

MID-PENINSULA WATER DISTRICT

RESOLUTION NO. 2025-__

**RESOLUTION APPROVING THE FORM AND AUTHORIZING AND DIRECTING
EXECUTION OF CERTAIN INSTALLMENT SALE FINANCING DOCUMENTS TO
FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN
IMPROVEMENTS AND FACILITIES TO THE DISTRICT'S WATER SYSTEM AND
THE OFFERING AND SALE OF CERTIFICATES OF PARTICIPATION RELATING
THERETO, AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO**

RESOLVED, by the Board of Directors (the "Board") of the Mid-Peninsula Water District (the "District"), as follows:

WHEREAS, the District has determined that, due to prevailing financial market conditions, it is in the best interests of the District to finance the acquisition and construction of certain improvements and facilities to the District's water system (the "Water System") including, but not limited to, rebuilding the Dairy Lane Operations Center and various improvements to the District's Water System such as pipeline replacement and other miscellaneous improvements as described in the District's 5-Year Capital Improvement Program (the "Project"), through the execution, sale and delivery of certificates of participation (the "Certificates");

WHEREAS, the Certificates will be secured by payments made by the District under the Installment Sale Agreement (hereinafter defined) secured by and payable from net revenues of the Water System on a parity, as to payment and security, with the District's obligations under that certain Installment Sale Agreement, dated as of December 1, 2016, by and between the Public Property Financing Corporation of California and the District;

WHEREAS, the District, working together with the CSDA Finance Corporation (the "Corporation"), proposes to finance the Project, as more particularly described in the Installment Sale Agreement, and it is in the public interest and for the public benefit that the District authorize and direct execution of the Installment Sale Agreement and certain other financing documents in connection therewith;

WHEREAS, a preliminary official statement containing information material to the offering and sale of the Certificates has been prepared;

WHEREAS, pursuant to section 5852.1 of the California Government Code, which became effective on January 1, 2018, by the enactment of Senate Bill 450, certain information relating to the Certificates (hereinafter defined) is set forth in Exhibit A attached to this Resolution, and such information is hereby disclosed and made public; and

WHEREAS, the documents below specified have been filed with the District and the members of the Board, with the aid of its staff, have reviewed said documents;

NOW, THEREFORE, it is hereby DECLARED and ORDERED, as follows:

Section 1. Certificates of Participation (2025 Financing Project) (the “Certificates”) are hereby authorized to be executed and delivered pursuant to the provisions of the Trust Agreement, as hereinafter defined.

Section 2. The below-enumerated documents, in the forms on file with the Secretary, be and are hereby approved, and the President, the Vice President, the General Manager or the Operations Manager, or the designee thereof (each, a “Designated Officer”), are hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such officials, and the Secretary is hereby authorized and directed to attest to such official’s signature:

(a) an acquisition agreement by and between the District, as seller, and the Corporation, as purchaser, pursuant to which the District will sell the Project to the Corporation;

(b) an installment sale agreement, by and between the Corporation, as seller, and the District, as purchaser (the “Installment Sale Agreement”), pursuant to which the Corporation will sell the Project to the District, so long as the total principal amount of the Certificates is not greater than \$_____, annual debt service payments will not be in excess of \$_____ and the true interest cost does not exceed ___%; and

(c) a trust agreement, by and among the Corporation, the District and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trust Agreement”), relating to the financing, and the execution and delivery of the Certificates; and’

Section 3. The Board hereby approves a notice of intention, in the form on file with the Secretary (the “Notice of Intention”), together with any changes therein or additions thereto deemed advisable by any Designated Officer. The Secretary is hereby authorized and directed to cause to be published, once at least five (5) days prior to the date to receive bids, the Notice of Intention in *The Bond Buyer*, a financial publication reasonably expected to be disseminated among prospective bidders for the Certificates. The Board hereby approves a notice of sale, in the form on file with the Secretary (the “Notice of Sale”), together with any changes therein or additions thereto deemed advisable by any Designated Officer. Wulff, Hansen & Co., municipal advisor to the District (the “Municipal Advisor”) is hereby authorized to cause to be furnished to prospective bidders copies of the Notice of Sale.

Section 4. The Board hereby approves a preliminary official statement (the “Preliminary Official Statement”), in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by any Designated Officer. The Board authorizes and directs any Designated Officer to deem “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”). The Municipal Advisor is hereby authorized to cause to be furnished to prospective bidders copies of the Preliminary Official Statement.

Section 5. Any Designated Officer is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the “Final Official Statement”) and to execute said Final Official Statement, dated as of the date of the sale of the Certificates, and a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Certificates, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Certificates, and does not, as of the date of delivery of the Certificates, contain any untrue statement of a material fact with respect to the District or omit to state material facts with respect to the District required to be stated where necessary to make any statement made therein not misleading in the light of the circumstances under which it was made. The

Designated Officers shall take such further actions prior to the signing of the Final Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by any Designated Officer and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the final Official Statement by the District.

Section 6. The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the Certificates.

Section 7. The Municipal Advisor is hereby authorized and directed, on behalf of the District, to receive the bids at the time and place specified in the Notice of Sale, to examine said bids for compliance with the Notice of Sale and to verify the bid with the lowest true interest cost as provided in the Notice of Sale. In the event two or more bids setting forth identical true interest cost are received, the Municipal Advisor, on behalf of the District, may exercise its own discretion and judgment in making the award and may award the Certificates on a *pro rata* basis in such denominations as he shall determine. The Municipal Advisor, on behalf of the District, may, in its discretion, reject any and all bids and waive any irregularity or informality in any bid. The Municipal Advisor, on behalf of the District, shall award the Certificates or reject all bids not later than 24 hours after the expiration of the time prescribed for the receipt of bids unless such time of award is waived by the successful bidder.

If no bids are received by the District for the sale of the Certificates or it is determined by a Designated Officer, in consultation with the Municipal Advisor, that a negotiated sale would be in the best interest of the District (determined either before or after competitive bids for the sale of the Certificates are solicited), the Certificates may be sold on a negotiated basis, to an underwriter identified to the District by the Municipal Advisor (the "Underwriter"). If it is determined that the Certificates are to be sold on a negotiated basis, the Certificates shall be sold to the Underwriter pursuant to a certificate purchase agreement, by and among the Underwriter, the District and the Corporation. Any Designated Officer is hereby authorized and directed to execute said document, with such changes, insertions and omissions as may be approved by such official, so long as the Underwriter's discount does not exceed 2% of the principal amount of the Certificates, exclusive of any original issue discount which does not represent compensation to the Underwriter.

Section 8. The President, the Vice President, the General Manager, the Secretary, any deputy to the Secretary and all other appropriate officials of the District are hereby authorized and directed to execute such other agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the financing herein authorized.

Section 8. This Resolution shall take effect upon its adoption by this Board.

* * * * *

ADOPTED February 27, 2025, by the Board of Directors of the Mid-Peninsula Water District by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

President

Secretary

EXHIBIT A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates as of _____, 2025 (including a par amount of \$_____ and an original issue premium of \$_____), that have been provided by the District's municipal advisor and which has been represented to have been provided in good faith:

(A) True Interest Cost of the Certificates: _____%

(B) Finance Charges:

Costs of issuance:	\$_____
Underwriter's discount:	_____
Total	\$_____

(C) Net Proceeds to be Received: \$_____
(net of finance charges)

(D) Total Payment Amount through Maturity: \$_____

The foregoing estimates constitute good faith estimates only.

The principal amount of the Certificates, the true interest cost of the Certificates, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Certificates being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Certificates sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Certificates being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Certificates being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Certificates and the actual principal amount of Certificates sold will be determined by the District based on the timing of the need for proceeds of the Certificates and other factors. The actual interest rates with respect to the Certificates will depend on market interest rates at the time of sale thereof. The actual amortization of the Certificates will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.

OFFICIAL NOTICE OF SALE

\$ _____ *

**Certificates of Participation
(2025 Financing Project)
Evidencing Direct, Undivided Fractional Interests of the
Owners Thereof in Installment Payments to be Made by the
MID-PENINSULA WATER DISTRICT
(San Mateo County, California)
As the Purchase Price for Certain Property Pursuant to an
Installment Sale Agreement with the
CSDA Finance Corporation**

NOTICE IS HEREBY GIVEN that *electronic bids only* will be received by representatives of the Mid-Peninsula Water District (the "District") for the purchase of \$ _____ * aggregate principal amount of Certificates of Participation (2025 Financing Project) (the "Certificates"), evidencing the direct, undivided fractional interests of the owners thereof in installment payments (the "Installment Payments") to be made by the District as the purchase price for certain property pursuant to an installment sale agreement (the "Installment Sale Agreement") with the CSDA Finance Corporation (the "Corporation"), more particularly described below.

DATE AND TIME: *WEDNESDAY, March 19, 2025, until 10:00 A.M. (Pacific Daylight time).*

SUBMISSION OF BIDS: Bids may be submitted (for receipt not later than the time set forth above) *electronically only* through the I-Deal LLC BiDCOMP/PARITY® system. See "FORM OF BID" herein.

ISSUE; BOOK ENTRY: The Certificates will be dated as of their date of delivery and will be executed and delivered in fully registered form, without coupons, in the denomination of \$5,000 each or any whole multiple thereof, pursuant to the Trust Agreement, dated as of April 1, 2025 (the "Trust Agreement"), by and among the District, the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as approved by a resolution of the Board of Directors of the District, adopted on February 27, 2025 (the "Resolution"). The Certificates will be executed and delivered in a book entry-only system with no physical distribution of the Certificates made to the public. The Depository Trust Company ("DTC"), will act as depository for the Certificates which will be immobilized in its custody. The Certificates will be registered in the name of Cede & Co., as nominee for DTC, on behalf of the participants in the DTC system and the subsequent beneficial owners of the Certificates. Reference is made to the Trust Agreement for further details regarding the terms and provisions of the Certificates.

*Preliminary, subject to change.

MATURITIES: The Certificates will mature, or be subject to mandatory sinking fund redemption, on December 1, in the years and in the amounts, as set forth in the following table. *Each bidder is required to specify in its bid whether, for any particular year, the Certificates will mature or, alternately, be subject to mandatory sinking fund redemption in such year:*

<u>Maturity Date (December 1)</u>	<u>Principal Amount*</u>	<u>Maturity Date (December 1)</u>	<u>Principal Amount*</u>
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*Preliminary, subject to change.

ADJUSTMENT OF PRINCIPAL AMOUNTS AND OF MATURITIES: The maturity amounts set forth above for the Certificates may be adjusted either upward or downward after award of the Certificates has been made to the successful bidder to satisfy the District's requirement that annual debt service be approximately \$_____. The successful bidder will be notified of the actual principal amounts and maturity schedule relating to the Certificates within 6 hours after the expiration of the time prescribed for the receipt of proposals. Any increase or decrease will be in \$5,000 increments of principal amounts. In the event of any such adjustment, no re-bidding or recalculation of the bids submitted will be required or permitted and no successful bid may be withdrawn. The successful bidder will not be permitted to change the interest rates in its bid.

INTEREST: Interest with respect to the Certificates, calculated on a 30/360 day basis, at a rate or rates to be fixed upon the sale thereof but not to exceed 12% per annum, will be payable semiannually on each June 1 and December 1, commencing June 1, 2025.

PAYMENT: Principal of the Certificates will be payable upon surrender to the Trustee. Interest with respect to the Certificates will be payable by check or draft mailed by first class mail to the owner at the address listed on the registration books maintained by the Trustee for such purpose.

OPTIONAL REDEMPTION: The Certificates maturing on or before December 1, ____, are not subject to optional redemption prior to maturity. The Certificates maturing on and after December 1, ____, are subject to optional redemption in whole or in part on any date in such order of maturity as shall be designated by the District (or, if the District shall fail to so designate the order of redemption, in *pro rata* among maturities) and by lot within a maturity, on or after December 1, ____, at a redemption price equal to the principal amount of the Certificates to be redeemed, together with accrued interest, without premium, to the date fixed for redemption, from the proceeds of the optional prepayment of Installment Payments made by the District pursuant to the Installment Sale Agreement.

REDEMPTION FROM NET PROCEEDS OF INSURANCE OR EMINENT DOMAIN

AWARD: The Certificates are subject to mandatory redemption in whole on any date or in part, on any Interest Payment Date from the net proceeds of an insurance, condemnation, or eminent domain award to the extent credited towards the prepayment of the Installment Payments by the District pursuant to the Installment Sale Agreement, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

SINKING FUND REDEMPTION: Any bidder may, at its option, specify that one or more maturities of the Certificates will consist of term Certificates which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof, as designated in the bid of such bidder. In the event that the bid of the successful bidder specifies that any maturity of Certificates will be term Certificates, such term Certificates will be subject to mandatory sinking fund redemption on December 1 in each year so designated in the bid, in the respective amounts for such years as set forth above under the heading "MATURITIES," at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium.

PURPOSE: The proceeds of the Certificates will be applied by the District to provide funds to (a) finance the acquisition and construction of certain improvements and facilities to the District's water system (the "Water System") including, but not limited to, rebuilding the Dairy Lane Operations Center and various improvements to the District's Water System such as pipeline replacement and other miscellaneous improvements as described in the District's 5-Year Capital Improvement Program and (b) pay costs incurred in connection with executing and delivering the Certificates.

SECURITY: The Certificates represent direct, undivided fractional interests in Installment Payments. The District is obligated under the Installment Sale Agreement to pay Installment Payments from Net Revenues (as such term is defined in the Installment Sale Agreement) of the Water System and certain other sources, all as provided in the Installment Sale Agreement, on a parity, as to payment and security, with the District's obligations under that certain Installment Sale Agreement, dated as of December 1, 2016, by and between the Public Property Financing Corporation of California and the District, which secure the District's Certificates of participation (2016 Financing Project). The obligation of the District to pay the Installment Payments does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. **A reserve fund will *not* be funded for the Certificates.**

THE OBLIGATION OF THE DISTRICT TO MAKE INSTALLMENT PAYMENTS DOES NOT CONSTITUTE AN OBLIGATION OF THE DISTRICT FOR WHICH THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE DISTRICT TO PAY INSTALLMENT PAYMENTS CONSTITUTES A DEBT OF THE DISTRICT, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF CALIFORNIA.

RATING: S&P Global Ratings has assigned the underlying rating of "____" to the Certificates. **The cost of obtaining such rating will be borne entirely by the District and not by the successful bidder.**

TERMS OF SALE

INTEREST RATE: No rate of interest may be bid which exceeds 12% per annum. Each rate bid must be a multiple of one-twentieth of one percent (1/20%) or one-eighth of one percent (1/8%). No Certificate shall bear more than one interest rate, and all Certificates of the same maturity shall bear the same rate. Each Certificate must bear interest at the rate specified in the bid from its date to its fixed maturity date. The rate on any maturity or group of maturities shall not be more than 4% higher than the interest rate on any other maturity or group of maturities. Interest rates shall be level or ascending as compared to the previous maturity.

FORM OF BID; MAXIMUM DISCOUNT: All bids must be for not less than all of the Certificates hereby offered for sale and for not less than 99% of the aggregate par amount thereof. The amount of any discount specified in any bid shall not exceed 1% of the aggregate principal amount of the Certificates. There is no limit to any premium offered.

Electronic Bids. To the extent any instructions or directions set forth in BiDCOMP/PARITY® conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about BiDCOMP/PARITY®, bidders may contact Wulff, Hansen & Co., Attention: Bud Levine (the "Municipal Advisor"), at (415) 421-8900 or BiDCOMP/PARITY® at (212) 404-8102.

THE DISTRICT RETAINS ABSOLUTE DISCRETION TO DETERMINE WHETHER ANY BID IS TIMELY, LEGIBLE AND COMPLETE. NONE OF THE DISTRICT, THE MUNICIPAL ADVISOR, OR STRADLING YOCCA CARLSON & RAUTH LLP ("SPECIAL COUNSEL") TAKES ANY RESPONSIBILITY FOR INFORMING ANY BIDDER PRIOR TO THE TIME FOR RECEIVING BIDS THAT ITS BID IS INCOMPLETE, ILLEGIBLE OR NOT RECEIVED.

EACH BIDDER SUBMITTING AN ELECTRONIC BID UNDERSTANDS AND AGREES BY DOING SO THAT IT IS SOLELY RESPONSIBLE FOR ALL ARRANGEMENTS WITH BiDCOMP/PARITY® AND THAT BiDCOMP/PARITY® IS NOT ACTING AS AN AGENT OF THE DISTRICT. INSTRUCTIONS AND FORMS FOR SUBMITTING ELECTRONIC BIDS MUST BE OBTAINED FROM BiDCOMP/PARITY® AND THE DISTRICT ASSUMES NO RESPONSIBILITY FOR ENSURING OR VERIFYING BIDDER COMPLIANCE WITH THE PROCEDURES OF BiDCOMP/PARITY®. THE DISTRICT SHALL ASSUME THAT ANY BID RECEIVED THROUGH BiDCOMP/PARITY® HAS BEEN MADE BY A DULY AUTHORIZED AGENT OF THE BIDDER.

THE DISTRICT WILL MAKE ITS BEST EFFORTS TO ACCOMMODATE ELECTRONIC BIDS; HOWEVER THE DISTRICT, THE MUNICIPAL ADVISOR AND SPECIAL COUNSEL ASSUME NO RESPONSIBILITY FOR ANY ERROR CONTAINED IN ANY BID SUBMITTED ELECTRONICALLY, OR FOR FAILURE OF ANY BID TO BE TRANSMITTED, RECEIVED OR ACCEPTED AT THE OFFICIAL TIME FOR RECEIPT OF BIDS. THE OFFICIAL TIME FOR RECEIPT OF BIDS WILL BE DETERMINED BY THE DISTRICT AND THE DISTRICT SHALL NOT BE REQUIRED TO ACCEPT THE TIME KEPT BY BiDCOMP/PARITY® AS THE OFFICIAL TIME.

BEST BID: The Certificates will be awarded to the responsible bidder or bidders offering to purchase the Certificates at the *lowest true interest cost* to the District. The true interest cost of each bid will be determined on the basis of the present value of the aggregate future semiannual payments resulting from the interest rates specified by the bidder. The present value will be calculated to the dated date of the Certificates (assumed to be December 21, 2025)

and will be based on the proposed bid amount (par value less any discount or plus any premium). For the purpose of making such determination, it shall be assumed that any Certificate designated as term certificates by the bidder shall be deemed to be payable on the dates and in the amounts as shown under the section entitled "MATURITIES" herein. Each bidder is requested, but not required, to state in his bid the percentage true interest cost to the District, which shall be considered as informative only and shall not be binding on either the bidder or the District. The determination of the best bid by the District's Municipal Advisor shall be binding and conclusive on all bidders.

RIGHT OF CANCELLATION OF SALE BY DISTRICT: The District reserves the right, in its sole discretion, at any time to cancel the public sale of the Certificates. In such event, the District shall cause notice of cancellation of this invitation for bids and the public sale of the Certificates to be communicated through the *Bond Buyer Wire* as promptly as practicable. However, no failure to publish such notice or any defect or omission therein shall affect the cancellation of the public sale of the Certificates.

RIGHT TO MODIFY OR AMEND: The District reserves the right, in its sole discretion, to modify or amend this official Notice of Sale including, but not limited to, the right to adjust and change the principal amount and principal amortization schedule of the Certificates being offered, however, such modifications or amendments shall be made not later than 10:00 A.M., California time, on the business day prior to the bid opening and communicated through the *Bond Buyer Wire*.

RIGHT OF POSTPONEMENT BY DISTRICT: The District reserves the right, in its sole discretion, to postpone, from time to time, the date established for the receipt of bids. Any such postponement will be communicated through the *Bond Buyer Wire* not later than 10:00 A.M., Pacific Daylight time, on the business day prior to any announced date for receipt of bids. If any date is postponed, any alternative sale date will be announced through the *Bond Buyer Wire* at least 24 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a bid for the purchase of the Certificates in conformity in all respects with the provisions of this Official Notice of Sale, except for the date of sale and except for the changes announced by through the *Bond Buyer Wire* at the time the sale date and time are announced.

RIGHT OF REJECTION: The District reserves the right, in its sole discretion, to reject any and all bids and to waive any irregularity or informality in any bid except that no bids will be accepted later than 10:00 A.M. on the date set for receipt of bids.

PROMPT AWARD: Pursuant to authority granted by the Board, the District General Manager, or the District General Manager's designee, will take action awarding the Certificates or rejecting all bids not later than six (6) hours after the expiration of the time herein prescribed for the receipt of proposals; provided, that the award may be made after the expiration of the specified time if the bidder shall not have given to said Board notice in writing of the withdrawal of such proposal.

PLACE OF DELIVERY; CANCELLATION FOR LATE DELIVERY: It is expected that said Certificates will be delivered to DTC for the account of the successful bidder within twenty (20) days from the date of sale thereof. The successful bidder shall have the right, at his option, to cancel its obligation to purchase the Certificates if the Certificates are not tendered for delivery within sixty (60) days from the date of the sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying his bid.

GOOD FAITH DEPOSIT: A good faith deposit ("Deposit") in the form of a certified or cashier's check or a wire transfer, in the amount of \$_____ payable to the order of the

Trustee, must be remitted by the winning bidder within 24 hours after the acceptance of its bid (wire instructions to be provided). The Deposit shall be cashed by the Trustee on behalf of the District and shall then be applied toward the purchase price of the Certificates. If after the award of the Certificates the successful bidder or bidders fail to complete their purchase on the terms stated in their bid, the Deposit will be retained by the District. No interest on the Deposit will accrue to any bidder.

CHANGE IN TAX EXEMPT STATUS: At any time before the Certificates are tendered for delivery, the successful bidder may disaffirm and withdraw his proposal if the interest received by private holders from Certificates of the same type and character shall be declared to be taxable income under present federal income tax laws, either by a ruling of the Internal Revenue Service or by a decision of any federal court, or shall be declared taxable, or be required to be taken into account in computing federal income taxes (except alternative minimum taxes and environmental taxes payable by corporations) by any federal income tax law enacted subsequent to the date of this notice.

CLOSING PAPERS; CERTIFICATE PRINTING: Each proposal will be understood to be conditioned upon the District furnishing to the purchaser, without charge, concurrently with payment for and delivery of the Certificates, the following closing papers, each dated the date of delivery:

(a) The opinion of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Special Counsel, approving the validity of the Certificates and stating that, subject to the District's compliance with certain covenants, the portion of the Installment Payments designated as and comprising interest and received by the owners of the Certificates is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but Special Counsel expresses no opinion as to whether the portion of the Installment Payments designated as and comprising interest is taken into account in computing adjusted current earnings which is used in determining the federal alternative minimum tax for certain corporations and the portion of the Installment Payments designated as and comprising interest and received by the owners of the Certificates is exempt from personal income taxation imposed by the State of California. Other tax consequences to holders of the Certificates, if any, are not addressed in the opinion.

(b) A certificate of the District certifying that on the basis of the facts, estimates and circumstances in existence on the date of issue, it is not expected that the proceeds of the Certificates will be used in a manner that would cause the Certificates to be arbitrage bonds;

(c) A certificate of the District, signed by officers and representatives of the District, certifying that the officers and representatives have signed the Certificates whether by facsimile or manual signature, and that they were respectively duly authorized to execute the same;

(d) The receipt of the District evidencing the receipt of the purchase price of the Certificates;

(e) A certificate of the District, certifying that there is no known litigation threatened or pending affecting the validity of the Certificates; and

(f) A certificate of the District, signed by an officer of the District, acting in his official capacity, to the effect that at the time of the sale of the Certificates, and at all times subsequent thereto up to and including the time of the delivery of the Certificates, the Official Statement relating to the Certificates did not contain any untrue statement of a material fact or omit to

state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Certificates, but neither the failure to print such numbers on any Certificate nor error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Certificates in accordance with the terms of the purchase contract. All expenses of printing CUSIP numbers on the Certificates and the CUSIP Service Bureau charge for the assignment of said numbers shall be paid by the successful bidder.

CERTIFICATION OF REOFFERING PRICE: The successful bidder shall be required, as a condition to the issuance of the Certificates, to deliver to the District a certificate, in form and substance satisfactory to Special Counsel, stating (i) that, as of the date of award, the Certificates were expected to be reoffered in a bona fide public offering, (ii) the initial offering price at which a substantial amount (at least 10%) of each maturity of the Certificates were sold to the public, and (iii) that no Certificates of a single maturity were offered at one price to the general public and at a discount from that price to institutional or other investors.

CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION: The successful bidder will be required, pursuant to State law, to pay any fees to the California Debt and Investment Advisory Commission when due.

DTC FEES: All fees due DTC with respect to the Certificates shall be paid by the successful bidder or bidders.

OFFICIAL STATEMENT: The District has caused to be prepared a Preliminary Official Statement describing the Certificates in a form deemed final by the District within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, except for certain information which is permitted under said Rule 15c2-12 to be omitted from the Preliminary Official Statement. A copy of the Preliminary Official Statement will be furnished upon request to Wulff, Hansen & Co., 100 Smith Ranch Road, Suite 330, San Rafael, CA 94903, Attention: Bud Levine, telephone (415) 421-8900. The District will furnish to the successful bidder within seven business days following the date of award, at no charge, not in excess of fifty (50) copies of the Official Statement for use in connection with any resale of the Certificates.

DISCLOSURE CERTIFICATE: The District will deliver to the purchaser of the Certificates a certificate of an official of the District, dated the date of delivery of the Certificates, stating that as of the date thereof, to the best of the knowledge and belief of said official, the Official Statement does not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and further certifying that the signatory knows of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Certificates to rely upon the Official Statement in connection with the resale of the Certificates. The District has never failed to provide annual reports or notices of material events.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the District will undertake, pursuant to the resolution authorizing issuance of the Certificates and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the preliminary Official Statement and will also be set forth in the final Official Statement.

Dated: March 6, 2025

**MID-PENINSULA
MONTHLY BUDGET R
FY 25 PRELIMINARY
SUMMAI**

DESCRIPTION	
1	OPERATING REVENUE
2	WATER COMMODITY CHARGES
3	FIXED SYSTEM CHARGES
4	FIRE SERVICE CHARGES
5	MISC CUSTOMER ACCOUNT FEES
6	SERVICE LINE & INSTALLATION CHARGES
7	MISCELLANEOUS OPERATING
8	TOTAL OPERATING REVENUE (SOURCES)
9	WATER SYSTEM CAPACITY CHARGES
10	WATER DEMAND OFFSET CHARGES
11	PROPERTY TAX REVENUE
12	LEASE OF PHYSICAL PROPERTY
13	MISCELLANEOUS NON-OPERATING
14	INTEREST REVENUE - PARS
15	INTEREST REVENUE-LAIF
16	INTEREST REVENUE-COP
17	INTEREST REVENUE-US TREASURIES
18	LANDSCAPE PERMIT REVENUE
19	TOTAL NON-OPERATING REVENUE (SOURCES)
20	TOTAL REVENUE (SOURCES)
21	OPERATING EXPENDITURES (USES)
22	SALARIES & WAGES
23	PAYROLL TAXES & BENEFITS
24	PURCHASED WATER
25	OUTREACH & EDUCATION
26	M&R - OPS SYSTEMS
27	M&R - FACILITIES & EQUIPMENT
28	FLOOD RECOVERY
29	SYSTEM SURVEYS
30	ADMINISTRATION & EQUIPMENT
31	MEMBERSHIP & GOV FEES
32	BAD DEBT & CLAIMS
33	UTILITIES
34	PROFESSIONAL SERVICES

35	TRAINING/TRAVEL & RECRUITMENT
36	DEBT SERVICE
37	TOTAL OPERATING EXPENSES (USES)
38	NET SOURCES OVER/(UNDER) USES
39	CAPITAL ITEMS
40	Trucks (2 trucks)
41	Surveillance Equipment for Tanks / Facilities
42	Misc. Equipment
43	Valve Turner
44	Air Relief and Vacuum Valves
45	Construction Projects - PayGo
46	Construction Projects - Debt Financing
47	TOTAL CAPITAL ITEMS
48	NET SURPLUS/(LOSS)
49	TRANSFER FROM (TO) WORKING CAPITAL RESERVES*
50	NET TRANSFERS TO CAPITAL
51	DEBT SERVICE COVERAGE

“Net Revenues” means Gross Water System Revenues less Operation and Maintenance Costs of the Water System.

“Gross Water System Revenues” means all gross income and revenue received from the ownership and operation of the Water System, including, without limiting the foregoing, (a) all income, rents, rates, fees, charges or other moneys derived from the sale of water and commodities sold, furnished or supplied through the facilities of the Water System, (b) income derived from the investment of such income, rents, rates, fees, charges or other moneys, to the extent that the use of such earnings and income is limited by or pursuant to the terms of the Water System, (c) the proceeds derived by the District directly or indirectly from the sale or disposition of a part of the Water System as permitted in the Installment Sale Agreement, and (d) investment earnings credited by the Trustee under the Trust Agreement to the Irrevocable Trust, provided, however, that the term “Gross Water System Revenues” shall not include any other deposits subject to refund until such deposits have become the property of the District.

“Maintenance and Operation Costs of the Water System” means, for any period, the necessary costs paid or incurred by the District during such period for maintaining the Water System and delivering or providing Water Service thereunder, determined in accordance with the terms of the Water System.

generally accepted accounting principles, including all costs of water produced by the District for resale through the Water System, and including all reasonable expenses for repair and all other expenses necessary to maintain and preserve the Water System in working order, and including all administrative costs of the District that are charged or apportioned to the operation of the Water System, such as salaries and wages and taxes (if any) and insurance premiums, and including all other reasonable and necessary District or charges required to be paid by it to comply with the terms of the Installment Purchase Contract or the Trust Agreement or of any resolution authorizing the execution of any Installment Purchase Contract or of any such Installment Purchase Contract or of any resolution authorizing the execution of any such bonds, such as compensation, reimbursement and indemnification of the lessor for any such Installment Purchase Contracts or bonds and the fees of an independent Public Accountants or Independent Engineers, but excluding in all cases, depreciation, obsolescence charges or reserve therefor and amortization of intangibles.

WATER DISTRICT
 EPORT- OPERATIONS
 ' MID YEAR BUDGET
 RY PAGE

FY 2024-2025 APPROVED BUDGET	PROPOSED AMENDED FY 2024-25 BUDGET	INCREASE / (DECREASE) FY 2024-25 BUDGET	% Change
11,576,200	12,766,915	1,190,715	10.3%
3,197,000	3,530,021	333,021	10.4%
18,000	18,000	-	0.0%
98,700	107,100	8,400	8.5%
60,000	111,000	51,000	85.0%
3,000	19,500	16,500	550.0%
14,952,900	16,552,536	1,599,636	10.7%
60,000	807,300	747,300	1245.5%
15,000	-	(15,000)	-100.0%
545,000	545,000	-	0.0%
168,000	168,000	-	0.0%
75,000	6,600	(68,400)	-91.2%
41,000	41,000	-	0.0%
100,000	73,640	(26,360)	-26.4%
273,000	38,000	(235,000)	-86.1%
393,000	293,723	(99,277)	-25.3%
4,000	4,000	-	0.0%
1,674,000	1,977,263	303,263	18.1%
16,626,900	18,529,799	1,902,899	11.4%
2,772,868	2,771,305	(1,563)	-0.1%
1,176,865	1,335,100	158,235	13.4%
6,640,719	6,619,719	(21,000)	-0.3%
80,000	95,000	15,000	18.8%
630,000	630,000	-	0.0%
684,500	653,500	(31,000)	-4.5%
-	-	-	-
715,000	115,000	(600,000)	-83.9%
606,000	727,000	121,000	20.0%
195,000	196,000	1,000	0.5%
15,000	15,000	-	0.0%
542,600	576,500	33,900	6.2%
714,000	675,000	(39,000)	-5.5%

87,500	111,500	24,000	27.4%
1,055,000	1,055,000	-	0.0%
15,915,052	15,575,624	(339,428)	-2.1%
711,848	2,954,175	2,242,327	315.0%
200,000	200,000	-	0.0%
40,000	40,000	-	0.0%
30,000	30,000	-	0.0%
30,000	30,000	-	0.0%
100,000	20,000	(80,000)	-80.0%
4,640,000	3,826,000	(814,000)	-17.5%
7,688,750	7,688,750	-	0.0%
12,728,750	11,834,750	(894,000)	100.0%
(12,016,902)	(8,880,575)	3,136,327	126.1%
12,016,902	8,880,575	(3,136,327)	
1.53	3.02		

1.30

aintenance Expenses.

l by the District from
 ie generality of the
 om the services, facilities
 System, (b) the earnings
 charges or other moneys to
 the law to the Water
 ale, lease or other
 greement, and (d) all
 installment Payment Fund;
 lude customers' deposits or
 erty of the District.

d, all reasonable and
 ing and operating the
 d in accordance with

Mid-Year Budget Adjustments - FY 2024/2025 Operating Budget - Revenue



52			Actuals	Actuals	Actuals	Actuals	Actuals	Projected	Original	Proposed	
53			FY 2021	FY 2022	FY 2023	FY 2024	As of 12/31/2024	if straight-line	Budget	Amendment	
54	Account Number	Description	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2025	FY 2025	FY 2025	Changes
55 REVENUES											
56	1-400-4010-40-00	Water Charges	\$ 11,021,836	\$ 9,793,806	\$ 9,557,671	\$ 10,621,799	\$ 7,510,312	\$ 15,020,624	\$ 11,576,200	\$ 12,766,915	\$ 1,190,715
57	1-400-4010-41-00	Water Refunds	-	(931)	1,496	(8,961)	-	-	-	-	-
58	1-400-4010-42-00	Returned Water Charges	(12,705)	(12,126)	-	(12,287)	(582)	(1,165)	-	-	-
59	1-400-4010-43-00	Water Sales Sent To Collections	520	767	339	-	-	-	-	-	-
60	1-400-4020-00-00	Fixed System Charges	3,159,734	3,176,734	3,175,460	3,246,456	1,898,854	3,797,707	3,197,000	3,530,021	333,021
61	1-400-4030-00-00	Fire Service Fees	16,711	17,147	17,274	17,770	10,388	20,776	18,000	18,000	-
62	1-400-4040-00-00	Credit Card Fees	(12)	23,073	39,957	46,419	28,855	57,710	46,000	50,000	4,000
63	1-400-4041-00-00	Late Fees	(180)	17,701	33,406	40,440	21,945	43,890	33,000	37,000	4,000
64	1-400-4042-00-00	48 Hour Notice Fees	(210)	6,265	18,772	16,040	7,975	15,950	17,000	17,000	-
65	1-400-4043-00-00	Shut Off Fees	(225)	2,850	4,125	2,475	2,325	4,650	2,700	3,100	400
66	1-400-4044-00-00	After Hours Fees	500	400	-	200	200	400	-	-	-
67	1-400-4050-00-00	Service Line & Install Charges	21,804	85,625	153,774	57,676	66,096	78,096	60,000	111,000	51,000
68	1-400-4060-00-00	Water System Capacity Charges	63,604	1,605,368	1,645,297	-	807,339	807,339	60,000	807,300	747,300
69	1-400-4070-00-00	Water Demand Offset Charges	4,262	1,346	31,916	-	-	-	15,000	-	(15,000)
70	1-400-4080-00-00	Misc - Operating Revenue	1,034	61,488	18,500	46,414	15,500	31,000	3,000	19,500	16,500
71	1-400-4090-00-00	Misc - Non Operating Revenue	1,950,870	804,393	73,742	543,659	6,562	13,124	75,000	6,600	(68,400)
72	1-410-4101-00-00	Interest Revenue - Opeb Pars	-	-	110,336	97,667	19,637	39,273	41,000	41,000	-
73	1-400-4102-00-00	Interest Revenue- Laif--DNU	-	-	-	-	-	-	-	-	-
74	1-410-4102-00-00	Interest Revenue- Laif	48,771	51,640	258,315	294,719	53,640	107,280	100,000	73,640	(26,360)
75	1-410-4103-00-00	Interest Revenue- Bank	2,616	44,044	203,296	157,287	18,676	37,353	273,000	38,000	(235,000)
76	1-410-4104-00-00	US Treasuries	-	-	203,224	551,703	70,486	140,972	393,000	251,723	(141,277)
77	1-410-4104-01-00	Zions Fair Market Value Adj				-	212,728	425,457	-		
78	1-410-4105-00-00	GASB 87 lease income-DNU	-	-	34,168	30,153	-	-	-	-	-
79	1-410-4106-00-00	Investment Revenue - Sweep	-	-	-	31,177	25,267	50,535	-	42,000	42,000
80	1-420-4201-44-00	Lease Of Physical Property	159,595	150,630	180,937	213,675	81,324	162,649	168,000	168,000	-
81	1-420-4201-45-00	GASB 87 lease adjustment rev	-	-	(35,100)	(54,372)	-	-	-	-	-
82	1-420-4202-45-00	Property Tax Revenue	409,455	438,258	506,145	542,478	401,398	802,796	545,000	545,000	-
83	1-420-4204-00-00	Contributed Capital	74,687	13,332	-	-	-	-	-	-	-
84	1-420-4208-46-00	Landscape Plan Permit Review	10,200	10,226	1,200	4,400	2,000	4,000	4,000	4,000	-
85	1-420-4210=00=00	Insurance Claims	-	-	-	-	-	-	-		
86	Total Revenues		\$ 16,932,867	\$ 16,292,035	\$ 16,234,249	\$ 16,486,986	\$ 11,260,926	\$ 21,660,417	\$ 16,626,900	\$ 18,529,799	\$ 1,902,899

Mid-Year Budget Adjustments - FY 2024/2025 Operating Budget - Expenses



87							Actuals		Original	Proposed	
88							As of 12/31/2024	Project	Budget	Amendment	
89	Account Number	Description	Actuals FY 2021	Actuals FY 2022	Actuals FY 2023	Actuals FY 2024	FY 2025	FY 2025	FY 2025	FY 2025	Changes
90	EXPENSES										
91	1-601-6010-50-00	Salaries & Wages	\$ 1,622,647	\$ 1,752,442	\$ 2,158,486	\$ 1,967,644	\$ 1,224,256	\$ 2,448,511	\$ 2,604,868	2,603,305	\$ (1,563)
92	1-601-6010-51-00	Director Compensation	9,400	7,200	14,600	10,608	5,400	10,800	-	-	-
93	1-601-6010-52-00	Sick Leave	45,826	27,446	41,071	59,068	47,422	94,844	-	-	-
94	1-601-6010-53-00	Vacation	101,635	123,331	105,185	133,768	81,778	163,555	-	-	-
95	1-601-6010-54-00	Holiday	85,964	51,429	71,429	83,130	73,118	146,236	-	-	-
96	1-601-6010-55-00	Administrative	48,319	20,394	32,393	24,624	25,614	51,228	-	-	-
97	1-602-6020-56-00	Overtime Labor	45,701	35,724	68,457	138,217	42,942	85,883	120,000	120,000	-
98	1-602-6020-57-00	Standby Labor	42,224	39,438	39,116	40,141	24,467	48,933	48,000	48,000	-
99	1-603-6030-58-00	Fica/Medicare Pr Tax	139,790	141,939	184,070	177,417	103,979	207,957	190,937	191,000	63
100	1-603-6030-59-00	Acwa Health Care	320,097	360,986	276,284	268,930	224,438	384,751	407,585	435,200	27,615
101	1-603-6030-60-00	Awca Dental	24,113	24,850	27,984	23,339	19,901	39,802	37,016	40,000	2,984
102	1-603-6030-61-00	Acwa Vision	4,552	4,583	4,856	4,605	3,624	6,213	5,796	6,000	204
103	1-603-6030-62-00	Acwa Life/Ad&D	5,435	5,047	3,597	5,662	4,661	7,991	6,829	8,000	1,171
104	1-603-6030-63-00	Standard Ldl/Sdl Disability	13,688	11,226	17,777	15,367	12,869	25,739	12,000	22,000	10,000
105	1-603-6030-64-00	Workers Comp Insurance	45,859	31,750	62,814	61,473	38,334	153,336	50,000	72,000	22,000
106	1-603-6030-65-00	Unemployment				5,519	-	-	-	-	-
107	1-603-6030-66-00	Calpers Retirement - Er 2%@55	328,984	164,428	163,390	204,738	130,851	261,702	255,112	234,500	(20,612)
108	1-603-6030-66-01	CALPERS UAL Fresh Start 7/1/18	51,402	-	-	-	29,600	29,600	30,590	29,600	(990)
109	1-603-6030-67-00	Retirees' Acwa Health Care	-	-	(1,270)	33,462	75,406	129,267	-	74,000	74,000
110	1-603-6030-68-00	Directors' Acwa Health Care	93,285	68,439	58,007	70,011	61,452	102,812	61,000	102,800	41,800
111	1-603-6030-69-00	Gm Relocation Reimbursement				-	-	-			
112	1-603-6030-70-00	Medical Reimbursement	535	30,253	52,817	57,443	56,240	112,479	50,000	50,000	-
113	1-603-6030-71-00	Employee Service Recognition	4,622	4,496	18,414	15,377	1,812	3,624	10,000	10,000	-
114	1-603-6030-72-00	EE Safety Incentive/Wellness	18,760	27,208	18,470	15,362	12,249	24,498	40,000	40,000	-
115	1-603-6030-73-00	Uniforms	15,605	17,252	13,034	14,541	8,145	16,291	20,000	20,000	-
116	1-603-6030-74-00	PARS Opeb Expense				(91,463)	-	-			-
117	1-603-6030-75-00	Net Pension Expense				619,762	-	-			-
118	1-603-6030-76-00	EE Wellness Program	-	750	14,618	13,005	(13,005)	(26,010)			-
119	1-610-6100-76-00	Sfpuc Treated Water	5,219,349	4,857,178	5,251,380	5,797,950	3,291,690	6,583,379	6,076,480	6,076,480	-
120	1-610-6100-77-00	Bawsca (Debt Service Surcharge)	488,544	513,000	418,758	394,751	195,817	391,633	427,239	427,239	-
121	1-610-6100-78-00	Rates Stabilization				-	-	-			-
122	1-610-6100-79-00	Sfpuc Water Service Charge	78,483	65,318	81,630	78,469	41,911	83,822	90,000	90,000	-
123	1-630-6301-00-00	Water Conservation Program	5,411	8,251	8,749	8,420	1,784	3,568	10,000	10,000	-
124	1-630-6301-01-00	WELO				-	7,411	14,822		15,000	15,000
125	1-630-6302-00-00	School Conservation Program	4,903	14,157	10,627	12,427	790	1,580	15,000	15,000	-
126	1-630-6303-00-00	Public Outreach & Education	20,616	14,382	28,113	9,488	3,692	7,384	25,000	25,000	-
127	1-634-6304-80-00	Smart Irrigation Rebates	2,874	778	164	493	329	658	2,000	2,000	-
128	1-634-6304-81-00	Irrigation Hardware Rebate	-	-	130	812	(1,774)	(3,548)	1,000	1,000	-

Mid-Year Budget Adjustments - FY 2024/2025 Operating Budget - Expenses



87			Actuals						Original	Proposd	
88			Actuals	Actuals	Actuals	Actuals	As of 12/31/2024	Project	Budget	Amendment	
89	Account Number	Description	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2025	FY 2025	FY 2025	Changes
129	1-634-6304-82-00	Lawn-Be-Gone Rebates	7,361	13,406	3,407	16,710	4,649	9,298	25,000	25,000	-
130	1-634-6304-83-00	Rain Barrels Rebate	400	901	1,009	(213)	-	-	2,000	2,000	-
131	1-640-6401-00-00	Water Quality	67,380	48,130	54,142	45,356	33,734	67,467	60,000	60,000	-
132	1-640-6402-00-00	Pumping	38,609	21,261	36,755	10,795	20	40	20,000	20,000	-
133	1-640-6403-00-00	Storage Tanks	16,496	12,830	2,306	31,135	683	1,366	34,000	34,000	-
134	1-640-6404-00-00	Mains/Distribution	231,236	265,803	119,998	62,701	31,665	63,330	180,000	150,000	(30,000)
135	1-640-6405-00-00	Meters & Service	(5,537)	41,466	107,128	179,679	94,110	188,220	176,000	176,000	-
136	1-640-6405-01-00	Meters & Service-Customer				-	(5,203)	(10,406)			-
137	1-640-6406-00-00	Fire Hydrants	100,158	4,604	80,099	79,988	1,071	2,143	80,000	80,000	-
138	1-640-6407-00-00	Regulator Stations	1,180	3,344	5,550	439	371	742	15,000	15,000	-
139	1-640-6408-00-00	Employee Safety	8,178	6,180	12,822	13,515	2,997	5,993	15,000	15,000	-
140	1-640-6409-00-00	Scada Maintenance	15,212	46,570	44,740	48,857	42,717	85,434	35,000	65,000	30,000
141	1-640-6410-00-00	Generator Maintenance	9,008	13,868	13,116	858	1,376	2,753	15,000	15,000	-
142	1-650-6501-00-00	Buildings & Grounds	106,583	116,173	102,747	183,591	98,236	196,472			-
143		Tree pruning/removal/replacement				-	-	-	180,000	125,000	(55,000)
144		Landscape maintenance & permit fees				-	-	-	80,000	80,000	-
145	1-650-6501-00-99	Contra Exp - Capitalized Equip				(61,172)	-	-			-
146	1-650-6501-01-00	Buildings & Furniture Purchase				5,850	3,154	6,308			-
147	1-650-6505-01-00	Buildings & Furniture Purchase				262	-	-			-
148	1-650-6502-00-00	Equipment & Tools	13,997	6,969	15,464	15,646	10,538	21,076	20,000	20,000	-
149	1-650-6503-00-00	Vehicle & Large Equip	31,895	34,702	14,609	15,783	5,507	11,014	30,000	30,000	-
150	1-650-6504-00-00	Fuel	22,609	44,816	32,073	28,575	14,312	28,624	42,000	42,000	-
151	1-650-6505-00-00	2022 FLOOD RECOVERY	-	-	115,967	18,394	-	-	-	-	-
152	1-650-6506-00-00	Replacement for 4/14 incident				62,894	(96,794)	(193,588)			-
153	1-660-6601-00-00	Cathodic Protection Survey	17,280	-	28,970	-	2,100	4,200	35,000	35,000	-
154	1-660-6602-00-00	Leak Detection Survey	49,970	-	-	-	-	-	40,000	40,000	-
155	1-660-6603-00-00	Project # 20-05 Transmission Main Condition Assessment				-	-	-	625,000	25,000	(600,000)
156	1-670-6701-00-00	Office Supplies	7,280	12,640	18,489	18,912	4,028	8,057	15,000	15,000	-
157	1-670-6702-00-00	Insurance-Liability/Vehicle	173,720	279,571	194,973	230,479	269,097	538,194	209,000	270,000	61,000
158	1-670-6703-00-00	Postage	12,328	5,252	5,769	434	893	1,787	2,000	2,000	-
159	1-670-6704-00-00	Printing/Printing Supplies	6,154	5,638	631	1,072	-	-	2,000	-	(2,000)
160	1-670-6705-00-00	Equipment Services/Maintenance	5,728	16,649	11,504	14,549	8,931	17,862	17,000	17,000	-
161	1-670-6706-00-00	Computer Supplies & Upgrades	9,287	19,141	24,119	18,003	14,594	29,189	23,000	30,000	7,000
162	1-670-6706-01-00	Website Hosting Services	-	-	-	5,963	2,955	5,910	7,000	7,000	-
163	1-670-6707-00-00	Security & Safety	6,214	34,109	24,109	39,004	17,130	34,260	28,000	28,000	-
164	1-670-6707-00-99	Contra Exp - Capitalized Equip				(19,000)	-	-			-
165	1-670-6708-00-00	Other Fees	-	-	492	-	-	-	-	-	-
166	1-670-6709-00-00	Customer Credit Card Svs Fees	147,603	162,706	149,259	162,834	108,687	217,374	165,000	220,000	55,000
167	1-670-6709-02-00	Check Processing Fees	-	40	-	-	1,565	3,130	-	-	-
168	1-670-6709-03-00	Bank Service Charges	78	109	3,006	4,854	1,601	3,202	6,000	6,000	-
169	1-670-6710-00-00	PROPERTY LEASE	-	-	-	-	97,904	146,856	147,000	147,000	-
170	1-680-6801-00-00	Dues & Publications	48,813	27,103	39,260	42,159	51,169	59,569	50,000	55,000	5,000

Mid-Year Budget Adjustments - FY 2024/2025 Operating Budget - Expenses



						Actuals		Original	Proposed	
						As of 12/31/2024	Project	Budget	Amendment	
	Account Number	Description	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2025	FY 2025	Changes
171	1-680-6802-00-00	Gov'T Fees & Licenses	44,324	60,433	71,402	62,690	69,412	138,825	-	-
172		Water Board				-	-	-	42,000	49,000
173		Others				-	-	-	28,000	30,000
174	1-680-6803-00-00	Bawasca Membership Assessments	73,328	72,695	99,130	99,130	81,039	162,078	100,000	100,000
175	1-680-6803-01-00	New: BAWSCA Water Management Charge	-	-	-	-	8,355	16,710	47,000	26,000
176	1-680-6804-00-00	Env Health-Cross Con Inspection	34,500	37,175	38,459	40,409	40,089	40,089	45,000	41,000
177	1-680-6805-00-00	Software Licenses	69,978	61,906	83,763	76,058	83,516	167,033		
178		Sensus/WaterWatch				-	-	-	55,000	15,000
179		Springbrook				-	-	-	37,000	37,000
180		Granicus				-	-	-	8,500	8,500
181		Spatial Wave				-	-	-	15,000	15,000
182		ESRI				-	-	-	5,000	5,000
183		Other Software (office 365, etc...)				-	-	-	14,500	14,500
184	1-690-6901-00-00	Bad Debt & Claims	5,030	-	-	-	-	-	5,000	5,000
185	1-690-6902-00-00	Claims	6,573	4,747	-	-	-	-	10,000	10,000
186	1-700-7001-00-00	Utilities - Internet/Cable	7,207	17,544	17,457	24,324	26,222	52,444	53,000	53,000
187	1-700-7002-00-00	Utilities - Cell Telephone	10,217	17,277	15,102	14,712	7,508	15,016	34,400	15,000
188	1-700-7003-00-00	Utilities - Electric - Pumping	234,995	273,018	315,573	396,700	254,616	509,232	396,700	450,000
189	1-700-7004-00-00	Utilities - Electric-Bldgs&Grnd	28,120	31,199	46,894	60,153	30,113	60,227	51,500	51,500
190	1-700-7005-00-00	Utilities - Telephones	22,397	26,640	31,066	23,826	-	-	-	-
191	1-700-7006-00-00	Utilities - Sewer - Npdes	6,517	6,191	4,825	5,019	4,886	9,771	7,000	7,000
192	1-710-7101-00-00	Prof Serv - District Counsel	98,500	96,658	81,990	140,335	65,540	131,079	125,000	125,000
193	1-710-7102-00-00	Prof Serv - District Engineer	110,633	74,872	117,024	123,110	103,747	207,494	140,000	140,000
194	1-710-7103-00-00	Prof Serv - It	28,941	83,654	85,630	51,592	29,322	58,644	85,000	85,000
195	1-710-7104-00-00	Prof Serv - Annual Finance audit	20,058	21,868	21,225	28,955	17,878	35,756	24,000	24,000
196	1-710-7105-00-00	Prof Serv - Mngmt Consult	-	-	-	76,703	27,164	54,327	60,000	35,000
197	1-710-7106-00-00	Prof Serv - Accting & Payroll	27,075	27,953	27,211	32,118	17,024	34,048	30,000	30,000
198	1-710-7107-00-00	Prof Serv - Customer Billing	65,810	72,733	57,409	66,510	29,918	59,837	65,000	65,000
199	1-710-7108-00-00	Prof Serv - Recruiting	(19)	11,492	6,899	31,184	6,250	12,500	30,000	17,500
200	1-710-7109-00-00	Prof Serv - Answering Svs	3,372	3,596	3,372	3,372	3,372	6,744	5,000	3,500
201	1-710-7110-00-00	Prof Serv - Miscellaneous	501,503	668,719	302,660	495,545	141,633	283,265		
202		Dayco				-	-	-	50,000	50,000
203		OTS				-	-	-	50,000	50,000
204		Dan Bergman				-	-	-	2,500	2,500
205		Scada audit				-	-	-	30,000	30,000
206		Grant writing				-	-	-	50,000	50,000
207		UWMP Support				-	-	-	25,000	25,000
208		Other				-	-	-	75,000	75,000
209		Outside legal counsel				-	-	-	15,000	15,000
210		Davidson				-	-	-	90,000	90,000
211	1-710-7111-00-00	Prof Serv - District Treasurer	-	-	38,794	102,585	109,788	219,577	150,000	150,000
212	1-720-7201-00-00	Director Travel	375	1,297	3,541	2,834	256	511	5,000	10,000
213	1-720-7202-00-00	Director Expenses	-	446	1,705	260	253	505	-	-
214	1-720-7203-00-00	Elections	-	3,832	3,580	-	1,732	3,465	38,500	38,500
215	1-720-7204-00-00	Employee Travel/Training	16,896	62,874	45,253	32,255	32,265	64,530	36,000	45,000



Mid-Year Budget Adjustments - FY 2024/2025 Operating Budget - Expenses

87											
88											
89	Account Number	Description	Actuals FY 2021	Actuals FY 2022	Actuals FY 2023	Actuals FY 2024	Actuals As of 12/31/2024 FY 2025	Project FY 2025	Original Budget FY 2025	Proposed Amendment FY 2025	Changes
216	1-720-7205-00-00	Meeting Expenses	3,121	5,430	6,178	7,969	7,749	15,497	8,000	18,000	10,000
217	1-730-7302-00-00	Restricted Earnings - Laif				-	-	-			-
218	1-740-7401-00-00	Debt Svs Trustee Fees & Exp	2,330	3,081	4,123	-	-	-	4,282	4,282	-
219	X-XXX-XXXX-XX-XX	Debt Service - Principal	375,000	385,000	405,000	420,000	430,000	430,000	435,000	435,000	-
220	1-740-7405-00-00	Financing Cost Interest	693,250	678,017	665,364	649,632	266,083	532,166	647,000	647,000	-
221	1-740-7406-00-00	Finance Cost Prem Amort	(31,282)	(31,282)	(31,282)	(31,282)	-	-	(31,282)	(31,282)	-
222	1-800-8001-00-00	Working Reserves Capital				-	-	-			-
223	1-800-8002-00-00	Working Reserves Operating				-	-	-			-
224	1-900-9010-00-00	Depreciation And Amortization	1,074,760	1,045,659	1,060,161	1,365,011	-	-	-	-	-
225	1-900-9015-00-00	COP 2016 Original Issue Prem	-	-	-	-	-	-	-	-	-
226	1-900-9020-00-00	Gain/Loss on Sale of FA's	-	-	205,630	-	-	-	-	-	-
227	1-900-9100-00-00	Capital Contrib-Other Agency	-	-	92,700	-	-	-	-	-	-
228	1-900-9998-00-00	Vehicle & Large Equip				-	-	-			-
229	Total Cash Expenditures		\$ 13,571,354	\$ 13,492,379	\$ 14,435,498	\$ 15,955,177	\$ 8,556,731	\$ 16,490,590	\$ 16,175,052	\$ 15,780,624	\$ (394,428)

- SALARIES & WAGES
- PAYROLL TAXES & BENEFITS
- PURCHASED WATER
- OUTREACH & EDUCATION
- M&R - OPS SYSTEMS
- M&R - FACILITIES & EQUIPMENT
- FLOOD RECOVERY
- SYSTEM SURVEYS
- ADMINISTRATION & EQUIPMENT
- MEMBERSHIP & GOV FEES
- BAD DEBT & CLAIMS
- UTILITIES
- PROFESSIONAL SERVICES
- TRAINING/TRAVEL & RECRUITMENT
- DEBT SERVICE
- DEPRECIATION
- MISCELLANEOUS NON-OPERATING

Mid-Year Budget Adjustments - FY 2024/2025 Operating Budget - Capital Budget



230			Amended	Approved	Actuals	Proposed		
231			Budget	Budget	As of 12/31/2024	Amendment		
232	Project #	Description	FY 2024	FY 2025	FY 2025	Expected To complete	FY 2025	Changes
233	APPROVED PAY-GO CAPITAL							
234		Capitalized Equipment						
235		Trucks	60,000	200,000	155,029	160,000	200,000	\$ -
236		Surveillance Equipment for Tanks/Facilities	40,000	40,000	-	40,000	40,000	\$ -
237		Misc Equipment	30,000	30,000	39,068	50,000	30,000	\$ -
238		Valve Turner	-	30,000	26,598	30,000	30,000	\$ -
239		Install ARV's (air relief and vacuum valves)	-	100,000	-	100,000	20,000	\$ (80,000)
240	20-07	Harbor Blvd WMI Project			20,538	50,000	50,000	\$ 50,000
241	15-75a	Old County Road Improvements	4,952,011	225,000	364,551	613,000	613,000	\$ 388,000
242			210,000	3,000,000	195,536	200,000	3,000,000	\$ -
	15-09/15-19	Dekoven Tank Util/Lincoln/Newlands/Oak Knoll WMR						
243	24-08	Exborne West Tank Recoating	-	675,000	35,673		67,000	\$ (608,000)
244	24-09	Hallmark North Tank Recoating	-	610,000	-		75,000	\$ (535,000)
245	24-10	West Belmont North Tank Recoating	-	130,000	-		21,000	\$ (109,000)
246				\$ 5,040,000	\$ 836,993	\$ 1,243,000	\$ 4,146,000	\$ (894,000)
247	APPROVED DEBT FINANCING CAPITAL							
248	20-09	Dairy Lane Ops Center Rehab Design	76,500	2,400,000	63,005		2,400,000	\$ -
249	24-07	Folger Drive Property Improvements	75,000	2,700,000	250,365		2,700,000	\$ -
250	15-89	Dekoven Tanks Replacement	-	1,897,500	-		1,897,500	\$ -
251	15-72b	SR 101 Crossing at PAMF Hospital - Phase 2	-	691,250	-		691,250	\$ -
252				\$ 12,728,750	\$ 1,150,363	\$ 1,243,000	\$ 11,834,750	\$ (894,000)

SECTION I: THE CONTROL ENVIRONMENT

The control environment is the foundation for an internal control system. It provides the discipline and structure, which affect the overall quality of internal control. It influences how objectives are defined and how control activities are structured. The oversight body and management establish and maintain an environment throughout the entity that sets a positive attitude toward internal control.

Relevant Principles	Attributes	Describe the Established Controls Supporting the Relevant Principles or Point of Focus
The organization demonstrates a commitment to integrity and ethical values.	<ol style="list-style-type: none"> 1. Sets the tone at the top 2. Establishes standards of conduct. 3. Evaluates adherence to standards of conduct. 4. Addresses deviations in a timely manner 	<p>The District has a financial management policy that it adopted in April 2024 that addresses various elements including tone at the top and standards of conduct. Within the policy, there are sections related to <i>"Asset Protection and Fraud in the Workplace"</i>.</p> <p>The District also has a personnel manual that contains the Ethics Policy. The District has won the "District Transparency Certificate of Excellence" by the Special Leadership Foundation for demonstrating completion of certain requirements, including conducting ethics training for all board members. Within the personnel manual, Section 8 discusses performance evaluations, standards of conduct, and discipline and termination.</p>
Those charged with governance demonstrate independence from management and exercise oversight of the development and performance of the system of internal control.	<ol style="list-style-type: none"> 1. Establishes oversight responsibilities. 2. Apply relevant expertise. 3. Operate independently. 4. Provide oversight for the system of internal control. 	<p>The District's management team presents the various reports to the Board of Directors on a monthly basis. Sections include: operational status updates; administrative status updates; financial status updates; as well as conditions that may give rise to risks. During the meetings, the Board of Directors are encouraged to ask questions as well as provide direction to the General Manager, management, and staff. Additionally, all reports provided to the Board are included in a Board packet that is available to the public to ensure accountability as well as meet legal requirements.</p>
Management establishes, with oversight by those charged with governance, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.	<ol style="list-style-type: none"> 1. Considers all structures of the entity. 2. Establishes reporting lines and flow of information. 3. Defines, assigns, and limits authorities and responsibilities. 	<p>Pursuant to direction from the Board of Directors, management has developed an organization chart that is updated on an annual basis that clearly outlines reporting roles and flows of information. Additionally, all approved job classifications include job descriptions that have been authorized and approved by the Board of Directors. Job descriptions include lines of reporting and accountability.</p>

<i>Relevant Principles</i>	<i>Attributes</i>	<i>Describe the Established Controls Supporting the Relevant Principles or Point of Focus</i>
The organization demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives.	1. Establishes policies and practices. 2. Evaluates competence and addresses shortcomings. 3. Attracts, develops, and retains individuals. 4. Plans and prepares for succession.	As noted above, the District has developed a comprehensive personnel manual that include policies related to the recruitment, hiring, training, promotion, and compensation (direct and indirect) of personnel that is available for the public to view. Additionally, the Board of Directors reviews the compensation and benefits package periodically to ensure that the District is competitive in obtaining and retaining talent. All job descriptions that are approved by the Board of Directors contains core competencies and education requirements. Finally, the Board of Directors has established an informal policy of having two people in the same role for a short period in order to facilitate the transfer of knowledge.
The organization holds individuals accountable for their system of internal control responsibilities in the pursuit of objectives.	1. Enforces accountability through structures, authorities, and responsibilities. 2. Establishes performance measures, incentives, and rewards. 3. Evaluates performance measures, incentives, and rewards for ongoing relevance. 4. Considers excessive pressures. 5. Evaluates performance and rewards or disciplines in individuals.	As noted above, the District has several policies in place including a personnel manual and a financial management policy. Within the personnel manual, there are sections relating to the standards of conduct and the ramifications if there are deviations from those standards.

SECTION II: RISK ASSESSMENT

Every entity faces a variety of risks from external and internal sources. Risk is defined as the possibility that an event will occur and adversely affect the achievement of objectives. Risk assessment involves a dynamic and iterative process for identifying and assessing risks to the achievement of objectives. Risks to the achievement of these objectives from across the entity are considered relative to established risk tolerances. Thus, risk assessment forms the basis for determining how risks will be managed.

A precondition to risk assessment is the establishment of objectives, linked at different levels of the entity. Management specifies objectives within categories relating to operations, reporting, and compliance with sufficient clarity to be able to identify and analyze risks to those objectives. Management also considers the suitability of the objectives for the entity. Risk assessment also requires management to consider the impact of possible changes in the external environment and within its own business model that may render internal control ineffective.

Relevant Principles	Attributes	Describe the Established Controls Supporting the Relevant Principles or Point of Focus
The organization specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.	Operations Objectives 1. Reflects management’s choices. 2. Considers tolerances for risk. 3. Includes operations and financial performance goals. 4. Forms a basis for committing of resources. External Financial Reporting Objectives 1. Complies with applicable accounting standards. 2. Considers materiality. 3. Reflects entity activities. Internal Reporting Objectives 1. Reflects management’s choices. 2. Considers the required level of precision. 3. Reflects entity activities. Compliance Objectives 1. Reflects external laws and regulations 2. Considers tolerances for risk.	Objectives are documented within the District's financial management policy document as well as the personnel manual.
	External Nonfinancial Reporting Objectives 1. Complies with externally established standards and frameworks. 2. Considers the required level of precision. 3. Reflects entity activities.	Emergency manuals and plans have been developed to address risks such as earthquakes, fires, and flooding. Additionally, management monitors the activities of other governmental agencies to determine if there will be an impact to the District. These activities are all reported back to the Board of Directors.

<i>Relevant Principles</i>	<i>Attributes</i>	<i>Describe the Established Controls Supporting the Relevant Principles or Point of Focus</i>
The organization identifies risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed.	<ol style="list-style-type: none"> 1. Includes entity, subsidiary, division, operating unit, and functional levels. 2. Analyzes internal and external factors. 3. Involves appropriate levels of management. 4. Estimates significance of risks identified, including those related to accounting estimates. 5. Determines how to respond to risks. 	Risks identified are communicated monthly to the Board of Directors through status reports that discuss operational as well as financial risks and status of the mitigation of those risks.
The organization considers the potential for fraud in assessing risks to the achievement of objectives.	<ol style="list-style-type: none"> 1. Considers various types of fraud. 2. Assesses incentives and pressures. 3. Assesses opportunities. 4. Assesses attitudes and rationalizations. 	Fraud is addressed in both the financial management policy as well as the personnel manual .
The organization identifies and assesses changes that could significantly impact the system of internal control.	<ol style="list-style-type: none"> 1. Assesses changes in the external environment. 2. Assesses changes in the business model. 3. Assess change in leadership. 	Through discussions during the Board meetings, operational changes are discussed and direction, if needed, is provided to management who then carry it out.

SECTION III: Control activities

Control activities are the actions established through policies and procedures that help ensure that management’s directives to mitigate risks to the achievement of objectives are carried out. Control activities are performed at all levels of the entity, at various stages within business processes, and over the technology environment. They may be preventive or detective in nature and may encompass a range of manual and automated activities such as authorizations and approvals, verifications, reconciliations, and business performance reviews. Segregation of duties is typically built into the selection and development of control activities. Where segregation of duties is not practical, management selects and develops alternative control activities.

<i>Relevant Principles</i>	<i>Attributes</i>	<i>Describe the Established Controls Supporting the Relevant Principles or Point of Focus</i>
The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.	<ol style="list-style-type: none"> 1. Integrates with risk assessment 2. Considers entity-specific factors. 3. Determines relevant business processes. 4. Evaluates a mix of control activity types. 5. Considers at what level activities are applied. 6. Addresses segregation of duties. 	Management has developed a set of internal controls by transaction cycles that are guided by the Financial Management Policy that include segregate duties between authorization, recording, and custody to ensure that no one person has the ability to complete all three phases of a transaction.
The organization selects and develops general control activities over technology to support the achievement of objectives.	<ol style="list-style-type: none"> 1. Determines dependency between the use of technology in business processes and general IT controls. 2. Establishes relevant technology infrastructure control activities including identifying the risks arising from the use of IT and controls that address such risks. 3. Establishes relevant security management process control activities. 4. Establishes relevant technology acquisition, development, and maintenance process controls activities. 	The ability to change financial information (i.e...record transactions) is limited to only authorized personnel. Additionally, access to specific servers is determined by the General Manager based on the access needed for a particular position or contractor. The IT environment is maintained and monitored by an external vendor with specific expertise.
The organization deploys control activities through policies that establish what is expected and procedures that put policies into action.	<ol style="list-style-type: none"> 1. Establishes policies and procedures to support deployment of management’s directives. 2. Establishes responsibility and accountability for executing policies and procedures. 3. Performs in a timely manner. 4. Takes corrective actions. 5. Performs using competent personnel. 6. Reassesses policies and procedures. 	The District has established a financial management policy and a personnel management policy that established policies and procedures to support the deployment of management's directive. Additionally, they provide for accountability measures to address any deviations.

SECTION IV: INFORMATION AND COMMUNICATION SYSTEMS

Ongoing evaluations, separate evaluations, or some combination of the two are used to ascertain whether each of the five components of internal control, including controls to affect the principles within each component, is present and functioning. Ongoing evaluations, built into business processes at different levels of the entity, provide timely information. Separate evaluations, conducted periodically, will vary in scope and frequency depending on assessment of risks, effectiveness of ongoing evaluations, and other management considerations. Findings are evaluated against criteria established by regulators, recognized standard-setting bodies or management and the board of directors, and deficiencies are communicated to management and the board of directors as appropriate.

<i>Relevant Principles</i>	<i>Attributes</i>	<i>Describe the Established Controls Supporting the Relevant Principles or Point of Focus</i>
The organization obtains or generates and uses relevant, quality information to support the functioning of the system of internal control.	<ol style="list-style-type: none"> 1. Identifies information requirements and defines how information flows through the system. 2. Captures internal and external sources of data, including capturing and presenting in the financial statements, information about events and conditions and other than transactions. 3. Maintains quality throughout processing 4. Considers costs and benefits. 	The District utilizes Springbrook as the financial management software. Springbrook captures all transactions that impact the District, including but not limited to: payroll, accounts payable, cash management, capital asset tracking, and utility billing. The transactions are reviewed periodically for accuracy and completeness. The District also utilizes ESRI to capture and report data about land records and maintains a water system database. Other critical software includes Granicus as a document management software and Spatial Wave as a Geospatial asset management server. All information in the software is reviewed periodically to ensure accuracy and completeness.
The organization internally communicates information, including objectives and responsibilities for the system of internal control, necessary to support the functioning of the system of internal control.	<ol style="list-style-type: none"> 1. Communicates internal control information, including significant matters that support the preparation of the financial statements and related reporting responsibilities in the information system and other components of the system of internal control between people within the entity. 2. Provides separate communication lines, such as whistle-blower hotlines. 3. Selects relevant method of communication. 	The District has policies and procedures as noted under control environment. Responsibility for controls is communicated to the personnel responsible – including job descriptions, manuals, etc. The Board of Directors are presented with a planning communication letter at the beginning of the audit and a final governance letter at the conclusion of the audit that contains management and audit responsibilities, along with any significant matters, respectively.

Relevant Principles	Attributes	Describe the Established Controls Supporting the Relevant Principles or Point of Focus
The organization communicates with external parties regarding matters affecting the functioning of the system of internal control.	<ol style="list-style-type: none">1. Communicates to external parties, including significant matters that support the preparation of the financial statements and related reporting responsibilities in the information system and other components of the system of internal control.2. Enables inbound communications.3. Communicates with those charged with governance.4. Provides separate communication lines, such as whistle-blower hotlines.5. Selects relevant method of communication.	The District has open external communication channels with the independent auditor, as well as other impacted agencies such as the County of San Mateo. The District manages inbound communications through a central line. Communication lines to the Board of Directors primarily consists of either monthly board packets, emails on a more urgent basis, or if on a sensitive manner, a phone call.

SECTION V: MONITORING OF CONTROLS

Ongoing evaluations, separate evaluations, or some combination of the two are used to ascertain whether each of the five components of internal control, including controls to affect the principles within each component, is present and functioning. Ongoing evaluations, built into business processes at different levels of the entity, provide timely information. Separate evaluations, conducted periodically, will vary in scope and frequency depending on assessment of risks, effectiveness of ongoing evaluations, and other management considerations. Findings are evaluated against criteria established by regulators, recognized standard-setting bodies or management and the board of directors, and deficiencies are communicated to management and the board of directors as appropriate.

<i>Relevant Principles</i>	<i>Attributes</i>	<i>Describe the Established Controls Supporting the Relevant Principles or Point of Focus</i>
The organization selects, develops, and performs ongoing and/or separate evaluations for monitoring the effectiveness of controls and the identification and remediation of control deficiencies identified.	<ol style="list-style-type: none"> 1. Considers a mix of ongoing and separate evaluations. 2. Considers rate of change. 3. Establishes baseline understanding. 4. Uses knowledgeable personnel. 5. Integrates with business processes. 6. Adjusts scope and frequency of separate evaluations depending on risk. 7. Objectively evaluates and provides feedback. 	The District's management team presents the various reports to the Board of Directors on a monthly basis. Sections include: operational status updates; administrative status updates; financial status updates; as well as conditions that may give rise to risks. During the meetings, the Board of Directors are encouraged to ask questions as well as provide direction to the General Manager, management, and staff. Additionally, all reports provided to the Board are included in a Board packet that is available to the public to ensure accountability as well as meet legal requirements.
The organization evaluates and communicates control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and those charged with governance, as appropriate.	<ol style="list-style-type: none"> 1. Assesses results of ongoing and separate evaluations. 2. Communicates deficiencies. 3. Monitors corrective actions taken. 	Financial statements and findings are reviewed by management and the Board of Directors.

Version history and key changes:

- February 27, 2025 – Adoption of Internal Control Risk Assessment

SUPERINTENDENT

DEFINITION

Under the supervision of the Operations Manager, directs and oversees the Operations Department and the District's water distribution system. Trains and supervise the operations team.

POSITION SUMMARY

The Water Superintendent is responsible for overseeing the district's water operations, including distribution, treatment, and system maintenance. This position ensures the delivery of safe, high-quality water services while managing staff, regulatory compliance, and infrastructure maintenance.

Essential Functions: *Essential responsibilities and duties may include, but are not limited to, the following:*

- Train and supervise water operations staff
- Develop and implement work schedules and priorities to optimize resource use and meet operational goals.
- Conduct performance reviews, provide feedback, and address personnel issues to maintain a productive work environment.
- Enforce safety protocols and best practices, including safety meetings, to ensure a safe working environment and compliance with Occupational Safety and Health Administration (OSHA) standards.
- Oversee the operation and maintenance of all District water distribution facilities, including pumps, tanks, pipelines, pressure regulating and system isolation valves.
- Monitor system performance using SCADA and other tools and technology to detect and address issues promptly.
- Coordinate water quality testing and ensure compliance with state and federal water quality standards, including sampling and reporting. Implement and oversee operational protocols for water treatment processes.
- Ensure adherence to all applicable local, state, and federal regulations governing potable water distribution operations.
- Oversee, prepare, and submit regulatory reports, permits, and documentation to applicable regulatory agencies, such as the Environmental Protection Agency (EPA) and State Water Resources Control Board.
- Stay informed about changes in regulations and implement necessary changes to maintain compliance.
- Plan and oversee maintenance, repair, and replacement of water system infrastructure, including conducting regular inspections and assessments.

- Uses the GIS asset management system (Spatial Wave) to plan and schedule field team job assignments, system maintenance and repair, and shutdowns.
- Develop and manage a preventative maintenance program to reduce system downtime and extend the lifespan of infrastructure components, including documentation by standard operating procedures (SOPs) for tasks used to maintain the system.
- Coordinate and manage construction and repair projects, ensuring they are completed on time, within budget, and to specified standards.
- Involved with the preparation of the operations budget, including forecasting expenditures and monitoring financial performance.
- Manage procurement processes for equipment, materials, and services, ensuring cost-effectiveness and adherence to District policies.
- Evaluate and recommend improvements to operational practices and resource allocation.
- Oversees customer inquiries, complaints, and requests related to water service, quality, pressure, and outages.
- Develop and implement emergency response plans and procedures for water system failures, natural disasters, and other emergencies.
- Coordinate with emergency response teams, local authorities, and other stakeholders to manage and mitigate emergency situations.
- Conduct post-incident evaluations to improve response strategies and prevent future occurrences.
- Provide information and prepare materials to support board meetings, and attend board meetings, as needed.
- Implements and oversees a contract management protocol for the Operations Department.
- Upholds, implements, and trains operations staff on the policies of the District, including the Records Management and Financial Management Policies.

QUALIFICATIONS

Knowledge of:

- State and federal rules and regulations as they pertain to water distribution and treatment operations.
- Principals and methods of water treatment and distribution.
- Procedures, materials and equipment used in the operation, maintenance and improvement of water treatment and distribution.
- Principals of supervision, training and effective personnel management.
- Standard water quality tests.
- Reporting and compliance requirements established by regulatory agencies.
- Safe work methods and safety precautions as related to the job.
- Emergency planning and response.

Ability to:

- Plan, organize, schedule, and supervise personnel directly and through subordinates.
- Establish and maintain effective working relationships with management, subordinates, the public, and other public and private agencies.
- Evaluate maintenance and operations issues, develop alternatives, and implement effective courses of action.
- Provide technical advice and recommendations on maintenance and operation activities.
- Plan, develop and administer an annual department budget.
- Prepare clear, accurate and complete records and reports and to meet required filing deadlines.
- Perform a variety of operations and maintenance assignments.
- Perform standard water quality tests.
- Perform data entry and word processing accurately and expeditiously.
- Understand and carry out oral and written directions.
- Organize and maintain records and files.
- Assemble data and prepare reports.
- Read, interpret, and implement procedures, regulations, and policies as established and required by regulatory agencies.

Education and Experience:

- A minimum of five years of experience in water operations, including at least two years in a supervisory role.

Certifications:

- Valid California State Water Distribution Grade 3 (D3) and Treatment Grade 1 (T1) Certifications or higher.
- Additional certifications may be required based on local regulations or operational needs.

Skills:

- Strong leadership and management capabilities, with a proven ability to supervise a diverse team effectively.
- Comprehensive knowledge of water system operations, maintenance, and regulatory compliance.
- Excellent problem-solving skills, with the ability to analyze complex issues and implement effective solutions.
- Effective communication skills, both verbal and written, with the ability to interact professionally with staff, customers, and regulatory agencies.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer, and to work in the field; strength, stamina, and mobility to perform light to medium physical work, to work in confined spaces, around machines, to climb and descend ladders, to operate varied hand and power tools and equipment, and to operate a motor vehicle to visit various District and meeting sites; vision to read printed materials and a computer screen; and hearing and speech to communicate in person and over the telephone or radio.

ENVIRONMENTAL ELEMENTS

Employees work in an office environment with moderate noise levels, controlled temperature conditions, and no direct exposure to potentially hazardous physical substances. Employees also work in the field and are exposed to cold and hot temperatures, inclement weather conditions, road hazards, loud noise levels, vibration, confining workspaces, chemicals, mechanical and/or electrical hazards, and hazardous physical substances and fumes. Employees may interact with upset staff, public and private representatives, and/or contractors in interpreting and enforcing District policies and procedures.

WORK CONDITIONS

May be required to work during emergencies after hours and on weekends and/or holidays.

SALARY SCHEDULE
EFFECTIVE March 1, 2025, AT 12:01AM

CLASSIFICATION	ANNUAL SALARY RANGE
Non-Exempt	
ADMINISTRATIVE ASSISTANT	\$73,472 - \$96,162/Year
MAINTENANCE TECHNICIAN	\$73,472 - \$96,162/Year
ADMINISTRATIVE SPECIALIST	\$89,679 - \$118,852/Year
WATER SYSTEM OPERATOR	\$89,679 - \$118,852/Year
LEAD OPERATOR	\$102,645 - \$133,978/Year
MANAGEMENT ANALYST	\$102,645 - \$133,978/Year
OPERATIONS PROJECT COORDINATOR	\$112,369 - \$146,944/Year
WATER RESOURCES COORDINATOR	\$112,369 - \$146,944/Year
ADMINISTRATIVE SUPERVISOR	\$114,530 - \$150,185/Year
OPERATIONS SUPERVISOR	\$130,737 - \$170,714/Year
Exempt	
ACCOUNTANT	\$104,900 - \$136,370/Year
SUPERINTENDENT	\$153,540 - \$201,226/Year
ADMINISTRATIVE SERVICES MANAGER	\$158,829 - \$207,450/Year
OPERATIONS MANAGER	\$158,829 - \$207,450/Year
MANAGEMENT ADVISOR	\$195,000 - \$212,000/Year
GENERAL MANAGER	\$241,875/Year