



REGULAR MEETING
BOARD OF DIRECTORS
THURSDAY, APRIL 25, 2019 – 6:30PM
3 DAIRY LANE, BELMONT CALIFORNIA

AGENDA

1. OPENING

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

2. PUBLIC COMMENT

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

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

4. ACKNOWLEDGEMENTS/PRESENTATIONS

None

5. CONSENT AGENDA

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

- A. Approve Minutes for the Regular Board Meeting on March 28, 2019
- B. Approve Expenditures from March 21, 2019 through April 19, 2019

6. HEARINGS AND APPEALS

None

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

- A. Receive Quarterly Reports on 2016 COP Financing through March 31, 2019:
 - 1. Financial Reconciliation Report; and
 - 2. Capital Project Fund Report

8. REGULAR BUSINESS AGENDA

- A. Discuss Operational Revenue Requirements for Fiscal Year FY 2019/2020, and Consider Ordinance No. 120 Amending Attachment "A" to the MPWD Water Service Ordinance, regarding Rates and Charges, effective July 1, 2019
- B. Review and Discuss DRAFT Operating and Capital Budgets for Fiscal Year 2019/2020

9. MANAGER'S AND BOARD REPORTS

- A. General Manager's Report, including Quarterly Water Conservation Activities Report, and supplemented by:
 - 1. Administrative Services Manager's Report
 - 2. Operations Manager's Report
 - 3. District Engineer's Report
- B. Financial Reports
 - 1. Receive Financial Reports for Month Ended March 31, 2019
 - 2. Follow-Up Review of New Monthly Financial Reports
 - 3. Receive Report on Development Revenues compared to MPWD CIP and Water Conservation Program Expenditures through Fiscal Year End June 30, 2018
- C. Director Reports

10. COMMUNICATIONS

11. CLOSED SESSION

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
AND ASSOCIATED NEGOTIATIONS
Government Code §§54957 and 54957.6
Title: General Manager

12. RECONVENE TO OPEN SESSION

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: Thursday, May 23, 2019, at 6:30PM

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

March 28, 2019
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 Vella at 6:34PM.

B. **Establishment of Quorum:**

PRESENT: Directors Vella, Zucca, Schmidt and Wheeler.
Director Warden was absent.

A quorum was present.

ALSO PRESENT: General Manager Tammy Rudock, Operations Manager Rene Ramirez, Administrative Services Manager and Board Secretary Candy Pina, District Engineer Brandon Laurie, District Treasurer Jeff Ira, and District Counsel Catherine Groves.

C. Pledge of Allegiance – The Pledge of Allegiance was led by President Louis Vella.

2. **PUBLIC COMMENTS**

Customer John Selin submitted a letter to the Board and explained his concerns related to our billing procedures. In his letter, he explained his payment history and asked to have the late fee removed. Staff responded they would follow-up with Mr. Selin.

Sgt. Hussey of the Belmont Police Department was in attendance.

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

None.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

None.

5. **CONSENT AGENDA**

A. **Approve Minutes for the Regular Board Meeting of February 28, 2019**

B. **Approve Expenditures from February 22, 2019 through March 21, 2019**

Director Schmidt asked for clarification related to an expenditure paid to Golden State Flow Measurement Inc., in the amount of \$152,795. General Manager Rudock explained this was for the purchase of meters for the AMI Meter program. Director Wheeler moved to approve the Consent Agenda. Director Schmidt seconded and it was unanimously approved.

6. **HEARINGS AND APPEALS**

None.

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

54 None.
55

56 8. **REGULAR BUSINESS AGENDA**

57 A. **Consider Approving Roster of Director Assignments/Committees for 2019-2020,**
58 **including Standing Finance Committee**

59 General Manager Rudock requested clarification and confirmation of the Board's
60 discussion last month about a standing Finance Committee.
61

62 President Vella described the committee's purpose. District Treasurer Ira discussed the
63 name change, and what had been discussed in the finance committee meetings, which
64 included fee changes, rate studies. He noted that these meetings were called when staff
65 needed assistance. Vice President Zucca gave examples with respect to how the
66 committee would work.
67

68 General Manager Rudock asked District Counsel Groves whether minutes would be
69 required for the standing committee meetings. District Counsel Groves responded they
70 would confirm and report back to staff.
71

72 B. **Consider Resolution 2019-06 Approving Updated MPWD Rules of the Board**

73 General Manager Rudock summarized highlights from the staff report and the intent of
74 the update for the MPWD's transparency certification. Vice President Zucca commented
75 he preferred not to list items in the Rules of the Board, which are already regulations.
76 He also felt the wording in section 8.3 under the Conflict of Interest and Ethical
77 Guidelines were ambiguous. It was decided the sentence should reflect the word
78 "endeavor" to maintain the highest standard.
79

80 Vice President Zucca moved to approve Resolution 2019-06 Approving Updated MPWD
81 Rules of the Board. Director Wheeler seconded and it was unanimously approved.
82

83 C. **Consider Resolution 2019-07 Approving MPWD Policy for Public Records Act**
84 **Requests**

85 General Manager Rudock briefly summarized the new policy in order to meet the basic
86 requirements for transparency certification. Director Schmidt wondered why staff's time
87 was not included in retrieving Public Records. General Manager Rudock explained
88 when a fee could be charged, which was confirmed by District Counsel. General
89 Manager then gave an example when staff did charge a fee for public records.
90

91 Director Schmidt asked about the language being used in Point 12 on page 26. District
92 Counsel confirmed the language is an open ended statement for security purposes and
93 is a balancing act provision to provide for protection. Vice President Zucca noted three
94 typographical errors on page 25. President Vella added that the Board may need to
95 revisit the fee schedule in the future.
96

97 Director Schmidt moved to approve Resolution 2019-07 Approving MPWD Policy for
98 Public Records Act Requests. Vice President Zucca seconded and it was unanimously
99 approved.
100

101 **D. Consider Resolution 2019-08 Approving Updated MPWD Personnel Manual**

102 General Manager Rudock explained the fulfillment of a strategic priority in updating the
103 personnel rules and commented on the minor edits and changes made. She reported
104 that she met and conferred with the MPWD Employee Association to share all revisions
105 in detail.
106

107 Director Schmidt asked for clarification on page 36 related to the CalPERS credit given
108 for sick leave. General Manager Rudock explained there is zero dollar impact on the
109 District when staff converts their sick time for CalPERS credit. It would basically
110 eliminate an MPWD liability.
111

112 President Vella commended that he was pleased the personnel manual was being
113 reviewed more often. General Manager Rudock replied that it was on an every two-year
114 review, or annually if necessary, and also during labor negotiations.
115

116 Director Schmidt moved to approve Resolution 2019-08 Approving Updated MPWD
117 Personnel Manual. Director Wheeler seconded and it was unanimously approved.
118

119 **E. Discuss Preliminary Revenue Requirements for FY 2019/2020 and Proposed Water**
120 **Rate Adjustments**

121 General Manager Rudock provided background information on Proposition 218 and the
122 2015 process. She reviewed the fiscal impact section and last year's financial plan and
123 water rate update recommendations. She shared a brief summary of the proposed FY
124 2019/2020 Operating and Capital Budgets and related CPI adjustments to several of the
125 operating account line items. She reminded the Board about their direction back in 2015
126 to make minor increases in the monthly fixed system charges. General Manager
127 Rudock proposed the MPWD follow through with the updated financial plan and water
128 rate update's recommended 4.1% blended rate increase. She referred to the water rate
129 comparison charts prepared by Bartle Wells Associates for clarification purposes. She
130 pointed out the MPWD has migrated to the middle of the range related to agencies
131 within the SFPUC Regional Water System.
132

133 Director Wheeler asked questions about the fixed rate charges, asking if there was a
134 study done and did the committee review this. General Manager Rudock referenced
135 page 65 on the cost recovery allocation. Staff agreed to send Director Wheeler the link
136 on the MPWD website to the full water rate study.
137

138 Vice President Zucca also offered an explanation for justification of the rates. He also
139 asked staff to assess the rates comparison and averages, and explore tier structures.
140 General Manager Rudock said this was the first discussion on rates and advised staff
141 will bring this item back.
142

143 **F. Review Preliminary DRAFT Operating and Capital Budgets for FY 2019/2020**

144 General Manager explained staff's preliminary view of the budgets, including the
145 proposed water rate increase. For the Capital Budget, staff is recommending it be
146 developed as part of the larger financial planning process, which will start with the
147 Board's Finance Committee.
148

149 Vice President Zucca added that MPWD is playing catch-up on the original budget and
150 staying within appropriate agency comparison ranges and President Vella commented
151 on fears if rates are not increased.

152
153 **G. Receive BAWSCA Update**

154 President Vella discussed at the policy level, seeing new faces. He also shared that he
155 asked Nicole Sandkulla, BAWSCA's CEO to confirm that information presented on
156 record at BAWSCA Board meetings can be shared with member agencies.

157
158 General Manager Rudock reported staff is remaining active at the water management
159 level in any projects that would impact MPWD ratepayers, including proposed
160 supplemental water supply projects. She further reported that staff attended and
161 presented on the District's Sensus AMI Customer Portal at BAWSCA's first annual AMI
162 workshop held Wednesday, March 27, 2019.

163
164 **H. Receive San Mateo County Chapter CSDA Update**

165 General Manager Rudock reported on highlights from the last chapter meeting.
166

167 **9. MANAGER AND BOARD REPORTS**

168 **A. General Manager's Report**

169 General Manager Rudock reported that Director Schmidt completed his ethics training.
170

171 **1. Supplemented by Administrative Services Manager's Report**

172 Administrative Services Manager Pina reported that the final pension liability
173 contribution has been made to the PARS trust account, so it is fully funded to date.
174 She also commented on the meter change-out impacts on the administrative staff.

175
176 **2. Supplemented by Operations Manager's Report**

177 Operations Manager Ramirez reported on the AMI meter installations for the month.
178 He highlighted the administrative bullet point on page 81 related to the water quality
179 chromium 63/6 monitoring foot-note error. Staff has corrected this.

180
181 Vice President Zucca discussed the F Street parcel, asking if San Mateo County is
182 preparing an offer. General Manager Rudock responded in the affirmative.

183
184 President Vella asked when the AMI installation will be completed. Operations
185 Manager Ramirez commented there is a lot of good energy behind it and responded
186 the project could potentially conclude at the end of the fiscal year.

187
188 Director Wheeler asked for an update on the Middle Main replacement project. He
189 noticed a low spot in the pavement. Operations Manager Ramirez advised he would
190 address the concern with the City of Belmont.

191
192 **3. Supplemented by District Engineer's Report**

193 Brandon Laurie reported the Hillcrest Pressure Regulating Station project will begin
194 construction on April 1, 2019 and take approximately 35 days to complete. He then
195 discussed the 2019 Water Main Replacement project and provided an update.
196

197 **B. Financial Reports**

198 **1. Receive Financial Reports for Month Ended February 28, 2019**

199 General Manager Rudock explained higher than expected income projections due to
200 capacity charges and how this affects the bottom line. She also added that
201 depreciation and excess reserves will be considered during the next financial
202 committee meeting and brought before the full Board for discussion.

203
204 **2. Presentation by District Treasurer of Proposed Monthly Financial Reports**

205 District Treasurer Ira presented his recommendation for future monthly financial
206 packets and noted that additional details are available upon request. He explained
207 the four reports and that Director Warden mentioned a more summary format for the
208 Board agenda packet. General Manager Rudock added that the Board will see the
209 details twice a year, when both the budget and mid-year budget are discussed.
210

211 **C. Director Reports**

212 Director Schmidt commented that there was an issue with water taste and odor at the
213 Water Dog Tavern and that he did not notice anything at his home. General Manager
214 Rudock said that staff responds to those inquiries when they are reported but none had
215 been received from that location. He also suggested that employees might be interested
216 in changing holidays to be off on Election Day. General Manager Rudock commented
217 that she would ask staff.
218

219 Director Wheeler gave a brief HIA meeting update. He also said he was not elected to
220 the ACWA Region 5 Board.
221

222 Vice President Zucca said he had a conversation with a colleague with respect to
223 MPWD's claims process. He asked if this was on our website. General Manager
224 Rudock explained we have established in-house procedures, which includes a team
225 consisting of Rick Bisio, Candy Pina, and Tammy Rudock. She also indicated that we
226 do not have the claim form on our website but that the form does include detailed
227 instructions.
228

229 President Vella discussed Belmont's State of the City address and mentioned both he
230 and General Manager Rudock were present. A doodle poll is expected to come out
231 coordinating a meeting between the MPWD and the city.
232

233 **10. COMMUNICATIONS**

234 None.
235

236 The Board convened to Closed Session at 8:38PM to discuss one item.
237

238 **11. CLOSED SESSION**

- 239 A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
240 AND ASSOCIATED NEGOTIATIONS
241 Government Code §§54957 and 54957.6
242 Title: General Manager
243

244
245 **12. RECONVENE TO OPEN SESSION**

246 The Board reconvened to open session at 9:45PM. District Counsel reported that no
247 reportable action had been taken.
248

249 **13. ADJOURNMENT**

250 The meeting was adjourned at 9:47PM.
251
252
253
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255

256 _____
DISTRICT SECRETARY

257
258 APPROVED:

259
260 _____
261 BOARD PRESIDENT
262

Accounts Payable

Checks by Date - Summary by Check Date

User: candyp
Printed: 4/19/2019 4:19 PM



| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|----------------------|-----------|--------------------------------|------------|--------------|
| 100194 | DEPOSITE | DEPOSITED ITEM RETN UNPAID | 03/25/2019 | 139.47 |
| Total for 3/25/2019: | | | | 139.47 |
| 1091 | CTYBLMTP | CITY OF BELMONT PUBLIC WORKS | 03/26/2019 | 147,707.18 |
| 1092 | HYDROENC | HYDROSCIENCE ENGINEERS INC. | 03/26/2019 | 7,425.00 |
| 1093 | PAKPOUR | PAKPOUR CONSULTING GROUP, INC | 03/26/2019 | 30,977.89 |
| 1094 | VALICOOP | VALI COOPER & ASSOCIATES, INC. | 03/26/2019 | 4,680.00 |
| Total for 3/26/2019: | | | | 190,790.07 |
| 34604 | AIRGAS | AIRGAS, LLC | 03/27/2019 | 131.91 |
| 34605 | ATT60197 | AT&T 60197 | 03/27/2019 | 41.75 |
| 34606 | CORIXWAT | CORIX WATER PRODUCTS (US) INC. | 03/27/2019 | 3,499.40 |
| 34607 | FASTSIGN | FASTSIGNS | 03/27/2019 | 457.80 |
| 34608 | GSFLOWM | GOLDEN STATE FLOW MEASUREMEN | 03/27/2019 | 6,844.80 |
| 34609 | GRANITE | GRANITE ROCK, INC. | 03/27/2019 | 498.71 |
| 34610 | HOMEDPC | HOME DEPOT | 03/27/2019 | 47.81 |
| 34611 | NAPAAUTO | NAPA AUTO PARTS | 03/27/2019 | 66.25 |
| 34612 | OFFICTEM | OFFICE TEAM | 03/27/2019 | 6,045.63 |
| 34613 | PACOFFIC | PACIFIC OFFICE AUTOMATION | 03/27/2019 | 200.54 |
| 34614 | PIT71896 | PITNEY BOWES 371896 | 03/27/2019 | 303.28 |
| 34615 | PRECISE | PRECISE, INC. | 03/27/2019 | 400.38 |
| 34616 | RANDB | ROBERTS & BRUNE CO. INC. | 03/27/2019 | 1,633.76 |
| 34617 | ROYALWHC | ROYAL WHOLESALE ELECTRIC | 03/27/2019 | 459.19 |
| 34618 | STANDINS | STANDARD INSURANCE COMPANY | 03/27/2019 | 1,081.90 |
| 34619 | VERIZON | VERIZON WIRELESS | 03/27/2019 | 831.51 |
| 34623 | UB*00300 | WILLIAM BAYNES | 03/27/2019 | 11.51 |
| 34624 | UB*00293 | JEFF CHIANG | 03/27/2019 | 588.44 |
| 34625 | UB*00152 | DAVID DANG | 03/27/2019 | 716.82 |
| 34626 | UB*00299 | CYRUS EZZATI | 03/27/2019 | 26.20 |
| 34627 | UB*00297 | JOANNE FITZPATRICK | 03/27/2019 | 25.00 |
| 34628 | UB*00292 | INNOVATIVE CONSTRUCTION SOLUT | 03/27/2019 | 1,516.40 |
| 34629 | UB*00307 | NORA LI | 03/27/2019 | 26.00 |
| 34630 | UB*00296 | KATHRYN MEOLA | 03/27/2019 | 24.13 |
| 34631 | UB*00294 | EDWARD MITCHELL | 03/27/2019 | 9.29 |
| 34632 | UB*00306 | N CALIFORNIA HEALTH | 03/27/2019 | 53.69 |
| 34633 | UB*00303 | NANCY OWEN | 03/27/2019 | 6.83 |
| 34634 | UB*00295 | JOHN PFEIFFER | 03/27/2019 | 25.00 |
| 34635 | UB*00305 | KIM QUON | 03/27/2019 | 25.00 |
| 34636 | UB*00304 | MICHELLE SCHOFIELD | 03/27/2019 | 60.42 |
| 34637 | UB*00301 | JEAN SINCLAIR | 03/27/2019 | 34.38 |
| 34638 | UB*00302 | RENE SMITH | 03/27/2019 | 11.51 |
| 34639 | UB*00298 | ANDREW TSCHESNOK | 03/27/2019 | 25.00 |
| 34640 | YOUNG | HENRY YOUNG | 03/27/2019 | 1,876.36 |
| 100160 | ACCELA | ACCELA, INC. #774375 | 03/27/2019 | 2,025.00 |
| 100161 | SFWATER | SAN FRANCISCO WATER DEPT | 03/27/2019 | 355,253.40 |

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|----------------------|-----------|--------------------------------|------------|--------------|
| 100162 | SFPUCWAT | SFPUC WATER QUALITY | 03/27/2019 | 1,650.00 |
| 100195 | ACHRETN | ACH Returns | 03/27/2019 | 223.57 |
| 100196 | ACHRETN | ACH Returns | 03/27/2019 | 1,039.80 |
| Total for 3/27/2019: | | | | 387,798.37 |
| 100174 | CALPERS | CALPERS | 03/29/2019 | 3,335.32 |
| 100175 | HEALTH EQ | Health Equity | 03/29/2019 | 300.00 |
| 100176 | ICMACONT | ICMA contributions | 03/29/2019 | 1,742.70 |
| 100177 | ADPPAYRL | adp | 03/29/2019 | 12,919.19 |
| 100178 | ADPPAYRL | adp | 03/29/2019 | 6,092.60 |
| Total for 3/29/2019: | | | | 24,389.81 |
| 100179 | ADPPAYRL | adp | 03/31/2019 | 32,077.66 |
| 100180 | ADPPAYRL | adp | 03/31/2019 | 12,709.71 |
| 100181 | ICMACONT | ICMA contributions | 03/31/2019 | 699.64 |
| 100182 | HEALTH EQ | Health Equity | 03/31/2019 | 780.00 |
| 100200 | CALPERS | CALPERS | 03/31/2019 | 7,332.83 |
| 100201 | CALPERS | CALPERS | 03/31/2019 | 284.88 |
| Total for 3/31/2019: | | | | 53,884.72 |
| 34641 | ACWA5661 | ACWA JPIA | 04/03/2019 | 12,694.89 |
| 34642 | ALAMERG | ALL AMERICAN GASKET | 04/03/2019 | 286.23 |
| 34643 | ATT60197 | AT&T 60197 | 04/03/2019 | 1,176.16 |
| 34644 | BELCHAME | BELMONT CHAMBER OF COMMERCE | 04/03/2019 | 430.00 |
| 34645 | CINTS | CINTAS CORPORATION | 04/03/2019 | 512.71 |
| 34646 | COMCASTB | COMCAST BUSINESS | 04/03/2019 | 628.97 |
| 34647 | DFS | DOCUMENT FULFILLMENT SERVICES | 04/03/2019 | 7,500.00 |
| 34648 | GRANITE | GRANITE ROCK, INC. | 04/03/2019 | 1,123.86 |
| 34649 | HACHCOMI | HACH COMPANY INC | 04/03/2019 | 1,914.04 |
| 34650 | HASSETTH | HASSETT HARDWARE | 04/03/2019 | 18.39 |
| 34651 | INSTRTEC | INSTRUMENT TECHNOLOGY CORP | 04/03/2019 | 238.00 |
| 34652 | LINCOLNL | LINCOLN LIFE | 04/03/2019 | 200.00 |
| 34653 | MHN | MHN | 04/03/2019 | 45.54 |
| 34654 | NOSAJDIS | NOSAJ DISPOSABLES, INC. | 04/03/2019 | 346.33 |
| 34655 | OREILLYA | OREILLY AUTO PARTS, INC. | 04/03/2019 | 30.25 |
| 34656 | RMORGAN | RAY MORGAN COMPANY | 04/03/2019 | 2,361.00 |
| 34657 | RANDB | ROBERTS & BRUNE CO. INC. | 04/03/2019 | 20,991.05 |
| 34658 | SMENVIRN | SAN MATEO CO. ENVIRO. HEALTH | 04/03/2019 | 1,751.00 |
| 34659 | VANGUARE | VANGUARD CLEANING SYSTEMS, INC | 04/03/2019 | 385.00 |
| 34660 | VERIZON | VERIZON WIRELESS | 04/03/2019 | 73.68 |
| 34661 | XIOINC | XIO, INC. | 04/03/2019 | 54,196.99 |
| 100207 | ACCELA | ACCELA, INC. #774375 | 04/03/2019 | 2,912.00 |
| 100208 | PAKPOUR | PAKPOUR CONSULTING GROUP, INC | 04/03/2019 | 500.00 |
| 100209 | WATERTAL | WATERTALENT | 04/03/2019 | 9,200.00 |
| 100210 | WFBUSCAR | WELLS FARGO BUSINESS CARD | 04/03/2019 | 470.48 |
| Total for 4/3/2019: | | | | 119,986.57 |
| 100212 | WFBUSCAR | WELLS FARGO BUSINESS CARD | 04/05/2019 | 3,505.05 |
| Total for 4/5/2019: | | | | 3,505.05 |
| 34662 | ACCELFIR | ACCEL FIRE PROTECTION SVS | 04/10/2019 | 900.80 |

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|----------------------|-----------|-----------------------------------|------------|--------------|
| 34663 | ACWA5661 | ACWA JPIA | 04/10/2019 | 38,183.76 |
| 34664 | ATT60197 | AT&T 60197 | 04/10/2019 | 61.62 |
| 34665 | BAWSCA | BAY AREA WATER SUPPLY & CONSER | 04/10/2019 | 18,332.00 |
| 34666 | BPLANDSC | BAY POINTE LANDSCAPE | 04/10/2019 | 2,440.00 |
| 34667 | BENBARAK | YORAM BENBARAK | 04/10/2019 | 143.00 |
| 34668 | CGUHLNB | C G UHLENBERG LLP | 04/10/2019 | 1,600.00 |
| 34669 | CALWAEFF | CALIFORNIA WATER EFFICIENCY PAR | 04/10/2019 | 3,193.31 |
| 34670 | COASTBUI | COAST BUILDERS | 04/10/2019 | 4,217.03 |
| 34671 | COASTWES | COAST WEST FIRE | 04/10/2019 | 143.00 |
| 34672 | CONTROLF | CONTROL FIRE INC. | 04/10/2019 | 143.00 |
| 34673 | COUNTYSM | COUNTY OF SAN MATEO | 04/10/2019 | 34,187.97 |
| 34674 | GSFLOWM | GOLDEN STATE FLOW MEASUREMEN | 04/10/2019 | 786.14 |
| 34675 | GRANITE | GRANITE ROCK, INC. | 04/10/2019 | 247.59 |
| 34676 | HMBPAVIN | HALF MOON BAY GRADING & PAVINC | 04/10/2019 | 5,993.52 |
| 34677 | HOMEDEPC | HOME DEPOT | 04/10/2019 | 501.84 |
| 34678 | INTERALL | INTERSTATE ALL BATTERY CENTER | 04/10/2019 | 138.27 |
| 34679 | LEAVERJE | JEFF LEAVER | 04/10/2019 | 143.00 |
| 34680 | LINCOLNL | LINCOLN LIFE | 04/10/2019 | 200.00 |
| 34681 | M&MBACK | M&M BACKFLOW & METER MAINTEN | 04/10/2019 | 471.89 |
| 34682 | MATCOTLS | MATCO TOOLS | 04/10/2019 | 469.53 |
| 34683 | MJMASSOC | MJM ASSOCIATES, INC. | 04/10/2019 | 143.00 |
| 34684 | NORTHUR | RALPH NORTHRUP | 04/10/2019 | 809.00 |
| 34685 | PACOFFIC | PACIFIC OFFICE AUTOMATION | 04/10/2019 | 48.23 |
| 34686 | PG&E | PG&E CFM/PPC DEPT | 04/10/2019 | 12,075.05 |
| 34687 | PIT71896 | PITNEY BOWES 371896 | 04/10/2019 | 273.98 |
| 34688 | RAVELLA | LAURA RAVELLA | 04/10/2019 | 46.25 |
| 34689 | RECOLOGY | RECOLOGY SAN MATEO | 04/10/2019 | 674.86 |
| 34690 | RDWDTIRE | REDWOOD GENERAL TIRE CO INC | 04/10/2019 | 1,058.44 |
| 34691 | RANDB | ROBERTS & BRUNE CO. INC. | 04/10/2019 | 12,309.05 |
| 34692 | SFPUCWAT | SFPUC WATER QUALITY | 04/10/2019 | 2,000.00 |
| 34693 | SPRINGBK | SPRINGBROOK NATIONAL USER GRO | 04/10/2019 | 1,300.00 |
| 34694 | STEPFORD | STEPFORD BUSINESS, INC. | 04/10/2019 | 1,440.00 |
| 34695 | THORPEDE | THORPE DESIGN, iNC. | 04/10/2019 | 143.00 |
| 34696 | TOOLAND | TOOLAND, INC. | 04/10/2019 | 239.24 |
| 34697 | POSTALUS | U.S. POSTAL SERVICE | 04/10/2019 | 308.00 |
| 34698 | VALLEYOL | VALLEY OIL COMPANY | 04/10/2019 | 1,117.08 |
| 100213 | ACCELA | ACCELA, INC. #774375 | 04/10/2019 | 3,906.75 |
| 100214 | DAVIDSON | JOHN T. DAVIDSON OR DBA JRocket77 | 04/10/2019 | 4,747.25 |
| 100215 | HANSONBR | HANSON, BRIDGETT | 04/10/2019 | 5,069.00 |
| 100216 | PAKPOUR | PAKPOUR CONSULTING GROUP, INC | 04/10/2019 | 6,170.07 |
| 100217 | WATERTAL | WATERTALENT | 04/10/2019 | 18,552.96 |
| Total for 4/10/2019: | | | | 184,928.48 |
| 100218 | CALPERS | CALPERS | 04/12/2019 | 3,335.32 |
| 100219 | HEALTHAQ | Health Equity | 04/12/2019 | 264.64 |
| 100220 | ICMACONT | ICMA contributions | 04/12/2019 | 1,742.70 |
| 100221 | ADPPAYRL | adp | 04/12/2019 | 12,881.12 |
| 100222 | ADPPAYRL | adp | 04/12/2019 | 6,041.55 |
| Total for 4/12/2019: | | | | 24,265.33 |
| 100223 | calpers | CALPERS | 04/15/2019 | 7,735.42 |
| 100224 | calpers | CALPERS | 04/15/2019 | 313.37 |
| 100225 | HEALTHAQ | Health Equity | 04/15/2019 | 1,480.00 |
| 100226 | ICMACONT | ICMA contributions | 04/15/2019 | 699.64 |
| 100227 | ADPPAYRL | adp | 04/15/2019 | 33,402.59 |

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|----------------------------|-----------|--------------------------------|------------|--------------|
| 100228 | ADPPAYRL | adp | 04/15/2019 | 14,329.99 |
| Total for 4/15/2019: | | | | 57,961.01 |
| 34699 | AIRGAS | AIRGAS, LLC | 04/18/2019 | 144.87 |
| 34700 | ATT60197 | AT&T 60197 | 04/18/2019 | 60.69 |
| 34701 | BAWSCA | BAY AREA WATER SUPPLY & CONSER | 04/18/2019 | 522.00 |
| 34702 | BEALSMAR | BEALS MARTIN | 04/18/2019 | 900.80 |
| 34703 | CARQUEST | CARQUEST AUTO PARTS | 04/18/2019 | 18.44 |
| 34704 | CINTS | CINTAS CORPORATION | 04/18/2019 | 505.12 |
| 34705 | GSFLOWM | GOLDEN STATE FLOW MEASUREMEN | 04/18/2019 | 1,534.59 |
| 34706 | GRANITE | GRANITE ROCK, INC. | 04/18/2019 | 905.78 |
| 34707 | INDORAIR | INDOOR AIR DESIGN, INC. | 04/18/2019 | 175.00 |
| 34708 | OREILLYA | OREILLY AUTO PARTS, INC. | 04/18/2019 | 26.83 |
| 34709 | PG&E | PG&E CFM/PPC DEPT | 04/18/2019 | 79.50 |
| 34710 | RUDOCK | TAMMY RUDOCK | 04/18/2019 | 154.00 |
| 100229 | ACCELA | ACCELA, INC. #774375 | 04/18/2019 | 120.73 |
| Total for 4/18/2019: | | | | 5,148.35 |
| Report Total (147 checks): | | | | 1,052,797.23 |



AGENDA ITEM NO. 7.A.

DATE: April 25, 2019

TO: Board of Directors

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

SUBJECT: RECEIVE QUARTERLY REPORTS ON 2016 COP FINANCING THROUGH MARCH 31, 2019:

- 1. FINANCIAL RECONCILIATION REPORT**
- 2. CAPITAL PROJECT FUND REPORT**

RECOMMENDATION

Receive Quarterly Reports on 2016 COP Financing through March 31, 2019:

1. Financial Reconciliation Report; and
2. Capital Project Fund Report

FISCAL IMPACT

| MPWD 2016 COP CIP - RECONCILIATION @ 03/31/19 | | |
|--|--|-------------------------|
| Date | Activity | COP Funds |
| 12/21/2016 | Net Proceeds as of 12/21/16 to COP CIP | \$ 19,143,020.82 |
| 3/20/2017 | Transfer to Project Funds | \$ 42,875.50 |
| 3/31/2019 | Project Costs | \$ (4,846,703.53) |
| 3/31/2019 | Total Dividends Earned | \$ 467,819.07 |
| 3/31/2019 | Balance | \$ 14,807,011.86 |

DISCUSSION

Staff's 2016 COP Quarterly Reconciliation Report is attached. Trustee bank statements were reconciled and the project fund balance at March 31, 2019, was \$14,807,011.86.

Dan Bergmann of IGService will present the attached quarterly report on capital project expenditures and the Annual Bond Disclosure Report.

Attachments: 2016 COP Quarterly Reconciliation Report through March 31, 2019
2016 COP Quarterly Project Fund Report through March 31, 2019

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

UNANIMOUS_____ VELLA_____ ZUCCA_____ WARDEN_____ SCHMIDT_____ WHEELER_____

MPWD 2016 COP CIP - RECONCILIATION @ 03/31/19

| Date | Activity | COP Funds |
|------------|--|-------------------------|
| 12/21/2016 | Net Proceeds as of 12/21/16 to COP CIP | \$ 19,143,020.82 |
| 3/20/2017 | Transfer to Project Funds | \$ 42,875.50 |
| 3/31/2019 | Project Costs | \$ (4,846,703.53) |
| 3/31/2019 | Total Dividends Earned | \$ 467,819.07 |
| 3/31/2019 | Balance | \$ 14,807,011.86 |

COST OF ISSUANCE

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

COP Project Costs YTD

| Date | Activity | Project Costs |
|-----------|--|------------------------|
| 3/31/2019 | Karen/Folger/Mezes/South/Arthur Water Main Replacement (WMR) | \$ 2,464,193.28 |
| 3/31/2019 | Hillcrest Pressure Regulating Station | \$ 187,203.64 |
| 3/31/2019 | Dekoven Tank Replacement | \$ 64,811.28 |
| 3/31/2019 | Old County Road WMR | \$ 195,363.65 |
| 3/31/2019 | El Camino Real/Malcolm Ave WMR | \$ 288,739.39 |
| 3/31/2019 | Notre Dame/Tahoe/Cliffside | \$ 264,064.30 |
| 3/31/2019 | SR 101 Crossing at PAMF Hospital | \$ 376,100.20 |
| 3/31/2019 | Francis, Academy, Davey (w/Belmont) | \$ 1,006,227.79 |
| | Total | \$ 4,846,703.53 |

Dividends Earned

| Date | Activity | Interest Earned |
|------------|-----------------------------------|----------------------|
| 12/31/2017 | Dividends Earned (Jan - Dec 2017) | \$ 120,105.34 |
| 12/31/2018 | Dividends Earned (Jan - Dec 2018) | \$ 264,043.09 |
| 1/31/2019 | Dividends Earned (Jan 2019) | \$ 28,006.89 |
| 2/28/2019 | Dividends Earned (Feb 2019) | \$ 29,282.07 |
| 3/31/2019 | Dividends Earned (Mar 2019) | \$ 26,381.68 |
| | Total | \$ 467,819.07 |

Updated 03/31/19

April 18, 2019

Tammy Rudock, General Manager
Mid-Peninsula Water District

Email: trudock@midpeninsulawater.org

Re: Certificate of Participation (COP) Spending Report as of March 31, 2019

Dear Ms. Rudock:

The following are highlights from tracking of quarterly and overall COP spending as of March 31, 2019.

Total COP funds spent are \$4,846,704. This is 24.7 percent of the beginning funds amount plus accumulated dividends, which total \$19,653,715. (Table 1 and Chart)

Quarterly COP spending was \$663,939. Of this total, engineering payments were \$185,812, and construction payments were \$478,127. All construction payments were for the Francis, Academy, Davey project with City of Belmont. Quarterly spending reconciles exactly to the project detail and to the Bank of New York monthly statements. (Tables 1, 2, and 3)

Quarterly Pay-Go spending was \$386,533. The total amount of Pay-Go funds to date for the projects listed is \$1,064,825. Adjustments were made to the previous reporting period increasing this value, primarily for Pay-Go amounts for the Francis, Academy, Davey project. (Table 3 and Chart)

Cost Projections. There are no updates to Cost Projections for this reporting period, except the Francis, Academy, Davey project with City of Belmont is complete. (Table 3)

Accounting True-Up Adjustments. In January, the tracking workbook was adjusted to reallocate COP funds to the various projects. The net impact to COP spending is zero as there is no net increase or decrease overall. The result of the adjustments is the total spending shown in Table 3 reconciles exactly to the total spending amounts shown internally at MPWD. (Table 4)

Sincerely,



Dan Bergmann
Principal



| Table 1 | | | | |
|--------------------------------------|-----------------|------------------|------------------|-----------------------------|
| Bank of New York MPWD Account 361685 | | | | |
| Quarter Ending | Dividends | Expenditures | | Ending Project Fund Balance |
| | | Monthly | Quarterly | |
| Beginning Balance | | | | \$19,143,020.82 |
| Mar-17 ¹ | \$42,875.50 | 0.00 | | \$19,185,896.32 |
| Mar-17 | 12,640.32 | 0.00 | | 19,198,536.64 |
| Jun-17 | 26,269.49 | (268,386.44) | (268,386.44) | 18,956,419.69 |
| Jul-17 | 11,186.97 | (37,411.30) | | 18,930,195.36 |
| Aug-17 | 13,178.04 | (76,232.49) | | 18,867,140.91 |
| Sep-17 | 13,889.47 | (30,529.45) | (144,173.24) | 18,850,500.93 |
| Oct-17 | 13,740.78 | (31,325.20) | | 18,832,916.51 |
| Nov-17 | 14,584.55 | (269,821.99) | | 18,577,679.07 |
| Dec-17 | 14,615.74 | (370,309.75) | (671,456.94) | 18,221,985.06 |
| Jan-18 | 16,315.52 | (315,748.56) | | 17,922,552.02 |
| Feb-18 | 17,717.32 | (221,300.77) | | 17,718,968.57 |
| Mar-18 | 17,140.20 | (280,719.75) | (817,769.08) | 17,455,389.02 |
| Apr-18 | 20,666.32 | (437,470.39) | | 17,038,584.95 |
| May-18 | 21,315.01 | (418,903.86) | | 16,640,996.10 |
| Jun-18 | 22,792.33 | (122,821.81) | (979,196.06) | 16,540,966.62 |
| Jul-18 | 22,571.92 | (346,653.05) | | 16,216,885.49 |
| Aug-18 | 24,003.89 | (56,018.89) | | 16,184,870.49 |
| Sep-18 | 24,700.72 | (181,427.83) | (584,099.77) | 16,028,143.38 |
| Oct-18 | 24,735.82 | (640,048.84) | | 15,412,830.36 |
| Nov-18 | 26,088.52 | (77,634.29) | | 15,361,284.59 |
| Dec-18 | 25,995.52 | 0.00 | (717,683.13) | 15,387,280.11 |
| Jan-19 | 28,006.89 | (90,278.13) | | 15,325,008.87 |
| Feb-19 | 29,282.07 | (283,598.44) | | 15,070,692.50 |
| Mar-19 | 26,381.68 | (290,062.32) | (663,938.89) | 14,807,011.86 |
| Totals | \$510,694.59 | (\$4,846,703.55) | (\$4,846,703.55) | \$14,807,011.86 |
| Beginning Funds plus | | | | |
| Total Dividends | \$19,653,715.41 | | | |
| Percent Spent | 24.7% | | | |
| Note 1. Transfer to Project Funds | | | | |



| Table 2 | | | | | | | | | | | |
|---|-------|--|------------------|-----------|-------------------|-------------------|------------|-------------------|-------------------|-------------|--|
| MPWD Projects: Through March 31, 2019 | | | Requisitions | | | | | | Construction | Engineering | |
| Project | # | | 35 | 36 | 37 | 38 | 39 | Subtotals | | | |
| Karen Road Improvements | 15-73 | | 87.10 | 1,504.91 | 975.71 | - | 1,523.71 | 4,091.43 | - | 4,091.43 | |
| Folger Drive Improvements | 15-65 | | 97.47 | 1,684.07 | 1,091.87 | - | 1,705.10 | 4,578.51 | - | 4,578.51 | |
| Mezes Avenue Improvements | 15-14 | | 34.84 | 601.97 | 390.29 | - | 609.48 | 1,636.58 | - | 1,636.58 | |
| South Road Abandonment | 15-44 | | 96.64 | 1,669.74 | 1,082.58 | - | 1,690.59 | 4,539.55 | - | 4,539.55 | |
| Arthur Avenue Improvements | 15-22 | | 98.70 | 1,705.56 | 1,105.80 | - | 1,726.87 | 4,636.93 | - | 4,636.93 | |
| Dekoven Tanks Replacement | 15-89 | | 1,177.31 | 17,684.00 | 4,588.50 | 16,801.95 | 3,142.13 | 43,393.89 | - | 43,393.89 | |
| Hillcrest Pressure Regulating Station | 15-87 | | 14,591.06 | 5,033.44 | 9,337.13 | - | 5,003.25 | 33,964.88 | - | 33,964.88 | |
| Old County Road Improvements | 15-75 | | - | - | - | 1,314.00 | - | 1,314.00 | - | 1,314.00 | |
| El Camino Real Improvements | 15-76 | | 14,085.00 | 13,875.00 | - | 10,510.00 | 15,882.38 | 54,352.38 | - | 54,352.38 | |
| Notre Dame Avenue Loop Closure | 15-10 | | 1,346.28 | 4,645.81 | 2,451.23 | - | 5,506.38 | 13,949.70 | - | 13,949.70 | |
| Notre Dame Abandonment / Fire Hydrant | 15-49 | | 458.62 | 1,582.64 | 835.04 | - | 1,875.79 | 4,752.09 | - | 4,752.09 | |
| Tahoe Drive Area Improvements | 15-28 | | 754.51 | 2,603.70 | 1,373.76 | - | 3,085.99 | 7,817.95 | - | 7,817.95 | |
| Cliffside Court Improvements | 15-38 | | 325.47 | 1,123.16 | 592.60 | - | 1,331.22 | 3,372.46 | - | 3,372.46 | |
| N. Rd Cross Country / Davey Glen Rd Impr. | 15-43 | | - | - | - | - | - | - | - | - | |
| Zone 5 Fire Hydrant Upgrades | 15-06 | | - | - | - | - | - | - | - | - | |
| Civic Lane Improvements | 15-78 | | - | - | - | - | - | - | - | - | |
| Dekoven Tank Utilization Project | 15-09 | | - | - | - | - | - | - | - | - | |
| Belmont Canyon Road Improvements | 15-29 | | - | - | - | - | - | - | - | - | |
| North Road Improvements | 15-42 | | - | - | - | - | - | - | - | - | |
| SR 101 Crossing at PAMF Hospital | 15-72 | | 1,147.13 | 2,264.00 | - | - | - | 3,411.13 | - | 3,411.13 | |
| Williams Ave, Ridge Rd, Hillman Ave Impr. | 15-16 | | - | - | - | - | - | - | - | - | |
| Monte Cresta Dr / Alhambra Drive Impr. | 15-17 | | - | - | - | - | - | - | - | - | |
| Francis, Academy, Davey (w/Belmont) | | | - | - | 259,773.93 | 70,646.30 | 147,707.18 | 478,127.41 | 478,127.41 | 185,811.48 | |
| TOTALS | | | | | | | | 663,938.89 | | 663,938.89 | |
| TOTALS | | | 34,300.13 | 55,978.00 | 283,598.44 | 99,272.25 | 190,790.07 | 663,938.89 | 663,938.89 | | |
| TOTALS GROUPED TO RECONCILE WITH BNY | | | 90,278.13 | | 283,598.44 | 290,062.32 | | 663,938.89 | 663,938.89 | | |



| Table 3 | | | | | | | | | |
|---|-------|-----------------------|------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|------------|
| MPWD Projects: Through March 31, 2019 | | | | Cost Projections | | | Spent | | |
| Project | # | Original ¹ | Inflation ² | Updated ³ | Status ⁴ | COP | Pay-Go | Total | Completion |
| Karen Road Improvements | 15-73 | \$425,000 | \$455,600 | \$666,295 | Final | (\$606,746) | (\$59,549) | (\$666,295) | Sep-18 |
| Folger Drive Improvements | 15-65 | 420,000 | 449,376 | 585,586 | Final | (525,953) | (59,633) | (585,586) | Sep-18 |
| Mezes Avenue Improvements | 15-14 | 175,000 | 187,240 | 258,524 | Final | (242,756) | (15,768) | (258,524) | Sep-18 |
| South Road Abandonment | 15-44 | 415,000 | 443,968 | 403,838 | Final | (401,160) | (2,678) | (403,838) | Sep-18 |
| Arthur Avenue Improvements | 15-22 | 475,000 | 509,680 | 700,936 | Final | (687,580) | (13,356) | (700,936) | Sep-18 |
| Francis, Academy, Davey (w/Belmont) | 15-43 | 680,000 | 727,328 | 1,839,264 | Final | (1,006,227) | (871,720) | (1,877,947) | Mar-19 |
| Hillcrest Pressure Regulating Station | 15-87 | 345,000 | 369,888 | 1,004,544 | Bid | (187,204) | (851) | (188,055) | Jun-19 |
| Notre Dame Abandonment / Hydrants | 15-49 | n/a | 173,120 | 100,000 | Eng | (41,979) | 0 | (41,979) | Dec-19 |
| Notre Dame Avenue Loop Closure | 15-10 | 910,000 | 1,009,891 | 1,600,000 | Eng | (123,230) | 0 | (123,230) | Dec-19 |
| Tahoe Drive Area Improvements | 15-28 | 510,000 | 563,692 | 640,000 | Eng | (69,063) | 0 | (69,063) | Dec-19 |
| Cliffside Court Improvements | 15-38 | 220,000 | 258,998 | 130,000 | Eng | (29,791) | 0 | (29,791) | Dec-19 |
| Zone 5 Fire Hydrant Upgrades | 15-06 | 150,000 | 168,730 | 175,000 | Eng | | | | Dec-19 |
| Civic Lane Improvements | 15-78 | 800,000 | 887,405 | 887,405 | N.U. | | | | Jun-19 |
| Dekoven Tank Utilization Project | 15-09 | 1,035,000 | 1,185,325 | 1,185,325 | N.U. | (9,926) | 0 | (9,926) | Jun-20 |
| Dekoven Tanks Replacement | 15-89 | 3,500,000 | 4,009,576 | 4,009,576 | N.U. | (54,886) | (40,687) | (95,573) | Jun-20 |
| Old County Road Improvements | 15-75 | 3,400,000 | 3,892,590 | 4,300,000 | Eng | (195,364) | 0 | (195,364) | Jun-20 |
| Belmont Canyon Road Improvements | 15-29 | 420,000 | 480,300 | 480,300 | N.U. | | | | Jun-20 |
| North Road Improvements | 15-42 | 220,000 | 258,998 | 258,998 | N.U. | | | | Jun-21 |
| El Camino Real Improvements | 15-76 | 2,100,000 | 2,489,975 | 2,735,000 | Eng | (288,739) | (54) | (288,794) | Jun-21 |
| SR 101 Crossing at PAMF Hospital | 15-72 | 1,670,000 | 2,033,486 | 3,475,000 | Eng | (376,100) | (529) | (376,629) | Jun-22 |
| Williams Ave, Ridge Rd, Hillman Ave Impr. | 15-16 | 1,100,000 | 1,352,053 | 1,352,053 | N.U. | | | | Jun-22 |
| Monte Cresta Dr / Alhambra Drive Impr. | 15-17 | 1,075,000 | 1,313,786 | 1,313,786 | N.U. | | | | Jun-22 |
| TOTALS | | \$20,045,000 | \$23,221,005 | \$28,101,430 | | (\$4,846,704) | (\$1,064,825) | (\$5,911,529) | |

COP Beginning Fund Total \$19,143,021

Dividend Totals \$510,695

COP Remaining Balance \$14,807,012

Notes:

- 1) Resolution No. 2016-06, May 26, 2016
- 2) Adjusted by four percent annual construction cost inflation factor at June 22, 2017 Board Meeting
- 3) Adjustment detail is shown within each project tab
- 4) "Eng" - Updated Engineer's Estimate; "Bid" - Contractor's Bid Price; "Final" - Final Project Cost; "N.U." - Not Updated

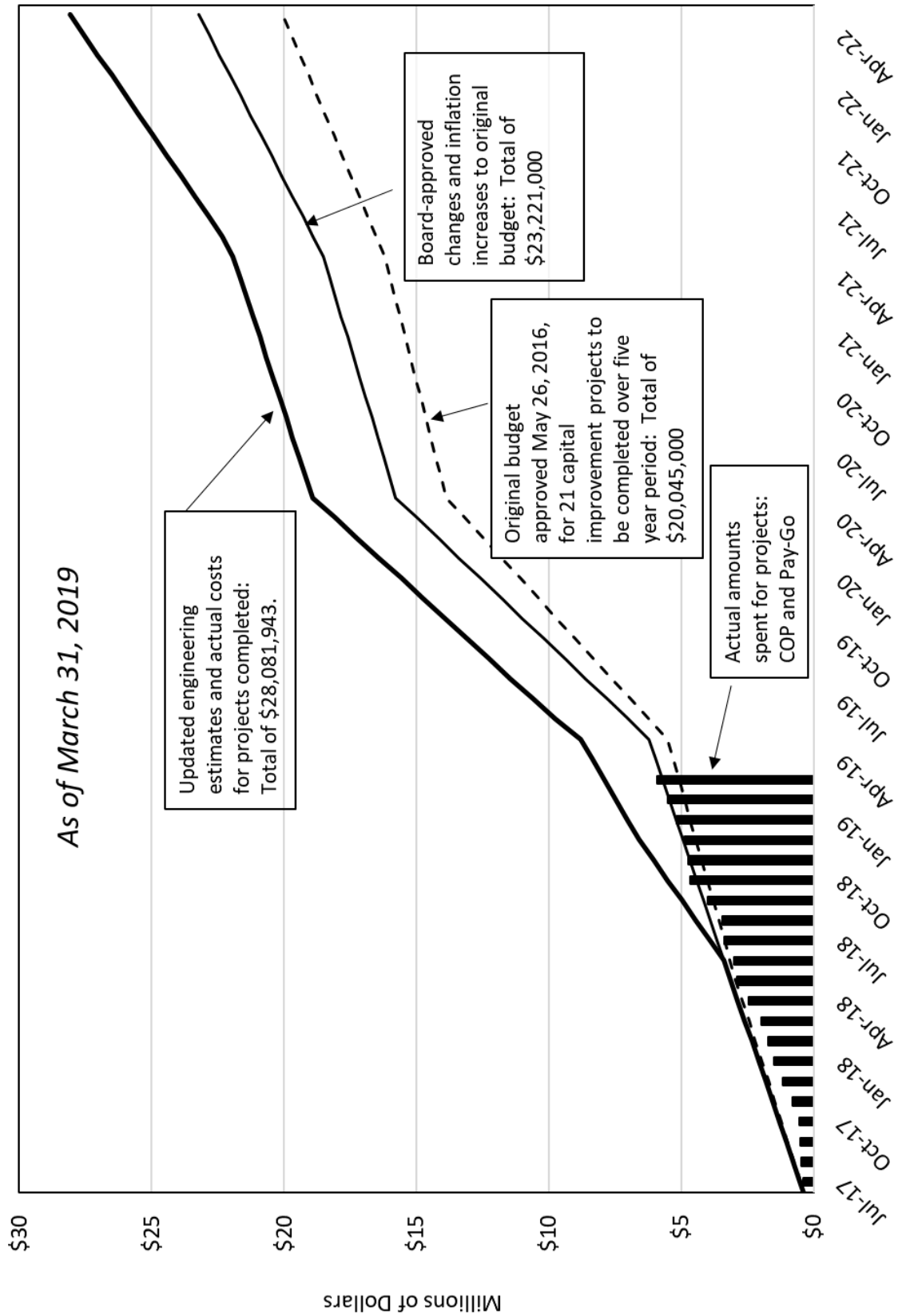


Table 4

| Accounting True-Up Adjustments Made 1/18/19 to CIP Spending Workbook | | | |
|---|--------------------|--------------------|------------|
| | Old | New | Adj |
| Karen Road Improvements | \$560,508 | \$602,655 | \$42,147 |
| Folger Drive Improvements | \$558,725 | \$521,373 | -\$37,350 |
| Mezes Avenue Improvements | \$270,730 | \$241,119 | -\$29,611 |
| South Road Abandonment | \$420,512 | \$396,620 | -\$23,892 |
| Arthur Avenue Improvements | \$634,233 | \$682,942 | \$48,710 |
| Francis, Academy, Davey (w/Belmont) | \$593,462 | \$528,100 | -\$65,362 |
| Hillcrest Pressure Regulating Station | \$153,239 | \$153,239 | \$0 |
| Notre Dame Abandonment | \$43,599 | \$37,227 | -\$6,372 |
| Notre Dame Avenue Loop Closure | \$4,826 | \$109,280 | \$104,454 |
| Tahoe Drive Area Improvements | \$62,888 | \$61,245 | -\$1,643 |
| Cliffside Court Improvements | \$122,860 | \$26,419 | -\$96,441 |
| Zone 5 Fire Hydrant Upgrades | \$0 | \$0 | \$0 |
| Civic Lane Improvements | \$0 | \$0 | \$0 |
| Dekoven Tank Utilization Project | \$8,667 | \$9,926 | \$1,259 |
| Dekoven Tanks Replacement | \$12,749 | \$11,491 | -\$1,258 |
| Old County Road Improvements | \$128,691 | \$194,050 | \$65,359 |
| Belmont Canyon Road Improvements | \$0 | \$0 | \$0 |
| North Road Improvements | \$0 | \$0 | \$0 |
| El Camino Real Improvements | \$234,386 | \$234,387 | \$1 |
| SR 101 Crossing at PAMF Hospital | \$372,690 | \$372,689 | -\$1 |
| Williams Ave, Ridge Rd, Hillman Ave Impr. | \$0 | \$0 | \$0 |
| Monte Cresta Dr / Alhambra Drive Impr. | \$0 | \$0 | \$0 |
| Totals | \$4,182,765 | \$4,182,765 | \$0 |
| Source: MPWD Administrative Services | | | |



MPWD Board-Approved CIP Budget vs Actual Spending





AGENDA ITEM NO. 8.A.

DATE: April 25, 2019

TO: Board of Directors

FROM: Tammy Rudock, General Manager
Candy Pina, Administrative Services Manager

SUBJECT: DISCUSS OPERATIONAL REVENUE REQUIREMENTS FOR FISCAL YEAR 2019/2020, AND CONSIDER ORDINANCE NO. 120 AMENDING ATTACHMENT “A” TO THE MPWD WATER SERVICE ORDINANCE, REGARDING RATES AND CHARGES, EFFECTIVE JULY 1, 2019

RECOMMENDATION

Discuss operational revenue requirements for Fiscal Year 2018/2019, and adopt Ordinance No. 120 amending Attachment “A” to the MPWD Water Service Ordinance, regarding rates and charges, effective July 1, 2019.

FISCAL IMPACT

The MPWD’s cash flow projections and water rates were updated last year on May 18, 2018, by Bartle Wells Associates (BWA). An annual water revenue requirement and cumulative water rate increase of 4.1% was projected for FY 2019/2020. Water commodity charges would increase by 3.0% for each of the four (4) residential rate tiers and the two (2) commercial rate tiers, and the monthly fixed system charge would increase by 7.7%—from \$26 month to \$28 per month for the majority of customers within the MPWD system.

FY 2019/2020 is the final year of the MPWD’s 2015 Proposition 218 5-year water rate plan. The maximum water rate increase (cumulative) approved by the Board for FY 2019/2020 was 6.0%. Last fiscal year there was a 4.1% cumulative increase in MPWD water rates (effective July 1, 2018), and the year before (FY 2017/2018) there was a 0.0% increase.

Based on the BWA Water 2018 Water Rate Update (attached), with the Board’s adoption of the 4.1% water rate increase effective July 1, 2019, approximately \$277,000 more in water commodity revenues and \$224,000 in fixed system revenues are projected to be collected in FY 2019/2020.

The following table shows the breakdown of MPWD water rate revenues for FY 2018/2019 (including estimates for April 1, 2019 through June 30, 2019):

| Mid-Peninsula Water District | | | | |
|--|--------------------|------------------|------------------|------------------|
| Water Rate Revenues 2018/2019 | | | | |
| | | | | 4/22/2019 10:17 |
| | Water Use (hcf) | Usage Charges | Fixed Charges | Total Charges |
| Jul-18 | 122,334 | 1,020,243 | 221,322 | 1,241,565 |
| Aug-18 | 122,489 | 1,064,995 | 240,529 | 1,305,524 |
| Sep-18 | 123,229 | 1,094,168 | 240,313 | 1,334,481 |
| Oct-18 | 108,426 | 922,019 | 240,702 | 1,162,721 |
| Nov-18 | 107,945 | 926,926 | 239,712 | 1,166,638 |
| Dec-18 | 79,231 | 655,976 | 240,162 | 896,138 |
| Jan-19 | 68,405 | 545,132 | 242,370 | 787,502 |
| Feb-19 | 69,797 | 569,182 | 241,945 | 811,127 |
| Mar-19 | 66,999 | 518,060 | 240,416 | 758,476 |
| Apr-19 | <i>69,500</i> | <i>550,000</i> | <i>241,000</i> | <i>791,000</i> |
| May-19 | <i>90,000</i> | <i>730,000</i> | <i>241,000</i> | <i>971,000</i> |
| Jun-19 | <i>110,000</i> | <i>960,000</i> | <i>241,000</i> | <i>1,201,000</i> |
| Total | 1,138,355 | 9,556,701 | 2,870,471 | 12,427,172 |
| % of Total | | 76.9% | 23.1% | 100.0% |
| <i>Note: Italicized are estimates.</i> | | | | |

Also shown above is the breakdown of the volumetric commodity charges and monthly fixed system charges as a percentage of the MPWD's total revenues. As the Board may recall from the 2015 water rate study, it was a goal to increase the monthly fixed rate revenues from 20% to 25% over the five years. The MPWD is projected to be at 23% at the end of this fiscal year, so we should achieve that goal if the Board adopts the proposed rate adjustments effective July 1, 2019.

Finally, the annual average CPI for All Urban Consumers in 2018 was 3.9% per the U.S. Department of Labor, Bureau of Labor Statistics, for the San Francisco-Oakland-Hayward area (compared to 3.2% for 2017). For the first two months of 2019, it was 3.5% (compared to 3.6% for the first two months of 2018).

BACKGROUND

The projected SFPUC wholesale water rate increase effective July 1, 2019 is 0.0%, meaning that SFPUC's per unit wholesale water rate will remain \$4.10CCF for FY 2019/2020. This will be confirmed at the SFPUC's water rate hearing scheduled in May.

As stated above in the fiscal impact section, the MPWD's cash flow projections and water rates were updated last year on May 18, 2018, by Bartle Wells Associates (BWA), wherein an annual water revenue requirement and cumulative water rate increase of 4.1% was projected for FY 2019/2020.

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

1. Maintain at least 1.3 debt service coverage.
2. Caution about relying on one-time development revenues (Capacity Charges and Water Demand Offset Fees).
3. Additional staffing for succession planning added.
4. In the past MPWD spent at least \$1.5 million per year on capital replacement and capital outlay, meaning, at a minimum, \$500,000 should be budgeted each year together with the \$1,045,000 annual debt service payment, to maintain that objective.
5. Recent Board action to fund the OPEB and pension liabilities from MPWD cash reserves was included as part of the multi-year financial plan and water rate update.
6. The Project Fund for the 2016 COPs was added to the multi-year financial plan.

DISCUSSION

As stated above, the last financial review and water rate update was completed by BWA on May 18, 2018, which projected a 4.1% cumulative water rate adjustment for FY 2019/2020.

The overall projected rate increase for FY 2019/2020 would be 4.1%, broken down as follows and reflected in the table on the next page:

- 3.0% adjustment to commodity charges; and
- 7.7% adjustment to monthly fixed system charges.

PROPOSED WATER RATES Effective July 1, 2019

| DESCRIPTION OF CHARGES | | 2018/2019 CURRENT RATES | 2019/2020 ADOPTED RATES | 2019/2020 PROPOSED RATES |
|---|--------------------|-------------------------------|-------------------------------|--------------------------------|
| Fixed Monthly Charges <i>Billed based on meter size</i> | | | | |
| <u>Meter</u> | <u>Meter Ratio</u> | | | |
| 5/8" | 1.00 | \$ 26.00 | \$ 30.00 | \$ 28.00 |
| 1" | 1.50 | 39.00 | 45.00 | 42.00 |
| 1 ½" | 2.50 | 65.00 | 75.00 | 70.00 |
| 2" | 4.00 | 104.00 | 120.00 | 112.00 |
| 3" | 6.00 | 156.00 | 180.00 | 168.00 |
| 4" | 10.00 | 260.00 | 300.00 | 280.00 |
| 6" | 25.00 | 650.00 | 750.00 | 700.00 |
| Water Consumption Charges <i>Billed based on monthly metered water use (\$/hcf)</i> | | | | |
| <u>Residential Rate Tiers</u> | | | | |
| Tier 1 | 0 – 2 hcf | \$ 5.69 | \$ 6.25 | \$ 5.86 |
| Tier 2 | 3 – 8 hcf | 8.44 | 9.00 | 8.69 |
| Tier 3 | 9 – 20 hcf | 10.29 | 11.00 | 10.60 |
| Tier 4 | Over 20 hcf | 12.14 | 13.00 | 12.50 |
| <u>Commercial Rate Tiers</u> | | | | |
| Tier 1 | 0 – 5 hcf | \$ 7.57 | \$ 8.00 | \$ 7.80 |
| Tier 2 | Over 5 hcf | 8.89 | 9.50 | 9.16 |
| <i>Note: 1 hcf = One hundred cubic feet or approximately 748 gallons.</i> | | | | |

Staff projected 3.0% CPI increases for a few line items in the Draft FY 2019/2020 Operating Budget (see Draft Operating Budget Summary for FY 2019/2020 in the next agenda item), and the water rate adjustments would cover the projected increased expenditures and allow for \$342,375 to be transferred to the MPWD Capital Budget, together with the \$970,000 projected Depreciation.

Finally, staff is met with the District Engineer on April 17th to review the MPWD Comprehensive System Analysis (last updated in FY 2016/2017) and prepare an updated plan with recommended capital project priority updates, project additions/deletions, revised project cost estimates, and engineering and construction plan options. That updated information will then be used by staff and the financial planning consulting team to develop a proposed long-term financial plan and forecast model (including water rate projections) for the MPWD and first

review by the Board's Finance Committee, including options for how to fund the 2016 COP CIP gap.

MPWD WATER RATES COMPETITIVENESS

It is the MPWD's mission to operate the system and serve customers as efficiently and cost-effectively as possible. Three (3) water rate comparison charts among Bay area water suppliers for FY 2019/2020 were updated by BWA and shared last month. They are attached again this month as follows:

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

As requested by the Board last month, an additional rate comparison graph for 9 CCF monthly was under development at the time of this report's publication but will be provided during the Board meeting.

Given MPWD's history of prudent fiscal stewardship and management, and responsible attention to its capital rehabilitation and replacement programming, it is staff's recommendation that the Board adopt the water rate adjustments in FY 2019/2020 as updated last year and outlined in the 2018 BWA financial plan and water rate update.

Attachments: BWA Water Rate Update for the MPWD dated May 18, 2018
 BWA Water Rate Comparison Graphs
 Ordinance No. 120

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

UNANIMOUS_____ VELLA_____ ZUCCA_____ WARDEN_____ SCHMIDT_____ WHEELER_____



Water Rate Update

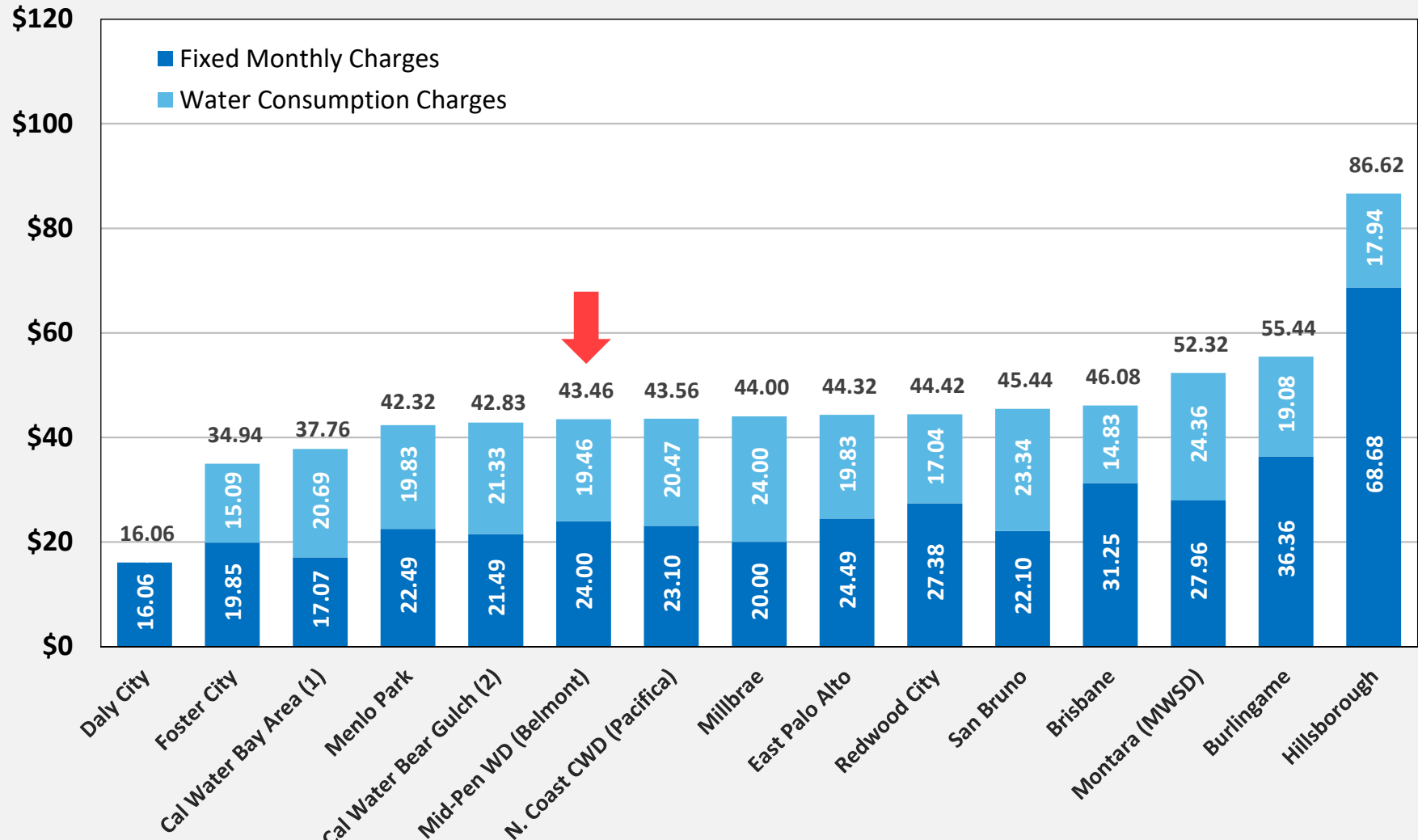
May 18, 2018



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

Single Family Residential Monthly Water Charges 2017/18

Low Use: 3 ccf monthly use (74 gpd)



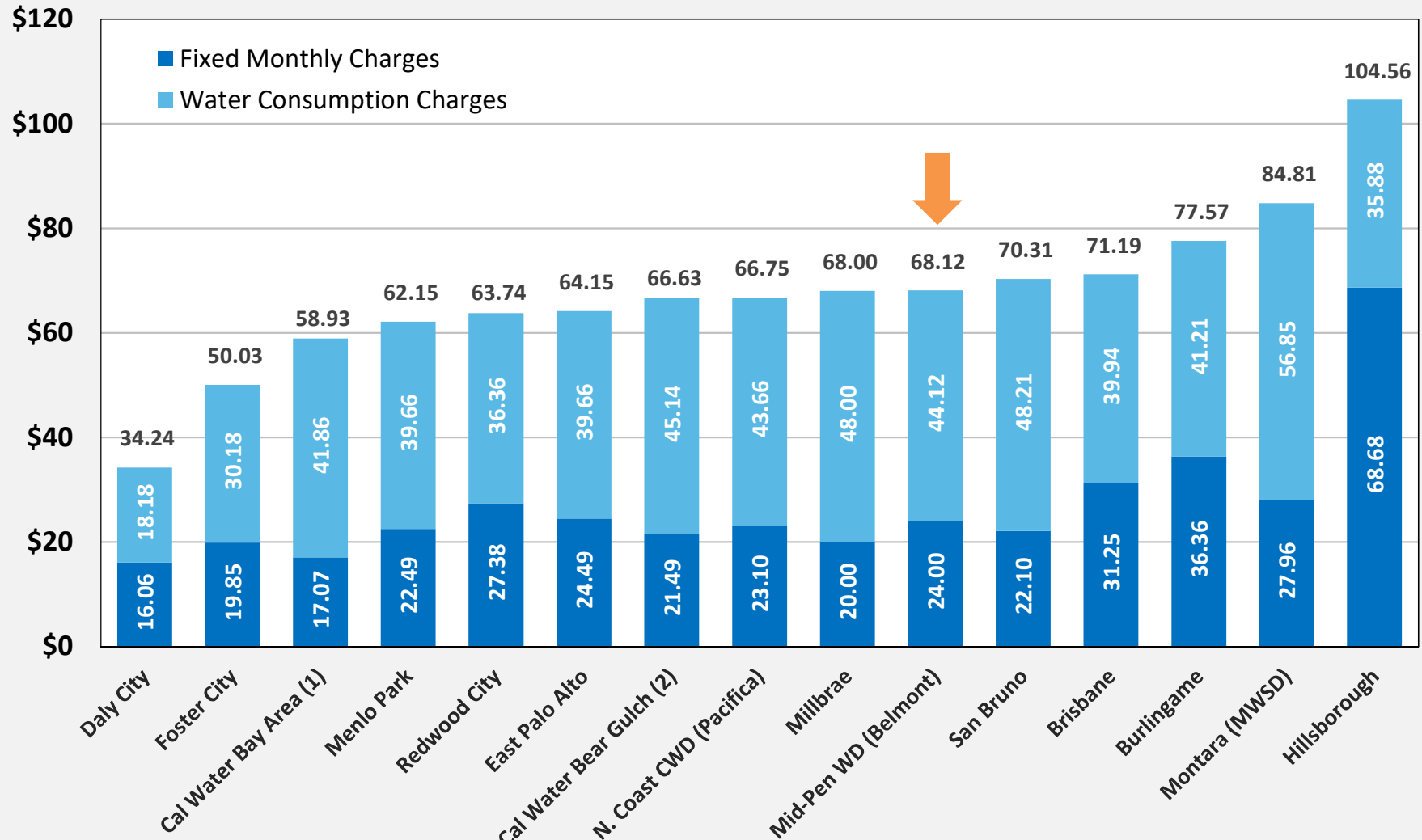
1 Bay Area service areas includes San Carlos, San Mateo, South San Francisco.

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

Rates Effective March 2018

Single Family Residential Monthly Water Charges 2017/18

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



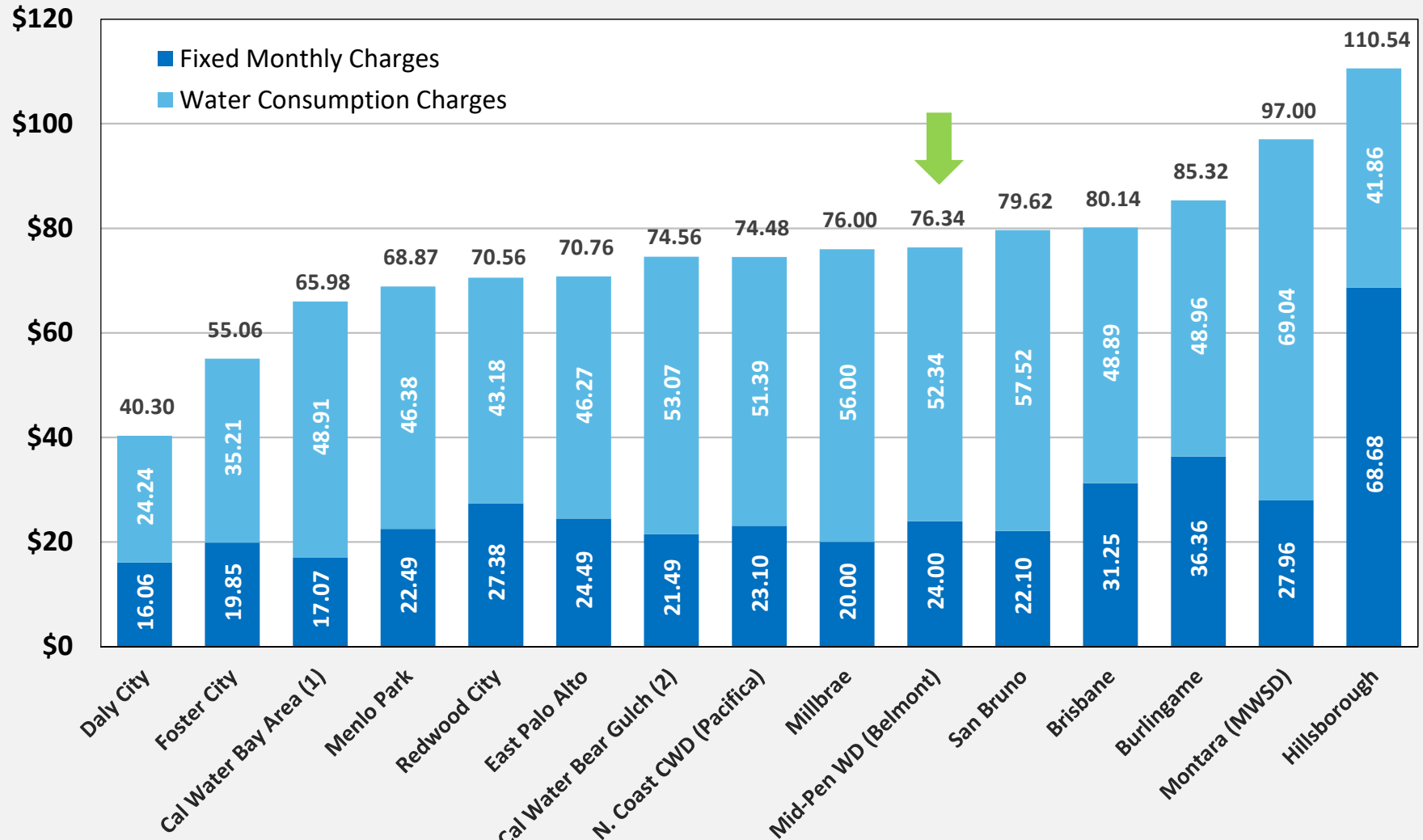
1 Bay Area service areas includes San Carlos, San Mateo, South San Francisco.

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

Rates Effective March 2018

Single Family Residential Monthly Water Charges 2017/18

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



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

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

Rates Effective March 2018

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

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

| | Water Consumption (hcf) | | | | | |
|---|-------------------------|-----------|-----------|-----------|-----------|-----------|
| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
| July | 155,974 | 156,081 | 134,669 | 102,202 | 111,110 | 117,761 |
| August | 153,190 | 155,788 | 128,924 | 104,096 | 113,341 | 124,029 |
| September | 145,980 | 145,551 | 118,284 | 101,546 | 112,591 | 127,050 |
| October | 122,618 | 122,117 | 109,652 | 95,095 | 101,247 | 117,970 |
| November | 90,723 | 106,535 | 86,670 | 81,298 | 76,838 | 100,278 |
| December | 80,604 | 94,062 | 72,835 | 67,438 | 66,486 | 76,510 |
| January | 84,202 | 102,910 | 82,360 | 70,890 | 67,261 | 85,964 |
| February | 86,478 | 73,221 | 79,782 | 60,940 | 65,165 | 65,000 |
| March | 106,663 | 89,152 | 102,964 | 65,700 | 63,193 | 63,000 |
| April | 120,265 | 96,019 | 91,491 | 73,821 | 69,702 | 70,000 |
| May | 155,736 | 126,934 | 97,806 | 85,446 | 89,353 | 89,000 |
| June | 150,614 | 139,729 | 103,863 | 108,136 | 108,136 | 108,000 |
| Total | 1,453,047 | 1,408,099 | 1,209,300 | 1,016,608 | 1,044,423 | 1,144,562 |
| % Change | | -3.1% | -14.1% | -15.9% | 2.7% | 9.6% |
| <p><i>2017/18 year-to-date water consumption through January 2018 is 15.5% higher than the same period in the prior fiscal year; assuming water use parallels prior year use for the remaining months of the fiscal year, water use will end up about 9.6% higher than 2016/17.</i></p> | | | | | | |

Table 2
Mid-Peninsula Water District
Water Rates

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

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

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

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

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

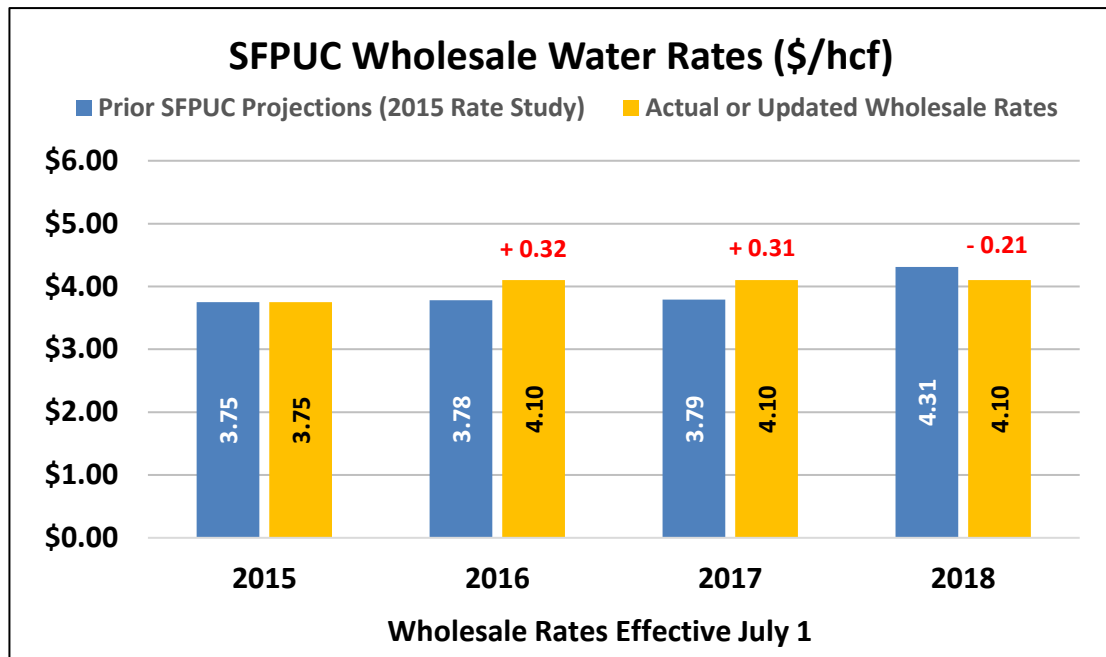


Table 5
Mid-Peninsula Water District
Fund Reserves

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

Table 6 - MPWD Cash Flow Projections

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---|------------------|------------------|------------------|------------------|------------------|
| | | Projected | Projected | Projected | Projected |
| Overall Rate Increase | 0.0% | 4.1% | 4.1% | 4.0% | 6.0% |
| Consumption Charge Adjustments | 0.0% | 2.8% | 3.0% | 3.0% | 6.0% |
| Fixed Rate Adjustments (1-year lag) | 0.0% | 8.3% | 7.7% | 7.1% | 6.0% |
| Growth in Service Connections | 32 | 5 | 5 | 1 | 5 |
| Water System Capacity Charge | \$9,750 | \$9,950 | \$10,150 | \$10,350 | \$10,560 |
| Change in Water Sales | 9.6% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total Water Sales (hcf) | 1,144,600 | 1,144,600 | 1,144,600 | 1,144,600 | 1,144,600 |
| SFPUC Water Purchases (hcf) +7% | 1,224,700 | 1,224,700 | 1,224,700 | 1,224,700 | 1,224,700 |
| Projected SFPUC Rate per hcf | \$4.10 | \$4.10 | \$4.10 | \$4.30 | \$4.50 |
| <i>Prior Est of SFPUC Rate per hcf</i> | <i>\$3.79</i> | <i>\$4.31</i> | <i>\$4.72</i> | <i>\$4.74</i> | <i>\$4.90</i> |
| Interest Earnings Rate | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% |
| Cost Escalation | | 4.0% | 4.0% | 4.0% | 4.0% |
| Beginning Fund Reserves | \$4,898,000 | \$3,729,000 | \$2,323,000 | \$2,590,000 | \$2,675,000 |
| REVENUES | | | | | |
| Monthly Service Charges | 2,657,000 | 2,880,000 | 3,104,000 | 3,326,000 | 3,528,000 |
| Water Sales | 8,996,000 | 9,248,000 | 9,525,000 | 9,811,000 | 10,400,000 |
| Subtotal Rate Revenues | 11,653,000 | 12,128,000 | 12,629,000 | 13,137,000 | 13,928,000 |
| <i>Annual Increase %</i> | <i>3.5%</i> | <i>4.1%</i> | <i>4.1%</i> | <i>4.0%</i> | <i>6.0%</i> |
| Interest Revenue | 50,000 | 56,000 | 35,000 | 39,000 | 40,000 |
| Lease of Physical Property | 150,000 | 155,000 | 160,000 | 165,000 | 170,000 |
| Property Taxes | 260,000 | 268,000 | 276,000 | 284,000 | 293,000 |
| Capacity/Demand Offset Charges | 310,000 | 250,000 | 250,000 | 10,000 | 53,000 |
| Other/Miscellaneous Revenues | 295,000 | 65,000 | 67,000 | 69,000 | 71,000 |
| Total Revenues | 12,718,000 | 12,922,000 | 13,417,000 | 13,704,000 | 14,555,000 |
| EXPENSES | | | | | |
| <u>Operating & Maintenance</u> | | | | | |
| Personnel Costs | 2,978,000 | 3,131,000 | 3,256,000 | 3,386,000 | 3,521,000 |
| SFPUC Water Purchases | 5,096,000 | 5,096,000 | 5,096,000 | 5,341,000 | 5,586,000 |
| BAWSCA Bond Surcharge | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Maintenance & Repair | 654,000 | 680,000 | 707,000 | 735,000 | 764,000 |
| Utilities | 306,000 | 318,000 | 331,000 | 344,000 | 358,000 |
| Professional Services | 406,000 | 422,000 | 439,000 | 457,000 | 475,000 |
| Admin & Equipment | 317,000 | 330,000 | 343,000 | 357,000 | 371,000 |
| Membership & Gov't Fees | 209,000 | 217,000 | 226,000 | 235,000 | 244,000 |
| Other Operating Costs | 400,000 | 416,000 | 433,000 | 450,000 | 468,000 |
| Subtotal | 10,866,000 | 11,110,000 | 11,331,000 | 11,805,000 | 12,287,000 |
| Debt Service | 1,052,000 | 1,068,000 | 1,069,000 | 1,064,000 | 1,070,000 |
| <u>Non-Operating</u> | | | | | |
| Capital Improvements (Pay-Go) | 419,000 | 600,000 | 750,000 | 750,000 | 1,500,000 |
| OPEB & PRSP Contributions | 1,550,000 | 1,550,000 | 0 | 0 | 0 |
| Subtotal | 1,969,000 | 2,150,000 | 750,000 | 750,000 | 1,500,000 |
| Total Expenses | 13,887,000 | 14,328,000 | 13,150,000 | 13,619,000 | 14,857,000 |
| Revenues Less Expenses | (1,169,000) | (1,406,000) | 267,000 | 85,000 | (302,000) |
| Ending Fund Reserves | 3,729,000 | 2,323,000 | 2,590,000 | 2,675,000 | 2,373,000 |
| <i>% of O&M+Debt</i> | <i>31%</i> | <i>19%</i> | <i>21%</i> | <i>21%</i> | <i>18%</i> |
| Debt Service Coverage | 1.76 | 1.70 | 1.95 | 1.78 | 2.12 |
| Project Fund for 2016 COPs | | | | | |
| Beginning Project Fund | 19,225,000 | 15,977,000 | 12,815,000 | 4,217,000 | 1,090,000 |
| Interest Earnings | 200,000 | 143,000 | 85,000 | 26,000 | 5,000 |
| Capital Improvements | 3,448,000 | 3,305,000 | 8,683,000 | 3,153,000 | 1,095,000 |
| Ending Project Fund | 15,977,000 | 12,815,000 | 4,217,000 | 1,090,000 | 0 |
| <i>Capital Funding Target</i> | <i>3,448,000</i> | <i>3,305,000</i> | <i>8,683,000</i> | <i>3,153,000</i> | <i>4,074,000</i> |

Table 7

Mid-Peninsula Water District
Projected Water Rates

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

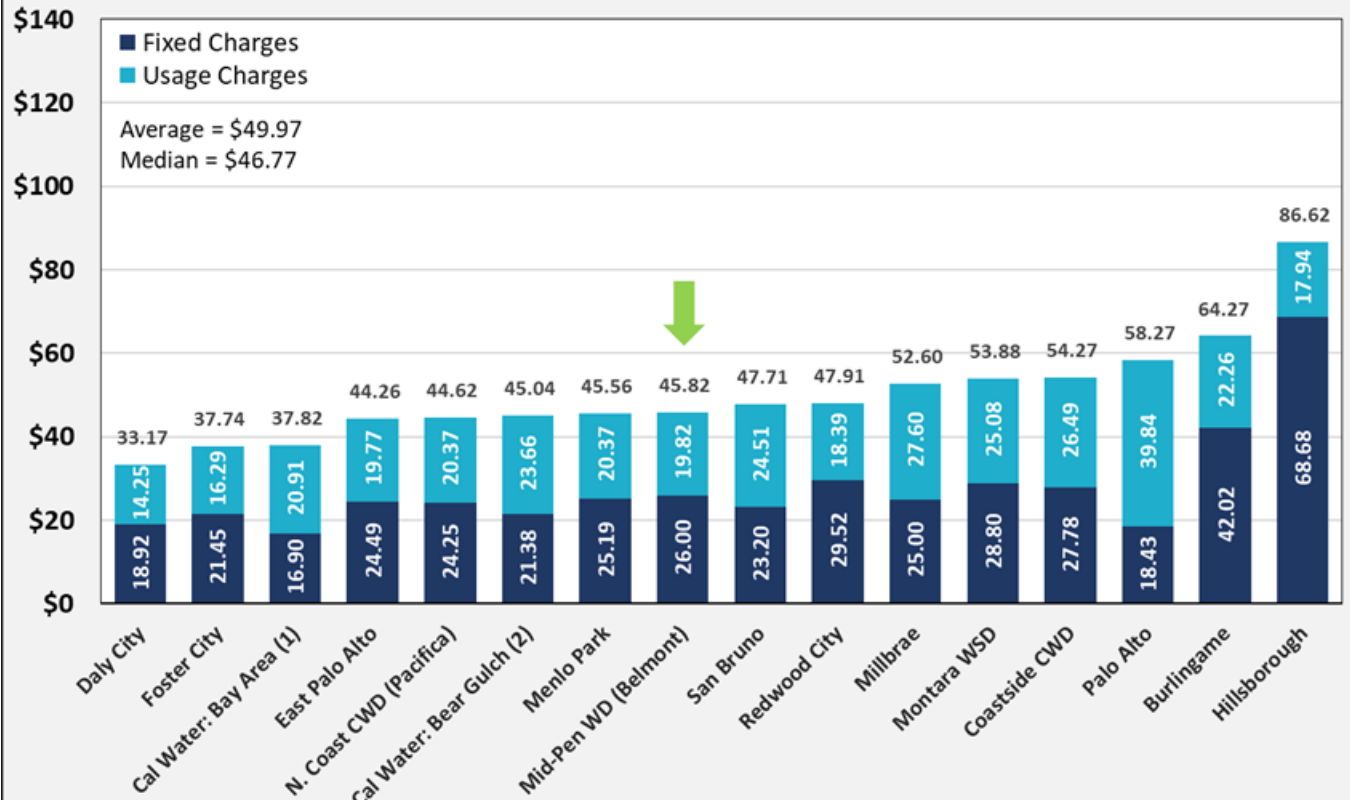
| Proposed Water Rates Effective July 1, 2018 | | | | | | |
|--|--------------------|-----------------------------|-----------------------------|--------------------------------|-------|------------------------------|
| | | 2017/18 Current Rates | 2018/19 Adopted Rates | Decrease from Adopted Rates |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

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

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

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

Single Family Residential Monthly Water Charges 3 ccf monthly water use (74 gpd)

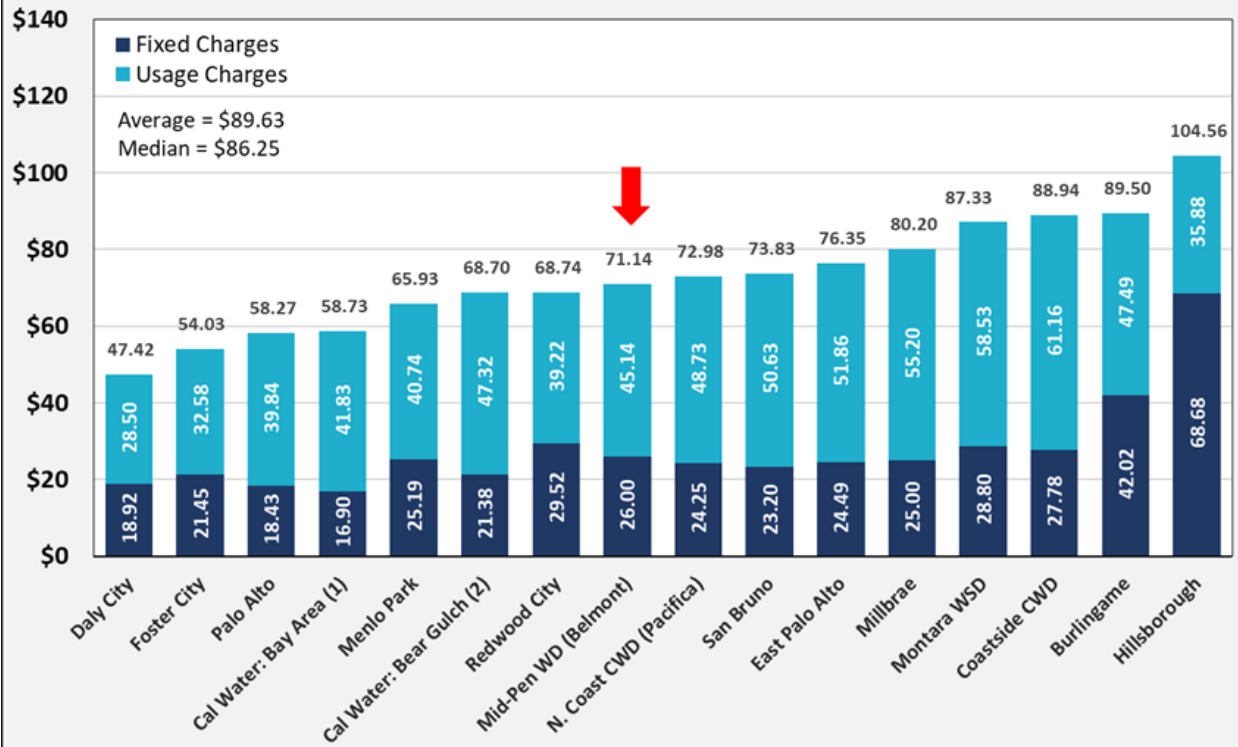


1 Bay Area service areas includes San Carlos, San Mateo, South San Francisco.

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

Rates Effective March 2019

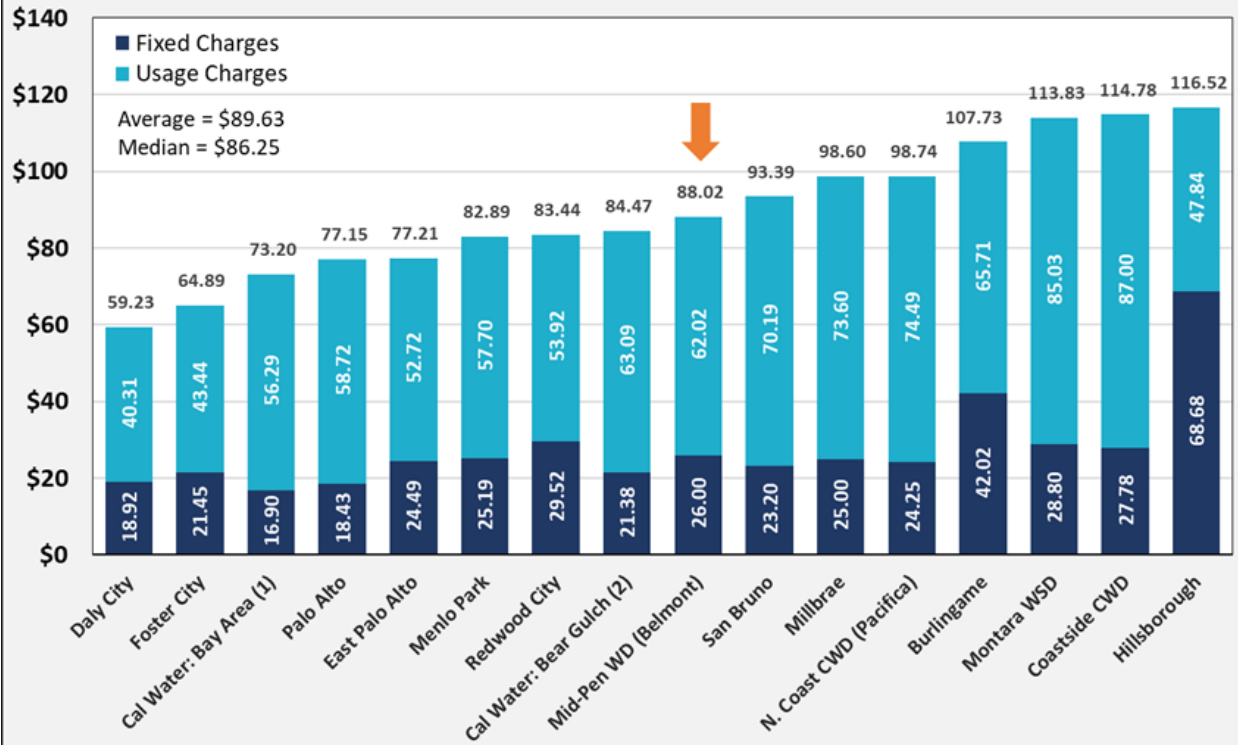
Single Family Residential Monthly Water Charges 6 ccf monthly water use (48 gpd)



1 Bay Area service areas includes San Carlos, San Mateo, South San Francisco.
2 Bear Gulch service area includes Atherton, Woodside, and part of Menlo Park.

Rates Effective March 2019

Single Family Residential Monthly Water Charges 8 ccf monthly water use (197 gpd)



1 Bay Area service areas includes San Carlos, San Mateo, South San Francisco.
2 Bear Gulch service area includes Atherton, Woodside, and part of Menlo Park.

Rates Effective March 2019

ORDINANCE NO. 120

**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 were most recently updated and adopted as Ordinance No. 117 on April 26, 2018; and

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

WHEREAS, in order for the District to maintain its operations, address existing system deficiencies, improve fire flow and service reliability, adequately fund a long-term capital improvement program in light of these substantial increases in the costs of doing business, the recommended increases, effective July 1, 2019, within the District’s adopted 5-year water rates plan included a minimal increase in the monthly fixed system, which increases are compliant with the District’s methodology that reasonably and equitably apportions costs in each of the District’s water rate components; and

WHEREAS, the District will provide no less than a 30-day notice of the approved rate increases by mailing a notice to each of its ratepayers by May 31, 2019; and

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

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

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

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

Section 2 – Effective Date: This Ordinance shall take effect and be in full force as of the date of its enactment, with the new rates reflected in bills to be sent to District customers commencing July 1, 2019. All prior ordinances or parts of ordinances that may be inconsistent with this Ordinance No. 120 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 25th day of April 2019 by the following vote:

AYES:

NOES:

ABSENCES:

ABSTENTIONS:

President of the Board of Directors
Mid-Peninsula Water District

ATTEST:

Secretary of the Board



ATTACHMENT A WATER SERVICE ORDINANCE 103

SCHEDULE OF RATES AND FEES

I. 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 Charges

| Water System Capacity Charges | |
|--|---------------------------|
| RESIDENTIAL | EFFECTIVE 10/01/18 |
| <i>Charge applies per residential dwelling unit</i> | <u>Capacity Charge</u> |
| Single Family Detached Dwelling Unit | - |
| <i>Charge applies to residential dwelling units served by meters up to 1-inch</i> | \$10,043 |
| Multi-Family Dwelling Unit | \$6,026 |
| <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> | EFFECTIVE 10/01/18 |
| <u>Meter Size</u> | <u>Capacity Charge</u> |
| Up to 3/4-inch | \$10,043 |
| 1-inch | \$16,738 |
| 1-1/2-inch | \$33,476 |
| 2-inch | \$53,561 |
| 3-inch | \$100,427 |
| 4-inch | \$167,379 |
| 6-inch | \$334,758 |
| 8-inch | \$535,613 |
| <hr/> | |
| <i>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.</i> | |

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 | | | | |
| | EFF | | | |
| | 10/01/18 | | | |
| | \$673 | \$1,294 | \$1,913 | \$2,533 |
| <i>Applies to residential dwelling units served by meters up to 1-inch.</i> | | | | |
| Multi-Family Dwelling Unit | | | | |
| | EFF | | | |
| | 10/01/18 | | | |
| | \$404 | \$776 | \$1,148 | \$1,520 |
| <i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i> | | | | |
| OTHER CONNECTIONS - Charge based on meter size | | | | |
| <u>Meter Size</u> | EFFECTIVE 10/01/18 | | | |
| Up to 3/4-inch | 673 | 1,294 | 1,913 | 2,533 |
| 1-inch | 1,121 | 2,156 | 3,189 | 4,222 |
| 1-1/2-inch | 2,243 | 4,312 | 6,378 | 8,443 |
| 2-inch | 3,589 | 6,900 | 10,204 | 13,509 |
| 3-inch | 6,729 | 12,936 | 19,133 | 25,330 |
| 4-inch | 11,214 | 21,560 | 31,889 | 42,218 |
| 6-inch | 22,428 | 43,121 | 63,778 | 84,434 |
| 8-inch | 35,886 | 68,994 | 102,044 | 135,095 |

II. MONTHLY FIXED SYSTEM AND COMMODITY CHARGES

| MPWD WATER RATES EFFECTIVE JULY 1, 2019 | | | | |
|--|--------------------|------------------------------------|------------------------------------|----------------|
| | | Rates Effective July 1, 2018 | Rates Effective July 1, 2019 | |
| Fixed Monthly Charges | | | | |
| <i>Billed based on meter size</i> | | | | |
| <u>Meter</u> | <u>Meter Ratio</u> | | | |
| 5/8" | 1.00 | \$26.00 | | \$28.00 |
| 1" | 1.50 | 39.00 | | 42.00 |
| 1 1/2" | 2.50 | 65.00 | | 70.00 |
| 2" | 4.00 | 104.00 | | 112.00 |
| 3" | 6.00 | 156.00 | | 168.00 |
| 4" | 10.00 | 260.00 | | 280.00 |
| 6" | 25.00 | 650.00 | | 700.00 |
| Water Consumption Charges | | | | |
| <i>Billed based on monthly metered water use (\$/hcf)</i> | | | | |
| <u>Residential Rate Tiers</u> | | | | |
| Tier 1 | 0 - 2 hcf | \$5.69 | | \$5.86 |
| Tier 2 | 3 - 8 hcf | 8.44 | | 8.69 |
| Tier 3 | 9 - 20 hcf | 10.29 | | 10.60 |
| Tier 4 | Over 20 hcf | 12.14 | | 12.50 |
| <u>Commercial Rate Tiers</u> | | | | |
| Tier 1 | 0 - 5 hcf | \$7.57 | | \$7.80 |
| Tier 2 | Over 5 hcf | 8.89 | | 9.16 |
| <hr/> | | | | |
| Note: 1 hcf = one hundred cubic feet or approximately 748 gallons. | | | | |

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.

III. 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.

IV. PRIVATE FIRE PROTECTION SERVICE CHARGES

| | |
|--------------------|--------------|
| A. Residential | \$1.25/Month |
| B. Non-Residential | \$6.25/Month |

V. MISCELLANEOUS CHARGES – Effective January 1, 2019

| User Fee Item | Fee |
|---|--------------------------------------|
| Application for Regular or Temporary Service | \$10.00 |
| Security Deposit | \$0.00 |
| Payment with Credit/Debit Card | \$3.00 |
| Late Payment Charge | \$10 per Month |
| 48-Hour Notice | \$35.00 |
| Shut-off/Restore Service | \$75.00 |
| After-Hours Service Call | \$100.00 |
| Returned Check | \$25.00 |
| Photocopies, per page | \$0.25 |
| Electronic Files via USB Storage Device | \$10 per service |
| Meter Test (Refundable if bad meter) | \$200.00 |
| Fire Flow Test Report (Actual Cost) | \$500 Deposit for Actual Cost |
| Temporary Construction Water Connection: 1" Meter | \$550 dep + Fixed Monthly + Volume |
| Temporary Construction Water Connection: 3" Meter | \$2,500 dep + Fixed Monthly + Volume |
| Unauthorized Connection to Fire Hydrant | \$1,000.00 |
| Unauthorized Hydrant Valve Operation | \$500.00 |
| Commercial Plan Check Review | \$5,000.00 |
| Residential Plan Check Review (3 units or larger) | \$3,000.00 |
| Landscape Plan Check Review | \$400.00 |
| Review, planning, and meeting time for projects not otherwise covered | Actual Cost |
| Labor - Administration | \$60.00 |
| Labor - Operations Personnel w/Truck (Business Hours) | \$76.00 |
| Labor - Operations Personnel w/Truck (Off Hours) | \$95.00 |
| Equipment - Back Hoe, Dump Truck, Compressor | \$113.00 |
| Labor - Executive Staff | \$121.00 |
| Labor - Outside Principal Engineer | \$212.00 |
| Labor - Outside Supporting Engineer | \$159.00 |
| Labor - Outside Professional Services | Cost + 15% |



AGENDA ITEM NO. 8.B.

DATE: April 25, 2019

TO: Board of Directors

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

SUBJECT: REVIEW AND DISCUSS DRAFT MPWD OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2019/2020

RECOMMENDATION:

Review and discuss Draft MPWD Operating and Capital Budgets for Fiscal Year 2019/2020.

FISCAL IMPACT:

| BUDGET CATEGORY | PROPOSED FY 2019/2020 | PROJECTED FY 2018/2019 | ACTUAL ** FY 2017/2018 | ACTUAL ** FY 2016/2017 | ACTUAL ** FY 2015/2016 | ACTUAL ** FY 2014/2015 |
|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Total Revenues | \$13,721,000 | \$13,577,800 | \$14,189,781 | \$12,212,952 | \$10,582,034 | \$9,866,874 |
| Total Expenditures* | \$13,378,625 | \$13,132,176 | \$11,577,153 | \$11,280,481 | \$ 9,677,627 | \$9,293,119 |
| Net Transfer to Capital | \$ 342,375 | \$ 445,625 | \$ 2,612,628 | \$ 1,026,191 | \$ 905,638 | \$ 573,755 |

*Total Expenditures include Depreciation Expense.

** Audited financials.

DISCUSSION:

Last month staff presented preliminary budget summaries for a brief overview.

The following assumptions were made in preparation of the attached detailed DRAFT FY 2019/2020 MPWD Operating and Capital Budgets:

OPERATIONS

- Projected Water Commodity Charges at \$9.8 million (if the Board approves the 3.0% commodity adjustment effective July 1, 2019).
- Projected Fixed System Charges at \$3.0 million (if the Board approves the 7.7% fixed system adjustment effective July 1, 2019).
- Projected capacity revenues based upon known "pipeline" Belmont projects.

- Projected 3.0% inflationary index on operational line items staff believed might be impacted by pricing increases. The annual average CPI for All Urban Consumers in 2018 was 3.9% per the U.S. Department of Labor, Bureau of Labor Statistics, for the San Francisco-Oakland-Hayward area. For the first two months of 2019, it was 3.5%.
- Projected two (2) Water System Operator recruits to replace one (1) Operations Supervisor that resigned and one (1) succession planning position, and one (1) part-time Accountant, including budgeted mid-range salaries, applicable benefits, and related personnel expenses.
- Reduced but retained some funding for temporary employment services within Miscellaneous Professional Services to accommodate increased administrative, finance, and customer services until a reorganization is finalized.
- Maintained Purchased Water expenditure based upon FY 2018/2019 projections (and FY 2017/2018 actuals), since there will be no wholesale customer rate adjustments in FY 2019/2020.
- Projected a full year of Debt Service expense totaling \$1,069,200 from the MPWD 2016 COP Official Statement.
- Increased Depreciation per GAAP (Generally Accepted Accounting Principles).
- The MPWD's debt service coverage requirement for the 2016 COP financing is 1.3, and it is projected to be 1.98 for FY 2019/2020.

Based upon these assumptions, a \$342,375 Operating Surplus would be projected for transfer to Capital, together with the \$970,000 Depreciation projection.

Alternatively, for operations, the Board could elect to:

- Not increase water rates or reduce the amount of the proposed water rate adjustment (4.1%). This would not only impact operations but also the funding of any proposed Capital budget for FY 2019/2020, including the \$8 million gap in the 2016 COP CIP. The proposed water rate adjustment is very near the CPI in 2018 (3.9%); and/or
- Direct staff to reduce the new hires, which could become an issue of operational, administrative, and financial readiness with the increased workload and upcoming staff retirements; and/or
- Direct staff to further reduce operational expenses, which have already been reduced over the years to cover new and/or increased costs or programs or operational requirements.

CAPITAL

- Miscellaneous Capital Outlay/Projects for \$50,000 (from Operating Surplus).

The FY 2019/2020 Capital Budget will be a “work-in-progress” and staff will be recommending that it be finalized after the MPWD’s long-term financial planning is finalized and forecast model developed and presented to the Board of Directors for consideration and approval. For now, \$50,000 will be budgeted in case something comes up between now and October/November 2019.

Attachments: Draft MPWD Operating and Capital Budgets for FY 2019/2020

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

UNANIMOUS_____ VELLA_____ ZUCCA_____ WARDEN_____ SCHMIDT_____ WHEELER_____

MID-PENINSULA WATER DISTRICT
DRAFT OPERATIONS BUDGET FOR FY 2019-2020
SUMMARY

4/22/2019 11:52

| DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET | DRAFT FY 2019-2020 BUDGET | Increase (Decrease) | % Change |
|--|---|---------------------------------|------------------------|---------------|
| OPERATING REVENUE | | | | |
| WATER COMMODITY CHARGES | 9,611,800 | 9,800,000 | 188,200 | 2.0% |
| FIXED SYSTEM CHARGES | 2,880,000 | 3,000,000 | 120,000 | 4.2% |
| FIRE SERVICE CHARGES | 14,000 | 14,000 | - | 0.0% |
| MISC CUSTOMER ACCOUNT FEES | 43,000 | 43,000 | - | 0.0% |
| SERVICE LINE & INSTALLATION CHARGES | 10,000 | 10,000 | - | 0.0% |
| MISCELLANEOUS OPERATING | 25,000 | 25,000 | - | 0.0% |
| PROPERTY TAX REVENUE | 268,000 | 268,000 | - | 0.0% |
| TOTAL OPERATING REVENUE * | 12,851,800 | 13,160,000 | 308,200 | 2.4% |
| WATER SYSTEM CAPACITY CHARGES | 250,000 | 100,000 | (150,000) | -60.0% |
| WATER DEMAND OFFSET CHARGES | 20,000 | 10,000 | (10,000) | -50.0% |
| MISCELLANEOUS NON-OPERATING * | 55,000 | 50,000 | (5,000) | -9.1% |
| INTEREST REVENUE - LAIF * | 75,000 | 75,000 | - | 0.0% |
| INTEREST REVENUE - COP | 150,000 | 150,000 | - | 0.0% |
| LEASE OF PHYSICAL PROPERTY * | 175,000 | 175,000 | - | 0.0% |
| LANDSCAPE PERMIT REVENUE | 1,000 | 1,000 | - | 0.0% |
| TOTAL NON-OPERATING REVENUE | 726,000 | 561,000 | (165,000) | -22.7% |
| TOTAL REVENUE | 13,577,800 | 13,721,000 | 143,200 | 1.1% |
| OPERATING EXPENDITURES (OP EXP) | | | | |
| SALARIES & WAGES | 1,821,385 | 2,069,385 | 248,000 | 13.6% |
| PAYROLL TAXES & BENEFITS | 1,280,803 | 1,391,967 | 111,164 | 8.7% |
| PURCHASED WATER | 5,654,624 | 5,654,624 | - | 0.0% |
| OUTREACH & EDUCATION | 60,000 | 60,000 | - | 0.0% |
| M&R - OPS SYSTEM | 350,000 | 360,500 | 10,500 | 3.0% |
| M&R - FACILITIES & EQUIPMENT | 150,000 | 154,500 | 4,500 | 3.0% |
| SYSTEM SURVEYS | 31,050 | 35,000 | 3,950 | 12.7% |
| ADMINISTRATION & EQUIPMENT | 313,483 | 309,000 | (4,483) | -1.4% |
| MEMBERSHIP & GOV FEES | 215,915 | 225,000 | 9,085 | 4.2% |
| BAD DEBT & CLAIMS | 30,000 | 30,000 | - | 0.0% |
| UTILITIES | 316,917 | 324,450 | 7,533 | 2.4% |
| PROFESSIONAL SERVICES | 650,000 | 450,000 | (200,000) | -30.8% |
| TRAINING/TRAVEL & RECRUITMENT | 50,000 | 50,000 | - | 0.0% |
| RESTRICTED EARNINGS | 225,000 | 225,000 | - | 0.0% |
| DEPRECIATION | 931,500 | 970,000 | 38,500 | 4.1% |
| DEBT SERVICE | 1,051,500 | 1,069,200 | 17,700 | 1.7% |
| TOTAL OP EXP | 13,132,176 | 13,378,625 | 246,449 | 1.9% |
| NET RESULTS OF OPERATIONS | 445,625 | 342,375 | (103,249) | -23.2% |
| NET TRANSFERS TO CAPITAL | 445,625 | 342,375 | (103,249) | -23.2% |
| DEBT SERVICE COVERAGE | 1.91 | 1.98 | | |

* Revenues included in Debt Service Coverage Ratio

DRAFT

MID-PENINSULA WATER DISTRICT

DRAFT OPERATIONS BUDGET FOR FY 2019-2020

DETAILED

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGETED | DRAFT FY 2019-2020 BUDGET | Increase (Decrease) | % Change |
|-------------------|---|---|---------------------------------|------------------------|---------------|
| 1-400-4010-40-00 | Water Commodity Charges | 9,611,800 | 9,800,000 | 188,200 | 2.0% |
| 1-400-4020-00-00 | Fixed System Charges | 2,880,000 | 3,000,000 | 120,000 | 4.2% |
| 1-400-4030-00-00 | Fire Service Charges | 14,000 | 14,000 | - | 0.0% |
| 1-400-4040-00-00 | Credit/Debit Card Fees | 25,000 | 25,000 | - | na |
| 1-400-4041-00-00 | Late Fees | 10,000 | 10,000 | - | na |
| 1-400-4042-00-00 | 48-Hour Notice Fees | 5,000 | 5,000 | - | na |
| 1-400-4043-00-00 | Shut Off Fees | 2,000 | 2,000 | - | na |
| 1-400-4044-00-00 | After Hour Fees | 1,000 | 1,000 | - | na |
| 1-400-4050-00-00 | Service Line & Installation Charges | 10,000 | 10,000 | - | 0.0% |
| 1-400-4080-00-00 | Miscellaneous -Operating | 25,000 | 25,000 | - | 0.0% |
| 1-400-4000-00-00 | TOTAL WATER CHARGES | 12,583,800 | 12,892,000 | 308,200 | 2.4% |
| 1-420-4202-45-00 | Property Tax Revenue | 268,000 | 268,000 | - | 0.0% |
| 1-420-4200-00-00 | OTHER OPERATING REVENUE | 268,000 | 268,000 | - | 0.0% |
| | TOTAL OPERATING REVENUE | 12,851,800 | 13,160,000 | 308,200 | 2.4% |
| 1-400-4060-00-00 | Water System Capacity Charges | 250,000 | 100,000 | (150,000) | -60.0% |
| 1-400-4070-00-00 | Water Demand Offset Charges | 20,000 | 10,000 | (10,000) | -50.0% |
| 1-400-4080-00-00 | Miscellaneous - Non Operating | 55,000 | 50,000 | (5,000) | -9.1% |
| 1-400-4090-00-00 | Interest Revenue- LAIF | 75,000 | 75,000 | - | 0.0% |
| 1-410-4103-00-00 | Interest Revenue - COP Funds | 150,000 | 150,000 | - | 0.0% |
| 1-400-4100-00-00 | INTEREST REVENUE | 225,000 | 225,000 | - | 0.0% |
| 1-420-4201-44-00 | Lease of Physical Property | 175,000 | 175,000 | - | 0.0% |
| 1-420-4208-46-00 | Landscape Plan Permit Review | 1,000 | 1,000 | - | 0.0% |
| 1-420-4200-00-00 | OTHER NON-OPERATING REVENUE | 176,000 | 176,000 | - | 0.0% |
| | TOTAL NON-OPERATING REVENUE | 726,000 | 561,000 | (165,000) | -22.7% |
| | TOTAL OPERATING & NON-OP REVENUE | 13,577,800 | 13,721,000 | 143,200 | |
| 1-601-6010-50-00 | Salaries & Wages | 1,725,000 | 1,968,750 | 243,750 | 14.1% |
| 1-601-6010-51-00 | Director Compensation | 11,385 | 11,385 | - | 0.0% |
| 1-601-6010-00-00 | GROSS REGULAR WAGES | 1,736,385 | 1,980,135 | 243,750 | 14.0% |
| 1-602-6020-56-00 | Overtime Labor | 45,000 | 47,250 | 2,250 | 5.0% |
| 1-602-6020-57-00 | Standby Labor | 40,000 | 42,000 | 2,000 | 5.0% |
| 1-602-6020-00-00 | SUB-TOTAL SALARY & WAGES | 1,821,385 | 2,069,385 | 248,000 | 13.6% |
| 1-603-6030-58-00 | FICA/Medicare PR Tax | 131,963 | 158,308 | 26,345 | 20.0% |

DRAFT

MID-PENINSULA WATER DISTRICT

DRAFT OPERATIONS BUDGET FOR FY 2019-2020

DETAILED

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGETED | DRAFT FY 2019-2020 BUDGET | Increase (Decrease) | % Change |
|-------------------|---|---|---------------------------------|------------------------|-------------|
| 1-603-6030-59-00 | ACWA Health Care | 400,000 | 420,000 | 20,000 | 5.0% |
| 1-603-6030-60-00 | ACWA Dental | 30,000 | 31,500 | 1,500 | 5.0% |
| 1-603-6030-61-00 | ACWA Vision | 4,250 | 4,463 | 213 | 5.0% |
| 1-603-6030-62-00 | ACWA Life/AD&D | 4,200 | 4,410 | 210 | 5.0% |
| 1-603-6030-63-00 | Standard LDL/SDL Disability | 17,500 | 18,375 | 875 | 5.0% |
| 1-603-6030-64-00 | Workers' Comp Insurance | 32,500 | 34,125 | 1,625 | 5.0% |
| 1-603-6030-65-00 | Unemployment | 1,066 | 1,066 | - | 0.0% |
| 1-603-6030-66-00 | CALPERS Retirement - ER 2%@55 | 140,000 | 190,575 | 50,575 | 36.1% |
| | CALPERS UAL Fresh Start 7/1/18 | 136,604 | 137,087 | 483 | 0.4% |
| 1-603-6030-67-00 | Retirees' ACWA Health Care | 71,770 | 75,359 | 76,059 | na |
| 1-603-6030-68-00 | Directors' ACWA Health Care | 115,000 | 120,750 | 5,750 | 5.0% |
| 1-603-6030-70-00 | Medical Reimbursement | 600 | 600 | - | 0.0% |
| 1-603-6030-71-00 | Employee Service Recognition | 10,350 | 10,350 | - | 0.0% |
| 1-603-6030-72-00 | Safety Incentive Program | 15,000 | 15,000 | - | 0.0% |
| 1-603-6030-73-00 | Uniforms | 25,000 | 25,000 | - | 0.0% |
| 1-603-6030-74-00 | PARS OPEB Expense | 145,000 | 145,000 | 140,411 | na |
| 1-603-6030-00-00 | SUB-TOTAL PAYROLL TAXES & BENEFITS CAPITAL PAYROLL, TAXES & BENEFITS | 1,280,803 | 1,391,967 | 324,046 | 8.7% |
| | PERSONNEL COSTS | 3,102,188 | 3,461,352 | 572,046 | 11.6% |
| 1-610-6100-76-00 | SFPUC Treated Water | 5,100,000 | 5,100,000 | - | 0.0% |
| 1-610-6100-77-00 | BAWSCA (Debt Service Surcharges) | 476,000 | 476,000 | - | 0.0% |
| 1-610-6100-78-00 | Rates Stabilization | - | - | - | na |
| 1-610-6100-79-00 | SFPUC Water Service Charge | 78,624 | 78,624 | - | 0.0% |
| 6-610-6100-00-00 | PURCHASED WATER | 5,654,624 | 5,654,624 | - | 0.0% |
| 1-630-6301-00-00 | Water Conservation Program | 7,452 | 7,452 | - | 0.0% |
| 1-630-6302-00-00 | School Conservation Program | 7,452 | 7,452 | - | 0.0% |
| 1-630-6303-00-00 | Public Outreach & Education | 15,525 | 15,525 | - | 0.0% |
| 1-634-6304-80-00 | HET (High Efficiency Toilet) Rebates | 9,221 | 9,221 | - | 0.0% |
| 1-634-6304-81-00 | Washing Machine Rebates | - | - | - | na |
| 1-634-6304-82-00 | Lawn-Be-Gone Rebates | 17,685 | 17,685 | - | 0.0% |
| 1-634-6304-83-00 | Rain Barrels Rebates | 2,665 | 2,665 | - | 0.0% |
| 1-630-6300-00-00 | WATER CONSERVATION REBATES | 29,571 | 29,571 | - | 0.0% |
| | OUTREACH/EDUCATION | 60,000 | 60,000 | - | 0.0% |
| 1-640-6401-00-00 | Water Quality | 60,000 | 61,800 | 1,800 | 3.0% |
| 1-640-6402-00-00 | Pumping | 50,000 | 51,500 | 1,500 | 3.0% |
| 1-640-6403-00-00 | Storage Tanks | 10,000 | 10,300 | 300 | 3.0% |
| 1-640-6404-00-00 | Mains/Distribution | 100,000 | 103,000 | 3,000 | 3.0% |
| 1-640-6405-00-00 | Meters & Service | 10,000 | 10,300 | 300 | 3.0% |
| 1-640-6406-00-00 | Fire Hydrants | 33,000 | 33,990 | 990 | 3.0% |

DRAFT

MID-PENINSULA WATER DISTRICT

DRAFT OPERATIONS BUDGET FOR FY 2019-2020

DETAILED

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGETED | DRAFT FY 2019-2020 BUDGET | Increase (Decrease) | % Change |
|-------------------|---|---|---------------------------------|------------------------|--------------|
| 1-640-6407-00-00 | Regulator Stations | 10,000 | 10,300 | 300 | 3.0% |
| 1-640-6408-00-00 | Safety | 37,000 | 38,110 | 1,110 | 3.0% |
| 1-640-6409-00-00 | SCADA maintenance | 14,415 | 14,847 | 432 | 3.0% |
| 1-640-6410-00-00 | Generator Maintenance | 25,585 | 26,353 | 768 | 3.0% |
| 1-640-6400-00-00 | FIELD OPERATIONS & MAINTENANCE | 350,000 | 360,500 | 10,500 | 3.0% |
| 1-650-6501-00-00 | Buildings&Grounds | 80,000 | 82,400 | 2,400 | 3.0% |
| 1-650-6502-00-00 | Equipment&Tools | 20,000 | 20,600 | 600 | 3.0% |
| 1-650-6503-00-00 | Vehicles & Large Equipment | 20,000 | 20,600 | 600 | 3.0% |
| 1-650-6504-00-00 | Fuel | 30,000 | 30,900 | 900 | 3.0% |
| 1-650-6500-00-00 | FACILITIES & EQUIPMENT | 150,000 | 154,500 | 4,500 | 3.0% |
| 1-660-6601-00-00 | Cathodic Protection Survey | - | 35,000 | 35,000 | na |
| 1-660-6602-00-00 | Leak Detection Survey/Large Meter Testing | 31,050 | - | (31,050) | -100.0% |
| 1-660-6600-00-00 | SYSTEM SURVEYS | 31,050 | 35,000 | 3,950 | 12.7% |
| 1-670-6701-00-00 | Office Supplies | 15,991 | 15,450 | (541) | -3.4% |
| 1-670-6702-00-00 | Insurance- Liability/Vehicles/Excess | 82,800 | 82,400 | (400) | -0.5% |
| 1-670-6703-00-00 | Postage | 8,528 | 5,150 | (3,378) | -39.6% |
| 1-670-6704-00-00 | Printing/Print Supplies | 10,350 | 17,510 | 7,160 | 69.2% |
| 1-670-6705-00-00 | Equipment Services/Maintenance | 20,700 | 16,480 | (4,220) | -20.4% |
| 1-670-6706-00-00 | Computer Supplies & Upgrades | 33,120 | 25,750 | (7,370) | -22.3% |
| 1-670-6707-00-00 | Security & Safety | 11,461 | 11,845 | 384 | 3.4% |
| 1-670-6708-00-00 | Miscellaneous Fees | 533 | 515 | (18) | -3.4% |
| 1-670-6709-00-00 | Customer Credit Card Service Fees | 130,000 | 133,900 | 3,900 | 3.0% |
| 1-670-6700-00-00 | ADMINISTRATION & EQUIP | 313,483 | 309,000 | (4,483) | -1.4% |
| 1-680-6801-00-00 | Dues & Publications | 31,759 | 31,759 | - | 0.0% |
| 1-680-6802-00-00 | Gov't Fees & Licenses | 30,893 | 30,893 | - | 0.0% |
| 1-680-6803-00-00 | BAWSCA Membership Assessments | 78,660 | 78,660 | - | 0.0% |
| 1-680-6804-00-00 | Env Health - Cross Connection Inspection | 33,048 | 33,048 | - | 0.0% |
| 1-680-6805-00-00 | Software Licenses | 41,555 | 50,640 | 9,085 | 21.9% |
| 1-680-6800-00-00 | MEMBERSHIP & GOV FEES | 215,915 | 225,000 | 9,085 | 4.2% |
| 1-690-6901-00-00 | Bad Debt | 24,000 | 24,000 | - | 0.0% |
| 1-690-6902-00-00 | Claims | 6,000 | 6,000 | - | 0.0% |
| 1-690-6900-00-00 | BAD DEBT & CLAIMS | 30,000 | 30,000 | - | 0.0% |
| 1-700-7001-00-00 | Utilities-Internet/Cable | 10,350 | 8,240 | (2,110) | -20.4% |
| 1-700-7002-00-00 | Utilities-Cellular Telephones | 12,633 | 13,390 | 757 | 6.0% |
| 1-700-7003-00-00 | Utilities-Electric-Pumping Costs | 234,531 | 242,050 | 7,519 | 3.2% |
| 1-700-7004-00-00 | Utilities-Electric-Bldgs&Grounds | 25,585 | 26,780 | 1,195 | 4.7% |
| 1-700-7005-00-00 | Utilities-Telephones | 25,875 | 26,780 | 905 | 3.5% |

DRAFT

MID-PENINSULA WATER DISTRICT

DRAFT OPERATIONS BUDGET FOR FY 2019-2020

DETAILED

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGETED | DRAFT FY 2019-2020 BUDGET | Increase (Decrease) | % Change |
|---|---|---|---------------------------------|------------------------|---------------|
| 1-700-7006-00-00 | Utilities-Sewer - NPDES | 7,943 | 7,210 | (733) | -9.2% |
| 1-700-7000-00-00 | UTILITIES | 316,917 | 324,450 | 7,533 | 2.4% |
| 1-710-7101-00-00 | Prof Serv - District Counsel | 65,000 | 65,000 | - | 0.0% |
| 1-710-7102-00-00 | Prof Serv - District Engineer | 100,000 | 100,000 | - | 0.0% |
| 1-710-7103-00-00 | Prof Serv - IT | 22,000 | 22,000 | - | 0.0% |
| 1-710-7104-00-00 | Prof Serv- Annual Finance Audit | 18,850 | 18,850 | - | 0.0% |
| 1-710-7105-00-00 | Mnmgt Consult | - | - | - | na |
| 1-710-7106-00-00 | Prof Serv- Accounting & Payroll | 24,000 | 24,000 | - | 0.0% |
| 1-710-7107-00-00 | Prof Serv- Customer Billing | 60,000 | 60,000 | - | 0.0% |
| 1-710-7109-00-00 | Prof Serv - Answering Svs | 4,000 | 4,000 | - | 0.0% |
| 1-710-7110-00-00 | Prof Serv - Miscellaneous | 352,550 | 152,550 | (200,000) | -56.7% |
| 1-710-7111-00-00 | Prof Serv - District Treasurer | 3,600 | 3,600 | - | 0.0% |
| 1-710-7100-00-00 | PROFESSIONAL SERVICES | 650,000 | 450,000 | (200,000) | -30.8% |
| 1-720-7201-00-00 | Director Travel | 4,000 | 4,000 | - | 0.0% |
| 1-720-7202-00-00 | Director Expense | 1,600 | 1,600 | - | 0.0% |
| 1-720-7203-00-00 | Elections | 15,000 | 15,000 | - | 0.0% |
| 1-720-7204-00-00 | Employee Travel/Training | 24,400 | 24,400 | - | 0.0% |
| 1-720-7205-00-00 | Meetings Expense | 5,000 | 5,000 | - | 0.0% |
| 1-720-7200-00-00 | TRAINING & TRAVEL | 50,000 | 50,000 | - | 0.0% |
| 1-730-7302-00-00 | Restricted Earnings Expense - Interest LAIF | 225,000 | 225,000 | - | 0.0% |
| 1-730-7300-00-00 | RESTRICTED EARNINGS EXPENSE | 225,000 | 225,000 | - | 0.0% |
| 1-800-8001-00-00 | Working Reserves: Capital | - | - | - | na |
| 1-800-8002-00-00 | Working Reserves: Operating | - | - | - | na |
| 1-800-8000-00-00 | RESERVES | - | - | - | na |
| | FINANCING COSTS - COP | - | - | - | - |
| 1-900-9010-00-00 | DEPRECIATION | 931,500 | 970,000 | 38,500 | 4.1% |
| 1-740-7405-00-00 | DEBT SERVICE 2016 COPs | 1,051,500 | 1,069,200 | 17,700 | 1.7% |
| SUB-TOTAL - OPERATIONAL EXPENSES | | 10,029,989 | 9,917,274 | (112,715) | -1.1% |
| TOTAL OPERATING EXPENSES | | 13,132,176 | 13,378,625 | 459,331 | 1.9% |
| NET OPERATING SURPLUS/(LOSS) | | | | | |
| TRANSFER TO CAPITAL | | 445,625 | 342,375 | (316,131) | na |
| DEBT SERVICE COVERAGE | | 1.91 | 1.98 | | |

MID-PENINSULA WATER DISTRICT
DRAFT BUDGET FOR FY 2019-2020
CAPITAL OUTLAY/CAPITAL PROJECTS

4/22/2019 11:54

| DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | DRAFT BUDGET FY 2019-2020 BUDGET \$ |
|---|--|--|
| CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP) | | |
| 2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion) | 750,000 | - |
| 2017 Water Main Replacement CIP (Pay-Go Portion) | 5,000 | - |
| AMI Meter Change Out Program | 678,500 | - |
| CAPITAL IMPROVEMENTS - WIP TOTAL | 1,433,500 | - |
| CAPITAL OUTLAY | | |
| Replacement Mini-Excavator for Operations | 45,998 | - |
| Replacement Service Truck for Operations | 90,000 | - |
| Replace Hybrid Vehicles | 65,783 | - |
| Replace Fuel Station Controller @ Dairy Lane Operations Center | 30,000 | - |
| Phase 2 SCADA System Replacement | 50,000 | - |
| Miscellaneous Capital Outlay/Projects | 50,000 | 50,000 |
| CAPITAL OUTLAY TOTAL | 331,781 | 50,000 |
| CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL | 1,765,281 | 50,000 |
| DEPRECIATION | 931,500 | 970,000 |
| TRANSFER FROM OPS | 445,625 | 342,375 |
| TRANSFER (TO)/FROM CAPITAL RESERVES (PRIOR YEAR) * | 595,000 | - |
| TRANSFER (TO)/FROM CAPITAL RESERVES | (206,844) | (1,262,375) |
| CAPITAL OUTLAY/CAPITAL PROJECTS | (1,765,281) | (50,000) |
| NET RESULTS OF CAPITAL | (0) | (0) |
| * COMMITTED FROM PRIOR YEAR: | | |
| Joint CIP with City of Belmont | \$ 500,000 | |
| Proceeds from sale of Surplus Items | \$ 95,000 | |
| | \$ 595,000 | |



TO: Board of Directors

FROM: Tammy A. Rudock
General Manager

DATE: April 25, 2019

MANAGER'S REPORT

FOLLOW-UP FROM 03/28/19 REGULAR BOARD MEETING

- Roster of MPWD Director Assignments/Committees for 2019-2020 was posted to website.
- Resolution 2019-06 Approving Updated MPWD Rules of the Board was posted to website, as were updated MPWD Rules of the Board.
- Resolution 2019-07 Approving MPWD Policy for Public Records Act Requests was posted to website, as was the policy.
- Resolution 2019-08 Approving Updated MPWD Personnel Manual was posted to website. The MPWD Personnel Manual is in the process of being revised and republished.
- The Amended and Restated Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County, dated November 2018 was executed and transmitted to BAWSCA.

SDLF DISTRICT TRANSPARENCY CERTIFICATE OF EXCELLENCE

It is confirmed that the MPWD has been recognized for its transparency excellence by the SDLF (Special District Leadership Foundation) in three (3) required subject matter areas:

- Basic Requirements;
- Website Requirements; and
- Outreach/Best Practices Requirements.

The MPWD will receive formal recognition of its transparency achievement at CSDA's Special Districts Legislative Days in Sacramento on May 21-22, 2019. President Vella and I, along with John Davidson, our consulting partner in managing the website, will be present to accept the MPWD's certificate.

SURPLUS REAL PROPERTY UPDATE

1513-1515 Folger Drive in Belmont

Staff and District Counsel are preparing the next steps for the Board's consideration to list this property for sale in the open market. A closed session will be scheduled next month to discuss with the Board.

F Street Parcel in San Carlos

The San Mateo County Department of Housing is in the process of doing its due diligence (e.g., environmental assessment, affordable housing contractor, etc.) and anticipates making its formal offer to the MPWD within the next 90 days.

WATER CONSERVATION SUMMARY

Water consumption for March was down 27.1% when compared to 2013. (For trend comparison, last year for March was down 27.5% when compared to 2013.)

The R-GPCD (Residential-Gallons per Capita per Day) for March was 62.8 (compared to 62.4 in 2013).

Cumulative water savings from July 1, 2018 through March 31, 2019 (compared to 2013) was -14.9%.

Staff's quarterly update on water conservation activities is attached.

3-MONTH "LOOK AHEAD" FOR BOARD MEETINGS*

MAY 23, 2019

- Review final DRAFT Operating & Capital Budgets for FY 2019/2020.
- Receive BAWSCA update.
- Receive San Mateo County Chapter CSDA update.
- Closed Session: General Manager annual performance evaluation.
- Closed Session: 1513-1515 Folger Drive property listing and sales price.

JUNE 27, 2019

- Adopt Operating & Capital Budgets for FY 2019/2020.

JULY 25, 2019

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

**In 2019: Required bi-annual AB 1825 Harassment Prevention training by January 1, 2020 expanded for all employees (SB 1343) and for elected officials (AB 1661) will be scheduled.*

PUBLIC SERVICE ETHICS EDUCATION (AB 1234)

Everyone is current with their Ethics training! The due dates (in alphabetical order) for certification renewal of Public Service Ethics education, required every two (2) years by AB 1234:

- | | |
|------------------|-------------------|
| • Jeff Ira | November 23, 2020 |
| • Joubin Pakpour | November 19, 2020 |
| • Candy Pina | December 13, 2020 |
| • Rene Ramirez | December 7, 2020 |
| • Tammy Rudock | November 29, 2020 |
| • Brian Schmidt | March 18, 2021 |
| • Julie Sherman | February 8, 2021 |
| • Louis Vella | December 4, 2020 |
| • Dave Warden | January 26, 2021 |
| • Kirk Wheeler | January 3, 2021 |
| • Matt Zucca | March 29, 2021 |

For compliance, training should be completed on or before the due date, and the certificate turned in to the MPWD.

Here is the link to the FPPC free online ethics training: <http://localethics.fppc.ca.gov/login.aspx>

UPCOMING MEETINGS/EVENTS

BAWSCA Water Management Meeting (Foster City): May 2, 2019

HIA Meeting (Belmont): May 2, 2019

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

San Mateo County Chapter CSDA Meeting (Burlingame): May 7, 2019

CSDA Special Districts Legislative Days (Sacramento): May 21-22, 2019

CSDA Annual Conference & Exhibitor Showcase (Anaheim): September 25-28, 2019

ACWA JPIA Fall Conference & Exhibition (San Diego): December 2-6, 2019

ACWA JPIA 2020 Spring Conference & Exhibition (Monterey): May 4-8, 2020



DATE: April 18, 2019

TO: Tammy Rudock, General Manager

FROM: Jeanette Kalabolas, Water Conservation Administrative Specialist

SUBJECT: 2019 FIRST QUARTER WATER CONSERVATION STAFF REPORT

SUBJECT #1: MPWD Annual Demand Projections Graph Updated

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

DISCUSSION: The graph has been updated and attached. As with years past projected calculations were determined by referencing BAWSCA's Draft Technical Memo #3 where MPWD's water use efficiency has been evaluated and set in Million Gallons per Day (MGD) through 2040. FY19-20 projection volumes were established by converting the agreed 2020 Total Production with Plumbing Code Savings of 3.26 MGD to CCF. July–December 2018 actual sales of 696,788 CCF were provided by SFPUC and January–June 2019 were estimated at 715,941 CCF. This calculation was arrived at by subtracting the Actual Use July-Dec 2018 from the Total Projected Use FY18-19 reported. A graph reflecting FY14-15 through present is attached for reference.

SUBJECT #2: MPWD 90th Anniversary Marketing Campaign

BACKGROUND: Publically communicate and mark the District's longevity, promote its accomplishments, history and attributes and thank customers for our successes

DISCUSSION: Staff and MPWD consultant, John Davidson with JRocket77 Design & Marketing have been working hard CY 2019 on promotional ideas and advertising. The anniversary logo was finalized last month and has been added to the website, 2-rotating 20ft banners were created and will post in rotation on the City of Belmont's Ralston Ave poles through year-end, bill inserts and a pop-up display stand are in the design phase & community events inventory branding and promotional items production has begun - tumblers, stickers, jackets, t-shirts and garden watering cans. Plans to present at a City of Belmont Counsel meeting and co-host a State of the District celebration with the Chamber of Commerce in the coming months are underway, as well. Sustainability and customer appreciation messaging will accompany the campaign.

SUBJECT #3: Belmont Creek Water Shed Management Plan

BACKGROUND: San Mateo County and the Cities of Belmont and San Carlos are collaborating on a Belmont Creek Flood Management Plan

DISCUSSION: The plan will provide a framework to restore the natural function of the watershed and protect the people and places of Belmont from flooding. It will also identify and discuss flood-resilient solutions, funding, and additional public benefits such as water enhancements, green infrastructure and potential for groundwater re-charge. Flooding often occurs between Old County and Industrial Roads and continually impacts residents and businesses. A study and analysis was completed for capacity deficits, erosion, and bank stability and today's system only has capacity for a 10-year storm (10% probability of occurring any year). With public input, a Flood Management Plan will protect against larger storm events and by implementing multi-beneficial flood resilient solutions for larger flood events the community will save millions in future storm recovery costs. A public and second business meeting was held winter of 2018 and the finalized flood management plan is expected to be released shortly. To learn more about the proposal visit: <https://publicworks.smcgov.org/projects/belmont-creek-watershed-management-plan>

SUBJECT #4: Bay Area Water Supply and Conservation Agency (BAWSCA) Holds Advanced Metering Infrastructure (AMI) Workshop

BACKGROUND: The purpose of the event was to support member agency efforts, advance the implementation of AMI within respective service areas, provide guidance on using AMI data to improve water use efficiency and identify potential opportunities for regional AMI coordination, planning and application

DISCUSSION: The workshop was held, Wednesday March 27 from 9AM-3PM in Palo Alto. Seventy (70) guests were in attendance and topics included: Agency case studies on lessons learned, California Water Efficiency Partnership (CalWEP) presentation on AMI sample RFP with interoperability guidelines, Agency AMI survey results and a roundtable discussion on opportunities for regional collaboration on AMI implementation. The collaborative effort identified additional wants for BAWSCA members as well: potential coordination between small groups of Agencies at the same stage with respect to procurement, the opportunity for a collective voice when it comes to vendors and the need for expansion and value of AMI data collected beyond conservation was also realized. Staff attended the event and sat on the AMI Customer Engagement Panel and presented on our use of the Customer Sensus Portal and Home Water Use Reports.

SUBJECT #5: San Francisco Public Utility Commission (SFPUC) Wholesale Water Customer Website Reminder

BACKGROUND: In 2015 SFPUC launched a web portal to better assist wholesale customers with planning and management of their own water systems

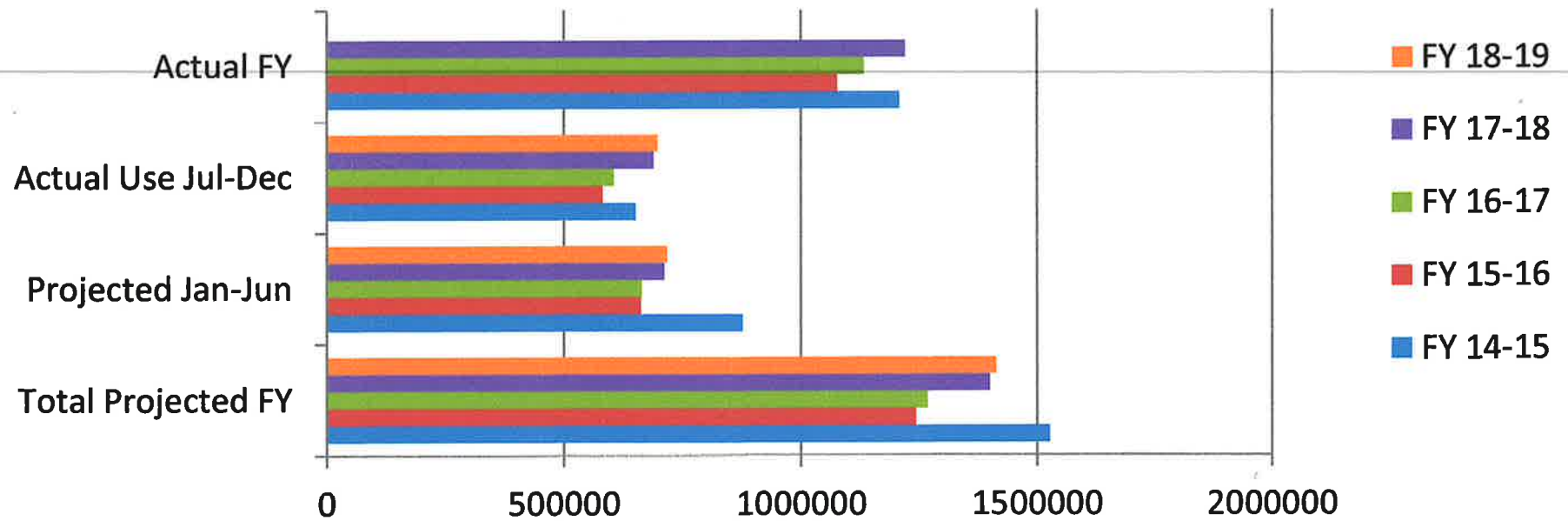
DISCUSSION: Hidden in the depths of the municipalities website is a portal SFPUC built to allow wholesale Agencies remote entry access to field op parameters, emergency information updates and day-to-day operational events. Useful information relevant to wholesale customers is supported as well, menu categories include: news, reports, water quality and operational data. The site also allows customers through the use of a user name and password the ability to connect to SFPUC's internal System Control and Data Acquisition (SCADA) Citrix application where maps, turnout screens and trend graph functions can be viewed, access to a wholesaler contact index and customer complaint data systems have also been created exclusively for wholesale Agencies and can be accessed here as well, to view and explore the portal in its entirety visit <http://sfwater.org/wholesale>. A video tutorial is also available for reference and to help navigate the internal SCADA Citrix application if further assistance is required

SUBJECT #6: California Water Boards Statewide Fact Sheet - By the Numbers Report

BACKGROUND: The State Water Resources Control Board (SWRCB) provides a monthly fact sheet to summarizing current water production results based on state Agency voluntary monthly reporting

DISCUSSION: The SWRCB has been gathering Agency water production information since summer of 2014 and in 2017 reporting transitioned from mandatory to voluntary. The report includes statewide conservation data totals, an urban water production summary, residential daily use by hydrologic region and background information and estimates are accounted for as not all water suppliers report. MPWD falls under the San Francisco (SF) Bay's hydrologic reporting zone. The state is broken into 10 reporting regions and the SF Bay's area continues to routinely maintain the second lowest monthly GPCD on record statewide since reporting began. If you're interested in viewing the fact sheet it can be accessed by visiting https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/conservation_reporting.html Additional data sets, such as staff presentations, tools and archive files January 2014-present can also be accessed and viewed through the same water board's portal.

BAWSCA Demand Projections Reported to SFPUC in CCF





TO: Board of Directors

FROM: Candy Pina

DATE: April 25, 2019

ADMINISTRATIVE SERVICES MANAGER'S REPORT

FINANCIAL REPORTING:

Schedule of Cash and Investments:

| SCHEDULE OF CASH AND INVESTMENTS | | |
|----------------------------------|----------------------|-----------------------|
| CASH ACCOUNT | BALANCE 3/31/2019 | BALANCE @ 04/19/19 |
| PETTY CASH | \$400 | \$400 |
| CASH DRAWER | \$200 | \$200 |
| WELLS FARGO CHECKING | \$447,007 | \$316,808 |
| LAIF | \$3,892,276 | \$3,992,276 |
| BNY INSTALLMENT ACCOUNT | \$346,013 | \$446,013 |
| TOTAL | \$4,685,896 | \$4,755,697 |

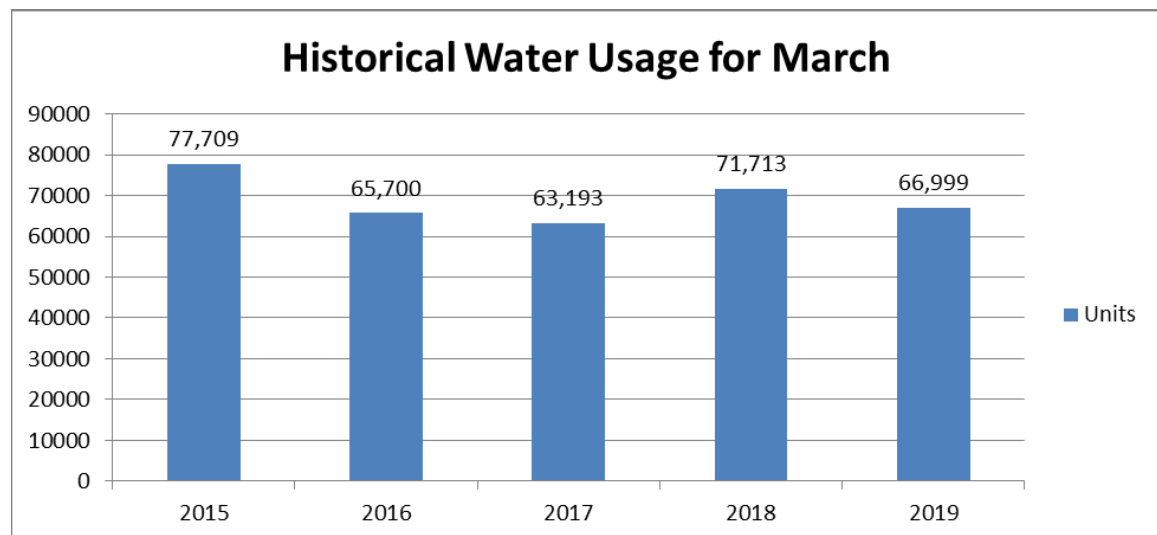
| Reserve Account | Balance @ 03/31/17 | Balance @ 03/31/18 | Balance @ 03/31/19 | Budget for Reserve Policy |
|-----------------------------|-----------------------|-----------------------|-----------------------|---------------------------------|
| Capital Reserves | | | \$ 2,088,077 | \$ 1,500,000 |
| Working Capital Reserves | | | \$ 1,500,000 | \$ 1,500,000 |
| TOTAL RESERVE FUNDS | \$ 5,568,454 | \$ 6,922,532 | \$ 3,588,077 | \$ 3,000,000 |
| Committed Capital Pay-Go* | | | \$ 304,199 | \$ 595,000 |
| PARS OPEB Liability | | | \$ - | \$ 1,500,000 |
| PARS PRSP Pension Liability | | | \$ - | \$ 1,600,000 |
| APPROVED RESERVE EXP | | | \$ 304,199 | \$ 3,695,000 |
| TOTAL RESERVE FUNDS | \$ 5,568,454 | \$ 6,922,532 | \$ 3,892,276 | \$ 6,695,000 |

* Committed Capital Pay-Go spent to date totals \$790,801 for Joint Capital Project with Belmont so reduced liability by that amount which includes both the \$595,000 and the \$500,000 identified in the Approved Mid-Year Budget.

Attached is the PARS OPEB & PRSP Trust Plan Quarterly Report through March 31, 2019.

Water Revenue Report:

| WATER REVENUES for FISCAL YEAR 2018/2019 | | | | | |
|--|----------------|-------------------------|----------------------|----------------------|---------------|
| Month | Total Units | Water Commodity Charges | Fixed System Charges | Total Water Revenues | Misc Rev |
| JUL | 122,334 | 1,020,243 | 221,322 | 1,241,565 | 1,309 |
| AUG | 122,489 | 1,064,995 | 240,529 | 1,305,524 | 1,302 |
| SEP | 123,229 | 1,094,168 | 240,313 | 1,334,481 | 1,315 |
| OCT | 108,426 | 922,019 | 240,702 | 1,162,721 | 1,303 |
| NOV | 107,945 | 926,926 | 239,712 | 1,166,638 | 1,319 |
| DEC | 79,231 | 655,976 | 240,162 | 896,138 | 1,328 |
| JAN | 68,405 | 545,132 | 242,370 | 787,502 | 1,344 |
| FEB | 69,797 | 569,182 | 241,945 | 811,127 | 1,335 |
| MAR | 66,999 | 518,060 | 240,416 | 758,476 | 1,340 |
| TOTAL | 868,855 | 7,316,701 | 2,147,471 | 9,464,172 | 11,895 |



MISC FEE REVENUES UPDATE:

The new fees were introduced to the rate payers starting in October 2018, and implemented starting January 1, 2019. There is already a downward trend for credit card usage due to the \$3 fee added. We expect this to continue trending down as more customers change their payments to checks or ACH payments. MPWD was charged \$36,548 in credit card fees during the months of January through March.

| MISCELLANEOUS FEE REVENUES COLLECTED - 2019 | | | | | | |
|--|------------------|--------------|---------------------|---------------|-----------------|---------------|
| Month | Credit Card Fees | Late Fees | 48-Hour Notice Fees | Shut Off Fees | After Hour Fees | Total Fees |
| JAN | 6,576 | - | - | - | - | 6,576 |
| FEB | 5,427 | - | - | - | - | 5,427 |
| MAR | 5,960 | 7,140 | 8,270 | 2,250 | 300 | 23,920 |
| TOTAL | 17,963 | 7,140 | 8,270 | 2,250 | 300 | 35,923 |
| | | | | | | |

CONFERENCES, TRAINING, & MEETINGS:

- 1) Laura Ravella: 03/19/19 – Sexual Harassment Awareness
- 2) Laura Ravella: 03/19/19 – Back Injury Prevention
- 3) Laura Ravella: 03/20/19 – Defensive Driving
- 4) Laura Ravella: 03/20/19 – Lock Out – Tag Out
- 5) Laura Ravella: 03/26/19 – Back Flow Prevention
- 6) Candy Pina: 04/09/19 – JPIA Spring HR meeting
- 7) Jeanette Kalabolas: 04/10/19 – Personal Awards Meeting (90th Anniversary Branding)
- 8) Laura Ravella: 04/10/19 – Water Industry Maintenance
- 9) Jeanette Kalabolas/Candy Pina: 04/13/19 – Earth Day
- 10) Candy Pina: 04/17/19 – CalGovHR Harassment Training
- 11) Jeanette Kalabolas: 04/18/19 – BAWSCA Demand & Supply Webinar
- 12) Candy Pina: 04/19/19 – Financial Review meeting with Vincent Xi from District Treasurer's office

TEAM BUILDING ACTIVITIES

We continue to celebrate employee birthdays and participate in trivia and Wellness Program activities.

PARS OPEB Trust Program - March 31, 2019

| ACCOUNT SUMMARY | | | | | | | | INVESTMENT RETURN | | | | |
|------------------|----------------------|------------------------|----------------------|---|---------------------|------------------------|-------------------------------------|-------------------|--------------|--------------|----------------------------------|----------------------------------|
| FISCAL YEAR | Beginning Balance | CONTRIBUTIONS | EARNINGS | Expenses (Trustee/Invest ment Management Fee) | Transfers | Ending Balance | Expenses (Administrative Fee) | 1-Month | 3-Months | 1-Year | 3-Years Annualize d Return | 5-Years Annualize d Return |
| 2014-2015 | \$ 368,264.01 | \$ 56,925.00 | \$ 8,693.45 | \$ 965.18 | \$ - | \$ 432,917.28 | \$ 3,600.00 | -0.98% | -0.68% | 2.18% | 6.09% | |
| 2015-2016 | \$ 432,917.28 | \$ 181,575.00 | \$ 13,043.87 | \$ 1,179.47 | \$ - | \$ 626,356.68 | \$ 3,600.00 | 0.85% | 2.09% | 2.11% | 4.54% | |
| 2016-2017 | \$ 626,356.68 | \$ 108,702.00 | \$ 45,569.47 | \$ 1,829.05 | \$ - | \$ 778,799.10 | \$ 3,600.00 | 0.29% | 2.33% | 6.65% | 3.63% | 5.39% |
| 2017-2018 | \$ 778,799.10 | \$ 534,109.67 | \$ 39,383.38 | \$ 2,693.35 | \$ - | \$ 1,349,598.80 | \$ 3,600.00 | 0.17% | 1.01% | 4.43% | 4.38% | 4.94% |
| 2018-2019 | \$ 1,349,598.80 | \$ 2,325,000.00 | \$ 118,967.28 | \$ 4,644.44 | \$ 22,190.56 | \$ 3,811,112.20 | \$ 664.46 | 1.64% | 2.98% | 6.15% | 10.21% | 9.02% |
| 2014-2019 | \$ 368,264.01 | \$ 3,206,311.67 | \$ 225,657.45 | \$ 11,311.49 | \$ 22,190.56 | \$ 3,811,112.20 | \$ 15,064.46 | 0.39% | 1.55% | 4.30% | 5.77% | 6.45% |
| PARS OPEB | \$ 1,349,598.80 | \$ 1,125,000.00 | \$ 68,608.06 | \$ 3,430.41 | \$ 22,190.56 | \$ 2,561,967.01 | \$ 600.00 | | | | | |
| PARS PENSION | \$ - | \$ 1,200,000.00 | \$ 50,359.22 | \$ 1,214.03 | \$ - | \$ 1,249,145.19 | \$ 64.46 | | | | | |



TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

DATE: April 25, 2019

OPERATIONS REPORT – March

Projects:

- Below is current AMI status as of April 18, 2019

| | | | |
|--------------------------------|-----|-------------------------|-----|
| As Of 4-18-2019 | | | |
| AMI Installation Status | | 93.8% | |
| New Development Status | | 100.00% | |
| Total Meters | | 8020 | |
| Total New | | 110 | |
| AMI Installations | | 7529 | |
| AMI Installations | | 110 | |
| Remaining | | 491 | |
| Remaining | | 0 | |
| Installations | | | |
| January | 256 | Mar 21 to Apr 18 | 770 |
| February 1-20 | 578 | | |
| February 21 to March 20 | 759 | | |

- Two members of staff traveled to Stockton to conduct the pre-paint inspection of service truck body being built. Truck body without box was due to ship from Ford factory during week of April 22nd;
- Constructed service upgrades to: 1821 Alden Court, 2 Wakefield Court, and 1519 Escondido Way;
- Completed a 4 inch fire service tap for 880 Old County Road; and
- Staff continues to make efforts to notify affected customers of District system flushing at least 48 hours before flushing to occur in the area (this maintenance work is being undertaken before the work at the Hillcrest Pressure Regulating Station).

Maintenance:

- Responded to and completed 212 USA (underground service alerts) requests in March. This was a 37% increase from last month when we responded to 154. The construction season is underway;
- Read meters in zones without AMI;
- Staff continued with a specific flushing program in Zone 2 in anticipation of Hillcrest site water deliveries being turned off while improvements are made;
- During rainy days, staff broke down water meters for metal recycling;
- Abandoned a fire hydrant along Avondale Drive in Redwood City after consulting with City;
- Repaired water main break near 1516 Solana;
- Replace curb-stop at 2723 Wemberly Drive;
- Repair pavement at Coronet and Arthur after water leak;
- Replace the fire hydrant near 1600 El Verano;
- Collected a requisite 44 water samples for bacteriological testing – all samples were absent of coliform bacteria contamination;
- Continue to routinely monitor water system dead-ends continued for disinfectant residual; and
- Monitored for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring. All tanks are in service as we prepare for the Hillcrest Pressure Reducing Station project, which will require water for Zone 1 to come downhill from Hallmark and West Belmont tanks.

System Repairs:

| Date | Location | Event | Material | Installation Date | Estimated Water Loss (Gals.) |
|--------|-------------|------------|----------|-------------------|------------------------------|
| 3/8/19 | 1516 Solana | Main Break | 4" CIP | 1958 | ~9,200 |
| | | | | | |

Development:

Staff is currently working with developers on 61 development projects:

Mixed Use Commercial/Multi-Family Residential:

- o 576-600 El Camino Real – 36 meters installed at manifold. Awaiting conduit installations/punch list items prior to wiring remotes;
- o 1325 Old County Rd. – Project re-submitted larger project of 250 units; Currently reviewing plans;
- o 800 Belmont Ave. – Contacted by developer, tentative plans;
- o 815 Old County Rd. – Contacted by developer regarding fire flow;
- o 1300 El Camino Real - Currently reviewing plans, letter of intent provided;
- o 803-815 Belmont Ave – Contacted by developer regarding existing facilities and available fire flows. Additional information requested on adjacent parking lot parcels; and

- 900 El Camino Real – contacted by architect, working for the City of Belmont.

Commercial:

- 539 Harbor Blvd. – Updated installation quote;
- City of Belmont Island Park - Currently reviewing their plans;
- 1477 El Camino Real – Currently reviewing their plans;
- Belmont Ave Parcel APNs – (2) awaiting plans;
- 1500 Ralston Ave. – Currently reviewing plans;
- 2200 Carlmont Dr. – Installation complete;
- 1400 Alameda de las Pulgas – Submittals approved;
- 1306-1308 Old County Rd. – Submittals approved;
- 1888 Ralston – Awaiting contractor installation
- 612 Mountain View - Awaiting plans
- 880 Old County Rd. – Contractor installation complete;
- 1110 Old County Rd. – Currently reviewing plans, Letter of intent provided; and
- 2710 Ralston Ave. – Currently reviewing plans.

Residential:

- 2 Wakefield Ct – Installation complete;
- 2828 Monroe - Currently reviewing their plans;
- 513 Chesterton Ave. Currently reviewing their plans;
- 1926 Oak Knoll Dr. – Currently reviewing their plans;
- 1830 Robin Whipple – Currently reviewing their plans;
- 2009 Mezes – Provided installation quote;
- 2723 Monserat – Currently reviewing their plans;
- 796 Miramar Terrace - Currently reviewing their plans;
- 2114 Cipriani – Provided updated quote;
- Bishop Road development – Installed 1 of 3, Awaiting plans on 2 remaining lots;
- 4 Tioga Way – Plans through staff approval process;
- 1230 Alden Ct – Installation complete;
- Talbryn Dr. parcel – Awaiting engineering information;
- Ralston parcel - Developer requesting system information;
- 2620 Ponce – Currently reviewing their plans;
- 1320 Talbryn Lane development- Awaiting payment of connection fees;
- 517 Middlesex Road - Installation complete;
- 665 South - Currently reviewing plans;
- 713 Alameda – Installation complete;
- 853 Alameda – Plans through staff approval process;
- 857 Alameda – Plans through staff approval process;
- 10 Notre Dame Place – Awaiting contractor installation schedule;
- 861 Alameda – Currently reviewing their plans;
- 2723 Wemberly - Currently reviewing their plans;
- 3900 Marsten – Currently reviewing their plans;

- 1503 Folger - Currently reviewing their plans;
- 1961 Bishop Rd. - Currently reviewing their plans;
- 2021 Lyon Ave. - Installation complete;
- 2106 Lyon Ave. - Currently reviewing their plans;
- 1525 Vine St - Installation complete;
- 1519 Escondido – Installation complete;
- 1560 Escondido – Plans through staff approval process;
- 1651 Francis - Plans through staff approval process;
- 1050 Chula Vista – Awaiting payment;
- 2110 Pullman Ave - Currently reviewing their plans;
- 2019 Belle Monti - Currently reviewing their plans;
- Monte Cresta Drive Extension – Reviewing plans, developing WSA;
- 507 Sterlingview - Currently reviewing their plans;
- 511 Sterlingview - Currently reviewing their plans;
- 1234 North Rd. – Awaiting contractor schedule; and
- 3105 Marburger – Awaiting plans.

Administration:

- Staff on site along with District Engineer while surveyor stakes property line at 1514 Folger;
- Participated in the agenda review meeting with the Board President and General Manager;
- Celebrated February's meter installations with a hamburger BBQ and cleaned shop for upcoming visit from elementary school students;
- Management staff met to review recently completed evaluations;
- Met with Mr. Peter Brooks, VP with waterTALENT, from the firm providing 2 operators during the push to complete all meter installations by end of fiscal year;
- Two members of staff spoke on the topic of AMI during an AMI Workshop put on by BAWSCA and the Santa Clara Valley Water District in Palo Alto; The GM and a few members of staff attended in the Emergency Exercise put on by the SFPUC;
- Four members of District staff attended an Active Shooter class put on by the San Mateo EAC;
- Continued to actively managing five (5) engineering design contracts related to the CIP; and
- Continued to actively manage power use for pumping operations.

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

| DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | ACTUALS 7/1/2018 3/31/19 | REMAINING BALANCE/ (OVER BUDGET) | Target YTD % 75.1% |
|--|--|--------------------------------|--|-------------------------|
| | | | | Y-T-D % OF BUDGET |
| OPERATING REVENUE | | | | |
| WATER COMMODITY CHARGES | 9,611,800 | 7,309,084 | 2,302,716 | 76.0% |
| FIXED SYSTEM CHARGES | 2,880,000 | 2,147,471 | 732,529 | 74.6% |
| FIRE SERVICE CHARGES | 14,000 | 11,895 | 2,105 | 85.0% |
| MISC CUSTOMER ACCOUNT FEES *1 | 43,000 | 35,923 | 7,077 | 83.5% |
| SERVICE LINE & INSTALLATION CHARGES | 10,000 | - | 10,000 | NA |
| MISCELLANEOUS OPERATING *2 | 25,000 | 24,363 | 637 | 97.5% |
| PROPERTY TAX REVENUE *3 | 268,000 | 283,470 | (15,470) | 105.8% |
| TOTAL OPERATING REVENUE | 12,851,800 | 9,812,205 | 3,039,595 | 76.3% |
| WATER SYSTEM CAPACITY CHARGES *4 | 250,000 | 635,625 | (385,625) | 254.3% |
| WATER DEMAND OFFSET CHARGES *4 | 20,000 | 43,776 | (23,776) | 218.9% |
| MISCELLANEOUS NON-OPERATING | 55,000 | 111,211 | (56,211) | 202.2% |
| INTEREST REVENUE - LAIF | 75,000 | 93,787 | (18,787) | 125.0% |
| INTEREST REVENUE - COP | 150,000 | 236,163 | (86,163) | 157.4% |
| LEASE OF PHYSICAL PROPERTY | 175,000 | 116,536 | 58,464 | 66.6% |
| LANDSCAPE PERMIT REVENUE | 1,000 | 6,086 | (5,086) | 608.6% |
| TOTAL NON-OPERATING REVENUE | 726,000 | 1,243,184 | (517,184) | 171.2% |
| TOTAL REVENUE | 13,577,800 | 11,055,389 | 2,522,411 | 81.4% |
| OPERATING EXPENDITURES (OP EXP) | | | | |
| SALARIES & WAGES | 1,821,385 | 1,290,132 | 531,253 | 70.8% |
| PAYROLL TAXES & BENEFITS | 1,280,803 | 594,600 | 686,203 | 46.4% |
| PURCHASED WATER | 5,654,624 | 4,232,317 | 1,422,307 | 74.8% |
| OUTREACH & EDUCATION | 60,000 | 31,302 | 28,698 | 52.2% |
| M&R - OPS SYSTEM | 350,000 | 177,871 | 172,129 | 50.8% |
| M&R - FACILITIES & EQUIPMENT | 150,000 | 122,183 | 27,817 | 81.5% |
| MAJOR MAINTENANCE | 31,050 | - | 31,050 | NA |
| OFFICE SUPPLIES & EQUIPMENT | 313,483 | 217,785 | 95,698 | 69.5% |
| MEMBERSHIP & GOV FEES | 215,915 | 179,853 | 36,062 | 83.3% |
| BAD DEBT & CLAIMS | 30,000 | 24,844 | 5,156 | 82.8% |
| UTILITIES | 316,917 | 217,929 | 98,988 | 68.8% |
| PROFESSIONAL SERVICES | 650,000 | 425,080 | 224,920 | 65.4% |
| TRAINING/TRAVEL & RECRUITMENT | 50,000 | 23,106 | 26,894 | 46.2% |
| RESTRICTED EARNINGS | 225,000 | 329,950 | (104,950) | 146.6% |
| DEPRECIATION | 931,500 | 689,839 | 241,661 | 74.1% |
| DEBT SERVICE TRUSTEE FEES & EXPENSES | - | 306 | (306) | N/A |
| DEBT SERVICE 2016 COPs | 1,051,500 | 864,589 | 186,911 | 82.2% |
| TOTAL OPERATING EXPENSES | 13,132,176 | 9,421,684 | 3,710,492 | 71.7% |
| NET OPERATING SURPLUS/(LOSS) | 445,624 | 1,633,705 | (1,188,081) | 366.6% |
| TRANSFER TO CAPITAL | (445,624) | (1,633,705) | 1,188,081 | |
| DEBT SERVICE COVERAGE | 1.91 | 2.62 | | |

MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2018-2019
DETAILED

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | ACTUAL 7/1/2018 3/31/2019 | REMAINING BALANCE/ (OVER BUDGET) | Target YTD % 75.1% |
|-------------------|---|--|---------------------------------|--|-------------------------|
| | | | | | Y-T-D % OF BUDGET |
| 4010 | Water Commodity Charges (A) | 9,611,800 | 7,309,084 | 2,302,716 | 76.0% |
| 4020 | Fixed System Charges | 2,880,000 | 2,147,471 | 732,529 | 74.6% |
| 4030 | Fire Service Charges | 14,000 | 11,895 | 2,105 | 85.0% |
| 4040 | Credit/Debit Card Fees | 25,000 | 17,963 | 7,037 | 71.9% |
| 4041 | Late Fees (B) | 10,000 | 7,140 | 2,860 | 71.4% |
| 4042 | 48-Hour Notice Fees (B) | 5,000 | 8,270 | (3,270) | 165.4% |
| 4043 | Shut Off Fees (B) | 2,000 | 2,250 | (250) | 112.5% |
| 4044 | After Hour Fees (B) | 1,000 | 300 | 700 | 30.0% |
| 4050 | Service Line & Installation Charges | 10,000 | - | 10,000 | NA |
| 4080 | Miscellaneous Operating (C) | 25,000 | 24,363 | 637 | 97.5% |
| 4000 | TOTAL WATER CHARGES | 12,583,800 | 9,528,736 | 3,055,064 | 75.7% |
| 4202 | Property Tax Revenue (D) | 268,000 | 283,470 | (15,470) | 105.8% |
| 4200 | OTHER OPERATING REVENUE | 268,000 | 283,470 | (15,470) | 105.8% |
| | TOTAL OPERATING REVENUE | 12,851,800 | 9,812,205 | 3,039,595 | 76.3% |
| 4060 | Water System Capacity Charges (E) | 250,000 | 635,625 | (385,625) | 254.3% |
| 4070 | Water Demand Offset Charges (E) | 20,000 | 43,776 | (23,776) | 218.9% |
| 4090 | Miscellaneous - Non Operating (F) | 55,000 | 111,211 | (56,211) | 202.2% |
| 4102 | Interest Revenue- LAIF (G) | 75,000 | 93,787 | (18,787) | 125.0% |
| 4103 | Interest Revenue-COP Funds (G) | 150,000 | 236,163 | (86,163) | 157.4% |
| 4100 | INTEREST REVENUE | 225,000 | 329,950 | (104,950) | 146.6% |
| 4201 | Lease of Physical Property | 175,000 | 116,536 | 58,464 | 66.6% |
| 4208 | Landscape Plan Permit Review (H) | 1,000 | 6,086 | (5,086) | 608.6% |
| 4200 | OTHER NON-OPERATING REVENUE | 176,000 | 122,622 | 53,378 | 69.7% |
| 4000 | TOTAL NON-OPERATING REVENUE | 726,000 | 1,243,184 | (517,184) | 171.2% |
| | TOTAL OPERATING & NON-OP REVENUE | 13,577,800 | 11,055,389 | 2,522,411 | 81.4% |
| 6011 | Salaries & Wages | 1,725,000 | 1,242,065 | 482,935 | 72.0% |
| 6012 | Director Compensation | 11,385 | 4,800 | 6,585 | 42.2% |
| 6010 | GROSS REGULAR WAGES | 1,736,385 | 1,246,865 | 489,520 | 71.8% |
| 6017 | CAPITAL SALARY & WAGES reversed | - | - | - | |
| 6021 | Overtime Labor | 45,000 | 15,578 | 29,422 | 34.6% |
| 6022 | Standby Labor | 40,000 | 27,688 | 12,312 | 69.2% |
| 6020 | SUB-TOTAL SALARY & WAGES | 1,821,385 | 1,290,132 | 531,253 | 70.8% |
| 6031 | FICA/Medicare PR Tax | 131,963 | 91,456 | 40,507 | 69.3% |
| 6038 | ACWA Health Care | 400,000 | 304,027 | 95,973 | 76.0% |
| 6039 | ACWA Dental | 30,000 | 21,709 | 8,291 | 72.4% |
| 6040 | ACWA Vision | 72 4,250 | 3,143 | 1,107 | 74.0% |
| 6041 | ACWA Life/AD&D | 4,200 | 3,257 | 943 | 77.6% |

MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2018-2019
DETAILED

| | | | | | Target YTD % 75.1% |
|-------------------|--|--|---------------------------------|--|-------------------------|
| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | ACTUAL 7/1/2018 3/31/2019 | REMAINING BALANCE/ (OVER BUDGET) | Y-T-D % OF BUDGET |
| 6042 | Standard LDL/SDL Disability | 17,500 | 12,529 | 4,971 | 71.6% |
| 6043 | Workers' Comp Insurance | 32,500 | 27,816 | 4,684 | 85.6% |
| 6044 | Unemployment | 1,066 | - | 1,066 | NA |
| 6045 | CALPERS Retirement - ER 2%@55 | 140,000 | 96,537 | 43,463 | 69.0% |
| 6045 | CALPERS UAL Fresh Start 7/1/18 | 136,604 | 102,453 | 34,151 | 75.0% |
| 6046 | Retirees' ACWA Health Care | 71,770 | 33,754 | 38,016 | 47.0% |
| 6047 | Directors' ACWA Health Care | 115,000 | 81,982 | 33,018 | 71.3% |
| 6049 | Medical Reimbursement | 600 | 410 | 190 | 68.3% |
| 6050 | Employee Service Recognition | 10,350 | 5,443 | 4,907 | 52.6% |
| 6051 | Safety Incentive Program | 15,000 | 5,580 | 9,420 | 37.2% |
| 6052 | Uniforms | 25,000 | 14,478 | 10,522 | 57.9% |
| 6053 | PARS OPEB Expense | 145,000 | - | 145,000 | NA |
| 6030 | TOTAL PAYROLL TAXES & BENEFITS | 1,280,803 | 804,574 | 476,229 | 62.8% |
| 6054 | CAPITAL PAYROLL, TAXES & BENEFITS | | (209,975) | 209,975 | N/A |
| 6000 | PERSONNEL COSTS | 3,102,188 | 1,884,731 | 1,217,457 | 60.8% |
| 6101 | SFPUC Treated Water (A) | 5,100,000 | 3,793,459 | 1,306,541 | 74.4% |
| 6102 | BAWSCA (Debt Service Surcharges) | 476,000 | 380,160 | 95,840 | 79.9% |
| 6103 | Rates Stabilization | - | - | - | NA |
| 6104 | SFPUC Water Service Charge | 78,624 | 58,698 | 19,926 | 74.7% |
| 6100 | PURCHASED WATER | 5,654,624 | 4,232,317 | 1,422,307 | 74.8% |
| 6301 | Water Conservation Program | 7,452 | 4,221 | 3,231 | 56.6% |
| 6302 | School Conservation Program (I) | 7,452 | 7,532 | (80) | 101.1% |
| 6303 | Public Outreach & Education (J) | 15,525 | 17,732 | (2,207) | 114.2% |
| 6305 | HET Rebates | 9,221 | 1,580 | 7,641 | 17.1% |
| 6306 | Washing Machine Rebates | - | - | - | NA |
| 6307 | Lawn-Be-Gone Rebates | 17,685 | 206 | 17,479 | 1.2% |
| 6308 | Rain Barrel Rebates | 2,665 | 30 | 2,635 | 1.1% |
| 6304 | TOTAL WATER CONSERVATION REBATES | 29,571 | 1,817 | 27,754 | 6.1% |
| 6300 | OUTREACH/EDUCATION | 60,000 | 31,302 | 28,698 | 52.2% |
| 6401 | Water Quality | 60,000 | 41,734 | 18,266 | 69.6% |
| 6402 | Pumping | 50,000 | 6,152 | 43,848 | 12.3% |
| 6403 | Storage Tanks | 10,000 | 2,521 | 7,479 | 25.2% |
| 6404 | Mains/Distribution | 100,000 | 67,347 | 32,653 | 67.3% |
| 6405 | Meters & Service | 10,000 | 14,801 | (4,801) | 148.0% |
| 6406 | Fire Hydrants | 33,000 | 13,284 | 19,716 | 40.3% |
| 6407 | Regulator Stations | 10,000 | 3,586 | 6,414 | 35.9% |
| 6408 | Safety | 37,000 | 17,165 | 19,835 | 46.4% |
| 6409 | SCADA Maintenance | 14,415 | 10,586 | 3,829 | 73.4% |
| 6410 | Generator Maintenance | 25,585 | 695 | 24,890 | 2.7% |
| 6400 | M&R - OPS SYSTEMS | 350,000 | 177,871 | 172,129 | 50.8% |
| 6501 | M&R-Buildings&Grounds (K) | 80,000 | 73,117 | 6,883 | 91.4% |
| 6502 | M&R- Equipment&Tools | 20,000 | 12,880 | 7,120 | 64.4% |
| 6503 | M&R- Vehicles & Large Equipment | 20,000 | 14,002 | 5,998 | 70.0% |

MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2018-2019
DETAILED

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | ACTUAL 7/1/2018 3/31/2019 | REMAINING BALANCE/ (OVER BUDGET) | Target YTD % 75.1% |
|-------------------|---|--|---------------------------------|--|-------------------------|
| | | | | | Y-T-D % OF BUDGET |
| 6504 | M&R - Fuel | 30,000 | 22,183 | 7,817 | 73.9% |
| 6500 | M&R - FACILITIES & EQUIPMENT | 150,000 | 122,183 | 27,817 | 81.5% |
| 6601 | Cathodic Protection Survey | | - | - | NA |
| 6602 | Leak Detection Survey | 31,050 | - | 31,050 | NA |
| 6600 | MAJOR MAINTENANCE | 31,050 | - | 31,050 | NA |
| 6701 | Office Supplies | 15,991 | 6,914 | 9,077 | 43.2% |
| 6702 | Insurance- Liability/Vehicles | 82,800 | 57,362 | 25,438 | 69.3% |
| 6703 | Postage | 8,528 | 2,444 | 6,084 | 28.7% |
| 6704 | Printing/Printing Supplies | 10,350 | 2,136 | 8,214 | 20.6% |
| 6705 | Equipment Services/Maintenance | 20,700 | 8,813 | 11,887 | 42.6% |
| 6706 | Computer Supplies & Upgrades | 33,120 | 14,262 | 18,858 | 43.1% |
| 6707 | Security & Safety | 11,461 | 4,439 | 7,022 | 38.7% |
| 6708 | Other Fees | 533 | - | 533 | NA |
| 6709 | Customer Credit Card Svs Fees (B & L) | 130,000 | 121,415 | 8,585 | 93.4% |
| 6700 | OFFICE SUPPLIES & EQUIP | 313,483 | 217,785 | 95,698 | 69.5% |
| 6801 | Dues & Publications (M) | 31,759 | 31,590 | 169 | 99.5% |
| 6802 | Gov't Fees & Licenses | 30,893 | 24,697 | 6,196 | 79.9% |
| 6803 | BAWSCA Membership Assessments | 78,660 | 54,996 | 23,664 | 69.9% |
| 6804 | Env Health - Cross Connection Inspection | 33,048 | 25,125 | 7,923 | 76.0% |
| 6805 | Env Health - CUPA Hazmats | - | - | - | NA |
| 6800 | MEMBERSHIP & GOV FEES | 215,915 | 179,853 | 36,062 | 83.3% |
| 6901 | Bad Debt | 24,000 | 19,556 | 4,444 | 81.5% |
| 6902 | Claims (N) | 6,000 | 5,288 | 712 | 88.1% |
| 6900 | BAD DEBT & CLAIMS | 30,000 | 24,844 | 5,156 | 82.8% |
| 7001 | Utilities-Internet/Cable | 10,350 | 5,107 | 5,243 | 49.3% |
| 7002 | Utilities-Cellular Telephones | 12,633 | 9,735 | 2,898 | 77.1% |
| 7003 | Utilities-Electric-Pumping | 234,531 | 160,740 | 73,791 | 68.5% |
| 7004 | Utilities-Electric-Bldgs&Grounds | 25,585 | 17,886 | 7,699 | 69.9% |
| 7005 | Utilities-Telephones | 25,875 | 19,294 | 6,581 | 74.6% |
| 7006 | Utilities-Sewer - NPDES | 7,943 | 5,167 | 2,776 | 65.1% |
| 7000 | UTILITIES | 316,917 | 217,929 | 98,988 | 68.8% |
| 7101 | Prof Serv - District Counsel | 65,000 | 52,884 | 12,116 | 81.4% |
| 7102 | Prof Serv - District Engineer | 100,000 | 72,716 | 27,284 | 72.7% |
| 7103 | Prof Serv - IT | 22,000 | 15,182 | 6,818 | 69.0% |
| 7104 | Prof Serv- Annual Finance Audit (O) | 18,850 | 18,850 | - | 100.0% |
| 7105 | Prof Serv - Mngmt Consult | - | 42 | (42) | NA |
| 7106 | Prof Serv- Accounting & Payroll | 24,000 | 17,961 | 6,039 | 74.8% |
| 7107 | Prof Serv- Customer Billing (P) | 60,000 | 55,508 | 4,492 | 92.5% |
| 7109 | Prof Serv - Answering Svs | 4,000 | 2,529 | 1,471 | 63.2% |
| 7110 | Prof Serv - Miscellaneous | 74 352,550 | 186,709 | 165,841 | 53.0% |
| 7111 | Prof Serv - District Treasurer | 3,600 | 2,700 | 900 | 75.0% |

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2018-2019
DETAILED**

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | ACTUAL 7/1/2018 3/31/2019 | REMAINING BALANCE/ (OVER BUDGET) | Target YTD % 75.1% |
|--------------------------------|---|--|---------------------------------|--|-------------------------|
| | | | | | Y-T-D % OF BUDGET |
| 7100 | PROFESSIONAL SERVICES | 650,000 | 425,080 | 224,920 | 65.4% |
| 7201 | Director Travel | 4,000 | 725 | 3,275 | 18.1% |
| 7202 | Director Expense | 1,600 | 791 | 809 | 49.4% |
| 7203 | Elections | 15,000 | - | 15,000 | NA |
| 7204 | Employee Travel/Training | 24,400 | 16,389 | 8,011 | 67.2% |
| 7205 | Meetings Expense (Q) | 5,000 | 5,201 | (201) | 104.0% |
| 7200 | TRAINING & TRAVEL | 50,000 | 23,106 | 26,894 | 46.2% |
| 7302 | Restricted Earnings Expense - Interest LAIF & COP (G) | 225,000 | 329,950 | (104,950) | 146.6% |
| 7300 | RESTRICTED EARNINGS EXPENSE | 225,000 | 329,950 | (104,950) | 146.6% |
| 8001 | Working Reserves: Capital | - | - | - | NA |
| 8002 | Working Reserves: Operating | - | - | - | NA |
| 8000 | RESERVES | - | - | - | NA |
| 9010 | DEPRECIATION | 931,500 | 689,839 | 241,661 | 74.1% |
| 9011 | DEBT SERVICE TRUSTEE FEES & EXPENSES | - | 306 | (306) | NA |
| 9012 | DEBT SERVICE 2017-2018 COPs | 1,051,500 | 864,589 | 186,911 | 82.2% |
| SUB-TOTAL - OPERATING EXPENSES | | 10,029,989 | 7,536,954 | 2,493,035 | 75.1% |
| TOTAL OPERATING EXPENSES | | 13,132,176 | 9,421,685 | 3,710,492 | 71.7% |
| NET OPERATING SURPLUS/(LOSS) | | | | | |
| TRANSFER TO CAPITAL | | 445,624 | 1,633,704 | (1,188,080) | |

- (A) Water revenues are at 76% and water purchases are at 74.4%. Water revenues is a preliminary number. Revenue does not include the second half of the month.
- (B) See discussion on Administrative Services Manager's report.
- (C) Reimbursement for damage to Fire Hydrant totaling \$8,245. Reimbursement for Property Damage on 7/10/17 at 4110 Block of Skymont Drive totaling \$15,948.
- (D) Have received expected property tax before April 10th (due date).
- (E) See Development Fees Report in Regular Business for details.
- (F) Fire Flow Revenue totaling \$14,098; PG&E Reimbursement for work not completed totaling \$6,029; Meter Upgrades totaling \$71,295, recycled Meters totaling \$12,526 and the balance of \$7,263 for miscellaneous items.
- (G) LAIF and COP funds generating more interest revenue than expected.
- (H) Landscape revenue recognized with several projects completed.
- (I) Purchase of promotional inventory totaling \$7,056.
- (J) Purchase of promotional inventory totaling \$17,274.
- (K) Dairy Lane Landscape project totaling \$8,900.
- (L) Customers are using credit cards to pay their monthly water bills. This amount is offset by the new credit card fees.
- (M) CSDA membership which was not paid for 2017 totaled \$561, ACWA Dues for 2019 increased by \$2,400 annually from PY 2018.
- (N) PG&E Emergency Repair/Gas Main Struct during Main Break totaling \$5,238.
- (O) Audit complete.
- (P) New vendor being used for customer billing and change in billing procedures.
- (Q) Year-End Board Meeting celebrating the retirement of two board members totaling \$1,092.50.

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

| | 31-Mar-19 | 31-Mar-18 | \$ Change | % Change |
|---------------------------------------|----------------|----------------|----------------|----------|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Total Checking/Savings | 4,716,406.06 | 25,107,574.40 | -20,391,168.34 | -81.22% |
| Total COP Funds | 14,807,011.86 | 0.00 | 0.00 | 100.0% |
| Total Accounts Receivable | 735,735.68 | 885,083.87 | -149,348.19 | -16.87% |
| Total Other Current Assets | 232,584.52 | 411,625.62 | -179,041.10 | -43.5% |
| TOTAL CURRENT ASSETS | 20,491,738.12 | 26,404,283.89 | -5,912,545.77 | -22.39% |
| FIXED ASSETS | | | | |
| Fixed Assets | 47,936,240.38 | 43,915,442.43 | 4,020,797.95 | 9.16% |
| Accumulated Depreciation | -27,956,607.78 | -27,272,466.97 | -684,140.81 | -2.51% |
| Construction in Progress | 3,737,824.46 | 2,919,921.13 | 817,903.33 | 28.01% |
| TOTAL FIXED ASSETS | 23,717,457.06 | 19,562,896.59 | 4,154,560.47 | 21.24% |
| TOTAL OTHER ASSETS | 1,210,079.34 | 803,133.00 | 406,946.34 | 50.67% |
| TOTAL ASSETS | 45,419,274.52 | 46,770,313.48 | -1,351,038.96 | -2.89% |
| LIABILITIES & EQUITY | | | | |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Total Accounts Payable | 181,197.57 | 644,360.62 | -463,163.05 | -71.88% |
| Total Other Current Liabilities | 1,490,813.17 | 2,242,409.90 | -751,596.73 | -33.52% |
| TOTAL CURRENT LIABILITIES | 1,672,010.74 | 2,886,770.52 | -1,214,759.78 | -42.08% |
| LONG TERM LIABILITIES | | | | |
| Total COP Financing Debt (B) | 17,550,000.00 | 17,910,000.00 | -360,000.00 | -2.01% |
| Total COP Premium (B) | 865,456.90 | 896,738.50 | -31,281.60 | -3.49% |
| Total Other Long Term Liabilities (B) | 1,135,175.00 | 1,765,634.45 | -630,459.45 | -35.71% |
| TOTAL LONG TERM LIABILITIES | 19,550,631.90 | 20,572,372.95 | -1,021,741.05 | -4.97% |
| TOTAL LIABILITIES | 21,222,642.64 | 23,459,143.47 | -2,236,500.83 | -9.53% |
| EQUITY | | | | |
| 3000 - Opening Bal Equity | 0.00 | 0.00 | 0.00 | 0.0% |
| 3800 - RESERVES | 3,892,275.76 | 6,922,532.22 | -3,030,256.46 | -43.77% |
| 3940 - Fund Bal Invest in Util Plant | 23,797,172.51 | 19,562,896.59 | 4,234,275.92 | 21.64% |
| Net Assets (A) | -3,492,816.39 | -3,174,258.80 | -318,557.59 | -10.04% |
| TOTAL EQUITY | 24,196,631.88 | 23,311,170.01 | 885,461.87 | 3.8% |
| TOTAL LIABILITIES & EQUITY | 45,419,274.52 | 46,770,313.48 | -1,351,038.96 | -2.89% |

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

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

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

| | Jul 18 - Mar 19 | Jul 17 - Mar 19 | \$ Change | % Change |
|-----------------------------|-----------------|-----------------|-----------|-----------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| OPERATING REVENUE | 9,812,205 | 9,794,246 | 17,959 | 0.18% |
| INTEREST INCOME | 329,950 | 186,154 | 143,795 | 77.25% |
| CAPITAL CONTRIBUTION | 244,776 | 0 | 244,776 | 100.0% |
| OTHER INCOME | 913,234 | 376,257 | 536,976 | 142.72% |
| Total Income | 11,300,165 | 10,356,658 | 943,507 | 9.11% |
| Expense | | | | |
| PERSONNEL COSTS | 1,884,731 | 1,942,120 | -57,389 | -2.96% |
| PURCHASED WATER | 4,232,317 | 4,222,208 | 10,109 | 0.24% |
| OUTREACH/EDUCATION | 31,302 | 37,479 | -6,176 | -16.48% |
| M&4 - OPS SYSTEMS | 177,871 | 282,126 | -104,255 | -36.95% |
| FACILITIES & EQUIPMENT | 122,183 | 103,756 | 18,427 | 17.76% |
| OFFICE SUPPLIES & EQUIPMENT | 217,785 | 197,011 | 20,774 | 10.55% |
| MEMBERSHIP & GOV FEES | 179,853 | 155,517 | 24,336 | 15.65% |
| BAD DEBT & CLAIMS (A) | 24,844 | -2,662 | 27,506 | 1,033.31% |
| UTILITIES | 217,929 | 187,402 | 30,527 | 16.29% |
| PROFESSIONAL SERVICES (B) | 425,080 | 297,864 | 127,216 | 42.71% |
| TRAINING & TRAVEL | 23,106 | 21,983 | 1,123 | 5.11% |
| Total Expense | 7,537,001 | 7,457,180 | 79,821 | 1.07% |
| Net Ordinary Income | 3,763,164 | 2,899,478 | 863,686 | 29.79% |
| Other Income/Expense | | | | |
| Other Expense | | | | |
| DEPRECIATION | 689,839 | 654,614 | 35,225 | 5.38% |
| COP Financing Costs | 519,589 | 529,823 | -10,234 | -1.93% |
| Total Other Expense | 1,209,734 | 1,184,437 | 25,297 | 2.1% |
| Net Revenue/(Expenses) | 2,553,429 | 1,715,041 | 838,389 | 48.9% |

RECONCILIATION TO OPERATING BUDGET

Adjustments to Increase Net Operating Surplus

| | |
|--|-----------------|
| Interest Income - LAIF & COP Interest | -329,949 |
| Capital Contribution | -244,776 |
| Debt Service Principal Payment | -345,000 |
| Total Adjustments to Increase Net Operating Surplus | -919,725 |

Net Operating Surplus/(Loss) Transfer to Capital 1,633,705

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

| DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | ACTUAL 7/1/2018 3/31/2019 | REMAINING BALANCE/ (OVER BUDGET) | Target YTD % |
|---|--|---------------------------------|--|----------------------------------|
| | | | | 75.1% Y-T-D % OF BUDGET |
| CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP) | | | | |
| 2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion) | 750,000 | 750,000 | - | 100.0% |
| 2017 Water Main Replacement CIP (Pay-Go Portion) | 5,000 | 2,635 | 2,365 | 52.7% |
| AMI Meter Change Out Program | 678,500 | 529,570 | 148,930 | 78.1% |
| CAPITAL IMPROVEMENTS - WIP TOTAL | 1,433,500 | 1,282,205 | 151,295 | 89.4% |
| CAPITAL OUTLAY | | | | |
| Replacement Mini-Excavator for Operations | 45,998 | 45,998 | 0 | 100.0% |
| Replacement Service Truck for Operations | 90,000 | - | 90,000 | 0.0% |
| Replace Hybrid Vehicles | 65,783 | 65,783 | 0 | 100.0% |
| Replace Fuel Station Controller @ Dairy Lane Operations Center | 30,000 | - | 30,000 | 0.0% |
| Phase 2 SCADA System Replacement | 50,000 | - | 50,000 | 0.0% |
| Miscellaneous Capital Outlay/Projects | 50,000 | 6,642 | 43,358 | 13.3% |
| CAPITAL OUTLAY TOTAL | 331,781 | 118,423 | 213,358 | 35.7% |
| CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL | 1,765,281 | 1,400,628 | 364,653 | 79.3% |
| DEPRECIATION | 931,500 | 689,839 | 241,661 | 74.1% |
| TRANSFER FROM OPS | 445,625 | 1,633,704 | (1,188,079) | 366.6% |
| TRANSFER (TO)/FROM CAPITAL RESERVES (PRIOR YEAR) * | 595,000 | 40,801 | 554,199 | 6.9% |
| TRANSFER (TO)/FROM CAPITAL RESERVES** | (206,844) | (963,717) | 756,873 | 465.9% |
| CAPITAL OUTLAY/CAPITAL PROJECTS | (1,765,281) | (1,400,628) | (364,653) | 79.3% |
| NET RESULTS OF CAPITAL | - | (0) | 0 | N/A |

*** COMMITTED FROM PRIOR YEAR:**

Placeholder - Joint CIP with City of Belmont
Proceeds from sale of Surplus Items

\$ 500,000
\$ 95,000
78
\$ 595,000

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

| DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | ACTUALS 7/1/2018 3/31/19 | REMAINING BALANCE/ (OVER BUDGET) | Target YTD % 75.1% |
|--|--|--------------------------------|--|-------------------------|
| | | | | Y-T-D % OF BUDGET |
| OPERATING REVENUE | | | | |
| WATER COMMODITY CHARGES | 9,611,800 | 7,309,084 | 2,302,716 | 76.0% |
| FIXED SYSTEM CHARGES | 2,880,000 | 2,147,471 | 732,529 | 74.6% |
| FIRE SERVICE CHARGES | 14,000 | 11,895 | 2,105 | 85.0% |
| MISC CUSTOMER ACCOUNT FEES *1 | 43,000 | 35,923 | 7,077 | 83.5% |
| SERVICE LINE & INSTALLATION CHARGES | 10,000 | - | 10,000 | NA |
| MISCELLANEOUS OPERATING *2 | 25,000 | 24,363 | 637 | 97.5% |
| PROPERTY TAX REVENUE *3 | 268,000 | 283,470 | (15,470) | 105.8% |
| TOTAL OPERATING REVENUE | 12,851,800 | 9,812,205 | 3,039,595 | 76.3% |
| WATER SYSTEM CAPACITY CHARGES *4 | 250,000 | 635,625 | (385,625) | 254.3% |
| WATER DEMAND OFFSET CHARGES *4 | 20,000 | 43,776 | (23,776) | 218.9% |
| MISCELLANEOUS NON-OPERATING | 55,000 | 111,211 | (56,211) | 202.2% |
| INTEREST REVENUE - LAIF | 75,000 | 93,787 | (18,787) | 125.0% |
| INTEREST REVENUE - COP | 150,000 | 236,163 | (86,163) | 157.4% |
| LEASE OF PHYSICAL PROPERTY | 175,000 | 116,536 | 58,464 | 66.6% |
| LANDSCAPE PERMIT REVENUE | 1,000 | 6,086 | (5,086) | 608.6% |
| TOTAL NON-OPERATING REVENUE | 726,000 | 1,243,184 | (517,184) | 171.2% |
| TOTAL REVENUE | 13,577,800 | 11,055,389 | 2,522,411 | 81.4% |
| OPERATING EXPENDITURES (OP EXP) | | | | |
| SALARIES & WAGES | 1,821,385 | 1,290,132 | 531,253 | 70.8% |
| PAYROLL TAXES & BENEFITS | 1,280,803 | 594,600 | 686,203 | 46.4% |
| PURCHASED WATER | 5,654,624 | 4,232,317 | 1,422,307 | 74.8% |
| OUTREACH & EDUCATION | 60,000 | 31,302 | 28,698 | 52.2% |
| M&R - OPS SYSTEM | 350,000 | 177,871 | 172,129 | 50.8% |
| M&R - FACILITIES & EQUIPMENT | 150,000 | 122,183 | 27,817 | 81.5% |
| MAJOR MAINTENANCE | 31,050 | - | 31,050 | NA |
| OFFICE SUPPLIES & EQUIPMENT | 313,483 | 217,785 | 95,698 | 69.5% |
| MEMBERSHIP & GOV FEES | 215,915 | 179,853 | 36,062 | 83.3% |
| BAD DEBT & CLAIMS | 30,000 | 24,844 | 5,156 | 82.8% |
| UTILITIES | 316,917 | 217,929 | 98,988 | 68.8% |
| PROFESSIONAL SERVICES | 650,000 | 425,080 | 224,920 | 65.4% |
| TRAINING/TRAVEL & RECRUITMENT | 50,000 | 23,106 | 26,894 | 46.2% |
| RESTRICTED EARNINGS | 225,000 | 329,950 | (104,950) | 146.6% |
| DEPRECIATION | 931,500 | 689,839 | 241,661 | 74.1% |
| DEBT SERVICE TRUSTEE FEES & EXPENSES | - | 306 | (306) | N/A |
| DEBT SERVICE 2016 COPs | 1,051,500 | 864,589 | 186,911 | 82.2% |
| TOTAL OPERATING EXPENSES | 13,132,176 | 9,421,684 | 3,710,492 | 71.7% |
| NET OPERATING SURPLUS/(LOSS) | 445,624 | 1,633,705 | (1,188,081) | 366.6% |
| TRANSFER TO CAPITAL | (445,624) | (1,633,705) | 1,188,081 | |
| DEBT SERVICE COVERAGE | 1.91 | 2.62 | | |

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

| | 31-Mar-19 | 31-Mar-18 | \$ Change | % Change |
|---------------------------------------|----------------|----------------|----------------|----------|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Total Checking/Savings | 4,716,406.06 | 25,107,574.40 | -20,391,168.34 | -81.22% |
| Total COP Funds | 14,807,011.86 | 0.00 | 0.00 | 100.0% |
| Total Accounts Receivable | 735,735.68 | 885,083.87 | -149,348.19 | -16.87% |
| Total Other Current Assets | 232,584.52 | 411,625.62 | -179,041.10 | -43.5% |
| TOTAL CURRENT ASSETS | 20,491,738.12 | 26,404,283.89 | -5,912,545.77 | -22.39% |
| FIXED ASSETS | | | | |
| Fixed Assets | 47,936,240.38 | 43,915,442.43 | 4,020,797.95 | 9.16% |
| Accumulated Depreciation | -27,956,607.78 | -27,272,466.97 | -684,140.81 | -2.51% |
| Construction in Progress | 3,737,824.46 | 2,919,921.13 | 817,903.33 | 28.01% |
| TOTAL FIXED ASSETS | 23,717,457.06 | 19,562,896.59 | 4,154,560.47 | 21.24% |
| TOTAL OTHER ASSETS | 1,210,079.34 | 803,133.00 | 406,946.34 | 50.67% |
| TOTAL ASSETS | 45,419,274.52 | 46,770,313.48 | -1,351,038.96 | -2.89% |
| LIABILITIES & EQUITY | | | | |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Total Accounts Payable | 181,197.57 | 644,360.62 | -463,163.05 | -71.88% |
| Total Other Current Liabilities | 1,490,813.17 | 2,242,409.90 | -751,596.73 | -33.52% |
| TOTAL CURRENT LIABILITIES | 1,672,010.74 | 2,886,770.52 | -1,214,759.78 | -42.08% |
| LONG TERM LIABILITIES | | | | |
| Total COP Financing Debt (B) | 17,550,000.00 | 17,910,000.00 | -360,000.00 | -2.01% |
| Total COP Premium (B) | 865,456.90 | 896,738.50 | -31,281.60 | -3.49% |
| Total Other Long Term Liabilities (B) | 1,135,175.00 | 1,765,634.45 | -630,459.45 | -35.71% |
| TOTAL LONG TERM LIABILITIES | 19,550,631.90 | 20,572,372.95 | -1,021,741.05 | -4.97% |
| TOTAL LIABILITIES | 21,222,642.64 | 23,459,143.47 | -2,236,500.83 | -9.53% |
| EQUITY | | | | |
| 3000 - Opening Bal Equity | 0.00 | 0.00 | 0.00 | 0.0% |
| 3800 - RESERVES | 3,892,275.76 | 6,922,532.22 | -3,030,256.46 | -43.77% |
| 3940 - Fund Bal Invest in Util Plant | 23,797,172.51 | 19,562,896.59 | 4,234,275.92 | 21.64% |
| Net Assets (A) | -3,492,816.39 | -3,174,258.80 | -318,557.59 | -10.04% |
| TOTAL EQUITY | 24,196,631.88 | 23,311,170.01 | 885,461.87 | 3.8% |
| TOTAL LIABILITIES & EQUITY | 45,419,274.52 | 46,770,313.48 | -1,351,038.96 | -2.89% |

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

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

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

| | Jul 18 - Mar 19 | Jul 17 - Mar 19 | \$ Change | % Change |
|-----------------------------|-----------------|-----------------|-----------|-----------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| OPERATING REVENUE | 9,812,205 | 9,794,246 | 17,959 | 0.18% |
| INTEREST INCOME | 329,950 | 186,154 | 143,795 | 77.25% |
| CAPITAL CONTRIBUTION | 244,776 | 0 | 244,776 | 100.0% |
| OTHER INCOME | 913,234 | 376,257 | 536,976 | 142.72% |
| Total Income | 11,300,165 | 10,356,658 | 943,507 | 9.11% |
| Expense | | | | |
| PERSONNEL COSTS | 1,884,731 | 1,942,120 | -57,389 | -2.96% |
| PURCHASED WATER | 4,232,317 | 4,222,208 | 10,109 | 0.24% |
| OUTREACH/EDUCATION | 31,302 | 37,479 | -6,176 | -16.48% |
| M&4 - OPS SYSTEMS | 177,871 | 282,126 | -104,255 | -36.95% |
| FACILITIES & EQUIPMENT | 122,183 | 103,756 | 18,427 | 17.76% |
| OFFICE SUPPLIES & EQUIPMENT | 217,785 | 197,011 | 20,774 | 10.55% |
| MEMBERSHIP & GOV FEES | 179,853 | 155,517 | 24,336 | 15.65% |
| BAD DEBT & CLAIMS (A) | 24,844 | -2,662 | 27,506 | 1,033.31% |
| UTILITIES | 217,929 | 187,402 | 30,527 | 16.29% |
| PROFESSIONAL SERVICES (B) | 425,080 | 297,864 | 127,216 | 42.71% |
| TRAINING & TRAVEL | 23,106 | 21,983 | 1,123 | 5.11% |
| Total Expense | 7,537,001 | 7,457,180 | 79,821 | 1.07% |
| Net Ordinary Income | 3,763,164 | 2,899,478 | 863,686 | 29.79% |
| Other Income/Expense | | | | |
| Other Expense | | | | |
| DEPRECIATION | 689,839 | 654,614 | 35,225 | 5.38% |
| COP Financing Costs | 519,589 | 529,823 | -10,234 | -1.93% |
| Total Other Expense | 1,209,734 | 1,184,437 | 25,297 | 2.1% |
| Net Revenue/(Expenses) | 2,553,429 | 1,715,041 | 838,389 | 48.9% |

RECONCILIATION TO OPERATING BUDGET

Adjustments to Increase Net Operating Surplus

| | |
|--|-----------------|
| Interest Income - LAIF & COP Interest | -329,949 |
| Capital Contribution | -244,776 |
| Debt Service Principal Payment | -345,000 |
| Total Adjustments to Increase Net Operating Surplus | -919,725 |

| | |
|---|------------------|
| Net Operating Surplus/(Loss) Transfer to Capital | 1,633,705 |
|---|------------------|

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

| DESCRIPTION | APPROVED AMENDED FY 2018-2019 BUDGET \$ | ACTUAL 7/1/2018 3/31/2019 | REMAINING BALANCE/ (OVER BUDGET) | Target YTD % |
|---|--|---------------------------------|--|----------------------------------|
| | | | | 75.1% Y-T-D % OF BUDGET |
| CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP) | | | | |
| 2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion) | 750,000 | 750,000 | - | 100.0% |
| 2017 Water Main Replacement CIP (Pay-Go Portion) | 5,000 | 2,635 | 2,365 | 52.7% |
| AMI Meter Change Out Program | 678,500 | 529,570 | 148,930 | 78.1% |
| CAPITAL IMPROVEMENTS - WIP TOTAL | 1,433,500 | 1,282,205 | 151,295 | 89.4% |
| CAPITAL OUTLAY | | | | |
| Replacement Mini-Excavator for Operations | 45,998 | 45,998 | 0 | 100.0% |
| Replacement Service Truck for Operations | 90,000 | - | 90,000 | 0.0% |
| Replace Hybrid Vehicles | 65,783 | 65,783 | 0 | 100.0% |
| Replace Fuel Station Controller @ Dairy Lane Operations Center | 30,000 | - | 30,000 | 0.0% |
| Phase 2 SCADA System Replacement | 50,000 | - | 50,000 | 0.0% |
| Miscellaneous Capital Outlay/Projects | 50,000 | 6,642 | 43,358 | 13.3% |
| CAPITAL OUTLAY TOTAL | 331,781 | 118,423 | 213,358 | 35.7% |
| CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL | 1,765,281 | 1,400,628 | 364,653 | 79.3% |
| DEPRECIATION | 931,500 | 689,839 | 241,661 | 74.1% |
| TRANSFER FROM OPS | 445,625 | 1,633,704 | (1,188,079) | 366.6% |
| TRANSFER (TO)/FROM CAPITAL RESERVES (PRIOR YEAR) * | 595,000 | 40,801 | 554,199 | 6.9% |
| TRANSFER (TO)/FROM CAPITAL RESERVES** | (206,844) | (963,717) | 756,873 | 465.9% |
| CAPITAL OUTLAY/CAPITAL PROJECTS | (1,765,281) | (1,400,628) | (364,653) | 79.3% |
| NET RESULTS OF CAPITAL | - | (0) | 0 | N/A |

*** COMMITTED FROM PRIOR YEAR:**

Placeholder - Joint CIP with City of Belmont
Proceeds from sale of Surplus Items

\$ 500,000
\$ 95,000
84
\$ 595,000



AGENDA ITEM NO. 9.B.3.

DATE: April 25, 2019
TO: Board of Directors
FROM: Tammy Rudock, General Manager
Candy Pina, Administrative Services Manager

SUBJECT: REPORT ON DEVELOPMENT REVENUES COMPARED TO MPWD CIP AND WATER CONSERVATION PROGRAM EXPENDITURES THROUGH FISCAL YEAR ENDED JUNE 30, 2018

RECOMMENDATION

Receive report on development revenues—Water Capacity Charges and Water Demand Offset Fees—compared to MPWD CIP and Water Conservation Program expenditures through Fiscal Year Ended (FYE) June 30, 2018.

FISCAL IMPACT

None.

DISCUSSION

The attached report is one that compares development impact fee revenues to MPWD CIP and Water Conservation Program expenditures since collecting and recognizing them—beginning FYE June 30, 2016 through FYE June 30, 2018.

The report does not include all of the development revenues “received” during the time period, but rather projects “recognized” in the MPWD’s accounting system as completed, in accordance with GAAP (Generally Accepted Accounting Principles).

While it is not required reporting, it provides an analytical overview of development’s proportional contribution to MPWD capital improvement and water conservation and public outreach/education programs. It will be updated on a fiscal year basis and reported to the Board by September 30th of each year. The report will be posted to the MPWD website.

Attachment: MPWD Report on Development Fees Compared to CIP and Water Conservation Program Expenditures through FYE June 30, 2018

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

UNANIMOUS_____ VELLA_____ ZUCCA_____ WARDEN_____ SCHMIDT_____ WHEELER_____

MID-PENINSULA WATER DISTRICT
REPORT ON DEVELOPMENT FEES COMPARED TO CIP AND WATER CONSERVATION PROGRAM EXPENDITURES

| | FY 15/16 | FY 16/17 | FY 17/18 | Total | % of Total Exp |
|--|--------------------|----------------------|----------------------|----------------------|-----------------------|
| WATER SYSTEM CAPACITY CHARGES | | | | | |
| 1804 Miller Avenue | 9,375.00 | | | 9,375.00 | |
| 2847 San Juan Boulevard | 9,375.00 | | | 9,375.00 | |
| 2830 San Juan Boulevard | 9,375.00 | | | 9,375.00 | |
| 1717 Notre Dame Avenue | 9,375.00 | | | 9,375.00 | |
| 1808 Miller Avenue | 9,375.00 | | | 9,375.00 | |
| 2113 Coronet Drive | 9,375.00 | | | 9,375.00 | |
| 1710 Valley View | 9,375.00 | | | 9,375.00 | |
| 360/370/380 Industrial Road | 15,625.00 | | | 15,625.00 | |
| 2940 Alhambra Drive | 9,375.00 | | | 9,375.00 | |
| 2177 Carlmont Drive | | 67,500.00 | | 67,500.00 | |
| 3826 Naughton Avenue | | 9,375.00 | | 9,375.00 | |
| Davis Drive (CSUS) | | | 81,250.00 | 81,250.00 | |
| 2902 San Juan Boulevard | | | 9,375.00 | 9,375.00 | |
| 905 South Road | | | 9,375.00 | 9,375.00 | |
| 2904 San Juan Boulevard | | | 3,053.38 | 3,053.38 | |
| 2906 San Juan Boulevard | | | 5,688.62 | 5,688.62 | |
| 1401 Shoreway Road | | | 125,000.00 | 125,000.00 | |
| 2828 Monte Cresta Drive | | | 9,375.00 | 9,375.00 | |
| 2128 Pullman Avenue | | | 9,375.00 | 9,375.00 | |
| 699 Ralston Avenue | | | 21,242.00 | 21,242.00 | |
| 2227 Thurm | | | 9,375.00 | 9,375.00 | |
| TOTAL WATER SYSTEM CAPACITY CHARGES | 90,625.00 | 76,875.00 | 283,109.00 | 450,609.00 | 14% |
| CAPITAL IMPROVEMENT PROGRAM EXPENDITURES | | | | | |
| AMI Meter Change Out Program | 456,818.95 | 513,972.15 | 216,068.00 | 1,186,859.10 | |
| Karen Road Water Main Replacement - CIP | 32,321.78 | - | 96,251.39 | 128,573.17 | |
| Hallmark Tank Structural and Seismic Retrofit - CIP | 41,067.97 | - | - | 41,067.97 | |
| Dekoven Tanks Structural and Seismic Retrofit - CIP | 51,157.13 | - | - | 51,157.13 | |
| Folger Pump Station Demolition - CIP | 24,963.44 | - | - | 24,963.44 | |
| Buckland Tank Replacement Project - CIP | 26,689.37 | - | - | 26,689.37 | |
| Alameda de las Pulgas Water Main Replacement Project - CIP | 104,054.71 | 243,708.00 | - | 347,762.71 | |
| Francis Improvements | - | - | 36,129.14 | 36,129.14 | |
| Academy Improvements | - | - | 6,318.84 | 6,318.84 | |
| TOTAL CAPITAL IMPROVEMENT PROGRAM EXPENDITURES | 737,073.35 | 757,680.15 | 354,767.37 | 1,849,520.87 | |
| 2016 COP DEBT SERVICE | 0.00 | 330,133.34 | 1,051,500.00 | 1,381,633.34 | |
| VARIANCE | -646,448.35 | -1,010,938.49 | -1,123,158.37 | -2,780,545.21 | |

MID-PENINSULA WATER DISTRICT
REPORT ON DEVELOPMENT FEES COMPARED TO CIP AND WATER CONSERVATION PROGRAM EXPENDITURES

| | FY 15/16 | FY 16/17 | FY 17/18 | Total | % of Total Exp |
|--|--------------------|-------------------|-------------------|--------------------|-------------------|
| WATER DEMAND OFFSET FEES | | | | | |
| 1804 Miller Avenue | 1,217.00 | | | 1,217.00 | |
| 2847 San Juan Boulevard | 1,217.00 | | | 1,217.00 | |
| 2830 San Juan Boulevard | 1,217.00 | | | 1,217.00 | |
| 1717 Notre Dame Avenue | 1,217.00 | | | 1,217.00 | |
| 1808 Miller Avenue | 1,217.00 | | | 1,217.00 | |
| 2113 Coronet Drive | 1,217.00 | | | 1,217.00 | |
| 1710 Valley View | 1,217.00 | | | 1,217.00 | |
| 360/370/380 Industrial Road | 4,057.00 | | | 4,057.00 | |
| 2940 Alhambra Drive | 1,217.00 | | | 1,217.00 | |
| 2177 Carlmont Drive | | 8,760.00 | | 8,760.00 | |
| 3826 Naughton Avenue | | 633.00 | | 633.00 | |
| Davis Drive (CSUS) | | | 10,547.00 | 10,547.00 | |
| 2902 San Juan Boulevard | | | 633.00 | 633.00 | |
| 905 South Road | | | 633.00 | 633.00 | |
| 2904 San Juan Boulevard | | | 442.18 | 442.18 | |
| 2906 San Juan Boulevard | | | 823.82 | 823.82 | |
| 1401 Shoreway Road | | | 16,227.00 | 16,227.00 | |
| 2828 Monte Cresta Drive | | | 1,217.00 | 1,217.00 | |
| 2128 Pullman Avenue | | | 633.00 | 633.00 | |
| TOTAL WATER DEMAND OFFSET FEES | 13,793.00 | 9,393.00 | 31,156.00 | 54,342.00 | 16% |
| WATER CONSERVATION PROGRAM EXPENDITURES | | | | | |
| 6301 - Water Conservation Program | 4,540.79 | 3,588.79 | 5,474.09 | 13,603.67 | |
| 6302 - School Conservation Program | 24,403.42 | 12,438.62 | 24,346.73 | 61,188.77 | |
| 6303 - Public Outreach & Education | 32,207.99 | 27,190.56 | 8,921.59 | 68,320.14 | |
| 6305 - HET (High Efficiency Toilet) | 13,068.19 | 14,015.11 | 8,922.44 | 36,005.74 | |
| 6306 - Washing Machine Rebates | 13,447.39 | 29.17 | 0.00 | 13,476.56 | |
| 6307 - Lawn-Be-Gone Rebates | 31,075.61 | 20,895.61 | 8,717.03 | 60,688.25 | |
| 6308 - Rain Barrels Rebate | 726.54 | 1,000.49 | 219.89 | 1,946.92 | |
| VARIANCE | -105,676.93 | -69,765.35 | -25,445.77 | -295,779.05 | |