



REGULAR MEETING
BOARD OF DIRECTORS
THURSDAY, MAY 26, 2016 – 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

- A. APWA Silicon Valley Chapter Award for Project of the Year – Utilities/Less than \$2 Million Division – for the MPWD Buckland Tanks Replacement Project

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 of April 28, 2016
- B. Approve Expenditures from April 20, 2016 through May 18, 2016
- C. Approve First Amendment to Lease with T-Mobile West Tower LLC at the MWPD Dekoven Tank Site

6. HEARINGS AND APPEALS

- A. Consider Resolution 2016-04 Approving the MPWD Water Shortage Contingency Plan
- B. Consider Resolution 2016-05 Approving the 2015 MPWD Urban Water Management Plan

7. DROUGHT AND WATER CONSERVATION

A. Water Conservation Progress Report

8. REGULAR BUSINESS AGENDA

A. Discuss Final DRAFT MPWD Fiscal Year 2016/2017 Operating and Capital Budgets

B. MPWD Capital Improvement Program (CIP) Discussion:

1. Review Prior Board Discussions Informational Summary and FAQs
2. Receive 2016 Updated Report on MPWD Comprehensive System Analysis and Capital Improvement Program
3. Review Modified 5-Year Capital Improvement Plan Alternatives and Consider Resolution 2016-06 Authorizing 5-Year MPWD CIP
4. Review of MPWD's Procurement Policy, Discussion and Direction regarding Updates to Process for Selection/Award of Professional Services Contracts, and Other Issues

C. BAWSCA Update

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

C. Director Reports

10. FUTURE AGENDA ITEMS

Requests from Board members to receive feedback, direct staff to prepare information, and/or request a formal agenda report be prepared and the item placed on a future agenda. No formal action can be taken.

11. COMMUNICATIONS

12. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

Samir Shaikh, et ux. v. Mid-Peninsula Water District, et al.

San Mateo County Case No. 538041

13. 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: June 23, 2016, at 6:30PM



Quality of Life Through Public Works

April 28, 2016

Ms. Tammy Rudock
General Manager
Mid-Peninsula Water District
Via Email: tammyr@midpeninsulawater.com

Subject: APWA SILICON VALLEY CHAPTER PROJECT OF THE YEAR – Buckland
Tanks Replacement Project

Dear Ms. Rudock:

It is my pleasure to inform you that your Project has been selected to receive the 2016 APWA Silicon Valley Chapter Award for Project of the Year in the Utilities Category, Less than \$2 Million division.

The awards program is being held on Wednesday, May 18, 2016 during our Chapter's monthly meeting which is hosted at the Michael's at Shoreline, 2960 North Shoreline Boulevard, Mountain View, CA 94043. Your key project team members are invited to join us at the luncheon, where photographs will be taken with the APWA President and your project team.

The registration for the luncheon will start at 11:00 a.m. with the awards program beginning at 12:00 p.m. We request that you designate **one** representative from your agency to receive a complimentary award plaque and lunch with our members. Please contact Robert Fontanilla at 408-245-4600 or rfontanilla@cornerstoneearth.com to register for the complimentary lunch **by May 13th**. Please submit an electronic 5"x7" photo of your choice to be used on the complimentary plaque to Tom.Walker@NV5.com **by May 5th**.

You are welcome to invite others to attend the awards presentation; however they will be responsible for the cost of their lunch. Additional lunch reservations should be made online before May 13th at the following website: <http://siliconvalley4.apwa.net/EventDetails/8656>. Additional award plaques are also available using the attached order form. Deadline for completing additional plaque orders is May 13th.

Thank you for your submittal and we look forward to recognizing your team's achievement at the awards luncheon. Should you have any questions or need additional information, please contact me at 408-392-7298.

Sincerely,

Tom Walker, PE
Awards Committee Chair

cc: vfung@pcgengr.com
jpakpour@pcgengr.com
gtaylor@pasoroblestank.com
aoskou@belmont.gov

2016 OFFICERS

PRESIDENT
Afshin Oskoui, City of Belmont
aoskou@belmont.gov

VICE PRESIDENT
Daniel Ho, AECOM
daniel.ho@aecom.com

SECRETARY
Jay Walter, City of San Carlos
jwalter@cityofsancarlos.org

TREASURER
Kurt Wurnitsch,
Pakpour Consulting Group
kwurnitsch@pcgengr.com

ASSOCIATE TREASURER
Robert Fontanilla,
Cornerstone Earth Group
rfontanilla@cornerstoneearth.com

DIRECTORS
Teferi Abere, AECOM
teferi.abere@aecom.com

Steve Bui, RMC Water & Environment
sbui@mcwater.com

Ramana Chinnakotla
City of Redwood City
rchinnakotla@redwoodcity.org

Patrick Dobbins, Harris & Associates
pdobbins@harris-assoc.com

Roger Lee, City of Cupertino
rogerl@cupertino.org

Jason Mansfield, BKF Engineers
jmansfield@bkf.com

Tracie Sakakihara,
Hatch Mott MacDonald
tracie.sakakihara@hatchmott.com

Tom Walker, NV5
tom.walker@NV5.com

Paul Willis, Town of Hillsborough
pwillis@hillsborough.net

CHAPTER DELEGATE
Taghi Saadati
tsaadati@sbcglobal.net

ALTERNATE DELEGATE
Afshin Oskoui, City of Belmont
aoskou@belmont.gov

2015 PAST PRESIDENT
Brian Dong, CSG Consultants
briand@csqengr.com

APWA Silicon Valley Chapter Announces Its 2016 Awards Winners

Outstanding Service Public Agency
Timm Borden, P.E.
City of Cupertino

Outstanding Service Private Sector
Cyrus Kianpour, P.E.
CSG Consultants, Inc.

Contractor of the Year
Power Engineering Construction Co.

Award of Special Recognition
Robert M. Fontanilla, CPSM
Cornerstone Earth Group

Project of the Year
Structures - Less than \$2 Million
Carson Reservoir Seismic Improvement Project
City of Redwood City
G+E Engineering

Project of the Year
Structures - \$5-\$25 Million
Fire Station No. 21
City of San Jose
Department of Public Works, City
Facilities Architectural Services
Sausal Corporation, Contractor

Project of the Year
Transportation - Less than \$2 Million
Brewster/Broadway Pedestrian and
Bicycle Improvements Project
City of Redwood City
Mark Thomas and Company, Inc.

Project of the Year
Transportation - \$2-\$5 Million
Hendy Avenue Complete Street
Improvements
City of Sunnyvale
Bellecci & Associates, Inc.

Project of the Year
Transportation - \$25-\$75 Million
I-280/880/Stevens Creek Interchange
Improvement Project
Santa Clara VTA
Mark Thomas and Company, Inc.

Project of the Year
Transportation - Over \$75 Million
Mission/Warren/Freight Railroad
Relocation Program
Santa Clara VTA
HNTB

Honor Award
Environment/Parks - Less than \$2M
Orchard Gardens Park Expansion
City of Sunnyvale
Harris Design

Project of the Year
Environment/Parks - Less than \$2M
Redwood Grove Bank Stabilization and
Boardwalk Replacement Project
City of Los Altos
Restoration Design Group

Project of the Year
Environment/Parks - \$2-\$5 Million
Seven Seas Neighborhood Park
City of Sunnyvale
SSA Landscape Architects

Project of the Year
Environment/Parks - \$5-\$25 Million
Shoreline Athletic Fields
City of Mountain View
Tetra Tech BAS

Project of the Year
Utilities - Less than \$2 Million
Buckland Tanks Replacement Project
Mid-Peninsula Water District
Pakpour Consulting Group

Project of the Year
Utilities - \$5-\$25 Million
San Tomas Aquino Creek Box Culvert
Repair Project
Santa Clara County Roads & Airports
NV5, Inc.

Project of the Year
Utilities - \$25-\$75 Million
48-inch Force Main Reliability Improv.
Project (Units 1, 2 & 4)
Silicon Valley Clean Water
Kennedy/Jenks Consultants

Project of the Year
Utilities - Over \$75 Million
Harry Tracy Water Treatment Plant
Long-Term Improvements
San Francisco Public Utilities Comm.
HDR Engineering, Inc.

Project of the Year
Sustainable/Green - Less than \$2M
Storm System Trash Capture Device
Project
City of Sunnyvale
Kimley-Horn and Associates, Inc.

Project of the Year
Sustainable/Green - \$2-\$5 Million
Belmont Pavement Reconstruction
Project
City of Belmont
Bellecci & Associates, Inc.

Project of the Year
Sustainable/Green - \$5-\$25 Million
Hacienda Avenue Green Street Project
City of Campbell
Callander Associates

The APWA - Silicon Valley Chapter Awards program was established to promote excellence in Public Works Individuals and Projects by recognizing the partnership between the managing agency, the consultant/architect/engineer team, and the contractor, who all work together to successfully complete Public Works Projects.



Project of the Year



UTILITIES – LESS THAN \$2 MILLION
BUCKLAND TANKS REPLACEMENT PROJECT
MID-PENINSULA WATER DISTRICT
PAKPOUR CONSULTING GROUP



2016

Chapter President

May 18, 2016

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51

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

April 28, 2016
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 President Zucca at 6:30 PM.

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

C. Establishment of Quorum:

PRESENT: Directors Stuebing, Vella, Warden, and Zucca.

ABSENT: Director Linvill.

A quorum was present.

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

2. PUBLIC COMMENTS

Belmont Chamber of Commerce's Mary Morrissey Pardon thanked the Board for the work being accomplished at MPWD. She commented on the "State of the District" address which occurred on April 27, 2016 at MPWD's facilities; she felt the presentation given by President Matt Zucca was excellent. She would like to see a repeat of this type of function on a yearly basis. General Manager Rudock thanked the Belmont Chamber of Commerce for co-hosting this event with MPWD, and added that the Belmont Chamber works hard in the community.

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

Staff separately distributed revised pages 119-126, and added pages 166-174 for agenda item 9.B.1. Process for Periodic Board Financial Controls Review.

4. ACKNOWLEDGEMENTS/PRESENTATIONS

None.

5. CONSENT AGENDA

A. Approve Minutes for the Regular Board Meeting of March 24, 2016.

B. Approve Expenditures from March 16, 2016, through April 19, 2016.

Vice President Warden moved to approve the Consent Agenda, Director Stuebing seconded, Director Vella abstained on the minutes, and it was unanimously approved.

6. HEARINGS AND APPEALS

None.

52 **7. DROUGHT AND WATER CONSERVATION**

53 **A. Water Conservation Progress Report**

54 General Manager Rudock summarized her written report and mentioned that the State
55 Water Resources Control Board would be soon considering possible changes in the
56 statewide drought emergency regulations.

57
58 **B. Progress Report on 2015 Urban Water Management Plan (UWMP)**

59 General Manager Rudock provided a brief progress summary and reported that the
60 Administrative Drafts of the Urban Water Management Plan and Water Shortage
61 Contingency Plan had recently been reviewed by staff. The Public Review Drafts will be
62 discussed during a public hearing scheduled for the May 26th Regular Meeting. The
63 Board will receive their copies of the Public Review Drafts around May 11th. A notice will
64 be sent out around that same time for public review. Public Review Drafts will be
65 delivered to and made available at several local locations for review and comment.
66 Consultant Marty Laporte will be present for the hearing and presentation of the Urban
67 Water Management Plan and Water Shortage Contingency Plan.

68
69 **8. REGULAR BUSINESS AGENDA**

70 The Board of Directors agreed to a reordering of agenda items in consideration of
71 consultants' schedules, and first considered Agenda Item 8.B. followed by Agenda Item 8.D.
72 Agenda Item 8.A. was considered third followed by Agenda Item 8.C. and the agenda order
73 was then resumed.

74
75 **B. Receive Water Finance & Rate Update, Discuss Water Requirements for Fiscal**
76 **Year 2016/2017, and Consider Ordinance No. 116 Amending Attachment "A"**
77 **regarding Rates and Charges to the Water Service Ordinance, effective July 1,**
78 **2016, including Pass-Through of SFPUC Wholesale Water Rate Increase**

79 Alex Handlers of Bartle Wells presented a summary of their updated cash flow
80 projections and rate recommendations. He also shared their financing projections for a
81 20-year debt issuance, or approximately \$1 million debt annual service payment. Mr.
82 Handlers noted that water use is down by 29% from last year, which is negatively
83 impacting the MPWD's revenues more than projected. There is a related impact to the
84 Purchased Water expenditure, which helps. However, the SFPUC is also experiencing
85 lost water sales and a related impact on its wholesale revenues, resulting in their request
86 for an increase in water rates. The SFPUC's increase (\$4.10 hcf) is higher than what
87 they projected last year during the MPWD's Proposition 218 process (\$3.78 hcf). Their
88 recommendation is for the MPWD to move forward with its adopted rate increase for FY
89 2016/2017, including nominal increases in the monthly fixed system charges and final
90 breakpoint transitions in Residential Tiers 2, 3, and 4, plus a pass through of the
91 SFPUC's wholesale water rate increase (\$0.32 hcf).

92
93 Vice President Warden asked about the fixed monthly charge increase, to make sure he
94 understood how Alex Handlers arrived at the amount he was recommending. Directors
95 Warden and Vella questioned the different pricing and tiers between commercial and
96 residential customers. Alex Handlers responded that it is difficult to tier commercial
97 customers the same as residential customers, because it is challenging based upon a
98 commercial customer's business operations. He further stated there needs to be
99 reasonable parity between the residential and commercial customers. Director Warden
100 suggested the Board consider direction next year for a change in commercial tiering.
101 Mr. Handlers reminded that any change in the approved rates from last year's adopted
102 plan would trigger the need for a Proposition 218 process. District Counsel Cassman

103 responded that it would involve commercial customers only if they would be impacted by
104 any changes.

105
106 General Manager Rudock noted that proposed FY 2016/2017 monthly fixed system
107 charges were inadvertently omitted in the Attachment A to Ordinance No. 116. That
108 would be corrected per the approved increases.

109
110 Director Stuebing moved to adopt Ordinance No. 116 Amending Attachment "A"
111 regarding Rates and Charges to the Water Service Ordinance, effective July 1, 2016,
112 including Pass-Through of SFPUC Wholesale Water Rate, Director Vella seconded.
113 Roll call was taken and it was unanimously approved.

114
115

116 **D. MPWD Capital Improvement Program (CIP) Discussion:**

117 **1. Review Prior Board Discussions and Informational Summary**

118 **2. Consider Alternative CIP Financing Amounts and Alternatives**

119 **3. Financial Management Plan for MPWD under Different Financing Plan Scenarios**

120 **4. Board Consideration of Process for Selection and Award of Professional and**
121 **Contracting Services**

122

123 1. General Manager Rudock introduced the DRAFT Summary of Prior Board Discussions and
124 Information, including Frequently Asked Questions (FAQs). Besides staff, the District Engineer
125 and the MPWD's Municipal Financial Advisor participated in responding to the FAQs. This
126 document would be updated based upon continued discussions and made available at the
127 MPWD's website.

128

129 2. and 3. MPWD's Municipal Financial Advisor Bud Levine presented in detail three scenarios
130 for debt financing: 1) \$14,640,000 Private Placement for 20 years; 2) \$18,070,000 Public
131 Offering for 25 years; and 3) \$19,965,000 Public Offering for 30 years. Mr. Levine mentioned
132 there are 40-year deals available because of the market. Specific details on financing options
133 for the MPWD would depend on the Board's direction on a financing amount and time period,
134 which would be brought back for consideration.

135

136 President Zucca suggested that staff do a 75-year look ahead, including significant recurring
137 costs. Director Warden expressed that would be challenging given the technology changes and
138 pipeline and operational improvements that should occur over that time span. It was pointed out
139 that the \$50 million identified CIP projects is 15% of our system. President Zucca suggested
140 the possibility for a study session to go over the findings.

141

142 4. Discussion ensued about how the Board would like to utilize the District Engineer with the
143 CIP projects. Vice President Warden is concerned that MPWD be seen as fair and impartial
144 with no impropriety when selecting the right firms to do the CIP work. District Counsel Cassman
145 reported that what happened in San Carlos many years ago related to a retired employee that
146 immediately was contracted as a consultant and made decisions with regard to contracts for his
147 consulting firm, which did not necessarily pass the propriety test. That is not at issue here. The
148 District Engineer's professional services agreement allows for additional work to be awarded to
149 them. In fact, that has historically been the approach followed for the MPWD's pay go capital
150 program. The District Engineer would offer an estimate for their services for a project, and the
151 MPWD would consider it for approval. However, the Board now has information about a much
152 needed multi-million dollar capital program and that raises important contracting questions.

153

154 President Zucca stated he wanted to be sure that the MPWD was transparent about its
155 contracting awards. He is fully confident in the District Engineer's abilities but feels the
156 discussion is a healthy one.

157
158 Director Warden agreed that the District Engineer has positive internal working knowledge of
159 the MPWD system, and it would seem that they might have an advantage, which is not
160 necessarily a bad thing. He recognized it could potentially cost more and involve time with the
161 added process of soliciting proposals but that at least the process would be an open and
162 transparent one.

163
164 Director Vella questioned how the contracting level would be determined. District Counsel
165 responded that it would be up to the Board.

166
167 Director Warden asked about the MPWD's Procurement Policy and how that might impact the
168 discussion.

169
170 District Counsel Cassman was directed to bring to the Board next month the District Engineer's
171 Professional Services Agreement and the MPWD's Procurement Policy for discussion and
172 potential direction to staff.

173
174 **A. Consider Resolution 2016-03 Authorizing Award of Contract to R. J.
175 Gordon Construction, Inc., for the Alameda de las Pulgas Water Main
176 Replacement Project (between Cipriani Boulevard to Arbor Avenue) in the
177 amount of \$620,807, and a 10% Project Contingency in the amount of
178 \$62,081, for a Total Budget of \$682,888**

179
180 District Engineer Joubin Pakpour explained the process by which R. J. Gordon
181 Construction, Inc. was chosen. There were five eligible bids. The work starts on June
182 15, 2016 and ends in the middle of August, when school is out of session. R. J. Gordon
183 Construction is based out of Pleasant Hill and is new to the peninsula. District Engineer
184 Pakpour met with the owner who said his company has worked with East Bay MUD,
185 Contra Costa Water, and Cal Water.

186
187 Director Vella moved to approve Resolution 2016-03 Authorizing Award of Contract to
188 R. J. Gordon Construction, Inc., for the Alameda de las Pulgas Water Main
189 Replacement Project (between Cipriani Boulevard to Arbor Avenue) in the
190 amount of \$620,807, and a 10% Project Contingency in the amount of \$62,081,
191 for a Total Budget of \$682,888, and Director Stuebing seconded. Roll call was
192 taken and it was unanimously approved.

193
194 **C. Receive Seismic Retrofit Evaluation and Strategy Development Report for
195 the Dekoven Tank Site**

196 District Engineer Pakpour presented a summary of the consultant's report. He
197 discussed Options A-C, explaining the pros and cons for each. He noted that it is
198 possible that Option C may necessitate this project becoming a higher priority in the
199 MPWD's identified capital improvement projects.

200
201 **E. Discuss DRAFT MPWD FY 2016/2017 Operating and Capital Budgets**
202 General Manager Rudock summarized the report. As is shown, FY 2016/2017 revenue
203 and expenditure projections are almost the same as projected for FY 2015/2016. Even

204 with the approved rate increases, the water sales are down as a result of customer
205 conservation efforts. The proposed FY 2016/2017 Capital Budget is projected as a pay
206 go and the projects were discussed. If the Board were to decide to move forward with a
207 debt issuance, the funding budgeted for the AMI could be utilized for a half-year
208 payment since the AMI installation is included as a priority project within the CIP. There
209 was some discussion about the revenues related to development. Final draft budgets
210 will be presented next month.

211
212 **F. Discuss Board Priorities for MPWD Business Processes and Schedule of Typical**
213 **Annual Board Agenda Activities**

214 President Zucca stated that the draft schedule was presented last month and it is a good
215 planning tool for the Board of Directors. The Board agreed.

216
217 **G. Consider Approving the 2016-2018 General Manager Performance Plan**

218 General Manager Rudock explained that she incorporated the 2016 MPWD Strategic
219 Plan into a GM performance plan/evaluation and forwarded it to the Board's GM
220 Performance Review Committee for advance review.

221
222 Director Stuebing moved to approve the 2016-2018 General Manager Performance
223 Plan, Vice President Warden seconded, and it was unanimously approved.

224
225 **9. MANAGER AND BOARD REPORTS**

226
227 **A. General Manager's Report**

228 General Manager Rudock summarized her report, noting that she will not be able to
229 attend the HIA meeting on May 5, 2016. Candy Pina will go in her place. President
230 Zucca said he would reach out to Director Linvill to see if she could attend in his place.

231
232 **1. Supplemented by Administrative Services Manager's Report**

233 Administrative Services Manager Pina pointed out the Springbrook Implementation
234 Schedule for the Financial Management System, which will be updated each month.

235
236 **2. Supplemented by Operations Manager's Report**

237 Operations Manager Ramirez highlighted that 31 meters were put in this past month,
238 noting these are the commercial meters which are more challenging to install.

239
240 **3. Supplemented by District Engineer's Report**

241 District Engineer Pakpour noted the following items for various projects being worked
242 on:

- 243 a) MPWD's Buckland Tanks Replacement Project received the American Public
244 Works Association, Silicon Valley Chapter award.
- 245 b) We are continuing to coordinate with the City of Belmont to share files on
246 projects for overlay of the sewer projects and MPWD's projects, in order to
247 minimize costs and disruption to the community.

248
249 **B. Financial Reports**

250 **1. Process for Periodic Board Financial Controls Review**

251 District Treasurer Ira summarized his report explaining the new Board periodic review
252 process for cash and other disbursements, which will take about two hours to review.
253 The third proposed testing cycle under development will include a process for reviewing
254 payroll calculations. This will occur on a quarterly basis.

255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302

C. Director Reports

Vice President Warden expressed how well attended the employee appreciation dinner was on April 15th. He said it was well organized and everyone seemed to enjoy themselves. Directors Stuebing and Vella agreed.

Director Stuebing noted that ACWA conference is next week. He will be missing the CSDA meeting, and Vice President Warden said he could attend. He also reported he would be missing the June Regular Meeting.

Director Vella said that staff seemed to be reenergized after the employee recognition dinner. He liked the State of the District event and would like to see this continue. Vice President Warden and President Zucca agreed with his comments.

10. FUTURE AGENDA BUSINESS ITEMS

75-year look-ahead report for the CIP.

11. COMMUNICATIONS

None.

The Board recessed into Closed Session at 10:45 PM.

12. CLOSED SESSSION

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Two Matters)
(Government Code Section 54956.9(d)(1))

1. *Samir Shaikh, et ux. v. Mid-Peninsula Water District, et al.*
San Mateo County Case No. 538041

2. *Maskay, Inc. d/b/a Eurotech, et al. v. Mid-Peninsula Water District*
San Mateo County Case No. 536467

13. ADJOURNMENT

District Counsel reported that no reportable action was taken in the Closed Session. Director Stuebing moved to adjourn at 11:02PM, Director Vella seconded, and it was unanimously approved.

DISTRICT SECRETARY

APPROVED:

BOARD PRESIDENT

Type	Num	Date	Name	Account	Paid Amount
Check		04/22/2016	ADP Payroll Fees	1030 · Cash- Checking 7106 · Prof Serv - Accting & Payroll	\$ (240.95)
					\$ (240.95)
Check		04/27/2016	Return Item Charge	1030 · Cash- Checking 4013 · Returned Water Charges	\$ (33.00)
					\$ (33.00)
Bill Pmt -Check		05/10/2016	ROBERTS & BRUNE CO. INC.	1030 · Cash- Checking	
Bill	S1545579.001	05/01/2016	ROBERTS & BRUNE CO. INC.	2100 · Accounts Payable	\$ -
					\$ -
Check	EFT042516-1	04/25/2016	ICMA contributions	1030 · Cash- Checking 1430 · Payroll Clearing A/C	\$ (666.24)
					\$ (666.24)
Check	EFT042616-1	04/26/2016	ICMA contributions	1030 · Cash- Checking 1430 · Payroll Clearing A/C	\$ (1,375.97)
					\$ (1,375.97)
Check	EFT051016-1	05/10/2016	Health Equity	1030 · Cash- Checking 1430 · Payroll Clearing A/C	\$ (1,059.58)
					\$ (1,059.58)
Bill Pmt -Check	EFT051816-1	05/17/2016	WELLS FARGO BUSINESS CARD	1030 · Cash- Checking	
Bill		05/11/2016		7201 · Director Travel	\$ (241.25)
				6406 · Fire Hydrants	\$ (334.94)
				6501 · Buildings & Grounds	\$ (178.24)
				6403 · Storage Tanks	\$ (14.88)
				6403 · Storage Tanks	\$ (147.95)
					\$ (917.26)
Check	EFT042516-2	04/25/2016	Health Equity	1030 · Cash- Checking 1430 · Payroll Clearing A/C	\$ (559.58)
					\$ (559.58)
Check	EFT042616-2	04/26/2016	Health Equity	1030 · Cash- Checking 1430 · Payroll Clearing A/C	\$ (250.00)
					\$ (250.00)

Check	EFT051016-2	05/10/2016 ICMA contributions	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (666.24)
				<u>\$ (666.24)</u>
Check	EFT042516-3	04/25/2016 CALPERS	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (3,153.01)
			1430 - Payroll Clearing A/C	\$ (3,604.78)
				<u>\$ (6,757.79)</u>
Check	EFT042616-3	04/26/2016 CALPERS	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (1,130.11)
			1430 - Payroll Clearing A/C	\$ (1,292.04)
				<u>\$ (2,422.15)</u>
Check	EFT051016-3	05/10/2016 CALPERS	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (3,153.01)
			1430 - Payroll Clearing A/C	\$ (3,604.78)
				<u>\$ (6,757.79)</u>
Check	EFT042516-4	04/25/2016 CALPERS	1030 - Cash- Checking	
			7106 - Prof Serv - Accting & Payroll	\$ (650.00)
				<u>\$ (650.00)</u>
			1430 - Payroll Clearing A/C	\$ (7,448.00)
				<u>\$ (7,448.00)</u>
Bill Pmt -Check	30675	04/26/2016 AT&T 60197	1030 - Cash- Checking	
Bill	7864805	04/01/2016	7005 - Utilities - Telephones	\$ (19.29)
Bill	7919137	04/10/2016	7005 - Utilities - Telephones	\$ (19.54)
Bill	7919138	04/10/2016	7005 - Utilities - Telephones	\$ (8.38)
Bill	7959998	04/25/2016	7005 - Utilities - Telephones	\$ (19.96)
Bill	7959997	04/25/2016	7005 - Utilities - Telephones	\$ (19.27)
				<u>\$ (86.44)</u>
Bill Pmt -Check	30676	04/26/2016 BARTLE WELLS ASSOCIATES INC	1030 - Cash- Checking	
Bill	1007	04/18/2016	7110 - Prof Serv - Miscellaneous	\$ (658.00)
				<u>\$ (658.00)</u>

Bill Pmt -Check	30677	04/26/2016 BAWSCA	1030 - Cash- Checking	
Bill	2925	04/01/2016	1410 · Prepaid Expenses	\$ (522.00)
				<u>\$ (522.00)</u>
Bill Pmt -Check	30678	04/26/2016 BFI of CALIFORNIA INC. - OX MTN. LANDFILL	1030 - Cash- Checking	
Bill	4227-000043854	04/15/2016	6404 · Mains/Distribution	\$ (2,291.13)
				<u>\$ (2,291.13)</u>
Bill Pmt -Check	30679	04/26/2016 CANDY PINA	1030 - Cash- Checking	
Bill		04/25/2016	1721 · Alameda - Prof Svs	\$ (52.00)
				<u>\$ (52.00)</u>
Bill Pmt -Check	30680	04/26/2016 CINTAS CORPORATION	1030 - Cash- Checking	
Bill	464589269	04/14/2016	6052 · Uniforms	\$ (354.11)
Bill	464592098	04/21/2016	6052 · Uniforms	\$ (354.11)
				<u>\$ (708.22)</u>
Bill		04/10/2016	7001 · Utilities - Internet/Cable	\$ (96.20)
Bill		04/10/2016	7001 · Utilities - Internet/Cable	\$ (96.20)
Bill		04/10/2016	7001 · Utilities - Internet/Cable	\$ (96.20)
Bill		04/14/2016	7001 · Utilities - Internet/Cable	\$ (211.21)
				<u>\$ (499.81)</u>
Bill Pmt -Check	30682	04/26/2016 GOLDEN STATE FLOW MEASUREMENT INC	1030 - Cash- Checking	
Bill	1-051520	04/13/2016	1781 · 2177 Carlmont Drive U	\$ (3,468.82)
			1784 · 1710 Valley View CLOSED	\$ (403.14)
			1785 · 1901 Alden Street CLOSED	\$ (403.14)
			1330 · Inventory- Meters	\$ (797.13)
				<u>\$ (5,072.23)</u>
Bill Pmt -Check	30683	04/26/2016 GRANITE ROCK, INC.	1030 - Cash- Checking	
Bill	955026	04/16/2016	6404 · Mains/Distribution	\$ (961.27)
				<u>\$ (961.27)</u>
Bill Pmt -Check	30684	04/26/2016 HOME DEPOT	1030 - Cash- Checking	
Bill	8140510	04/01/2016	6502 · Equipment & Tools	\$ (124.13)
				<u>\$ (124.13)</u>

Bill Pmt -Check	30685	04/26/2016 MATCO TOOLS	1030 - Cash- Checking	
Bill	242695	04/01/2016	6502 - Equipment & Tools	\$ (949.82)
Bill	240110	04/19/2016	6502 - Equipment & Tools	\$ (12.54)
				<u>\$ (962.36)</u>
Bill Pmt -Check	30686	04/26/2016 MATTHEW ZUCCA	1030 - Cash- Checking	
Bill	524632	04/26/2016	7201 - Director Travel	\$ (59.13)
				<u>\$ (59.13)</u>
Bill Pmt -Check	30687	04/26/2016 MHN	1030 - Cash- Checking	
Bill	3200078876	04/16/2016	1410 - Prepaid Expenses	\$ (45.54)
				<u>\$ (45.54)</u>
Bill Pmt -Check	30688	04/26/2016 OFFICE DEPOT, INC.	1030 - Cash- Checking	
Bill	835081993001	04/13/2016	6701 - Office Supplies	\$ (79.99)
Bill	1926194452	04/14/2016	6701 - Office Supplies	\$ (23.06)
				<u>\$ (103.05)</u>
Bill Pmt -Check	30689	04/26/2016 OFFICE TEAM	1030 - Cash- Checking	
Bill	45582132	04/19/2016	7110 - Prof Serv - Miscellaneous	\$ (1,054.34)
				<u>\$ (1,054.34)</u>
Bill Pmt -Check	30690	04/26/2016 OREILLY AUTO PARTS, INC.	1030 - Cash- Checking	
Bill	3535-449304	04/06/2016	6503 - Vehicle & Large Equip	\$ (63.20)
Bill	3535-449651	04/08/2016	6503 - Vehicle & Large Equip	\$ (115.53)
Bill	3535-450516	04/13/2016	6503 - Vehicle & Large Equip	\$ (249.36)
				<u>\$ (428.09)</u>
Bill Pmt -Check	30691	04/26/2016 PG&E CFM/PPC DEPT	1030 - Cash- Checking	
Bill	9032-7APR2016	04/12/2016	7003 - Utilities - Electric - Pumping	\$ (9,727.28)
Bill	4665-4APR2016	04/14/2016	7004 - Utilities - Electric-Bldgs&Grnd	\$ (1,609.19)
			7003 - Utilities - Electric - Pumping	\$ (574.47)
				<u>\$ (11,910.94)</u>
Bill Pmt -Check	30692	04/26/2016 RICOH Philadelphia	1030 - Cash- Checking	
Bill	49826386	04/20/2016	6704 - Printing/Printing Supplies	\$ (133.81)
				<u>\$ (133.81)</u>

Bill Pmt -Check	30693	04/26/2016 ROBERTS & BRUNE CO. INC.	1030 - Cash- Checking	
Bill	S1549611.001	04/01/2016	6502 · Equipment & Tools	\$ (65.65)
			6405 · Meters & Service	\$ (20.84)
			1737 · Meter Chg Out - Parts	\$ (35.17)
			6404 · Mains/Distribution	\$ (121.14)
Bill	S1551169.001	04/01/2016	6406 · Fire Hydrants	\$ (790.94)
Bill	S1549335.001	04/01/2016	6405 · Meters & Service	\$ (1,236.56)
Bill	S1547503.002	04/15/2016	6405 · Meters & Service	\$ (307.50)
				<u>\$ (2,577.80)</u>
Bill Pmt -Check	30694	04/26/2016 SAN FRANCISCO WATER DEPT	1030 - Cash- Checking	
Bill		04/15/2016	6101 · SFPUC Treated Water	\$ (279,435.00)
			6102 · BAWSCA (Debt Service Surcharge)	\$ (38,438.00)
			6104 · SFPUC Water Service Charge	\$ (6,522.00)
				<u>\$ (324,395.00)</u>
Bill Pmt -Check	30695	04/26/2016 SFPUC WATER QUALITY	1030 - Cash- Checking	
Bill	10000724	04/01/2016	2050 · Accrued Expenses	\$ (1,650.00)
				<u>\$ (1,650.00)</u>
Bill Pmt -Check	30696	04/26/2016 STANDARD INSURANCE COMPANY	1030 - Cash- Checking	
Bill		04/19/2016	1410 · Prepaid Expenses	\$ (780.01)
				<u>\$ (780.01)</u>
Bill Pmt -Check	30697	04/26/2016 VECTOR VISION PC	1030 - Cash- Checking	
Bill	1015-184	04/25/2016	7110 · Prof Serv - Miscellaneous	\$ (4,700.00)
				<u>\$ (4,700.00)</u>
Bill Pmt -Check	30698	04/26/2016 VERIZON WIRELESS	1030 - Cash- Checking	
Bill	9763815479	04/15/2016	7002 · Utilities - Cell Telephone	\$ (97.28)
				<u>\$ (97.28)</u>
Bill Pmt -Check	30699	04/26/2016 HOWIE FLECK	1030 - Cash- Checking	
Bill		04/21/2016	6308 · Rain Barrels Rebate	\$ (179.98)
				<u>\$ (179.98)</u>
Bill Pmt -Check	30700	04/26/2016 JUSTIN HENDRIX	1030 - Cash- Checking	
Bill		04/21/2016	6308 · Rain Barrels Rebate	\$ (100.00)
				<u>\$ (100.00)</u>

Bill Pmt -Check	30701	04/26/2016 LOREN THOMAS	1030 - Cash- Checking	
Bill		04/21/2016	6308 - Rain Barrels Rebate	\$ (149.98)
				<u>\$ (149.98)</u>
Bill Pmt -Check	30702	04/26/2016 MATT GREEN	1030 - Cash- Checking	
Bill		04/21/2016	6308 - Rain Barrels Rebate	\$ (200.00)
				<u>\$ (200.00)</u>
Bill Pmt -Check	30703	04/26/2016 MICHAEL ROTH	1030 - Cash- Checking	
Bill		04/21/2016	6308 - Rain Barrels Rebate	\$ (79.99)
				<u>\$ (79.99)</u>
Bill Pmt -Check	30704	04/26/2016 C&C DEBENEDETTI	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30705	04/26/2016 CHRISTA PATASSY	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30706	04/26/2016 CHRISTINE BEARD	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (200.00)
				<u>\$ (200.00)</u>
Bill Pmt -Check	30707	04/26/2016 CONSTANTINE VASILAKOS	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30708	04/26/2016 DONALD OSWALD	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30709	04/26/2016 GEORGE SCOTCH	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (300.00)
				<u>\$ (300.00)</u>
Bill Pmt -Check	30710	04/26/2016 JENNIFER RATTO	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>

Bill Pmt -Check	30711	04/26/2016 JERRY SCHWERZLER	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30712	04/26/2016 KAREN LYNCH	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (250.00)
				<u>\$ (250.00)</u>
Bill Pmt -Check	30713	04/26/2016 KARI KILLIANEY	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (200.00)
				<u>\$ (200.00)</u>
Bill Pmt -Check	30714	04/26/2016 LINDA PENE	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30715	04/26/2016 MELISSA KAISER	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (200.00)
				<u>\$ (200.00)</u>
Bill Pmt -Check	30716	04/26/2016 MICHAEL LIVENGOOD	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30717	04/26/2016 PAIGE SANKS	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30718	04/26/2016 PHILLIP FEITELBERG	1030 - Cash- Checking	
Bill		04/22/2016	6305 - HET (High Efficiency Toilet)	\$ (100.00)
				<u>\$ (100.00)</u>
Bill Pmt -Check	30719	05/03/2016 AT&T 60197	1030 - Cash- Checking	
Bill	7975116	04/20/2016	7005 - Utilities - Telephones	\$ (1,164.50)
Bill	7980248	04/24/2016	7005 - Utilities - Telephones	\$ (19.17)
				<u>\$ (1,183.67)</u>
Bill Pmt -Check	30720	05/03/2016 C G UHLENBERG LLP	1030 - Cash- Checking	
Bill	11660	04/01/2016	7111 - Prof Serv - District Treasurer	\$ (300.00)
			7106 - Prof Serv - Accting & Payroll	\$ (1,025.00)
				<u>\$ (1,325.00)</u>

Bill Pmt -Check	30721	05/03/2016 CINTAS CORPORATION	1030 - Cash- Checking	
Bill	464594948	04/28/2016	6052 - Uniforms	\$ (347.48)
				<u>\$ (347.48)</u>
Bill Pmt -Check	30722	05/03/2016 CORNERSTONE	1030 - Cash- Checking	
Bill	13690	04/01/2016	1741 - Dekoven - Prof Svs	\$ (3,850.00)
Bill	13691	04/01/2016	1741 - Dekoven - Prof Svs	\$ (4,722.50)
				<u>\$ (8,572.50)</u>
Bill Pmt -Check	30723	05/03/2016 DESERT DIAMOND INDUSTRIES LLC	1030 - Cash- Checking	
Bill	11929	04/01/2016	6502 - Equipment & Tools	\$ (372.00)
				<u>\$ (372.00)</u>
Bill Pmt -Check	30724	05/03/2016 HOME DEPOT	1030 - Cash- Checking	
Bill	2565666	04/26/2016	6502 - Equipment & Tools	\$ (57.69)
Bill	2565667	04/26/2016	6502 - Equipment & Tools	\$ (79.92)
Bill	2150906	04/26/2016	6408 - Employee Safety	\$ (47.93)
				<u>\$ (185.54)</u>
Bill Pmt -Check	30725	05/03/2016 LINCOLN LIFE	1030 - Cash- Checking	
Bill		04/30/2016	1430 - Payroll Clearing A/C	\$ (175.00)
				<u>\$ (175.00)</u>
Bill Pmt -Check	30726	05/03/2016 OFFICE DEPOT, INC.	1030 - Cash- Checking	
Bill	6032	04/28/2016	6701 - Office Supplies	\$ (64.52)
				<u>\$ (64.52)</u>
Bill Pmt -Check	30727	05/03/2016 OFFICE TEAM	1030 - Cash- Checking	
Bill	45634081	04/26/2016	7110 - Prof Serv - Miscellaneous	\$ (873.79)
				<u>\$ (873.79)</u>
Bill Pmt -Check	30728	05/03/2016 PAKPOUR CONSULTING GROUP, INC	1030 - Cash- Checking	
Bill		04/15/2016	7102 - Prof Serv - District Engineer	\$ (500.00)
				<u>\$ (500.00)</u>
Bill Pmt -Check	30729	05/03/2016 PG&E CFM/PPC DEPT	1030 - Cash- Checking	
Bill	4441-0	04/28/2016	7004 - Utilities - Electric-Bldgs&Grnd	\$ (8.85)
				<u>\$ (8.85)</u>

Bill Pmt -Check	30730	05/03/2016	PRECISE, INC.	1030 - Cash- Checking	
Bill	16739	04/29/2016		7107 · Prof Serv - Customer Billing	\$ (626.03)
Bill	16846	04/29/2016		7107 · Prof Serv - Customer Billing	\$ (627.98)
Bill	PM043016	04/30/2016		1410 · Prepaid Expenses	\$ (7,500.00)
					<u>\$ (8,754.01)</u>
Bill Pmt -Check	30731	05/03/2016	RECOLOGY SAN MATEO	1030 - Cash- Checking	
Bill		04/28/2016		6501 · Buildings & Grounds	\$ (651.04)
					<u>\$ (651.04)</u>
Bill Pmt -Check	30732	05/03/2016	ROBERTS & BRUNE CO. INC.	1030 - Cash- Checking	
Bill	S1543827.001	04/01/2016		207023 · 740 El Camino - Fire Install U	\$ (94.78)
Bill	S1547845.001	04/01/2016		6405 · Meters & Service	\$ (40.65)
Bill	S1548018.002	04/01/2016		6405 · Meters & Service	\$ (151.01)
Bill	S1556546.001	04/22/2016		6406 · Fire Hydrants	\$ (591.14)
Bill	S1557654.001	04/27/2016		1737 · Meter Chg Out - Parts	\$ (152.10)
					<u>\$ (1,029.68)</u>
Bill Pmt -Check	30733	05/03/2016	VANGUARD CLEANING SYSTEMS, INC.	1030 - Cash- Checking	
Bill	22013	05/01/2016		6501 · Buildings & Grounds	\$ (385.00)
					<u>\$ (385.00)</u>
Bill Pmt -Check	30734	05/03/2016	VERIZON WIRELESS	1030 - Cash- Checking	
Bill	9763815478	04/01/2016		7002 · Utilities - Cell Telephone	\$ (817.62)
					<u>\$ (817.62)</u>
Bill Pmt -Check	30735	05/03/2016	HOMAI KASAD	1030 - Cash- Checking	
Bill		04/26/2016		6307 · Lawn-Be-Gone Rebates	\$ (711.30)
					<u>\$ (711.30)</u>
Bill Pmt -Check	30736	05/10/2016	ACWA/JPIA	1030 - Cash- Checking	
Bill	0411085	05/03/2016		1410 · Prepaid Expenses	\$ (41,056.94)
					<u>\$ (41,056.94)</u>
Bill Pmt -Check	30737	05/10/2016	AT&T 60197	1030 - Cash- Checking	
Bill	7997144	04/28/2016		7005 · Utilities - Telephones	\$ (19.25)
Bill	8013902	04/30/2016		7005 · Utilities - Telephones	\$ (37.79)
					<u>\$ (57.04)</u>

Bill Pmt -Check	30738	05/10/2016 BELMONT CHAMBER OF COMMERCE	1030 - Cash- Checking	
Bill		05/09/2016	1410 - Prepaid Expenses	\$ (393.00)
				<u>\$ (393.00)</u>
Bill Pmt -Check	30739	05/10/2016 BLUELINE RENTAL	1030 - Cash- Checking	
Bill	30860980001	04/22/2016	6406 - Fire Hydrants	\$ (495.06)
				<u>\$ (495.06)</u>
Bill Pmt -Check	30740	05/10/2016 CALIFORNIA UTILITIES EMERGENCY ASSOC	1030 - Cash- Checking	
Bill	1617061	05/01/2016	1410 - Prepaid Expenses	\$ (500.00)
				<u>\$ (500.00)</u>
Bill Pmt -Check	30741	05/10/2016 Demsey, Filliger & Associates, LLC	1030 - Cash- Checking	
Bill	3053	05/06/2016	7110 - Prof Serv - Miscellaneous	\$ (3,000.00)
				<u>\$ (3,000.00)</u>
Bill Pmt -Check	30742	05/10/2016 GOLDEN STATE FLOW MEASUREMENT INC	1030 - Cash- Checking	
Bill	1-051599	04/26/2016	1737 - Meter Chg Out - Parts	\$ (31.96)
Bill	1-051582	04/22/2016	1786 - 1401 Shoreway Springhill Htl U	\$ (1,774.54)
				<u>\$ (1,806.50)</u>
Bill Pmt -Check	30743	05/10/2016 HANSON, BRIDGETT	1030 - Cash- Checking	
Bill	1165465	04/29/2016	7101 - Prof Serv - District Counsel	\$ (4,917.50)
Bill	1165466	04/29/2016	7101 - Prof Serv - District Counsel	\$ (455.00)
Bill	1165467	04/29/2016	7101 - Prof Serv - District Counsel	\$ (780.00)
Bill	1165468	04/29/2016	7101 - Prof Serv - District Counsel	\$ (1,157.50)
Bill	1165469	04/29/2016	7101 - Prof Serv - District Counsel	\$ (175.00)
Bill	1165470	04/29/2016	7101 - Prof Serv - District Counsel	\$ (1,000.00)
Bill	1165471	04/29/2016	7101 - Prof Serv - District Counsel	\$ (650.00)
				<u>\$ (9,135.00)</u>
Bill Pmt -Check	30744	05/10/2016 HOME DEPOT	1030 - Cash- Checking	
Bill	5302816	04/13/2016	6501 - Buildings & Grounds	\$ (133.43)
Bill	40021	04/18/2016	6501 - Buildings & Grounds	\$ (16.18)
			6502 - Equipment & Tools	\$ (62.51)
Bill	17265	05/04/2016	6501 - Buildings & Grounds	\$ (10.87)
Bill	0628-0001-38602	05/09/2016	6405 - Meters & Service	\$ (68.39)
				<u>\$ (291.38)</u>

Bill Pmt -Check	30745	05/10/2016 INDOOR AIR DESIGN, INC.	1030 - Cash- Checking	
Bill	100919	04/26/2016	6501 - Buildings & Grounds	\$ (175.00)
				<u>\$ (175.00)</u>
Bill Pmt -Check	30746	05/10/2016 JULIE M BROWN & ASSOC	1030 - Cash- Checking	
Bill	18050416	04/30/2016	7110 - Prof Serv - Miscellaneous	\$ (4,442.82)
				<u>\$ (4,442.82)</u>
Bill Pmt -Check	30747	05/10/2016 McNAMARA TRANSPORT, INC.	1030 - Cash- Checking	
Bill	9718	04/30/2016	6404 - Mains/Distribution	\$ (750.00)
				<u>\$ (750.00)</u>
Bill Pmt -Check	30748	05/10/2016 OFFICE DEPOT, INC.	1030 - Cash- Checking	
Bill	834670393001	04/19/2016	6701 - Office Supplies	\$ (1,118.20)
Bill	834672477001	04/20/2016	6701 - Office Supplies	\$ (318.27)
Bill	837158618001	05/01/2016	6701 - Office Supplies	\$ (105.12)
Bill	1931286932	05/01/2016	6701 - Office Supplies	\$ (64.52)
				<u>\$ (1,606.11)</u>
Bill Pmt -Check	30749	05/10/2016 OFFICE TEAM	1030 - Cash- Checking	
Bill	45686438	04/30/2016	7110 - Prof Serv - Miscellaneous	\$ (1,083.60)
				<u>\$ (1,083.60)</u>
Bill Pmt -Check	30750	05/10/2016 PAKPOUR CONSULTING GROUP, INC	1030 - Cash- Checking	
Bill	1925	04/01/2016	7102 - Prof Serv - District Engineer	\$ (334.69)
			1536 - BUCKLAND TANK PROJECT	\$ (229.69)
			7102 - Prof Serv - District Engineer	\$ (11,954.25)
			207014 - 2525 Buena Vista FT CLOSED	\$ (262.50)
			207013 - 1807 Bayview Fire FT CLOSED	\$ (262.50)
			207003 - CD - 400 - 490 El Camino U	\$ (262.50)
			1741 - Dekoven - Prof Svs	\$ (1,256.06)
			1721 - Alameda - Prof Svs	\$ (8,925.00)
			1726 - Karen Road - Prof Svs	\$ (4,953.38)
			1746 - Folger Demo - Prof Svs	\$ (561.75)
				<u>\$ (29,002.32)</u>
Bill Pmt -Check	30751	05/10/2016 PENINSULA BUILDING MATERIALS	1030 - Cash- Checking	
Bill	356394	04/14/2016	6502 - Equipment & Tools	\$ (58.59)
				<u>\$ (58.59)</u>

Bill Pmt -Check	30752	05/10/2016 PG&E CFM/PPC DEPT	1030 - Cash- Checking	
Bill	7816-1MAY2016	05/05/2016	7003 · Utilities - Electric - Pumping	\$ (205.32)
Bill	3667-2MAY2016	05/05/2016	7003 · Utilities - Electric - Pumping	\$ (66.73)
Bill	2454-4MAY2016	05/05/2016	7003 · Utilities - Electric - Pumping	\$ (29.06)
				<u>\$ (301.11)</u>
Bill Pmt -Check	30753	05/10/2016 PRECISE, INC.	1030 - Cash- Checking	
Bill	16957	05/09/2016	1410 · Prepaid Expenses	\$ (642.00)
				<u>\$ (642.00)</u>
Bill Pmt -Check	30754	05/10/2016 REDWOOD GENERAL TIRE CO INC	1030 - Cash- Checking	
Bill	661546	04/20/2016	6503 · Vehicle & Large Equip	\$ (1,922.84)
				<u>\$ (1,922.84)</u>
Bill Pmt -Check	30755	05/10/2016 RICOH USA, INC. Pasadena	1030 - Cash- Checking	
Bill	5041774781	04/27/2016	6705 · Equipment Services/Maintenance	\$ (1,035.76)
				<u>\$ (1,035.76)</u>
Bill Pmt -Check	30756	05/10/2016 STEPFORD BUSINESS, INC.	1030 - Cash- Checking	
Bill	1601380	04/20/2016	1410 · Prepaid Expenses	\$ (1,400.00)
Bill	1601331	04/20/2016	7103 · Prof Serv - IT	\$ (40.00)
				<u>\$ (1,440.00)</u>
Bill Pmt -Check	30757	05/10/2016 STEVENS CREEK QUARRY, INC.	1030 - Cash- Checking	
Bill	643610	04/08/2016	6404 · Mains/Distribution	\$ (103.25)
				<u>\$ (103.25)</u>
Bill Pmt -Check	30758	05/10/2016 VALLEY OIL COMPANY	1030 - Cash- Checking	
Bill	827363	04/15/2016	6504 · Fuel	\$ (450.10)
Bill	810022	04/28/2016	6504 · Fuel	\$ (600.22)
				<u>\$ (1,050.32)</u>
Bill Pmt -Check	30760	05/17/2016 RENE RAMIREZ	1030 - Cash- Checking	
Bill	524636	05/17/2016	6503 · Vehicle & Large Equip	\$ (32.68)
				<u>\$ (32.68)</u>
Bill Pmt -Check	30761	05/18/2016 AIRGAS, LLC	1030 - Cash- Checking	
Bill	9936142783	05/01/2016	6501 · Buildings & Grounds	\$ (117.25)
				<u>\$ (117.25)</u>

Bill Pmt -Check	30762	05/18/2016 CINTAS CORPORATION	1030 - Cash- Checking	
Bill	5003965478	05/01/2016	6408 - Employee Safety	\$ (92.45)
Bill	5003966269	05/02/2016	6408 - Employee Safety	\$ (66.93)
				<u>\$ (159.38)</u>
Bill Pmt -Check	30763	05/18/2016 EEAP THE SAFETY PEOPLE, INC.	1030 - Cash- Checking	
Bill	50761	05/10/2016	1410 - Prepaid Expenses	\$ (480.00)
				<u>\$ (480.00)</u>
Bill Pmt -Check	30764	05/18/2016 HOME DEPOT	1030 - Cash- Checking	
Bill	6584024	05/12/2016	6502 - Equipment & Tools	\$ (27.18)
Bill	6281239	05/12/2016	6501 - Buildings & Grounds	\$ (12.95)
				<u>\$ (40.13)</u>
Bill Pmt -Check	30765	05/18/2016 John T. Davidson	1030 - Cash- Checking	
Bill	2081	05/01/2016	7110 - Prof Serv - Miscellaneous	\$ (4,872.43)
				<u>\$ (4,872.43)</u>
Bill Pmt -Check	30766	05/18/2016 MATTHEW B. KERBY	1030 - Cash- Checking	
Bill	MKRrefundFF	04/30/2016	207013 - 1807 Bayview Fire FT CLOSED	\$ (717.50)
				<u>\$ (717.50)</u>
Bill Pmt -Check	30767	05/18/2016 OFFICE TEAM	1030 - Cash- Checking	
Bill	45738300	05/10/2016	7110 - Prof Serv - Miscellaneous	\$ (1,083.60)
				<u>\$ (1,083.60)</u>
Bill Pmt -Check	30768	05/18/2016 PARS	1030 - Cash- Checking	
Bill	34475	05/10/2016	7110 - Prof Serv - Miscellaneous	\$ (300.00)
				<u>\$ (300.00)</u>
Bill Pmt -Check	30769	05/18/2016 PG&E CFM/PPC DEPT	1030 - Cash- Checking	
Bill	7951-5MAY2016	05/06/2016	7003 - Utilities - Electric - Pumping	\$ (148.57)
Bill	6556-8MAY2016	05/06/2016	7003 - Utilities - Electric - Pumping	\$ (77.05)
Bill	8936-0MAY2016	05/06/2016	7003 - Utilities - Electric - Pumping	\$ (1,955.92)
				<u>\$ (2,181.54)</u>
Bill Pmt -Check	30770	05/18/2016 RICOH Philadelphia	1030 - Cash- Checking	
Bill	49988571	05/07/2016	6704 - Printing/Printing Supplies	\$ (339.12)
				<u>\$ (339.12)</u>

Bill Pmt -Check	30771	05/18/2016	ROBERTS & BRUNE CO. INC.	1030 - Cash- Checking	
Bill	S1556029.001	05/01/2016		6404 · Mains/Distribution	\$ (954.84)
Bill	S1555035.001	05/01/2016		6406 · Fire Hydrants	\$ (225.27)
Bill	S1555644.001	05/01/2016		6404 · Mains/Distribution	\$ (2,523.26)
				6405 · Meters & Service	\$ (356.55)
				1737 · Meter Chg Out - Parts	\$ (3,646.92)
				6404 · Mains/Distribution	\$ (1,464.16)
Bill	S1558727.001	05/01/2016		1737 · Meter Chg Out - Parts	\$ (130.94)
Bill	S1560425.001	05/09/2016		6405 · Meters & Service	\$ (132.83)
					<u>\$ (9,434.77)</u>
Bill Pmt -Check	30772	05/18/2016	RUSSELL KWOK	1030 - Cash- Checking	\$ -
Bill Pmt -Check	30773	05/18/2016	SONIC DEVELOPMENT, LLC	1030 - Cash- Checking	
Bill	Refund700Island	04/30/2016		207011 · 700 Island Parkway FT CLOSED	\$ (638.30)
					<u>\$ (638.30)</u>
Bill Pmt -Check	30774	05/18/2016	VALLEY OIL COMPANY	1030 - Cash- Checking	
Bill	825878	05/09/2016		6504 · Fuel	\$ (663.30)
					<u>\$ (663.30)</u>
Bill Pmt -Check	30775	05/18/2016	VANAIR	1030 - Cash- Checking	
Bill	59937-2	05/01/2016		6502 · Equipment & Tools	\$ (40.27)
					<u>\$ (40.27)</u>
Bill Pmt -Check	30776	05/18/2016	WILLIAM ESTES	1030 - Cash- Checking	
Bill	WERefundFF	04/30/2016		207014 · 2525 Buena Vista FT CLOSED	\$ (638.30)
					<u>\$ (638.30)</u>
Bill Pmt -Check	30777	05/17/2016	RUSSELL KWOK	1030 - Cash- Checking	
Bill		04/30/2016		178501 · 1901 Alden Street CLOSED	\$ (7,602.62)
					<u>\$ (7,602.62)</u>
Check	EFT050916	05/09/2016	ICMA contributions	1030 - Cash- Checking	
				1430 · Payroll Clearing A/C	\$ (1,375.97)
					<u>\$ (1,375.97)</u>

Check	EFT050917	05/09/2016 Health Equity	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (350.00)
			7106 - Prof Serv - Accting & Payroll	\$ (56.05)
				<u>\$ (406.05)</u>
Check	EFT050918	05/09/2016 CALPERS	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (1,130.11)
			1430 - Payroll Clearing A/C	\$ (1,292.04)
				<u>\$ (2,422.15)</u>
Check	55135	05/09/2016 BRADLEY HALL	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (116.50)
				<u>\$ (116.50)</u>
Check	55136	05/09/2016 IAN MCNEMAR	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (40.00)
				<u>\$ (40.00)</u>
Check	55137	05/09/2016 ADRIANA DEL CARLO	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (11.93)
				<u>\$ (11.93)</u>
Check	55138	05/09/2016 SAMUEL CHUNG	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (3.00)
				<u>\$ (3.00)</u>
Check	55139	05/09/2016 JUSTIN OXSEN	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (3.00)
				<u>\$ (3.00)</u>
Check	55140	05/09/2016 JIM SAMUELSEN	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (3.00)
				<u>\$ (3.00)</u>
Check	55141	05/09/2016 JAMES HERDRICH	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (11.93)
				<u>\$ (11.93)</u>
Check	55142	05/09/2016 MICHELLE SALERNO	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (120.50)
				<u>\$ (120.50)</u>

Check	55143	05/09/2016 SHORELINE ASSESTS GROUP, LLC	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (668.00)
				<u>\$ (668.00)</u>
Check	55144	05/09/2016 D&A BUILDERS INC	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (555.40)
				<u>\$ (555.40)</u>
Check	55145	05/09/2016 PRECISION ENGINEERING	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (654.00)
				<u>\$ (654.00)</u>
Check	55146	05/09/2016 R.B. CONSTRUCTION, INC	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (658.60)
				<u>\$ (658.60)</u>
Check	55147	05/09/2016 CHS CONSTRUCTION	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (3.00)
				<u>\$ (3.00)</u>
Check	55148	05/09/2016 EURO CLASSIX CARS	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (10.33)
				<u>\$ (10.33)</u>
Bill Pmt -Check	EFT05032016	05/03/2016 WELLS FARGO BUSINESS CARD	1030 - Cash- Checking	
Bill		04/28/2016	7204 - Employee Travel/Training	\$ (34.07)
			1410 - Prepaid Expenses	\$ (299.00)
			6701 - Office Supplies	\$ (100.00)
			1410 - Prepaid Expenses	\$ (199.00)
			1410 - Prepaid Expenses	\$ (199.00)
			1410 - Prepaid Expenses	\$ (398.00)
			1410 - Prepaid Expenses	\$ (597.00)
			1410 - Prepaid Expenses	\$ (99.00)
			1410 - Prepaid Expenses	\$ (199.00)
			7205 - Meeting Expenses	\$ (241.47)
			7204 - Employee Travel/Training	\$ (175.00)
			7205 - Meeting Expenses	\$ (141.27)
			6504 - Fuel	\$ (25.00)

7205 · Meeting Expenses	\$	(74.27)
6050 · Employee Service Recognition	\$	(258.90)
6050 · Employee Service Recognition	\$	(269.91)
6050 · Employee Service Recognition	\$	(517.80)
6050 · Employee Service Recognition	\$	(417.81)
6801 · Dues & Publications	\$	(110.00)
6050 · Employee Service Recognition	\$	(252.22)
6701 · Office Supplies	\$	(25.19)
6701 · Office Supplies	\$	(101.99)
6050 · Employee Service Recognition	\$	(21.99)
6701 · Office Supplies	\$	(120.69)
6050 · Employee Service Recognition	\$	(1,749.00)
1440 · Auto/Transprtion Clearing AC	\$	(70.00)
7204 · Employee Travel/Training	\$	(65.00)
6701 · Office Supplies	\$	(119.88)
6303 · Public Outreach & Education	\$	(98.96)
1410 · Prepaid Expenses	\$	(199.00)
6050 · Employee Service Recognition	\$	(461.79)
	\$	(7,641.21)
TOTAL:	\$	555,268.62



AGENDA ITEM NO. 5.C.

DATE: May 26, 2016
TO: Board of Directors
FROM: Rene A. Ramirez, Operations Manager

SUBJECT: APPROVE FIRST AMENDMENT TO LEASE WITH T-MOBILE WEST TOWER LLC AT MPWD DEKOVEN TANK SITE

RECOMMENDATION

It is recommended the Board approve and authorize the General Manager to sign the first amendment to the site lease with T-Mobile West Tower LLC at the Dekoven Tank Site, which will allow them to replace the antennae on the two monopoles with newer units, at an increased monthly rental of \$200 (to \$2,618 month).

FISCAL IMPACT

With Board approval, this lease amendment will increase revenue from this cellular phone lease site by \$2,400 annually to slightly more than \$31,400 per fiscal year.

DISCUSSION

Since the late 1990s, the District has leased property at the Dekoven and Hallmark Tank Sites to cellular phone providers for antennas and ancillary equipment. There are four (4) unique agreements with T-Mobile and Sprint, or their subsidiaries, that maintain the communication systems at these sites. Annual revenue generated from the four leases currently totals more than \$127,000.

T-Mobile West Tower LLC notified the District that they wanted to replace the existing antennae on the two monopoles at the Dekoven Tank Site with newer technology. Staff reminded them that the agreement for this site required District authorization. Staff used this opening to require a lease amendment, which included a nominal increase of \$200 per month in rent. It took several months for T-Mobile West Tower LLC to agree to the \$200 rental increase. Once they agreed to the concept of a lease amendment with an increase in rent, the lease amendment was drafted by District Counsel.

T-Mobile West Tower LLC had minor suggestions to the draft lease, which District Counsel and staff agreed to. Before the Board is a lease amendment approved as to form by District Counsel.

The First Amendment to Site Lease Agreement contains a three-page agreement and Exhibit B-1. Exhibit B-1 is 16 pages of construction documents and notes for their contractor. In order to avoid unnecessary review, but to provide the Board with an idea of where the work is to take place, only sheet C-1, the Site Plan, is included.

Attachments: First Amendment to Site Lease Agreement
Page C-1, Site Plan

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

UNANIMOUS_____ ZUCCA_____ WARDEN_____ STUEBING_____ VELLA_____ LINVILL_____

FIRST AMENDMENT TO SITE LEASE AGREEMENT

THIS FIRST AMENDMENT TO COMMUNICATIONS SITE LEASE AGREEMENT (“Amendment”), dated as of the latter of the signature dates below (“Effective Date”), is by and between the Mid-Peninsula Water District, whose address is 3 Dairy Lane, Belmont, CA 94002 (“Lessor”) and, T-Mobile West Tower LLC, whose mailing address is c/o CCTMO LLC, 2000 Corporate Drive, Canonsburg, PA 15317 (“Lessee”).

WHEREAS, Lessor and Pacific Bell Wireless, LLC, a Nevada limited liability company d/b/a Cingular Wireless, entered into the Communications Site Lease Agreement dated October 23, 2002, whereby Lessor leased to Pacific Bell Wireless, LLC d/b/a Cingular Wireless certain Premises, therein described, that are a portion of the Property located at Lessor’s Dekoven Tank Site in Belmont, CA 94002 (Assessor’s Parcel Number 043-272-400) (“Agreement”); and

WHEREAS, Lessee is currently the lessee under the Agreement as successor in interest to Pacific Bell Wireless, LLC, a Nevada limited liability company, d/b/a Cingular Wireless; and

WHEREAS, Lessor and Lessee desire to amend the Agreement to allow for the installation of equipment as depicted in Exhibit B-1; and

WHEREAS, Lessor and Lessee desire to adjust the rent in conjunction with the modifications to the Agreement contained herein; and

WHEREAS, Lessor and Lessee desire to amend the Agreement to modify the notice section thereof; and

WHEREAS, Lessor and Lessee, in their mutual interest, wish to amend the Agreement as set forth below accordingly.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows

1. Section 2, “Use” of the Agreement is hereby amended to add the following additional paragraph:

Upon the Effective Date of the First Amendment, Lessor consents to the installation and operation of antennas and associated equipment as more completely described on attached Exhibit B-1. Lessor’s execution of this Amendment will signify Lessor’s approval of Exhibit B-1. Exhibit B-1 hereby replaces Exhibit B to the Agreement.

2. Section 5, “Rent” of the Agreement is hereby amended to add the following paragraph:

On the first day of the month following the start of construction of the proposed customer installation, Rent shall be increased by \$200.00 per month for a total current monthly rent of \$2,617.86.

3. Section 17, "Miscellaneous" of the Agreement is hereby amended to delete paragraph (c) in its entirety and replace it with the following:

(c) All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Failure to send a copy of a notice to Lessee's attorneys shall not invalidate the notice if properly provided to Lessee. Notices will be addressed to the parties as follows:

Lessor: Mid-Peninsula Water District
3 Dairy Lane
Belmont, CA 94002
Attn: General Manager

With a copy to: Hanson Bridgett, LLP
425 Market Street, Floor 26
San Francisco, CA 94105
Attn: Joan L. Cassman, Esq.

Lessee: T-Mobile West Tower LLC
c/o CCTMO LLC
Attn: Legal- Real Estate Dept.
2000 Corporate Drive
Canonsburg, PA 15317

With a copy to: T-Mobile West Tower LLC
12920 S.E. 38th Street
Bellevue, WA 98006
Attn: Leasing Administration

Either party hereto may change the place for the giving of notice to it by thirty (30) days prior written notice to the other as provided herein.

4. Memorandum of First Amendment to Lease. Either party will, at any time upon fifteen (15) days prior written notice from the other, execute, acknowledge and deliver to the other a recordable Memorandum of First Amendment to Lease substantially in the form of the Attachment 1. Either party may record this memorandum at any time, in its absolute discretion.

5. Other Terms and Conditions Remain. In the event of any inconsistencies between the Agreement and this Amendment, the terms of this Amendment shall control. Except as expressly set forth in this Amendment, the Agreement, as previously amended, otherwise is

unmodified and remains in full force and effect. Each reference in the Agreement to itself shall be deemed also to refer to this Amendment.

IN WITNESS WHEREOF, the parties have caused their properly authorized representatives to execute this Amendment on the dates set forth below.

“LESSOR”

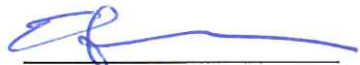
Mid-Peninsula Water District

By: _____
Name: _____
Title: _____
Date: _____

“LESSEE”

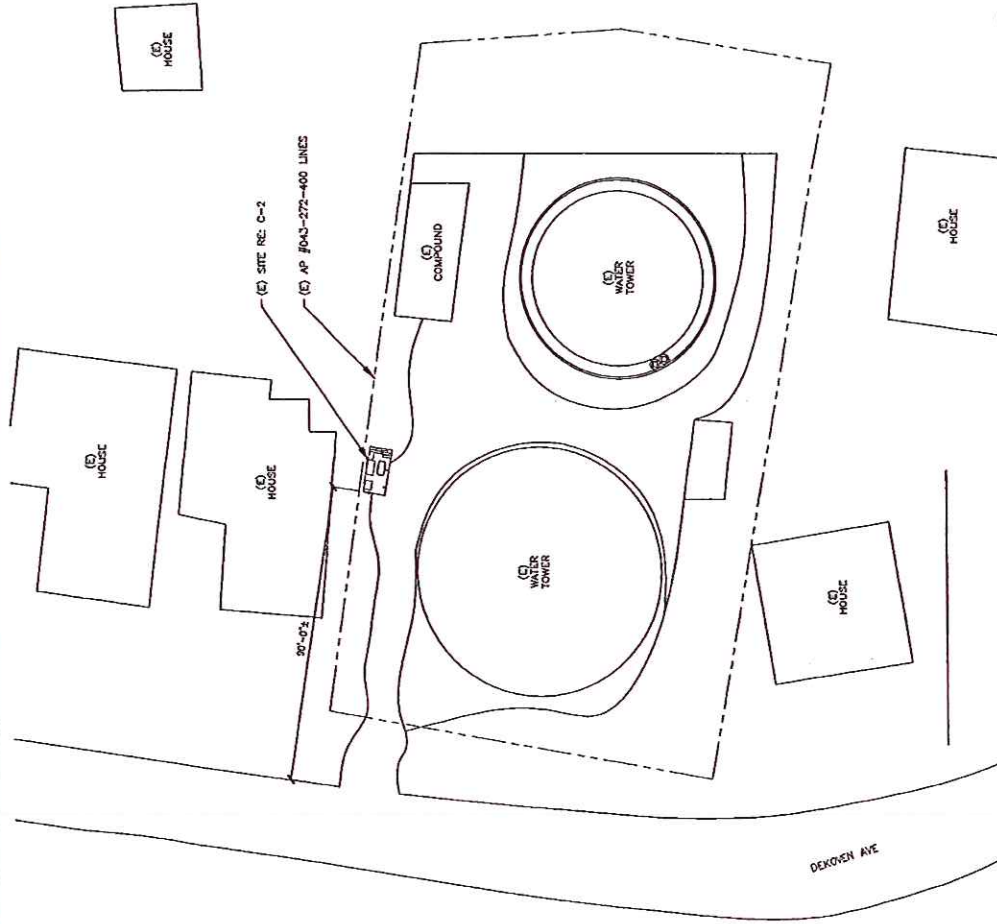
T-Mobile West Tower LLC
a Delaware limited liability company

By: CCTMO LLC, a Delaware limited liability company, its attorney in fact

By: 
Name: Eric Jacobson
Title: District manager
Date: 5/18/2016

GENERAL NOTES

1. DIMENSIONS ARE NOT TO BE SCALED. WRITTEN DIMENSIONS TAKE PRECEDENCE AND THIS SET OF PLANS IS INTENDED TO BE USED FOR DIAGRAMMATIC PURPOSES ONLY UNLESS NOTED OTHERWISE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
6. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
7. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
11. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
12. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
13. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
14. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.
15. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED IN THE PROJECT.



1 OVERALL SITE PLAN

SCALE: 1" = 30'

PLANS PREPARED BY:

CLSGROUP
TELECOMMUNICATIONS
609 S. KELLY AVENUE, STE. D EDMOND, OK 73003
PH: (405) 348-5460 FAX:(405) 341-4625

PLANS PREPARED FOR:

CROWN CASTLE
4301 HACIENDA DRIVE, SUITE 410 PLEASANTON, CA 94588

PLANS PREPARED FOR:

T-Mobile
1755 CREEKSIDE OAKS DR. #100, SACRAMENTO, CA 95833

SITE INFORMATION:

SF091 BELMONT COUNTY WATER
827693-SF03091A
2520 DEKOVEN AVE
BELMONT, CA 94002

REVISIONS:	DATE:	BY:
1. INITIAL DESIGN	11/11/10	W. J. HARRIS
2. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
3. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
4. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
5. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
6. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
7. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
8. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
9. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
10. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
11. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
12. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
13. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
14. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
15. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
16. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
17. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
18. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
19. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
20. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
21. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
22. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
23. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
24. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
25. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
26. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
27. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
28. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
29. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
30. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
31. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
32. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
33. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
34. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
35. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
36. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
37. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
38. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
39. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
40. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
41. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
42. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
43. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
44. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
45. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
46. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
47. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
48. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
49. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
50. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
51. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
52. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
53. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
54. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
55. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
56. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
57. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
58. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
59. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
60. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
61. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
62. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
63. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
64. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
65. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
66. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
67. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
68. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
69. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
70. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
71. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
72. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
73. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
74. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
75. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
76. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
77. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
78. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
79. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
80. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
81. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
82. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
83. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
84. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
85. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
86. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
87. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
88. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
89. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
90. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
91. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
92. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
93. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
94. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
95. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
96. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
97. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
98. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
99. REVISED PER COMMENTS	11/11/10	W. J. HARRIS
100. REVISED PER COMMENTS	11/11/10	W. J. HARRIS

PROFESSIONAL SEAL

W. J. HARRIS
REGISTERED PROFESSIONAL ENGINEER
NO. 12345
STATE OF CALIFORNIA

PROJECT NO: SF03091A
DATE: 11/11/10

OVERALL SITE PLAN

SCALE: 1" = 30'

DATE: 11/11/10

PROJECT NO: SF03091A



AGENDA ITEM NO. 6.A.

DATE: May 26, 2016
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: CONSIDER RESOLUTION 2016-04 ADOPTING THE MPWD WATER SHORTAGE CONTINGENCY PLAN, EFFECTIVE JULY 1, 2016

RECOMMENDATION

Receive presentation by staff and MPWD's consultant, Marty Laporte of ManageWater Consulting, Inc., on the MPWD Water Shortage Contingency Plan, effective July 1, 2016, and conduct a public hearing and consider public comments.

Resolution 2016-04 adopting the final MPWD Water Shortage Contingency Plan could be considered by the Board at its regular meeting on June 23, 2016.

FISCAL IMPACT

The 2015 UWMP project, including the WSCP, is budgeted at \$60,000 within the MPWD FY 2015/2016 Operating Budget. MPWD's contract with ManageWater Consulting, Inc. was approved by the Board on December 16, 2015, in the amount of \$38,860, plus an option not to exceed \$10,000 to negotiate services for a revised WSCP, for a potential project total of \$48,860.

RECAP:

Project budget:	\$38,860 for UWMP
	<u>\$10,102</u> approved proposal for revised WSCP
TOTAL	\$48,962
Expended to date:	<u>\$47,581</u>
BALANCE	\$ 1,381

Staff approved added time for services performed by the consultant, mostly during the data integration and projection stages and in development of the *NEW* Water Shortage Contingency Plan, which should well fit within a 15% contingency (up to \$7,344) for completion of this project.

Depending upon final edits necessary after this public hearing, the final project expenditures are not anticipated to exceed \$55,195.

DISCUSSION

The Public Review Draft of the MPWD’s *NEW* Water Shortage Contingency Plan (WSCP) was included in the appendix to the MPWD 2015 Urban Water Management Plan (UWMP) and made available for public review on May 13, 2016, at several locations identified within the attached public hearing notice. Notice of this evening’s public hearing was published twice (on May 17th and May 24th) in the Daily Journal as required by law. The UWMP, including the WSCP, and notice were posted on the MPWD’s website.

Printed copies were delivered to Directors on May 13th; therefore, a copy of the 2015 UWMP, including the WSCP, is NOT attached to this staff report. The link to the electronic version of the UWMP, including the WSCP at Appendix C is:
http://www.midpeninsulawater.org/uploads/2015_UWMP_Draft.pdf.

Marty Laporte of ManageWater Consulting, Inc. will present a summary of the key components of the MPWD Water Shortage Contingency Plan. A printed copy will be available at the meeting.

The final 2015 UWMP and WSCP could be considered for adoption by the Board at its regular meeting on June 23rd, allowing for the timely submittal to the CA DWR by July 1st.

Attachment: MPWD Public Hearing Notice

BOARD ACTION: APPROVED:____ DENIED:____ POSTPONED:____ STAFF DIRECTION:____
UNANIMOUS____ ZUCCA____ WARDEN____ STUEBING____ VELLA____ LINVILL____

RESOLUTION 2016-04

ADOPTING THE MPWD WATER SHORTAGE CONTINGENCY PLAN

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, the California Water Code Section 10632, as amended, requires every urban water supplier providing water to more than 3,000 customers or supplying more than 3,000 acre-feet of water to prepare, as part of a Urban Water Management Plan (UWMP), a Water Shortage Contingency Plan (WSCP) that has as its primary objective the conservation and efficient use of water; and

WHEREAS, the Mid-Peninsula Water District (MPWD), is an urban water supplier providing water to a population over 25,000; and

WHEREAS, on June 23, 2011, the MPWD adopted an UWMP covering the period 2010-2015, pursuant to Resolution No. 2011-05, which included a WSCP; and

WHEREAS, the MPWD has prepared and made available for public inspection a draft Urban Water Management Plan 2015-2020, in accordance with applicable law, which included a WSCP; and

WHEREAS, the preparation of the updated UWMP, including the WSCP, has been coordinated with other public agencies to the extent practicable, and staff has encouraged the active involvement of diverse social, cultural and economic sectors of the population within the MPWD's retail water service area during preparation of the UWMP, including the WSCP; and

WHEREAS, the UWMP, including the WSCP, must be adopted by July 1, 2016, after it is first made available for public inspection and a public hearing is noticed and held, and it must be filed with the California Department of Water Resources within thirty days of adoption; and

WHEREAS, in accordance with applicable law, a noticed public hearing on the draft UWMP, including the WSCP, was held by the MPWD Board of Directors on May 26, 2016, at which time all public comments were heard and considered.

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

1. The MPWD Water Shortage Contingency Plan is hereby adopted.
2. It was found and determined that the adoption of the MPWD Water Shortage Contingency Plan and this Resolution does not constitute a project under the California Environmental Quality Act, and no environmental assessment is required.

REGULARLY PASSED AND ADOPTED this 26th day of May 2016, by the following vote.

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:

District Secretary



PUBLIC HEARING ON URBAN WATER USE TARGETS
IN URBAN WATER MANAGEMENT PLAN

California law requires that, in conjunction with the Mid-Peninsula Water District's update to its Urban Water Management Plan, the community be given an opportunity to give input on the Mid-Peninsula Water District (MPWD) urban water use targets in the Urban Water Management Plan, any impacts to the local economy, and method of determining its urban water use target. The MPWD Board of Directors will hold a public hearing to adopt an urban water use target and updates to its Urban Water Management Plan for 2015-2020, including a Water Shortage Contingency Plan. The public hearing will be held:

**Thursday, May 26, 2016, at 6:30PM
at the MPWD, 3 Dairy Lane, in Belmont, CA**

The proposed 2015 Urban Water Management Plan is available for public review at the following locations:

1. MPWD, 3 Dairy Lane, in Belmont, CA;
2. MPWD website: www.midpeninsulawater.org;
3. Belmont Library, 1110 Alameda de las Pulgas, in Belmont, CA;
4. Belmont City Hall, One Twin Pines Lane, in Belmont, CA; and
5. San Carlos City Hall, 600 Elm Street, in San Carlos, CA.

Additional notice regarding the time and place of the public hearing will be published in accordance with Government Code Section 6066.

Please provide any written comments to the **MPWD, 3 Dairy Lane, in Belmont, CA 94002, Attention: Tammy Rudock, General Manager**, or via email: tammyr@midpeninsulawater.org, **by 4:30PM on Wednesday, May 25, 2016**. Alternatively, comments may be provided during the public hearing on May 26th.

Date: May 12, 2016



AGENDA ITEM NO. 6.B.

DATE: May 26, 2016
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: CONSIDER RESOLUTION 2016-05 ADOPTING THE MPWD URBAN WATER MANAGEMENT PLAN, EFFECTIVE JULY 1, 2016

RECOMMENDATION

Receive presentation by staff and MPWD’s consultant, Marty Laporte of ManageWater Consulting, Inc., on the MPWD Urban Water Management Plan, effective July 1, 2016, and conduct a public hearing and consider public comments.

Resolution 2016-05 adopting the final MPWD Urban Water Management Plan could be considered by the Board at its regular meeting on June 23, 2016.

FISCAL IMPACT

This project is budgeted at \$60,000 within the MPWD FY 2015/2016 Operating Budget. MPWD’s contract with ManageWater Consulting, Inc. was approved by the Board on December 16, 2015, in the amount of \$38,860, plus an option not to exceed \$10,000 to negotiate services for a revised WSCP, for a potential project total of \$48,860.

RECAP:

Project budget:	\$38,860 for UWMP
	<u>\$10,102</u> approved proposal for revised WSCP
TOTAL	\$48,962
Expended to date:	<u>\$47,581</u>
BALANCE	\$ 1,381

Staff approved added time for services performed by the consultant, mostly during the data integration and projection stages and in development of the *NEW* Water Shortage Contingency Plan, which should well fit within a 15% contingency (up to \$7,344) for completion of this project.

Depending upon final edits necessary after this public hearing, the final project expenditures are not anticipated to exceed \$55,195.

BACKGROUND

The California Water Code (CWC) Section 10620(a) requires an urban water supplier to prepare and adopt an UWMP consistent with CWC Section 10640. All urban water suppliers, either publicly or privately owned, serving municipal water to 3,000 or more customers or supplying more than 3,000AF annually are required to prepare an UWMP. The UWMP is required for an urban water supplier to be eligible for California Department of Water Resources (CA DWR) state grants, loans, and drought assistance. **The UWMP must be adopted and submitted to the CA DWR by July 1, 2016.**

DISCUSSION

The MPWD 2015 UWMP includes the following sections:

- Section 1: Introduction and Overview
- Section 2: Plan Preparation
- Section 3: System Description
- Section 4: System Water Use
- Section 5: Baselines and Targets
- Section 6: System Supplies
- Section 7: Water Supply Reliability
- Section 8: Water Shortage Contingency Planning
- Section 9: Demand Management Measures
- Section 10: Plan Adoption, Submittal, Implementation

Marty Laporte of ManageWater Consulting, Inc. will present a summary of the key components of the MPWD 2015 UWMP. A printed copy will be available at the meeting.

The Public Review Draft of the MPWD’s 2015 Urban Water Management Plan (UWMP) was made available for public review on May 13, 2016, at several locations identified within the attached public hearing notice.

Notice of this evening’s public hearing was published twice (on May 17th and May 24th) in the Daily Journal as required by law. The 2015 UWMP and notice were posted on the MPWD’s website.

Printed copies were delivered to Directors on May 13th; therefore, a copy of the UWMP, including the WSCP, is NOT attached to this staff report. The link to the electronic version of the MPWD 2015 UWMP is: http://www.midpeninsulawater.org/uploads/2015_UWMP_Draft.pdf.

The final 2015 UWMP, including the Water Shortage Contingency Plan, could be considered for adoption by the Board at its regular meeting on June 23rd, allowing for the timely submittal to the CA DWR by July 1st.

Attachment: MPWD Public Hearing Notice

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

UNANIMOUS_____ ZUCCA_____ WARDEN_____ STUEBING_____ VELLA_____ LINVILL_____

RESOLUTION 2016-05

**ADOPTING THE MPWD 2015-2020 URBAN WATER MANAGEMENT PLAN
AND SBX7-7 WATER USE TARGETS**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, the California Legislature has enacted the Urban Water Management Planning Act, California Water Code Sections 10610 - 10656, as amended, which requires every urban water supplier providing water to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually to prepare an Urban Water Management Plan (UWMP) that has as its primary objective the conservation and efficient use of water; and

WHEREAS, the Mid-Peninsula Water District (MPWD), is an urban water supplier providing water to a population over 25,000; and

WHEREAS, the UWMP must be reviewed at least once every five years by the MPWD, which must amend the UWMP, as necessary, after it has conducted a review; and

WHEREAS, on June 23, 2011, the MPWD adopted an UWMP covering the period 2010-2015, pursuant to Resolution No. 2011-05; and

WHEREAS, the MPWD has prepared and made available for public inspection a draft Urban Water Management Plan 2015-2020 in accordance with applicable law; and

WHEREAS, the UWMP will facilitate local and regional water planning activities and support the MPWD's long-term water resource planning goals; and

WHEREAS, the draft UWMP 2015-2020 also includes a Water Shortage Contingency Plan and an assessment of past and present water usage to determine baselines and targets as required by SBx7-7, the Water Conservation Act of 2009; and

WHEREAS, the preparation of the updated UWMP has been coordinated with other public agencies to the extent practicable, and staff has encouraged the active involvement of diverse social,

cultural and economic sectors of the population within the MPWD's retail water service area during preparation of the UWMP; and

WHEREAS, the UWMP must be adopted by July 1, 2016, after it is first made available for public inspection and a public hearing is noticed and held, and it must be filed with the California Department of Water Resources within thirty days of adoption; and

WHEREAS, in accordance with applicable law, a noticed public hearing on the draft UWMP was held by the MPWD Board of Directors on May 26, 2016, at which time all public comments were heard and considered.

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

1. The 2015-2020 Urban Water Management Plan of the Mid-Peninsula Water District, including the SBx7-7 Implementation Plan and Water Use Targets as well as a Water Shortage Contingency Plan is hereby adopted.
2. The General Manager is hereby authorized and directed to file the 2015-2020 Urban Water Management Plan of the Mid-Peninsula Water District with the California Department of Water Resources, the California State Library, and the County of San Mateo by July 1, 2016.
3. The General Manager is hereby authorized and directed to implement the Urban Water Management Plan 2015-2020, including the Demand Management and Water Conservation Programs as set forth in said Urban Water Management Plan.
4. It was found and determined that, under the California Water Code Section 10652, the adoption of the 2015-2020 Urban Water Management Plan of the Mid-Peninsula Water District and this Resolution does not constitute a project under the California Environmental Quality Act, and no environmental assessment is required.

REGULARLY PASSED AND ADOPTED this 26th day of May 2016, by the following vote.

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:

District Secretary



AGENDA ITEM NO. 7.A.

DATE: May 26, 2016
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: DROUGHT AND WATER CONSERVATION PROGRESS REPORT

RECOMMENDATION

Receive progress report on drought and water conservation activities.

BACKGROUND

June 1, 2015 was the start of the SWRCB's (State Water Resources Control Board) measurement period for the 2015/2016 statewide water conservation goals. The MPWD system's conservation goal was 20% when compared to 2013 water consumption.

UPDATED STATEWIDE WATER CONSERVATION REGULATIONS

Recently, the SWRCB adopted a statewide water conservation approach that replaces the percentage reduction-based standard with a localized "stress test" benchmark. Urban water suppliers were mandated to locally develop conservation standards based upon each agency's specific circumstances. The new statewide standards require local water agencies to ensure a 3-year supply assuming three more dry years like the ones recently experienced from 2012 to 2015. Water suppliers that would face shortages under three additional dry years would be required to meet a conservation target equal to the amount of the shortage. For example, if a water supplier's projections include a 10% supply shortfall, their mandatory conservation standard would be 10% (compared with 2013 consumption).

The BAWSCA Water Managers met on May 5th and discussed this issue. Within the San Francisco RWS (Regional Water System), for water agencies like the MPWD that rely 100% on the RWS for its supply, the SFPUC's certification of its water supply would be applicable to them as well. The SFPUC reported that its 3-year look ahead is good for water supply and that likely a 10% voluntary reduction (compared with 2013 consumption) would be the most required during that time.

The regulation further required continued monthly conservation reporting by urban water suppliers. Prohibitions against certain water uses were also extended.

The new water conservation standards take effect in June 2016 and remain in effect until the end of January 2017.

DISCUSSION

The report due May 15th to the SWRCB was timely submitted. April's water consumption was 82,916 units—**the lowest ever in MPWD's history for April since 1963!** The reduction (compared with 2013) measured -31.1%, and the R-GPCD was 65.7. By comparison, the April 2015 PERCENT CHANGE was -23.9% and the R-GPCD was 74.5.

MPWD's cumulative water savings (since tracking started on June 1, 2015) = -24.4% → 4.4% greater than the MPWD system conservation goal of 20%.

2015/2016 MONTH	2015/2016 UNITS	2013 UNITS	PERCENT CHANGE*	CUMULATIVE WATER SAVINGS*	2015/2016 R-GPCD	2013 R-GPCD
June 2015	103,863	150,614	-31.0%	-31.0%	82.3	122.6
July	105,639	156,081	-32.3%	-31.7%	81.1	122.9
August	106,832	155,788	-31.4%	-31.6%	82.0	122.7
September	105,459	145,551	-27.5%	-30.6%	83.6	118.5
October	98,345	122,117	-19.5%	-28.3%	75.5	96.2
November	77,733	106,535	-27.0%	-28.1%	61.6	86.7
December	70,423	94,062	-25.1%	-27.7%	54.0	74.1
January 2016	69,741	84,202	-17.2%	-26.4%	53.5	66.3
February	71,345	86,478	-17.5%	-25.4%	58.5	75.4
March	71,219	106,663	-33.2%	-26.2%	54.6	84.0
April	82,916	120,265	-31.1%	-26.6%	65.7	87.9

*Compared to 2013.

The R-GPCD (Residential-Gallons Per Capita Day) calculations are highlighted above in yellow. The SWRCB performance standard for indoor use is 55GPCD. (Note: For 2015/2016, the SWRCB formula for calculating the R-GPCD included MPWD factors: 85% residential use of total production, and 2014 population projection—26,730—from 2010 Urban Water Management Plan.)

MPWD started tracking water waste complaints in July 2014. All have been investigated and resolved through communications and education.

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
2016	2	1	4	2									9
2015	2	0	5	12	6	6	12	5	5	3	1	0	57
2014	-	-	-	-	-	-	3	6	3	4	7	0	23

The SWRCB Media Release dated May 3, 2016, and statewide Emergency Water Conservation Regulations Update dated May 3, 2016, are attached for information.

HISTORY

The following Calendar Year 2014 and 2015 tables reflect MPWD's water system purchases in units (1 unit = 748 gallons), percentage change comparison, and cumulative average savings.

CALENDAR YEAR 2015 - JANUARY THROUGH MAY

2015 MONTH	2015 UNITS	2014 UNITS	2013 UNITS	PERCENT CHANGE*	CUMULATIVE WATER SAVINGS*	2015 R-GPCD	2014 R-GPCD	2013 R-GPCD
January	82,360	102,910	84,202	-2.2%	-2.2% / -15.1%**	64.9	81.1	66.3
February	79,782	73,221	86,478	-7.7%	-5.0% / -14.5%	69.6	63.9	75.4
March	102,964	89,152	106,663	-3.5%	-4.5% / -13.7%	81.1	70.2	84.0
April	91,491	96,019	120,265	-23.9%	-9.3% / -14.4%	74.5	78.2	87.9
May	97,806	126,934	155,736	-37.2%	-14.9% / -15.8%	77.1	100.0	122.7

*Compared to 2013. **Cumulative total since February 2014.

CALENDAR YEAR 2014 - FEBRUARY THROUGH DECEMBER

2014 MONTH	2014 UNITS	2013 UNITS	PERCENT CHANGE*	CUMULATIVE WATER SAVINGS*	2014 R-GPCD	2013 R-GPCD
February	73,221	86,478	-15.3%	-15.3%	64	75
March	89,152	106,663	-16.4%	-15.9%	70	84

April	96,019	120,265	-20.2%	-17.3%	78	98
May	126,934	155,736	-18.5%	-17.6%	100	123
June	139,729	150,614	-7.2%	-15.5%	114	123
July	134,669	156,081	-13.7%	-15.2%	106	123
August	128,924	155,788	-17.2%	-15.5%	102	123
September	118,284	145,551	-18.7%	-15.9%	96	119
October	109,652	122,117	-10.2%	-15.3%	92	96
November	86,670	106,535	-18.6%	-15.6%	71	87
December	72,835	94,062	-22.6%	-16.2%	57	74

**Compared to 2013.*

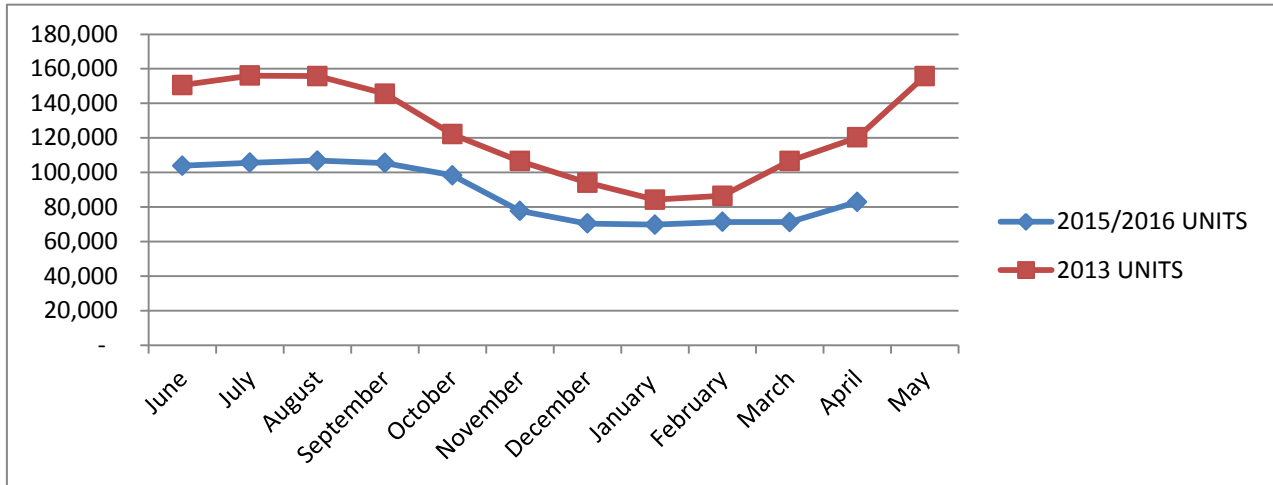
The R-GPCD (Residential-Gallons Per Capita Day) calculations are highlighted above in yellow. The SWRCB performance standard for indoor use is 55GPCD. (Note: For Calendar Years 2014 and 2015 tracking, the SWRCB formula for calculating the R-GPCD included MPWD factors: 85% residential use of total production, and population from 2010 Urban Water Management Plan—26,030.)

Attachments: SWRCB Media Release dated May 3, 2016
SWRCB statewide Emergency Conservation Regulation Update dated May 3, 2016

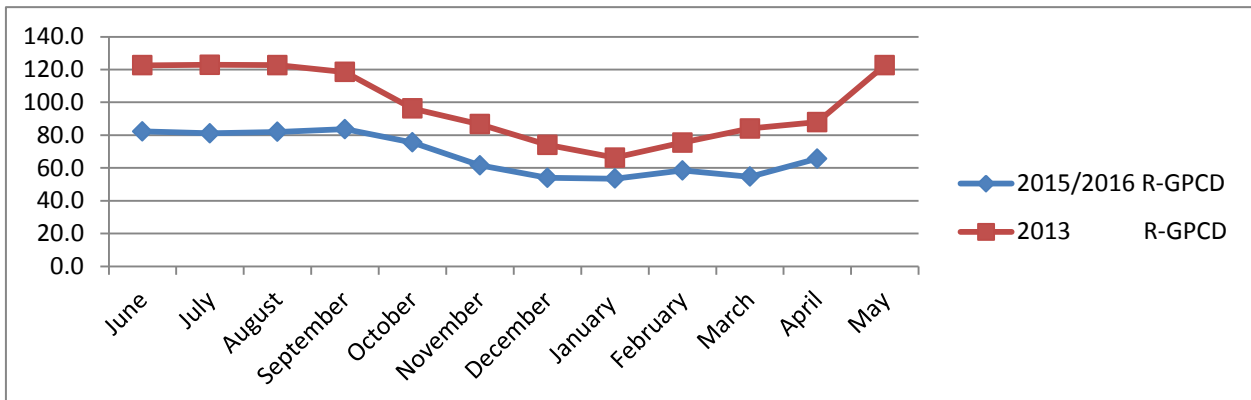
**MID-PENINSULA WATER DISTRICT
WATER CONSERVATION PROGRESS
2013 COMPARED TO 2015**

2015/2016 MONTH	2015/2016 UNITS	2013 UNITS	PERCENT CHANGE*	Cumulative Water Savings*	2015/2016 R-GPCD	2013 R-GPCD
June	103,863	150,614	-31.0%	-31.0%	82.3	122.6
July	105,639	156,081	-32.3%	-31.7%	81.1	122.9
August	106,832	155,788	-31.4%	-31.6%	82.0	122.7
September	105,459	145,551	-27.5%	-30.6%	83.6	118.5
October	98,345	122,117	-19.5%	-28.3%	75.5	96.2
November	77,733	106,535	-27.0%	-28.1%	61.6	86.7
December	70,423	94,062	-25.1%	-27.7%	54.0	74.1
January	69,741	84,202	-17.2%	-26.4%	53.5	66.3
February	71,345	86,478	-17.5%	-25.4%	58.5	75.4
March	71,219	106,663	-33.2%	-26.2%	54.7	84.0
April	82,916	120,265	-31.1%	-26.6%	65.7	87.9
May		155,736				122.7

2013 vs 2015 UNITS USED



2013 vs 2015/2016 R-GPCD





Media Release

STRONG STATEWIDE CONSERVATION EFFORT IN MARCH; WATER-SAVING HABITS AID IN 24.3 PERCENT REDUCTION

REVISIONS TO CONSERVATION REGULATION EXPECTED AT MAY 18 BOARD MEETING

**FOR IMMEDIATE RELEASE
May 3, 2016**

Contact: George Kostyrko
gkostyrko@waterboards.ca.gov

SACRAMENTO – Californians sharpened their water saving efforts in March, conserving 24.3 percent compared to the amount used in March 2013 – double February’s savings and evidence that residents and businesses remain concerned about the persistent drought now in its fifth year. Statewide cumulative savings from June 2015 to March 2016 totaled 23.9 percent compared with the same months in 2013.

“While some parts of the state saw rain and snow, other parts, specifically the Central Valley and Southern California, didn’t; and yet, all Californians stepped up again to conserve water, because they know they can and that it is good for California,” said State Water Resources Control Board Chair Felicia Marcus. “Twenty-four percent in March is a stunningly welcome number. As we head into the warmer summer months, we need to keep conserving. We may not need the same levels of conservation as last year, but we still need to keep all we can in our reservoirs and groundwater basins in case this winter is just a punctuation mark in a longer drought.”



With nearly 1.3 million acre-feet of water conserved from June 2015 through March 2016, the state continues to save an impressive amount of water. The March data show a strong start following renewed emergency water conservation regulations [adopted by the Board](#) on Feb. 2. A recent [Field Poll](#) indicates that a majority of California residents characterize the ongoing drought as “extremely serious,” with three quarters of those polled committed to ongoing water conservation.

Statewide, the conservation rate doubled from 12 percent in February to 24.3 percent in March, likely due to wetter weather and more seasonal temperatures, along with awareness that drought conditions could outlast existing water supplies.



A staff proposal that may offer revisions to the Feb. 2 emergency water conservation regulations is expected soon, following review of written and oral comments from a public workshop on [April 20](#) to receive input on conservation needs through the summer and fall. The workshop was conducted to solicit ideas for adjustments to the current emergency regulations given changes in water supply, storage, and snowpack as compared to last year's historic statewide deficiencies. This staff proposal will be considered by the Board for comment and adoption on May 18.

"It's not time yet for a drought's over party. That said, March brought us much needed rain and snow—still less than average but huge compared to the worst in 500 years, which is where we were last year," Chair Marcus said. "We've gotten a bit of a reprieve, but not a hall pass. Now we are figuring out how to appropriately adjust to a better but not ideal situation."

Until the Board acts in May, residents are urged to continue applying their water conservation skills and habits through the spring months to include complying with urban water supplier directives on when outdoor irrigation is permitted, not irrigating outdoors during and within 48 hours following a rain event, and fixing leaks that are discovered during individual water user audits.

An [updated and extended emergency regulation](#) was adopted by the Board on Feb. 2, with most revisions taking effect for the March reporting period. The regulation extends restrictions on urban water use through October while providing urban water suppliers some latitude in their conservation requirements. The action follows Governor Edmund G. Brown Jr.'s Nov. 13, 2015, [Executive Order](#) directing the State Water Board to extend the emergency water conservation regulation through Oct. 31, 2016 should drought conditions persist. Any changes made by the Board May 18, would be anticipated to take effect in June, and remain in effect through Oct. 31, 2016.

March Conservation Data

- Cumulative statewide percent reduction for June 2015 – March 2016 (ten months) is 23.9 percent, which equates to 1,295,703 acre-feet (422.2 billion gallons).
- Statewide water savings for March 2016 was 24.3 percent (107,468 acre feet or 35.0 billion gallons), more than double February 2016's 12.0 percent savings rate. See fact sheet [here](#).

Water Conservation Quick Links

[Factsheet: March by the Numbers](#)

[June 2014 - March 2016 Data Set](#)

[Cumulative Savings and Conservation Compliance for March](#)

- Associated with higher monthly savings, and due to the adjustments and credits included in the extended emergency regulation, March 2016 saw an increased level of compliance with 71 percent of suppliers meeting their conservation standards
- Statewide average water use was 66 residential gallons per capita per day (R-GPCD) for March 2016, which was lower than 67 R-GPCD in February 2016 and 82.5 R-GPCD in March 2015.

Enforcement

The Office of Enforcement continues to work with suppliers that are not meeting their conservation standards. Since June 2015, the State Water Board has issued:

- 11 conservation orders,
- 120 notices of violation,
- 99 warning letters,
- Four Administrative Civil Liability Complaints (one fine paid, two stipulated orders in public comment, one in negotiations); and
- Seven alternative compliance orders.

Background

In his April 1, 2015 [Executive Order](#), Gov. Brown mandated a 25 percent water use reduction by users of urban water supplies across California. In May 2015, the State Water Board adopted an emergency regulation requiring an immediate 25 percent reduction in overall potable urban water use. The regulation uses a sliding scale for setting conservation standards, so that communities that have already reduced their R-GPCD through past conservation will have lower mandates than those that have not made such gains since the last major drought.

On Feb. 2, 2016, based on Gov. Brown's [November 2015 Executive Order](#), the State Water Board approved an updated and extended emergency regulation that will continue mandatory reductions through October, unless revised before then. The extended regulation responds to calls for continuing the conservation structure that has spurred such dramatic savings so far while providing greater consideration of some factors that influence water use: climate, population growth and significant investments in new local, drought-resilient water supplies such as wastewater reuse and desalination. Under the extended regulation, statewide water conservation is expected to continue at the high levels Californians have been achieving since June 2015.

The State Water Board tracks water conservation for each of the state's larger urban water suppliers (those with more than 3,000 connections) on a monthly basis, but compliance with individual water supplier conservation requirements is based on cumulative savings. Cumulative tracking means that conservation savings will be added together from one month to the next and compared to the amount of water used during the same months in 2013.

California has been dealing with the effects of an unprecedented drought. To learn about all the actions the state has taken to manage our water system and cope with the impacts of the drought, visit Drought.CA.Gov. Every Californian should take steps to conserve water. Find out how at SaveOurWater.com. While saving water, it is important to properly water trees. Find out how at www.saveourwater.com/trees. In addition to many effective local programs, state-funded turf removal and toilet replacement rebates are also available. Information and rebate applications can be found at: www.saveourwaterrebates.com/.

###

Emergency Water Conservation Regulation Update

Office of Research, Planning, and Performance

May 3, 2016

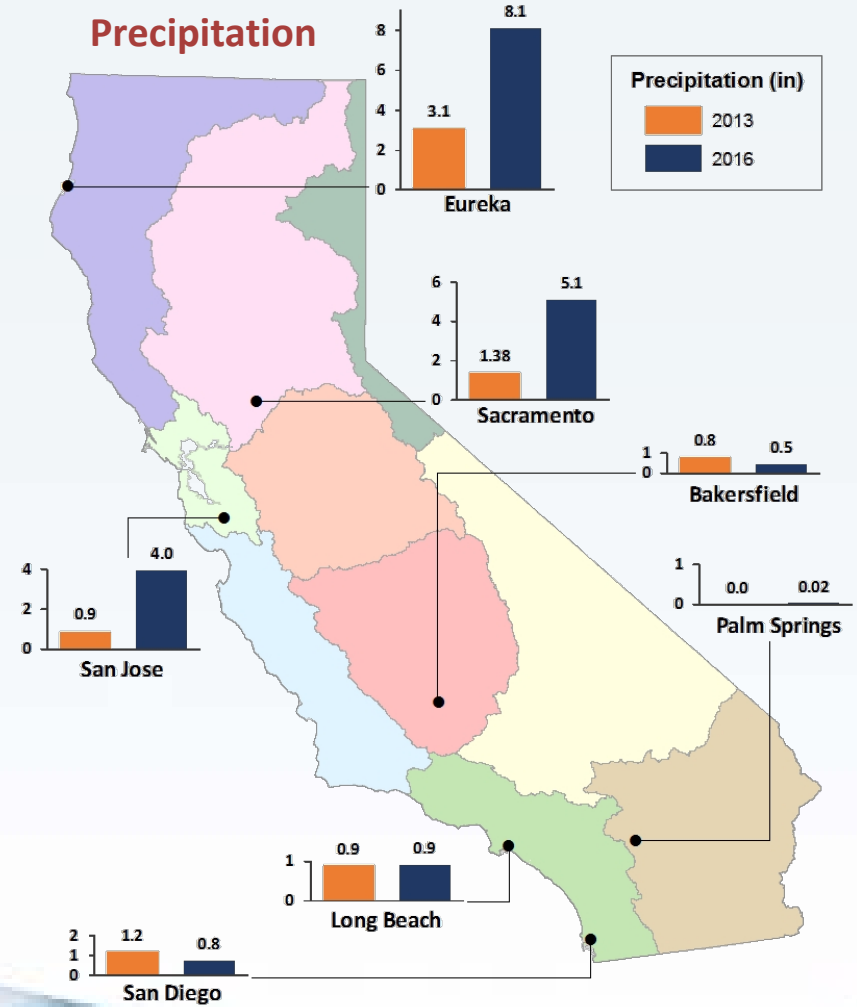
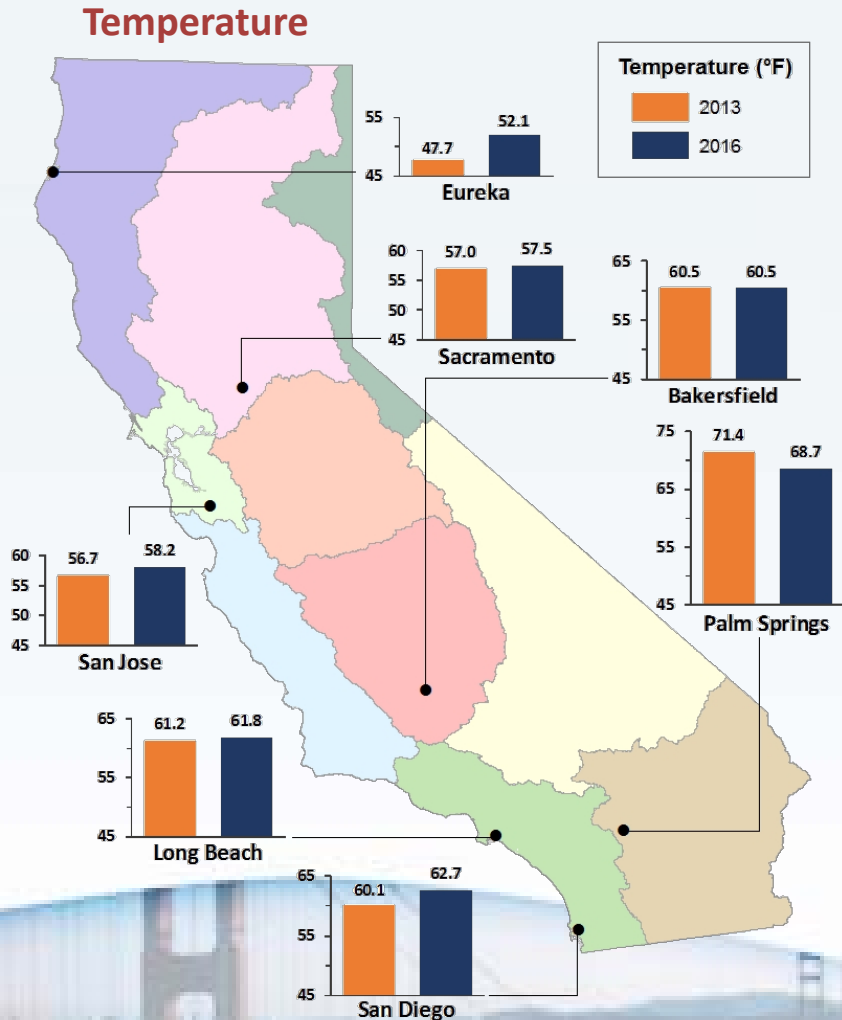


Status of Implementation

- Water production data collected from June 2014 through March 2016 (22 months)
- Tenth month with statewide urban water conservation requirements
- Adjusted conservation standards took effect March 1st
- Water Board enforcement actions taken based on June 2015 – March 2016 cumulative supplier compliance

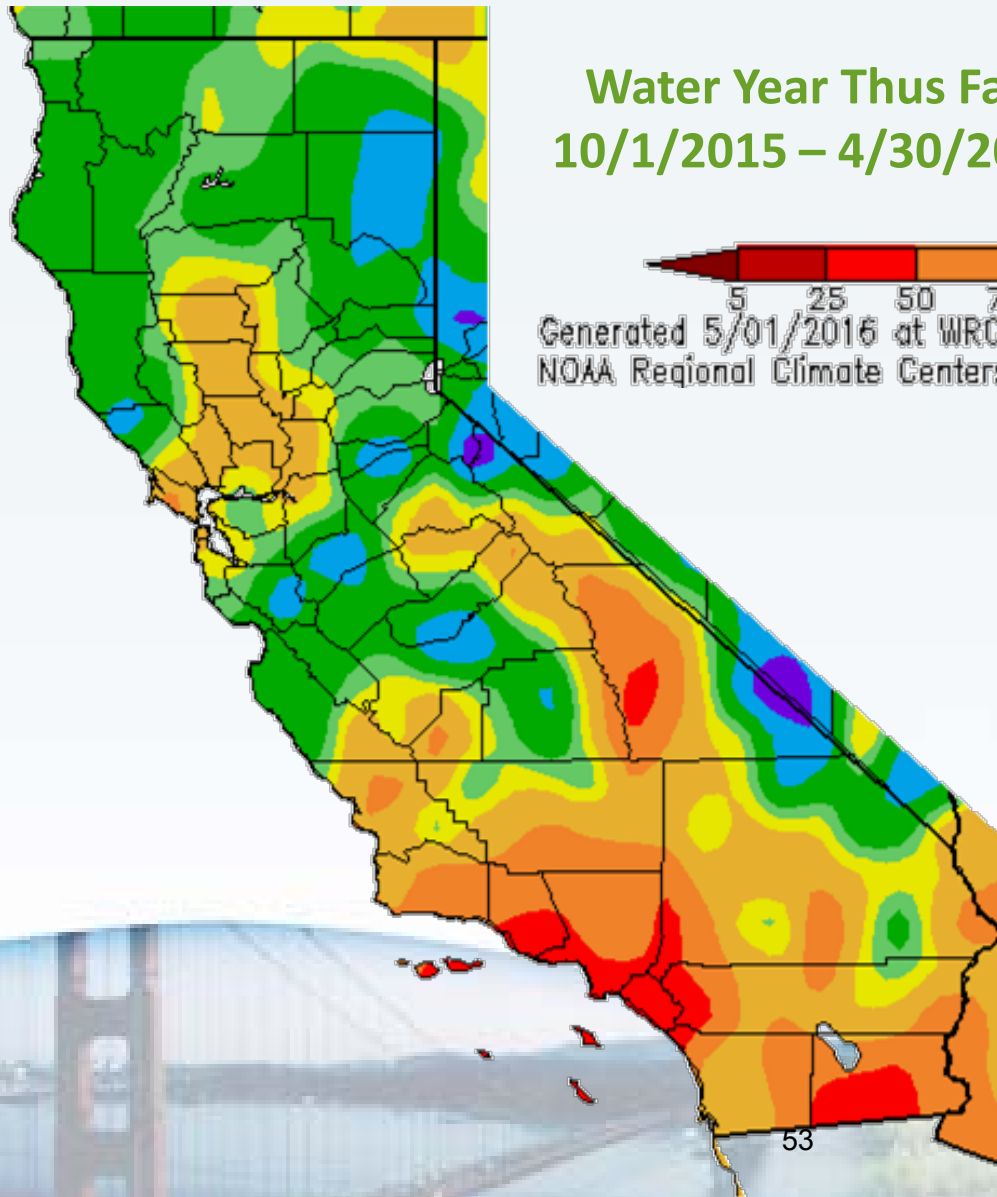
March Weather Conditions

(Select Cities)



Statewide, March 2016 was cooler and wetter than March 2013

Percent of Average Precipitation



Snow Water Equivalents

(Inches, as of April 29, 2016)



Statewide Summary

Number of Stations Reporting	95
Average Snow Water Equivalent (in)	13.9
Percent of April 1 Average (%)	49
Percent of Normal for this Date	61

**% April 1st Average /
% Average for This Date**

Reservoir Storage

(As of May 1, 2016)

Reservoir	Capacity Thousand Acre-Feet (TAF)	% Capacity	% Historic Average
Shasta	4,552	93	108
Oroville	3,538	96	118
Trinity Lake	2,448	61	74
New Melones	2,420	26	41
San Luis	2,039	47	52
Don Pedro	2,030	67	92
McClure (Exchequer)	1,024	47	79
Pine Flat	1,000	52	85
Folsom	977	85	113
Bullards Bar	966	91	115

100%

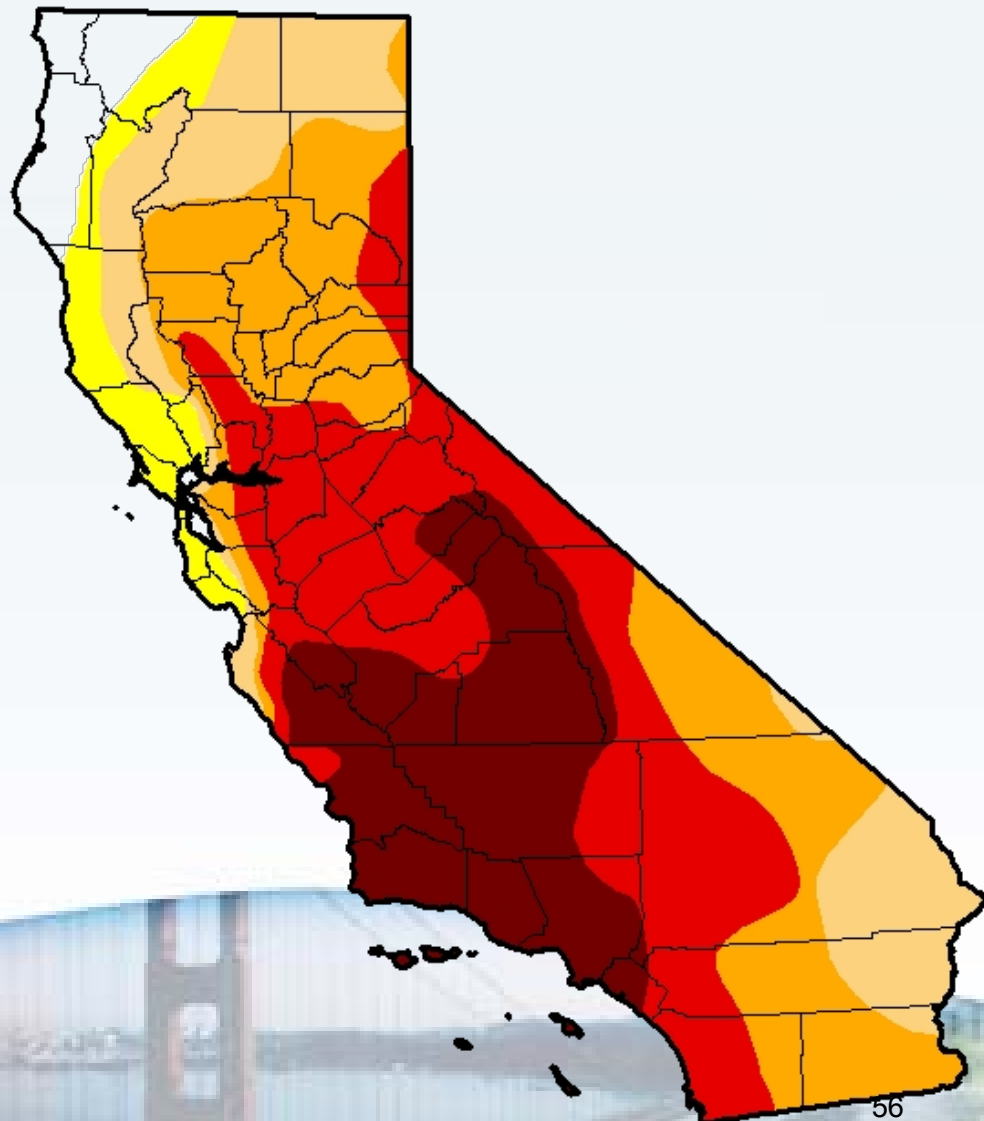
100%

U.S. Drought Monitor California

April 26, 2016
(Released Thursday, Apr. 28, 2016)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	4.24	95.76	90.09	74.37	49.15	21.04
Last Week <i>4/19/2016</i>	4.24	95.76	90.09	74.37	49.15	21.04
3 Months Ago <i>1/26/2016</i>	0.00	100.00	95.35	86.13	63.96	40.21
Start of Calendar Year <i>12/29/2015</i>	0.00	100.00	97.33	87.55	69.07	44.84
Start of Water Year <i>9/29/2015</i>	0.14	99.86	97.33	92.36	71.08	46.00
One Year Ago <i>4/28/2015</i>	0.14	99.86	98.11	93.44	66.60	46.77



Intensity:

- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

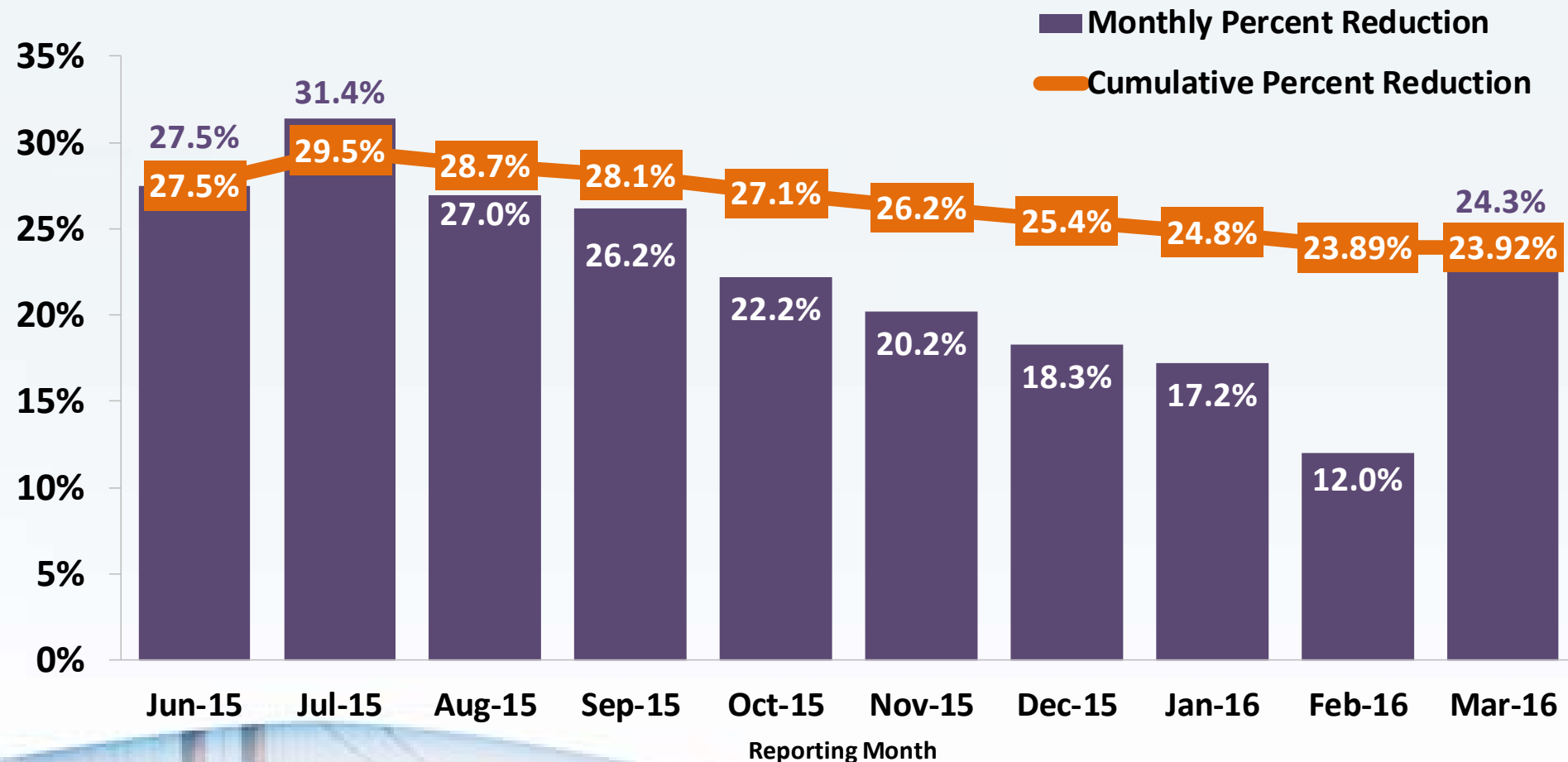
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
Richard Heim
NCEI/NOAA



Statewide Water Production Percent Reduction

(Compared to 2013)



March 2016 savings (35.0 billion gallons or 107,468 acre-feet) keep statewide 10-month cumulative savings at 23.9 percent

Statewide Cumulative Savings

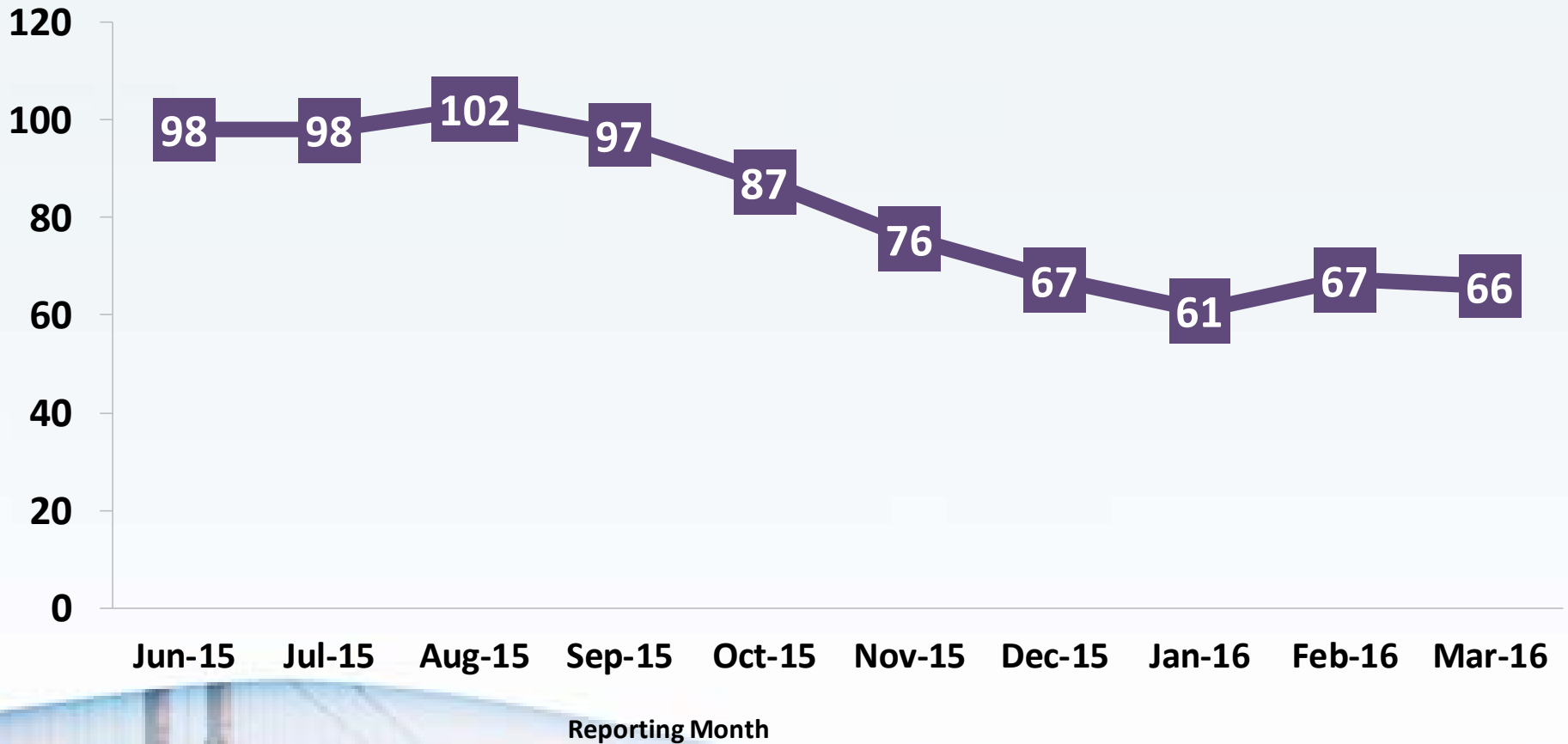
(June 2015 – March 2016)

- 1,295,703 acre-feet (422.2 billion gallons) of water saved
- Savings is enough to provide 6.5 million Californians (17% of state population) with water for one year



Statewide Monthly Average Residential Gallons per Capita per Day

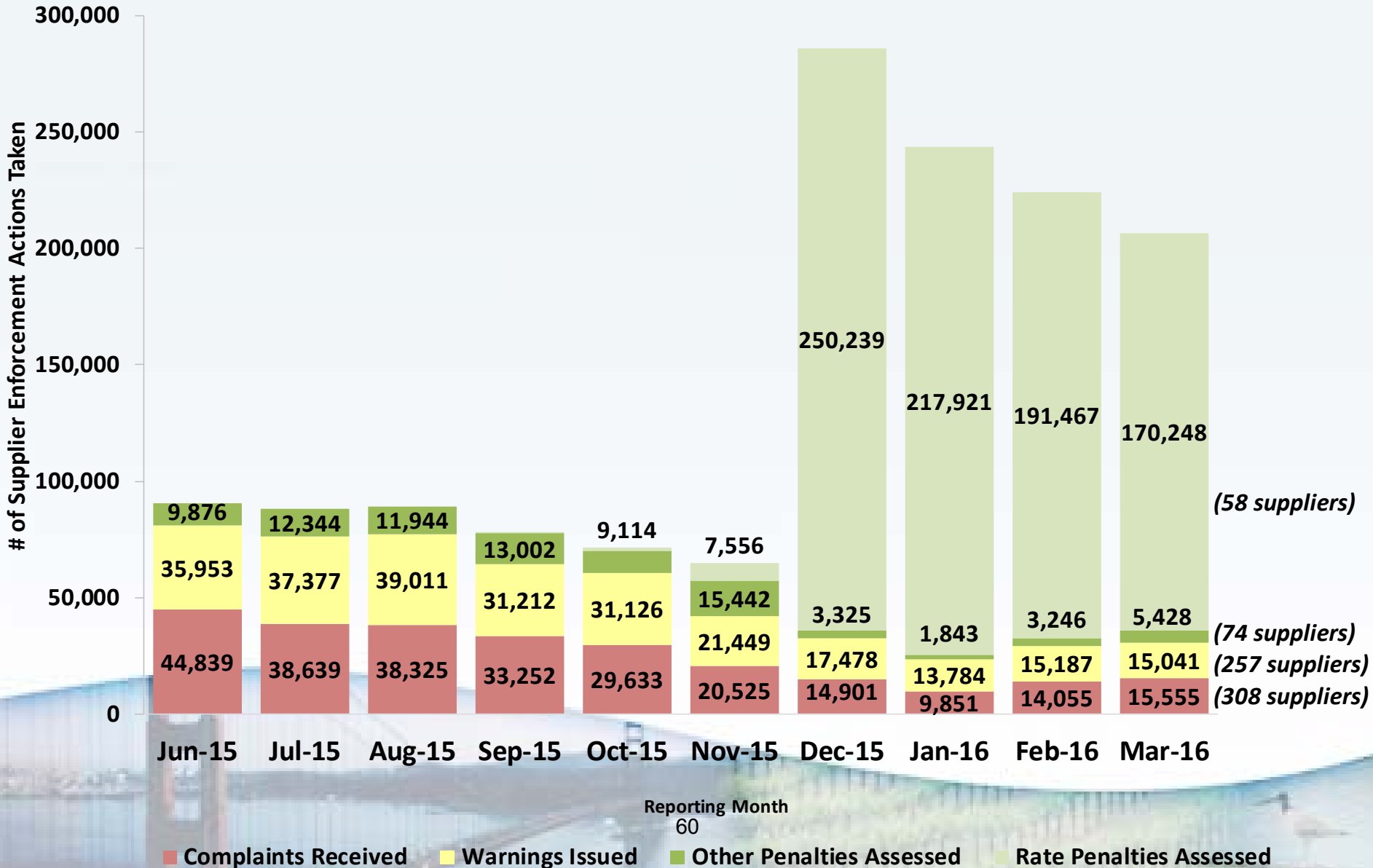
(June 2015 – March 2016)



Average Statewide March 2016 R-GPCD = 66

Supplier Enforcement Actions Taken

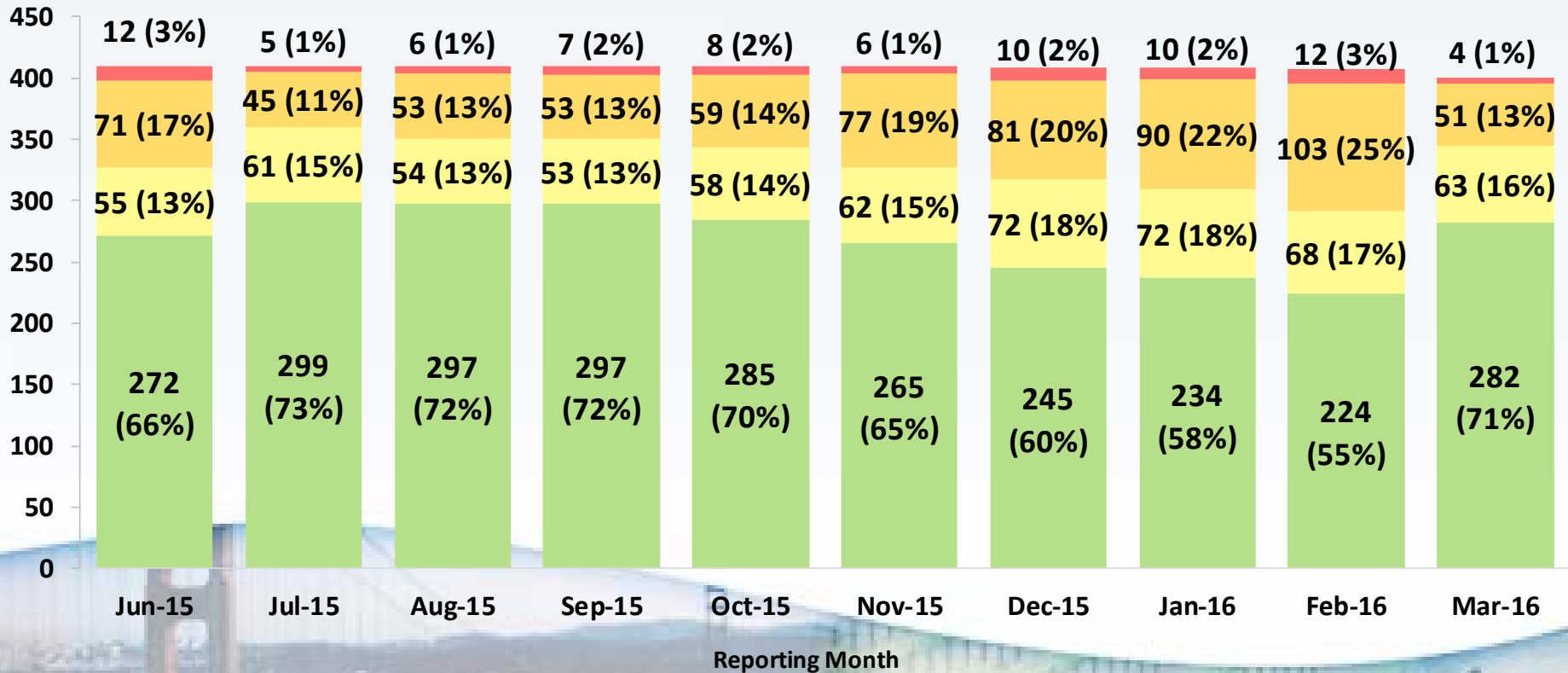
(June 2015 – March 2016)



Suppliers Reporting by Compliance Priorities

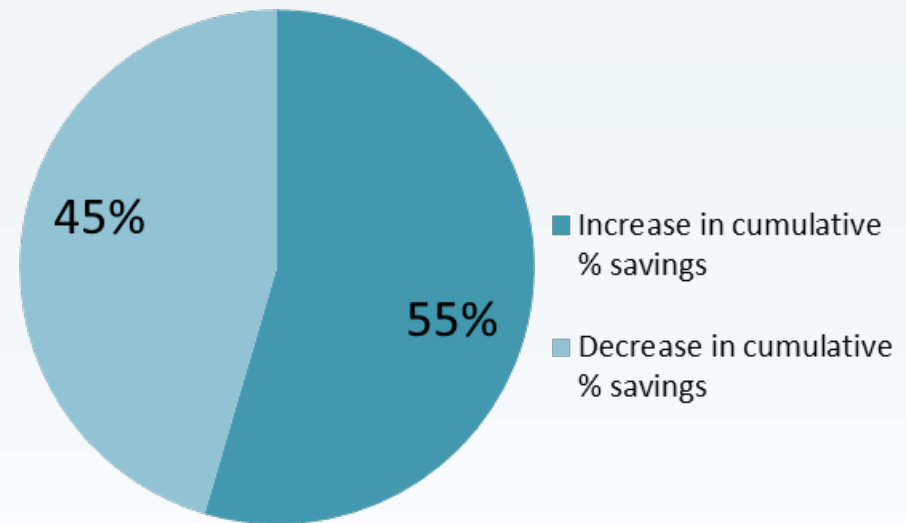
(June 2015 – March 2016)

- 1 Greater than 15 percentage points from meeting standard
- 2 Between five and 15 percentage points from meeting standard
- 3 Between one and five percentage points from meeting standard
- 0 Met or within one percentage point from meeting standard



Performance for Suppliers with Conservation Orders (11)

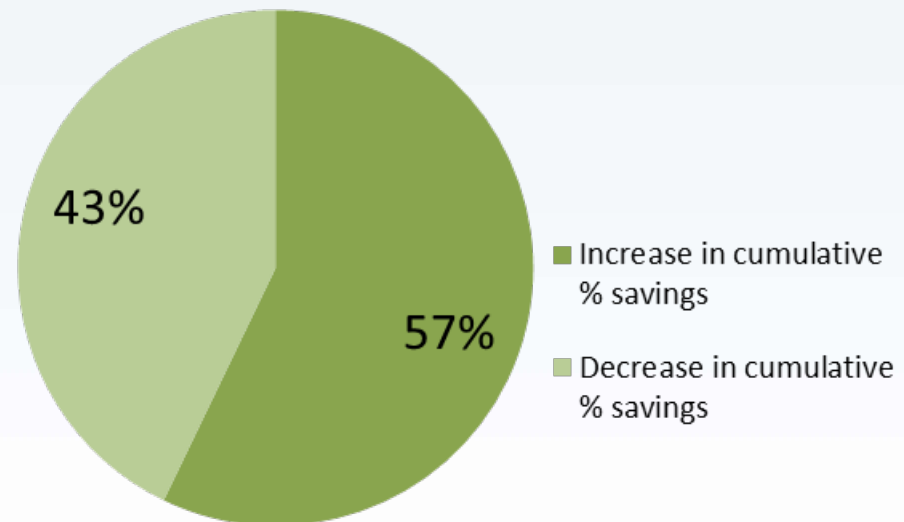
- **One supplier is meeting its new conservation standard**
- 6 out of 11 suppliers show upward trends for cumulative % savings
- Missing cumulative % and volumes by
 - Between 1 and 20%
 - Between 13 and 296 million gallons
- Improved significantly since February



Performance for Suppliers with Alternative Compliance Orders (7)

- **All suppliers meeting directives of their orders**
- 3 suppliers are meeting new conservation standards
- 4 out of 7 suppliers show upward trends for cumulative % savings

- Progress will continue to be tracked moving forward



Next Steps

- Draft proposed regulatory language under development
- Board adoption hearing scheduled for May 18
- New conservation requirements would go into effect June 1



**Save Our Water
and Our Trees!**

saveourwater.com/trees



AGENDA ITEM NO. 8.A.

DATE: May 26, 2016

TO: Board of Directors

FROM: Tammy Rudock, General Manager
 Candy Pina, Administrative Services Manager
 Rene Ramirez, Operations Manager

SUBJECT: DISCUSS FINAL DRAFT MPWD FISCAL YEAR 2016/2017 OPERATING AND CAPITAL BUDGETS

RECOMMENDATION

Discuss Final DRAFT MPWD Fiscal Year (FY) 2016/2017 Operating and Capital Budgets.

FISCAL IMPACT

BUDGET CATEGORY	PROPOSED FY 2016/2017 BUDGET	PROJECTED FY 2015/2016 BUDGET	ACTUAL FY 2014/2015	ACTUAL FY 2013/2014
Total Operating Revenues	\$11,488,120	\$11,623,320	\$9,866,874	\$10,360,026
Total Operating Expenditures	\$10,854,550	\$10,923,320	\$9,293,119	\$ 8,981,349
Net Transfer to Capital	\$ 633,570	\$ 700,000	\$ 573,755	\$ 1,378,677

Significant FY 2016/2017 fiscal impacts:

REVENUES

- FY 2016/2017 Water Commodity Charges reflect the proposed water rate adjustments (small increases to monthly fixed system charges and modifications to residential Tiers 2, 3, and 4) and what is anticipated to be another year of reduced consumption revenues as a result of higher than expected water conservation by customers.
- Development revenues (Service Line & Installation Charges, Water System Capacity Charges, and Water Demand Offset Charges) were left at the current fiscal year's projections. There remain a few large projects in Belmont that have been permitted and might be constructed next year.

- Lease of Physical Property Revenues were reduced as a result of two long-term lessees that terminated their occupancy at 1513 Folger and one of the cellular customers at Dekoven.
- Total Operating Revenues are projected to decrease by \$135,200 (or -1.2%) when compared with the projected Total Operating Revenues for FY 2015/2016.

EXPENDITURES

- Salaries & Wages were analyzed and found to be projected too high, so staff corrected that based on actuals, and then increased by a projected 2% living wage adjustment and 3% merit increase.
- The SFPUC Treated Water projected expenditure was reduced in line with customer water conservation savings, and then the SFPUC 9% pass-through wholesale water rate increase was applied.
- Utilities were reduced to capture the anticipated decreased electricity costs as a result of pumping during off-peak hours. The systematic analysis was initiated by Operations staff, and the cost savings are as a result of that implementation plan.
- Professional Services are projected to decrease as a result of the completion of the UWMP and more of the District Engineer’s time being capitalized.
- Training/Travel/Recruitment expenditures are projected to decrease because of reduced Director and Employee training and travel costs (based on actuals) and no MPWD election during FY 2016/2017.
- Depreciation is projected to increase by \$80,000 to \$950,000.
- Total Operating Expenditures are projected to decrease by -0.6%, even with the projected increase to purchase SFPUC treated water.
- The Net Transfer to Capital is projected to be close to 10% less than what it was projected for FY 2015/2016, at \$633,570.

DISCUSSION

The following are explanations for significant variances when the PROPOSED FY 2016/2017 MPWD Operating Budget is compared with the PROJECTED FY 2015/2016 MPWD Operating Budget:

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PROPOSED BUDGET	EXPLANATION
4010	Water Commodity Charges	\$8.1 million	Explained above in the Fiscal Impact REVENUES Section (first bullet point).
4020	Fixed System Charges	\$2.7 million	Increased by \$219,940. Included rates adjustment to monthly fixed system charges and modification to tier breakpoints for Tiers 2, 3, and 4, residential, effective 07/01/16.
4050/4060 /4070	Development Charges	\$235,000 total	Projected development expected. *4203 - New Construction Revenue eliminated in FY 15/16.

6011	Salaries & Wages	\$1.5 million	Increased by \$28,100. Staff analyzed the projections against actuals and determined they were too high, so they were reduced from FY 2015/2016 projected level. Included 2% living wage adjustments and 3% merit increases.
6053	PARS OPEB Expense	\$170,000	Full funding of the ARC.
6101	SFPUC Treated Water & Service Charges	\$5 million	Explained above in the Fiscal Impact EXPENDITURES Section (second bullet point).
6102	BAWSCA Debt Service Surcharges	\$476,000	Debt service payment for MPWD's share of refinancing SFPUC infrastructure improvements.
6300	Outreach & Education	\$134,000	Increased by 3% CPI. Drought outreach and messaging, and increased community conservation outreach.
6700	Administration & Equipment	\$326,750	Renamed from Office Supplies & Equipment to be more descriptive of account line items. Increased by 3% CPI.
7003	Utilities – Electric – Pumping	\$220,000	Decreased by 14% and explained above in the Fiscal Impact EXPENDITURES Section (third bullet point).
7102	Prof Serv – District Engineer	\$100,000	Decreased by 34% and explained above in the Fiscal Impact EXPENDITURES Section (fourth bullet point).
7110	Prof Serv – Miscellaneous	\$160,000	Decreased by \$44,000. Projected professional services expenditure: Continued public relations/outreach services, and continued website services (\$45,000); temporary administrative staffing during FMS transition (\$60,000); 2017 strategic planning facilitation and Board development w/Julie Brown (\$5,000); and Miscellaneous (\$50,000).

7201	Director Travel	\$5,000	Reduced projection based upon actuals.
7202	Director Expense	\$5,000	Reduced projection based upon actuals.
7203	Elections	\$0	No MPWD election in FY 2016/2017.
7204	Employee Travel/Training	\$20,000	Reduced projection based upon actuals.
9010	Depreciation	\$950,000	Increased per accounting principles.

FY 2016/2017 CAPITAL BUDGET

Staff is proposing a cash-funded “pay as you go” \$1,565,000 Capital Budget in FY 2016/2017, including:

- Capital Improvement Projects
 - Alameda del las Pulgas Water Main Replacement (construction);
 - Karen Road Water Main Replacement (design completion only);
 - Continued AMI meter change-out program; and
 - Folger Pump Station demolition.

- Capital Outlay
 - Comprehensive Financial Management System Replacement (carryover from FY 2015/2016);
 - Implementation of Sensus Consumer Portal (carryover from FY 2015/2016);
 - Miscellaneous Capital Outlay (placeholder for unknown outlay items or capitalized adjustments).

The capital projects include those identified within the MPWD 2016 Strategic Plan.

Attachments: Final DRAFT FY 2016/2017 MPWD Operating Budget
Final DRAFT FY 2016/2017 MPWD Capital Budget

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

UNANIMOUS_____ ZUCCA_____ WARDEN_____ STUEBING_____ VELLA_____ LINVILL_____

FINAL DRAFT

**MID-PENINSULA WATER DISTRICT
BUDGET FOR YEAR 2016-2107
SUMMARY**

5/23/2016

DESCRIPTION	FY 2014-2015 ACTUAL \$	APPROVED AMENDED FY 2015-2016 BUDGETED	ACTUALS 7/1/15-4/30/16	PROPOSED FY 2016-2017 BUDGET \$	Increase (Decrease)	% Change
OPERATING REVENUE						
WATER COMMODITY CHARGES	7,203,329	8,400,000	5,964,624	8,100,000	(300,000)	Pass Thru
FIXED SYSTEM CHARGES	2,065,843	2,443,780	2,041,083	2,663,720	219,940	9.0%
FIRE SERVICE CHARGES	15,471	14,400	12,174	14,400	-	0.0%
SERVICE LINE & INSTALLATION CHARGES	-	25,000	92,529	25,000	-	0.0%
WATER SYSTEM CAPACITY CHARGES	-	200,000	81,250	200,000	-	0.0%
WATER DEMAND OFFSET CHARGES	-	10,000	12,576	10,000	-	0.0%
MISCELLANEOUS	118,202	30,000	10,960	10,000	(20,000)	-66.7%
INTEREST REVENUE - LAIF	9,751	10,000	11,963	10,000	-	0.0%
LEASE OF PHYSICAL PROPERTY	194,681	245,140	130,646	200,000	(45,140)	-18.4%
PROPERTY TAX REVENUE	259,597	245,000	242,775	255,000	10,000	4.1%
TOTAL OPERATING REVENUE	9,866,874	11,623,320	8,600,580	11,488,120	(135,200)	-1.2%
OPERATING EXPENDITURES						
SALARIES & WAGES	1,390,732	1,636,300	1,271,296	1,668,500	32,200	2.0%
PAYROLL TAXES & BENEFITS	905,906	1,140,016	889,566	1,161,400	21,384	1.9%
PURCHASED WATER	4,160,810	5,062,000	3,657,732	4,976,000	(86,000)	-1.7%
OUTREACH & EDUCATION	78,553	130,000	107,159	133,900	3,900	3.0%
M&R - OPS SYSTEM	419,847	378,250	326,599	398,250	20,000	5.3%
M&R - FACILITIES & EQUIPMENT	116,905	129,700	105,806	162,000	32,300	24.9%
SYSTEM SURVEYS	6,500	32,000	700	12,000	(20,000)	-62.5%
ADMINISTRATION & EQUIPMENT	346,268	317,125	216,768	326,750	9,625	3.0%
MEMBERSHIP & GOV FEES	140,795	210,900	154,259	217,500	6,600	3.1%
BAD DEBT & CLAIMS	24,787	37,000	8,646	37,000	-	0.0%
UTILITIES	312,784	322,281	212,000	288,300	(33,981)	-10.5%
PROFESSIONAL SERVICES	461,682	562,485	442,182	501,950	(60,535)	-10.8%
TRAINING/TRAVEL & RECRUITMENT	24,322	44,140	14,746	31,000	(13,140)	-29.8%
RESTRICTED EARNINGS	(9,751)	(10,000)	(11,963)	(10,000)	-	0.0%
RESERVES	-	61,123	-	-	(61,123)	-100.0%
DEPRECIATION	912,979	870,000	748,741	950,000	80,000	9.2%
TOTAL OPERATING EXPENDITURES	9,293,119	10,923,320	8,144,235	10,854,550	(68,770)	-0.6%
OPERATING REVENUE LESS EXPENDITURES	573,755	700,000	456,345	633,570	(66,430)	-9.5%
NET TRANSFERS TO CAPITAL	(573,755)	(700,000)	(456,345)	(633,570)	66,430	-9.5%
NET RESULTS OF OPERATIONS	-	-	-	-	-	-

FINAL DRAFT
MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2016-2017
DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2014-2015 ACTUAL \$	ACTUALS 7/1/15-4/30/16	APPROVED AMENDED FY 2015-2016 BUDGETED	PROPOSED FY 2016-2017 BUDGET \$	Increase (Decrease)	% Change	Assumptions
4010	WATER COMMODITY CHARGES	7,203,329	5,964,624	8,400,000	8,100,000	(300,000)	-3.6%	Increased Water Conservation & SFPUC Pass-through
4020	FIXED SYSTEM CHARGES	2,065,843	2,041,083	2,443,780	2,663,720	219,940	9.0%	
4030	FIRE SERVICE CHARGES	15,471	12,174	14,400	14,400	-	0.0%	
4050	SERVICE LINE & INSTALLATION CHARGES		92,529	25,000	25,000	-	0.0%	Anticipated Development
4060	WATER SYSTEM CAPACITY CHARGES		81,250	200,000	200,000	-	0.0%	Anticipated development; Previously New Construction Revenue
4070	WATER DEMAND OFFSET CHARGES		12,576	10,000	10,000	-	0.0%	Anticipated development; Previously New Construction Revenue
4090	MISCELLANEOUS	173,662	10,960	30,000	10,000	(20,000)	-66.7%	
4102	Interest Revenue- LAIF	9,751	11,963	10,000	10,000	-	0.0%	
4100	INTEREST REVENUE	9,751	11,963	10,000	10,000	-	0.0%	
4201	Lease of Physical Property	194,681	130,646	245,140	200,000	(45,140)	-18.4%	3% CPI & reduction of two lessees
4202	Property Tax Revenue	259,597	242,775	245,000	255,000	10,000	4.1%	3% CPI
4200	OTHER REVENUE	454,278	373,421	490,140	455,000	(35,140)	-7.2%	
4000	TOTAL OPERATING REVENUE	9,922,334	8,600,580	11,623,320	11,488,120	(135,200)	-1.2%	
6011	Salaries & Wages	1,308,186	1,213,572	1,546,900	1,575,000	28,100	1.8%	Decreased projected payroll in line with 2015-16 Actuals: 2% CPI, 3% Merit
6012	Director Compensation	8,800	5,900	11,000	11,000	-	0.0%	
6010	GROSS REGULAR WAGES	1,316,986	1,219,472	1,557,900	1,586,000	28,100	1.8%	

FINAL DRAFT
MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2016-2017
DETAILED

ACCOUNT	ACCOUNT	FY 2014-2015	ACTUALS	APPROVED AMENDED FY 2015-2016	PROPOSED FY 2016-2017	Increase	%	
6021	Overtime Labor	41,463	24,662	43,300	45,500	2,200	5.1%	2% CPI plus 3% merit
6022	Standby Labor	32,283	27,161	35,100	37,000	1,900	5.4%	2% CPI plus 3% merit
6020	SUB-TOTAL SALARY & WAGES	1,390,732	1,271,296	1,636,300	1,668,500	32,200	2.0%	
6031	FICA/Medicare PR Tax	100,122	88,060	126,476	131,500	5,024	4.0%	FICA rates .0765 of salary
6038	ACWA Health Care	286,290	254,037	310,272	320,000	9,728	3.1%	Increase for 1/2 a year
6039	ACWA Dental	26,094	21,861	29,991	31,000	1,009	3.4%	Increase for 1/2 a year
6040	ACWA Vision	4,091	3,635	4,223	4,350	127	3.0%	Increase for 1/2 a year
6041	ACWA Life/AD&D	3,804	3,533	4,035	4,200	165	4.1%	Increase for 1/2 a year
6042	Standard LDL/SDL Disability	7,887	7,418	9,953	10,000	47	0.5%	3% CPI
6043	Workers' Comp Insurance	54,564	34,811	48,000	50,400	2,400	5.0%	2% CPI + 3% Merit salary increase
6044	Unemployment	0	-	1,000	1,000	-	0.0%	
6045	CALPERS Retirement - ER 2%@55	55,720	165,590	245,706	235,000	(10,706)	-4.4%	CalPers Valuation of 8.4% of payroll + \$98,525 UAL
6046	Retirees' ACWA Health Care	101,404	48,991	54,400	56,000	1,600	2.9%	6% increase for 1/2 a year, retiree changes
6047	Directors' ACWA Health Care	1,028	87,766	105,060	108,000	2,940	2.8%	6% increase for 1/2 a year
6049	Medical Reimbursement	1,076	450	2,500	1,000	(1,500)	-60.0%	
6050	Employee Service Recognition	3,418	8,995	7,000	7,000	-	0.0%	
6051	Safety Incentive Program	16,729	6,000	7,200	7,200	-	0.0%	
6052	Uniforms	99,808	23,319	24,000	24,750	750	3.1%	3% CPI
6053	PARS OPEB Expense	143,873	135,100	160,200	170,000	9,800	6.1%	Annual Required Contribution
6030	SUB-TOTAL PAYROLL TAXES & BENEF	905,906	889,566	1,140,016	1,161,400	21,384	1.9%	
6000	PERSONNEL COSTS	2,296,638	2,160,862	2,776,316	2,829,900	53,584	1.9%	
6101	SFPUC Treated Water	3,660,218	3,207,917	4,600,000	4,500,000	(100,000)	-2.2%	Per actual trend analysis
6102	BAWSCA (Debt Service Surcharges)	500,592	384,380	462,000	476,000	14,000	3.0%	
6103	Rates Stabilization	-	-	-	-	-	NA	
6104	SFPUC Water Service Charge	-	65,434	-	-	-	NA	
6100	PURCHASED WATER	4,160,810	3,657,732	5,062,000	4,976,000	(86,000)	-1.7%	

FINAL DRAFT
MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2016-2017
DETAILED

ACCOUNT	ACCOUNT	FY 2014-2015	ACTUALS	APPROVED AMENDED FY 2015-2016	PROPOSED FY 2016-2017	Increase	%	
6301	Water Conservation Program	8,316	3,852	7,000	7,200	200	2.9%	3% CPI
6302	School Conservation Program	8,323	21,248	7,000	7,200	200	2.9%	3% CPI
6303	Public Outreach & Education	26,744	19,352	25,000	25,750	750	3.0%	3% CPI
								3% CPI
6305	HET (High Efficiency Toilet) Rebates	5,486	12,986	24,000	24,750	750	3.1%	3% CPI
6306	Washing Machine Rebates	8,326	16,097	25,000	25,750	750	3.0%	3% CPI
6307	Lawn-Be-Gone Rebates	17,684	31,570	37,000	38,100	1,100	3.0%	3% CPI
6308	Rain Barrels Rebates	3,674	2,054	5,000	5,150	150	3.0%	3% CPI
6304	WATER CONSERVATION REBATES	35,170	62,706	91,000	93,750	2,750	3.0%	
6300	OUTREACH/EDUCATION	78,553	107,159	130,000	133,900	3,900	3.0%	
6401	Water Quality	73,965	41,186	65,000	67,000	2,000	3.1%	2 analyzers \$7300
6402	Pumping	23,060	14,156	25,750	78,250	52,500	203.9%	Repair PCVs and Pump Maintenance
6403	Storage Tanks	(2,292)	2,544	5,150	15,000	9,850	191.3%	Power cleaning
6404	Mains/Distribution	208,823	172,245	154,500	100,000	(54,500)	-35.3%	
6405	Meters & Service	85,907	54,178	77,250	30,000	(47,250)	-61.2%	Meter Testing
6406	Fire Hydrants	21,924	29,246	30,000	31,000	1,000	3.3%	3% CPI
6407	Regulator Stations	1,531	9,176	10,300	6,000	(4,300)	-41.7%	
6408	Safety	6,930	3,868	10,300	32,000	21,700	210.7%	Confined Space Entry Equipment
6409	SCADA maintenance				15,000	15,000	NA	Routine Maintenance
6410	Generator Maintenance				24,000	24,000	NA	Generator Testing
6400	FIELD OPERATIONS & MAINTENANCE	419,847	326,599	378,250	398,250	20,000	5.3%	
6501	Buildings&Grounds	52,975	55,712	71,000	93,000	22,000	31.0%	\$20k fuel station controller; 3% CPI
6502	Equipment&Tools	19,336	13,313	20,600	21,000	400	1.9%	
6503	Vehicles & Large Equipment	14,663	17,227	10,300	19,000	8,700	84.5%	Re-upholster 4 vehicles \$8k
6504	Fuel	29,931	19,554	27,800	29,000	1,200	4.3%	
6500	FACILITIES & EQUIPMENT	116,905	105,806	129,700	162,000	32,300	24.9%	
6601	Cathodic Protection Survey	6,500	700		12,000	12,000	NA	Every two years
6602	Leak Detection Survey	-	-	32,000		(32,000)	-100.0%	Every two years
6600	SYSTEM SURVEYS	6,500	700	32,000	12,000	(20,000)	-62.5%	

FINAL DRAFT
MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2016-2017
DETAILED

ACCOUNT	ACCOUNT	FY 2014-2015	ACTUALS	APPROVED AMENDED FY 2015-2016	PROPOSED FY 2016-2017	Increase	%	
6701	Office Supplies	7,148	13,561	17,300	18,000	700	4.0%	3% CPI
6702	Insurance- Liability/Vehicles/Excess	98,492	53,470	85,000	87,750	2,750	3.2%	3% CPI
6704	Postage	4,499	10,564	3,150	3,250	100	3.2%	3% CPI
6705	Printing/Print Supplies	19,712	31,798	12,710	13,000	290	2.3%	3% CPI
6706	Equipment Services/Maintenance	90,562	7,131	55,000	56,750	1,750	3.2%	3% CPI
6707	Computer Supplies & Upgrades	15,414	985	11,330	11,750	420	3.7%	3% CPI
6708	Security & Safety	6,447	1	10,450	10,750	300	2.9%	3% CPI
6709	Miscellaneous Fees	184	1,370	546	500	(46)	-8.4%	
6710	Customer Credit Card Service Fees	103,812	97,887	121,639	125,000	3,361	2.8%	3% CPI
6700	ADMINISTRATION & EQUIP	346,268	216,768	317,125	326,750	9,625	3.0%	
6801	Dues & Publications	40,111	27,775	38,200	39,500	1,300	3.4%	3% CPI
6802	Gov't Fees & Licenses	19,429	47,279	71,000	73,250	2,250	3.2%	3% CPI
6803	BAWSCA Membership Assessments	54,955	56,205	66,800	68,750	1,950	2.9%	3% CPI
6804	Env Health - Cross Connection Inspection	26,300	23,000	29,900	31,000	1,100	3.7%	3% CPI
6805	Software Licenses	-	-	5,000	5,000	-	0.0%	New Financial Management System
6800	MEMBERSHIP & GOV FEES	140,795	154,259	210,900	217,500	6,600	3.1%	
6901	Bad Debt	6,266	4,659	7,000	7,000	-	0.0%	
6902	Claims	18,521	3,987	30,000	30,000	-	0.0%	
6900	BAD DEBT & CLAIMS	24,787	8,646	37,000	37,000	-	0.0%	
7001	Utilities-Internet/Cable	4,752	5,995	7,244	7,500	256	3.5%	
7002	Utilities-Cellular Telephones	13,325	9,163	11,500	11,850	350	3.0%	
7003	Utilities-Electric-Pumping Costs	256,122	158,737	255,834	220,000	(35,834)	-14.0%	
7004	Utilities-Electric-Bldgs&Grounds	19,728	18,494	23,401	24,000	599	2.6%	
7005	Utilities-Telephones	12,373	14,176	17,092	17,500	408	2.4%	
7006	Utilities-Sewer - NPDES	6,484	5,434	7,210	7,450	240	3.3%	
7000	UTILITIES	312,784	212,000	322,281	288,300	(33,981)	-10.5%	3% CPI
7101	Prof Serv - District Counsel	110,721	80,787	98,000	100,000	2,000	2.0%	
7102	Prof Serv - District Engineer	136,030	121,317	151,000	100,000	(51,000)	-33.8%	
7103	Prof Serv - IT	11,592	15,469	19,734	19,750	556	2.9%	3% CPI
7104	Prof Serv- Annual Finance Audit	16,500	18,000	20,000	20,000	-	0.0%	

FINAL DRAFT
MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2016-2017
DETAILED

ACCOUNT	ACCOUNT	FY 2014-2015	ACTUALS	APPROVED AMENDED FY 2015-2016	PROPOSED FY 2016-2017	Increase	%	
7106	Prof Serv- Accounting & Payroll	17,597	18,017	21,010	21,750	740	3.5%	3% CPI
7107	Prof Serv- Customer Billing	60,199	58,992	70,040	72,250	2,210	3.2%	3% CPI
7109	Prof Serv - Answering Svcs	3,372	17	4,223	4,500	277	6.6%	
7110	Prof Serv - Miscellaneous	102,071	126,883	175,418	160,000	(15,418)	-8.8%	Temp Admin Employee for FMS Implementation \$60k; J. Davidson \$45k, J. Brown \$5k; Misc \$50k
7111	Prof Serv - District Treasurer	3,600	2,700	3,600	3,700	100	2.8%	3% CPI
7100	PROFESSIONAL SERVICES	461,682	442,182	562,485	501,950	(60,535)	-10.8%	
7201	Director Travel	1,641	527	6,180	5,000	(1,180)	-19.1%	
7202	Director Expense	753	87	2,060	1,000	(1,060)	-51.5%	
7203	Elections	-	-	5,000	-	(5,000)	-100.0%	
7204	Employee Travel/Training	18,409	10,481	25,750	20,000	(5,750)	-22.3%	
7205	Meetings Expense	3,518	3,651	5,150	5,000	(150)	-2.9%	
7200	TRAINING & TRAVEL	24,322	14,746	44,140	31,000	(13,140)	-29.8%	
7302	Restricted Earnings Expense - Interest LAI	(9,751)	(11,963)	(10,000)	(10,000)	-	0.0%	
7300	RESTRICTED EARNINGS EXPENSE	(9,751)	(11,963)	(10,000)	(10,000)	-	0.0%	
8001	Working Reserves: Capital	-	-	-	-	-	NA	
8002	Working Reserves: Operating	-	-	61,123	-	(61,123)	-100.0%	
8000	RESERVES	-	-	61,123	-	(61,123)	-100.0%	
9010	DEPRECIATION	912,979	748,741	870,000	950,000	80,000	9.2%	
	SUB-TOTAL - OPERATING EXPENSES	6,996,481	5,983,373	8,147,004	8,024,650	(122,354)	-1.5%	
	TOTAL OPERATING EXPENSES	9,293,119	8,144,235	10,923,320	10,854,550	(68,770)	-0.6%	
	NET OPERATING SURPLUS/(LOSS)							
	TRANSFER TO CAPITAL	629,215	456,345	700,000	633,570	(66,430)	-9.5%	
	Operations expense less depreciation & reserves			9,992,797	9,904,550	(87,647)	-0.9%	

FINAL DRAFT
MID-PENINSULA WATER DISTRICT
BUDGET FOR FY 2016-2017
CAPITAL OUTLAY/CAPITAL PROJECTS

DESCRIPTION	APPROVED AMENDED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 4/30/2016	PROPOSED FY 2016-2017 BUDGET \$
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)			
AMI Meter Change Out Program - CIP	400,000	426,112	500,000
Karen Road Water Main Replacement - CIP	100,000	29,665	100,000
Folger Pump Station Demolition - CIP	50,000	24,903	50,000
Alameda de las Pulgas Water Main Replacement Project - CIP	30,000	79,635	700,000
Prior Year Capital Projects - CIP	156,000	107,906	-
CAPITAL IMPROVEMENTS - WIP TOTAL	736,000	668,221	1,350,000
CAPITAL OUTLAY			
Financial Management System (FMS) - Comp Repl	145,000	58,684	95,000
Implementation of Sensus Consumer Portal	70,000	-	70,000
Miscellaneous Capital Outlay/Projects	50,000	52,499	50,000
Prior Year Capital Outlay	291,000	183,427	-
CAPITAL OUTLAY TOTAL	556,000	294,610	215,000
CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL	1,292,000	962,831	1,565,000
DEPRECIATION	870,000	748,741	950,000
TRANSFER FROM OPS	700,000	456,345	633,570
TRANSFER (TO)/FROM CAPITAL RESERVES	(278,000)	(242,255)	(18,570)
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,292,000)	(962,831)	(1,565,000)
NET RESULTS OF CAPITAL	-	(0)	-



AGENDA ITEM NO. 8.B.

DATE: May 26, 2016
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: MPWD CAPITAL IMPROVEMENT PROGRAM (CIP) DISCUSSION:

- 1. REVIEW PRIOR BOARD DISCUSSIONS INFORMATIONAL SUMMARY AND FAQs**
 - 2. RECEIVE 2016 UPDATED REPORT ON MPWD COMPREHENSIVE SYSTEM ANALYSIS AND CAPITAL IMPROVEMENT PROGRAM**
 - 3. REVIEW MODIFIED 5-YEAR CAPITAL IMPROVEMENT PLAN ALTERNATIVES AND CONSIDER RESOLUTION 2016-06 AUTHORIZING 5-YEAR MPWD CIP**
 - 4. REVIEW OF MPWD'S PROCUREMENT POLICY, DISCUSSION AND DIRECTION REGARDING UPDATES TO PROCESS FOR SELECTION/AWARD OF PROFESSIONAL SERVICES CONTRACTS, AND OTHER ISSUES**
-

RECOMMENDATION:

The Board will engage in discussions about the proposed CIP as outlined above.

FISCAL IMPACT:

It depends upon the capital improvement plan alternative considered and ultimately selected by the Board.

DISCUSSION:

1. INFORMATIONAL SUMMARY OF BOARD DISCUSSIONS AND FAQs

Last month the attached information summary document was introduced. It was created in response to prior Board discussions and CIP presentations for as a resource reference, and will be updated as new questions and developments occur during this process. The document was a team effort and involved staff, the District Engineer, and the MPWD's Municipal Finance Advisor (Wulff Hansen & Company).

2. UPDATED REPORT ON MPWD COMPREHENSIVE SYSTEM ANALYSIS AND CIP

Attached is the 2016 updated report entitled "MPWD Comprehensive System Analysis and Capital Improvement Program." It outlines the water hydraulic analysis performed on the MPWD's system and modeling results for CIP development. This was formalized in order to provide the background and methodology used for the comprehensive system review and for use as a capital planning resource document. The District Engineer will present features of the updated report and plans for reproduction of the report with CIP attachments.

3. REVIEW MODIFIED 5-YEAR CIP ALTERNATIVES AND CONSIDER APPROVAL OF RESOLUTION 2016-06 AUTHORIZING 5-YEAR MPWD CIP

Last month Alex Handlers of Bartle Wells Associates presented updated Cash Flow Projections for FY 2016/2017. With a short lead time, the MPWD's Municipal Finance Advisor was able to create funding alternatives for proposed CIP financing based upon the revised revenue projections, and those were discussed with the Board last month. For reference purposes, those alternatives are included with the attached Informational Summary and FAQs.

Based upon the updated cash flow projections for FY 2016/2017 and the funding examples presented last month, staff developed three (3) alternatives for a modified 5-Year CIP* as follows (and attached):

- A. Alternative One - \$20 million/30 years;
- B. Alternative Two - \$18 million/25 years; and
- C. Alternative Three - \$15 million/20 years.

*Please note that priority project Alameda de las Pulgas will be constructed in FY 2016/2017 as a cash pay-go project and that is why it is not listed in any of the alternatives.

Each capital project is described in the attached 2016 updated report entitled "MPWD Comprehensive System Analysis and Capital Improvement Program."

As presented last month, each of the funding alternatives assumes a \$1,048,000 annual debt payment by the MPWD. Each would have approximately \$500,000 per year in excess for either pay-go capital projects or pay down of a debt issuance, as directed by the Board.

Staff recommends Alternative One.

4. REVIEW OF MPWD's PROCUREMENT POLICY, DISCUSSION AND DIRECTION REGARDING UPDATES TO PROCESS FOR SELECTION/AWARD OF PROFESSIONAL SERVICES CONTRACTS, AND OTHER ISSUES

The following documents are attached for the Board's continued discussion:

- A. MPWD Procurement Policy;
- B. MPWD 2011 Notice and RFP (Request for Proposals) for District Engineering Services; and
- C. District Engineer's Contract for Professional Services approved June 25, 2015.

Attachments:

Informational Summary and FAQs of Board Discussions
MPWD Comprehensive System Analysis and CIP – 2016
5-Year MPWD CIP Alternatives
Resolution 2016-06
MPWD Procurement Policy
2011 Notice and RFP for District Engineering Services
District Engineer's Contract for Professional Services approved June 25, 2015

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

UNANIMOUS_____ ZUCCA_____ WARDEN_____ STUEBING_____ VELLA_____ LINVILL_____

INFORMATIONAL SUMMARY OF BOARD DISCUSSIONS AND FAQs (FREQUENTLY ASKED QUESTIONS)

PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) AND POTENTIAL OPTIONS FOR FINANCING

The Mid-Peninsula Water District (MPWD) has completed several strategic projects during the past 24 months, each of them building upon the other, in order to best consider the entire MPWD system and its capital infrastructure rehabilitation and improvement needs, namely:

- Construction standards and specifications;
- Water hydraulic modeling and capital program development;
- Water capacity charges update; and
- Water financial plan and rate study.

First, senior Operations staff, management, and the District Engineer teamed up and revised its construction standards and specifications. These were important not only for consistent construction application throughout the MPWD system for future operations and maintenance, but also in preparation for any major capital improvement program.

Next, in preparation of a meaningful capital program, the same team systematically reviewed the MPWD's infrastructure and developed a water hydraulic model to identify deficiencies. This was an 18-month process and one in which institutional knowledge of the MPWD system blended with engineering know-how and management experience resulting in the development of a comprehensive list of needed capital projects within the MPWD system. A distribution system analysis was developed by the District Engineer for each project, including an engineering cost estimate. Nearly 90 capital projects were identified, totaling over \$50 million. Operations staff selected several pertinent criteria for evaluating the projects for prioritization. That priority list resulted in the MPWD's proposed Capital Improvement Program (CIP). A 5-year CIP is currently being discussed, and while the exact amount has not yet been approved, the concept of \$20-\$25 million is the range under consideration. The water hydraulic model is a valuable tool for operations and maintenance analyses, development assessments and fire flow reviews, and is maintained to keep it current.

Third, the MPWD hired an independent public finance consultant, Bartle Wells Associates, to work with staff for review and update of the MPWD's development impact fees and structure. That nearly 9-month process was thoroughly vetted by the Board of Directors to ensure transparent stakeholder and customer participation and input. The result was a Water Capacity Charges Update dated March 20, 2015, and adopted by the Board of Directors per Ordinance No. 112 dated April 23, 2015. Not only were water capacity charges updated for new development requiring a "buy-in" to the MPWD system for its added service impact, but the MPWD also created water demand offset fees to manage the new demand within its available regional water system supply from San Francisco Public Utilities Commission (SFPUC). This is in addition to the new development requirements to comply with current building codes requiring high efficient water fixtures. These supplemental revenues depend

upon the level of proposed development within the MPWD service area, but are additional resources for capital projects and water conservation and educational programs and public outreach.

Finally, the MPWD updated its water financial plan and reviewed its rates and structure, again with the assistance of Bartle Wells Associates. A rate workshop was held on March 26, 2015. A water financial plan and rate study was presented and adopted by the Board of Directors on May 26, 2015, including phased increases to the monthly fixed system charge and within the tiered structure. Further provisions adopted were pass-through of additional increases by SFPUC to projected wholesale water rates, and emergency water shortage rates should the MPWD experience a significant decrease in its water commodity revenues as a result of greater water use reductions due to a drought.

Since the completion of the above critical projects and since late 2015, the MPWD has been engaged in discussions around options for implementing a CIP and funding alternatives. Prioritized projects were presented to and accepted by the Board as a capital program. Staff has been working with its municipal finance advisor, Wulff Hansen & Company, since January 2016, to identify potential options for financing a 5-year CIP. So far, the 5-year CIP and introductory debt service financing options presented. A final CIP, how it would be financed, the specific level of financing, and the implementation of a CIP have not been finalized and remains under development.

The end of the MPWD's fiscal year is coming up and updated financial reports (based upon actual revenues received and expenditures made) and new operating and capital budget projections for FY 2016/2017 are going to be extremely useful going forward.

In summary of the Board's discussions, these Frequently Asked Questions (FAQs) were developed and will be updated to ensure resourcefulness throughout the process.

FAQs

1. Why is a Capital Improvement Program important?

- *It allows for a systematic evaluation of all potential projects at the same time in a prioritized order.*
- *It allows for grouping of projects for construction, which will reduce overall program cost.*
- *It aids in the preservation of the MPWD's infrastructure while ensuring the efficient use of public funds.*
- *It provides sound information to the Board of Directors and its customers on the infrastructure needs of the MPWD.*
- *Through its development it allows an opportunity to foster cooperation among staff, management and District Engineer.*
- *It is a reinvestment of ratepayer dollars back into the water system, which is good financial stewardship.*

2. What has been the MPWD’s current process for CIP implementation?

The MPWD’s practice has been to appropriate a certain dollar amount per year, typically between \$1 million to \$1.5 million dollars, to fund capital projects on a cash “pay go” basis. There is no systematic way of evaluating if this level of funding was adequate to ensure the timely replacement of MPWD infrastructure.

3. What happens if the MPWD maintains the status quo and continues with a cash “pay-go” program?

The pay-go system has allowed the MPWD to slowly replace some deficient distribution pipeline segments and rehabilitate or replace some tanks that were not seismically safe. But much of the MPWD water system is more than 50 years old and is spread out over nine (9) distinct pressure zones. The system’s age in combination with system pressures exceeding 120 pounds per square inch (psi), have led to and continue to create many water leaks, which has wasted millions of gallons of water and resulted in personnel and maintenance costs to repair main breaks.

The comprehensive analysis resulting from the water hydraulic modeling indicates the MPWD has historically been underfunding its capital infrastructure needs and now must undertake an accelerated program to catch up. If it does not, the MPWD system risks falling further behind and being vulnerable to severe damage during a large seismic event and increased maintenance costs.

The external financial auditor, James Marta & Company, reported last year that the MPWD’s existing capital replacement is not keeping pace with the annualized depreciation of the system, thereby an increased level of capital spending was recommended. Reference the attached slide.

4. Briefly describe the identified \$50 million CIP.

As a result of the water hydraulic modeling, the currently identified CIP includes 90 unique projects consisting of replacement of:

- *14 miles of water main (15% of the MPWD’s system);*
- *Seismically vulnerable water tanks;*
- *Pressure regulators;*
- *Hydrants for fire safety; and*
- *Other MPWD infrastructure.*

5. How were the proposed CIP projects prioritized?

Senior MPWD Operations personnel that work within the system daily were involved in developing criteria used to prioritize the 90 capital projects. After deliberation, six (6) criteria were selected and included: pipe failure over the past five (5) years, distribution system benefits, pipe age, pipe material, City pavement condition, and static water pressure. Each of the criteria was given a certain range of scores with a maximum score of 81 points. Each project was scrutinized based on the criteria and a score was given, which lead to the prioritization of the projects.

6. Why do a 5-year CIP, and how did the MPWD arrive at the proposed \$25 million funding level?

One of the MPWD's goals in its Strategic Plan was to develop and implement a rolling 5-year capital program. Because there has historically been a minimal level of capital reinvestment, the MPWD has fallen behind on funding its capital infrastructure needs, and in order to cost effectively bundle pipeline replacement projects, the MPWD aimed to create a capital program that would accomplish at least \$4 million to \$5 million per year (three to four times that of the MPWD's existing funding level). Another significant factor was ensuring a sustainable level of capital funding within the MPWD's existing annual water rate revenues, which is currently under review since the MPWD is having FY 2016/2017 budget discussions. Therefore, a list of 30 prioritized capital projects was finalized for a 5-year program, including the completion of the Automated Metering Infrastructure (AMI) program, totaling approximately \$25 million.

7. What are some financing options?

- *Continue on a "pay-go" basis.
Utilize available revenues to pay for planned projects. It will take 16 years to pay for \$25 million planned 5-year CIP. Cost of unexpected maintenance will reduce available funds and extend over 16 years' completion of planned projects. Current ratepayers pay for capital projects while future ratepayers do not pay an equitable share. The MPWD may experience an impairment of its operations due to delayed needed infrastructure improvements.*
- *Debt.
Ability to finance much needed capital improvements now. Rates are the lowest in 25 years. Term of debt can be flexible from 10 to 30 years. The debt can be structured to allow pre-payment after 10 years.*
- *A hybrid approach, including a combination of debt and "pay go."
Debt will be issued to complete capital projects and use all excess revenues that can be used for "pay go" or pay down the debt, which shortens the term of the debt.*
- *Returning to only "pay go" depends upon how much of the excess revenues after debt service is applied to early payment of the debt. First additional reduction of the debt beyond the scheduled payment of principal will occur after 10 years.**

Exhibits are attached for sample private placement and public offering debt, including breakdown of estimated principal, interest, all-in interest costs, and detailed costs of issuance. These examples were prepared by the MPWD's Municipal Finance Advisor team and as a result of the FY 2016/2017 cash flow projections contained within the Bartle Wells Associates Water Finance & Rate Update dated April 24, 2016.

**Potential debt payoff estimates are also attached (for each debt example).*

8. What is the difference between a private placement loan and revenue bond debt financing?

Private place debt is issued by the MPWD that is sold to private investors, usually a bank or an insurance company. The debt can only be sold to qualified institutional buyers. Structure may be the same as a revenue bond. A placement agent is used instead of an underwriter. MPWD will only have to deal with one representative of the investors when negotiating for changes on the terms of the debt. The rate is usually fixed. The cost of issuance is substantially lower than issuing public debt. No continuing disclosure requirement and in the initial sale a Disclosure Counsel is not used and no official statement or formal disclosure document is required. The term of the debt is shorter and generally cannot exceed 20 years limiting the amount of capital projects that can be financed through the issuance.

Revenue bond financing is long-term debt issued by the MPWD that is sold to the public. Fixed terms and covenants. Impossible to negotiate changes of terms with bondholders. The cost of issuance is generally higher than a private placement. Sold to an underwriter that resells to the public. Compared to a private placement, the debt can be issued for up to 30 years increasing the size of the financing and the amount of capital projects that can be financed with the same annual debt payment. The net interest cost can be slightly lower than a private placement.

9. How much does it cost to do a debt financing?

Exhibits are attached for sample private placement and public offering debt, including breakdown of estimated principal, interest, all-in interest costs, and detailed costs of issuance. These examples were prepared by the MPWD's Municipal Finance Advisor team and as a result of the FY 2016/2017 cash flow projections contained within the Bartle Wells Associates Water Finance & Rate Update dated April 24, 2016.

Potential debt payoff estimates are also attached (for each debt example).

10. Why not mortgage the MPWD's Dairy Lane property to raise cash for the CIP?

The MPWD owns all of its properties, including its Operations Center at 3 Dairy Lane in Belmont. There are many challenges with borrowing against public property, and the same water rate revenues would be the payment source. It makes more sense to borrow a lump sum, especially at current market rates of interest, and pledge a revenue source rather than encumber the MPWD's property that might be needed later in an emergency.

The amount available to borrow would be limited to 50% to 75% of the appraised value of the property. The revenue pledge may impair the ability to borrow additional funds when needed as that source of repayment would already be pledged.

11. Are there other properties owned by the MPWD, and, if so, why not sell them for cash toward the CIP?

Another one of the MPWD’s strategic goals is to evaluate the properties it owns and carefully consider those that might be considered surplus by the Board and potentially for sale.

Selling properties would result in a loss of appreciating assets. It may impact the MPWD’s credit rating making debt issuance less attractive to underwriters, placement agents, bond insurers, and investors. It also reduces the ability to raise additional funds in the future if needed. It could create a negative perception of the MPWD—selling assets to raise cash.

This could be a one-time infusion of cash to the MPWD, determined by the Board to be used toward paying off any capital debt financing or toward additional capital projects on a “pay go” basis.

12. How much does the MPWD have in reserves, and why not use them to pay for the CIP?

The table below reflects the current reserves totaling \$4.2 million through March 31, 2016.

	Balance @ Mar 2014	Balance @ Mar 2015	Balance @ Mar 2016	Budget for Reserve Policy
RESERVES				
Capital Reserves	2,024,494	1,034,676	1,545,326	2,500,000
Emergency Reserves	2,000,000	2,000,000	2,000,000	2,500,000
Working Capital Reserves	500,000	500,000	500,000	2,500,000
TOTAL RESERVE FUNDS	4,524,494	3,534,676	4,045,326	2,500,000

It would be a policy decision by the Board of Directors as to what level, if any, of the MPWD’s reserves to use for its capital program. Reserves are important in the event of an emergency or as the result of some unplanned operating revenue decrease(s) or expenditure(s). The MPWD’s current reserve policy is set at \$5 million. The Board of Directors has recently expressed its intention of revisiting its reserve policy in the near future.

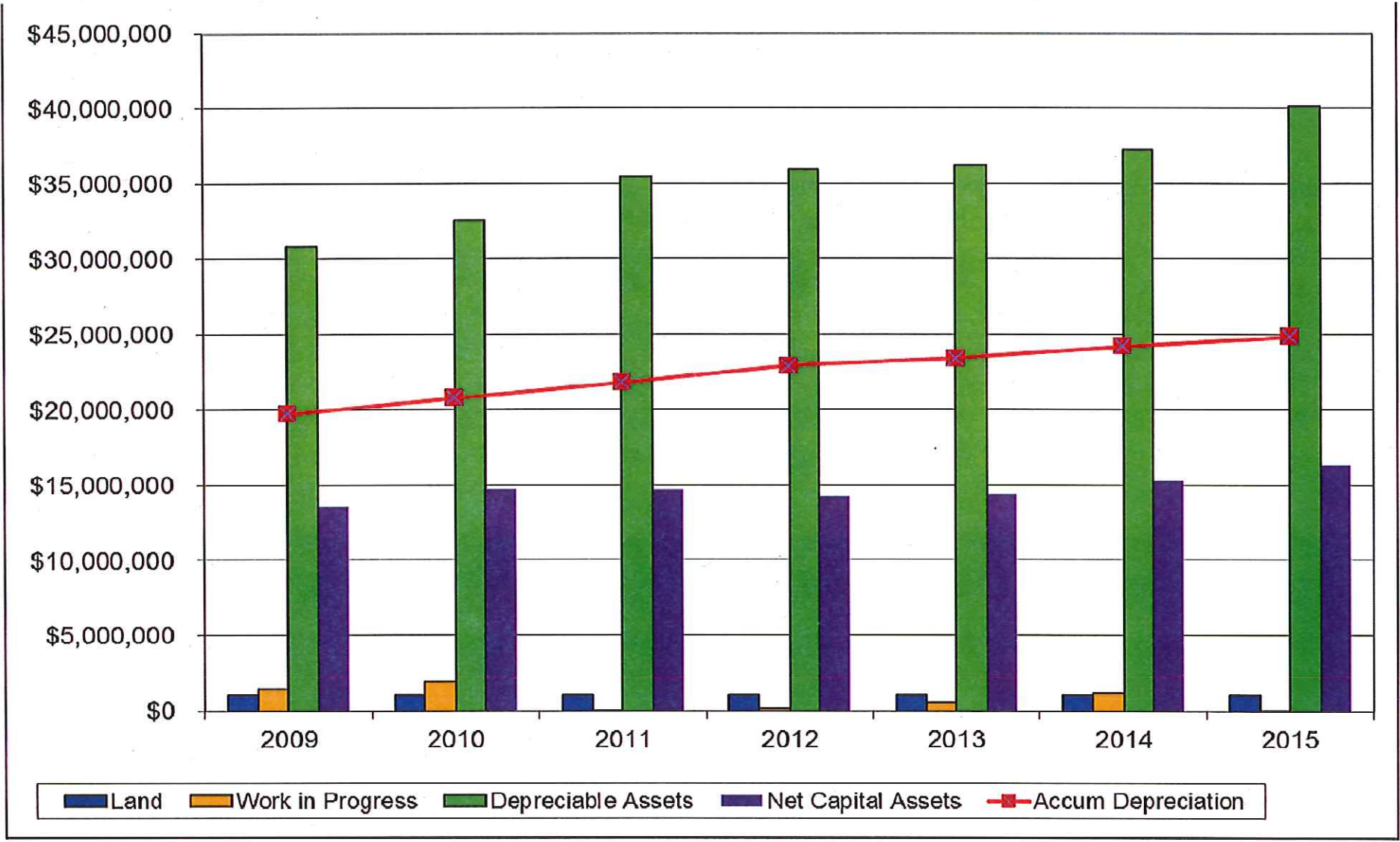
13. Explain all potential cash funding sources for the CIP.

Four (4) cash sources have been identified so far for CIP funding on a continued “pay-go” basis, or for annual loan/debt service payments, or a combination of both: Water revenues, development impact revenues, reserves, or real property sales. The Board of Directors would authorize the funding source(s) for any approved CIP.

- *Water revenues can be used for any type of improvement related to the MPWD’s business.*
- *Development impact revenues are normally used and may have statutory requirements such that they can only be used to support the construction of new infrastructure and facilities to support the impacts of growth to the system.*
- *Reserves, unless restricted, are an available cash source that could be used as a funding source;*
- *Real property sales proceeds, generally speaking, and unless restricted, could be used as a source of funding.*

*Thank you for being interested in the MPWD.
Please contact General Manager Tammy Rudock
at tammyr@midpeninsulawater.org or 650-591-8941
with questions or comments on any of the FAQs contained herein.*

Capital Assets



MID-PENINSULA WATER DISTRICT
Private Placement; RATE 3.25%; 20 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

Period Ending	Principal	Coupon *	Interest	Debt Service	Available Revenue**	Excess Revenue	Cumulative Excess	Debt Service Coverage Ratio***
10/1/2017	530,000	3.25%	515,450.00	1,045,450.00	1,500,000	454,550	454,550	1.435
10/1/2018	590,000	3.25%	458,575.00	1,048,575.00	1,772,000	723,425	1,177,975	1.690
10/1/2019	610,000	3.25%	439,400.00	1,049,400.00	1,462,000	412,600	1,590,575	1.393
10/1/2020	630,000	3.25%	419,575.00	1,049,575.00	1,425,000	375,425	1,966,000	1.358
10/1/2021	650,000	3.25%	399,100.00	1,049,100.00	1,500,000	450,900	2,416,900	1.430
10/1/2022	670,000	3.25%	377,975.00	1,047,975.00	1,500,000	452,025	2,868,925	1.431
10/1/2023	690,000	3.25%	356,200.00	1,046,200.00	1,500,000	453,800	3,322,725	1.434
10/1/2024	715,000	3.25%	333,775.00	1,048,775.00	1,500,000	451,225	3,773,950	1.430
10/1/2025	735,000	3.25%	310,537.50	1,045,537.50	1,500,000	454,463	4,228,413	1.435
10/1/2026	760,000	3.25%	286,650.00	1,046,650.00	1,500,000	453,350	4,681,763	1.433
10/1/2027	785,000	3.25%	261,950.00	1,046,950.00	1,500,000	453,050	5,134,813	1.433
10/1/2028	810,000	3.25%	236,437.50	1,046,437.50	1,500,000	453,563	5,588,375	1.433
10/1/2029	835,000	3.25%	210,112.50	1,045,112.50	1,500,000	454,888	6,043,263	1.435
10/1/2030	865,000	3.25%	182,975.00	1,047,975.00	1,500,000	452,025	6,495,288	1.431
10/1/2031	895,000	3.25%	154,862.50	1,049,862.50	1,500,000	450,138	6,945,425	1.429
10/1/2032	920,000	3.25%	125,775.00	1,045,775.00	1,500,000	454,225	7,399,650	1.434
10/1/2033	950,000	3.25%	95,875.00	1,045,875.00	1,500,000	454,125	7,853,775	1.434
10/1/2034	985,000	3.25%	65,000.00	1,050,000.00	1,500,000	450,000	8,303,775	1.429
10/1/2035	1,015,000	3.25%	32,987.50	1,047,987.50	1,500,000	452,013	8,755,788	1.431
	14,640,000		5,263,212.50	19,903,212.50	28,659,000	8,755,788		

			<u>Estimated and Subject to Actual Proposals</u>	
Project Fund		14,446,500	Bond Counsel	60,000
Estimated Total Cost of Issuance		193,500	Placement Agent	30,000
Total Par Amount		14,640,000	Municipal Advisor	60,000
			Public Financing Corp.	3,500
TIC	3.24972%		Investor's Counsel	15,000
All-in TIC	3.39968%		Misc.	25,000
			Total COI	193,500

* Based on estimated rates in Private Placement market as of 04/25/2016, to be determined by competitive bid

** Source: Rate Study update from MPWD

*** Debt Service Coverage (DSC): A debt service coverage ratio is an indicator of the amount of funds available to pay debt service after O&M expenses and other pre-debt obligations have been met. A DSC ratio of 1.40 means the utility has 40% more funds available to pay debt service than the amount of the debt service payment(s). For example, assuming a utility has a \$1.0 million debt service payment, a DSC of 1.40 means that the utility has \$1.4 million available to pay debt service.

- Debt Service Coverage Covenant (1.25, estimated and determined through negotiation): The DSC below which water rate increases may be required to avoid technical default.

- True Interest Cost (TIC): A measurement of interest expense to the issuer of bonds, without the adjustment of COI in calculation.

- All-in TIC: A measurement of total cost of a bond financing, including adjustment of COI in calculation.

MID-PENINSULA WATER DISTRICT
Private Placement; RATE 3.25%; 20 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

<u>Period Ending</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Available Revenue</u>	<u>Excess Revenue</u>	<u>Cumulative Excess</u>	
10/1/2017	530,000	3.25%	515,450.00	1,045,450.00	1,500,000	454,550	454,550	
10/1/2018	590,000	3.25%	458,575.00	1,048,575.00	1,772,000	723,425	1,177,975	
10/1/2019	610,000	3.25%	439,400.00	1,049,400.00	1,462,000	412,600	1,590,575	
10/1/2020	630,000	3.25%	419,575.00	1,049,575.00	1,425,000	375,425	1,966,000	
10/1/2021	650,000	3.25%	399,100.00	1,049,100.00	1,500,000	450,900	2,416,900	
10/1/2022	670,000	3.25%	377,975.00	1,047,975.00	1,500,000	452,025	2,868,925	
10/1/2023	690,000	3.25%	356,200.00	1,046,200.00	1,500,000	453,800	3,322,725	
10/1/2024	715,000	3.25%	333,775.00	1,048,775.00	1,500,000	451,225	3,773,950	
10/1/2025	735,000	3.25%	310,537.50	1,045,537.50	1,500,000	454,463	4,228,413	
10/1/2026	760,000	3.25%	286,650.00	1,046,650.00	1,500,000	453,350	4,681,763	
	6,580,000							
								Principal + Excess Revenue ⁽²⁾
10/1/2027	785,000	3.25%	261,950.00	1,046,950.00	1,500,000	453,050	453,050	3,378,238
10/1/2028	810,000	3.25%	236,437.50	1,046,437.50	1,500,000	453,563	453,563	1,238,050.00
10/1/2029	835,000	3.25%	210,112.50	1,045,112.50	1,500,000	454,888	454,888	1,263,562.50
10/1/2030	865,000	3.25%	182,975.00	1,047,975.00	1,500,000	452,025	906,913	1,289,887.50
10/1/2031	895,000	3.25%	154,862.50	1,049,862.50	1,500,000	450,138	1,357,050	
10/1/2032	920,000	3.25%	125,775.00	1,045,775.00	1,500,000	454,225	1,811,275	
10/1/2033	950,000	3.25%	95,875.00	1,045,875.00	1,500,000	454,125	2,265,400	
10/1/2034	985,000	3.25%	65,000.00	1,050,000.00	1,500,000	450,000	2,715,400	
10/1/2035	1,015,000	3.25%	32,987.50	1,047,987.50	1,500,000	452,013	3,167,413	
	8,060,000							
	14,640,000							

⁽¹⁾ In 2026 when bonds are callable, \$ 4,681,763 will be available to pay down the outstanding principal, amount of \$8,060,000, leaving \$ 3,378,238 outstanding.

⁽²⁾ The remaining outstanding balance will be paid using principal and excess revenue for each year. And it will take another three years to payoff the \$3,378,238

No. of years to pay the debt: 13 years

MID-PENINSULA WATER DISTRICT

Public Offering; 25 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

Period Ending	Principal	Coupon*	Interest	Debt Service	Available Revenue**	Excess Revenue	Cumulative Excess	Debt Service Coverage Ratio
10/1/2017	565,000	0.85%	482,217.67	1,047,217.67	1,500,000	452,782	452,782	1.432
10/1/2018	605,000	1.10%	440,321.50	1,045,321.50	1,772,000	726,679	1,179,461	1.695
10/1/2019	615,000	1.23%	433,666.50	1,048,666.50	1,462,000	413,334	1,592,794	1.394
10/1/2020	620,000	1.45%	426,102.00	1,046,102.00	1,425,000	378,898	1,971,692	1.362
10/1/2021	630,000	1.49%	417,112.00	1,047,112.00	1,500,000	452,888	2,424,580	1.433
10/1/2022	640,000	1.61%	407,725.00	1,047,725.00	1,500,000	452,275	2,876,855	1.432
10/1/2023	650,000	1.72%	397,421.00	1,047,421.00	1,500,000	452,579	3,329,434	1.432
10/1/2024	660,000	1.87%	386,241.00	1,046,241.00	1,500,000	453,759	3,783,193	1.434
10/1/2025	675,000	2.00%	373,899.00	1,048,899.00	1,500,000	451,101	4,234,294	1.430
10/1/2026	685,000	2.10%	360,399.00	1,045,399.00	1,500,000	454,601	4,688,895	1.435
10/1/2027	700,000	2.22%	346,014.00	1,046,014.00	1,500,000	453,986	5,142,881	1.434
10/1/2028	715,000	2.33%	330,474.00	1,045,474.00	1,500,000	454,526	5,597,407	1.435
10/1/2029	735,000	2.45%	313,814.50	1,048,814.50	1,500,000	451,186	6,048,593	1.430
10/1/2030	750,000	2.57%	295,807.00	1,045,807.00	1,500,000	454,193	6,502,786	1.434
10/1/2031	770,000	2.70%	276,532.00	1,046,532.00	1,500,000	453,468	6,956,254	1.433
10/1/2032	790,000	2.84%	255,742.00	1,045,742.00	1,500,000	454,258	7,410,512	1.434
10/1/2033	815,000	2.94%	233,306.00	1,048,306.00	1,500,000	451,694	7,862,206	1.431
10/1/2034	840,000	3.00%	209,345.00	1,049,345.00	1,500,000	450,655	8,312,861	1.429
10/1/2035	865,000	3.10%	184,145.00	1,049,145.00	1,500,000	450,855	8,763,716	1.430
10/1/2036	890,000	3.15%	157,330.00	1,047,330.00	1,500,000	452,670	9,216,386	1.432
10/1/2037	920,000	3.20%	129,295.00	1,049,295.00	1,500,000	450,705	9,667,091	1.430
10/1/2038	945,000	3.30%	99,855.00	1,044,855.00	1,500,000	455,145	10,122,236	1.436
10/1/2039	980,000	3.40%	68,670.00	1,048,670.00	1,500,000	451,330	10,573,566	1.430
10/1/2040	1,010,000	3.50%	35,350.00	1,045,350.00	1,500,000	454,650	11,028,216	1.435
	18,070,000		7,060,784.17	25,130,784.17	36,159,000	11,028,216		

Estimated and Subject to Actual Proposals

(1) Underwriter's Discount	225,875.00
(2) Bond Insurance	50,261.57
(3) Surety Reserve Fund	13,641.49
Bond Counsel	70,000.00
Disclosure Counsel	30,000.00
Municipal Advisor	70,000.00
Public Financing Corp.	3,500.00
Trustee	7,500.00
Rating Agencies	30,000.00
Consultant	10,000.00
Misc.	25,000.00
Total Estimated COI	535,778.06

Project Fund	17,534,221.94
Estimated Total Cost of Issuance	535,778.06
Total Par Amount	18,070,000.00

TIC	2.95179%
All-in TIC	3.07944%

* Based on Comparable Public Offerings as of 04/21/2016; actual rates to be determined by competitive sale of bonds

** Source: Rate Study update from MPWD

(1) Estimated at 1.20% of Bond Issuance, to be determined by competitive bid

(2) Estimated at 0.20% of total Debt Service, insures Debt Service, to be determined by competitive bid

(3) Estimated at 1.30% of Debt Service Reserve Requirements, to be determined by competitive bid; Surety replaces debt service reserve estimated at approximately \$1,050,000; funded from bond proceeds

- True Interest Cost (TIC): A measurement of interest expense to the issuer of bonds, without the adjustment of COI in calculation.

- All-in TIC: A measurement of total cost of a bond financing, including adjustment of COI in calculation.

MID-PENINSULA WATER DISTRICT

Public Offering; 25 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

Period Ending	Principal	Coupon*	Interest	Debt Service	Available Revenue**	Excess Revenue	Cumulative Excess	
10/1/2017	565,000	0.85%	482,217.67	1,047,217.67	1,500,000	452,782	452,782	
10/1/2018	605,000	1.10%	440,321.50	1,045,321.50	1,772,000	726,679	1,179,461	
10/1/2019	615,000	1.23%	433,666.50	1,048,666.50	1,462,000	413,334	1,592,794	
10/1/2020	620,000	1.45%	426,102.00	1,046,102.00	1,425,000	378,898	1,971,692	
10/1/2021	630,000	1.49%	417,112.00	1,047,112.00	1,500,000	452,888	2,424,580	
10/1/2022	640,000	1.61%	407,725.00	1,047,725.00	1,500,000	452,275	2,876,855	
10/1/2023	650,000	1.72%	397,421.00	1,047,421.00	1,500,000	452,579	3,329,434	
10/1/2024	660,000	1.87%	386,241.00	1,046,241.00	1,500,000	453,759	3,783,193	
10/1/2025	675,000	2.00%	373,899.00	1,048,899.00	1,500,000	451,101	4,234,294	
10/1/2026	685,000	2.10%	360,399.00	1,045,399.00	1,500,000	454,601	4,688,895 ⁽¹⁾	
	6,345,000							
								Principal + Excess Revenue ⁽²⁾
10/1/2027	700,000	2.22%	346,014.00	1,046,014.00	1,500,000	453,986	5,142,881	7,036,105
10/1/2028	715,000	2.33%	330,474.00	1,045,474.00	1,500,000	454,526	5,597,407	1,153,986.00
10/1/2029	735,000	2.45%	313,814.50	1,048,814.50	1,500,000	451,186	6,048,593	1,169,526.00
10/1/2030	750,000	2.57%	295,807.00	1,045,807.00	1,500,000	454,193	6,502,786	1,186,185.50
10/1/2031	770,000	2.70%	276,532.00	1,046,532.00	1,500,000	453,468	6,956,254	1,204,193.00
10/1/2032	790,000	2.84%	255,742.00	1,045,742.00	1,500,000	454,258	7,410,512	1,223,468.00
10/1/2033	815,000	2.94%	233,306.00	1,048,306.00	1,500,000	451,694	7,862,206	1,244,258.00
10/1/2034	840,000	3.00%	209,345.00	1,049,345.00	1,500,000	450,655	8,312,861	
10/1/2035	865,000	3.10%	184,145.00	1,049,145.00	1,500,000	450,855	8,763,716	
10/1/2036	890,000	3.15%	157,330.00	1,047,330.00	1,500,000	452,670	9,216,386	
10/1/2037	920,000	3.20%	129,295.00	1,049,295.00	1,500,000	450,705	9,667,091	
10/1/2038	945,000	3.30%	99,855.00	1,044,855.00	1,500,000	455,145	10,122,236	
10/1/2039	980,000	3.40%	68,670.00	1,048,670.00	1,500,000	451,330	10,573,566	
10/1/2040	1,010,000	3.50%	35,350.00	1,045,350.00	1,500,000	454,650	11,028,216	
	11,725,000		7,060,784.17	25,130,784.17	36,159,000	11,028,216		
	18,070,000							

⁽¹⁾ In 2026 when bonds are callable, \$ 4,688,895 will be available to pay down the outstanding principal, amount of \$11,725,000, leaving \$ 7,036,105 outstanding.

⁽²⁾ The remaining outstanding balance will be paid using principal and excess revenue for each year. And it will take another three years to payoff the \$7,036,105

No. of years to pay the debt:	16 years
-------------------------------	-----------------

MID-PENINSULA WATER DISTRICT

Public Offering; 30 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

Period Ending	Principal	Coupon	Interest	Debt Service	Available Revenue**	Excess Revenue	Cumulative Excess	Debt Service Coverage Ratio
10/1/2017	460,000	0.85%	586,469.54	1,046,469.54	1,500,000	453,530	453,530	1.433
10/1/2018	510,000	1.10%	537,446.50	1,047,446.50	1,772,000	724,554	1,178,084	1.692
10/1/2019	515,000	1.23%	531,836.50	1,046,836.50	1,462,000	415,164	1,593,247	1.397
10/1/2020	520,000	1.45%	525,502.00	1,045,502.00	1,425,000	379,498	1,972,745	1.363
10/1/2021	530,000	1.49%	517,962.00	1,047,962.00	1,500,000	452,038	2,424,783	1.431
10/1/2022	535,000	1.61%	510,065.00	1,045,065.00	1,500,000	454,935	2,879,718	1.435
10/1/2023	545,000	1.72%	501,451.50	1,046,451.50	1,500,000	453,549	3,333,267	1.433
10/1/2024	555,000	1.87%	492,077.50	1,047,077.50	1,500,000	452,923	3,786,189	1.433
10/1/2025	565,000	2.00%	481,699.00	1,046,699.00	1,500,000	453,301	4,239,490	1.433
10/1/2026	575,000	2.10%	470,399.00	1,045,399.00	1,500,000	454,601	4,694,091	1.435
10/1/2027	590,000	2.22%	458,324.00	1,048,324.00	1,500,000	451,676	5,145,767	1.431
10/1/2028	600,000	2.33%	445,226.00	1,045,226.00	1,500,000	454,774	5,600,541	1.435
10/1/2029	615,000	2.45%	431,246.00	1,046,246.00	1,500,000	453,754	6,054,295	1.434
10/1/2030	630,000	2.57%	416,178.50	1,046,178.50	1,500,000	453,822	6,508,117	1.434
10/1/2031	645,000	2.70%	399,987.50	1,044,987.50	1,500,000	455,013	6,963,129	1.435
10/1/2032	665,000	2.84%	382,572.50	1,047,572.50	1,500,000	452,428	7,415,557	1.432
10/1/2033	685,000	2.94%	363,686.50	1,048,686.50	1,500,000	451,314	7,866,870	1.430
10/1/2034	705,000	3.00%	343,547.50	1,048,547.50	1,500,000	451,453	8,318,323	1.431
10/1/2035	725,000	3.10%	322,397.50	1,047,397.50	1,500,000	452,603	8,770,925	1.432
10/1/2036	745,000	3.15%	299,922.50	1,044,922.50	1,500,000	455,078	9,226,003	1.436
10/1/2037	770,000	3.20%	276,455.00	1,046,455.00	1,500,000	453,545	9,679,548	1.433
10/1/2038	795,000	3.30%	251,815.00	1,046,815.00	1,500,000	453,185	10,132,733	1.433
10/1/2039	820,000	3.40%	225,580.00	1,045,580.00	1,500,000	454,420	10,587,153	1.435
10/1/2040	850,000	3.50%	197,700.00	1,047,700.00	1,500,000	452,300	11,039,453	1.432
10/1/2041	880,000	3.50%	167,950.00	1,047,950.00	1,500,000	452,050	11,491,503	1.431
10/1/2042	910,000	3.50%	137,150.00	1,047,150.00	1,500,000	452,850	11,944,353	1.432
10/1/2043	940,000	3.60%	105,300.00	1,045,300.00	1,500,000	454,700	12,399,053	1.435
10/1/2044	975,000	3.60%	71,460.00	1,046,460.00	1,500,000	453,540	12,852,593	1.433
10/1/2045	1,010,000	3.60%	36,360.00	1,046,360.00	1,500,000	453,640	13,306,233	1.434
	19,865,000		10,487,767.04	30,352,767.04	43,659,000	13,306,233		

Estimated and Subject to Actual Proposals

(1) Underwriter's Discount	248,312.50
(2) Bond Insurance	60,705.53
(3) Surety Reserve Fund	13,632.92
Bond Counsel	70,000.00
Disclosure Counsel	30,000.00
Municipal Advisor	70,000.00
Public Financing Corp.	3,500.00
Trustee	7,500.00
Rating Agencies	35,000.00
Consultant	10,000.00
Misc.	25,000.00
Total Estimated COI	573,650.95

Project Fund	19,291,349.05
Estimated Total Cost of Issuance	573,650.95
Total Par Amount	19,865,000.00

TIC	3.19640%
All-in TIC	3.29940%

* Based on Comparable Public Offerings as of 04/21/2016; actual rates to be determined by competitive sale of bonds

** Source: Rate Study update from MPWD

(1) Estimated at 1.20% of Bond Issuance, to be determined by competitive bid

(2) Estimated at 0.20% of total Debt Service, insures Debt Service, to be determined by competitive bid

(3) Estimated at 1.30% of Debt Service Reserve Requirements, to be determined by competitive bid; Surety replaces debt service reserve estimated at approximately \$1,050,000; funded from bond proceeds

- True Interest Cost (TIC): A measurement of interest expense to the issuer of bonds, without the adjustment of COI in calculation.

- All-in TIC: A measurement of total cost of a bond financing, including adjustment of COI in calculation.

MID-PENINSULA WATER DISTRICT

Public Offering; 30 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

Period Ending	Principal	Coupon	Interest	Debt Service	Available Revenue**	Excess Revenue	Cumulative Excess	
10/1/2017	460,000	0.85%	586,469.54	1,046,469.54	1,500,000	453,530	453,530	
10/1/2018	510,000	1.10%	537,446.50	1,047,446.50	1,772,000	724,554	1,178,084	
10/1/2019	515,000	1.23%	531,836.50	1,046,836.50	1,462,000	415,164	1,593,247	
10/1/2020	520,000	1.45%	525,502.00	1,045,502.00	1,425,000	379,498	1,972,745	
10/1/2021	530,000	1.49%	517,962.00	1,047,962.00	1,500,000	452,038	2,424,783	
10/1/2022	535,000	1.61%	510,065.00	1,045,065.00	1,500,000	454,935	2,879,718	
10/1/2023	545,000	1.72%	501,451.50	1,046,451.50	1,500,000	453,549	3,333,267	
10/1/2024	555,000	1.87%	492,077.50	1,047,077.50	1,500,000	452,923	3,786,189	
10/1/2025	565,000	2.00%	481,699.00	1,046,699.00	1,500,000	453,301	4,239,490	
10/1/2026	575,000	2.10%	470,399.00	1,045,399.00	1,500,000	454,601	4,694,091 ⁽¹⁾	
	5,310,000							Principal + Excess Revenue ⁽²⁾
10/1/2027	590,000	2.22%	458,324.00	1,048,324.00	1,500,000	451,676	5,145,767	9,860,909
10/1/2028	600,000	2.33%	445,226.00	1,045,226.00	1,500,000	454,774	5,600,541	1,041,676.00
10/1/2029	615,000	2.45%	431,246.00	1,046,246.00	1,500,000	453,754	6,054,295	1,054,774.00
10/1/2030	630,000	2.57%	416,178.50	1,046,178.50	1,500,000	453,822	6,508,117	1,068,754.00
10/1/2031	645,000	2.70%	399,987.50	1,044,987.50	1,500,000	455,013	6,963,129	1,083,821.50
10/1/2032	665,000	2.84%	382,572.50	1,047,572.50	1,500,000	452,428	7,415,557	1,100,012.50
10/1/2033	685,000	2.94%	363,686.50	1,048,686.50	1,500,000	452,314	7,867,870	1,117,427.50
10/1/2034	705,000	3.00%	343,547.50	1,048,547.50	1,500,000	451,453	8,318,323	1,136,313.50
10/1/2035	725,000	3.10%	322,397.50	1,047,397.50	1,500,000	452,603	8,770,925	1,156,452.50
10/1/2036	745,000	3.15%	299,922.50	1,044,922.50	1,500,000	455,078	9,226,003	1,177,602.50
10/1/2037	770,000	3.20%	276,455.00	1,046,455.00	1,500,000	453,545	9,679,548	
10/1/2038	795,000	3.30%	251,815.00	1,046,815.00	1,500,000	453,185	10,132,733	
10/1/2039	820,000	3.40%	225,580.00	1,045,580.00	1,500,000	454,420	10,587,153	
10/1/2040	850,000	3.50%	197,700.00	1,047,700.00	1,500,000	452,300	11,039,453	
10/1/2041	880,000	3.50%	167,950.00	1,047,950.00	1,500,000	452,050	11,491,503	
10/1/2042	910,000	3.50%	137,150.00	1,047,150.00	1,500,000	452,850	11,944,353	
10/1/2043	940,000	3.60%	105,300.00	1,045,300.00	1,500,000	454,700	12,399,053	
10/1/2044	975,000	3.60%	71,460.00	1,046,460.00	1,500,000	453,540	12,852,593	
10/1/2045	1,010,000	3.60%	36,360.00	1,046,360.00	1,500,000	453,640	13,306,233	
	14,555,000		10,487,767.04	30,352,767.04	43,659,000	13,306,233		
	19,865,000							

⁽¹⁾ In 2026 when bonds are callable, \$ 4,694,091 will be available to pay down the outstanding principal, amount of \$ 14,555,000, leaving \$ 9,860,909 outstanding.

⁽²⁾ The remaining outstanding balance will be paid using principal and excess revenue for each year. And it will take another three years to payoff the \$ 9,860,909



**Comprehensive System Analysis and
Capital Improvement Program
FY 2016 – 2017 Update**

May 20, 2016

Acknowledgements

The Mid-Peninsula Water District’s Comprehensive System Analysis and Capital Improvement Program for Fiscal Year 2016-2017 represents a collaborative effort between the District Engineer, *Pakpour Consulting Group* and the Mid-Peninsula Water District. We would like to acknowledge and thank the following key personnel whose invaluable knowledge, experience, and contributions were instrumental in the preparation of this program.

Mid-Peninsula Water District Board of Directors

- Matthew Zucca – President
- Dave Warden – Vice President
- Betty Linvill – Director
- Al Stuebing – Director
- Louis Vella - Director

Mid-Peninsula Water District Staff

- Tammy Rudock - General Manager
- Rene Ramirez - Operations Manager
- Brent Chester - Field Operations Supervisor
- Michael Anderson - Field Operations Supervisor
- Henry Young - Field Operations Supervisor
- Rick Bisio - Lead Operator
- Stan Olsen - Lead Operator

All other District personnel who assisted with the fire flow calibration testing.

Pakpour Consulting Group - Engineers

- Joubin Pakpour, P.E. – District Engineer
- Brandon Laurie, P.E. – Project Manager

This assessment was prepared by or under the direction of the following design professional, licensed by the State of California, for the various disciplines involved:

Joubin Pakpour, P.E. – Civil Engineer
Registration No. 59155



1.0 Executive Summary

In 2014 as part of its long-term strategic planning, the Mid-Peninsula Water District (District) undertook a comprehensive review and assessment of its water system infrastructure and facilities. This significant challenge involved a team comprised of senior operations personnel with many years of institutional knowledge of the District's system, management with many years of public utility and water operations experience and master planning, and the District Engineer experienced with water system operations and infrastructure/facilities design and engineering. The goal was to complete this project with not only a comprehensive prioritized Capital Improvement Program (CIP) but a functional hydraulic model that could be used by the District. An added benefit was the capturing of operational institutional knowledge from long-time District personnel for succession planning purposes.

For planning purposes, this comprehensive analysis and resulting CIP is intended to replace the District's July 2008 Water System Master Plan.

The first step was to update and calibrate the District's existing hydraulic model. The existing model was fragmented by each pressure zone and dysfunctional from a system-wide operational perspective. Next, the hydraulic model was used over a course of 18 months to develop a comprehensive District wide CIP, which currently totals \$51,820,000 (2015 dollars) over 92 projects. The projects were then ranked as detailed in Section 5.1 of this report. For a complete listing of ranked projects please refer to Appendix A. Appendix B provides a detailed analysis for each individual project. A list of projects per zone is detailed below:

Zone	Number of Projects	Cost
1	18	\$12,080,000
2	27	\$11,935,000
3	19	\$14,385,000
4	1	\$745,000
5	7	\$1,655,000
6	1	\$200,000
7	5	\$3,385,000
8	9	\$1,745,000
9	0	\$0
DW	5	\$5,690,000
Total	92	\$51,820,000

2.0 Purpose

The purpose of this summary report is to identify the steps in developing the District's CIP. Each of the steps are identified in the following sections including calibrating/updating the hydraulic model, performing fire flow analysis with distribution system analysis reports, identifying CIP projects, ranking criteria.

3.0 Hydraulic Model Calibration / Update

Hydraulic models are used to simulate operating conditions under multiple analysis scenarios, primarily steady state and extended period simulations.

Steady State

A steady state model predicts behavior in a water distribution system during a hypothetical condition where the effects of all changes in the operation and demands of the system have stopped. Steady state simulations are typically used in determining fire flows and infrastructure related problems. For the purposes of the CIP development, steady state simulations were primarily used to identify system bottlenecks and fire flow limitations. The existing hydraulic model, prior to updates, was developed to where only steady state analyses could be performed. Each zone was essentially treated as individual models where they were unable to communicate with one another. This type of model only allowed previous users to determine available fire flows by zone and no additional analysis capabilities beyond that.

Extended Period Simulation

Extended Period Simulation is a series of steady state calculations linked together to approximate the behavior of the system over one or more days. Extended period simulations are generally used to model change in pump operations, how tank levels fluctuate over time, valve operations, how water moves throughout the system, and water quality analyses. In order to develop this type of simulation, concrete information is needed of the system features. At this time of this report, no EPS analysis has been performed as system information continues to be gathered. However, the model is in a state where upon the receipt of this information, the entire system will be able to be modeled where zones communicate with each other. This will allow much more in depth system analysis.

Calibration

Calibrating the model and ensuring all system components match the field allow the user to accurately mimic operational conditions. The existing model did not appear to have gone through a calibration process.

To update the model, it was calibrated in a systematic way where each zone was calibrated independently of the other zones under steady state conditions. This involved preventing water from entering and leaving each zone through pump station shutdowns, closing of pressure reducing valves, and using only the static pressures provided by the tanks in each respective zone. As each zone was calibrated, they were reintroduced into the model. The following sections identify the calibration process.

3.1 Hydrant Flow Testing

Over the course of several months between July 2013 and June 2015, fire flow tests were conducted zone by zone in the following order: 4, 6, 9, 5, 3, 7, 8, 2, 1. Depending on the size of the zone, anywhere between 3-10 hydrants spaced evenly throughout each zone were flow tested during low demand periods. Before the tests were conducted, the zone was isolated from the rest of the system (no water coming in or going out).

Two hydrants were used at each test location; one hydrant was used to monitor system pressures by attaching a pressure gauge to the 2 ½-inch port, and the other hydrant was used to measure flows using a special hydrant diffuser equipped with a flow gauge. Each test measured the system pressure drop at the residual hydrant at a specific flow rate as determined by the flow gauge on the flow hydrant. Static pressures represent the system pressures prior to the test and residual pressures represent the pressure

during the test. Generally a pressure drop of 10 psi or greater during the test is recommended to ensure greater accuracy. In almost all cases, the tests were able to achieve a 10 psi pressure drop.

3.2 Model Calibration Results

Model calibration generally involves simulating each hydrant flow test in the model; comparing field results against model results, and making adjustments or corrections to the model, as necessary, to match the model against field conditions. Typically to calibrate the model, pipe roughness coefficient values (C-factors) are adjusted to simulate the stress placed on the system during hydrant flow testing. A model is generally considered calibrated when it is able to simulate a pressure drop and flows within 10 percent of those measured in the field. Fire flows were compared under average day demands.

The first step in using the fire flow test results is to compare the static pressures with those stated in the model. The static pressure is the difference between the hydrant elevation and the water elevation in the tank. In comparing the results, the majority of the static pressures, both at the test and residual hydrants, were within 0-3 psi with a few outliers in which case the reasons for the differences were analyzed and resolved by making small elevation adjustments in the model if needed.

The second step is to compare residual pressures at the flow rate measured in the field. Residual pressures represent the system pressures under stressed scenarios such as fire flows. To perform the comparison, the flow information from the field test is input into the model at the specific node representing the hydrant. The model is then run to compute the residual pressures given the flow input. The residual pressure comparison is measured at the node representing the residual hydrant from the field test. If there were significant discrepancies between the model and fire flow test result, we performed an additional hydrant flow test.

The third and final step is to adjust pipe roughness coefficients if necessary to bring model results in line with field results. Commonly used roughness coefficients are as follows:

- Old Cast / Ductile Iron Pipe – 110
- Newer Ductile Iron Pipe – 130
- PVC / AC Pipe – 150

Although calibration range guidelines have not yet been adopted, acceptable calibration limits within the water industry when comparing residual pressures generally range around 10 percent. Following are the average calibration residual results by zone:

- Zone 1 – 2.3% average
- Zone 2 – 3.1% average
- Zone 3 – 4.3% average
- Zone 4 – 8.6% average
- Zone 5 – 10% average
- Zone 6 – 1.4% average
- Zone 7 – 10.4% average
- Zone 8 – 8.7% average
- Zone 9 – 13.0 % average

Given the above calibration results, the model represents actual operating conditions fairly well. Although Zone 9 is slightly above the 10% average, this is a very small Zone within the District supplied by Zone 3 through a PRV configuration. Zone 9's effect on the overall operation of the system is minimal and therefore determined calibration in this zone was sufficient.

3.3 Water District System Map / Model Reconciliation

The District has a detailed map book showing the various system components including tanks, pump stations, pressure reducing stations / valves, pipes, hydrants, etc. It is maintained by the District and is an accurate representation of existing infrastructure. In reviewing the existing model, many discrepancies became apparent between the model and what was shown in the maps including differing water main sizes, types, abandonments not shown in the model, and missing water mains to name a few. To reconcile the data, meetings were held to compare the map and model information and ultimately the model was updated to reflect the map. In addition, tank, pump station, and pressure reducing information was also verified in the model.

4.0 Fire Flow Analysis / Distribution System Analysis

Upon completing the model calibration/update, fire flow analyses were conducted in each zone to determine available fire flows and to identify any flow deficiencies. In all analyses, each zone was modeled independently (no water in or out) given normal tank operating levels under maximum day demand scenarios. In addition, the following constraints were used in each analysis:

- A minimum 1,500 gpm fire flow
- A maximum 2,500 gpm fire flow
- A maximum pipe velocity of 15 ft/s
- A minimum 20 psi pressure residual
- A minimum 5 psi zone pressure
- A minimum system pressure of 1 psi

All nodes within the model not meeting the above constraints were analyzed to determine what improvements, if any, could improve the available fire flows. Distribution System Analysis (DSA) reports were prepared from the fire flow analysis results and typically identified existing conditions, various system reconfigurations to improve flows (mostly pipe size/type modifications), flow comparison charts, cost estimates, and recommendations. In most cases, simply increasing pipe size alleviated any fire flows under minimum fire flow recommendations. The DSA reports became the basis of identifying potential capital improvement projects and matched fairly well with previous reports indicating recommended improvements.

5.0 Capital Improvement Projects

Currently, the capital improvement projects identified comprise of 92 projects. Projects fell into several work categories, a few of which are highlighted below. The majority of the projects identified were direct results from performing the distribution system analyses and resulting fire flow analysis but also include projects identified by District operations personnel.

- Abandoning cross country water mains
- Eliminating parallel water mains
- Eliminating dead ends by creating loops
- Eliminating lengthy water mains serving only one or two connections
- Eliminating all 4-inch water mains (undersized)
- Replacing aging pipes prone to leaks or expected to leak
- Increasing fire flows by adding fire hydrants
- Tank structural analyses
- Adding system redundancy
- Increasing water main size where capacity is needed

Exhibits were prepared for each project detailing the project background, proposed improvements, project benefits, and a project budget based on 2015 dollars. The exhibits also included a map of the area showing the intended improvements. Please refer to Appendix B for exhibits. Following is a zone by zone breakdown of identified projects. Those projects generated as a result of a DSA report are identified accordingly.

Zone 1 (18 Projects)

Zone 1			
Project No.	DSA No.	Description	Cost
15-68	073	Wessex Way Dead End Improvements	\$185,000
15-69	074	Sussex Court Improvements	\$90,000
15-70	075	Shoreway Road Improvements	\$125,000
15-71	076	Wessex Way Loop Improvements	\$150,000
15-72	077	SR 101 Crossing at PAMF Hospital	\$1,670,000
15-73	078	Karen Road Improvements	\$425,000
15-74	079	Malcolm Avenue Improvements	\$265,000
15-75	080	Old County Road Improvements	\$3,400,000
15-76	081	El Camino Real Improvements	\$2,100,000
15-77	082	Sixth Avenue (Zone 1) Improvements	\$190,000
15-78	083	Civic Lane Improvements	\$800,000
15-79	084	F Street Improvements	\$235,000
15-80	085	Bragato Road Improvements	\$420,000
15-81	086	Sixth / O'Neill Avenue Improvements	\$990,000
15-82	n/a	Ralston Avenue Improvements	\$290,000
15-84	n/a	Ralston Avenue Regulator Relocation	\$345,000
15-85	n/a	O'Neill Slough Bridge Crossing Assessments	\$55,000
15-87	n/a	Hillcrest Pressure Regulating Station	\$345,000

Zone 1 Total: \$12,080,000

A brief description of each project in Zone 1 follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project.

15-68 - Wessex Way Dead End Improvements – Replaces 220 LF of a dead end 4” PVC with 8” PVC to replace aging / undersized infrastructure and improve fire flows.

15-69 - Sussex Court Improvements – Replaces 130 LF of a dead end 4” PVC with 8” PVC in addition to a new fire hydrant to replace aging / undersized infrastructure and improve fire flows.

15-70 - Shoreway Road Improvements – Abandons 850 LF of 8” AC paralleling a 12” PVC to eliminate aging infrastructure and reduce maintenance.

15-71 - Wessex Way Loop Improvements – Eliminates an 825 LF 6” PVC dead end by installing 230 LF of 8” PVC to loop the water main within the Sterling Place Development, provides system redundancy, improves fire flows, and improves water quality.

15-72 - SR 101 Crossing at PAMF Hospital – Abandons 500 LF of 12” AC under SR 101 in favor of a new 12” PVC crossing at the PAMF location eliminating aging infrastructure, dead ends, creates a looped system, and constructs a serviceable underground inter-tie utility vault.

15-73 – Karen Road Improvements – Replaces 800 LF of parallel 12” AC and 8” CIP with a single 8” PVC to replace aging infrastructure and minimize maintenance.

15-74 - Malcolm Avenue Improvements – Installs 550 LF of 8” DIP to allow a Zone 1 and Zone 2 boundary reconfiguration improving static pressures, eliminating 4 dead ends, and creating looped systems in both Zones.

15-75 - Old County Road Improvements – Abandons 6,475 LF of parallel water mains and installs 3,700 LF of 8” PVC to replace aging infrastructure, reduce maintenance, and improve fire flows.

15-76 - El Camino Real Improvements – Replaces 4,100 LF of 8” CIP with 8” DIP to replace aging infrastructure, reduce maintenance, and improve fire flows.

15-77 - Sixth Avenue (Zone 1) Improvements – Installs 200 LF of 8” DIP and a 6” PRV to eliminate 4 dead ends, provide Zone 1 redundancy with a Zone 2 connection, and to improve water movement.

15-78 – Civic Lane Improvements – Replaces 1,800 LF of various sized water main with new 8” DIP to replace aging infrastructure, shorten a dead end, loop the water main, and improve fire flows.

15-79 – F Street Improvements – Installs 400 LF of new 8” DIP to replace an out-of-service 10” CC with an unknown break location, relocates District facilities out of private property, increase system redundancy.

15-80 – Bragato Road Improvements – A replacement / new installation combination of 1,000 LF of 8” PVC to replace aging infrastructure, shorten a dead end, loop the water main, and improve fire flows.

15-81 - Sixth / O’Neill Avenue Improvements – Abandons 1,400 LF of 4”-8” CIP/PVC and replaces 1,500 LF of 18” CC with DIP to eliminate parallel water mains, reduce maintenance, and improve fire flows.

15-82 - Ralston Avenue Improvements – Replaces 500 LF of 6” CIP with 8” PVC to replace aging infrastructure.

15-84 – Ralston Avenue Regulator Relocation – Relocates the regulating station to a more accessible location.

15-85 – O’Neill Slough Bridge Crossing Assessments – Assesses existing water main conditions, their associated suspension systems, and seismic resistance.

15-87 – Hillcrest Pressure Regulating Station – Installs a pressure regulating station off the District’s Zone 1 connection to SFPUC to eliminate Zone 1 pressure fluctuations.

Zone 2 (27 Projects)

Zone 2			
Project No.	DSA No.	Description	Cost
15-41	042	Mills Avenue Improvements	\$195,000
15-42	043	North Road Improvements	\$220,000
15-43	044	North Road Cross Country / Davey Glen Road Improvements	\$680,000
15-44	045	South Road Abandonment	\$415,000
15-45	046-049	Hainline Drive and Vicinity Improvements	\$890,000
15-46	050	Miramar Terrace Improvements	\$600,000
15-47	051	Virginia Avenue Improvements	\$510,000
15-48	052	Willow Lane Improvements	\$320,000
15-49	053	Mid-Notre Dame Improvements	\$160,000
15-50	054	Fairway Drive Improvements	\$630,000
15-51	055	Francis Avenue / Court Improvements	\$425,000
15-52	056	Chevy / Clee Streets Improvements	\$375,000
15-53	057	Academy Avenue / Belburn Drive Improvements	\$270,000
15-54	058	Villa Avenue Improvements	\$730,000
15-55	059	Covington Road Improvements	\$500,000
15-56	060	Carlmont Drive Improvements	\$170,000
15-57	061	Alomar Avenue Improvements	\$350,000
15-58	062	Fernwood Way Improvements	\$380,000
15-59	063	Valdez Avenue Improvements	\$485,000
15-60	065	Escondido Way Cross Country Abandonment	\$45,000
15-61	066	Chula Vista Drive Improvements	\$440,000
15-62	067	Sixth Avenue Improvements	\$760,000
15-63	069	Lower Notre Dame Avenue Improvements	\$815,000
15-64	070	Tierra Linda Isolation Valve Install	\$25,000
15-65	n/a	Folger Drive Improvements	\$420,000
15-66	071	Vine Street / Oak Tree Lane Improvements	\$355,000
15-67	n/a	Village Drive Area Improvements	\$770,000

Zone 2 Total: \$11,935,000

A brief description of each project in Zone 2 follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project.

15-41 - Mills Avenue Improvements – Replaces 280 LF of 4” CIP with 8” DIP and adds an additional fire hydrant to replace aging / undersized infrastructure and improve fire flows.

15-42 - North Road Improvements – Abandons 500 LF of 8” CIP paralleling an 8” PVC and relocates services to the 8” PVC to eliminate aging infrastructure and reduce maintenance.

15-43 - North Road Cross Country / Davey Glen Road Improvements – Abandons 400 LF of cross country 6” CIP and replaces 1,400 LF of 6”-8” CIP with 8” DIP to eliminate the cross country water main, reduce district maintenance, and replace aging infrastructure.

15-44 - South Road Abandonment – Abandons 1,325 LF of 4" CIP paralleling an 8" PVC and reconnects the branches to the 8" PVC to reduce maintenance, eliminate aging infrastructure and improve fire flows.

15-45 – Hainline Drive and Vicinity Improvements – Abandons 400 LF of cross country 4" CIP, replaces 1,740 LF of 4" CIP with 8" DIP along with additional hydrants to eliminate a cross country water main and to improve fire flows.

15-46 – Miramar Terrace Improvements – Replaces 1,250 LF of 4" CIP with 8" DIP to replace aging / undersized infrastructure and improve fire flows.

15-47 – Virginia Avenue Improvements – Abandons 210 LF of cross country 6" CIP/PVC and replaces 950 LF of 6" CIP with 8" DIP to abandon an inaccessible cross country water main, replace aging infrastructure, and improve fire flows.

15-48 – Willow Lane Improvements – Abandons 230 LF of cross country 4" CIP in favor of a new 600 LF 8" DIP located within the roadway and adds a fire hydrant to eliminate a cross country water main and improve fire flows.

15-49 – Mid-Notre Dame Avenue Improvements – Abandons 650 LF of 6" CIP paralleling an 8" CIP to remove aging infrastructure and reduce maintenance.

15-50 – Fairway Drive Improvements – Replaces 1,420 LF of 4" PVC with 8" DIP and adds an additional fire hydrant to eliminate undersized infrastructure and improve fire flows.

15-51 – Francis Avenue / Court Improvements – Replaces 830 LF of 4" PVC with 8" DIP and adds an additional fire hydrant to eliminate undersized infrastructure and improve fire flows.

15-52 – Chevy / Clee Streets Improvements – Replaces 780 LF of 4" PVC with 8" DIP and adds an additional fire hydrant to eliminate undersized infrastructure and improve fire flows.

15-53 – Academy Avenue / Belburn Drive Improvements – Abandons 600 LF of 4" PVC paralleling a 6" CIP and replaces 300 LF of 4" PVC with 8" DIP to eliminate undersized infrastructure and improve fire flows.

15-54 – Villa Avenue Improvements – Replaces 1,500 LF of 4" PVC / 6" CIP with 8" DIP to replace aging / undersized infrastructure and improve fire flows. This project also reconfigures water services connections so each resident has their own dedicated service line.

15-55 – Covington Road Improvements – Replaces 1,000 LF of 4" CIP / 6" DIP with 8" DIP and adds an additional fire hydrant to replace aging / undersized infrastructure and improve fire flows.

15-56 – Carlmont Drive Improvements – Abandons 800 LF of 8" CIP paralleling a 10" PVC to reduce maintenance.

15-57 – Alomar Way Improvements – Replaces 750 LF of 4" CIP with 8" DIP to replace aging / undersized infrastructure and improve fire flows.

15-58 – Fernwood Way Improvements – Replaces 800 LF of 4" CIP with 8" DIP to replace aging / undersized infrastructure and improve fire flows.

15-59 – Valdez Avenue Improvements – Replaces 1,000 LF of 4” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-60 – Escondido Way Cross Country Abandonment – Abandons 300 LF of 4” CIP located between two homes to eliminate aging / undersized infrastructure.

15-61 – Chula Vista Drive Improvements – Replaces parallel 6” / 8” CIP with a single 10” DIP to complete a uniform 10” water main between Hannibal Pump Station and Exborne Tanks, eliminates aging infrastructure and reduces maintenance.

15-62 – Sixth Avenue Improvements – Abandons 700 LF of cross country 6” – 8” CIP that crosses over an existing creek at two locations and replaces it with a combination of 350 LF 8” and 1,260 LF 10” DIP to relocate the water mains to accessible locations.

15-63 – Lower Notre Dame Improvements – Replaces 3,400 LF of parallel 6” - 8” CIP with a single 10” DIP to replace aging infrastructure and reduce maintenance.

15-64 – Tierra Linda Improvements – Installs an in-line gate valve at Tierra Linda Middle School in order to monitor water quality under an experimental dead-end scenario.

15-65 – Folger Drive Improvements – Replaces 830 LF of 6” CIP with 8” / 10” DIP to replace aging infrastructure and improve fire flows.

15-66 – Vine Street Improvements – Abandons 250 LF of 4” CIP and the Vine Street Regulator, replaces 700 LF of 4” CIP with 6” / 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-67 – Village Drive Area Improvements – Replaces 1,600 LF of 6” CIP with 8” DIP to replace aging infrastructure and eliminate two small dead-end stubs.

Zone 3 (19 Projects)

Zone 3			
Project No.	DSA No.	Description	Cost
15-09	012	Dekoven Tank Utilization Project	\$1,035,000
15-10	013	Notre Dame Avenue Loop Closure	\$910,000
15-11	014	Carmelita Avenue Improvements	\$635,000
15-12	015	Buena Vista Avenue Improvements	\$585,000
15-13	016	Monroe, Bellemonti, Coronet Avenues Improvements	\$1,445,000
15-14	017	Mezes Avenue Improvements	\$175,000
15-15	018	Shirley Road Improvements	\$325,000
15-16	019	Williams Avenue, Ridge Road, Hillman Avenue Improvements	\$1,100,000
15-17	020	Monte Cresta Drive, Alhambra Drive Improvements	\$1,075,000
15-18	021	Pine Knoll Drive Improvements	\$260,000
15-19	022	Oak Knoll Drive Improvements	\$690,000
15-20	023	Thurm and Bettina Avenues Improvements	\$525,000
15-21	024	Lincoln, Monserat Avenues Improvements	\$125,000
15-22	025	Arhtur Avenue Improvements	\$475,000
15-24	026	San Juan Boulevard Improvements	\$320,000
15-30	032	Alameda De Las Puglas Improvements	\$780,000
15-31	033	Monserat Avenue Cross Country Abandonment	\$30,000
15-89	n/a	Dekoven Tanks Replacement	\$3,500,000
15-90	096	Alameda De Las Pulgas Loop Improvements	\$395,000

Zone 3 Total: \$ 14,385,000

A brief description of each project in Zone 3 follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project.

15-09 – Dekoven Tank Utilization Project – A replacement / new installation combination of 2,300 LF of 12” DIP allowing abandonment of two cross country water mains and zone wide fire flow improvement.

15-10 – Notre Dame Avenue Loop Closure – A replacement / new installation combination of 2,230 LF of 8” DIP to eliminate dead ends, replace aging / undersized infrastructure, and improve fire flows.

15-11 – Carmelita Avenue Improvements – Replaces 1,300 LF of 4”- 6” CIP/PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-12 – Buena Vista Avenue Improvements – Replaces 1,250 LF of 4”- 6” CIP/PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-13 – Monroe, Bellemonti, Coronet Avenues Improvements – Replaces 3,200 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-14 – Mezes Avenue Improvements – Replaces 310 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-15 – Shirley Road Improvements – A replacement / new installation combination of 720 LF of 8” DIP to eliminate dead ends, replace aging / undersized infrastructure, and improve fire flows.

15-16 – Williams Avenue, Ridge Road, Hillman Avenue Improvements – A replacement / new installation combination of 2,460 LF of 8” DIP to eliminate dead ends, replace aging / undersized infrastructure, minor zone reconfiguration, and improve fire flows.

15-17 – Monte Cresta Drive, Alhambra Drive Improvements – Replaces 2,250 LF of 6” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-18 – Pine Knoll Drive Improvements – Replaces 430 LF of 4” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-19 – Oak Knoll Drive Improvements – Replaces 920 LF of 4” PVC with 8” DIP, relines or installs 350 LF 8” HDD DIP to reduce a long dead end, replace aging / undersized infrastructure, and improve fire flows.

15-20 – Thurm and Bettina Avenues Improvements – Replaces 1,150 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-21 – Lincoln, Monserat Avenues Improvements – Installs 250 LF of 8” DIP with 8” DIP to eliminate two dead ends, creates a loop, and improves fire flows.

15-22 – Arthur Avenue Improvements – A replacement / new installation combination of 880 LF of 8” DIP to replace aging / undersized infrastructure, eliminate two dead ends between Zone 2 and Zone 3, install a PRV connection between the Zones, and improve fire flows.

15-24 – San Juan Boulevard Improvements – Abandons 200 LF of 4” CIP paralleling an 8” PVC, replaces 520 LF of 6” CIP with 8” DIP to replace aging / undersized infrastructure, reduce maintenance, and improve fire flows.

15-30 – Alameda de las Pulgas Improvements – Replaces 1,455 LF of 6” - 8” CIP with 8” DIP to eliminate bottlenecks, replace aging infrastructure prone to breaks, minor reconfigurations to simplify system.

15-31 – Monserat Avenue Cross Country Abandonment – Abandons 355 LF of 6” CIP to eliminate an inaccessible cross country water main.

15-89 – Dekoven Tanks Replacement – Replaces the existing 1.0 MG and 0.7 MG originally constructed in 1952 with two 0.8 MG tanks to improve seismic reliability.

15-90 – Alameda De Las Pulgas Loop Improvements – Installs 1,100 LF of 8” DIP to eliminate two dead ends, creates a loop, and improves water quality.

Zone 4 (1 Project)

Zone 4			
Project No.	DSA No.	Description	Cost
15-08	011	Zone 4 Water Main Improvement Project	\$745,000

Zone 4 Total: \$745,000

A brief description of each project in Zone 4 follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project.

15-08 – Zone 4 Water Main Improvement Project – Replaces 1,300 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

Zone 5 (7 Projects)

Zone 5			
Project No.	DSA No.	Description	Cost
15-01	003	Buckland / Shelford Avenue Improvements	\$110,000
15-02	004	Courtland Road Improvements	\$345,000
15-03	005	Spring Lane Improvements	\$165,000
15-04	006	Rose Lane Improvements	\$110,000
15-05	n/a	Calwater Intertie	\$170,000
15-06	n/a	Zone 5 Fire Hydrant Upgrades	\$150,000
15-88	098	Vine Street Improvements	\$605,000

Zone 5 Total: \$1,655,000

A brief description of each project in Zone 5 follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project.

15-01 – Buckland / Shelford Avenues Improvements – Abandons 270 LF of 6” CIP paralleling a 12” DIP. New connections will be made to the 12” DIP along with other pipe installation to improve fire flows.

15-02 – Courtland Road Improvements – Replaces 780 LF of 4” – 6” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-03 – Spring Lane Improvements – Replaces 270 LF of 4” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-04 – Rose Lane Improvements – Replaces 170 LF of 4” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-05 – Calwater Intertie – Installs an intertie connection to permit the District the ability to provide water to Calwater in the event of an emergency.

15-06 – Zone 5 Fire Hydrant Upgrades – Adds 7 hydrants between Desvio Way, Solana Drive and Altura Way improving fire flow protection and flushing operations.

15-88 – Vine Street Improvements – Replaces 1,400 LF of 6” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

Zone 6 (1 Project)

Zone 6			
Project No.	DSA No.	Description	Cost
15-07	010	Dartmouth Avenue Improvements	\$200,000

Zone 6 Total: \$200,000

A brief description of each project in Zone 6 follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project.

15-07 – Dartmouth Avenue Improvements – Replaces 410 LF of 4” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

Zone 7 (5 Projects)

Zone 7			
Project No.	DSA No.	Description	Cost
15-25	027	Christian Court Improvements	\$200,000
15-26	028	West Belmont Tank Water Main Improvements	\$1,400,000
15-27	029	Lassen Drive Improvements	\$855,000
15-28	030	Tahoe Drive Area Improvements	\$510,000
15-29	031	Belmont Canyon Road Improvements	\$420,000

Zone 7 Total: \$3,385,000

A brief description of each project in Zone 7 follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project.

15-25 – Christian Court Improvements – Replaces 300 LF of 4” CIP with 8” DIP and installs an additional fire hydrant to replace aging / undersized infrastructure, improve flushing capabilities, and improve fire flows.

15-26 – West Belmont Tank Water Main Improvements – A combination of abandonments / replacement / new installation of 1,400 LF of 8” DIP and 2,400 LF of 12” DIP to eliminate cross country and parallel water mains, improve zone wide fire flows, and replace aging infrastructure.

15-27 – Lassen Drive Improvements – Replaces 1,800 LF of 6” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-28 – Tahoe Drive Area Improvements – Replaces 900 LF of 4” CIP with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-29 – Belmont Canyon Road Improvements – Replaces 900 LF of 4” – 8” CIP with 8” DIP to eliminate a local bottle neck, replace aging infrastructure, and improve fire flows.

Zone 8 (9 Projects)

Zone 8			
Project No.	DSA No.	Description	Cost
15-32	034	Soho Circle Improvements	\$95,000
15-33	035	Paddington Court Improvements	\$110,000
15-34	036	Ridgewood Court Improvements	\$135,000
15-35	037	Bridge Court Improvements	\$160,000
15-36	038	Parkridge Court Improvements	\$160,000
15-37	039	Waterloo Court Improvements	\$95,000
15-38	040	Cliffside Court Improvements	\$220,000
15-39	n/a	Zone 8 - 14" Cross Country Improvements	\$460,000
15-40	041	Hastings Drive Improvements	\$310,000

Zone 8 Total: \$1,745,000

A brief description of each project in Zone 8 follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project.

15-32 – Soho Circle Improvements – Replaces 130 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-33 – Paddington Court Improvements – Replaces 160 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-34 – Ridgewood Court Improvements – Replaces 200 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-35 – Bridge Court Improvements – Replaces 280 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-36 – Parkridge Court Improvements – Replaces 270 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-37 – Waterloo Court Improvements – Replaces 130 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-38 – Cliffside Court Improvements – Replaces 330 LF of 4” PVC with 8” DIP to replace aging / undersized infrastructure and improve fire flows.

15-39 – Zone 8 – 14” Cross Country Improvements – Installs 8 trench dams, 2 remotely controlled gate valves, and a flow meter and/or pressure gauge vault to allow the District to quickly identify a leak along the water main, the ability to isolate a shorter section of repair length.

15-40 – Hastings Drive Improvements – Replaces 550 LF of 4” CIP/PVC with 8” DIP to replace aging / undersized infrastructure, improve fire flows, and also installs a Zone 8 to Zone 2 jumper to be used in emergency situations.

Zone 9 (0 Projects)

- No projects identified at this time in Zone 9.

District Wide Projects (5 Projects)

District Wide			
Project No.	DSA No.	Description	Cost
15-83	n/a	Emergency Intertie Rebuilds	\$620,000
15-86	n/a	Folger Pump Station Site Demolition	\$70,000
15-91	n/a	SCADA System Replacement	\$1,500,000
15-92	n/a	AMI Installation Completion	\$2,000,000
15-93	n/a	Dairy Lane Facility Rehabilitation and Improvements	\$1,500,000
District Wide Total:			\$5,690,000

A brief description of each District Wide project follows. Please refer to the corresponding Exhibits in Appendix B for a more detailed description and background on each project. Note there are no exhibits for projects 15-91, 15-92, and 15-93.

15-83 – Emergency Intertie Rebuilds – Rebuilds / reconfigures the existing interties to obtain more accurate meter readings.

15-86 – Folger Pump Station Site Demolition – Demolishes the existing pump station building at the abandoned Folger Pump Station.

15-91 – SCADA System Replacement – Replaces the existing SCADA system.

15-92 – AMI Installation Completion – Adds automatic meter reading capabilities to each service meter allowing the District and residents to monitor water use remotely.

15-93 – Dairy Lane Facility Rehabilitation and Improvements – Includes various improvements to the District’s facilities.

Capital Improvement Project Cost Summary by Zone

Zone	Number of Projects	Cost
1	18	\$12,080,000
2	27	\$11,935,000
3	19	\$14,385,000
4	1	\$745,000
5	7	\$1,655,000
6	1	\$200,000
7	5	\$3,385,000
8	9	\$1,745,000
9	0	\$0
DW	5	\$5,690,000
Total	92	\$ 51,820,000

Additional Potential Projects

- Zone 1 – 20” CC and Zone 8 – 24” Transmission Main Assessments
- Zone 2 – Notre Dame EPS (10-inch from Hannibal to Hersom)
- Zone 3 – Hersom Pump Station EPS – Effects of pressure increase
- Zone 7 – Ralston – 12-inch from West Belmont Pump Station to West Belmont Tanks EPS
- District Wide Poly Service Connection Replacements
- Various Tank Site / Pump Station Improvements

5.1 Capital Improvement Project Ranking

Of the current projects identified, the District used specific criteria to evaluate and rank each of the projects in order of importance / immediate benefit to the system. The higher the score, the higher the priority for the District’s rolling 5-year CIP. The criteria and subsequent scoring were as follows:

1. Pipe Failure Score – Operation’s personnel assigned scores based on institutional knowledge of the District’s distribution/transmission system during a 5-year period.

6 or more water leaks	30
5 water leaks	25
4 water leaks	20
3 water leaks	15
2 water leaks	10
1 or fewer water leaks	5

2. Distribution System Benefits, Hydraulic Capacity & Low Flow Hydrants Affected - Operation’s personnel developed this scoring matrix. (Add up score from each cell selected)

	Deficient by 2 or more pipe sizes	Deficient by 1 or fewer pipe sizes	Min. standard for fire hydrants affects 2 or more fire hydrants	Min. standard for fire hydrants affects 1 or fewer fire hydrants
Improves distribution system capabilities	2	1	2	1
Can or is Serving as Backbone Infrastructure	2	1	2	1
Serves to intertie or eliminate a pressure zone	2	1	2	1

3. Water Main Age – It is not unusual, but not always true, for older water mains to have a higher rate of failure as they approach the end of their engineered life. Operations personnel scored each proposed project based on the age of the pipe to be replaced.

<u>Water Main Construction Year</u>	
Before 1939	10
1940 – 1959	8
1960 – 1979	6
1980 – 1999	4
2000 – newer	1

4. Water Main Material – The current standard for water pipe is based on restrained ductile iron or PVC pipe materials. In the past, steel pipe, cast iron pipe and asbestos cement pipe were materials of choice. This criteria will score each project based on a pipe material, where District history has provided information on the types of pipe material that do not perform as well as other pipe materials.

Water Main Material

Unlined Cast Iron	5
Steel (Not Cathodically Protected) & Cast Iron	4
Asbestos Cement	3
Other Unrestrained Pipe	2
Appropriate Pipe Material (Restrained PVC/DI)	0

5. Scheduled Paving – Each of the proposed projects were scored in relation to the City of Belmont’s Pavement Condition Index (PCI). A higher priority will be given to water mains under streets with a low PCI.

Street’s PCI

PCI under 49	5
PCI of 50 to 59	4
PCI of 60 to 69	3
PCI of 70 to 79	2
PCI of 80 and >	1
Cross Country Water Main	1

6. Static Pressure – Normally, the higher the static water pressure, the more potential damage caused by the leaking water main once it bursts. Additionally, higher system pressures increase the long-term stress on the pipe increasing the chance of failure when combined with corrosion.

Static Pressure

Over 100 psi	5
75 – 99 psi	3
Less than 75 psi	1

**Mid-Peninsula Water District
Capital Improvement Program Summary**

Priority	Project Number	DSA	Zone	Project Name	Quantity			Construction	Planning, Design & CM	Contingency	2015 Dollars	Running Total
					LF	SRV	HYD					
1	15-14	017	3	Mezes Avenue Improvements	310	10	1	\$ 122,500	\$ 37,000	\$ 15,500	\$ 175,000	\$ 175,000
2	15-30	032	3	Alameda De Las Pulgas Improvements	1460	32	4	\$ 591,000	\$ 118,000	\$ 71,000	\$ 780,000	\$ 955,000
3	15-76	081	1	El Camino Real Improvements	4100	23	12	\$ 1,463,000	\$ 360,000	\$ 277,000	\$ 2,100,000	\$ 3,055,000
4	15-65	n/a	2	Folger Drive Improvements	830	12	3	\$ 306,000	\$ 77,000	\$ 37,000	\$ 420,000	\$ 3,475,000
5	15-73	078	1	Karen Road Improvements	800	9	2	\$ 307,000	\$ 80,000	\$ 38,000	\$ 425,000	\$ 3,900,000
6	15-10	013	3	Notre Dame Avenue Loop Closure	2230	29	3	\$ 689,500	\$ 138,000	\$ 82,500	\$ 910,000	\$ 4,810,000
7	15-44	045	2	South Road Abandonment	0	19	3	\$ 302,000	\$ 75,000	\$ 38,000	\$ 415,000	\$ 5,225,000
8	15-22	025	3	Arthur Avenue Improvements	880	15	2	\$ 345,000	\$ 87,000	\$ 43,000	\$ 475,000	\$ 5,700,000
9	15-16	019	3	Williams Avenue, Ridge Road, Hillman Avenue Improvements	2460	59	4	\$ 834,000	\$ 166,000	\$ 100,000	\$ 1,100,000	\$ 6,800,000
10	15-43	044	2	North Road Cross Country / Davey Glen Road Improvements	1400	17	5	\$ 496,000	\$ 124,000	\$ 60,000	\$ 680,000	\$ 7,480,000
11	15-06	n/a	5	Zone 5 Fire Hydrant Upgrades	0	0	7	\$ 105,000	\$ 31,000	\$ 14,000	\$ 150,000	\$ 7,630,000
12	15-78	083	1	Civic Lane Improvements	1800	20	5	\$ 605,000	\$ 120,000	\$ 75,000	\$ 800,000	\$ 8,430,000
13	15-17	020	3	Monte Cresta Drive / Alhambra Drive Improvements	2250	48	5	\$ 781,500	\$ 195,000	\$ 98,500	\$ 1,075,000	\$ 9,505,000
14	15-87	n/a	1	Hillcrest Pressure Regulating Station	0	0	0	\$ 250,000	\$ 65,000	\$ 30,000	\$ 345,000	\$ 9,850,000
15	15-09	012	3	Dekoven Tank Utilization Project	2300	14	2	\$ 782,000	\$ 158,000	\$ 95,000	\$ 1,035,000	\$ 10,885,000
16	15-28	030	7	Tahoe Drive Area Improvements	900	28	4	\$ 369,000	\$ 94,000	\$ 47,000	\$ 510,000	\$ 11,395,000
17	15-29	031	7	Belmont Canyon Road Improvements	900	17	2	\$ 306,000	\$ 76,000	\$ 38,000	\$ 420,000	\$ 11,815,000
18	15-38	040	8	Cliffside Court Improvements	330	14	2	\$ 154,500	\$ 46,500	\$ 19,000	\$ 220,000	\$ 12,035,000
19	15-42	043	2	North Road Improvements	0	19	1	\$ 152,000	\$ 46,000	\$ 22,000	\$ 220,000	\$ 12,255,000
20	15-02	004	5	Courtland Road Improvements	780	9	2	\$ 252,000	\$ 63,000	\$ 30,000	\$ 345,000	\$ 12,600,000
21	15-24	026	3	San Juan Boulevard Improvements	520	16	3	\$ 223,000	\$ 67,000	\$ 30,000	\$ 320,000	\$ 12,920,000
22	15-75	080	1	Old County Road Improvements	5500	111	26	\$ 2,580,500	\$ 510,000	\$ 309,500	\$ 3,400,000	\$ 16,320,000
23	15-41	042	2	Mills Avenue Improvements	280	12	2	\$ 136,000	\$ 41,000	\$ 18,000	\$ 195,000	\$ 16,515,000
25	15-46	050	2	Miramar Terrace Improvements	1250	21	4	\$ 435,500	\$ 110,000	\$ 54,500	\$ 600,000	\$ 17,115,000
26	15-61	066	2	Chula Vista Drive Improvements	800	10	2	\$ 320,000	\$ 80,000	\$ 40,000	\$ 440,000	\$ 17,555,000
27	15-11	014	3	Camelita Avenue Improvements	1300	31	3	\$ 463,000	\$ 115,000	\$ 57,000	\$ 635,000	\$ 18,190,000
28	15-72	077	1	SR 101 Crossing at PAMF Hospital	2300	0	2	\$ 1,040,000	\$ 350,000	\$ 280,000	\$ 1,670,000	\$ 19,860,000
29	15-49	053	2	Mid-Notre Dame Improvements	0	0	10	\$ 110,000	\$ 33,000	\$ 17,000	\$ 160,000	\$ 20,020,000
	15-89	n/a	3	Dekoven Tanks Replacement	0	0	0	\$ 2,500,000	\$ 400,000	\$ 600,000	\$ 3,500,000	\$ 23,520,000
24	15-63	069	2	Lower Notre Dame Avenue Improvements	1700	25	5	\$ 617,500	\$ 123,000	\$ 74,500	\$ 815,000	\$ 24,335,000
30	15-01	003	5	Buckland / Shelford Avenue Improvements	210	1	1	\$ 73,500	\$ 26,000	\$ 10,500	\$ 110,000	\$ 24,445,000
31	15-26	028	7	West Belmont Tank Water Main Improvements	3800	2	2	\$ 1,106,000	\$ 165,000	\$ 129,000	\$ 1,400,000	\$ 25,845,000
32	15-19	022	3	Oak Knoll Drive Improvements	1270	33	2	\$ 499,000	\$ 128,000	\$ 63,000	\$ 690,000	\$ 26,535,000
33	15-27	029	7	Lassen Drive Improvements	1800	46	4	\$ 648,000	\$ 130,000	\$ 77,000	\$ 855,000	\$ 27,390,000
34	15-03	005	5	Spring Lane Improvements	270	6	2	\$ 115,500	\$ 35,000	\$ 14,500	\$ 165,000	\$ 27,555,000

**Mid-Peninsula Water District
Capital Improvement Program Summary**

Priority	Project Number	DSA	Zone	Project Name	Quantity			Construction	Planning, Design & CM	Contingency	2015 Dollars	Running Total
					LF	SRV	HYD					
35	15-40	041	8	Hastings Drive Improvements	550	0	2	\$ 217,500	\$ 65,000	\$ 27,500	\$ 310,000	\$ 27,865,000
36	15-50	054	2	Fairway Drive Improvements	1420	24	2	\$ 457,000	\$ 115,000	\$ 58,000	\$ 630,000	\$ 28,495,000
37	15-15	018	3	Shirley Road Improvements	720	11	1	\$ 228,000	\$ 68,000	\$ 29,000	\$ 325,000	\$ 28,820,000
38	15-18	021	3	Pine Knoll Drive Improvements	430	14	2	\$ 179,500	\$ 56,000	\$ 24,500	\$ 260,000	\$ 29,080,000
39	15-21	024	3	Lincoln / Monserat Avenue Improvements	250	2	1	\$ 83,500	\$ 30,000	\$ 11,500	\$ 125,000	\$ 29,205,000
40	15-31	033	3	Monserat Avenue Cross Country Abandonment	0	0	0	\$ 20,000	\$ 7,000	\$ 3,000	\$ 30,000	\$ 29,235,000
41	15-25	027	7	Christian Court Improvements	300	11	2	\$ 138,000	\$ 44,000	\$ 18,000	\$ 200,000	\$ 29,435,000
42	15-69	074	1	Sussex Court Improvements	130	4	1	\$ 59,500	\$ 22,000	\$ 8,500	\$ 90,000	\$ 29,525,000
43	15-79	084	1	F Street Improvements	400	2	1	\$ 161,000	\$ 54,000	\$ 20,000	\$ 235,000	\$ 29,760,000
44	15-81	086	1	Sixth / O'Neill Avenue Improvements	1500	15	2	\$ 745,000	\$ 150,000	\$ 95,000	\$ 990,000	\$ 30,750,000
45	15-45	046-049	2	Hainline Drive and Vicinity Improvements	1740	42	5	\$ 676,000	\$ 135,000	\$ 79,000	\$ 890,000	\$ 31,640,000
46	15-08	011	4	Zone 4 Water Main Improvement	1650	40	2	\$ 562,500	\$ 114,000	\$ 68,500	\$ 745,000	\$ 32,385,000
47	15-64	070	2	Tierra Linda Isolation Valve Installation	0	0	0	\$ 20,000	\$ 3,000	\$ 2,000	\$ 25,000	\$ 32,410,000
48	15-66	071	2	Vine Street / Oak Tree Lane Improvements	700	7	2	\$ 255,500	\$ 65,000	\$ 34,500	\$ 355,000	\$ 32,765,000
49	15-56	060	2	Carlmont Drive Improvements	0	5	1	\$ 120,000	\$ 36,000	\$ 14,000	\$ 170,000	\$ 32,935,000
50	15-59	063	2	Valdez Avenue Improvements	1000	24	2	\$ 352,000	\$ 90,000	\$ 43,000	\$ 485,000	\$ 33,420,000
51	15-13	016	3	Monroe, Bellemonti, Coronet Avenues Improvements	3200	94	4	\$ 1,142,000	\$ 172,000	\$ 131,000	\$ 1,445,000	\$ 34,865,000
52	15-82	n/a	1	Ralston Avenue Improvements	500	5	1	\$ 205,000	\$ 60,000	\$ 25,000	\$ 290,000	\$ 35,155,000
53	15-52	056	2	Chevy / Clee Streets Improvements	780	16	2	\$ 273,000	\$ 70,000	\$ 32,000	\$ 375,000	\$ 35,530,000
54	15-57	061	2	Alomar Avenue Improvements	750	14	1	\$ 244,500	\$ 74,000	\$ 31,500	\$ 350,000	\$ 35,880,000
55	15-12	015	3	Buena Vista Avenue Improvements	1250	27	2	\$ 423,500	\$ 107,000	\$ 54,500	\$ 585,000	\$ 36,465,000
56	15-34	036	8	Ridgewood Court Improvements	200	8	1	\$ 89,000	\$ 33,000	\$ 13,000	\$ 135,000	\$ 36,600,000
57	15-35	037	8	Bridge Court Improvements	280	9	1	\$ 112,000	\$ 34,000	\$ 14,000	\$ 160,000	\$ 36,760,000
58	15-51	055	2	Francis Avenue / Court Improvements	830	23	2	\$ 306,500	\$ 78,000	\$ 40,500	\$ 425,000	\$ 37,185,000
59	15-55	059	2	Covington Road Improvements	1000	23	3	\$ 364,000	\$ 91,000	\$ 45,000	\$ 500,000	\$ 37,685,000
60	15-58	062	2	Fernwood Way Improvements	800	16	2	\$ 278,000	\$ 70,000	\$ 32,000	\$ 380,000	\$ 38,065,000
61	15-67	n/a	2	Village Drive / Geraldine Way Improvements	1600	34	4	\$ 582,000	\$ 118,000	\$ 70,000	\$ 770,000	\$ 38,835,000
62	15-20	023	3	Thurm and Bettina Avenues Improvements	1150	26	1	\$ 380,500	\$ 96,000	\$ 48,500	\$ 525,000	\$ 39,360,000
63	15-68	073	1	Wessex Way Dead End Improvements	220	20	1	\$ 130,000	\$ 40,000	\$ 15,000	\$ 185,000	\$ 39,545,000
64	15-71	076	1	Wessex Way Loop Improvements	230	0	1	\$ 99,000	\$ 36,000	\$ 15,000	\$ 150,000	\$ 39,695,000
65	15-54	058	2	Villa Avenue Improvements	1500	44	3	\$ 552,000	\$ 112,000	\$ 66,000	\$ 730,000	\$ 40,425,000
66	15-04	006	5	Rose Lane Improvements	170	5	1	\$ 72,500	\$ 26,000	\$ 11,500	\$ 110,000	\$ 40,535,000
67	15-07	010	6	Dartmouth Avenue Improvements	410	7	1	\$ 138,500	\$ 42,500	\$ 19,000	\$ 200,000	\$ 40,735,000
68	15-36	038	8	Parkridge Court Improvements	270	10	1	\$ 112,500	\$ 34,000	\$ 13,500	\$ 160,000	\$ 40,895,000
69	15-47	051	2	Virginia Avenue Improvements	950	17	3	\$ 370,500	\$ 92,000	\$ 47,500	\$ 510,000	\$ 41,405,000

**Mid-Peninsula Water District
Capital Improvement Program Summary**

Priority	Project Number	DSA	Zone	Project Name	Quantity			Construction	Planning, Design & CM	Contingency	2015 Dollars	Running Total
					LF	SRV	HYD					
70	15-62	067	2	Sixth Avenue Improvements	1610	2	5	\$ 575,000	\$ 115,000	\$ 70,000	\$ 760,000	\$ 42,165,000
71	15-05	n/a	5	Calwater Intertie	50	0	0	\$ 117,500	\$ 36,000	\$ 16,500	\$ 170,000	\$ 42,335,000
72	15-32	034	8	Soho Circle Improvements	130	5	1	\$ 62,500	\$ 23,000	\$ 9,500	\$ 95,000	\$ 42,430,000
73	15-37	039	8	Waterloo Court Improvements	130	5	1	\$ 62,500	\$ 23,000	\$ 9,500	\$ 95,000	\$ 42,525,000
74	15-39	n/a	8	Zone 8 - 14" Cross Country Improvements	0	0	0	\$ 335,000	\$ 85,000	\$ 40,000	\$ 460,000	\$ 42,985,000
75	15-70	075	1	Shoreway Road Improvements	0	5	2	\$ 85,000	\$ 30,000	\$ 10,000	\$ 125,000	\$ 43,110,000
76	15-53	057	2	Academy Avenue / Belburn Drive Improvemtns	300	25	0	\$ 190,000	\$ 57,000	\$ 23,000	\$ 270,000	\$ 43,380,000
77	15-60	065	2	Escondido Way Cross Country Abandonment	0	0	0	\$ 30,000	\$ 10,000	\$ 5,000	\$ 45,000	\$ 43,425,000
79	15-33	035	8	Paddington Court Improvements	160	6	1	\$ 73,000	\$ 27,000	\$ 10,000	\$ 110,000	\$ 43,535,000
80	15-48	052	2	Willow Lane Improvements	600	8	2	\$ 224,000	\$ 67,000	\$ 29,000	\$ 320,000	\$ 43,855,000
81	15-80	085	1	Bragato Road Improvements	1000	8	2	\$ 304,000	\$ 78,000	\$ 38,000	\$ 420,000	\$ 44,275,000
82	15-74	079	1	Malcolm Avenue Improvements	550	2	0	\$ 183,500	\$ 57,000	\$ 24,500	\$ 265,000	\$ 44,540,000
83	15-77	082	1	Sixth Avenue (Zone 1) Improvements	200	5	2	\$ 130,000	\$ 42,000	\$ 18,000	\$ 190,000	\$ 44,730,000
84	15-84	n/a	1	Ralston Avenue Regulator Relocation	0	0	0	\$ 250,000	\$ 63,000	\$ 32,000	\$ 345,000	\$ 45,075,000
85	15-85	n/a	1	O'Neill Slough Bridge Crossing Assessments	0	0	0	\$ -	\$ 50,000	\$ 5,000	\$ 55,000	\$ 45,130,000
	15-83	n/a	DW	Emergency Intertie Rebuilds	0	0	0	\$ 450,000	\$ 115,000	\$ 55,000	\$ 620,000	\$ 45,750,000
	15-88	098	5	Vine Street Improvements	1400	15	3	\$ 440,000	\$ 110,000	\$ 55,000	\$ 605,000	\$ 46,355,000
	15-90	096	3	Alameda De Las Pulgas Loop Improvements	1100	0	0	\$ 275,000	\$ 83,000	\$ 37,000	\$ 395,000	\$ 46,750,000
	15-86	n/a	DW	Folger Pump Station Demolition	0	0	0	\$ 50,000	\$ 10,000	\$ 10,000	\$ 70,000	\$ 46,820,000
	15-91	n/a	DW	SCADA System Replacement	0	0	0	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000	\$ 48,320,000
	15-92	n/a	DW	Complete AMI Installation	0	0	0	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000	\$ 50,320,000
	15-93	n/a	DW	Dairy Lane Facility Rehabilitation & Improvements	0	0	0	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000	\$ 51,820,000
				Material Totals	78840	798	96				\$ 51,820,000	
				ASSUMPTIONS								
				Linear foot Cost for 8" DIP	\$ 250							
				Linear foot Cost for 10" DIP	\$ 275							
				Linear foot Cost for 12" DIP	\$ 300							
				Cost per Service	\$ 3,000							
				Cost per Hydrant	15,000							
				Assumes inflation rate	4%							
				POTENTIAL CAPITAL IMPROVEMENT PROJECTS								
			1, 8	Zone 1 - 20" CC and Zone 8 - 24" Transmission Main Assessments								

**Mid-Peninsula Water District
Capital Improvement Program Summary**

Priority	Project Number	DSA	Zone	Project Name	Quantity			Construction	Planning, Design & CM	Contingency	2015 Dollars	Running Total
					LF	SRV	HYD					
			2	Zone 2 - Notre Dame 10" from Hannibal Pump Station to Hersom Tanks EPS								
			2	Zone 2 - South Road Connection to Laurel - DSA 094 Recommend to Abandon								
			3	Zone 3 - Cipriani Blvd EPS								
			3	Zone 3 - Hersom Pump Station Pressure Increase EPS								
			7	Zone 7 - Ralston 12" from West Belmont Pump Station to Tanks EPS								
			DW	Polyethylene Service Replacements								



PROPOSED 5-YEAR CIP

ALTERNATIVE ONE - \$20 MILLION/30 YEARS

PROJECT NUMBER	PROJECT NAME	PROJECTED COST (2015)
15-14	Mezes Avenue Improvements	\$ 175,000
15-76	El Camino Real Improvements	2,100,000
15-65	Folger Drive Improvements	420,000
15-73	Karen Road Improvements	425,000
15-10	Notre Dame Avenue Loop Closure	910,000
15-44	South Road Abandonment	415,000
15-22	Arthur Avenue Improvements	475,000
15-16	Williams Avenue, Ridge Road, Hillman Avenue Improvements	1,100,000
15-43	North Road Cross Country/Davey Glen Road Improvements	680,000
15-06	Zone 5 Fire Hydrant Upgrades	150,000
15-78	Civic Lane Improvements	800,000
15-17	Monte Cresta Drive/Alhambra Drive Improvements	1,075,000
15-87	Hillcrest Pressure Regulating Station	345,000
15-09	Dekoven Tank Utilization Project	1,035,000
15-28	Tahoe Drive Area Improvements	510,000
15-29	Belmont Canyon Road Improvements	420,000
15-38	Cliffside Court Improvements	220,000
15-42	North Road Improvements	220,000
15-75	Old County Road Improvements	3,400,000
15-72	SR 101 Crossing at PAMF Hospital	1,670,000
15-89	Dekoven Tanks Replacement	3,500,000
	TOTAL	\$20,045,000

The AMI Completion Project (\$2.5 million) is also a priority project that could be substituted for the projects highlighted in gray.



PROPOSED 5-YEAR CIP

ALTERNATIVE TWO - \$18 MILLION/25 YEARS

PROJECT NUMBER	PROJECT NAME	PROJECTED COST (2015)
15-14	Mezes Avenue Improvements	\$ 175,000
15-76	El Camino Real Improvements	2,100,000
15-65	Folger Drive Improvements	420,000
15-73	Karen Road Improvements	425,000
15-10	Notre Dame Avenue Loop Closure	910,000
15-44	South Road Abandonment	415,000
15-22	Arthur Avenue Improvements	475,000
15-16	Williams Avenue, Ridge Road, Hillman Avenue Improvements	1,100,000
15-43	North Road Cross Country/Davey Glen Road Improvements	680,000
15-06	Zone 5 Fire Hydrant Upgrades	150,000
15-17	Monte Cresta Drive/Alhambra Drive Improvements	1,075,000
15-87	Hillcrest Pressure Regulating Station	345,000
15-09	Dekoven Tank Utilization Project	1,035,000
15-75	Old County Road Improvements	3,400,000
15-72	SR 101 Crossing at PAMF Hospital	1,670,000
15-89	Dekoven Tanks Replacement	3,500,000
	TOTAL	\$17,875,000

The AMI Completion Project (\$2.5 million) is also a priority project that could be substituted for the projects highlighted in gray.



PROPOSED 5-YEAR CIP

ALTERNATIVE THREE - \$15 MILLION/20 YEARS

PROJECT NUMBER	PROJECT NAME	PROJECTED COST (2015)
15-14	Mezes Avenue Improvements	\$ 175,000
15-76	El Camino Real Improvements	2,100,000
15-65	Folger Drive Improvements	420,000
15-73	Karen Road Improvements	425,000
15-10	Notre Dame Avenue Loop Closure	910,000
15-17	Monte Cresta Drive/Alhambra Drive Improvements	1,075,000
15-87	Hillcrest Pressure Regulating Station	345,000
15-09	Dekoven Tank Utilization Project	1,035,000
15-75	Old County Road Improvements	3,400,000
15-72	SR 101 Crossing at PAMF Medical Center	1,670,000
15-89	Dekoven Tanks Replacement	3,500,000
	TOTAL	\$15,055,000

The AMI Completion Project (\$2.5 million) is also a priority project but only one-half of it could be completed if substituted for the project highlighted in gray.

RESOLUTION NO. 2016-06

**AUTHORIZING MPWD 5-YEAR CAPITAL IMPROVEMENT PROGRAM
FOR FISCAL YEARS 2016/2017 THROUGH 2020/2021**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, the Mid-Peninsula Water District ("MPWD") completed a comprehensive water hydraulic model of the entire MPWD system over the course of the past 18 months; and

WHEREAS, almost 90 capital improvement projects were identified for completion as a result of the water hydraulic modeling; and

WHEREAS, a list of six scoring criteria was developed in order to rank and prioritize each of the 90 capital projects; and

WHEREAS, a preliminary draft 5-year capital improvement program was introduced to the Board on November 16, 2015, totaling \$12 million, and the Board provided direction to staff to revise it to expand beyond what the MPWD is currently funding on a pay-go basis and develop financing options; and

WHEREAS, a revised 5-year capital improvement program was developed totaling \$25 million and presented to the Board on December 16, 2015, and was accepted in principle but not approved until financing options were reviewed and considered; and

WHEREAS, on April 28, 2016, updated cash flow projections for FY 2016/2017 were presented by MPWD's rate consultant Bartle Wells Associates, and financing

alternatives for potential capital improvements were created by the MPWD's Municipal Finance Advisors based upon the updated cash flow projections and presented to the Board; and

WHEREAS, as a result of the updated financial information for FY 2016/2017, staff modified the MPWD's 5-year capital planning and presented the Board with three (3) program alternatives.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby authorizes the 5-Year Capital Improvement Program for Fiscal Years 2016/2017 through 2020/2021 totaling \$20,000,000.

BE IT FURTHER RESOLVED that the Board directs staff to commence coordination with the MPWD's Municipal Finance Advisor on developing the appropriate financing options for the 5-Year Capital Improvement Program, that are most advantageous for the Mid-Peninsula Water District, for presentation to the Board at its next regular meeting on June 23, 2016.

REGULARLY PASSED AND ADOPTED this 26th day of May 2016, by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors
Mid-Peninsula Water District

ATTEST:

District Secretary

RESOLUTION NO. 2005-9

ADOPTING A REVISED PROCUREMENT POLICY

MID-PENINSULA WATER DISTRICT

WHEREAS, Section 54202 of the California Government Code requires all local agencies to adopt written policies and procedures, including bidding requirements, for the purchase of equipment, services and supplies; and

WHEREAS, Section 30579.5 of the California Water Code authorizes the Board of Directors of a County Water District to delegate to its General Manager authority to enter into contracts on behalf of the District; and

WHEREAS, the Board of Directors and staff have reviewed the District's contract policies and procedures currently in place, pursuant to Resolution No. 1998-33 enacted on April 23, 1998, and have determined that it is necessary to update these policies and procedures.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby updates, restates and adopts the policies and procedures set forth below for award of contracts and bidding requirements applicable to the types of contracts in which the District engages.

I. Budget Appropriations

A. Non-Budget Items. Authority from the Board of Directors shall be obtained by the General Manager prior to the expenditure of more than \$5,000 for a non-budgeted service or item, except in an emergency. Any non-budgeted expenditures shall be reported at the next meeting of the Board of Directors.

B. Budget Items in the Capital Expenditure Budget. The "capital expenditure budget" identifies expenditures for certain specified projects and equipment. Unless otherwise

instructed by the Board of Directors, the General Manager has the authority to expend funds for projects specifically designated on the approved capital expenditure budget at any time during the fiscal year up to the amounts specified and subject to the procedures set forth below.

C. Budgeted Items in the Operation and Maintenance Budget. The “operation budget” contains a schedule of anticipated revenues and expenses that are needed for daily operations of the District and identified only by account. Unless otherwise instructed by the Board of Directors, the General Manager has the authority to expend funds necessary for the ordinary, daily operation of the District as specified in the operation budget subject to the procedures set forth below.

II. Construction Contracts and Materials

A. \$25,000 or less. When the estimated cost of the construction work or materials is equal to or less than Twenty-five Thousand Dollars (\$25,000), the General Manager is authorized to award the contract, but shall report on the award of any such contract at the next meeting of the Board of Directors. Each contract in this category over the amount of \$1,000 must be evidenced by a written purchase order or contract. To the extent possible, the General Manager shall obtain at least three competitive quotations before entering a contract, making special efforts to involve local contractors in all such works.

B. Exceeding \$25,000. Construction contracts involving an estimated cost of work in excess of twenty-five Thousand Dollars (\$25,000) must be approved by the Board of Directors.

1. \$25,001 - \$50,000. In cases when the estimated cost of the construction work or materials is greater than Twenty-five Thousand Dollars (\$25,000) but equal to or less than Fifty Thousand Dollars (\$50,000), the award of contract may be based on informal bids

obtained by the General Manager. The General Manager shall not be required to advertise formally for the solicitation of bids for such contracts. To the extent possible, the General Manager shall obtain at least three informal, written bids before entering a contract.

2. Exceeding \$50,000. In cases when the estimated cost of the construction work or materials is greater than Fifty Thousand Dollars (\$50,000), the award of contract shall be based on a competitive bid process in which sealed bids are submitted in response to an advertisement in a newspaper of general circulation in San Mateo County and are publicly opened at the specified time. The award of contract shall then be made to the lowest responsive and responsible bidder. A "responsive bidder" has made an unequivocal offer to provide exactly the products or services sought by the District and has substantially complied with all bidding procedures. A "responsible bidder" means a bidder who demonstrates the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the work. The District may reject any or all bids if it is in its best interest.

C. Force Account Work. The foregoing policies are not intended to preclude the General Manager from utilizing District employees to carry out construction work on a force account basis.

III. Procurements of Equipment or Supplies

A. \$25,000 or less. When the estimated cost of equipment or supplies, is equal to or less than Twenty Five Thousand Dollars (\$25,000), the General Manager is authorized to award the contract, but shall report on the award of any such contract at the next meeting of the Board of Directors. A contract in this category over the amount of \$1,000 must be evidenced by a written purchase order or contract. To the extent possible, the General Manager shall obtain at least three competitive quotations before entering a contract.

B. Exceeding \$25,000. Contracts for equipment or supplies covering an estimated cost in excess of Twenty Five Thousand Dollars (\$25,000) must be approved by the Board of Directors.

1. \$25,001 - \$50,000. When the estimated cost of equipment or supplies is greater than Twenty Five Thousand Dollars (\$25,000) but equal to or less than Fifty Thousand Dollars (\$50,000), the award of contract may be based on informal bids obtained by the General Manager. The General Manager shall not be required to advertise formally for the solicitation of bids for such contracts. To the extent possible, the General Manager shall obtain at least three informal, written bids before entering a contract.

2. Exceeding \$50,000. When the estimated cost of equipment or supplies is greater than Fifty Thousand Dollars (\$50,000), the award of contract shall be based on a competitive bid process in which sealed bids are solicited through an advertisement in a newspaper of general circulation in San Mateo County and are publicly opened at the specified time. The award of contract shall be made to the lowest responsive and responsible bidder, as these terms are defined in Section II.B.2 above. The District may reject any or all bids if it is in its best interest.

IV. Professional Services Contracts

A. General Procedures. Advertisement and competitive bidding is not required for professional services contracts. Each contract in this category must be evidenced by a written professional services agreement.

B. \$25,000 or less. The General Manager is authorized to retain professional consultants where the cost of work is equal to or less than Twenty-Five Thousand Dollars (\$25,000), but shall report on the award of any such contract at the next meeting of the Board of

Directors. To the extent possible, the General Manager shall obtain at least three competitive quotations before entering into such a contract.

C. Exceeding \$25,000. Professional service contracts covering work the cost of which is in excess of Twenty Five Thousand Dollars (\$25,000) must be approved by the Board of Directors. The award of contract may be based on a competitive negotiation process or Request for Proposals.

V. Emergency Contracts

In cases of emergency, the General Manager is authorized to arrange for public works, purchase of supplies or equipment or services without competitive bidding or proposals or prior Board approval, as required by Sections II-IV, but shall report on the award of any such contract for emergency work at the next meeting of the Board of Directors. If possible, the General Manager shall attempt to seek the concurrence of the Board President prior to awarding any contract. For purposes of this paragraph, "emergency" is defined as those circumstances requiring immediate work or construction to prevent the immediate interruption or cessation of necessary District services or to safeguard life, property or the public health and welfare.

VI. Standards of Conduct in Procurements

A. Gratuities. District officials and employees shall not solicit or accept or agree to accept any gratuity or gift or any other thing of more than a nominal value in connection with actual or potential procurement and contracting activities. The term "nominal monetary value" is defined as a value of Fifty Dollars (\$50.00) or less for any one gift or less than Three Hundred Forty Dollars (\$340.00) for multiple gifts from a single source during a calendar year. Failure to follow this standard is cause for disciplinary action.

B. Conflicts of Interests. District staff shall not be involved in any purchasing procedures or decisions (including participation in initiation, award or administration of a contract) in which they have a real or apparent conflict of interests. Such a conflict of interest arises when a staff member is financially interested in a person or firm that participates in the District's procurement process or is awarded a contract. The standards for governing the determination as to whether such a financial interest exists are set forth in California Government Code Sections 1090 et seq. and Sections 87100 et seq. (the Political Reform Act). If there is a conflict of interest, the staff member shall disclose such interest in writing to the General Manager as soon as possible, or in the case of the General Manager, to the General Counsel, so that the appropriate precautions may be taken.

C. Segmenting. In determining the procedures that must be followed for obtaining competitive bids, the scope of the contract shall be considered in its entirety. A contract shall not be divided into smaller segments to eliminate the competitive bidding requirements set forth in this resolution.

VII. Leases, Licenses; Concessions

Other than equipment operating leases that are included in the operation budget, the General Manager shall not enter into any lease, license, concession contract, lease-purchase contract, or installment contract in excess of \$25,000 without prior authorization from the Board of Directors.

VII. Disposal of Surplus Equipment and Scrap Items

A. Methods of Disposition. The method of disposing of any surplus or scrap items shall depend on the nature of the item and the possibility of the most favorable return to the District. Allowable methods are:

1. Transfer or sale to another public agency,
2. Trade-in as part of a new procurement,
3. Sale by auction held by the District or other public entity or at any other public auction,
4. Sale by negotiation, or
5. Sale by public advertisement for sealed bids with an award of contract to the highest responsive bidder.

For an item with an original acquisition cost of \$25,000 or less, the General Manager shall determine the appropriate method of disposition and shall report the matter to the Board of Directors. For an item with an original acquisition cost exceeding \$25,000, the Board of Directors shall determine the appropriate method of disposition considering any staff recommendation.

VIII. Waiver

The policies and procedures specified above shall not apply in cases where the Board of Directors, in its discretion, determines that it is in the best interests of the District to proceed with an alternative method of procurement and the Board waives certain requirements specified in this resolution for a particular contract, unique construction project, or purchase of equipment, and which finding shall be made on the record at a Board meeting.

BE IT FURTHER RESOLVED that Resolution No. 1998-33 adopted on April 23, 1998

hereby is rescinded.

Regularly passed and adopted this 27th day of October, 2005, by the following vote:

AYES: Directors Vella, Wagenseller, President Feldman


NOES: None

ABSENT: Director Altscher



President, Board of Directors
Mid-Peninsula Water District

ATTEST:



Secretary of the District

NOTICE INVITING SEALED PROPOSALS FOR DISTRICT ENGINEER SERVICES TO THE MID-PENINSULA WATER DISTRICT

The Mid-Peninsula Water District (MPWD) is soliciting proposals from qualified professional engineering firms to provide District Engineer Services for an initial term of five (5) years, with options to extend the contract for up to three (3) additional one (1)-year terms.

MPWD desires to award a contract for an initial term of five (5) years beginning **October 1, 2011**. All proposals must remain valid for ninety (90) days from the due date. MPWD reserves the right to reject any and all proposals, or to waive any irregularities or informalities in any proposal or in the proposal procedure, or to postpone the proposal opening for good cause. MPWD specifically reserves the right to not award a contract after the submittal of Proposals.

A copy of the Request For Proposals may be obtained by contacting:

Cathy Remeleh, District Secretary
Mid-Peninsula Water District
3 Dairy Lane
Belmont, CA 94002
Phone: (650) 591-8941 Fax: (650) 591-4998

Proposers are directed to submit five (5) hard copies and one (1) electronic copy on a CD or USB drive of their Technical Proposal in a separate sealed envelope; and one (1) hard copy and one (1) electronic copy on a CD or USB drive of their Cost Proposal in a separate, sealed envelope, marked CONFIDENTIAL. Each Proposal shall be clearly marked indicating the Proposer's name and address, the solicitation name, and Proposal type (i.e., Technical or Cost).

Proposals must be received at the above address no later than **4:00 p.m., on August 25, 2011**

An optional pre-proposal conference will be held at **11:00AM on August 1, 2011**, at the MPWD Administrative Offices at the address above for the purpose of receiving questions and comments pertaining to this RFP. Attendance is recommended but not required. Questions and comments may also be submitted in writing to Paul Regan, General Manager, by **C.O.B. August 4, 2011** either by mail at the address above or email at paulr@midpeninsulawater.org.

For additional information, please contact Paul Regan, General Manager at (650) 591-8941.

Paul Regan, General Manager

Dated: July 11, 2011

REQUEST FOR PROPOSALS
TO PROVIDE DISTRICT ENGINEERING SERVICES

1. INTRODUCTION

The Mid-Peninsula Water District (MPWD or District) is a county water district under California Government Code Section 30000 *et seq.* that provides water services to the City of Belmont and portions of San Carlos, San Mateo and Redwood City. The District has 2 inlets from the SFPUC, our Hillcrest meters located in Redwood City and our Tunnel Pump Station on Canada Road in Woodside. The water distribution system consists of 11 storage tanks in which a combined total of 12,500,000 gallons of water are stored. The system also includes 7 active pumping stations and 12 regulator stations. The average daily consumption is 3.5 MGD.

2. PROPOSAL REQUEST

MPWD is seeking qualified professional engineering firms to serve the District as District Engineer for an initial term of **five (5) years, with an option to extend for three (3) additional one (1)-year periods.** The District Engineer shall be retained by the District Board of Directors and shall be directly responsible to the Board.

3. PROPOSAL DUE DATE

Proposers are directed to submit five (5) hard copies and one (1) electronic copy on a CD or USB drive of their Technical Proposal in a separate sealed envelope; and one (1) hard copy and one (1) electronic copy on a CD or USB drive of their Cost Proposal in a separate, sealed envelope, marked **CONFIDENTIAL.**

Written proposals must be received at the District's Administrative Offices at 3 Dairy Lane, Belmont, CA 94002 by 4:00PM on August 25, 2011, addressed to the attention of Paul Regan, General Manager. Each Proposal shall be clearly marked indicating the Proposer's name and address, the solicitation name, "Request for Proposal to Provide District Engineering Services", and Proposal type (i.e., Technical or Cost)

Proposals received after the time or at any place other than stated will not be accepted. Postmarks are not acceptable. Proposals shall be prepared, presented and negotiated at the sole cost of the Proposer.

4. OPTIONAL PRE-PROPOSAL CONFERENCE

An optional pre-proposal conference will be held at 11:00AM on August 1, 2011 at the District's Offices at 3 Dairy Lane, Belmont, California. The District reserves the right to postpone proposal openings for its own convenience.

5. INTERPRETATION OF SPECIFICATIONS

If any person submitting a proposal is in doubt as to the true meaning of any part of these specifications, they may submit to Paul Regan, General Manager, a written request, by August 4, 2011 for an interpretation or clarification thereof. Requests may be by mail at the address above or email at paulr@midpeninsulawater.org. Any modification of these specifications will be made in writing by

addendum and distributed to all those receiving a copy of said specifications. Oral interpretations will not be binding on the District.

Responses to requests of interpretations or clarifications will be provided by MPWD by August 8, 2011. MPWD reserves the right to postpone this deadline for its own convenience.

6. WITHDRAWAL OF PROPOSAL

Submission of a proposal shall constitute a firm offer to the District for ninety (90) days from the deadline for receipt of proposals. A Proposer may withdraw its proposal anytime before the date and time when proposals are due, without prejudice, by submitting a written mailed or faxed request for its withdrawal to Cathy Remeleh, Secretary of the District at 3 Dairy Lane, Belmont, CA, 94002 or Fax: (650) 591-4998. A telephone request is not acceptable.

7. SCOPE OF SERVICES

The Scope of Services for the District Engineer Services included in this RFP is more specifically described in Attachment I, Scope of Services.

8. TERM

The contract to provide District Engineer Services is for an initial term of five (5) years, unless terminated sooner in accordance with the Contract Documents. The District may, in its sole discretion, exercise options for up to an additional three (3) one (1)-year periods upon the same terms and conditions upon sixty (60) days' written notice prior to the expiration of the then current contract term.

9. SINGLE CONTRACTOR REQUIREMENTS

The District seeks to contract with one independent Contractor. Subcontracting of any obligation or service under the contract is not allowed without the prior written consent of the General Manager of the District.

10. PROPOSER'S REPRESENTATIONS

By submitting a proposal, the Proposer affirms that he/she is familiar with all requirements of the RFP and has sufficiently informed himself/herself in all matters affecting the performance of the work or the furnishing of the labor, supplies, materials, equipment or facilities called for in this RFP: that he/she has checked the proposal for errors and omissions; that the prices stated are correct and as intended by the Proposer and are a complete statement of his/her prices for performing the work or furnishing the labor, supplies, materials, equipment or facilities required.

11. PROPOSAL CONTENT

Proposals must be typed and must address each item below. Proposals must be in sufficient detail to permit evaluation and demonstrate ability to meet the requirements of this RFP. Proposals must be divided into two separate sealed envelopes: (1) Technical Proposal, and (2) Cost Proposal. The Cost Proposal must be marked "Confidential."

A. Technical Proposal

i. Cover Letter

The cover letter should summarize the major points contained in the proposal, and should be signed by an authorized representative of the firm. The Proposer must acknowledge that their Proposal shall be firm for at least ninety (90) days from the due date for the Proposals.

ii. Firm Profile

Each Proposer should provide the firm's name, business address, and telephone number, as well as a brief description of the firm's size (nationally and locally), date of establishment, type of organization, and local organizational structure. Include a discussion of the firm's engineering capabilities, certifications or licenses, and resources.

iii. Background, Experience and Financial Stability

(1) Each Proposer shall provide a brochure or similar summary statement outlining the organization's history and experience, including experience within the last three years, in providing engineering services similar to those requested in this RFP. Proposers should identify any changes in ownership and/or major organizational changes that have occurred in the last five years.

(2) Each Proposer shall provide either a most recent independently audited financial statement or financial income statements and balance sheets for the past two years. In addition, Proposers should include a brief description of any pending financial issues, including any pending litigation against the organization that may impact its financial capacity and stability.

(3) A minimum of three (3) references receiving services from Proposer similar to those requested in this RFP, including name, address, telephone and contact person, and a brief description of the services provided.

iv. Key Personnel and Staffing

The Proposer must identify the person to serve as the District Engineer and all key personnel who may perform services in support of this function under this RFP. For each person identified, include a resume with relevant experience and professional qualifications, certifications or licenses and a brief description of their role or function in providing the proposed services. The designated District Engineer and identified individuals must be available for interview by the District, if desired.

v. Approach to Scope of Services

Each Proposer must submit a detailed Work Plan describing how it intends to provide the basic services and meet the requirements described in Attachment I, Scope of Services. The Work Plan should explain the Proposer's approach to providing the specified services and the role that Proposer intends to perform as District Engineer. The Work Plan should also include a description of how the Proposer will coordinate with the District to complete projects in a timely and cost-efficient manner.

B. Cost Proposal. To be submitted in a separate sealed envelope, marked "Confidential."

Each Proposer must submit a detailed Cost Proposal that provides a cost for the Routine Monthly Services and an hourly fee schedule for the Project Manager and any other identified individuals. The hourly fee schedule should include all costs for labor, overhead and profit, but exclude reasonable expenses for travel, etc that will be reimbursed in accordance with the Professional Services Agreement.

12. EVALUATION CRITERIA AND AWARD

Contract award will be made to the Proposer that submits the proposal considered most advantageous to the District based on the Evaluation Criteria set forth below.

The District reserves the right to accept or reject any and all proposals, or any item or part thereof; or to waive any informalities or irregularities in proposals or proposal procedures. The District reserves the right to withdraw or cancel this RFP at any time without prior notice and the District makes no representations that any contract will be awarded to any Proposer responding to this RFP. The District reserves the right to request additional information to clarify any proposal.

A review panel will evaluate proposals based on the Evaluation Criteria below. After the consultant ranking has been determined, the District will open the cost proposal from the top-ranked firm only. The District may accept the cost proposal, or negotiate the terms and conditions of the contract with the highest-ranked firm. If negotiations are unsuccessful, the District will terminate the negotiations, and may open the cost proposal of the next highest ranked firm and commence negotiations with that firm. If negotiations with this firm are also unsuccessful, the District may repeat the negotiations process with the next highest ranked firm, or may, at its sole discretion, reject all remaining proposals.

Evaluation Criteria:

The District intends to award a contract to the most qualified, responsible firm submitting a responsive proposal.

Team/Key Personnel Qualifications and Experience	35%
Project Understanding and Approach (Work Plan).....	30%
Firm Qualifications, Experience and Capabilities.....	35%
Total.....	100%

13. AGREEMENT FOR PROFESSIONAL SERVICES

The firm selected by the District to provide the District Engineer services outlined in this RFP will be required to execute an Agreement for Professional Services with the District. A sample of the general form of this Agreement is attached hereto as Exhibit A so that Proposers will have an opportunity to review the terms and conditions that will be included in the final contractual agreement. If a Proposer desires any additions, deletions or modifications to the form of Agreement, they must submit a request for such additions, deletions or modifications with the proposal. With the exception of any requests for such additions, deletions, and modifications, the Proposer will, by making a proposal, be deemed to have accepted the form of Agreement.

In particular, Proposers are directed to review the insurance requirements set forth in Section 10 of the Agreement for Professional Services.

14. PROTEST PROCEDURES

Proposal protests must follow the following procedures. Protests based upon restrictive specifications or alleged improprieties in the RFP procedure shall be filed in writing with the District Secretary at least five (5) calendar days prior to the Proposal due date. The protest must clearly specify in writing the grounds and evidence on which the protest is based.

Protests based upon the recommendation for award of the Contract must be submitted in writing to the District Secretary within 48 hours of receipt of notice of the recommendation of award. The protest must clearly specify in writing the grounds and evidence on which the protest is based.

FAILURE TO COMPLY WITH THESE PROCEDURES MAY RESULT IN REJECTION OF THE PROTEST.

15. CONFIDENTIALITY OF PROPOSALS

The California Public Records Act (California Government Code Sections 6250 *et seq.*) mandates public access to government records. Therefore, unless the information is exempt from disclosure by law, the content of any request for explanation, exception or substitution, response to these specifications, protest or any other written communication between the District and the Proposer shall be available to the public.

If the Proposer believes any communication contains trade secrets or other proprietary information that the Proposer believes would cause substantial injury to the Proposer's competitive position if disclosed, the Proposer shall request that the District withhold from disclosure the proprietary or other confidential information by marking each page containing such information as confidential. The Proposer may not designate its entire proposal or bid as confidential. Additionally, Proposer may not designate its cost proposal or any required bid forms or certifications as confidential.

If Proposer requests that the District withhold from disclosure information identified as confidential, and the District complies with the Proposer's request, Proposer shall assume all responsibility for any challenges resulting from the non-disclosure, indemnify and hold harmless the District from and against all damages (including but not limited to attorneys' fees that may be awarded to the party requesting the Proposer information), and pay any and all costs and expenses related to the withholding of Proposer information. Proposer shall not make a claim, sue or maintain any legal action against the District or its directors, officers, employees or agents in connection with the withholding from disclosure of Proposer information.

If Proposer does not request that the District withhold from disclosure information identified as confidential, the District shall have no obligation to withhold the information from disclosure and may release the information sought without any liability to the District.

16. TENTATIVE SCHEDULE

The tentative schedule of significant events relating to this solicitation is provided below. The District reserves the right to modify this schedule and any specific time-of-day deadlines as discussed in the following section.

EVENT

1. Release RFPJuly 11, 2011
2. Pre-proposal conferenceAugust 1, 2011
3. Deadline for submitting questions and/or comments to the DistrictAugust 4, 2011
4. District response to questions and/or commentsAugust 8, 2011
5. Proposals due, evaluations begin.....August 25, 2011
6. Interviews/negotiations week of August 25, 2011
7. Potential award of contractSeptember 22, 2011
8. Contract Begins October 1, 2011

These tentative dates, including commencement of Contract, are subject to change at the sole discretion of the District.

17. NON-COLLUSION CERTIFICATION

By submitting a proposal, a Proposer represents and warrants that such proposal is genuine and not a sham or collusive or made in the interest or on behalf of any person not herein named, and that Proposer has not, directly or indirectly, induced or solicited any other Proposer to put in a sham bid, or any other person, firm or corporation to refrain from proposing, and that the Proposer has not in any manner sought by collusion to secure to the Proposer an advantage over any other Proposer.

18. PENALTY FOR COLLUSION

If at any time it shall be found that the person, firm or corporation to whom a contract has been awarded has, in presenting any proposal, colluded with any other parties, then the contract so awarded shall be null and void; and the Proposer shall be liable to the District for all loss or damage which the District may suffer thereby; and the Board of Directors may advertise for a new contract for said labor, supplies, materials, equipment or services.

19. CONFLICT OF INTEREST

Proposer represents and warrants that it presently has no interest and agrees that it will not acquire any interest which would present a conflict of interest under California Government Code §§ 1090 *et seq.* or §§ 87100 *et seq.* during the performance of services under this Agreement. Proposer shall promptly disclose any actual or potential conflict of interest to the District as soon as Proposer becomes aware of such conflict. Proposer further covenants that it will not knowingly employ any person having such an interest in the performance of this Agreement. Violation of this provision may result in this Agreement being deemed void and unenforceable.

Depending on the nature of the work performed, Proposer may be required to publicly disclose financial interests under the District's Conflict of Interest Code. Proposer agrees to promptly submit a Statement of Economic Interest on the form provided by the District upon receipt.

No member, officer or employee of the District or of any of its member jurisdictions during his/her tenure of office, or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds therefrom.

During the performance of the contract, the firm selected by the District to provide the District Engineer services ("Engineer") shall take all reasonable measures to preclude the existence or development of an organizational conflict of interest in connection with work performed under the Agreement and other solicitations. An organizational conflict of interest occurs when, due to other activities, relationships, or contracts, a firm or person is unable, or potentially unable, to render impartial assistance or advice to the District; a firm or person's objectivity in performing the contract work is or might be impaired; or a firm or person has an unfair competitive advantage in proposing for award of a contract as a result of information gained in performance of this or some other Agreement.

The Engineer shall not engage the services of any subcontractor or independent consultant on any work related to the Agreement if the subcontractor or independent consultant, or any employee of the subcontractor or independent consultant, has an actual or apparent organizational conflict of interest related to work or services contemplated under the Agreement.

If at any time during the term of the Agreement, the Engineer becomes aware of an organizational conflict of interest in connection with the work performed hereunder, the Engineer immediately shall provide the District with written notice of the facts and circumstances giving rise to this organizational conflict of interest. The Engineer's written notice will also propose alternatives for addressing or eliminating the organizational conflict of interest. If at any time during the term of the Agreement, the District becomes aware of an organizational conflict of interest in connection with the Engineer's performance of the work hereunder, the District shall similarly notify the Engineer. In the event a conflict is presented, whether disclosed by the Engineer or discovered by the District, the District will consider the conflict presented and any alternatives proposed and meet with the Engineer to determine an appropriate course of action. The District's determination as to the manner in which to address the conflict shall be final.

20. ATTACHMENTS AND RFP EXHIBITS

- Attachment I, Scope of Work
- Exhibit A, Sample Professional Services Agreement

ATTACHMENT I

SCOPE OF WORK

1. **Routine Monthly Services.** The ENGINEER will be paid a monthly retainer for conducting all routine engineering work for the DISTRICT, excluding special engineering assignments, major improvement projects, and subdivision and development reviews. The Routine Monthly Services shall include:
 - i. Attending one regular monthly Board meeting.
 - ii. Conducting routine DISTRICT business in ENGINEER's office which includes telephone calls, miscellaneous correspondence and secretarial work not to exceed three hours per month.
 - iii. The cost of mileage and travel expense while pursuing normal and routine business on behalf of the DISTRICT.
 - iv. Providing original copies of all work by ENGINEER on DISTRICT projects to the DISTRICT and maintaining back up copies of all work by ENGINEER on DISTRICT projects, which may include tracings, maps, files or other documents.
 - v. Availability at all times to the District General Manager in the event of emergencies.

2. **Special Engineering Assignments.** All work requested by the DISTRICT beyond that defined in Section 1, "Routine Monthly Services," including non-routine engineering investigations, reports or projects, except for major improvement projects, shall be considered special engineering assignments. Improvement projects with a construction cost under \$100,000 or as designated by District General Manager shall also be classified as special engineering assignments. A detailed scope of work, budget, and schedule shall be prepared by the ENGINEER for each special engineering assignment that is estimated to exceed \$25,000, for review and approval by the District.

3. **Major Improvement Projects.** All work for preparation of plans, specifications, cost estimates, and engineering services before and during construction of improvement projects costing over \$100,000 or as designated by District General Manager, shall be considered major improvement projects assignments. A detailed scope of work, budget, and schedule shall be prepared by the ENGINEER for each major improvement project, for review and approval by the DISTRICT. The scope shall also list responsibilities of the DISTRICT and shall include a schedule for completing the work. For each item of work, including preparation of plans, specifications, cost estimates, and construction support, ENGINEER will submit a labor-hour and cost ceiling schedule corresponding to the individual tasks to be included. ENGINEER will submit a weekly budget and schedule summary to the DISTRICT for the duration of the project.

4. **Subdivision and Development Reviews.** This category includes all work in connection with review and processing of subdivision and other development projects by third parties in accordance with the DISTRICT's regulations concerning water service extensions and water system improvements. The work shall be categorized as follows:
 - i. INITIAL REVIEW. The initial review of subdivision and other development projects including Tentative Maps and easement processing.
 - ii. FINAL REVIEW. The final review of subdivision and other development improvement plans.
 - iii. CONSTRUCTION OBSERVATION. The observation of the construction methods and materials used in the construction of subdivision or other development improvements.

EXHIBIT A

SAMPLE CONTRACT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made as of the 16th day of December, 2005, by and between the MID-PENINSULA WATER DISTRICT (hereinafter referred to as "DISTRICT") and _____ (hereinafter referred to as "ENGINEER").

WHEREAS, the DISTRICT desires to obtain professional engineering services in connection with the planning, design, construction, management, and operation of the DISTRICT's water system and to designate a "District Engineer" and has issued a Request for Proposals, dated _____, 2011, a copy of which is attached and incorporated as Exhibit A; and

WHEREAS, the ENGINEER desires to furnish such services and submitted a proposal, dated _____, 2011, a copy of which is attached and incorporated as Exhibit B.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

I. RENDITION OF SERVICES

The ENGINEER agrees to provide professional engineering services to the DISTRICT in accordance with the terms and conditions of this Agreement. In the performance of its Services, ENGINEER represents that it has and will exercise that degree of professional care, skill, efficiency and judgment ordinarily employed by engineering consultants providing services in connection with the planning, design, construction, management, and operation of water systems. ENGINEER further represents and warrants that it holds currently in effect all licenses, registrations, and certifications in good standing that may be required under applicable law or regulations to perform these services and agrees to retain such licenses, registrations, and certifications in active status throughout the duration of this engagement.

II. SCOPE OF SERVICES

The scope of the ENGINEER's services shall be in accordance with Exhibit A, as supplemented by Exhibit B, except where inconsistent with Exhibit A.

III. COMPENSATION

A. For the services performed as described in Section 2, the DISTRICT will pay the ENGINEER as follows:

1. For Routine Monthly Services, the DISTRICT will pay ENGINEER a monthly retainer in accordance with the Cost Proposal included in Exhibit B.
2. For Special Engineering Assignments, the DISTRICT will pay ENGINEER for the work at the hourly rates in accordance with the fee schedule set forth in Exhibit B plus reasonable expenses.
3. For Major Improvement Projects, the DISTRICT will pay ENGINEER for the work at the hourly rates in accordance with the fee schedule set forth in Exhibit B plus reasonable expenses. The cost ceiling for the project shall not be exceeded without approval of the DISTRICT.

4. For Subdivision and Development Projects, the DISTRICT will pay ENGINEER for the work at the hourly rates in accordance with the fee schedule set forth in Exhibit B plus reasonable expenses.
5. The ENGINEER may request to adjust the Monthly Retainer or fee schedule on each anniversary date of the Agreement upon satisfactory justification for the cost increases, but in no event shall the adjustment be more than 3.5%. Any adjustment will be reflected in a written amendment to this Agreement.

B. Manner of Payment. ENGINEER shall submit invoices to DISTRICT on a monthly basis in a form approved by the District, which will include sufficient detail on the work performed in each category, the number of hours, and expenses in accordance with Exhibit B. The DISTRICT reserves the right to withhold payment to the Consultant if the DISTRICT determines that the quantity or quality of the work performed is unacceptable. The DISTRICT shall provide written notice to the Consultant within 10 business days of the DISTRICT's decision not to pay and the reasons for non-payment. DISTRICT shall endeavor to pay approved invoices within thirty (30) days of receipt.

Payments for all items shall include labor, taxes, storage, transportation, delivery, warranty, insurance, materials, profit, subcontractor costs, overhead and all other costs associated with provision of the services.

All invoices should be sent to: Mid-Peninsula Water District
3 Dairy Lane
P.O. Box 129
Belmont, CA 94002
Attn: Office Manager

IV. TERM

This Agreement shall be deemed effective as of _____. ENGINEER shall serve the DISTRICT at the pleasure of the Board of Directors of DISTRICT for an initial term of 5 years. The District may, in its sole discretion, exercise options for up to an additional three (3) one (1)-year periods upon the same terms and conditions upon sixty (60) days' written notice prior to the expiration of the then current contract term.

V. OWNERSHIP OF WORK

All reports, designs, plans, specifications, schedules, software data and other materials prepared, or in the process of being prepared, for the services performed by the ENGINEER, shall become the property of the DISTRICT when the ENGINEER has been compensated as set forth herein. Any such material remaining in the hands of the ENGINEER or in the hands of any subcontractor upon completion or termination of the work shall be forthwith delivered to the DISTRICT. If any materials are lost, damaged or destroyed before final delivery to the DISTRICT, the ENGINEER shall replace them at its own expense and that ENGINEER hereby assumes all risks of loss, damage or destruction of or to such materials. The ENGINEER may retain a copy of all material produced under this agreement for its use in its general business activities. The DISTRICT and ENGINEER agree that contract documents prepared by the ENGINEER shall not be used on any other work without the consent of each party. The ENGINEER further agrees that should the DISTRICT decide to reuse all or any part of contract documents produced by the ENGINEER for other work, a new agreement will be negotiated, giving due consideration for the fees paid under this Agreement, and for those portions of the contract documents that can be reused at another location.

VI. USE OF SUBCONTRACTORS

ENGINEER shall not subcontract any services to be performed by it under this agreement without the prior written approval of the DISTRICT, except for service firms engaged in drawing, reproduction, typing, and printing. ENGINEER shall be solely responsible for reimbursing any subcontractors and DISTRICT shall have no obligation to them.

VII. CHANGES

THE DISTRICT may, at any time, by written order, make changes within the scope of work and services described in this Agreement. If such changes cause an increase in the budgeted cost or the time required for the performance of the agreed upon work, ENGINEER shall notify DISTRICT in writing. If DISTRICT concurs that ENGINEER is entitled to an increase in price or time, an equitable adjustment will be made to this AGREEMENT via a written amendment to this AGREEMENT. If DISTRICT disagrees that ENGINEER is entitled to an increase in price or time, attention is directed to Section XI, Dispute Resolution, of this AGREEMENT. An equitable adjustment as mutually agreed upon shall be made in the limit on compensation and schedule of performance. In the event that the ENGINEER encounters any unanticipated conditions or contingencies that may affect the scope of work or services and result in an adjustment in the amount of compensation specified herein, ENGINEER shall so advise the DISTRICT immediately upon notice of such condition or contingency. The written notice shall explain the circumstances giving rise to the unforeseen condition or contingency and shall set forth the proposed adjustment in compensation resulting therefrom. Such notice shall be given the DISTRICT prior to that time that ENGINEER performs work or services related to the proposed adjustment in compensation. If approved by DISTRICT, the pertinent changes shall be expressed in a written supplement to this AGREEMENT prior to implementation of such changes. If DISTRICT disagrees that ENGINEER is entitled to an increase in price or time, attention is directed to Section XI, Dispute Resolution, of this AGREEMENT.

In no event should ENGINEER perform any extra work without first receipt of a written amendment to this AGREEMENT.

VIII. RESPONSIBILITY: INDEMNIFICATION

ENGINEER shall indemnify, defend, keep and save harmless the DISTRICT, and its directors, officers, agents and employees against any and all liability, damages, costs, claims or actions, including reasonable attorneys fees and charges, arising out of any injury to persons or property that may occur, or that be alleged to have occurred, in the course of the performance of this Agreement by the ENGINEER caused by ENGINEER's breach of obligations under this AGREEMENT, willful misconduct, or any negligent acts, omissions or errors of the ENGINEER or its employees, subcontractors or agents. ENGINEER further agrees if any judgment be rendered against DISTRICT or any of the other individuals enumerated above in any such action, ENGINEER shall, at its expense, satisfy and discharge the same.

IX. INSURANCE

A. Workers' Compensation. If ENGINEER employs any person to perform work in connection with this Agreement, ENGINEER will procure and maintain at all times during the performance of such work, Workers' Compensation Insurance in conformance with the laws of the State of California and Federal laws when applicable. Employers' Liability Insurance will not be less than One Million Dollars (\$1,000,000) per accident or disease. Prior to commencement of work under this Agreement by any such employee, ENGINEER will deliver to the DISTRICT a Certificate of Insurance which will stipulate that thirty (30) days advance written notice of cancellation, non-renewal or reduction in limits will be given to the DISTRICT. Such insurance shall also contain a waiver of subrogation in

favor of the Mid Peninsula Water District and its Directors, officers, agents and employees while acting in such capacity, and their successors and assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally

B. Commercial General and Automobile Liability Insurance. ENGINEER will also procure and maintain at all times during the performance of this Agreement Commercial General Liability Insurance covering ENGINEER and the DISTRICT for liability arising out of the operations and activities of ENGINEER and any subcontractors. ENGINEER will also procure and maintain during the entire term of this Agreement Automobile Liability Insurance which will include coverage for all vehicles, whether or not owned by ENGINEER, on or off the DISTRICT's premises, used by or on behalf of ENGINEER in the performance of work under this Agreement. The policies will be subject to a limit for each occurrence of One Million Dollars (\$1,000,000) naming as an additional insured, in connection with ENGINEER's activities, the DISTRICT, and its Directors, officers, employees and agents. The Insurer(s) will stipulate that its policy(ies) is Primary Insurance and that it will be liable for the full amount of any loss up to and including the total limit of liability without right of contribution from any other insurance covering the DISTRICT.

Inclusion of the DISTRICT as an additional insured will not in any way affect its rights as respects to any claim, demand, suit or judgment made, brought or recovered against ENGINEER. The policy will protect ENGINEER and the DISTRICT in the same manner as though a separate policy had been issued to each, but nothing in said policy will operate to increase the Insurer's liability as set forth in the policy beyond the amount or amounts shown or to which the Insurer would have been liable if only one interest had been named as an insured.

Prior to commencement of work hereunder, ENGINEER will deliver to the DISTRICT a Certificate of Insurance which will indicate compliance with the insurance requirements of this paragraph and will stipulate that thirty (30) days advance written notice of cancellation, non-renewal or reduction in limits will be given to the DISTRICT. Such insurance shall also contain a waiver of subrogation in favor of the Mid Peninsula Water District and its Directors, officers, agents and employees while acting in such capacity, and their successors and assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

C. Professional Liability Insurance. ENGINEER will also maintain Professional Liability Insurance covering ENGINEER's performance under this Agreement with a limit of liability of Two Million Dollars (\$2,000,000) for any one claim. This insurance will be applicable to claims arising out of or related to the performance of this Agreement. Prior to commencing work under this Agreement, ENGINEER will furnish to the DISTRICT a Certificate of Insurance, or certified copy of the Insurance policy if requested, indicating compliance with requirements of this paragraph. Such certificate or policy will further stipulate that 30 days' advance written notice of cancellation, non-renewal or reduction in limits will be given to the DISTRICT.

D. Deductibles and Retentions.

ENGINEER shall be responsible for payment of any deductible or retention on ENGINEER's policies without right of contribution from the DISTRICT. Deductible and retention provisions shall not contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the Named Insured is unacceptable.

In the event that the policy of the ENGINEER or any subcontractor contains a deductible or self-insured retention, and in the event that the DISTRICT seeks coverage under

such policy as an additional insured, ENGINEER shall satisfy such deductible or self-insured retention to the extent of loss covered by such policy for a lawsuit arising from or connected with any alleged act or omission of ENGINEER, subcontractor, or any of their officers, directors, employees, agents, or suppliers, even if ENGINEER or subcontractor is not a named defendant in the lawsuit.

X. EQUAL OPPORTUNITY EMPLOYMENT

In connection with the performance of this Agreement the ENGINEER shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, sex, gender, sexual orientation, age (over 40), marital status, pregnancy, medical condition, or disability as specified in federal, State, and local laws. The ENGINEER shall take affirmative actions to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, disability, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. ENGINEER further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

XI. DISPUTE RESOLUTION

In the event of a dispute between DISTRICT and ENGINEER concerning any question of fact in connection with the Services performed under this AGREEMENT, the parties shall meet and confer and make good faith efforts to resolve the dispute before resorting to any legal action. In no event may ENGINEER discontinue performance of Services under this Agreement while a dispute is pending. Should a dispute entail whether ENGINEER is entitled to additional compensation, ENGINEER shall notify DISTRICT in writing that it is performing the alleged extra Services under protest in order to preserve CONSULTANT's right to compensation for the alleged extra Services.

XII. TERMINATION

The DISTRICT shall have the right and power to terminate the services of the ENGINEER at any time, such termination to take effect sixty (60) days after the giving of written notice to ENGINEER. In the event of termination for any reason other than the fault of ENGINEER, ENGINEER shall be compensated in accordance with the provisions of Section III, "Compensation," for the services performed to date of such suspension or termination, plus any reasonable costs and expenses resulting from such termination. In the event of termination for reason of ENGINEER's breach or default in the performance of any of ENGINEER's obligations under this AGREEMENT that remain uncured after ten (10) business days from written notice of such termination, ENGINEER shall be compensated in accordance with the provisions of Section III, "Compensation," only for those services already performed and expenses incurred in full accordance with the requirements of this AGREEMENT up to the effective date of termination, less an estimate reasonably made by DISTRICT of the amount of damages DISTRICT has or will suffer as a result of ENGINEER's breach or default.

XIII. ORGANIZATIONAL CONFLICTS PROHIBITED

During the performance of this AGREEMENT, the ENGINEER shall take all reasonable measures to preclude the existence or development of an organizational conflict of interest in connection with work performed under this AGREEMENT and other solicitations. An organizational conflict of interest occurs when, due to other activities, relationships, or contracts, a firm or person is unable, or potentially unable, to render impartial assistance or advice to the DISTRICT; a firm or person's objectivity in performing the contract work is or might be impaired; or a firm or person has an unfair competitive advantage in

proposing for award of a contract as a result of information gained in performance of this or some other Agreement.

The ENGINEER shall not engage the services of any subcontractor or independent consultant on any work related to this AGREEMENT if the subcontractor or independent consultant, or any employee of the subcontractor or independent consultant, has an actual or apparent organizational conflict of interest related to work or services contemplated under this AGREEMENT.

If at any time during the term of this AGREEMENT, the ENGINEER becomes aware of an organizational conflict of interest in connection with the work performed hereunder, the ENGINEER immediately shall provide the DISTRICT with written notice of the facts and circumstances giving rise to this organizational conflict of interest. The ENGINEER's written notice will also propose alternatives for addressing or eliminating the organizational conflict of interest. If at any time during the term of this AGREEMENT, the DISTRICT becomes aware of an organizational conflict of interest in connection with the ENGINEER's performance of the work hereunder, the DISTRICT shall similarly notify the ENGINEER. In the event a conflict is presented, whether disclosed by the ENGINEER or discovered by the DISTRICT, the DISTRICT will consider the conflict presented and any alternatives proposed and meet with the ENGINEER to determine an appropriate course of action. The DISTRICT's determination as to the manner in which to address the conflict shall be final.

XIV. ENGINEER'S STATUS

Neither ENGINEER nor any party contracting with the ENGINEER shall be deemed an agent or employee of the DISTRICT. The ENGINEER is and shall be an independent contractor, and the legal relationship of any person performing services for ENGINEER shall be one solely between said parties.

XV. ASSIGNMENT

ENGINEER shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of DISTRICT.

XVI. RECORDS

During the term of this Agreement, ENGINEER shall permit representatives of DISTRICT to have access to, examine and make copies, at DISTRICT's expense, of its books, records and documents relating to this Agreement at all reasonable times. ENGINEER agrees to maintain these records and make them available for inspection hereunder for a period of three (3) years after expiration or termination of the AGREEMENT.

XVII. DISTRICT WARRANTIES

The DISTRICT makes no warranties, representations, or agreements, either express or implied, beyond such as are explicitly stated herein.

XVIII. DISTRICT REPRESENTATIVE

Except when approval or other action is required to be given or taken by the Board of Directors of the DISTRICT, the General Manager of the DISTRICT, or such person or persons as he shall designate in writing from time to time, shall represent and act for the DISTRICT.

XIX. NOTICES

All communications relating to the day to day activities of the project shall be exchanged between the DISTRICT's General Manager and the ENGINEER's _____.

All other notices and communications deemed by either party to be necessary or desirable to be given to the other party shall be in writing and may be given by personal delivery to a representative of the parties or by mailing the same postage prepaid, addressed as follows:

If to the DISTRICT: Mid-Peninsula Water District
3 Dairy Lane
Belmont, CA 94002
ATTENTION: Paul Regan, General Manager

If to the ENGINEER:

The address to which mailings may be made may be changed from time to time by notice mailed as described above. Any notice given by mail shall be deemed given on the day after that on which it is deposited in the United States Mail as provided above.

XX. ATTORNEYS' FEES

If any legal proceeding should be instituted by either of the parties hereto to enforce the terms of this Agreement or to determine the rights of the parties thereunder, the prevailing party in said proceeding shall recover, in addition to all court costs, reasonable attorneys' fees.

XXI. APPLICABLE LAW

This Agreement, its interpretation and all work performed thereunder, shall be governed by the laws of the State of California.

XXII. BINDING ON SUCCESSORS

All of the terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

XXIII. ENTIRE AGREEMENT; MODIFICATION

This AGREEMENT, including any attachments, constitutes the entire AGREEMENT between the parties with respect to the subject matter hereof, and supersedes any prior understanding or agreement, oral or written, with respect to such subject matter. It may not be amended or modified, except by a written amendment executed by authorized representatives by both parties. In no event will the AGREEMENT be amended or modified by oral understandings reached by the parties or by the conduct of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the day and year first above written.

MID-PENINSULA WATER DISTRICT

DISTRICT ENGINEER

By: _____

By _____

President, Board of Directors

Title: _____

ATTEST:

Secretary for DISTRICT

CONTRACT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made as of the 25 day of June 2015, by and between the MID-PENINSULA WATER DISTRICT ("DISTRICT") and PAKPOUR CONSULTING GROUP ("ENGINEER").

WHEREAS, the DISTRICT desires to obtain professional engineering services in connection with the planning, design, construction, management, and operation of the DISTRICT's water system and to designate a "District Engineer;" and

WHEREAS, the ENGINEER desires to furnish such services.

NOW, THEREFORE, the parties agree as follows:

1. **RENDITION OF SERVICES.** The ENGINEER agrees to provide professional services to the DISTRICT in accordance with the terms and conditions of this Agreement ("Services"). In the performance of its Services, ENGINEER represents that it has and will exercise that degree of professional care, skill, efficiency and judgment ordinarily employed by engineers providing similar services. ENGINEER further represents and warrants that it holds currently in effect all licenses, registrations, and certifications in good standing that may be required under applicable law or regulations to perform these services and agrees to retain such licenses, registrations, and certifications in active status throughout the duration of this engagement.

2. **SCOPE OF SERVICES.** The scope of the ENGINEER's Services shall consist of the services:

A. Retainer. The ENGINEER will be paid a monthly retainer for the following work:

- Attend one regular monthly board meeting, including the cost travel, not to exceed three hours per month
- Conduct routine District business in ENGINEER office which includes telephone calls, miscellaneous correspondence not to exceed one hour per month.
- Provide storage for maps, files and documents of DISTRICT projects.
- Availability to the DISTRICT in the event of emergencies.

B. Special Engineering Projects. All work requested by the DISTRICT beyond that defined in Section 2A, Retainer, including non-routine engineering investigation, reports or projects, except major improvement projects, shall be considered special engineering assignments. Improvement projects with a construction cost under \$100,000 or as designated by District General Manager shall also be classified as special engineering assignments. At the discretion of the General Manager the ENGINEER may be asked to prepare a scope of work, budget, and schedule for a special engineering assignment.

C. Major Improvement Projects. All work for preparation of plans, specifications, cost estimates, engineering services during construction of improvement projects and construction management services costing over \$100,000 or as designated by General Manager, shall be classified as work on major improvement projects. A detailed scope of work, budget, and

schedule shall be prepared by the ENGINEER for each major improvement project, for review and approval by the General Manager. The scope shall also list responsibilities of the DISTRICT and shall include a schedule for completing the work.

D. Subdivision and Development Projects. This category includes all work in connection with review and processing of subdivision and other development projects in accordance with the DISTRICT's regulations concerning water service extensions and water system improvements. The work can include the initial review of subdivision and other development projects including Tentative Maps and easement processing. The final review of subdivision and other development improvement plans. The observation of the construction methods and materials used in the construction of subdivision or other development improvements.

3. TERM.

This Agreement shall be deemed effective as of the date of July 1, 2015. ENGINEER shall serve the DISTRICT at the pleasure of the Board of Directors. The DISTRICT shall have the right and power to terminate the services of the ENGINEER at any time, such termination to take effect sixty (60) days after the giving of written notice to ENGINEER. ENGINEER shall have the right to resign at any time, such resignation to take effect sixty (60) days after giving written notice to the Board of Directors.

4. COMPENSATION.

For the services performed as described in Section 2, the DISTRICT will pay the ENGINEER as follows:

1. For Retainer, the ENGINEER will be paid in accordance with Exhibit A. Such amount will be reviewed annually on the anniversary date of the Agreement and revised as mutually agreed upon by the DISTRICT and ENGINEER. The revised retainer shall thereafter be the effective RETAINER for the purpose of this Agreement.
2. For Special Engineering Assignments, the ENGINEER will be paid at an hourly rate plus expenses in accordance with the fee schedule set forth in Exhibit A.
3. For Major Improvement Projects, the ENGINEER will be paid at an hourly rate plus expenses in accordance with the fee schedule set forth in Exhibit A. The cost ceiling set forth in the ENGINEER's initial budget for the project shall not be exceeded without approval of the District.
4. For Subdivision and Development Projects, the ENGINEER will be paid at an hourly rate plus expenses in accordance with the fee schedule set forth in Exhibit A
5. Exhibit A, which constitutes the Fee Schedule, will be reviewed annually on the anniversary date of the Agreement and revised as mutually agreed upon by the DISTRICT and ENGINEER. Upon board approval, such revised fee schedule shall thereafter be the effective FEE SCHEDULE for purposes of compensation under this Agreement and shall be attached hereto as the new exhibit.

5. MANNER OF PAYMENT. ENGINEER shall submit invoices to DISTRICT on a monthly basis for work accomplished on an hourly rate plus expenses basis in accordance with Exhibit A, ENGINEER shall receive payments based on all services actually performed. DISTRICT shall render payment within thirty (30) days of receipt of approved invoices.

All invoices should be sent to: Mid-Peninsula Water District
3 Dairy Lane
P.O. Box 129
Belmont, CA 94002

6. DISTRICT REPRESENTATIVE. Except when approval or other action is required to be given or taken by the Board of Directors of the DISTRICT, the General Manager of the DISTRICT, or such person or persons as they shall designate in writing from time to time, shall represent and act for the DISTRICT.

7. ENGINEER'S STATUS. Neither the ENGINEER nor any party contracting with the ENGINEER shall be deemed to be an agent or employee of the DISTRICT. The ENGINEER is and shall be an independent contractor and the legal relationship of any person performing services for the ENGINEER's shall be one solely between said parties.

8. ASSIGNMENT. ENGINEER shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of DISTRICT.

9. OWNERSHIP OF WORK. All reports, designs, drawings, plans, specifications, schedules, and other materials prepared, or in the process of being prepared, for the Services to be performed by ENGINEER shall be and are the property of the DISTRICT. The DISTRICT shall be entitled to access to and copies of these materials during the progress of the work. Any property of the DISTRICT in the hands of the ENGINEER or in the hands of any subcontractor upon completion or termination of the work shall be immediately delivered to the DISTRICT. If any property of the DISTRICT is lost, damaged or destroyed before final delivery to the DISTRICT, the ENGINEER shall replace it at its own expense and the ENGINEER hereby assumes all risks of loss, damage or destruction of or to such materials. The ENGINEER may retain a copy of all material produced under this agreement for its use in its general business activities.

10. CHANGES. The DISTRICT may, at any time, by written order, make changes within the scope of work and Services described in this Agreement. If such changes cause an increase in the budgeted cost of or the time required for performance of the agreed upon work, an equitable adjustment as mutually agreed shall be made in the limit on compensation as set forth in Section 4 or in the time of required performance as set forth in Section 2, or both. In the event that ENGINEER encounters any unanticipated conditions or contingencies that may affect the scope of work or Services and result in an adjustment in the amount of compensation specified herein, ENGINEER shall so advise the DISTRICT immediately upon notice of such condition or contingency. The written notice shall explain the circumstances giving rise to the unforeseen condition or contingency and shall set forth the proposed adjustment in compensation. Such notice shall be given the DISTRICT prior to the time that ENGINEER performs work or services related to the proposed adjustment in compensation. Any and all pertinent changes shall be expressed in a written supplement to this Agreement prior to implementation of such changes.

11. RESPONSIBILITY; INDEMNIFICATION. ENGINEER agrees to indemnify, defend and hold harmless the DISTRICT, and its directors, agents, and employees from and against all claims, losses, damages and liabilities (including reasonable attorneys' fees) arising out of any injury to persons or property that may occur, or that may be alleged to have occurred, in the course of the performance of the Agreement to the extent caused by ENGINEER's recklessness or willful misconduct; or by ENGINEER's negligent provision or omission of services contemplated by this Agreement.

Irrespective of any language to the contrary in this Agreement or under applicable law, ENGINEER shall have no duty to provide or fund up-front defense costs of DISTRICT against unproven claims or allegations, but shall reimburse those reasonable attorneys' fees, expert fees and all other costs and fees incurred in any judicial proceeding, litigation, arbitration, mediation or other negotiated settlement incurred by DISTRICT that are caused by the negligence, recklessness or willful misconduct of ENGINEER, its employees, agents and subconsultants (collectively, "Defense Costs"). However, ENGINEER shall provide its immediate cooperation, at no additional cost to the DISTRICT, to the DISTRICT in defending such claims. Moreover, ENGINEER's responsibility for the DISTRICT's defense costs shall be limited to the proportion of ENGINEER's responsibility for the underlying injury as determined in any judicial proceeding, litigation, arbitration, mediation, or other negotiated settlement which addressed the ENGINEER's responsibility for the underlying injury. In the event that it is determined that the losses, injuries or damages claimed against the DISTRICT did not arise out of, pertain to, or relate to ENGINEER's negligence, recklessness or willful misconduct, ENGINEER shall not be responsible for any portion of the DISTRICT's defense costs. This indemnity shall survive the termination of this Agreement.

12. INSURANCE.

A. Workers' Compensation. If ENGINEER employs any person to perform work in connection with this Agreement, ENGINEER shall procure and maintain at all times during the performance of such work, Workers' Compensation Insurance in conformance with the laws of the State of California and Federal laws when applicable. Employers' Liability Insurance shall not be less than One Million Dollars (\$1,000,000) per accident or disease. Prior to commencement of work under this Agreement by any such employee, ENGINEER shall deliver to the DISTRICT a Certificate of Insurance which shall stipulate that thirty (30) days advance written notice of cancellation, non-renewal or reduction in limits shall be given to the DISTRICT. Such insurance shall also contain a waiver of subrogation in favor of the Mid-Peninsula Water District and its Directors, officers, agents and employees while acting in such capacity, and their successors and assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

B. Commercial General and Automobile Liability Insurance. ENGINEER shall also procure and maintain at all times during the performance of this Agreement Commercial General Liability Insurance covering ENGINEER and the DISTRICT for liability arising out of the operations and activities of ENGINEER and any subcontractors. ENGINEER shall also procure and maintain during the entire term of this Agreement Automobile Liability Insurance which shall include coverage for all vehicles, licensed or unlicensed, on or off the DISTRICT's premises, used by or on behalf of ENGINEER in the performance of work under this Agreement. The policies shall be subject to a limit for each occurrence of One Million Dollars (\$1,000,000) naming as an additional insured, in connection with ENGINEER's activities, the Mid-Peninsula Water District, and its Directors, officers, employees and agents. The Insurer(s) shall agree that its policy (ies) is Primary Insurance and that it shall be liable for the full amount of any loss up to and including the total limit of liability without right of contribution from any other insurance covering the DISTRICT.

Inclusion of the DISTRICT as an additional insured shall not in any way affect its rights as respects to any claim, demand, suit or judgment made, brought or recovered against ENGINEER. The policy shall protect ENGINEER and the DISTRICT in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the Insurer's liability as set forth in the policy beyond the amount or amounts shown or to which the Insurer would have been liable if only one interest had been named as an insured. Such insurance shall also contain a waiver of subrogation in favor of the Mid-Peninsula Water District and its Directors, officers, agents and employees while acting

in such capacity, and their successors and assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally

Prior to commencement of work hereunder, ENGINEER shall deliver to the DISTRICT a Certificate of Insurance which shall indicate compliance with the insurance requirements of this paragraph and shall stipulate that thirty (30) days' advance written notice of cancellation, non-renewal or reduction in limits shall be given to the DISTRICT.

C. Professional Liability Insurance. ENGINEER shall also maintain Professional Liability Insurance covering ENGINEER's performance under this Agreement with a limit of liability of One Million Dollars (\$1,000,000) for any one claim. This insurance shall be applicable to claims arising out of or related to the performance of this Agreement. Prior to commencing work under this Agreement, ENGINEER shall furnish to the DISTRICT a Certificate of Insurance, or certified copy of the Insurance policy if requested, indicating compliance with requirements of this paragraph. Such certificate or policy shall further stipulate that 30 days' advance written notice of cancellation, non-renewal or reduction in limits shall be given to the DISTRICT.

D. Deductibles and Retentions. ENGINEER shall be responsible for payment of any deductible or retention on ENGINEER's policies without right of contribution from the DISTRICT. Deductible and retention provisions shall not contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the Named Insured is unacceptable.

In the event that the policy of the ENGINEER or any subcontractor contains a deductible or self-insured retention, and in the event that the DISTRICT seeks coverage under such policy as an additional insured, ENGINEER shall satisfy such deductible or self-insured retention to the extent of loss covered by such policy for a lawsuit arising from or connected with any alleged act or omission of ENGINEER, subcontractor, or any of their officers, directors, employees, agents, or suppliers, even if ENGINEER or subcontractor is not a named defendant in the lawsuit.

13. NOTICES. All communications relating to the day-to-day activities of the project shall be exchanged between the DISTRICT's General Manager and ENGINEER's Principals.

All other notices and communications deemed by either party to be necessary or desirable to be given to the other party shall be in writing and may be given by personal delivery to a representative of the parties or by mailing the same postage prepaid, addressed as follows:

If to the DISTRICT:	Mid-Peninsula Water District 3 Dairy Lane Belmont, California 94002 ATTENTION: Tammy Rudock, General Manager
If to the ENGINEER:	Pakpour Consulting Group 5776 Stoneridge Mall Road, Suite 320 Pleasanton, CA 94588 ATTENTION: Joubin Pakpour, P.E., Principal Engineer

The address to which mailings may be made may be changed from time to time by notice mailed as described above. Any notice given by mail shall be deemed given on the day after that on which it is deposited in the United States Mail as provided above.

14. EQUAL EMPLOYMENT OPPORTUNITY. In connection with the performance of this Agreement the ENGINEER shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, gender identity, disability or national origin. The ENGINEER shall take affirmative actions to insure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, disability or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. ENGINEER further agrees to include a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

15. MISCELLANEOUS

A. Records. During the term of this Agreement, ENGINEER shall permit representatives of the DISTRICT to have access to, examine and make copies, at the DISTRICT's expense, of its books, records and documents relating to this Agreement at all reasonable times.

B. District Warranties. The DISTRICT makes no warranties, representations or agreements, either express or implied, beyond such as are explicitly stated in this Agreement.

C. Release of Information. ENGINEER shall not release any reports, information or promotional materials prepared in connection with this Agreement without the approval of the DISTRICT's General Manager.

D. Use of Subcontractors. ENGINEER shall not subcontract any Services to be performed by it under this Agreement without the prior written approval of the DISTRICT, except for service firms engaged in drawing, reproduction, typing and printing. ENGINEER shall be solely responsible for reimbursing any subcontractors and the DISTRICT shall have no obligation to them.

F. Attorney's Fees. If any legal proceeding should be instituted by either of the parties to enforce the terms of this Agreement or to determine the rights of the parties under this Agreement, the prevailing party in said proceeding shall recover, in addition to all court costs, reasonable legal fees.

G. Applicable Law. This Agreement, its interpretation and all work performed thereunder, shall be governed by the laws of the State of California.

H. Binding on Successors. All of the terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

I. Waiver. Any waiver of any breach or covenant of this Agreement must be in a writing executed by a duly authorized representative of the party waiving the breach. A waiver by any of the parties of a breach or covenant of this Agreement shall not be construed to be a waiver of any succeeding breach or any other covenant unless specifically and explicitly stated in such waiver.

J. Entire Agreement; Modification. This Agreement, including any attachments, constitutes the entire Agreement between the parties with respect to the subject matter hereof, and supersedes any prior understanding or agreement, oral or written, with respect to such subject matter. It may not be amended or modified, except by a written amendment executed by authorized representatives by both parties. In no event will the Agreement be amended or modified by oral understandings reached by the parties or by the conduct of the parties.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the day and year first above written.

MID-PENINSULA WATER DISTRICT


PAKPOUR CONSULTING GROUP*

By: 

President, Board of Directors

By: 

Title: President

By: 

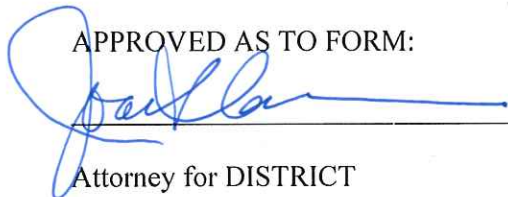
Title: Vice President
Secretary

ATTEST:



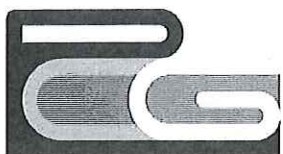
Secretary for DISTRICT

APPROVED AS TO FORM:



Attorney for DISTRICT

* If the ENGINEER is a Corporation, two officers of the corporations consisting of one from each of the following categories must sign the agreement: 1) the President, Vice President or Board Chair and 2) the Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer. If only one officer signs or an individual not specified above, the ENGINEER will submit satisfactory evidence that the individual is authorized to sign for and bind the corporation.



Pakpour Consulting Group, Inc.

EXHIBIT A

May 26, 2015

Tammy Rudock
General Manager
Mid-Peninsula Water District
3 Dairy Lane
Belmont, CA 94002

Subject: Request for Billing Rate Increase

Dear Ms. Rudock,

We last adjusted our billing rates with the Mid-Peninsula Water District over 2 ½ years ago in March of 2013. *Pakpour Consulting Group* is looking forward to continuing our relationship with the District. We respectfully requested an adjustment to our billing rates effective July 1, 2015 as listed below:

		<u>Current</u>	<u>Proposed</u>
Principal Engineer	Joubin Pakpour, P.E. or equivalent	\$140 / hour	\$155 / hour
Senior Engineer	Gary Ushiro P.E. or equivalent	\$130 / hour	\$140 / hour
Engineer II	Brandon Laurie, P.E., Victor Fung, E.I.T.	\$120 / hour	\$125 / hour
Engineer I	Feraydoon Farsi, E.I.T.	\$110 / hour	\$115 / hour
Engineering Tech		\$90 / hour	\$90 / hour
Administrative Assistant			\$60 / hour
Retainer		\$500	\$500

The average increase request is approximately 5.6% over our rates which were implemented in April 2013, on an annualized basis the increase equates to approximately 2.5%.

The District will be notified of the job titles of new *Pakpour Consulting Group* staff within 30 days of hiring. A 5% direct expense fee will be added to the above rates for mileage, telephone, plots, prints, etc. Sub-consultants will be billed at cost plus 15%. We do not bill for travel time, only time spent onsite. Should you have any questions please do not hesitate to contact me at (925) 224-7717.

Very truly yours,

Pakpour Consulting Group, Inc.

Joubin Pakpour, P.E.
President

J:\Projects\MPWD - 10012.00\Contract\2015\00-MPWD-Rudock-15.05.26-Rate Increase-Exhibit A.doc





TO: Board of Directors
 FROM: Tammy A. Rudock
 General Manager
 DATE: May 26, 2016

MANAGER'S REPORT

FOLLOW-UP FROM 04/28/16 REGULAR BOARD MEETINGS

- Contract documents with R. J. Gordon Construction, Inc., for the Alameda de las Pulgas capital project are ready for the Board President's signature.
- The Attachment "A" schedule of rates and charges to Ordinance 116 was updated to include the monthly fixed system charges effective July 1, 2016, as well as the pass-through of the SFPUC wholesale water rate increase. Attached for information.
- MPWD's FY 2016/2017 water rate increase notice was finalized and distributed to customers on May 26, 2016. It was posted to the MPWD on May 24, 2016. Attached for information.

PERSONNEL MANUAL UPDATE

The completed INTERNAL DRAFT was transmitted to all employees on April 15th. A "meet and confer" session with employees was held on April 26th including a comprehensive review of the new manual. During the meeting, a few provisions were identified as potential items for negotiations. The MPWD Employees Association requested a couple more weeks for further review and within which to provide a response. I anticipate a response around June 3rd.

This will push out the completion of this project by approximately two (2) months. I updated the project schedule below.

TASK	TARGET DATE
DRAFT to ACWA/JPIA and District Counsel	02/24/16
DRAFT to MPWD Employees Association for review	03/24/16
Meet and confer with MPWD Employees Association	04/21/16
Consider potential negotiable provisions or impacts (as applicable) with MPWD Employees Association	06/22/16
Potential Closed Session with Board regarding potential negotiations with MPWD Employees Association	06/23/16

Complete FINAL DRAFT	07/15/16
Final Legal Review	07/22/16
Initial presentation for Board consideration	07/28/16
Final presentation for Board approval	08/25/16

MISCELLANEOUS FEES PROJECT UPDATE

No progress on this item to date due to other priorities. Implementation of updated and new fees is recommended in coordination with the MPWD’s new financial management system, so there is time to work on this project.

3-MONTH “LOOK AHEAD”

President Zucca requested a summary list of upcoming business items:

JUNE

- Consider approval of FY 2016/2017 Operating and Capital Budgets.
- Continue discussions about MPWD 5-Year CIP and program funding level.
- Receive report on seismic evaluation of Hallmark tank site.
- If not approved on May 26th, approve MPWD 2015 Urban Water Management Plan and MPWD Water Shortage Contingency Plan (for transmittal to CA DWR by July 1st).

JULY

- Consider budgeted FY 2016/2017 professional services agreements.
- Establish Appropriations Limit applicable to the MPWD during the fiscal year.
- Consider initial presentation of new MPWD Personnel Manual.
- Consider living wage adjustment for MPWD Employees Association (per agreement).
- Receive BAWSCA report.

AUGUST

- Consider approval of MPWD Personnel Manual.
- Receive progress report on annual MPWD Strategic Plan.
- Consider updated Conflict of Interest Code (every even-numbered year).

ACWA/JPIA SPRING CONFERENCE HIGHLIGHTS

ACWA/JPIA CONFERENCE

ACWA/JPIA

EXECUTIVE COMMITTEE MEETING – May 2, 2016 @ 10:15AM

The item that generated the most discussion was the review and potential action item on Central Basin Municipal Water District’s request to regain participation in the risk sharing programs. You may recall that on March 26, 2014, the ACWA/JPIA Board of Directors canceled Central Basin Municipal Water District’s participation in the Liability and Workers’ Compensation Programs as a result of numerous lawsuits arising from allegations of misconduct by Board members. The Executive Committee approved the request by Central Basin Municipal Water District, with a provision including a \$2 million cap in coverage, and another requirement for a \$2 million cash deposit for any EPL premium losses the balance of

which the Central Basin Municipal Water District would make whole at the end of each fiscal year.

ACWA/JPIA is working with a consulting on rebranding and defining a new image.

The Executive Committee approved the 2014/2015 Audited Financial Statements. Attached for information is the MD&A (Management Discussion & Analysis, which provides a general overview.

ACWA/JPIA

BOARD OF DIRECTORS' MEETING – May 2, 2016 @ 1:30PM

After a presentation by staff and the Central Basin Municipal Water District, and more lengthy discussion, the Board delayed the recommendation by the Executive Committee on Central Basin Municipal Water District until the December 2016 ACWA/JPIA Board Meeting. The Board felt more time was needed for progress in policy improvements.

Maze & Associates performed the JPIA's annual financial audit for the fiscal year October 1, 2014, through September 30, 2015. The JPIA received an unmodified opinion. The Board approved the audited 2014/2015 financial statements.

The Board approved the JPIA's Operating Budget for FY 2016/2017 (\$9,604,589 total as compared to FY 2015/2016 \$9,029,188 total). The overall increase in the Operating Budget is 6.4%. Salaries and benefits remain the largest line items in the budget (totaling \$6.5 million).

Updates were presented on the JPIA Liability, Property, Workers' Compensation and Employee Benefits Programs.

H.R. LaBounty Safety Award winners were announced.

A training update was provided highlighting classes delivered, training conferences, live and recorded webinars, Target Solutions Online, PDP (Professional Development Program), Leadership Program, and the Lending Library resources.

It was reported that there was currently one pending lawsuit involving the JPIA, and Anthem is providing the defense of JPIA since it deals with a reimbursement.

I attended the ACWA/JPIA Board of Directors Reception with Rene Ramirez.

ACWA/JPIA

SEMINAR: PROTECTING YOUR AGENCY'S ASSETS BY UNDERSTANDING AND REMEDIATING POTENTIAL THREATS – MAY 3, 2016

I attended this seminar along with Al Stuebing and Rene Ramirez. It was facilitated by John-Issac Chadwell, President/Founder of Counter Response Group. He provided very interesting information regarding active shooter threats/violent incidents and how to respond.

ACWA CONFERENCE

I attended the following sessions on May 4th:

- Opening Breakfast and Program: “Connecting California’s Innovation with Water Policy”
- Exhibitor Technical Presentation by ACWA/JPIA: “The Crazy World of Health Benefits”
- General Luncheon and Keynote Program: “Chaos Theory, Small Hands and the 2016 Presidential Election”

I attended a hosted dinner with Hanson Bridgett attorneys and guests.

On May 5th, I participated in:

- Networking breakfast
- General Session and Luncheon: “Agriculture: Embracing Technology in a New Era”
- Exhibitor Technical Program: “The Importance of a Robust Asset Management Program in Securing Energy Cost Savings for Renewable Energy Systems and Energy Efficient Measures”
- Region 5 Membership Meeting
- Dinner at the Portola Pavilion

I attended the Hans Doe Past Presidents’ Breakfast on May6th, the final day of the ACWA Conference.

Attachment: ACWA/JPIA MD&A from FY 2014/2015 Audited Financials

CSDA LEGISLATIVE DAYS HIGHLIGHTS

May 17th: Morning Legislators Panel – provided brief legislative highlights mostly on LAFCO legislative exceptions and revamp of an “old model”:

- Senator Robert Hertzberg
- Assembly Member Ling Ling Chang
- Assembly Member Susan Talamantes Eggman

Lunch and Legislative Briefing and review of Fact Sheet (attached for information) on CSDA Legislative Priorities:

- AB 2613: Small Special District Audit Options – SPONSOR
Financial relief for small districts with revenues less than \$150,000 to do comprehensive financial audit each year; each year OK to do a financial compilation review and every 5th year a full audit.
- SB 1292: Civil Grand Juries – SPONSOR
This would increase collaborative accuracy of reports. Grand Jury would have to: 1. Meet with subjects of investigation for exit interview with findings so that the agency can provide feedback. 2. Option to provide DRAFT report to agency in order to receive initial comments. 3. Final report to agency six (6) working days prior to public release to allow agency comments to be posted with Grand Jury report.
- SB 885: Public Works Restrictions – OPPOSE
This would be a significant alteration of the public contracting process; it would create a “carve out” for design professionals (e.g., engineers, architects, and land surveyors). It would shift liability from design

professionals when deemed their fault to public agency. Design professionals say it is a financial burden for them to obtain insurance coverage for indemnification. Design/build and settlements would be exempted.

- May 18th: Networking Breakfast
 Keynote Speaker: Fiona Ma, CPA, Board of Equalization Chairwoman
 Roundtable Discussion: Institute for Local Government
 Introduction of ILG and what they do and how they are trying to collaborate more with public agencies.
 Hot Topics Discussion: Public Pension Update – CalPERS
- AB 2375 – 10% interest or equal to ROI whichever is higher on late payments by agency.
 - AB 2404 – Consolidation or elimination of several options for surviving spouses/beneficiaries for retirees after January 1, 2017 (13 different ones now).
 - AB 1640 – Exemptions to PEPRA for transit employees covered under federal laws (curtailment of benefits).
 - SB 1203 – CalPERS employer prior to PEPRA (January 1, 2013) that breaks off to form JPA to provide retention of same defined benefits/formula.
 - California Drug Price Relief Act – On November ballot and if approved would be effective July 1, 2017: Would establish price ceiling of drug prices to VA rates (for CalPERS health benefits); lots of opposition.
 - Pension Reform – Will push in 2018 one of two propositions:
 - Closes defined benefits plan effective the date of the initiative; or
 - Government Pension Cap Act – Limit new hire’s retirement benefits to a percentage of their salary; effective January 1, 2019: No more than 11% for new Miscellaneous Employees; and No more than 13% for new Safety Employees. Retirement benefits would include Social Security or Deferred Compensation benefits paid by Employer.

Attachment: Legislator Information and CSDA Legislative Briefing Fact Sheet

MEETINGS

DATE	EVENT
April 26th	<p>Participated in CSDA Webinar: Technology and the PRA Recent Developments and Current Challenges</p> <p>Met and conferred with MPWD employees for a comprehensive review of new Personnel Manual.</p> <p>Conference call with Municipal Finance Advisor in preparation for April 28th Board Meeting.</p>

DATE	EVENT
April 27 th	Celebrated Administrative Professionals Day with lunch treat of MPWD Administrative staff. Attended first annual MPWD State of District Address.
April 28 th	Participated in 2015 UWMP progress meeting. Attended safety session with staff and facilitated GM rap session.
April 29 th	Attended quarterly GM lunch meeting at PCG in Pleasanton.
April 30 th	Participated with staff in representing the MPWD at the first annual San Carlos Earth Day.
May 2 nd – 6 th	Attended ACWA/JPIA Spring Conference in Monterey.
May 9 th	Conference call with Board President for May 25 th and May 26 th agenda review.
May 10 th	Conference call with staff and Municipal Finance Advisor on next steps.
May 11 th	Conference call with staff and District Engineer on 5-Year CIP and “50-Year Look Ahead”.
May 17 th and 18th	Attended CSDA Legislative Days in Sacramento.
May 20 th	Attended Alameda de las Pulgas Water Main Replacement project pre-construction meeting with staff, District Engineer, contractor representatives, and City of Belmont staff.
May 23 rd	Participated in 2015 UWMP progress meeting.

UPCOMING MEETINGS/EVENTS

HIA Meeting (Belmont) – June 2, 2016

BAWSCA Water Management Meeting (Foster City) – June 2, 2016

CSDA General Manager Annual Summit (Squaw Valley) – June 12-14, 2016

ACWA/JPIA Fall Conference & Exhibition (Anaheim) – November 28, 2016 – December 2, 2016

ORDINANCE NO. 116

**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. 114 on June 25, 2015; 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 projections of additional increases to the wholesale water rates charged by the San Francisco Public Utilities Commission (SFPUC); 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, and respond to the California drought and the State-mandated water use reductions, the recommended increases, effective July 1, 2016, within the District's adopted 5-year water rates plan included a minimal increase in the monthly fixed system charges and implementation of small modifications to the single family residential tier breakpoints for Tiers 2, 3, and 4, 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 aligns the tier breakpoints with current single family residential consumption patterns; and

WHEREAS, as permitted by Government Code Section 53756, a pass-through of the SFPUC additional increase in projected wholesale water rates from \$3.78CCF to \$4.10 CCF, was recommended to cover the increased cost of treated water purchases from the SFPUC, effective July 1, 2016; 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, 2016; and

WHEREAS, having considered the entire record, including all the financial analyses and budget projections, the Board of Directors has determined that the proposed changes in the District's monthly fixed system charges and commodity charges, including the pass-through of the SFPUC's additional increase in wholesale water rates (from \$3.78CCF to \$4.10CCF), 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, and to respond to the California drought.

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.

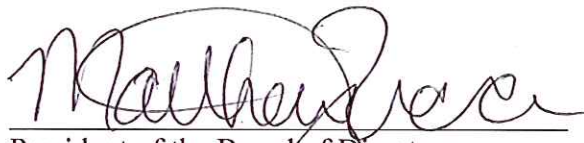
Section 2 – Effective Date: This Ordinance shall take effect and be in full force as of the date of its enactment, with the new rates reflected in bills to be sent to District customers commencing July 1, 2016. All prior ordinances or parts of ordinances that may be inconsistent with this Ordinance No. 116 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 April 28, 2016, by the following vote:

AYES: Directors Stuebing, Vella, Warden, Zucca

NOES: 0

ABSENT: Director Linvill



President of the Board of Directors
Mid-Peninsula Water District

ATTEST:



Secretary of the Board





WATER SERVICE ORDINANCE 103

ATTACHMENT A

SCHEDULE OF RATES AND FEES

I. ACCOUNT OPENING CHARGES

- A. Application for Regular or Temporary Water Service \$10

II. SERVICE CONNECTION CHARGES

Service connections to the Mid-Peninsula Water District (MPWD) system require payment of a Meter Charge, Service Line and Installation Charge, Water Capacity Charge, and Water Demand Offset Charge. Charges are based upon the size of the service connection.

- A. Meter Charge – CURRENT ACTUAL COST

- B. Service Line and Installation Charge – CURRENT ACTUAL COST

An advance deposit will be required for service connections in the amount of the MPWD's estimate of the total cost to install. Any excess of actual installed costs shall be refunded to applicant. Any shortfall between the MPWD's estimate and actual installed costs shall be paid by the applicant prior to water service being activated.

C. Water System Capacity Charge

WATER SYSTEM CAPACITY CHARGES				
RESIDENTIAL		<u>Water Demand^{1,2}</u>		<u>Capacity Charge</u>
<i>Charge applies per residential dwelling unit</i>				
Single Family Detached Dwelling Unit		200	gpd	\$9,375
<i>Charge applies to residential dwelling units served by meters up to 1-inch</i>				
Multi-Family Dwelling Unit		120	gpd	\$5,625
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>				
OTHER CONNECTIONS				
<i>Charge applies based on meter size</i>				
<u>Meter Size</u>	<u>Meter Capacity Ratio³</u>	<u>Water Demand⁴</u>		<u>Capacity Charge</u>
Up to 3/4"	1.00	200	gpd	\$9,375
1"	1.67	333	gpd	15,625
1-1/2"	3.33	667	gpd	31,250
2"	5.33	1,067	gpd	50,000
3"	10.00	2,000	gpd	93,750
4"	16.67	3,333	gpd	156,250
6"	33.33	6,667	gpd	312,500
8"	53.33	10,667	gpd	500,000
<p>1 Single family residential demand based on average water use in 2013/14 reduced to account for 10% additional conservation.</p> <p>2 Multi-family demand estimated at 60% of single family detached water demand accounting for minimal to no outdoor irrigation and reduced average occupancy per dwelling unit.</p> <p>3 Based on standard American Water Works Association meter capacities.</p> <p>4 Demand conservatively estimated based on 200 gpd multiplied by meter capacity ratio.</p>				

Note: Standard charges shown. The District reserves the right to calculate alternative charges on a case-by-case basis to ensure charges reflect estimated water demand and/or recover the full costs of facilities benefiting new or expanded water service connections.

D. Water Demand Offset Charge

WATER DEMAND OFFSET CHARGES				
	UWMP Water Shortage Response Stages			
	Stage 1	Stage 2	Stage 3	Stage 4
Water Supply Reduction	Up to 11%	12% - 18%	19% - 32%	33% - 50%
Required Water Demand Offset	25%	50%	75%	100%
RESIDENTIAL				
<i>Charge applies per residential dwelling unit</i>				
Single Family Detached Dwelling Unit				
	\$633	\$1,217	\$1,800	\$2,383
<i>Applies to residential dwelling units served by meters up to 1-inch.</i>				
Multi-Family Dwelling Unit	\$380	\$730	\$1,080	\$1,430
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>				
OTHER CONNECTIONS				
<i>Charge based on meter size</i>				
Meter Size				
Up to 3/4"	\$633	\$1,217	\$1,800	\$2,383
1"	1,055	2,028	3,000	3,972
1-1/2"	2,110	4,057	6,000	7,943
2"	3,376	6,491	9,600	12,709
3"	6,330	12,170	18,000	23,830
4"	10,550	20,283	30,000	39,717
6"	21,100	40,567	60,000	79,433
8"	33,760	64,907	96,000	127,093

E. Temporary Water Service Connection for Construction \$1,610

III. MONTHLY SERVICE AND COMMODITY CHARGES

Rates Effective July 1, 2016 with SFPUC Wholesale Pass-Through				
Proposed Rates Effective July 1, 2016				
		Previously Adopted Rates	SFPUC Wholesale Rate Pass Through*	Total With SFPUC Rate Pass Through
Fixed Monthly Charges				
<i>Billed based on meter size</i>				
<u>Meter</u>	<u>Meter Ratio</u>			
5/8"	1.00	\$24.00		\$24.00
1"	1.50	36.00		36.00
1 1/2"	2.50	60.00		60.00
2"	4.00	96.00		96.00
3"	6.00	144.00		144.00
4"	10.00	240.00		240.00
6"	25.00	600.00		600.00
Water Consumption Charges				
<i>Billed based on monthly metered water use (\$/hcf)</i>				
<u>Residential Rate Tiers</u>				
Tier 1	0 - 2 hcf	\$5.30	\$0.32	\$5.62
Tier 2	3 - 8 hcf	7.90	0.32	8.22
Tier 3	9 - 20 hcf	9.50	0.32	9.82
Tier 4	Over 20 hcf	11.10	0.32	11.42
<u>Commercial Rate Tiers</u>				
Tier 1	0 - 5 hcf	\$7.25	\$0.32	\$7.57
Tier 2	Over 5 hcf	8.35	0.32	8.67
Note: 1 hcf = one hundred cubic feet or approximately 748 gallons.				

* The SFPUC wholesale water rate pass through effective July 1, 2016 equals \$0.32 per hcf based on the incremental difference between the baseline rate of \$3.78 per hcf referenced in the MPWD's Proposition 218 Notice and SFPUC's wholesale rate of \$4.10 per hcf adopted on May 10, 2016.

Pursuant to the Government Code, the MPWD reserves the right to increase its water consumption charges to recover any additional unanticipated SFPUC water rate increases.

IV. WATER SHORTAGE EMERGENCY RATES

Water Shortage Emergency Rates may be implemented by authorization of MPWD's Board of Directors up to the maximum levels shown on the table below, which correspond with a 50% cutback in water demand from usage in 2013.

Maximum Water Shortage Emergency Rates					
Maximum rates effective on or after:					
	July 1 2015	July 1 2016	July 1 2017	July 1 2018	July 1 2019
WATER SHORTAGE EMERGENCY RATES (CONSUMPTION CHARGES)					
<i>Billed based on monthly metered water use (\$/hcf)*</i>					
<u>Single Family Residential Rate Tiers</u>					
Tier 1	\$5.00	\$5.30	\$5.60	\$5.90	\$6.25
Tier 2	9.90	10.57	11.15	11.72	12.14
Tier 3	11.88	12.71	13.43	14.23	14.83
Tier 4	13.86	14.85	15.72	16.74	17.53
<u>All Other Rate Tiers</u>					
Tier 1	\$9.24	\$9.70	\$10.07	\$10.50	\$10.79
Tier 2	10.56	11.17	11.69	12.33	12.81

* 1 hcf = one hundred cubic feet or approximately 748 gallons.

Based on same levels of water use per tier as shown in MPWD Water Rates table.

V. PRIVATE FIRE PROTECTION SERVICE CHARGES

- A. Residential \$1.25/Month
- B. Non-Residential \$6.25/Month

VI. MISCELLANEOUS CHARGES

- A. Returned Check \$25 per returned check
- B. Reconnection/Reinstatement of Service \$40 per reconnection
- C. Unauthorized Connection to Fire Hydrant \$1,000 per connection
- D. Unauthorized Hydrant Valve Operation \$500 per operation
- E. Meter Test Deposit \$200 per test
- F. Copy Fee \$0.10 per page
- G. After-Hours Service Call \$40 per service call



3 DAIRY LANE – POST OFFICE BOX 129
BELMONT, CA 94002
(650) 591-8941
www.midpeninsulawater.org

May 23, 2016

NOTICE OF INCREASE IN WATER RATES

Since 1929, the Mid-Peninsula Water District (MPWD) has been reliably delivering high quality Hetch Hetchy drinking water to the communities of Belmont, San Carlos, and unincorporated areas of San Mateo County. We sincerely appreciate the opportunity to serve you.

The MPWD is a self-supporting agency, relying primarily on revenues from water charges and service fees to fund its operations. Understanding that rate increases may present financial challenges for some consumers, we hope the following information provides clarification why the MPWD water service rate increase is needed effective July 1, 2016.

BACKGROUND ON APPROVED MPWD 5-YEAR RATE PLAN

Following a formal notice and Proposition 218 majority protest hearing process on June 25, 2015, the MPWD Board of Directors approved a series of annual water rate adjustments over a 5-year period (July 1, 2015, through June 30, 2020), including a pass through provision of any excess SFPUC wholesale water rate increases.

UPDATE ON SAN FRANCISCO REGIONAL WATER SUPPLY SYSTEM IMPROVEMENT PROGRAM

The MPWD relies on imported treated water from the San Francisco Public Utility Commission (SFPUC) for 100% of its water supply. The SFPUC is undertaking a \$4.8 billion Water Supply Improvement Program (WSIP) for much needed capital replacement and rehabilitation of the almost 100-year-old Hetch Hetchy water supply system. This multi-year capital improvements program will meet water quality requirements, and ensure the reliability, capacity and seismic safety of the aging Hetch Hetchy water infrastructure system in an environmentally sustainable and cost-effective manner. May 2019 is the anticipated completion of the WSIP. For more detailed information, please review the recent SFPUC WSIP Regional Projects Quarterly Report (2nd Quarter FY 2015/2016) for a summary of the program's regional projects at <http://www.sfwater.org/modules/showdocument.aspx?documentid=8436>.

MPWD'S SUSTAINED FOCUS ON COST-EFFICIENCY AND PRUDENT FINANCIAL MANAGEMENT

Through diligent budgeting, financial management, and cost controls, the MPWD continues its commitment to providing high-quality cost-efficient services. The MPWD has prudently managed its annual operations and capital improvements despite continued reduced revenues as a result of customer water conservation achievements.

WHY ARE WATER SERVICE RATES BEING INCREASED?

The SFPUC will impose a wholesale water rate increase of 9.3% effective July 1st. That means the charge for wholesale customers, like the MPWD, will be increased from \$3.75 hcf to \$4.10 hcf. SFPUC's rate increase is primarily due to the reduced wholesale customer sales projections from 130 mgd for FY 2015/2016 to 107 mgd for FY 2016/2017.

Pursuant to California Government Code Section 53756, the MPWD adopted the pass through of any additional increases in SFPUC wholesale water rates above the previously projected SFPUC rate for FY 2016/2017 (\$3.78CCF). That means the MPWD's tiered customer rates will increase by \$0.32 hcf effective July 1, 2016, as reflected in the table on the reverse side.

Also effective July 1, 2016, will be minimal increases to the MPWD monthly fixed system charges and breakpoint transitions for Residential Tiers 2, 3, and 4 as shown in the table on the reverse side.

Rates Effective July 1, 2016 with SFPUC Wholesale Pass-Through			
Proposed Rates Effective July 1, 2016			
	Previously Adopted Rates	SFPUC Wholesale Rate Pass Through*	Total With SFPUC Rate Pass Through
Fixed Monthly Charges			
<i>Billed based on meter size</i>			
<u>Meter</u>	<u>Meter Ratio</u>		
5/8"	1.00	\$24.00	\$24.00
1"	1.50	36.00	36.00
1 1/2"	2.50	60.00	60.00
2"	4.00	96.00	96.00
3"	6.00	144.00	144.00
4"	10.00	240.00	240.00
6"	25.00	600.00	600.00
Water Consumption Charges			
<i>Billed based on monthly metered water use (\$/hcf)</i>			
<u>Residential Rate Tiers</u>			
Tier 1	0 - 2 hcf	\$5.30	\$0.32
Tier 2	3 - 8 hcf	7.90	0.32
Tier 3	9 - 20 hcf	9.50	0.32
Tier 4	Over 20 hcf	11.10	0.32
<u>Commercial Rate Tiers</u>			
Tier 1	0 - 5 hcf	\$7.25	\$0.32
Tier 2	Over 5 hcf	8.35	0.32
Note: 1 hcf = one hundred cubic feet or approximately 748 gallons.			

* The SFPUC wholesale water rate pass through effective July 1, 2016 equals \$0.32 per hcf based on the incremental difference between the baseline rate of \$3.78 per hcf referenced in the MPWD's Proposition 218 Notice and SFPUC's wholesale rate of \$4.10 per hcf adopted on May 10, 2016.

WHAT WILL THE MPWD WATER RATE INCREASE LOOK LIKE?

As a result of the rate increase effective on July 1, 2016, a typical single family water bill (7 hcf) will be approximately \$6.84 higher per month.

CONTACT INFORMATION

Please contact us should you have any questions or comments at mpwd@midpeninsulawater.org or call 650-591-8941.



Bringing Quality Water to Your Door Since 1929

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA), we offer readers of ACWA JPIA's financial statements this narrative overview and analysis of the financial activities of ACWA JPIA for the fiscal year ending September 30, 2015. We encourage readers to consider the information here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages i to v of this report.

DESCRIPTION OF BASIC FINANCIAL STATEMENTS

ACWA JPIA operates as an enterprise fund and utilizes an accrual basis of accounting. The report includes the basic financial statements for ACWA JPIA in accordance with generally accepted accounting principles. The Statements of Net Position present a snapshot of ACWA JPIA's assets, liabilities and net position as of September 30, 2015 and 2014. The Statements of Revenue, Expenses, and Changes in Net Position report the revenues and expenses for the fiscal years resulting in the changes to net position. The Statements of Cash Flows provide the reader with details on cash inflows and outflows during the fiscal years ended. The Notes to the Financial Statements present the reader with additional information to enhance and complement understanding of the financial statements.

CONDENSED FINANCIAL STATEMENTS

CONDENSED STATEMENT OF NET POSITION

	9/30/2015	9/30/2014	9/30/2013	2015 vs. 2014 Variance	2014 vs. 2013 Variance
ASSETS					
Cash and Investments	\$166,093,936	\$174,476,025	\$163,680,660	\$(8,382,089)	\$10,795,365
Other Assets	23,113,510	14,901,778	24,582,594	8,211,732	(9,680,816)
Capital Assets	5,302,885	6,206,203	6,560,350	(903,318)	(354,147)
Total Assets	194,510,331	195,584,006	194,823,604	(1,073,675)	760,402
LIABILITIES					
Current Liabilities	55,872,107	53,163,043	52,189,011	2,709,064	974,032
Noncurrent Liabilities	57,719,365	54,463,790	48,118,825	3,255,575	6,344,965
Total Liabilities	113,591,472	107,626,833	100,307,836	5,964,639	7,318,997
NET POSITION					
Net Investment in Capital Assets	5,302,885	6,206,203	6,560,350	(903,318)	(354,147)
Unrestricted	75,615,974	81,750,970	87,955,418	(6,134,996)	(6,204,448)
TOTAL NET POSITION	\$80,918,859	\$87,957,173	\$94,515,768	\$(7,038,314)	\$(6,558,595)

Like fiscal year 2014 ACWA JPIA finished the fiscal year 2015 with very little change to its total assets. The composition of the assets, however, changed with other assets growing by \$8.2 million while cash and investments decreased \$8.3 million. The increase

in other assets was the result of increases in retrospective premium adjustment receivable (current and noncurrent) of approximately \$3.4 million, member premiums receivable (\$2.6 million) and excess insurance proceeds receivable (\$1.3 million). The rise of the retrospective premium adjustment receivable is due to increases in actuarial estimated net losses in the liability program (policy years 2010/11, 2011/12 and 2014/15) and in the workers' compensation program (policy years 2007/08, 2008/09 and 2009/10). A majority of the increase in member premiums receivable was attributed to the Liability Program. This fluctuation is a byproduct of members timing of paying the deposit premium. The decrease of cash and investments is best determined from analysis of the statement of cash flows. Notable changes affecting cash were increased payments for claims, excess claims and the payoff of ACWA JPIA's estimated net pension liability.

ACWA JPIA had a significant excess insurance receivable of \$5 million from a claim at the end of fiscal year 2013. During fiscal year 2014 this receivable was collected as the claim was settled. The other reason for the drop in other assets in fiscal year 2014 was due to a 10% decrease of rates in the Liability Program. This decrease directly resulted in a lower member premium receivable at year end September 30, 2014. Cash and investments benefited from the decrease in other assets by improving \$10.7 million during 2014.

At September 30, 2015, total liabilities increased by \$5.9 million from the previous year. The cause for the change rests in the claims liabilities (current and noncurrent) that increased \$8.3 million. This variance was offset by a \$2.8 million decrease in retrospective premium adjustment payables (current and noncurrent). These changes are all a function of the latest actuarial estimates for the ACWA JPIA programs.

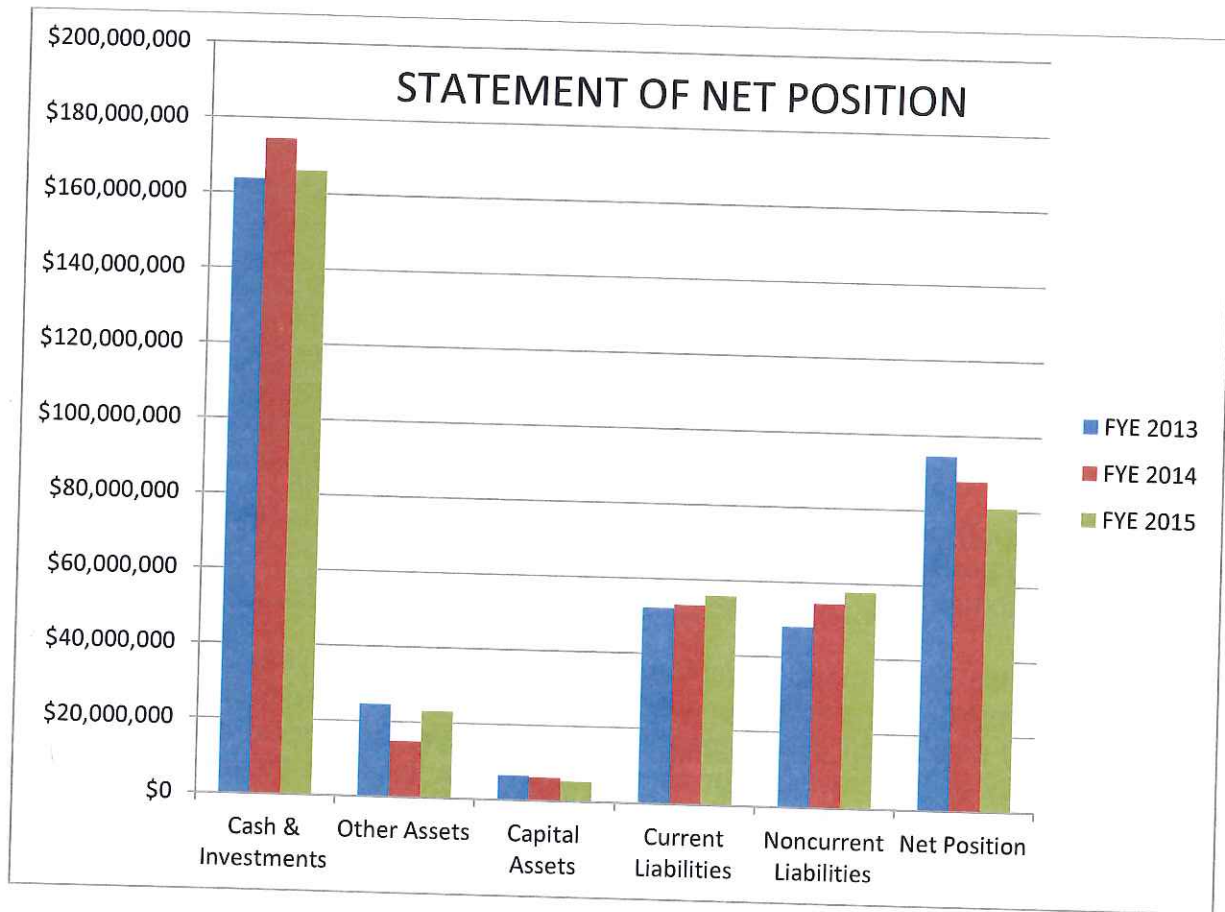
Total liabilities at September 30, 2014, enlarged \$7.3 million from prior year. The majority of this change is comprised of an increase in noncurrent liabilities of \$6.3 million. Noncurrent liabilities most significant changes were in retrospective premium adjustment payables (increase \$4 million) and claims reserves (increase \$2.3 million). The noncurrent retrospective premium adjustment increased primarily due to liability policy year 2013-14 showing favorable funding of \$3.2 million returning to members should current actuarial estimates hold true. The claims reserves uptick was caused by increased reserves of \$1.17 million in the Liability Program and \$1.19 million in the Worker's Compensation Program.

Overall ACWA JPIA's net position declined \$7 million during fiscal year 2015. This was not alarming though as Catastrophic Fund goals had been reduced and budgeting in the Employee Benefits Program continued a pattern of emphasis to gradually reduce the total equity in that program to the determined goal of \$18.5 million.

During fiscal year 2014 ACWA JPIA's net position declined \$6.56 million from prior year. This decline was somewhat expected from ACWA JPIA given the recent price structuring of the Employee Benefits Program where past excess funds were earmarked in the budget for price stabilization. The Employee Benefits Program resulted in a decline of

\$2.1 million. The other significant factor of the decline in net position was the rate stabilization fund refunds of \$3.4 million.

The graph following outlines the changes of the various components in the Statement of Net Position over the last three fiscal years. Reviewing this chart you can see the leveling off of cash and investments as well as the other assets. Also shown is the trending increase of both current and noncurrent liabilities. Net position has been on the decline.



Overall the JPIA's net position decreased by \$3.9 million during fiscal year 2015. This change is reflected on the Statement of Revenues, Expenses, and Changes in Net Position. Member premiums improved by over \$1 million. The reason for the increase was higher rates in the Employee Benefit Programs (\$2.5 million). This rise was offset by decreased premium rates in the Liability Program (\$1.3 million). Retrospective premium adjustments dramatically rose by \$13.8 million. A majority of this was due to increased actuarial ultimate loss estimates of \$11.1 million from the previous year in the Liability Program. This also in large part explains the \$11.8 million increase in the provision for claims expense.

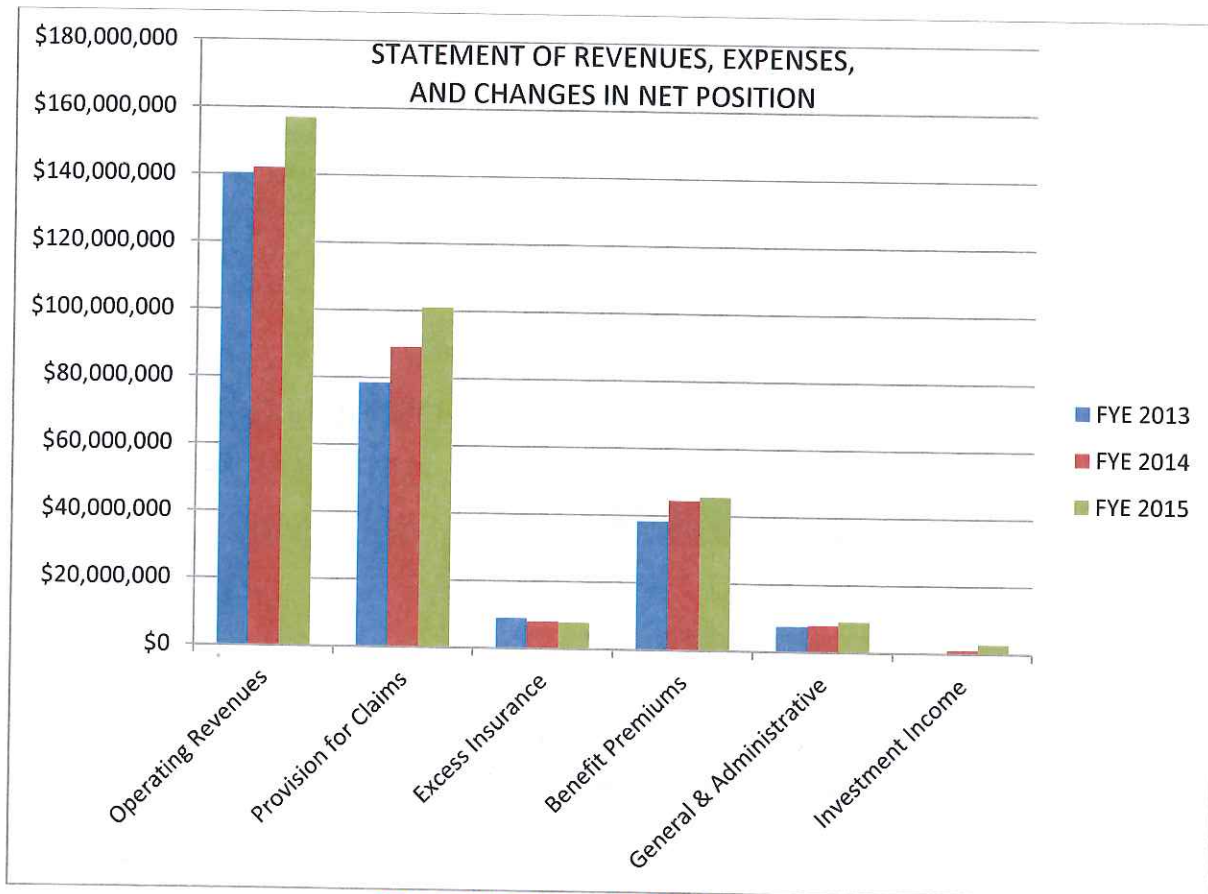
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	9/30/2015	9/30/2014	9/30/2013	2015 vs. 2014 Variance	2014 vs. 2013 Variance
OPERATING REVENUES					
Members Premiums	\$154,042,184	\$152,994,168	\$147,247,532	\$1,048,016	\$5,746,636
Retrospective Premium Adjustments	2,842,315	(10,979,765)	(6,957,472)	13,822,080	(4,022,293)
Total Operating Revenues	156,884,499	142,014,403	140,290,060	14,870,096	1,724,343
OPERATING EXPENSES					
Provision for Claims	100,989,254	89,145,942	78,442,870	11,843,312	10,703,072
Excess Insurance	7,817,928	8,111,217	9,023,118	(293,289)	(911,901)
Benefit Premiums	45,699,936	44,511,197	38,312,872	1,188,739	6,198,325
General & Administrative	9,054,496	7,915,833	7,521,114	1,138,663	394,719
Total Operating Expenses	163,561,614	149,684,189	133,299,974	13,877,425	16,384,215
OPERATING INCOME (LOSS)	(6,677,115)	(7,669,786)	6,990,086	992,671	(14,659,872)
NON-OPERATING REVENUES					
Investment Income	2,738,962	1,111,191	162,348	1,627,771	948,843
CHANGE IN NET POSITION	(3,938,153)	(6,558,595)	7,152,434	2,620,442	(13,711,029)
NET POSITION, BEGINNING	84,857,012	94,515,768	87,363,334	(9,658,756)	7,152,434
NET POSITION, ENDING	\$80,918,859	\$87,957,173	\$94,515,768	\$(7,038,314)	\$(6,558,595)

There were also some major variances that occurred in fiscal year 2014 for operating expenses. Overall, operating expenses were up \$16.3 million, with provision for claims (\$10.7 million) and benefit premiums (\$6.1 million) being the biggest contributors to this rise. A majority of the provision for claims increase is linked to the Employee Benefits Health Program. During fiscal year 2014, the Health Benefits Program had a 5.5% increase in lives for the self insured portion of the program. This coupled with the rising medical costs that were projected at 8.4% spelled an increase of \$5.3 million in the provision for claims. The cause for increased benefit premiums paid in operating expenses is dual. Insured lives increased by approximately 5.5% causing higher benefit premiums paid. Also, benefit premiums increased 5-18% depending on the plan. These premium increases were a reflection of rising costs in the industry that has been on the rise for several years.

Following is a diagram outlining the various components of the Statement of Revenues, Expenses, and Changes in Net Position over the last three (3) fiscal years. Analyzing the graph you can see as explained earlier, that operating revenues and provision for claims have had momentous trends upwards. You can also see how excess insurance has leveled off thanks to work ACWA JPIA's new insurance broker that has been assisting for 3 years. General & administrative expenses have been trending upwards over the years. This is primarily due to the need for more employees over the last couple of years plus

increased software costs to upgrade ACWA JPIA's outdated systems as well as gain greater efficiencies.

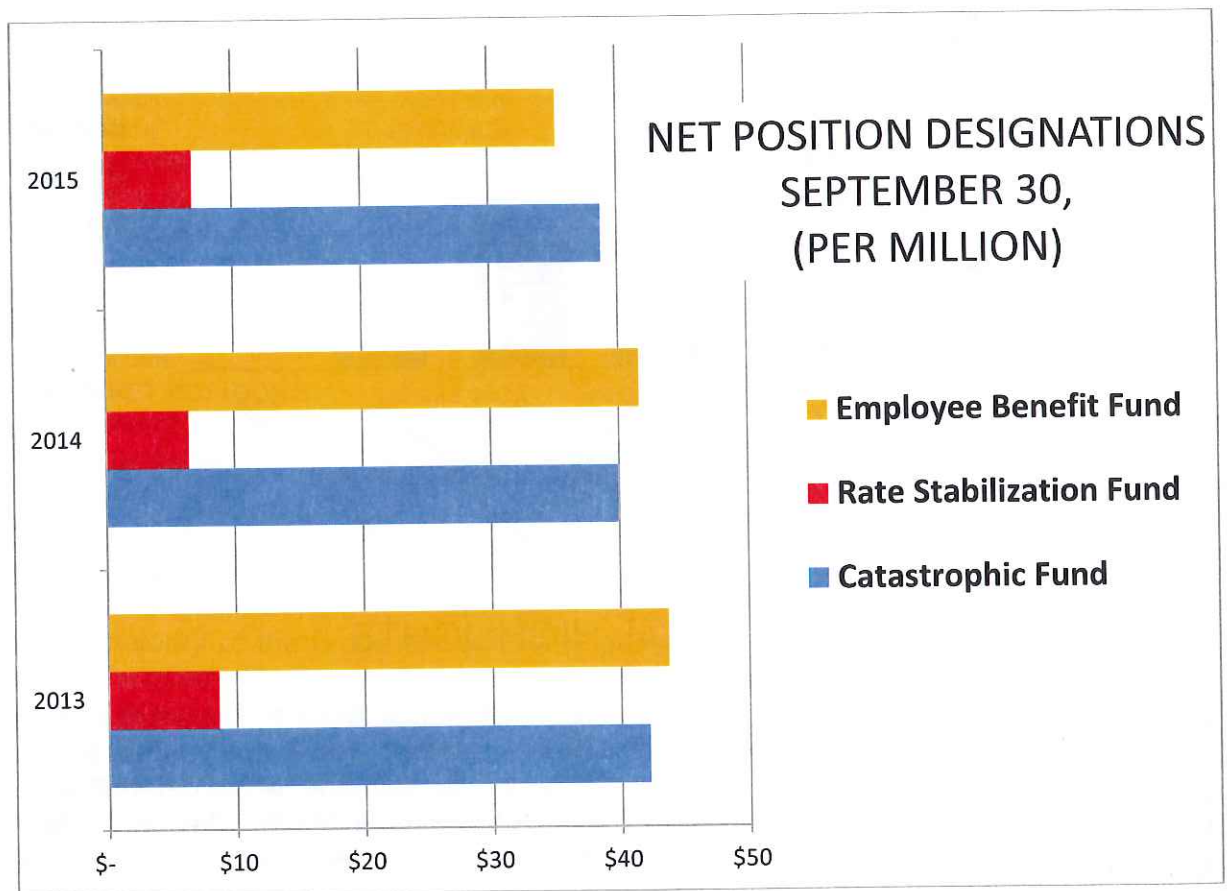


FINANCIAL HIGHLIGHTS

Failure to plan is a plan to fail. Fortunately ACWA JPIA has taken on the mantra of being prepared by establishing three designations of net position. The Employee Benefit Fund represents equity built up in the program over the years. With the recent determination of a \$18.5 million goal in this program, ACWA JPIA sits in a favorable position of willingly decreasing this fund's balance over the years. The Rate Stabilization Fund acts as a buffer for members to level off the back and forth of funds going to and from members for policy years when they are made whole. That Catastrophic Fund covers both Liability and Workers' Comp Programs and acts to cover members from significant unfavorable policy years where premiums collected initially from members were inadequate. Such funds are subject to ACWA JPIA Executive Committee approval before being used.

Following is a graph illustrating the changes in the various designations making up ACWA JPIA's net position over the last 3 years. Upon review, the steady decline of both the Employee Benefit Fund and the Catastrophic Fund is apparent. The Rate Stabilization Fund in the meantime has held relatively constant. The decline in the Catastrophic Fund has been due to the goal decreasing. The goal is based on 99%

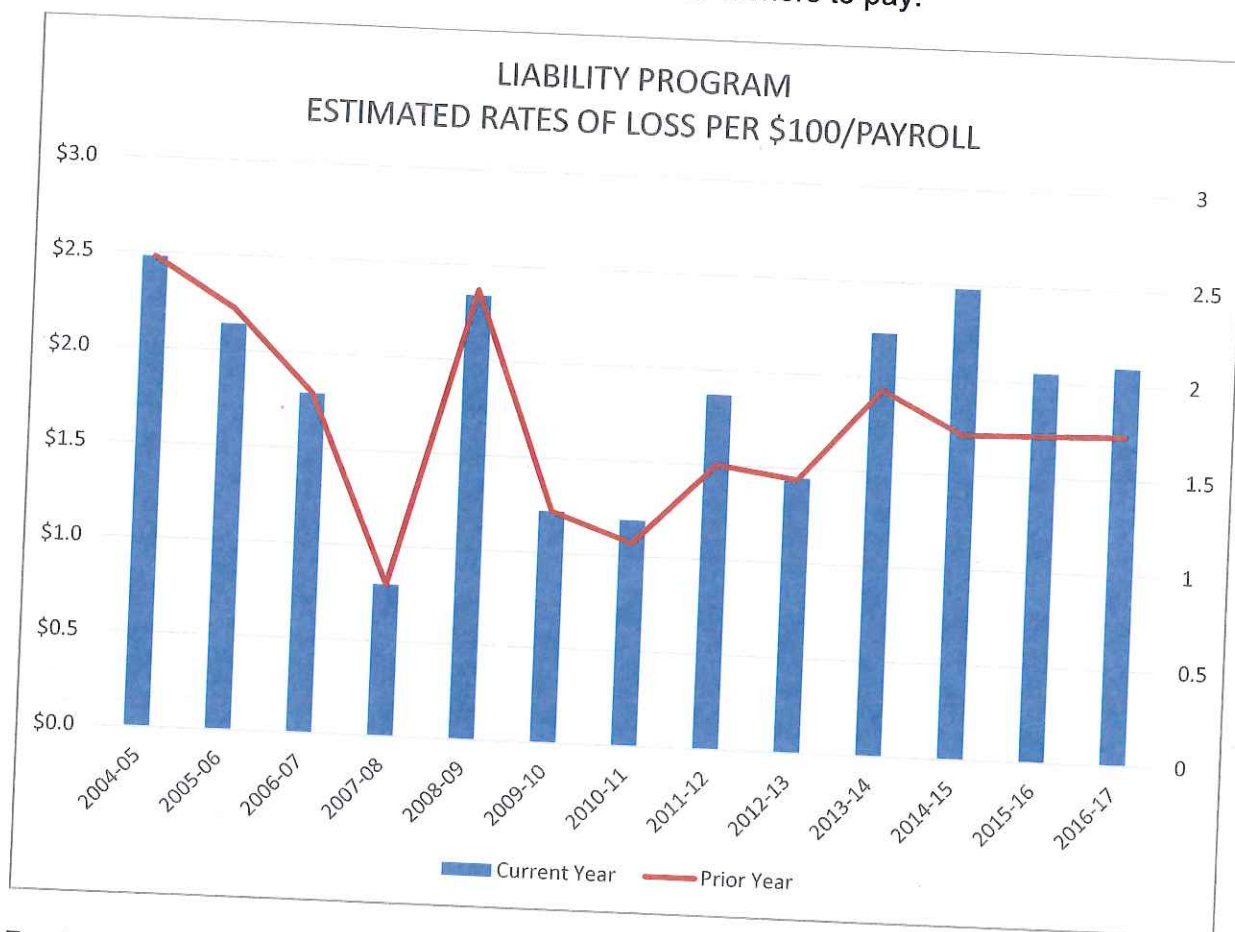
confidence level numbers obtained from ACWA JPIA's actuary. These estimates have been on the decline in recent times thus the gradual decline of the Catastrophic Fund. As for the Employee Benefit Fund the gradual decline has been intentional as management came to the realization that the fund had more than sufficient amounts, budgeting was done with the intention of slowly eroding these funds. Management is fiscal year 2015 was given a target goal of \$18.5 million in the Employee Benefit Fund. The movement and change in the Rate Stabilization Fund has been ordinary. All the ins and outs of various policy years run through this fund so it is subject to some volatility but this volatility is capped with limits posed on these funds – 50% of the basic deposit premium from the Liability Program.



LIABILITY PROGRAM

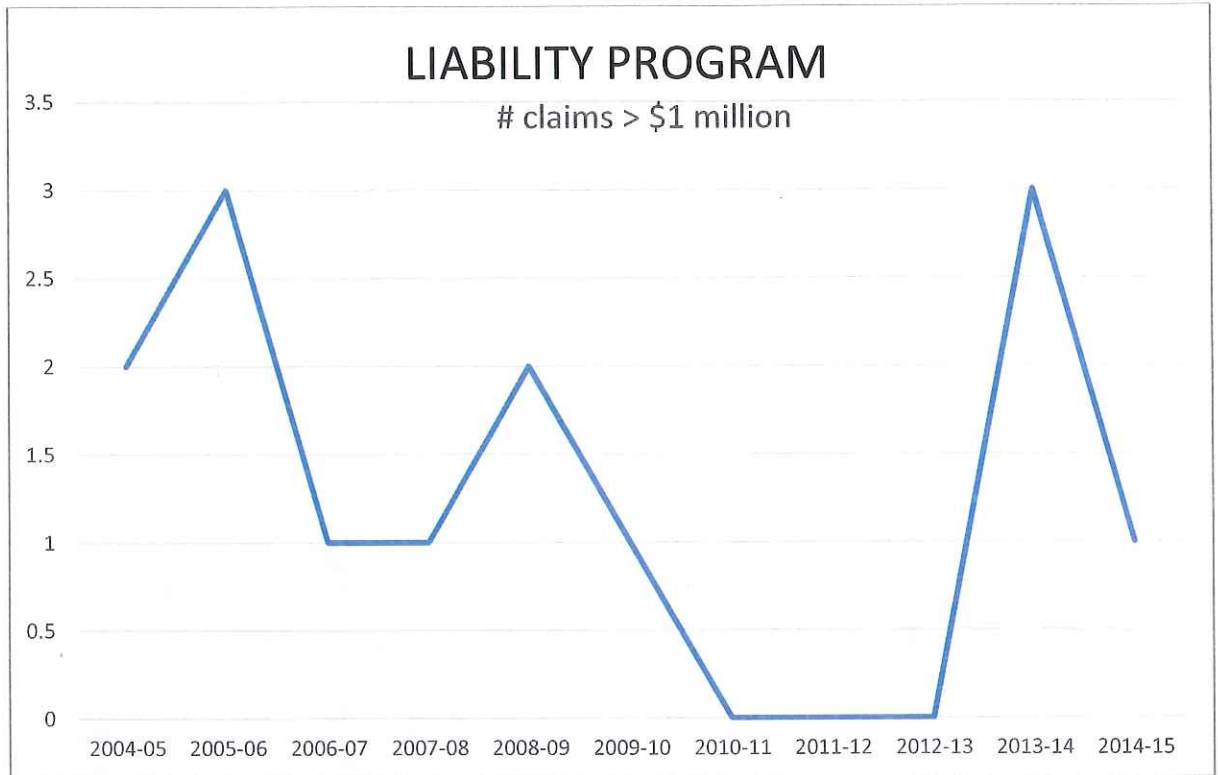
The Liability Program in its most recent policy year 2014-2015 covered an estimated \$502 million in member districts' payroll. This was an increase of 3.6% from the previous year. The membership in this program has been stable ranging from 286 to 292 participating members over the last five policy years. The average tenure in the program remains strong at roughly 26 years.

Each year ACWA JPIA obtains an independent actuary report to determine estimates of ultimate losses for each policy year ACWA JPIA covers its members. The ultimate loss is the total out of pocket expenses expected to be paid out by ACWA JPIA for self insuring its members in a given policy year. These costs exclude amounts expected to be reimbursed by excess insurance carriers as well as general and administrative expenses necessary to run the program's operations. The following graph depicts the ultimate limited loss rate from recent actuary estimates. "Limited" refers to losses being limited to ACWA JPIA's self insured layer. Or in other words, these amounts exclude losses in the excess layer that ACWA JPIA anticipates excess carriers to pay.



Reviewing the illustration above you can see the most significant changes are in the 2013-14 policy years forward. In all these cases the change has been to a higher estimated loss rate. To the onlooker this may paint a dark future however; these policy years are still developing. These estimates are primarily based on industry trends and do not account for the above average safety practices employed by member districts. However, the uptick in the loss rates is something to keep an eye on. Both policy years 2013 through 2015 have experienced three claims breaking the \$1 million mark. For perspective purposes, the only other policy year on the graph above to have three claims breach the \$1 million point was 2005-06. From policy year 2009 through 2013 only one claim broke that same mark. Accordingly, you can see the lower loss rates on the graph above for those policy years. The nature of the losses includes infrastructure failures,

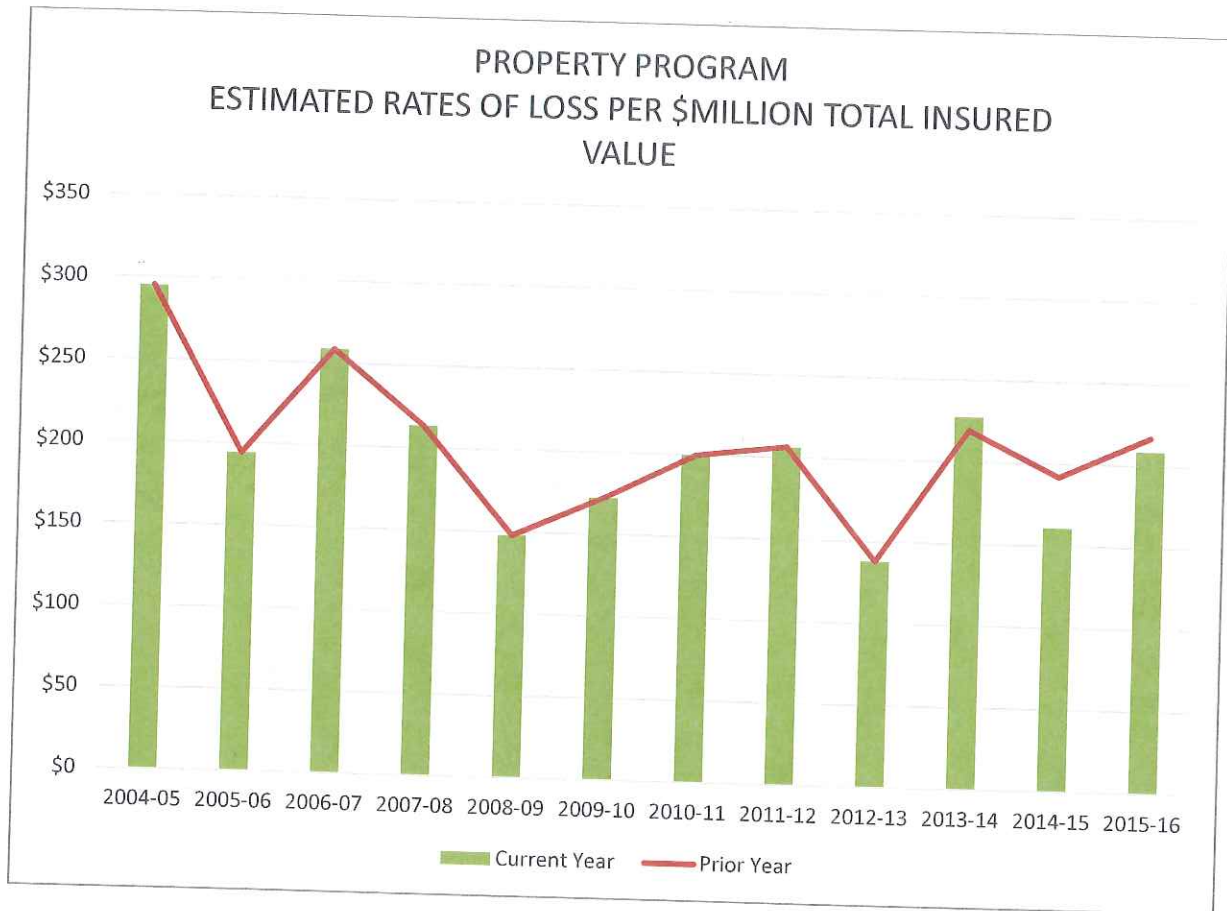
employee practices, automobile accidents, and damages related to fire. Below is a graph that shows the number of claims \$1 million or greater by policy year:



PROPERTY PROGRAM

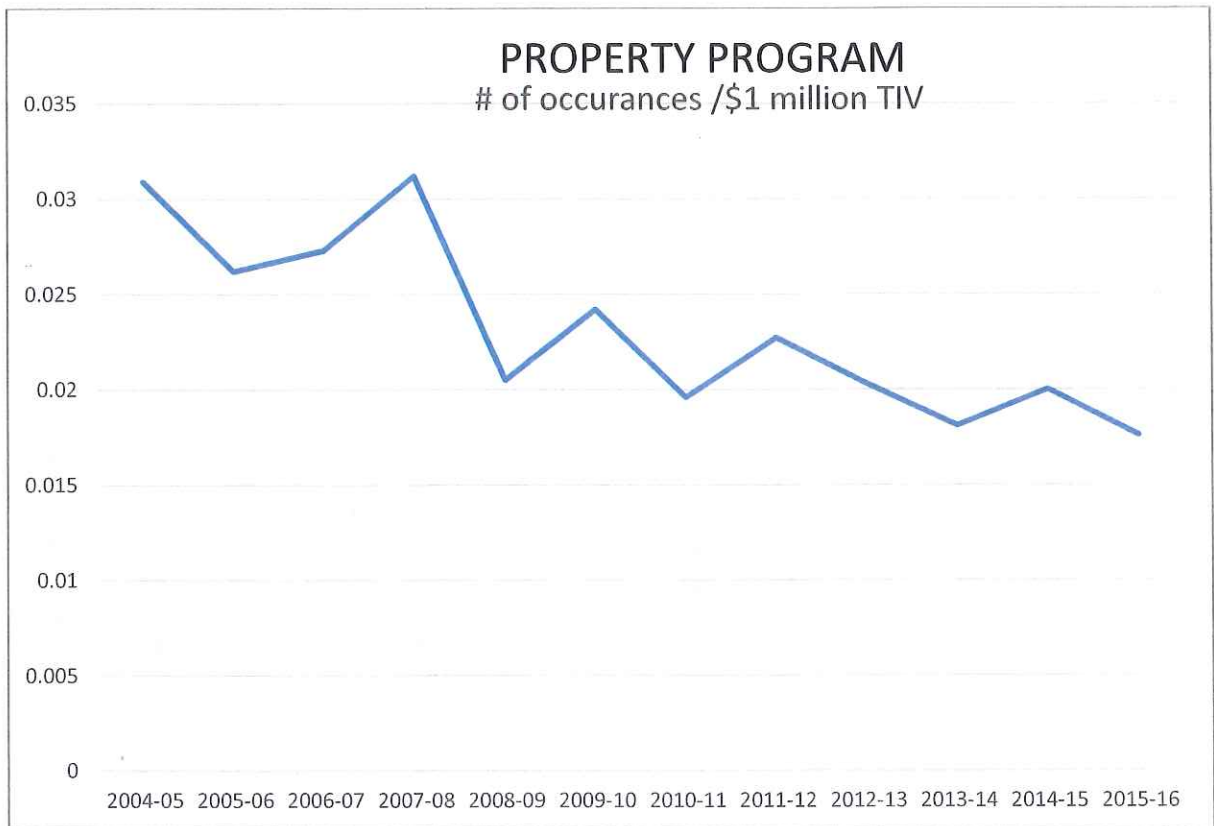
The Property Program has 262 participating districts in its current policy year (2015-16) – same as the previous policy year. The average tenure of the current participating members is about 24 years. Premium rates have remained the same for five of the past six policy years with the recent policy year 2014-15 having a decrease of ten percent. Until policy year 2013-14, ACWA JPIA had been self insured up to \$50,000 per claim since the 2001-02 policy year. Policy years 2013-14 forward, are self insured up to \$100,000 per claim. This change was to take advantage of cost savings provided for the excess insurance. These self insured retentions limit the severity of the pooled losses.

Like the Liability Program each year ACWA JPIA obtains an independent actuary report to determine estimates of ultimate losses for each policy year ACWA JPIA covers its members. In the following graph, the actuarial estimated rates of loss per million of total insured value are compared current year vs. prior year.



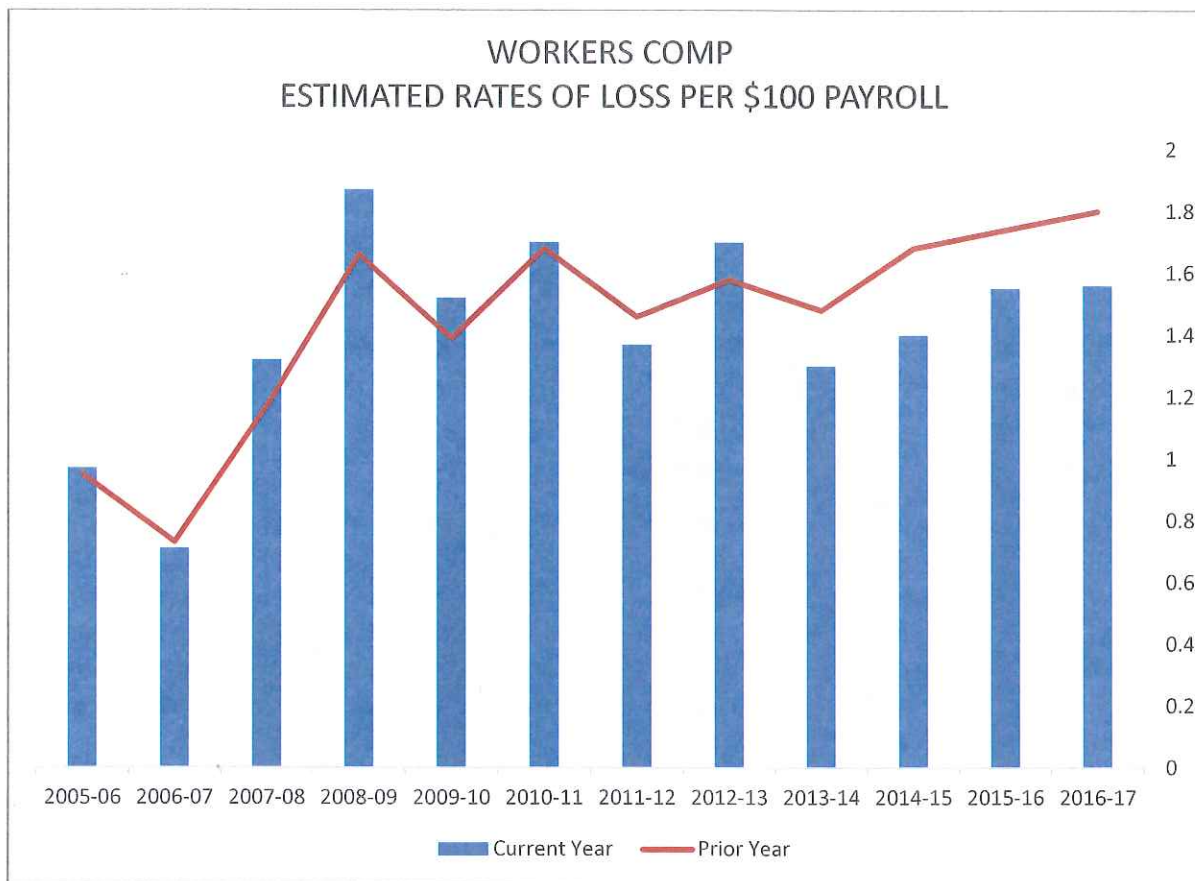
Studying the graph above, the most significant change is in policy year 2014-15, which had a significant decrease – great news for members. Policy year 2014-15 to date has only one claim above \$75,000 which is unusual looking at historic numbers in the program where it is more typical to have four or five claims of that magnitude. The other apparent thing looking above is the volatility of the estimated loss rate. The loss rates range from 138 to 295. This averages out to just over 200 in the twelve years depicted above. The volatility is somewhat expected given that nature of the losses has been limited to low self insured retentions and such rates are primarily driven by the frequency of claims.

Speaking of frequency, the following chart provides a visual of the number of occurrences per million dollars of total insured value for each policy year. The trend has been favorable over the time span illustrated. It is believed the historic drought in California has been a contributing factor to the lower frequency of claims in the more recent years.



WORKERS' COMPENSATION PROGRAM

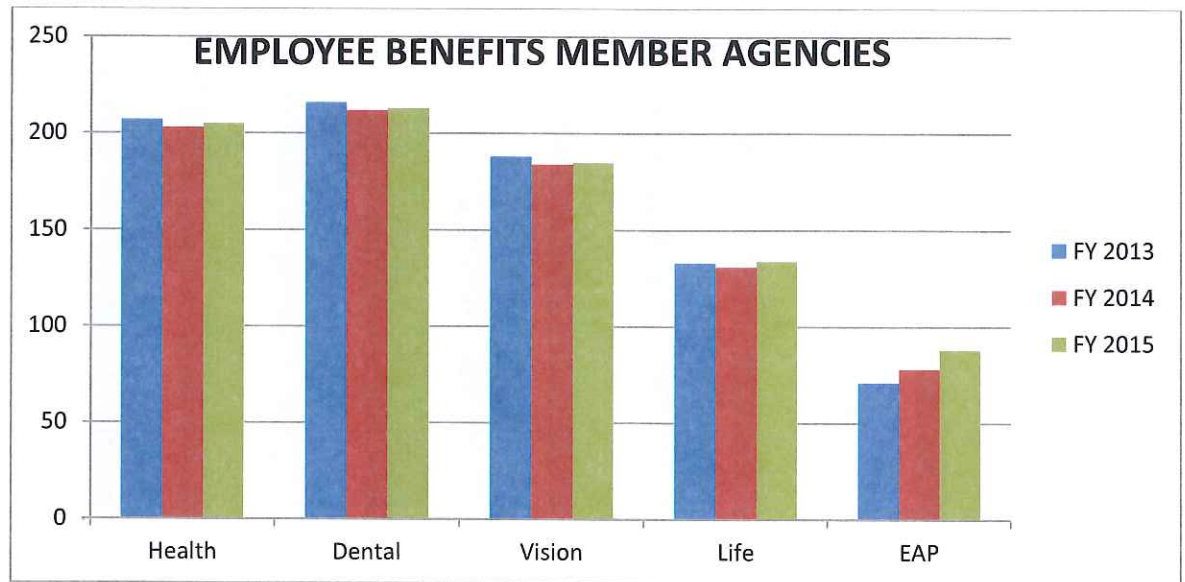
The Workers' Compensation Program has enjoyed modest growth in recent times. The number of participating districts for the past five policy years has gone from 165 to 179 and covered payroll has increased from \$407 million to \$464 million; a 14% increase. Legislative changes, such as SB 899 which was passed in 2004, have shown very positive results throughout the State of California. Coupled with an emphasis on workplace safety through training, ACWA JPIA has benefited from these law changes. Since 2004-05, ACWA JPIA has reduced the rates charged to members by nearly 50 percent. Rates for the current policy year remained overall unchanged even though losses and rates in the industry, as a whole, increased. Member premiums have ranged from \$10.3 million to \$12.1 million over the past five policy years. Since changing the program's self insured retention level from \$650,000 per claim in policy year 2002-03 to \$2 million per claim in policy year 2003-04, ACWA JPIA has had one claim in excess of \$650,000, thus rewarding the program financially. Like other programs each year ACWA JPIA obtains an independent actuary report to determine estimates of ultimate losses for each policy year ACWA JPIA covers its members. In the following graph, the actuarial estimated rates of loss per \$100 of payroll are compared current year vs. prior year.



Reviewing the data above, the changes are best summed up as follows: newer policy years had significant decreases while older years had some increases. Why the notable increases in policy years 2007 through 2010? The increases primarily are the result of claims that have further developed as more severe than initially thought. This is not uncommon in workers' compensation since one injury can often cause another and then the dominoes keep falling. Policy year 2008-09 with the largest estimated increase in loss rate has one of the most notable claims of this nature where strained arms, elbow and wrists led to other injuries that were previously unknown. On the favorable side, the number of claims for policy years 2013-14 and 2014-15, 333 and 322 respectively, are less than many of the older policy years – many of which have over 400 claims. This is the case despite the number of employees covered increasing over the years. This has been a contributing factor to the decline in the estimated loss rate from the actuary for these policy years. In policy year 2005-06 there were just under 6,000 employees covered whereas in current policy year 2015-16 there are just over 6,300 employees covered in the program. The volatile range above illustrates how losses are affected by California law makers passing new bills both favorably and unfavorably thus making losses more difficult to predict accurately.

EMPLOYEE BENEFITS PROGRAM

The JPIA commenced the Employee Benefits Program on July 1, 2012. The Employee Benefits Program offers a few different benefits with the most significant being health, dental and vision. Membership for each of the different benefits offered is separate. At year end September 30, membership within the Employee Benefits was as follows:



Membership in the various Employee Benefits Programs has experienced little change from the prior year. The biggest change was in the Employee Assistance Program (EAP). This was due to an effort to market EAP to current members that were not participating in the EAP program.

The revenue and expenses for Employee Benefits are the most significant of the all ACWA JPIA programs. Employee Benefits revenue and expenses for the fiscal year ended September 30 are as follows:

EMPLOYEE BENEFITS PROGRAM

	<u>FY 2015</u>	<u>FY 2014</u>	<u>Change</u>
Revenues	\$123,921,535	\$ 119,699,884	\$ 4,221,651
Claims Expense	(81,666,445)	(74,108,072)	(7,558,373)
Benefit Premiums	(45,699,936)	(44,511,197)	(1,188,739)
Excess Insurance	(1,213,872)	(977,299)	(236,573)
General & Administrative	(3,780,124)	(2,239,519)	(1,540,605)
Change in Net Position	<u>\$ (8,438,842)</u>	<u>\$ (2,136,203)</u>	<u>\$(6,302,639)</u>

Revenues were up \$4.2 million or 3.5% in fiscal year 2015. This increase is low compared with the prices of the California market where increases in the 5-10% where more common. Market prices have been increasing for several years due to changes made in the health industry – most notable the passing of the Affordable Care Act that

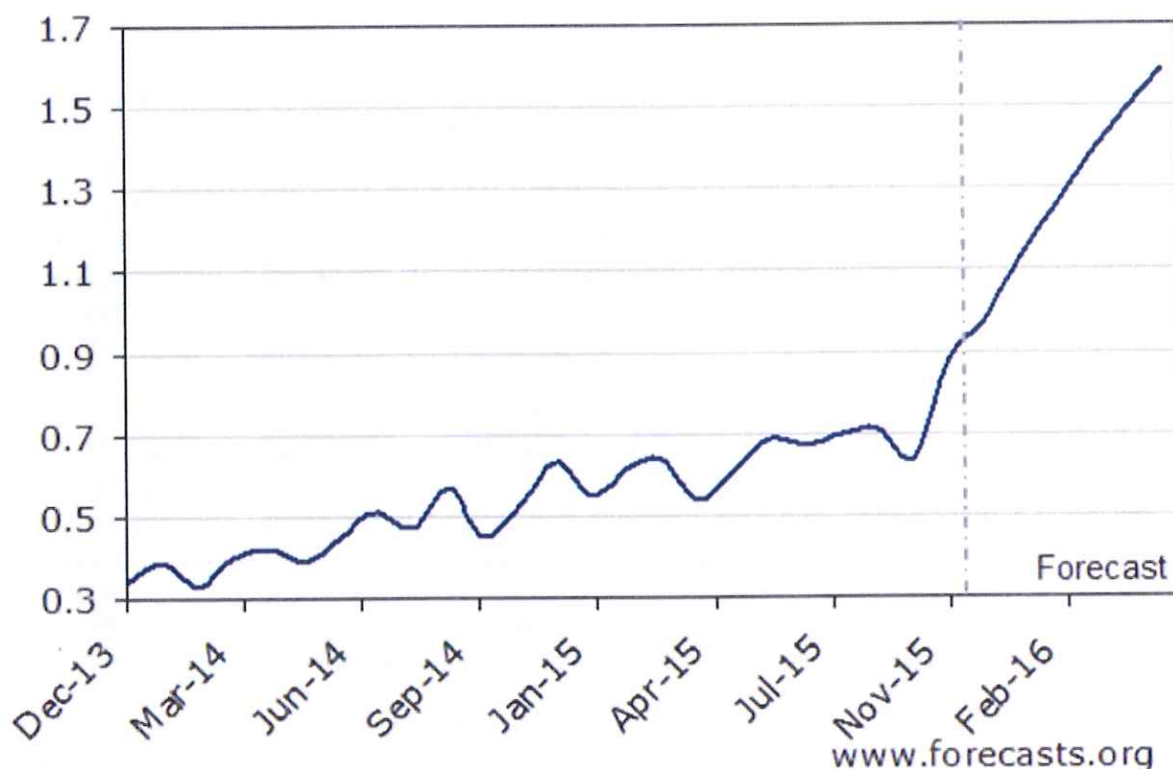
has considerably increased the number of enrollees nationwide for health coverage. Claims expenses rose \$7.5 million or 10%. This again is a reflection of the increased pricing prevailing. Benefit premiums expense increased marginally by 2.7% or \$1.2 million. Overall, the net position decreased by \$6.3 million in fiscal year 2015. This was not surprising as the JPIA budgeted a reduction in net position to mitigate some of the pricing increases dictated by the industry. A majority of the Employee Benefits Program financial numbers come from the Medical Benefits Program. The Medical Benefits Program makes up approximately 90% of both the revenues and expenses and easily has the strongest influence on the Employee Benefits Program financial results. Pharmacy costs continue to rise as a percentage of the medical costs going from 28% to 35% of the medical claims costs during fiscal years 2014 and 2015, respectively.

CASH AND INVESTMENTS

Cash and investments continue to make up the majority of the JPIA's assets. At year end September 30, 2015, total cash and investments were \$166 million – down \$8.3 million from prior year. This decrease was primarily the result of an increase in claims paid of \$6 million, \$4 million less in premiums collected due to lower rates, and paying off ACWA JPIA's estimated pension liability with CalPERS (\$3.1 million). At year end September 30, 2014, total cash and investments were \$174 million – up nearly \$11 million from prior year. The increase was primarily the result of ACWA JPIA collecting on an excess insurance receivable of over \$5 million from the previous year.

Investment income went from \$1.4 million to \$1.5 million in for fiscal years 2014 and 2015, respectively. This lack of change reflects the steadying of interest rates found in the market. Below is a chart that shows the historical 2 year maturity Treasury Securities yield over the last couple of years.

Chart of Two Year U.S. Treasury Note Rate with Forecast
2 Year Maturity U.S. Treasury Securities. Percent, Average of Month.

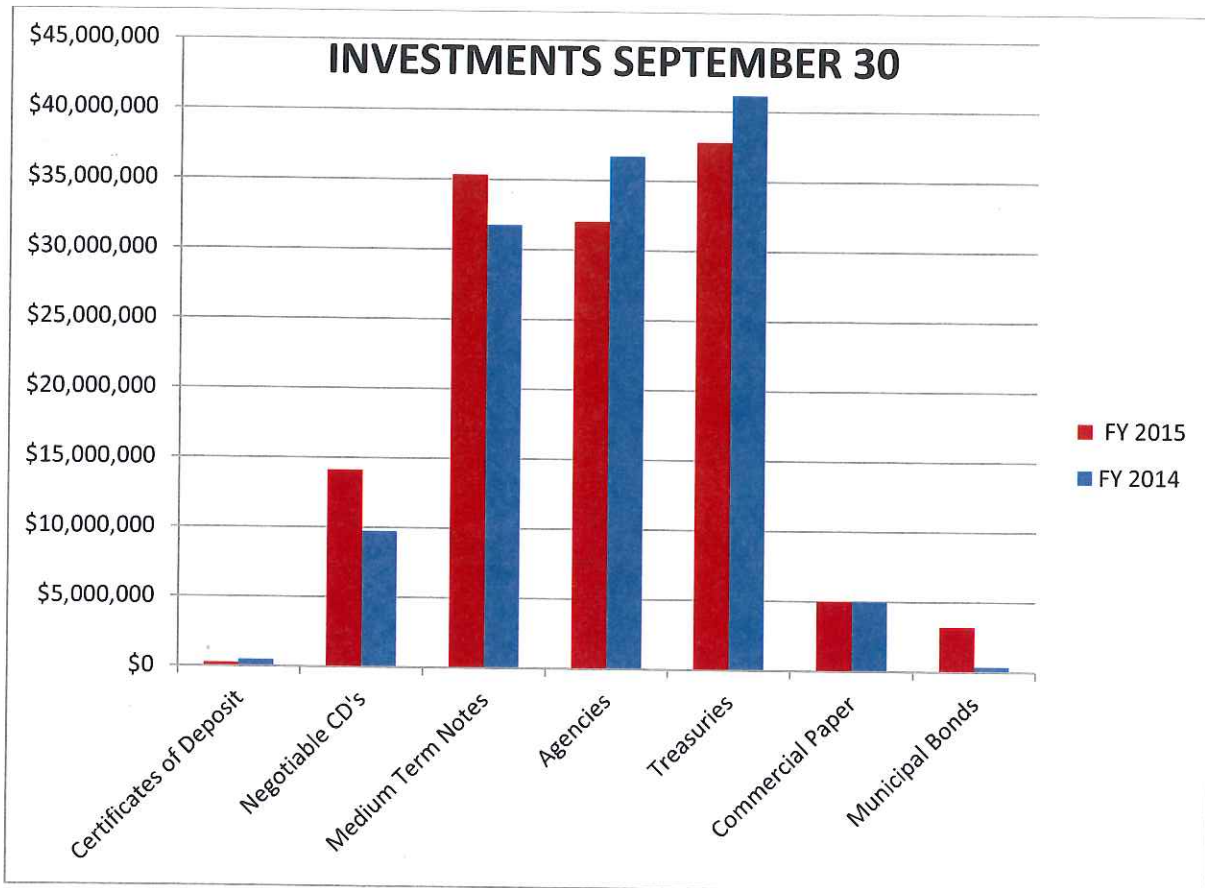


While ACWA JPIA's investments are primarily made up of Treasury Bills, Corporate Notes and Federal Agency Coupon Securities, the 2 year maturity Treasury Security yield offers us a good view of the interest rates reflective of the market. Reviewing the above chart, you can see how during fiscal year 2015 the yield hovered between .5 and .7. The difference in the yields between these rates is marginal. There is however, a trend of the yields rising which is not a surprise, given the common view that rates have little else to go but upward.

With the portfolio's duration averaging just fewer than 2 ½ years much of the investment return is reflective of market rates in 2013 and 2014 where U.S. Treasuries were at historical lows. Cash and investments effective rate of return went from 1.01% to 1.23% for fiscal year end September 30, 2014 and 2015, respectively. This rise is in harmony with the trend illustrated in the chart earlier.

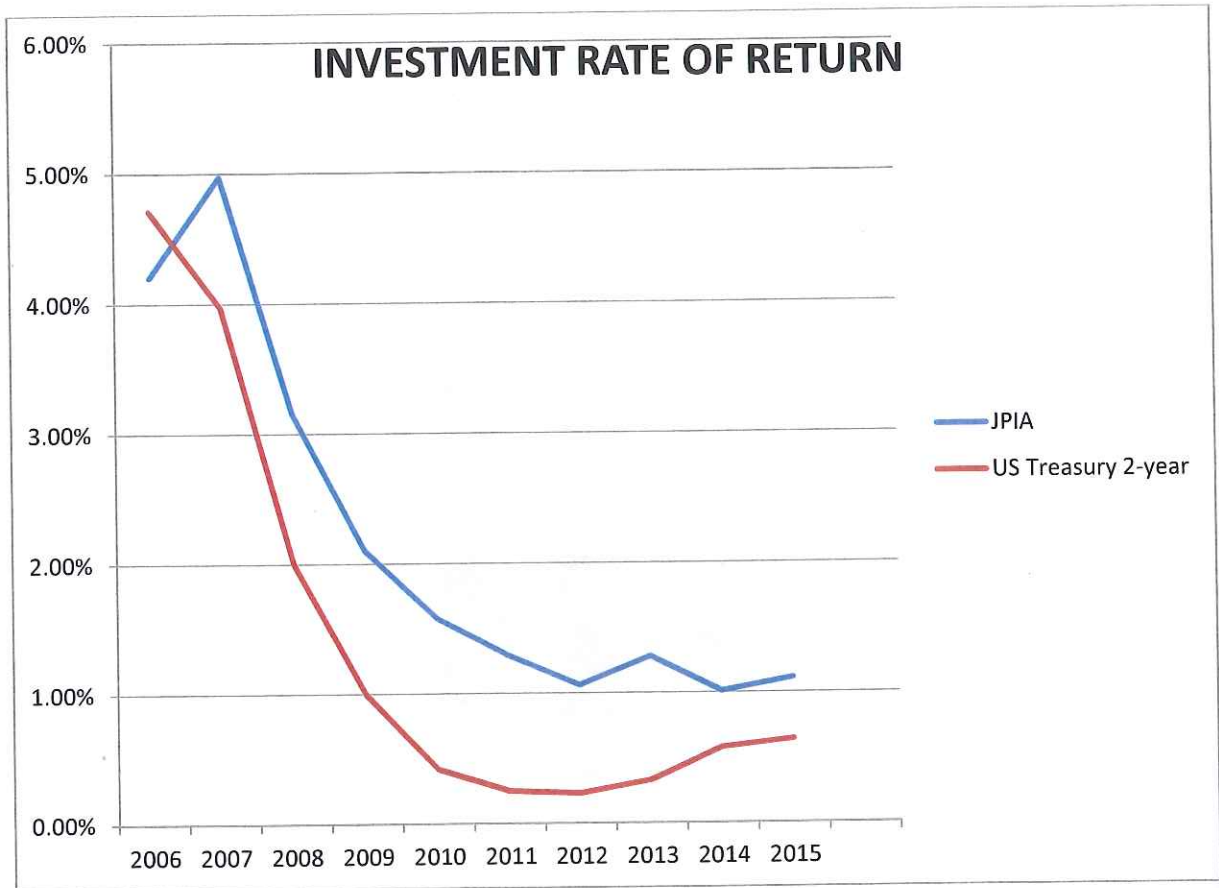
The management of the cash and investments is twofold. ACWA JPIA internally manages the cash needed for operations and the majority of the short-term investments. The non-current portion of investments is managed by PFM Asset Management LLC. ACWA JPIA's investment policy prioritizes safeguarding of principal first, followed by meeting liquidity needs and then optimizing yield. Total investments were \$128 and \$125

million at year end September 30, 2015 and 2014, respectively. The following chart depicts the totals by investment type:



Analyzing the portfolio, there were changes in nearly every investment type. Municipal bonds increased over \$3 million due to an opportunity that ACWA JPIA's investment manager found to not only diversify the portfolio, but also obtain an above average return in the process without taking unnecessary risk. Agencies and treasuries dropped by \$6 million and \$3.4 million, respectively, from prior year. Much of this change was simply the management of ACWA JPIA's investment manager who choose to reinvest maturing funds into medium term notes. Medium term notes provided a great deal of more value in recent times due to highly rated investments becoming more and more readily available at competitive yields.

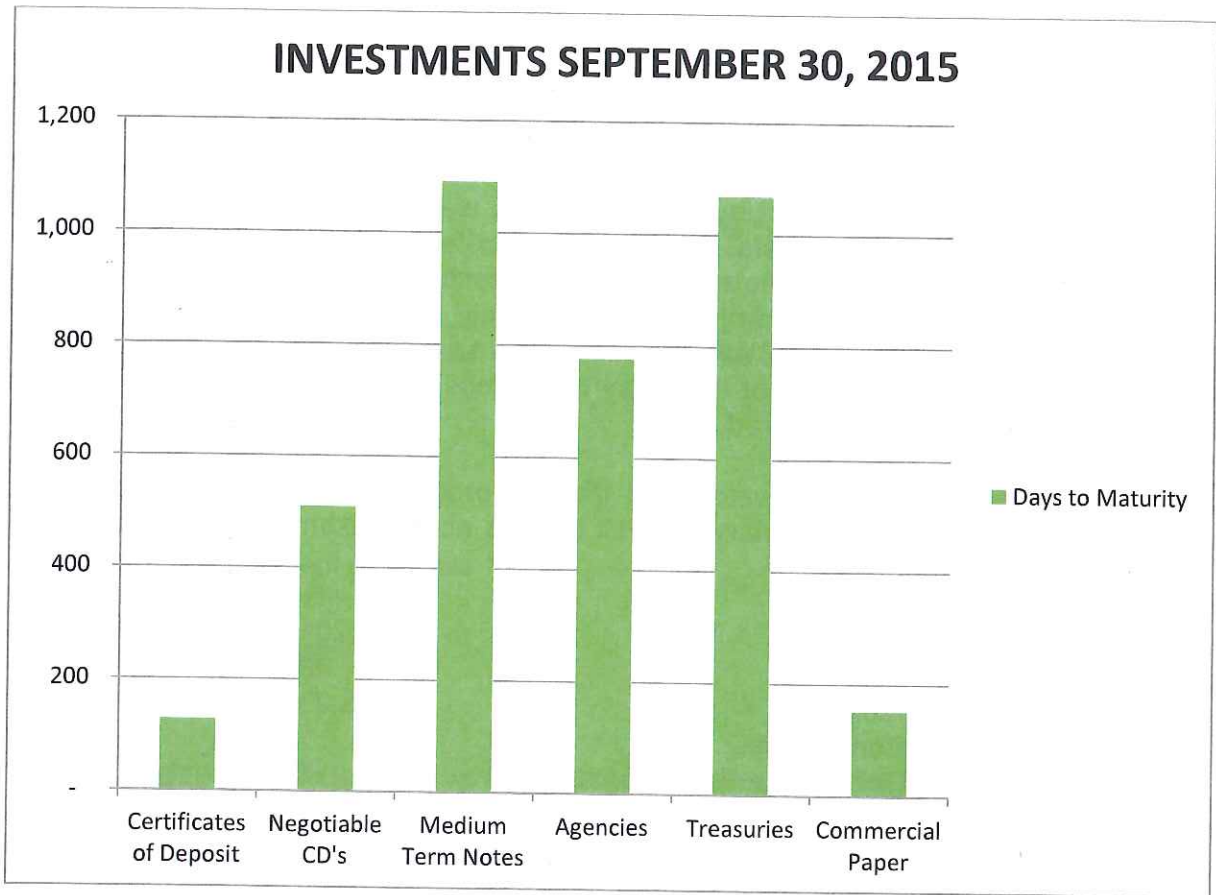
The following graph illustrates the effective rate of returns over the last few years and the impact the investment market has had on these returns:



Contributing factors to the declining yield include monetary easing by central banks, a weak job market, and continuing concerns about medical costs and a rising debt ceiling. These factors coupled with a sluggish U.S. economy have suppressed investment returns.

In the graph above, ACWA JPIA's effective rate of return is compared to the U.S. Treasury 2-year yield. ACWA JPIA's effective rate of return peaked in 2007, at 5%, and since then has gradually declined due to the lowered interest rates the marketplace offered in the slowed economy. The encouraging news is that the lowering trend appears to have leveled off and is starting a gradual upward movement. The returns above include all investments, both those managed internally and externally.

Current investments for the fiscal year ending September 30, 2015 have increased by \$7.5 million. As of September 30, 2015, 2014 and 2013 the current investments were \$15.4, \$8, and \$14.5 million, respectively. The JPIA continues to use Local Agency Investment Fund (LAIF) to invest a majority of the short term investments that are needed to meet operational needs. The following graph details duration of ACWA JPIA investments as of September 30, 2015:



A majority of the JPIA's non-current investments are medium term notes, agencies and Treasuries. This has been the pattern for several years. Such investments are all managed by ACWA JPIA investment advisor. Negotiable CD's and certificates of deposit are being mostly used as short-term investments.

CAPITAL ASSET ACTIVITY

ACWA JPIA sold for \$1 million the Birdcage Building and related property located in Citrus Heights – the former headquarters of ACWA JPIA. There were no significant additions to ACWA JPIA capital assets during fiscal year 2015. During fiscal year 2014, the JPIA added \$220 thousand for software. A majority of this addition was for the customized in house accounting software that was put in operation at the beginning of the fiscal year. More detailed information about the capital asset activity can be found in *Note 4* of the accompanying Financial Statements.

FACTS OR CONDITIONS THAT ARE EXPECTED TO HAVE A SIGNIFICANT EFFECT ON THE FINANCIAL POSITION OR RESULT OF OPERATIONS

ACWA JPIA has set itself apart by offering quality, water-industry specific training at no additional cost to its members. Through face-to-face training, online classes and webinars, the JPIA endeavors to meet the professional development needs of members and help each perform his or her job more effectively, efficiently and lawfully. Therefore, this training reduces claims. ACWA JPIA continues to receive high ratings for its training programs and districts go out of their way to express appreciation for the learning and development opportunities offered.

ACWA JPIA continues to develop our training program to meet the needs of our members. Following is a summary of JPIA training accomplishments for fiscal year-end September 30:

<u>Activity</u>	<u>2015</u>	<u>2014</u>
Classes Delivered	321	321
Class Participants	5,232	5,327
Training Conferences	2	3
Training Conference Participants	88	113
Live Webinars	21	20
Live Webinar Participants	863	908
Recorded Webinar Viewings	601	803
Host Facilities	104	101
Target Solutions – courses completed	11,691	11,680
PDP Participants	1,183	1,138
PDP Completions	89	53

CONCLUSION

This financial report is designed to provide a general overview of ACWA JPIA's finances. For further information, please visit ACWA JPIA website at, www.acwajpia.com, which provides the most current approved independent audited financial statements. Questions concerning any of the information presented can be sent to the following address:

ACWA JPIA - Finance Department
2100 Professional Drive, Roseville, CA 95661-3700



SPECIAL DISTRICTS LEGISLATIVE DAYS

LEGISLATORS PANEL



The Honorable Robert Hertzberg (D - Van Nuys)

Senator Robert Hertzberg has represented residents who live in the 18th Senate District since elected in 2014. That district covers Los Angeles County's San Fernando Valley. A lawyer, businessman, and entrepreneur who served as Assembly Speaker from 2000-2002, Hertzberg is considered an energetic, skillful lawmaker and big thinker willing to tackle large and complex public policy problems. In 2008, the British newspaper The Guardian named Senator Hertzberg as one of "50 people who could save the planet."



The Honorable Ling Ling Chang (R - Diamond Bar)

Assembly Member Ling Ling Chang has represented the 55th Assembly District since elected in 2014, which encompasses Brea, Chino Hills, Covina, Diamond Bar, La Habra, La Habra Heights, Placentia, Rowland Heights, Walnut, West Covina, and Yorba Linda. Assembly Member Chang serves as vice chair of the Rules Committee as well as Republican Whip. Additionally, Assembly member Chang serves on the Appropriations Committee, and as an inaugural member of the Privacy and Consumer Protection Committee. Assembly Member Chang was also appointed to serve on the Finance Committee of the Council of State Governments (CSG-West) for the 2015-16 session. Assembly Member Chang previously served on the Diamond Bar City Council and as a board member and former president of the Walnut Valley Water District.



The Honorable Susan Talamantes Eggman (D - Stockton)

Assembly Member Susan Talamantes Eggman, PhD., has represented the 13th Assembly District since elected in 2014, which draws together the San Joaquin Delta communities of Stockton, Tracy, Thornton, and Mountain House. The chair of the Assembly Committee on Local Government, Assembly Member Eggman also serves on the committees on Agriculture; Appropriations; Business and Professions; Utilities and Commerce; and Water, Parks, and Wildlife. She was elected in January 2015 to serve as the chair of the California LGBT Caucus. A former member of Stockton's City Council – and the first Latina elected to that office – Assembly Member Eggman is committed to policies that improve access to health care, expand educational opportunities, and address her district's critical need for resources to address crime.



The Honorable Jacqui Irwin (D - Thousand Oaks)

Assembly Member Jacqui Irwin has represented California's 44th Assembly District since elected in 2014, which includes the communities of Camarillo, Casa Conejo, Channel Islands Beach, El Rio, Lake Sherwood, Moorpark, Oak Park, Oxnard, Port Hueneme, Santa Rosa Valley, Thousand Oaks, and Westlake Village. Assembly Member Irwin chairs the Veterans Affairs Committee, and serves on the Accountability and Administrative Review; Agriculture; Higher Education; and Jobs, Economic Development, and the Economy committees. Prior to the State Assembly, Assembly Member Irwin was elected to the city council in 2004 and served two terms as mayor of Thousand Oaks, where she was an advocate for the preservation of open space and responsible development.



SPECIAL DISTRICTS LEGISLATIVE DAYS

SPEAKERS



LEGISLATOR OF THE YEAR - The Honorable Richard Gordon (D – Menlo Park)

Assembly Member Richard Gordon represents the heart of the Silicon Valley. He was first elected in November 2010 and represents the 24th Assembly District on the San Francisco Peninsula in San Mateo and Santa Clara Counties.

Prior to serving in the state legislature, Assembly Member Gordon served for 13 years on the San Mateo County Board of Supervisors. As a County Supervisor, he worked to achieve government accountability by leading in the development of the County's outcome-based budgeting and was instrumental in the formation of regional partnerships.

As a member of the Assembly Local Government Committee, Assembly Member Gordon serves as a thoughtful and considerate voice. His record on local issues demonstrates his willingness to vote his conscience and support local control.



KEYNOTE SPEAKER - The Honorable Fiona Ma, CPA

The Honorable Fiona Ma was elected Chairwoman of the Board of Equalization on February 24, 2016. She is honored to represent more than nine million Californians on the board, which brings in more than 30 percent of all state revenue. This revenue helps fund our schools, our roads, and our communities.

Chairwoman Ma was first elected to represent the people of California's 12th Assembly District, from November 2006 to November 2012. She was the 112th woman to ever be elected to the California Legislature and the first Asian woman to ever serve as Speaker pro Tempore. Chairwoman Ma first became interested in politics as a small business owner and certified public accountant advocating on behalf of other small businesses. She was an elected delegate to the White House Conference on Small Business under President Bill Clinton, which produced a report to Congress on the 60 top policy recommendations to help small businesses grow and prosper in the 21st century.

As one of only two certified public accountants (CPAs) to have ever served on the Board of Equalization, Chairwoman Ma understands the challenges that businesses and taxpayers face today. As a board member, she is focused on ensuring the agency treats all taxpayers with respect and dignity, and works to meet the diverse needs of Californians. She believes that together we can strengthen our neighborhoods, and ensure that California's economy remains in the world's top 10.

Chairwoman Ma received her B.S. from the Rochester Institute of Technology (NY), her M.S. in Taxation from Golden Gate University (San Francisco), and an MBA from Pepperdine University. She has been licensed in California as a CPA since 1992. She is a member of CalCPA and CalCPA's Public Policy Task Force.



LEGISLATIVE PRIORITIES

Assembly Bill 2613 (Achadjian) – Small Special District Audit Options

SPONSOR

Status: Senate Governance and Finance Committee

Important Facts:

AB 2613 will provide small special districts with some financial relief in regards to their annual audit requirements while still maintaining proper oversight and accountability. Specifically, this bill allows a special district to have a financial compilation performed in lieu of an annual audit if:

- The district's annual revenues do not exceed \$150,000; and
- A county financial system is utilized to handle the district's financial transactions; and
- Unanimous approval is given by the district's governing board and the county board of supervisors.

A district is limited to using this option for five consecutive years, after which the district must complete an audit for at least one year.

Senate Bill 1292 (Stone) – Civil Grand Juries

SPONSOR

Status: Senate Appropriations Committee (Suspense)

Important Facts:

Having the support of the California Grand Jurors' Association, SB 1292 promotes the integrity of the civil grand jury system and assists grand juries in increasing the accuracy of their publically released reports, while maintaining the fundamental principles of the civil grand jury's role as an independent watchdog. Specifically, this bill:

- Requires civil grand juries to hold exit interviews with each subject of their investigations to discuss the findings of the report.
- Affords civil grand juries with the option of providing a draft of their findings to the subject of the report in order to receive initial comments on the draft.
- Grants the subject of an investigation the option to provide comments on the report, which will be released and posted with the grand jury report at the time it is made publically available.

This legislation relates only to civil grand juries, not criminal grand juries.

Senate Bill 885 (Wolk) – Public Works Restrictions

OPPOSE

Status: Senate Floor

Important Facts:

SB 885 eliminates the right of a public agency to contractually require design professionals, such as engineers and architects, to defend against and pay for up-front legal defense costs for claims related to the design of a public works project. As a result, public agencies will have to pay to defend private entities' work and will have to wait to seek reimbursement for these costs only after a design professional is found to be liable for damages. Specifically, this bill:

- Places scarce public resources at great risk by requiring the public to defend the private sector, even when a design professional is 100% liable.
- Dramatically changes the current process, which encourages public agencies and design professionals to work together against a claim, resulting in most lawsuits being settled outside of court. Working together saves taxpayer dollars and ensures funds are not tied-up in the legal system for prolonged periods of time.
- Picks winners and losers by reversing long-standing indemnity law and walks away from a recent compromise to create an exception for one industry – design professionals.



Existing law requires a county auditor to either make or contract with a certified public accountant for an annual audit of the accounts and records of every special district within the county for which an audit is not otherwise completed. The costs of the audit requirements are the responsibility of the district being audited. Special districts are authorized, by unanimous request of the governing board of the special district and unanimous approval of the county board of supervisors, to replace the required annual audit with an audit covering multiple years or a financial review, under certain circumstances.

For many special districts the costs of complying with the audit requirements average below one percent of the district's annual revenues. However, some smaller special districts face audit costs exceeding 30 percent of their annual revenues. These smaller districts are requesting an option for a less costly means of compliance with the annual audit required by the state in order to ensure the best use of their limited public funds.

Major Provisions:

AB 2613 allows a special district to have a financial compilation performed in lieu of an annual audit if:

1. The district's annual revenues do not exceed \$150,000; and
2. A county financial system is utilized to handle the district's financial transactions; and
3. Unanimous approval is given by the district's governing board and the county board of supervisors.

Additionally, AB 2613 contains a provision to limit a district from using this option for more than five consecutive years, after which the district must complete a standard audit for at least one year.

Talking Points:

- AB 2613 provides small special districts with some financial relief in regards to their annual audit requirements while still maintaining proper oversight and accountability.
- The current audit requirements require a county auditor or contracted accountant to perform an annual audit of every special district within its county. Special districts with annual revenues of \$150,000 or less may request a financial review in lieu of an annual audit.
- Even with these current options, many smaller special districts have reported that the costs of complying with the annual audit requirements are incredibly burdensome, upwards of 30 percent of their operating budgets, and have requested relief.
- Every dollar spent on reporting requirements is a public dollar not being spent on the services the community relies on from the special district.
- This bill provides one more cost-saving option to smaller districts, with annual revenues of \$150,000 or less, that have all of their revenues and expenditures transacted through the county.
- AB 2613 does not make changes to a district's annual financial transaction reporting or compensation reporting requirements to the State Controller.



FACT SHEET

Senate Bill 1292: Civil Grand Juries

CSDA Position: **SPONSOR**

Author: Senator Jeff Stone (R-Riverside)

Location: Senate Appropriations Committee, Suspense File

Civil grand juries serve as a watchdog over local governments. Each of California's 58 counties has its own independent grand jury, made up of community volunteers. They are charged with performing investigations of local government agencies, which include city, county, and special district governments. At the conclusion of their investigations, the civil grand juries publically release reports detailing their findings and making recommendations for the subjects of their investigation. These reports provide important information to help the public hold their local governments accountable.

While the majority of civil grand jury reports are accurate, occasionally there are reports that are made public that contain false or inaccurate information. Such reports are a disservice to the public, and have the potential to undermine the credibility of an important civil grand jury system.

Major Provisions:

SB 1292 promotes the integrity of the grand jury system and assists civil grand juries in increasing the accuracy of their publically released reports, while maintaining the fundamental principles of the civil grand jury's role as an independent watchdog. Specifically, this bill:

1. Requires civil grand juries to hold an exit interview to discuss the findings of their investigations. This is currently optional.
2. Affords civil grand juries the option to provide a draft of their findings to the subjects of their investigations for review and feedback with regards to the accuracy of the findings.
3. Allows the subjects of an investigation six working days after a report has been finalized, but before it is publically released, to submit comments to the grand jury. These comments will be distributed with the grand jury report when it is publically released. This is similar to the State Auditor's current process.

Talking Points:

- SB 1292 is a good governance measure that will increase the accuracy of grand jury reports released to the public without compromising the integrity of the grand jury process.
- CSDA supports the important role civil grand juries play as watchdogs over local governments.
- CSDA worked with the California Grand Jurors' Association to craft the bill and the California Grand Jurors' Association supports SB 1292.
- While the majority of civil grand jury reports are accurate, some reports have been released that contain incorrect or inaccurate information.
- Such reports disserve the public, and are liable to undermine the credibility of an important civil grand jury system.
- This legislation only impacts civil grand juries, not criminal grand juries.



FACT SHEET

Senate Bill 885: Public Works Restrictions

CSDA Position: **OPPOSE**
Author: Senator Lois Wolk (D-Davis)
Location: Senate Floor

California is in dire need of hundreds of billions of dollars in infrastructure investment. Special districts deliver an exceptionally diverse array of essential local services, each with their own unique infrastructure needs. Due to the variety in scope, size, and function of projects, a one-size-fits-all public works process will impede progress and increase costs to local communities.

The significant need for infrastructure investment further necessitates a fair public works process that does not place an undue burden on special districts. Avoiding restrictive mandates and maximizing flexibility for special districts is critical to local agencies' ability to meet California's infrastructure needs. Ensuring a fair and flexible public works process for local agencies will help special districts meet these community needs, while safeguarding public dollars.

Major Provisions:

SB 885 eliminates the right of a public agency to contractually require design professionals, such as engineers and architects, to defend against and pay for up-front legal defense costs for claims related to the design professionals' work. As a result, public agencies must wait to seek reimbursement for these costs until after the design professional is found to be liable for damages. Specifically, this bill:

1. Prohibits public agencies from requiring the design professional to defend the agency in court when the claim or lawsuit is directly related to the work of the design professional.
2. Requires that the public agency seek reimbursement to recoup legal fees when the design professional is found liable, and only a "reasonable allocated share" of the defense costs.

Talking Points:

- In 2010, public agencies and design professionals negotiated a compromise, which was placed into law by SB 972 (Wolk, 2010), to limit when a design professional is required to defend their own work. SB 885 will not only undo a compromise that all parties agreed to, the bill makes this process worse and will have dire consequences for a public agency's ability to deliver infrastructure projects.
- SB 885 puts scarce public resources at great risk by requiring the public to defend the private sector, even when design professionals are 100% liable. Every dollar spent on litigation spawned by SB 885 will be one less dollar to support vital public services and infrastructure.
- SB 885 restricts public agencies from crafting a contract that best fits the public works project.
- The current process encourages public agencies and design professionals to work together against a claim, resulting in most lawsuits being settled outside of court. Working together saves taxpayer dollars and ensures funds are not tied-up in the legal system for prolonged periods of time.
- SB 885 picks winners and losers by reversing long-standing indemnity law and walks away from recent compromise to create an exception for one industry—design professionals.
- Design professionals sponsoring SB 885 argue they should not have to pay for legal costs until they have been proven to be at fault; however this bill would shift costs to the agencies who have also not been proven to be at fault, burdening taxpayers. A public agency would be forced to defend claims related to a design professional's work even if the agency has no fault.



TO: Board of Directors

FROM: Candy Pina

DATE: May 26, 2016

ADMINISTRATIVE SERVICES MANAGER'S REPORT

CONFERENCES, TRAINING, & MEETINGS:

- 1) Jeanette Kalabolas/Laura Ravella/Candy Pina: 05/07/16 – Hosted BAWSCA Landscape Class
- 2) Laura Ravella/Candy Pina: 05/05/16 – HIA meeting
- 3) Candy Pina: 05/06/16 & 5/11/16 – “Springbrook” Chart Review
- 4) Laura Ravella: 05/09/16 – “Dealing with Difficult Situations” Webinar
- 5) Jeanette Kalabolas: 05/12/16 – BAWSCA Water Management Resources Meeting
- 6) Jeanette Kalabolas/Candy Pina: 05/18/16 - Belmont Public Work Day
- 7) Jeanette Kalabolas: 05/18/16 – City of Belmont National Night Out Coordination Meeting
- 8) Jeanette Kalabolas: 05/25/16 – BAWSCA Turf Replacement Study Presentation

FINANCIAL REPORTING:

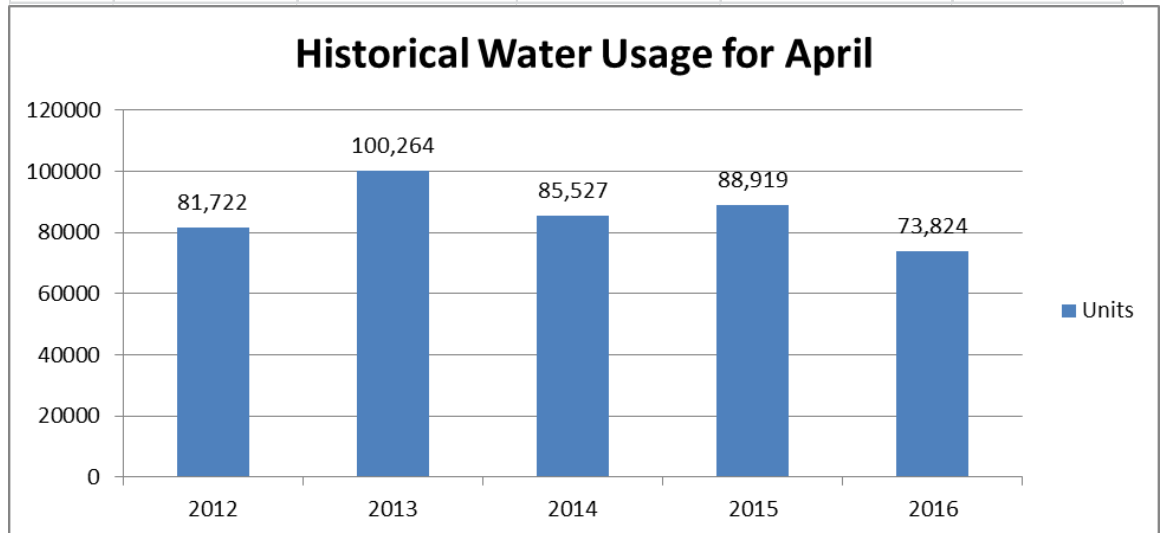
- 1) Schedule of Cash and Investments:

SCHEDULE OF CASH AND INVESTMENTS		
CASH ACCOUNT	BALANCE @ 04/30/16	BALANCE 05/18/16
PETTY CASH	400	400
CASH DRAWER	200	200
WELLS FARGO CHECKING	\$ 87,656	\$ 24,659
LAIF	\$ 4,049,652	\$ 4,049,652
TOTAL	\$ 4,137,908	\$ 4,074,911

Month End Balance of PARS/OPEB for March 2016 (April 2016 reports not yet received): \$573,193. Contributions of \$41,250 paid, an overall increase in Net Earnings of \$16,404 were reported.

2) Water Revenue Report:

WATER REVENUES for FISCAL YEAR 2015/2016					
Month	Total Units	Water Commodity Charges	Fixed System Charges	Total Water Revenues	Misc Rev
JUL	102,202	655,215.69	174,717.33	829,933.02	1,223.75
AUG	104,096	788,694.37	206,692.18	995,386.55	1,217.50
SEP	101,546	767,490.00	206,247.53	973,737.53	1,213.75
OCT	95,095	715,010.00	206,496.89	921,506.89	1,218.88
NOV	81,298	601,597.16	205,707.83	807,304.99	1,220.00
DEC	67,438	489,420.00	205,756.47	695,176.47	1,198.75
JAN	70,890	517,269.00	206,075.93	723,344.93	1,223.75
FEB	60,940	437,565.50	205,334.78	642,900.28	1,220.00
MAR	65,700	475,283.50	204,960.79	680,244.29	1,212.50
APR	73,821	539,336.50	205,461.34	744,797.84	1,226.25
TOTAL	823,026	5,986,881.72	2,027,451.07	8,014,332.79	12,175.13



SPRINGBROOK PROGRESS:

Developed the chart of accounts with a new numbering system, which is now with Accela for their review. This is the most difficult and time consuming work that needs to be completed when putting together a new accounting system. Work flows, vendor information, multiple year end balances, and various other information is being provided to Accela.

SPRINGBROOK IMPLEMENTATION SCHEDULE - PRELIMINARY			
DATE		Task	Work Complete
Start	End		
4/11/2016	4/13/2016	Overview training for Finance - Billing System and Chart of Accounts	X
5/9/2016	5/13/2016	Finance Conversion - General Ledger and Accounts Payable data review	In process
8/8/2016	8/12/2016	Finance Go Live	
8/22/2016	8/24/2016	Project Management Set-up and go-live	
9/21/2016	9/21/2016	Fixed Assets - Go Live	
9/26/2016	9/30/2016	Inventory Control - setups and go-live	
9/26/2016	9/27/2016	Bank Reconciliation Configuration and go-live	
1/11/2017	11/19/2017	Utility Billing Data Conversion	
2/13/2017	2/16/2017	License & Permits - Go Live Session	
2/27/2017	3/3/2017	Utility Billing - Go-Live Session	
3/6/2017	3/7/2017	Ancillaries - AR - setups	
3/6/2017	3/6/2017	Coding Accuracy Support System (CASS) Certification - Setup and Process Training	
3/20/2017	3/24/2017	Utility Billing - Post Go Live Refresher Training	

TEAM BUILDING ACTIVITIES:

1. Staff had their quarterly potluck, featuring BBQ foods.
2. Birthday celebrations continued.



TO: Board of Directors
FROM: Rene A. Ramirez, Operations Manager
DATE: May 26, 2016

OPERATIONS REPORT – April 2016

Projects:

- Attended Belmont Council Meeting on April 12 to address any questions on the Traffic Plan for the Alameda de las Pulgas Project that might come up. The matter was on the Council's Consent Calendar. There were no questions asked of the District's project;
- AMI: Emphasis on installing meters continues. The latest staff work efforts indicate a total of 495 AMI meters have been installed in Zone 1 with another 17 left to install. As mentioned in past reports - these remaining meters will be the toughest because they are larger meters with most requiring a by-pass (for future calibration/testing) that is not there now. Staff continues to accommodate the customer's needs before and after the new meter is installed;
- Participated in the Alameda de las Pulgas "pre-bid meeting" with District Engineer and interested contractors;
- Opened bids for the Alameda de las Pulgas project on April 19th;
- Bi-annual large meter testing program is complete. Repairs and retesting of the affected meters to be completed by mid-May;
- Investigated and made repairs to a water leak on Miramar Terrace;
- Planned, obtained materials and constructed water service on Davey Glenn near El Camino Real;
- Relocated water meters on Ralston Avenue as a part of City of Belmont improvements on Ralston Avenue;
- Repaired hydrant at 2415 Dekovan Avenue;
- Prepared for commercial water meter replacements at 1321, 1325 Old Count Road and 1408 El Camino Real; and
- Installed support flange on the Carlmont High School water meter;

Maintenance:

- Routine maintenance tasks continue, but Operations Staff's priority has been in support of AMI meter installations;

- Responded to and completed 143 USA (underground service alerts) requests and identified infrastructure before digging in the streets or easements;
- Continued to perform normal maintenance and exercised water system pressure regulating valves;
- Continued to watch customer consumption trend, storage turn-over and water quality in Zone 3 where the East Dekoven Tank has been out of service, and we are not ready to put back into service;
- Forty-four water samples for bacteriological testing – all samples were normal and showed no signs of coliform bacteria;
- Water system dead-ends continue to be monitored for disinfectant residual, and where needed, we flowed water into landscapes, street sweepers or sewer flushing trucks versus monitoring for discharge into the storm water systems to improve water quality; and
- Monitoring for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring.

System Repairs:

Location	Event	Material	Installation Date	Estimated Water Loss (Gals.)
Holly @ Miramar Terrace	Main Break	CIP	1945	Unknown

Development:

- Staff is currently working with developers on nine (9) development projects located at:
 - o 576-600 El Camino Real – currently reviewing their plans;
 - o 6, 8, and 10 Davis Dr. – currently reviewing their plans;
 - o 400-490 El Camino Real – currently reviewing their plans;
 - o 1401 Shoreway Road – installation scheduled;
 - o 1201 Shoreway Road – there is nothing to report out at this time;
 - o 360-380 Industrial Road – our work is complete;
 - o 2177 Carlmont Avenue – installation scheduled;
 - o 2113 Coronet – our work is complete;
 - o 699 Ralston Ave – currently reviewing their plans;
 - o 1710 Valley View – our work is complete; and
 - o 2828 Monte Cresta – awaiting payment of installation fees.

Administration:

- Ops Staff meetings held during month;
- Brent Chester passed the State Distribution System Operator exam for a D-4 certificate; the highest Distribution System Operator certificate is D-5;
- Staff met with the developer for 400-499 El Camino Real to go over the District's requirements for water service and metering;
- Attended meeting with Senior Staff and the District's Municipal Financial Advisor;

- Requested and met with PG&E to discuss the potential for additional energy savings programs available to the District;
- Met with the new sales representative from CINTAS (uniform service provider);
- Met with Cal Water at the Buckland Tank site to discuss their need of temporary District assistance during a project of theirs at their tank site adjacent to our site;
- Attended the quarterly coordination with the City of Belmont staff;
- Attended a pre-construction meeting at City Hall with Belmont staff and the developer of the new hotel along Shoreline Road;
- Attended meeting for all District employees to go over the draft Personnel Manual;
- Helped prepare for and attended the first-ever State of the District presentation;
- Participated in a status report of the UWMP;
- Attended the quarterly Manager's luncheon put on by the District Engineer's office;
- Power use monitoring continues for pumping with positive results and no net effect on the water system; and
- Continue to work on the LHMP (Local Hazards Mitigation Plan). Phase 3 documents are due by May 13th.

**MID-PENINSULA WATER DISTRICT
BUDGET FOR YEAR 2015-2016
SUMMARY**

DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/15 4/30/16	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 83.3%
				Y-T-D % OF BUDGET
OPERATING REVENUE				
WATER COMMODITY CHARGES	8,400,000	5,964,624	2,435,376	71.0%
FIXED SYSTEM CHARGES	2,443,780	2,041,083	402,697	83.5%
FIRE SERVICE CHARGES	14,400	12,174	2,226	84.5%
METER CHARGES	10,000	-	10,000	NA
SERVICE LINE & INSTALLATION CHARGES	25,000	92,529	(67,529)	370.1%
WATER SYSTEM CAPACITY CHARGES	200,000	81,250	118,750	40.6%
WATER DEMAND OFFSET CHARGES	10,000	12,576	(2,576)	125.8%
TEMP CONSTRUCTION CONNECTION CHARGES	10,000	-	10,000	NA
MISCELLANEOUS CHARGES	10,000	10,960	(960)	109.6%
INTEREST REVENUE - LAIF	10,000	11,963	(1,963)	119.6%
LEASE OF PHYSICAL PROPERTY	245,140	130,646	114,494	53.3%
PROPERTY TAX REVENUE	245,000	242,775	2,225	NA
TOTAL OPERATING REVENUE	11,623,320	8,600,580	3,022,740	74.0%
OPERATING EXPENDITURES				
SALARIES & WAGES	1,636,300	1,271,296	365,004	77.7%
PAYROLL TAXES & BENEFITS	1,140,017	889,566	250,451	78.0%
PURCHASED WATER	5,062,000	3,657,732	1,404,268	72.3%
OUTREACH & EDUCATION	130,000	107,159	22,841	82.4%
M&R - OPS SYSTEM	378,250	326,599	51,651	86.3%
M&R - FACILITIES & EQUIPMENT	129,700	105,806	23,894	81.6%
MAJOR MAINTENANCE	32,000	700	31,300	2.2%
OFFICE SUPPLIES & EQUIPMENT	317,125	216,768	100,357	68.4%
MEMBERSHIP & GOV FEES	210,900	154,259	56,641	73.1%
BAD DEBT & CLAIMS	37,000	8,646	28,354	23.4%
UTILITIES	322,281	212,000	110,281	65.8%
PROFESSIONAL SERVICES	562,484	442,182	120,302	78.6%
TRAINING/TRAVEL & RECRUITMENT	44,140	14,746	29,394	33.4%
RESTRICTED EARNINGS	(10,000)	(11,963)	1,963	119.6%
RESERVES	61,123	-	61,123	NA
DEPRECIATION	870,000	748,741	121,259	86.1%
TOTAL OPERATING EXPENDITURES	10,923,320	8,144,235	2,779,085	74.6%
OPERATING REVENUE LESS EXPENDITURES	700,000	456,345	243,655	65.2%
NET TRANSFERS TO CAPITAL	(700,000)	(456,345)	(243,655)	65.2%
NET RESULTS OF OPERATIONS	-	-	-	

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED**

Target YTD % 83.3%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 4/30/2016	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
4010	WATER COMMODITY CHARGES	8,400,000	5,964,624	2,435,376	71.0%
4020	FIXED SYSTEM CHARGES	2,443,780	2,041,083	402,697	83.5%
4030	FIRE SERVICE CHARGES	14,400	12,174	2,226	84.5%
4040	METER CHARGES	10,000	-	10,000	NA
4050	SERVICE LINE & INSTALLATION CHARGES (A) (B)	25,000	92,529	(67,529)	370.1%
4060	WATER SYSTEM CAPACITY CHARGES (C)	200,000	81,250	118,750	40.6%
4070	WATER DEMAND OFFSET CHARGES (D)	10,000	12,576	(2,576)	125.8%
4080	TEMPORARY CONSTRUCTION CONNECTION CHGS	10,000	-	10,000	NA
4090	MISCELLANEOUS CHARGES	10,000	10,960	(960)	109.6%
4000	TOTAL WATER AND FEE CHARGES	11,123,180	8,215,195	2,907,985	73.9%
4102	Interest Revenue- LAIF	10,000	11,963	(1,963)	119.6%
4100	INTEREST REVENUE	10,000	11,963	(1,963)	119.6%
4201	Lease of Physical Property	245,140	130,646	114,494	53.3%
4202	Property Tax Revenue (E)	245,000	242,775	2,225	99.1%
4200	OTHER REVENUE	490,140	373,421	116,719	76.2%
4000	TOTAL OPERATING REVENUE	11,623,320	8,600,580	3,022,740	74.0%
6011	Salaries & Wages	1,546,900	1,213,572	333,328	78.5%
6012	Director Compensation	11,000	5,900	5,100	53.6%
6017	Capital Salaries & Wages	-	59,883	(59,883)	NA
6010	GROSS REGULAR WAGES	1,557,900	1,279,355	278,545	82.1%
6017	CAPITAL SALARY & WAGES reversed	-	(59,883)	59,883	N/A
6021	Overtime Labor	43,300	24,662	18,638	57.0%
6022	Standby Labor	35,100	27,161	7,939	77.4%
6020	SUB-TOTAL SALARY & WAGES	1,636,300	1,271,296	365,004	77.7%
6031	FICA/Medicare PR Tax	126,477	88,060	38,417	69.6%
6038	ACWA Health Care	310,272	254,037	56,235	81.9%
6039	ACWA Dental	29,991	21,861	8,130	72.9%
6040	ACWA Vision	4,223	3,635	588	86.1%
6041	ACWA Life/AD&D	4,035	3,533	502	87.6%
6042	Standard LDL/SDL Disability	9,953	7,418	2,535	74.5%
6043	Workers' Comp Insurance	48,000	34,811	13,189	72.5%
		202			

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED**

Target YTD % 83.3%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 4/30/2016	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6044	Unemployment	1,000	-	1,000	NA
6045	CALPERS Retirement - ER 2%@55	245,706	165,590	80,116	67.4%
6054	CAPITAL PAYROLL TAXES & BENEFITS	-	31,047	(31,047)	N/A
6046	Retirees' ACWA Health Care	54,400	48,991	5,409	90.1%
6047	Directors' ACWA Health Care	105,060	87,766	17,294	83.5%
6049	Medical Reimbursement	2,500	450	2,050	18.0%
6050	Employee Service Recognition	7,000	8,995	(1,995)	128.5%
6051	Safety Incentive Program	7,200	6,000	1,200	83.3%
6052	Uniforms (F)	24,000	23,319	681	97.2%
6053	PARS OPEB Expense	160,200	135,100	25,100	84.3%
6030	SUB-TOTAL PAYROLL TAXES & BENEFITS	1,140,017	920,613	219,404	80.8%
6054	CAPITAL PAYROLL TAXES & BENEFITS	-	(31,047)	31,047	N/A
6000	PERSONNEL COSTS	2,776,317	2,160,862	615,455	77.8%
6101	SFPUC Treated Water	4,600,000	3,207,917	1,392,083	69.7%
6102	BAWSCA (Debt Service Surcharges)	462,000	384,380	77,620	83.2%
6103	Rates Stabilization	-	-	-	NA
6104	SFPUC Water Service Charge	-	65,434	(65,434)	N/A
6100	PURCHASED WATER	5,062,000	3,657,732	1,404,268	72.3%
6301	Water Conservation Program	7,000	3,852	3,148	55.0%
6302	School Conservation Program (G)	7,000	21,248	(14,248)	303.5%
6303	Public Outreach & Education	25,000	19,352	5,648	77.4%
6305	HET Rebates	24,000	12,986	11,014	54.1%
6306	Washing Machine Rebates	25,000	16,097	8,903	64.4%
6307	Lawn-Be-Gone Rebates	37,000	31,570	5,430	85.3%
6308	Rain Barrel Rebates	5,000	2,054	2,946	41.1%
6304	TOTAL WATER CONSERVATION REBATES	91,000	62,706	28,294	68.9%
6300	OUTREACH/EDUCATION	130,000	107,159	22,841	82.4%
6401	Water Quality	65,000	41,186	23,814	63.4%
6402	Pumping	25,750	14,156	11,594	55.0%
6403	Storage Tanks	5,150	2,544	2,606	49.4%
6404	Mains/Distribution	154,500	92,028	62,472	59.6%
640401	Mains/Distribution (H)	-	80,217	(80,217)	NA
6405	Meters & Service	77,250	50,405	26,845	65.2%
640501	Meters & Service (H)	-	3,773	(3,773)	NA
6406	Fire Hydrants	30,000	17,398	12,602	58.0%
640601	Fire Hydrants (H)	-	11,848	(11,848)	NA
6407	Regulator Stations	10,300	9,176	1,124	89.1%
6408	Safety	10,300	3,868	6,432	37.6%
6400	M&R - OPS SYSTEMS	378,250	326,599	51,651	86.3%
6501	M&R-Buildings&Grounds	71,000	55,712	15,288	78.5%
6502	M&R- Equipment&Tools	203 20,600	13,313	7,287	64.6%

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED**

Target YTD % 83.3%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 4/30/2016	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6503	M&R- Vehicles & Large Equipment (I)	10,300	17,227	(6,927)	167.3%
6504	M&R - Fuel	27,800	19,554	8,246	70.3%
6500	M&R - FACILITIES & EQUIPMENT	129,700	105,806	23,894	81.6%
6601	Cathodic Protection Survey	-	700	(700)	NA
6602	Leak Detection Survey	32,000	-	32,000	NA
6600	MAJOR MAINTENANCE	32,000	700	31,300	2.2%
6701	Office Supplies	17,300	13,561	3,739	78.4%
6702	Insurance- Liability/Vehicles	85,000	53,470	31,530	62.9%
6703	Postage	3,150	1,370	1,780	43.5%
6704	Printing/Printing Supplies	12,710	10,564	2,146	83.1%
6705	Equipment Services/Maintenance	55,000	31,798	23,202	57.8%
6706	Computer Supplies & Upgrades	11,330	7,131	4,199	62.9%
6707	Security & Safety	10,450	985	9,465	9.4%
6708	Other Fees	546	1	545	0.2%
6709	Customer Credit Card Svs Fees	121,639	97,887	23,752	80.5%
6700	OFFICE SUPPLIES & EQUIP	317,125	216,768	100,357	68.4%
6801	Dues & Publications	38,200	27,775	10,425	72.7%
6802	Gov't Fees & Licenses	71,000	47,279	23,721	66.6%
6803	BAWSCA Membership Assessments	66,800	56,205	10,595	84.1%
6804	Env Health - Cross Connection Inspection	29,900	23,000	6,900	76.9%
6805	Software License	5,000	-	5,000	NA
6800	MEMBERSHIP & GOV FEES	210,900	154,259	56,641	73.1%
6901	Bad Debt	7,000	4,659	2,341	66.6%
6902	Claims	30,000	3,987	26,013	13.3%
6900	BAD DEBT & CLAIMS	37,000	8,646	28,354	23.4%
7001	Utilities-Internet/Cable	7,244	5,995	1,249	82.8%
7002	Utilities-Cellular Telephones	11,500	9,163	2,337	79.7%
7003	Utilities-Electric-Pumping	255,834	158,737	97,097	62.0%
7004	Utilities-Electric-Bldgs&Grounds	23,401	18,494	4,907	79.0%
7005	Utilities-Telephones	17,092	14,176	2,916	82.9%
7006	Utilities-Sewer - NPDES	7,210	5,434	1,776	75.4%
7000	UTILITIES	322,281	212,000	110,281	65.8%
7101	Prof Serv - District Counsel	98,000	80,787	17,213	82.4%
7102	Prof Serv - District Engineer	151,000	121,317	29,683	80.3%
7103	Prof Serv - IT	19,193	15,469	3,724	80.6%
7104	Prof Serv- Annual Finance Audit (J)	20,000	18,000	2,000	90.0%
7105	Prof Serv - Mngmt Consult	-	-	-	NA
7106	Prof Serv- Accounting & Payroll	21,010	18,017	2,993	85.8%
7107	Prof Serv- Customer Billing	70,040	58,992	11,048	84.2%
7108	Prof Serv - Answering Svs	204 4,223	17	4,206	0.4%

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED**

Target YTD % 83.3%

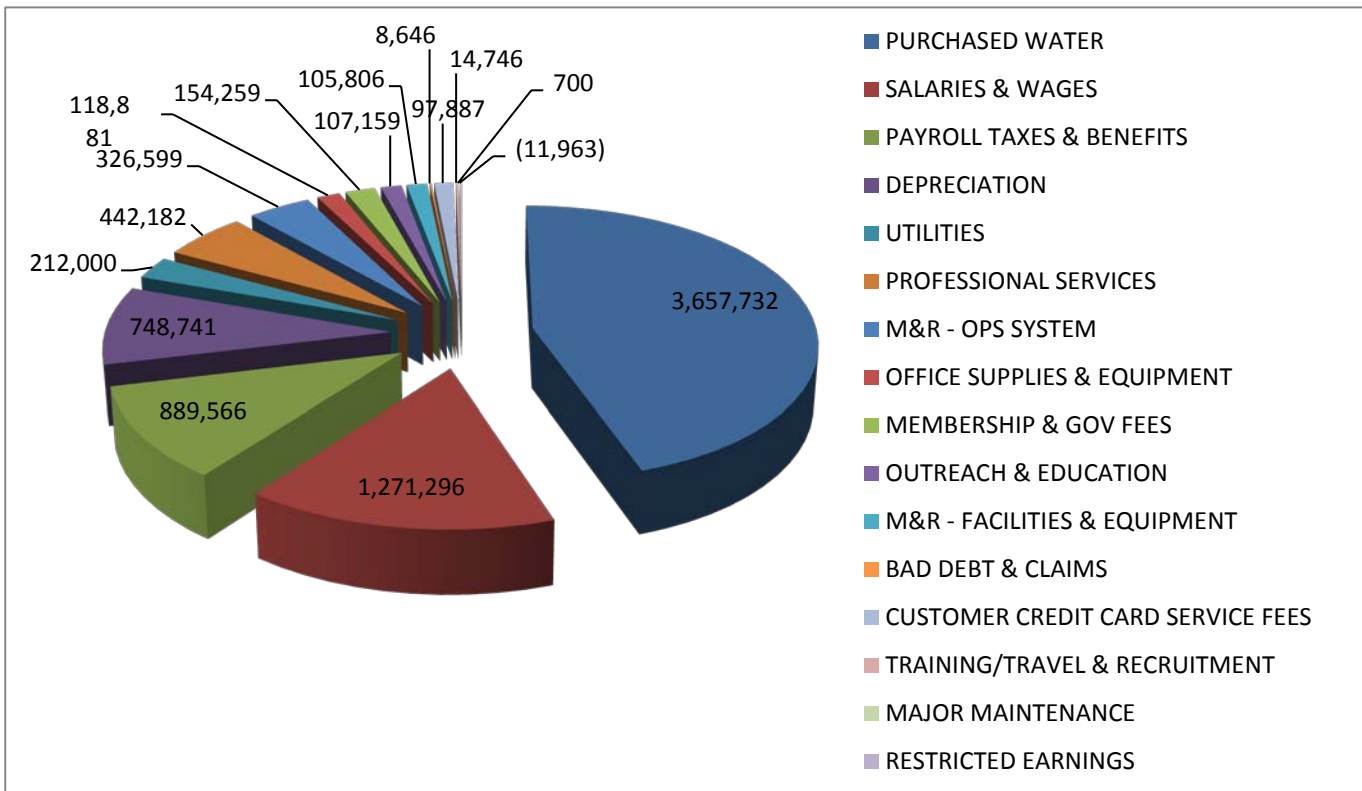
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 4/30/2016	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
7110	Prof Serv - Miscellaneous	175,418	126,883	48,535	72.3%
7111	Prof Serv - District Treasurer	3,600	2,700	900	75.0%
7100	PROFESSIONAL SERVICES	562,484	442,182	120,302	78.6%
7201	Director Travel	6,180	527	5,653	8.5%
7202	Director Expense	2,060	87	1,973	4.2%
7203	Elections	5,000	-	5,000	NA
7204	Employee Travel/Training	25,750	10,481	15,269	40.7%
7205	Meetings Expense	5,150	3,651	1,499	70.9%
7200	TRAINING & TRAVEL	44,140	14,746	29,394	33.4%
7302	Restricted Earnings Expense - Interest LAIF	(10,000)	(11,963)	1,963	119.6%
7300	RESTRICTED EARNINGS EXPENSE	(10,000)	(11,963)	1,963	119.6%
8001	Working Reserves: Capital	-	-	-	NA
8002	Working Reserves: Operating	61,123	-	61,123	NA
8000	RESERVES	61,123	-	61,123	NA
9010	DEPRECIATION	870,000	748,741	121,259	86.1%
SUB-TOTAL - OPERATING EXPENSES		8,147,003	5,983,373	2,163,630	73.4%
TOTAL OPERATING EXPENSES		10,923,320	8,144,235	2,779,085	74.6%
NET OPERATING SURPLUS/(LOSS)					
TRANSFER TO CAPITAL		700,000	456,345	243,655	65.2%

- (A) Three new service line installations.
- (B) Deferred Revenue totaling \$124,643 to be recognized at job completion.
- (C) Deferred Revenue totaling \$217,500 to be recognized at job completion.
- (D) Deferred Revenue totaling \$30,171 to be recognized at job completion.
- (E) Receipt of Property Tax revenue: December 2015 and April 2016.
- (F) Annual work boots purchased for Operations staff \$2,215.
- (G) BAWSCA WaterWise Educational Kits totaling \$15,843.
- (H) Inventory purchased in prior years being expensed in current year (expensing per policy items over \$5,000).
- (I) Maintenance on fleet vehicle totaling \$4,999.
- (J) Audit complete.

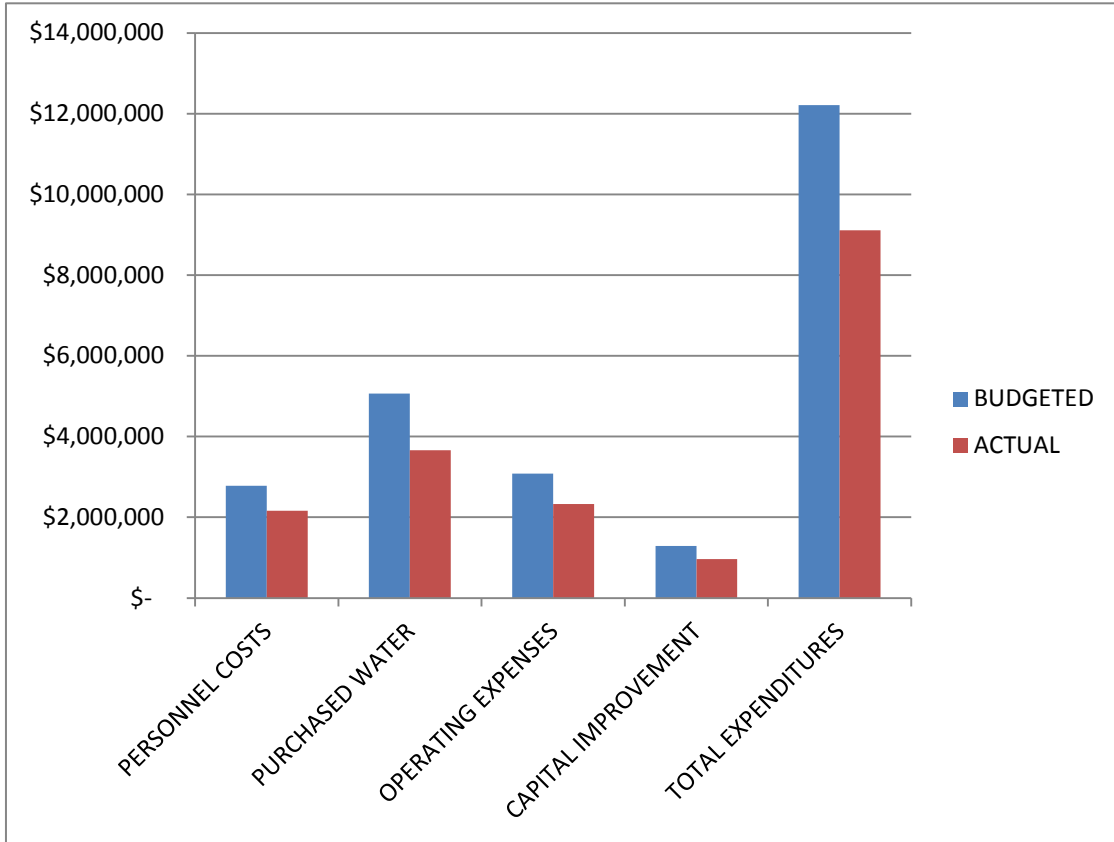
**MID-PENINSULA WATER DISTRICT
ACTUAL OPERATING EXPENDITURES SUMMARY**

Apr-16

OPERATING EXPENDITURES	ACTUAL \$	% OF TOTAL
PURCHASED WATER	3,657,732	44.9%
SALARIES & WAGES	1,271,296	15.6%
PAYROLL TAXES & BENEFITS	889,566	10.9%
DEPRECIATION	748,741	9.2%
UTILITIES	212,000	2.6%
PROFESSIONAL SERVICES	442,182	5.4%
M&R - OPS SYSTEM	326,599	4.0%
OFFICE SUPPLIES & EQUIPMENT	118,881	1.5%
MEMBERSHIP & GOV FEES	154,259	1.9%
OUTREACH & EDUCATION	107,159	1.3%
M&R - FACILITIES & EQUIPMENT	105,806	1.3%
BAD DEBT & CLAIMS	8,646	0.1%
CUSTOMER CREDIT CARD SERVICE FEES	97,887	1.2%
TRAINING/TRAVEL & RECRUITMENT	14,746	0.2%
MAJOR MAINTENANCE	700	0.0%
RESTRICTED EARNINGS	(11,963)	-0.1%
TOTAL OPERATING EXPENDITURES	8,144,235	100%



2014/2015 BUDGET vs ACTUAL TOTAL EXPENDITURES Apr-16



	BUDGETED	ACTUAL	BUDGETED % OF TOTAL	ACTUAL % OF TOTAL
TOTAL EXPENDITURES				
PERSONNEL COSTS	\$ 2,776,317	\$ 2,160,862	23%	24%
PURCHASED WATER	\$ 5,062,000	\$ 3,657,732	41%	40%
OPERATING EXPENSES	\$ 3,085,003	\$ 2,325,642	25%	26%
CAPITAL IMPROVEMENT	\$ 1,292,000	\$ 962,829	11%	11%
TOTAL EXPENDITURES	\$ 12,215,320	\$ 9,107,064	100%	100%

**MID-PENINSULA WATER DISTRICT
BUDGET FOR FY 2015-2016
CAPITAL OUTLAY/CAPITAL PROJECTS**

DESCRIPTION	APPROVED	ACTUAL	REMAINING	Target YTD %
	AMENDED FY 2015-2016 BUDGET \$			7/1/2015 4/30/2016
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)				
AMI Meter Change Out Program (A)	400,000	426,112	(26,112)	106.5%
Karen Road Water Main Replacement - CIP	100,000	29,665	70,335	29.7%
Hallmark Tank Structural and Seismic Retrofit - CIP	55,000	30,836	24,164	56.1%
Dekoven Tanks Structural and Seismic Retrofit - CIP	55,000	50,938	4,062	92.6%
Folger Pump Station Demolition - CIP	50,000	24,903	25,097	49.8%
Buckland Tank Replacement Project - CIP	46,000	26,132	19,868	56.8%
Alameda de las Pulgas Water Main Replacement Project - CIP (B)	30,000	79,635	(49,635)	265.4%
CAPITAL IMPROVEMENTS - WIP TOTAL	736,000	668,221	67,779	90.8%
CAPITAL OUTLAY				
SCADA Replacement Project	41,000	22,552	18,448	55.0%
Financial Management System (FMS) - Comprehensive Replacement	145,000	58,684	86,316	40.5%
Fleet Replacement: Vehicles in Operations	125,000	107,985	17,015	86.4%
Implementation of Sensus Consumer Portal	70,000	-	70,000	0.0%
Tunnels Motor Emergency Replacement	60,000	-	60,000	0.0%
Dairy Lane Wiring/Cabling	40,000	31,601	8,399	79.0%
Replacement Printer/Copier/Scanner	25,000	21,289	3,711	85.2%
Miscellaneous Capital Outlay/Projects .(C)	50,000	52,499	(2,499)	105.0%
CAPITAL OUTLAY TOTAL	556,000	294,609	261,391	53.0%
CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL	1,292,000	962,829	329,171	74.5%
DEPRECIATION	870,000	748,741	121,259	86.1%
TRANSFER FROM OPS	700,000	456,345	243,655	65.2%
TRANSFER (TO)/FROM CAPITAL RESERVES	(278,000)	(242,257)	(35,743)	87.1%
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,292,000)	(962,829)	(329,171)	74.5%
NET RESULTS OF CAPITAL	-	-	-	N/A

(A) Included within the Operations Account number 6017.

(B) Potholing and engineering services.

(C) Separately recognizing Meter Upgrades & New Meters not part of AMI Change Out Program.

**MID-PENINSULA WATER DISTRICT
CONDENSED BALANCE SHEET
PREVIOUS YEAR COMPARISON**

	Apr 30, 16	Apr 30, 15	\$ Change	% Change
ASSETS				
CURRENT ASSETS				
Total Checking/Savings	4,139,350.14	3,484,887.60	654,462.54	18.78%
Total Accounts Receivable	739,335.91	676,490.88	62,845.03	9.29%
Other Current Assets				
Inventory (A)	59,798.27	273,228.23	-213,429.96	-78.11%
Other Current Assets	191,632.89	211,558.50	-19,925.61	-9.42%
Total Other Current Assets	251,431.16	484,786.73	-233,355.57	-48.14%
TOTAL CURRENT ASSETS	5,130,117.21	4,646,165.21	483,952.00	10.42%
FIXED ASSETS				
Fixed Assets	41,758,185.56	40,550,954.56	1,207,231.00	2.98%
Accumulated Depreciation	-25,602,470.72	-24,694,511.31	-907,959.41	-3.68%
Construction in Progress	368,833.18	499,702.37	-130,869.19	-26.19%
TOTAL FIXED ASSETS	16,524,548.02	16,356,145.62	168,402.40	1.03%
TOTAL OTHER ASSETS (B)	198,895.55	19,342.55	179,553.00	928.28%
TOTAL ASSETS	21,853,560.78	21,021,653.38	831,907.40	3.96%
LIABILITIES & EQUITY				
LIABILITIES				
CURRENT LIABILITIES				
Total Accounts Payable	88,150.69	235,436.89	-147,286.20	-62.56%
Total Other Current Liabilities (B)	958,498.90	313,971.39	644,527.51	205.28%
TOTAL CURRENT LIABILITIES	1,046,649.59	549,408.28	497,241.31	90.51%
TOTAL LONG TERM LIABILITIES (B)	1,118,234.00	0.00	1,118,234.00	100.0%
TOTAL LIABILITIES	2,164,883.59	549,408.28	1,615,475.31	294.04%
EQUITY				
3000 - Opening Bal Equity	144.00	144.00	0.00	0.0%
3800 - RESERVES *	4,049,651.92	3,387,030.52	662,621.40	19.56%
3940 - Fund Balance Invest in Ut Plant	16,524,548.02	16,368,320.09	156,227.93	0.95%
Net Assets (B)	-885,666.75	716,750.49	-1,602,417.24	-223.57%
TOTAL EQUITY	19,688,677.19	20,472,245.10	-783,567.91	-3.83%
TOTAL LIABILITIES & EQUITY	21,853,560.78	21,021,653.38	831,907.40	3.96%

	Balance @ Apr 2014	Balance @ Apr 2015	Balance @ Apr 2016	Budget for Reserve Policy
* RESERVES				
Capital Reserves	2,126,967	887,031	1,549,652	2,500,000
Emergency Reserves	2,000,000	2,000,000	2,000,000	2,500,000
Working Capital Reserves	500,000	500,000	500,000	2,500,000
TOTAL RESERVE FUNDS	4,626,967	3,387,031	4,049,652	2,500,000

(A) Change in Capitalization/Inventory Policy. Inventory less than \$5,000 are expensed.

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

**MID-PENINSULA WATER DISTRICT
OPERATIONS SUMMARY
PREVIOUS YEAR COMPARISON**

	<u>Jul '15 - Apr 16</u>	<u>Jul '14 - Apr 15</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
4000 · OPERATING REVENUE	8,214,795.43	7,944,614.97	270,180.46	3.4%
4100 · INTEREST INCOME	11,963.36	8,351.21	3,612.15	43.25%
4200 · OTHER INCOME	373,821.03	425,601.72	-51,780.69	-12.17%
Total Income	8,600,579.82	8,378,567.90	222,011.92	2.65%
Cost of Goods Sold				
5000 · Cost of Goods Sold	0.00	-60.49	60.49	100.0%
Total COGS	0.00	-60.49	60.49	100.0%
Gross Profit	8,600,579.82	8,378,628.39	221,951.43	2.65%
Expense				
6000 · PERSONNEL COSTS	2,160,861.58	1,922,715.41	238,146.17	12.39%
6100 · PURCHASED WATER	3,657,731.52	3,489,342.11	168,389.41	4.83%
6300 · OUTREACH/EDUCATION	107,158.53	68,760.82	38,397.71	55.84%
6400 · M&R - OPS SYSTEMS	326,599.00	302,454.73	24,144.27	7.98%
6500 · M&R - FACILITIES & EQUIPMENT	105,805.98	101,039.96	4,766.02	4.72%
6600 · MAJOR MAINTENANCE	700.00	0.00	700.00	100.0%
6700 · OFFICE SUPPLIES & EQUIPMENT	216,767.95	280,799.08	-64,031.13	-22.8%
6800 · MEMBERSHIP & GOV FEES	154,258.55	115,617.60	38,640.95	33.42%
6900 · BAD DEBT & CLAIMS	8,646.28	24,737.51	-16,091.23	-65.05%
7000 · UTILITIES	211,999.62	257,330.29	-45,330.67	-17.62%
7100 · PROFESSIONAL SERVICES	442,182.18	391,391.24	50,790.94	12.98%
7200 · TRAINING & TRAVEL	14,746.20	16,605.50	-1,859.30	-11.2%
Total Expense	7,407,457.39	6,970,794.25	436,663.14	6.26%
Net Ordinary Income	1,193,122.43	1,407,834.14	-214,711.71	-15.25%
Other Income/Expense				
Other Expense				
9000 · OTHER EXPENSE	748,740.92	753,760.34	-5,019.42	-0.67%
Total Other Expense	748,740.92	753,760.34	-5,019.42	-0.7%
7302 - RESTRICTED EARNINGS EXPENSE - INTEREST LAIF	-11,963.36	-8,351.21	-3,612.15	-43.3%
Total Restricted Earnings Expense	-11,963.36	-8,351.21	-3,612.15	-43.3%
Net Operating Surplus/(Loss)	456,344.87	662,425.01	-206,080.14	-31.1%

**WATER COMMODITY SALES & PURCHASED WATER ANALYSIS
MID-PENINSULA WATER DISTRICT
FY 2015/2016**

Month	Projected Water Commodity Revenue	Actual Water Commodity Revenue	Projected SFPUC Water Commodity Expense	Actual SFPUC Water Commodity Expense
15-Jul	840,000	659,123	552,000	360,472
15-Aug	924,000	784,369	506,000	419,573
15-Sep	840,000	764,745	506,000	398,063
15-Oct	840,000	717,527	414,000	372,194
15-Nov	672,000	601,541	414,000	339,011
15-Dec	504,000	492,909	276,000	250,365
16-Jan	588,000	517,173	322,000	267,589
16-Feb	504,000	436,095	276,000	237,173
16-Mar	504,000	444,195	276,000	284,044
16-Apr	588,000	559,784	322,000	279,435
16-May	756,000		322,000	
16-Jun	840,000		414,000	

