previous Value of Work Completed		\$463,880.02	
Previously Paid		\$440,686.02	
Current Request (Less Retention)	\$760.00	\$441,446.02	
Retention	\$40.00	\$23,234.00	
Total Value of Work Completed	\$800.00	\$464,680.02	95%
Total Remaining on Contract		\$25,088.00	5%

Total (All Projects)	Current	Total	
Original Contract Amount		\$2,055,271.00	
Approved Change Orders	\$0.00	\$34,518.94	1.7%
Final Contract Amount		\$2,089,789.94	
Previous Value of Work Completed		\$1,042,129.94	
Previously Paid		\$990,023.94	
Current Request (Less Retention)	\$361,921.00	\$1,351,944.94	
Retention	\$19,049.00	\$71,155.00	
Total Value of Work Completed	\$380,970.00	\$1,423,099.94	68%
Total Remaining on Contract		\$666,690.00	32%

**Karen, Mezes, Arthur, South & Folger Water Main Improvements
Mid-Peninsula Water District, Belmont, CA
March 1, 2018 Thru March 31, 2018**



March 5, 2018 – Pipe installation (ADLP/Arthur Ave)



March 5, 2018 – Connection to 8" PRV station (ADLP/Arthur Ave)

Karen, Mezes, Arthur, South & Folger Water Main Improvements
Mid-Peninsula Water District, Belmont, CA
March 1, 2018 Thru March 31, 2018



March 5 - March 27, 2018 – Pipe installation (Arthur Ave)

**MID-PENINSULA WATER DISTRICT
BUDGET FOR YEAR 2017-2018
SUMMARY**

DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUALS 7/1/2017 3/31/18	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 75.1%
				Y-T-D % OF BUDGET
OPERATING REVENUE				
WATER COMMODITY CHARGES	8,700,000	7,334,037	1,365,963	84.3%
FIXED SYSTEM CHARGES	2,663,720	1,993,918	669,802	74.9%
FIRE SERVICE CHARGES	14,000	11,417	2,583	81.6%
SERVICE LINE & INSTALLATION CHARGES	10,000	76,762	(66,762)	767.6%
MISCELLANEOUS OPERATING	10,000	63,364	(53,364)	633.6%
PROPERTY TAX REVENUE	260,000	242,262	17,738	93.2%
TOTAL OPERATING REVENUE	11,657,720	9,721,760	1,935,960	83.4%
NON-OPERATING REVENUE				
WATER SYSTEM CAPACITY CHARGES	200,000	283,109	(83,109)	141.6%
WATER DEMAND OFFSET CHARGES	10,000	33,899	(23,899)	339.0%
MISCELLANEOUS NON-OPERATING	10,000	(2,260)	12,260	-22.6%
INTEREST REVENUE - LAIF	40,000	52,036	(12,036)	130.1%
INTEREST REVENUE - COP	150,000	134,118	15,882	89.4%
LEASE OF PHYSICAL PROPERTY	150,000	121,995	28,005	81.3%
LANDSCAPE PERMIT REVENUE	11,200	12,000	(800)	107.1%
TOTAL NON-OPERATING REVENUE	571,200	634,897	(63,697)	111.2%
TOTAL REVENUE	12,228,920	10,356,658	1,872,262	84.7%
OPERATING EXPENDITURES (OP EXP)				
SALARIES & WAGES	1,893,566	1,210,912	682,654	63.9%
PAYROLL TAXES & BENEFITS	1,084,880	731,209	353,671	67.4%
PURCHASED WATER	5,554,624	4,222,208	1,332,416	76.0%
OUTREACH & EDUCATION	92,400	37,479	54,921	40.6%
M&R - OPS SYSTEM	486,598	282,126	204,472	58.0%
M&R - FACILITIES & EQUIPMENT	166,860	103,756	63,104	62.2%
MAJOR MAINTENANCE	30,000	12,376	17,624	41.3%
OFFICE SUPPLIES & EQUIPMENT	317,278	197,011	120,267	62.1%
MEMBERSHIP & GOV FEES	208,613	155,517	53,096	74.5%
BAD DEBT & CLAIMS	17,000	(2,662)	19,662	-15.7%
UTILITIES	306,200	187,402	118,799	61.2%
PROFESSIONAL SERVICES	406,450	297,864	108,586	73.3%
TRAINING/TRAVEL & RECRUITMENT	45,000	21,983	23,017	48.9%
RESTRICTED EARNINGS	216,000	186,154	29,846	86.2%
DEBT SERVICE TRUSTEE FEES & EXPENSES	-	1,700	(1,700)	N/A
DEBT SERVICE 2016 COPs	984,950	844,823	140,127	85.8%
TOTAL OP EXP LESS DEPRECIATION (DEPREC)	11,810,419	8,489,857	3,320,562	71.9%
TOTAL OP REVENUE LESS OP EXP & DEPREC	418,501	1,866,800	(1,448,299)	446.1%
DEPRECIATION	900,000	654,614	245,386	72.7%
TOTAL OP REVENUE LESS OP EXP	(481,499)	1,212,186	(1,693,685)	-251.8%
NET TRANSFERS TO CAPITAL	481,499	(1,212,186)	1,693,685	-251.8%
NET RESULTS OF OPERATIONS	79	-	-	

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2017-2018
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 75.1%
					Y-T-D % OF BUDGET
4010	Water Commodity Charges (A)	8,700,000	7,334,037	1,365,963	84.3%
4020	Fixed System Charges	2,663,720	1,993,918	669,802	74.9%
4030	Fire Service Charges	14,000	11,417	2,583	81.6%
4050	Service Line & Installation Charges (B)	10,000	76,762	(66,762)	767.6%
4080	Miscellaneous Operating (C)	10,000	63,364	(53,364)	633.6%
4000	TOTAL WATER CHARGES	11,397,720	9,479,498	1,918,222	83.2%
4202	Property Tax Revenue (D)	260,000	242,262	17,738	93.2%
4200	OTHER OPERATING REVENUE	260,000	242,262	17,738	93.2%
	TOTAL OPERATING REVENUE	11,657,720	9,721,760	1,935,960	83.4%
4060	Water System Capacity Charges (E)	200,000	283,109	(83,109)	141.6%
4070	Water Demand Offset Charges (E)	10,000	33,899	(23,899)	339.0%
4090	Miscellaneous - Non Operating (F)	10,000	(2,260)	12,260	-22.6%
4102	Interest Revenue- LAIF (G)	40,000	52,036	(12,036)	130.1%
4103	Interest Revenue-COP Funds (G)	150,000	134,118	15,882	89.4%
4100	INTEREST REVENUE	190,000	186,154	3,846	98.0%
4201	Lease of Physical Property	150,000	121,995	28,005	81.3%
4208	Landscape Plan Permit Review (H)	11,200	12,000	(800)	107.1%
4200	OTHER NON-OPERATING REVENUE	161,200	133,995	27,205	83.1%
4000	TOTAL NON-OPERATING REVENUE	571,200	634,897	(63,697)	111.2%
	TOTAL OPERATING & NON-OP REVENUE	12,228,920	10,356,658	1,872,262	84.7%
6011	Salaries & Wages	1,822,566	1,150,556	672,010	63.1%
6012	Director Compensation	11,000	6,000	5,000	54.5%
6010	GROSS REGULAR WAGES	1,833,566	1,156,556	677,010	63.1%
6017	CAPITAL SALARY & WAGES reversed	-	-	-	
6021	Overtime Labor (I)	30,000	26,309	3,691	87.7%
6022	Standby Labor (I)	30,000	28,047	1,953	93.5%
6020	SUB-TOTAL SALARY & WAGES	1,893,566	1,210,912	682,654	63.9%
6031	FICA/Medicare PR Tax	125,000	92,560	32,440	74.0%
6038	ACWA Health Care	329,600	284,194	45,406	86.2%
6039	ACWA Dental	25,000	22,433	2,567	89.7%
6040	ACWA Vision	4,481	3,907	574	87.2%
6041	ACWA Life/AD&D	4,326	3,671	655	84.9%
6042	Standard LDL/SDL Disability	10,000	8,696	1,304	87.0%
6043	Workers' Comp Insurance	40,000	28,855	11,145	72.1%
6044	Unemployment	80 1,030	-	1,030	NA
6045	CALPERS Retirement - ER 2%@55	275,000	181,410	93,590	66.0%

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2017-2018
DETAILED**

Target YTD % 75.1%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6046	Retirees' ACWA Health Care	57,680	48,003	9,677	83.2%
6047	Directors' ACWA Health Care	111,240	88,287	22,953	79.4%
6049	Medical Reimbursement	1,030	410	620	39.8%
6050	Employee Service Recognition	10,000	7,118	2,882	71.2%
6051	Safety Incentive Program	15,000	4,577	10,423	30.5%
6052	Uniforms	25,493	20,528	4,965	80.5%
6053	PARS OPEB Expense (J)	50,000	98,212	(48,212)	196.4%
6030	TOTAL PAYROLL TAXES & BENEFITS	1,084,880	892,860	192,020	82.3%
6054	CAPITAL PAYROLL, TAXES & BENEFITS		(161,651)	161,651	N/A
6000	PERSONNEL COSTS	2,978,446	1,942,120	1,036,326	65.2%
6101	SFPUC Treated Water (A)	5,000,000	3,796,670	1,203,330	75.9%
6102	BAWSCA (Debt Service Surcharges)	476,000	366,840	109,160	77.1%
6103	Rates Stabilization	-	-	-	NA
6104	SFPUC Water Service Charge	78,624	58,698	19,926	N/A
6100	PURCHASED WATER	5,554,624	4,222,208	1,332,416	76.0%
6301	Water Conservation Program	7,200	4,281	2,919	59.5%
6302	School Conservation Program (K)	7,200	22,827	(15,627)	317.0%
6303	Public Outreach & Education	15,000	5,046	9,954	33.6%
6305	HET Rebates	19,750	1,932	17,818	9.8%
6306	Washing Machine Rebates	-	-	-	NA
6307	Lawn-Be-Gone Rebates	38,100	3,177	34,923	8.3%
6308	Rain Barrel Rebates	5,150	215	4,935	4.2%
6304	TOTAL WATER CONSERVATION REBATES	63,000	5,324	57,676	8.5%
6300	OUTREACH/EDUCATION	92,400	37,479	54,921	40.6%
6401	Water Quality	69,010	18,811	50,199	27.3%
6402	Pumping	65,148	3,767	61,381	5.8%
6403	Storage Tanks	10,300	744	9,556	7.2%
6404	Mains/Distribution (L)	200,000	191,542	8,458	95.8%
6405	Meters & Service	30,900	11,237	19,663	36.4%
6406	Fire Hydrants (M)	31,930	28,398	3,532	88.9%
6407	Regulator Stations	6,180	2,812	3,368	45.5%
6408	Safety	32,960	12,780	20,180	38.8%
6409	SCADA Maintenance	15,450	10,182	5,268	65.9%
6410	Generator Maintenance	24,720	1,853	22,867	7.5%
6400	M&R - OPS SYSTEMS	486,598	282,126	204,472	58.0%
6501	M&R-Buildings&Grounds	95,790	61,286	34,504	64.0%
6502	M&R- Equipment&Tools	21,630	8,674	12,956	40.1%
6503	M&R- Vehicles & Large Equipment (N)	19,570	16,742	2,828	85.5%
6504	M&R - Fuel	29,870	17,054	12,816	57.1%
6500	M&R - FACILITIES & EQUIPMENT	166,860	103,756	63,104	62.2%
6601	Cathodic Protection Survey	81	(1,424)	1,424	NA

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2017-2018
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 75.1%
					Y-T-D % OF BUDGET
6602	Leak Detection Survey	30,000	13,800	16,200	NA
6600	MAJOR MAINTENANCE	30,000	12,376	17,624	41.3%
6701	Office Supplies	15,450	5,105	10,345	33.0%
6702	Insurance- Liability/Vehicles	80,000	54,542	25,458	68.2%
6703	Postage	8,240	1,399	6,841	17.0%
6704	Printing/Printing Supplies	10,000	6,916	3,084	69.2%
6705	Equipment Services/Maintenance	20,000	9,221	10,779	46.1%
6706	Computer Supplies & Upgrades	32,000	13,633	18,367	42.6%
6707	Security & Safety	11,073	3,881	7,192	35.0%
6708	Other Fees	515	-	515	NA
6709	Customer Credit Card Svs Fees	140,000	102,313	37,687	73.1%
6700	OFFICE SUPPLIES & EQUIP	317,278	197,011	120,267	62.1%
6801	Dues & Publications	30,685	25,445	5,240	82.9%
6802	Gov't Fees & Licenses	29,848	19,394	10,454	65.0%
6803	BAWSCA Membership Assessments	76,000	36,302	39,698	47.8%
6804	Env Health - Cross Connection Inspection	31,930	24,525	7,405	76.8%
6805	Software License (O)	40,150	49,851	(9,701)	124.2%
6800	MEMBERSHIP & GOV FEES	208,613	155,517	53,096	74.5%
6901	Bad Debt (P)	7,000	(2,089)	9,089	-29.8%
6902	Claims (Q)	10,000	(573)	10,573	-5.7%
6900	BAD DEBT & CLAIMS	17,000	(2,662)	19,662	-15.7%
7001	Utilities-Internet/Cable	10,000	5,552	4,448	55.5%
7002	Utilities-Cellular Telephones	12,206	8,255	3,951	67.6%
7003	Utilities-Electric-Pumping	226,600	133,925	92,675	59.1%
7004	Utilities-Electric-Bldgs&Grounds	24,720	17,331	7,389	70.1%
7005	Utilities-Telephones	25,000	17,637	7,363	70.5%
7006	Utilities-Sewer - NPDES	7,674	4,702	2,972	61.3%
7000	UTILITIES	306,200	187,402	118,799	61.2%
7101	Prof Serv - District Counsel	75,000	48,934	26,067	65.2%
7102	Prof Serv - District Engineer (C)	65,000	49,533	15,467	76.2%
7103	Prof Serv - IT	19,750	15,150	4,600	76.7%
7104	Prof Serv- Annual Finance Audit (R)	19,000	19,050	(50)	100.3%
7105	Prof Serv - Mngmt Consult	-	-	-	NA
7106	Prof Serv- Accounting & Payroll	21,750	13,464	8,286	61.9%
7107	Prof Serv- Customer Billing	72,250	46,726	25,524	64.7%
7109	Prof Serv - Answering Svs	5,000	2,529	2,471	50.6%
7110	Prof Serv - Miscellaneous	125,000	100,679	24,321	80.5%
7111	Prof Serv - District Treasurer	3,700	1,800	1,900	48.6%
7100	PROFESSIONAL SERVICES	406,450	297,864	108,586	73.3%
7201	Director Travel	82 5,000	2,733	2,267	54.7%
7202	Director Expense	1,000	-	1,000	NA

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2017-2018
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 75.1%
					Y-T-D % OF BUDGET
7203	Elections	-	-	-	NA
7204	Employee Travel/Training	32,000	17,121	14,879	53.5%
7205	Meetings Expense	7,000	2,129	4,871	30.4%
7200	TRAINING & TRAVEL	45,000	21,983	23,017	48.9%
7302	Restricted Earnings Expense - Interest LAIF & COP (G)	216,000	186,154	29,846	86.2%
7300	RESTRICTED EARNINGS EXPENSE	216,000	186,154	29,846	86.2%
8001	Working Reserves: Capital	-	-	-	NA
8002	Working Reserves: Operating	-	-	-	NA
8000	RESERVES	-	-	-	NA
9010	DEPRECIATION	900,000	654,614	245,386	72.7%
9011	DEBT SERVICE TRUSTEE FEES & EXPENSES	-	1,700	(1,700)	NA
9012	DEBT SERVICE 2017-2018 COPs (S)	984,950	844,823	140,127	85.8%
SUB-TOTAL - OPERATING EXPENSES		9,731,973	7,202,351	2,529,622	74.0%
TOTAL OPERATING EXPENSES		12,710,419	9,144,472	3,565,947	71.9%
NET OPERATING SURPLUS/(LOSS) TRANSFER TO CAPITAL		(481,499)	1,212,186	(1,693,685)	-251.8%
			0		

- (A) Water revenues are at 84.3% and water purchases are at 75.9%. Water revenues is a preliminary number. Revenue does not include the second half of the month.
- (B) Nine (9) meter upgrades & new services closed & revenue recognized accordingly.
- (C) BAWSCA Reimbursements
- (D) Receive property tax revenue in Dec 2017 & April 2018
- (E) New Service Installations fees recognized for eight (10) projects.
- (F) Vehicle Damage Reimbursements, Fire Inspection Fees balanced by District Engineering expense, Revenue from vehicle charges on projects,
- (G) LAIF and COP funds generating more interest revenue than expected.
- (H) Plan review revenue for two (2) projects totaling \$10,000 & Landscape review revenue for five (5) projects totaling \$2,000.
- (I) Change in reporting when Comp Time is used.
- (J) PARS expense accrued for month until funding is put in place.
- (K) Water education kit purchased from BAWSCA totaling \$2,611.
- (L) More than expected main breaks occurred: Half Moon Paving & Grading costs total \$114,743.
- (M) Purchase of hydrants totaling \$31,694.
- (N) Parks purchased for various vehicle repairs totaling \$5470.
- (O) Accela (Springbrook) software license from prior year recognized this year \$15,713.92. This year's license is \$2619/month.
- (P) Reversing Bad Debt sent to collections 4 years ago.
- (Q) Insurance Reimbursement for Claim paid totaling \$6,812.
- (R) Financial Audit payment for field work completed.
- (S) This includes both interest and principal paid on debt.

**MID-PENINSULA WATER DISTRICT
STATEMENT OF REVENUES & EXPENSES
PREVIOUS YEAR COMPARISON**

	Jul 17 - Mar 18	Jul 16 - Mar 17	\$ Change	% Change
Ordinary Income/Expense				
Income				
OPERATING REVENUE	9,794,245.98	8,419,314.62	1,374,931.36	16.33%
INTEREST INCOME	186,154.46	27,844.24	158,310.22	568.56%
OTHER INCOME	376,257.30	353,903.84	22,353.46	6.32%
Total Income	<u>10,356,657.74</u>	<u>8,801,062.70</u>	<u>1,555,595.04</u>	<u>17.68%</u>
Expense				
PERSONNEL COSTS	1,942,120.43	2,001,063.83	-58,943.40	-2.95%
PURCHASED WATER	4,222,207.70	3,837,462.03	384,745.67	10.03%
OUTREACH/EDUCATION	37,478.64	-5,753.34	43,231.98	751.42%
M&4 - OPS SYSTEMS	282,126.19	204,791.31	77,334.88	37.76%
FACILITIES & EQUIPMENT	103,756.08	68,178.36	35,577.72	52.18%
MAJOR MAINTENANCE	12,376.00	590.74	11,785.26	1,995.0%
OFFICE SUPPLIES & EQUIPMENT	197,010.99	211,643.21	-14,632.22	-6.91%
MEMBERSHIP & GOV FEES	155,517.13	121,214.85	34,302.28	28.3%
BAD DEBT & CLAIMS	-2,661.95	19,435.28	-22,097.23	-113.7%
UTILITIES	187,401.50	185,910.22	1,491.28	0.8%
PROFESSIONAL SERVICES	297,864.15	291,524.38	6,339.77	2.18%
TRAINING & TRAVEL	21,982.82	25,980.03	-3,997.21	-15.39%
Total Expense	<u>7,457,179.68</u>	<u>6,962,040.90</u>	<u>495,138.78</u>	<u>7.11%</u>
Net Ordinary Income	2,899,478.06	1,839,021.80	1,060,456.26	57.66%
Other Income/Expense				
Other Expense				
DEPRECIATION	654,614.19	692,389.80	-37,775.61	-5.46%
DEBT SERVICE TRUSTEE FEES & EXPENSES	1,700.00	0.00	1,700.00	100.0%
COP Financing Costs	529,823.27	0.00	529,823.27	100.0%
Total Other Expense	<u>1,186,137.46</u>	<u>692,389.80</u>	<u>493,747.66</u>	<u>71.3%</u>
Net Revenue/(Expenses)	<u><u>1,713,340.60</u></u>	<u><u>1,146,632.00</u></u>	<u><u>566,708.60</u></u>	<u><u>49.4%</u></u>

RECONCILIATION TO OPERATING BUDGET

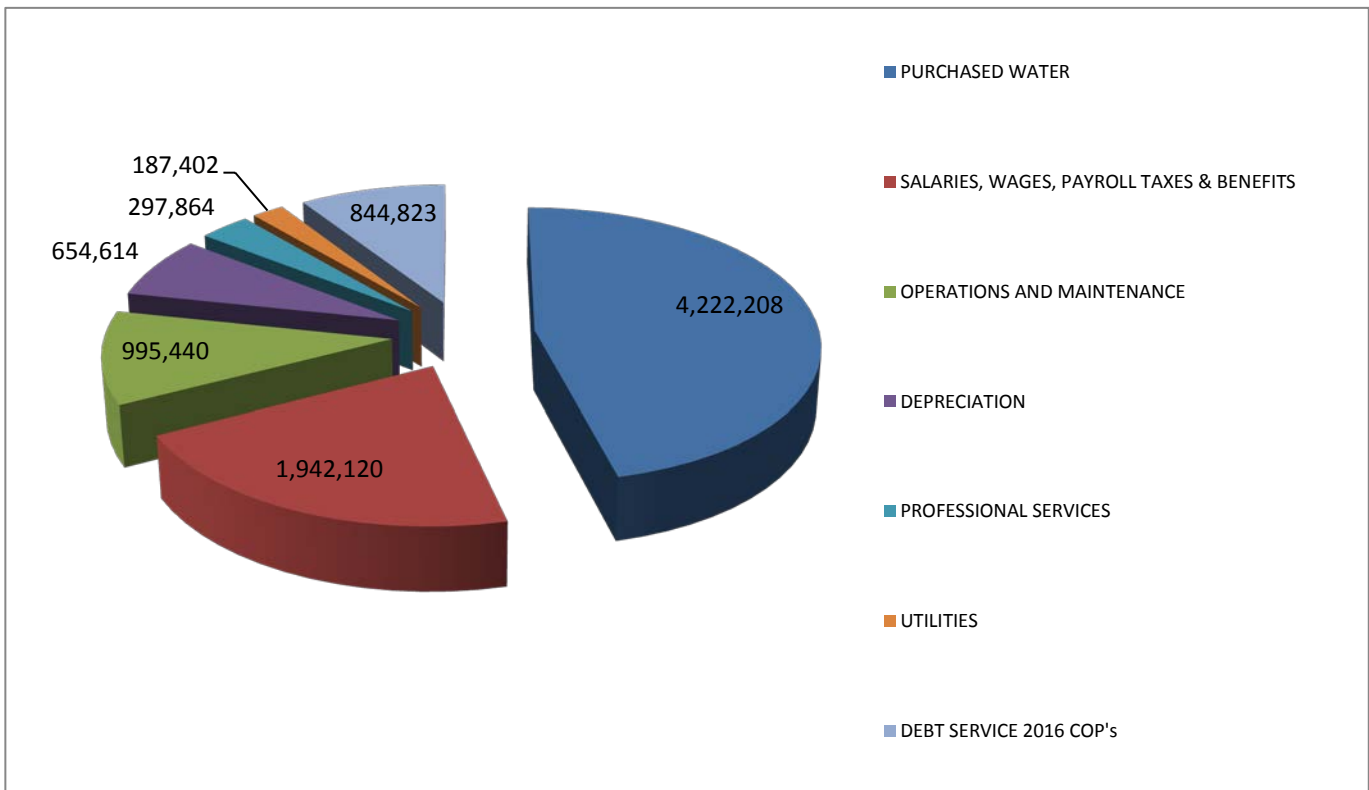
Adjustments to Increase Net Operating Surplus

Interest Income - LAIF & COP Interest	-186,154.46
Debt Service Principal Payment	<u>-315,000.00</u>
Total Adjustments to Increase Net Operating Surplus	<u>-501,154.46</u>
Net Revenue/(Expenses)	<u>1,713,340.60</u>
Net Operating Surplus/(Loss) Transfer to Capital	<u><u>1,212,186.14</u></u>

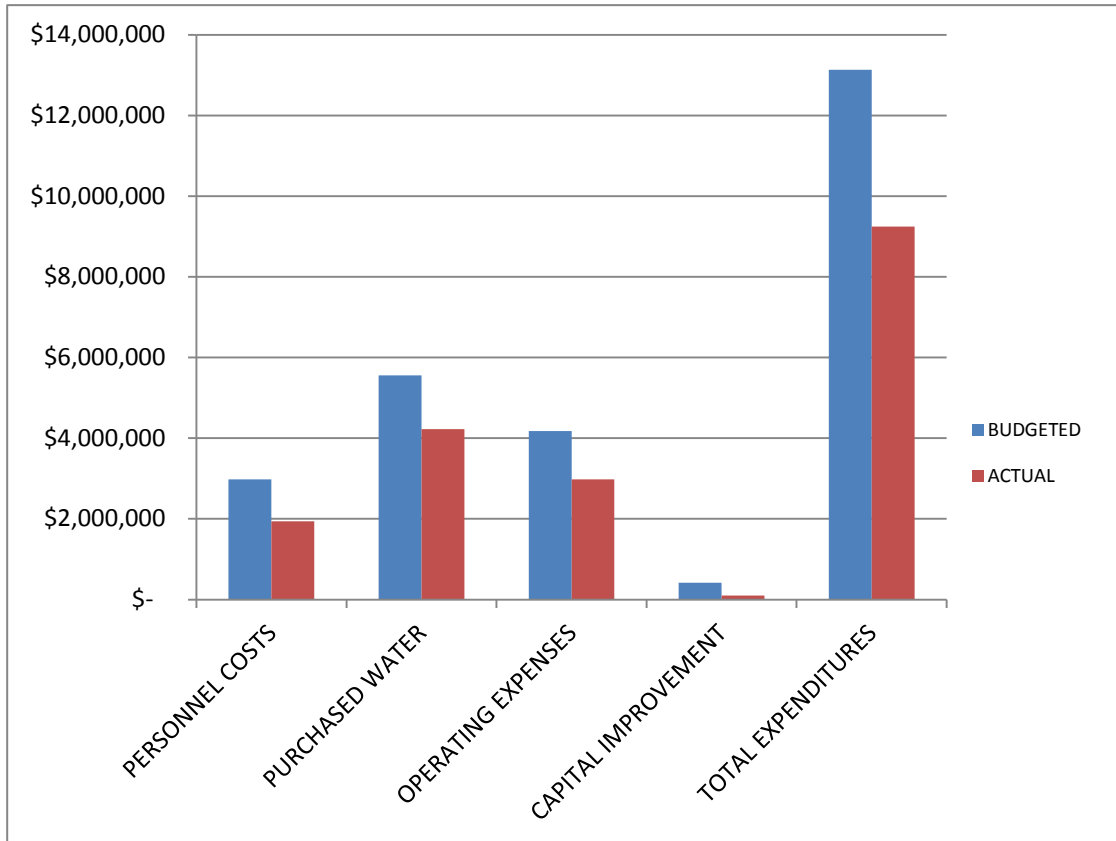
**MID-PENINSULA WATER DISTRICT
ACTUAL OPERATING EXPENDITURES SUMMARY**

Mar-18

OPERATING EXPENDITURES	ACTUAL \$	% OF TOTAL
PURCHASED WATER	4,222,208	46.2%
SALARIES, WAGES, PAYROLL TAXES & BENEFITS	1,942,120	21.2%
OPERATIONS AND MAINTENANCE	995,440	10.9%
DEPRECIATION	654,614	7.2%
PROFESSIONAL SERVICES	297,864	3.3%
UTILITIES	187,402	2.0%
DEBT SERVICE 2016 COP's	844,823	9.2%
TOTAL OPERATING EXPENDITURES	<u>9,144,472</u>	<u>100%</u>



2017/2018 BUDGET vs ACTUAL TOTAL EXPENDITURES Mar-18



	BUDGETED	ACTUAL	BUDGETED % OF TOTAL	ACTUAL % OF TOTAL
TOTAL EXPENDITURES				
PERSONNEL COSTS	\$ 2,978,446	\$ 1,942,120	23%	21%
PURCHASED WATER	\$ 5,554,624	\$ 4,222,208	42%	46%
OPERATING EXPENSES	\$ 4,177,349	\$ 2,980,143	32%	32%
CAPITAL IMPROVEMENT	\$ 418,504	\$ 98,441	3%	1%
TOTAL EXPENDITURES	\$ 13,128,923	\$ 9,242,912	100%	100%

**MID-PENINSULA WATER DISTRICT
BUDGET FOR FY 2017-2018
Capital Projects**

DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 75.1%
				Y-T-D % OF BUDGET
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)				
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	375,000	18,725	356,275	5.0%
2017 Water Main Replacement CIP (Pay-Go Portion)	-	61,212	(61,212)	N/A
AMI Meter Change Out Program	-	-	0	N/A
CAPITAL IMPROVEMENTS - WIP TOTAL	375,000	79,937	295,063	21.3%
CAPITAL OUTLAY				
Replacement Printer/Scanner/Copier	18,504	18,504	0	100.0%
Miscellaneous Capital Outlay/Projects	25,000	-	25,000	0.0%
CAPITAL OUTLAY TOTAL	43,504	18,504	25,000	42.5%
CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL	418,504	98,441	320,063	23.5%
DEPRECIATION	900,000	654,614	245,386	72.7%
TRANSFER FROM OPS	(481,496)	1,212,186	(1,693,682)	-251.8%
TRANSFER (TO)/FROM CAPITAL RESERVES	-	(1,768,360)	1,768,360	N/A
CAPITAL OUTLAY/CAPITAL PROJECTS	(418,504)	(98,441)	(320,063)	23.5%
NET RESULTS OF CAPITAL	-	(0)	0	N/A

(A) Purchased Canon Copier to replace leased Ricoh Copier.

**MID-PENINSULA WATER DISTRICT
STATEMENT OF NET POSITION
PREVIOUS YEAR COMPARISON**

	31-Mar-18	31-Mar-17	\$ Change	% Change
ASSETS				
CURRENT ASSETS				
Total Checking/Savings	7,652,185.38	25,024,190.46	-17,372,005.08	-69.42%
Total COP Funds	17,455,389.02	0.00	0.00	100.0%
Total Accounts Receivable	885,083.87	691,535.83	193,548.04	27.99%
Total Other Current Assets	411,625.62	227,256.04	184,369.58	81.13%
TOTAL CURRENT ASSETS	26,404,283.89	25,942,982.33	461,301.56	1.78%
FIXED ASSETS				
Fixed Assets	43,915,442.43	43,098,107.46	817,334.97	1.9%
Accumulated Depreciation	-27,272,466.97	-26,456,481.77	-815,985.20	-3.08%
Construction in Progress	2,919,921.13	900,518.57	2,019,402.56	224.25%
TOTAL FIXED ASSETS	19,562,896.59	17,542,144.26	2,020,752.33	11.52%
TOTAL OTHER ASSETS	803,133.00	442,276.00	360,857.00	81.59%
TOTAL ASSETS	46,770,313.48	43,927,402.59	2,842,910.89	6.47%
LIABILITIES & EQUITY				
LIABILITIES				
CURRENT LIABILITIES				
Total Accounts Payable	644,360.62	117,987.57	526,373.05	446.13%
Total Other Current Liabilities	2,242,409.90	1,677,761.68	564,648.22	33.66%
TOTAL CURRENT LIABILITIES	2,886,770.52	1,795,749.25	1,091,021.27	60.76%
LONG TERM LIABILITIES				
Total COP Financing Debt (B)	17,910,000.00	0.00	17,910,000.00	100.0%
Total COP Premium (B)	896,738.50	0.00	896,738.50	100.0%
Total Other Long Term Liabilities (B)	1,765,634.45	20,534,477.55	-18,768,843.10	-91.4%
TOTAL LONG TERM LIABILITIES	20,572,372.95	20,534,477.55	37,895.40	0.19%
TOTAL LIABILITIES	23,459,143.47	22,330,226.80	1,128,916.67	5.06%
EQUITY				
3000 - Opening Bal Equity	0.00	0.00	0.00	0.0%
3800 - RESERVES *	6,922,532.22	5,568,453.80	1,354,078.42	24.32%
3940 - Fund Bal Invest in Util Plant	19,562,896.59	18,094,499.87	1,468,396.72	8.12%
Net Assets (A)	-3,174,258.80	-2,065,777.88	-1,108,480.92	-53.66%
TOTAL EQUITY	23,311,170.01	21,597,175.79	1,713,994.22	7.94%
TOTAL LIABILITIES & EQUITY	46,770,313.48	43,927,402.59	2,842,910.89	6.47%

	Balance @ Mar-16	Balance @ Mar-17	Balance @ Mar-18	Budget for Reserve Policy
* RESERVES				
Capital Reserves	1,545,326	3,068,454	4,422,532	2,500,000
Emergency Reserves	2,000,000	2,000,000	2,000,000	2,000,000
Working Capital Reserves	500,000	500,000	500,000	500,000
TOTAL RESERVE FUNDS	4,045,326	5,568,454	6,922,532	5,000,000

(A) CalPERS Net Pension Liability - GASB 68 requirement.

(B) COP Financing Debt and Debt Premium total \$19,185,626.90.