



---

REGULAR MEETING  
BOARD OF DIRECTORS  
**THURSDAY, APRIL 27, 2017 – 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 Special Board Meeting of March 20, 2017, and Regular Board Meeting of March 23, 2017
- B. Approve Expenditures from March 17, 2017 through April 19, 2017

**6. HEARINGS AND APPEALS**

None.

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

- A. Receive Reconciliation Quarterly Report on 2016 COP Financing for period January 1, 2017 through March 31, 2017, and Discuss 2016 COP Sample Project Fund Quarterly Report Format

**8. REGULAR BUSINESS AGENDA**

- A. Review Working Draft MPWD Operating and Capital Budgets for Fiscal Year 2017/2018, including Water Revenue Requirements
  
- B. Consider Nomination of Director to the Boards of the Bay Area Water Supply & Conservation Agency (BAWSCA) and the Bay Area Regional Water System Financing Authority

**9. MANAGER’S AND BOARD REPORTS**

- A. General Manager’s Report, including Water Conservation Progress Summary
  - 1. Supplemented by Administrative Services Manager’s Report
  - 2. Supplemented by Operations Manager’s Report
  - 3. Supplemented by District Engineer’s Report
  
- B. Financial Reports
  
- C. Director Reports

**10. FUTURE AGENDA ITEMS**

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

**11. COMMUNICATIONS**

**12. 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](http://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: May 25, 2017, at 6:30PM***

1  
2  
3 SPECIAL MEETING  
4 OF THE BOARD OF DIRECTORS  
5 OF THE MID-PENINSULA WATER DISTRICT

6 MARCH 20, 2017  
7 Belmont, California

8 **1. OPENING**

9 **A. Call to Order:**

10 The special meeting of the Mid-Peninsula Water District Board of Directors was called to  
11 order by President Stuebing at 6:30PM.  
12

13 **B. Establishment of Quorum:**

14 **PRESENT:** Directors Stuebing, Warden, Zucca, Vella, and Linvill.

15  
16 **ABSENT:** None.

17  
18 A quorum was present.

19  
20 **ALSO PRESENT:** General Manager Tammy Rudock and District Counsel Julie Sherman.

21  
22 **C. Pledge of Allegiance** – The Board dispensed with the Pledge of Allegiance.  
23

24 **2. PUBLIC COMMENTS**

25 None.  
26

27 **3. CLOSED SESSION**

28 The Board adjourned into Closed Session at 6:35PM to discuss one matter:  
29

30 **PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
31 AND ASSOCIATED NEGOTIATIONS**

32 **Government Code §§54957 and 54957.6**

33 **Title: General Manager**  
34

35 The Board reconvened into open session at 7:45PM. District Counsel reported that no action  
36 had been taken.  
37

38 **4. ADJOURNMENT**

39 The meeting was adjourned at 7:50PM.  
40  
41  
42

43 \_\_\_\_\_  
44 DISTRICT SECRETARY

45 APPROVED:

46 \_\_\_\_\_  
47 BOARD PRESIDENT  
48

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

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

March 23, 2017  
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 Stuebing at 6:30PM.

**B. Establishment of Quorum:**

**PRESENT:** Directors Stuebing, Linvill, Vella, Zucca and Warden

**ABSENT:** None

A quorum was present.

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

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

2. **PUBLIC COMMENTS**

None

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

None

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

**A. Introduction of Hunter Crawford-Shelmadine, Junior at Carlmont High School and MPWD Partner in the 2016/2017 Biotech Institute Mentoring Program**

General Manager Rudock introduced Hunter, a student at Carlmont High School who is enrolled in the Biotech Institute Mentoring Program. The program promotes local partnerships between students and business executives in the science and biotech fields. This is an excellent opportunity for the MPWD to give back to its community. Hunter has a passion for science and plans to major in Marine Biology. Her resume speaks for itself - advanced classes with a GPA of 3.9 and she is enrolled in a number of courses through the local community colleges. Her outside interests include video production and photography, and although her schedule is full, she still finds time to volunteer for community service projects. She is an accomplished athlete and has been a member of Carlmont High School's Water Polo team since 2014, and is currently on the swim team. Her science project on "Sunscreen and its Effects on the Environment" also recently took second place at the state level.

Hunter shared that she has had an interest in science since her seventh grade school science fair, entering competitions at the state level since the eighth grade.

52 General Manager Rudock concluded that it has been a pleasure to be partnered with  
53 such a motivated and engaged student and share the MPWD operations and services  
54 with her.  
55

56 **5. CONSENT AGENDA**

57 **A. Approve Minutes for the Regular Board Meeting of January 26, 2017, and Regular**  
58 **Board Meeting of February 23, 2017**

59 Director Linvill had a question about the “Xs” listed on a number of pages throughout the  
60 minutes. Administrative Services Manager Pina clarified that those were placeholders  
61 until the project numbers had been developed.  
62

63 **B. Approve Expenditures from February 16, 2017 through March 16, 2017**

64 Director Vella moved to approve the minutes for the Regular Board Meetings on January  
65 26, 2017 and February 23, 2017 and expenditures from February 16, 2017 through  
66 March 16, 2017. Director Warden seconded, abstaining from the January 26, 2017,  
67 minutes. The motion was approved.  
68

69 **6. HEARINGS AND APPEALS**

70 None  
71

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

74 **A. Receive Update on Selection Process for the On-Call Engineering Services related**  
75 **to the MPWD 5-Year CIP FY 2016/2017 through FY 2020/2021, including**  
76 **Engineering Services Work Distribution Plan**

77 Operations Manager Ramirez defined the purpose for an on-call engineering approach.  
78 Of the twenty-two firms showing interest, ten sent Statements of Qualifications (SOQs).  
79 Staff developed a series of questions to rank consultants, which resulted in a short list of  
80 six firms which were interviewed. Out of those six firms, four firms were selected: Hydro  
81 Science to assist with the El Camino Real Water Main Replacement Project, Schaaf and  
82 Wheeler for the Old County Road Water Main Replacement Project, West Yost for State  
83 Route 101/PAMF Water Main Crossing, and Mott McDonald that was placed on the list  
84 to be used on an as-needed basis. Staff will meet with each consultant individually at  
85 the end of March to discuss scope of work and associated costs. The six firms not  
86 selected received follow-up calls to discuss presentations and offer constructive  
87 feedback.  
88

89 Operations Manager Ramirez said the Engineering Services Work Distribution Plan  
90 (page 22) was the work of General Manger Rudock. It reflects the current and future  
91 services currently under contract with the District Engineer, and future contract work for  
92 the on-call engineers. On-call project submittals were compared to the District  
93 Engineer’s rates and summarized on page 23. District Engineer Pakpour clarified that  
94 consultants will present a scope for staff review, and then costs will be negotiated with a  
95 “not to exceed” amount. A consultant contract for each project will come back to the  
96 board for approval.  
97

98 Director Zucca stated for the record that given his professional civil engineering  
99 background, he was in no way involved in the process or selection of the engineering  
100 firms selected.  
101

102 District Engineer Pakpour concluded that staff would continue to update the Board on  
103 the breakdown of future projects, including bundled projects to save costs.

104  
105 Director Vella commented that it is unusual to receive such a high number of proposals.  
106 Operations Manager Ramirez shared that based on interview feedback, the size of the  
107 capital improvements budget was a factor. District Engineer Pakpour also mentioned  
108 that he had reached out personally to many firms and many felt the process was well  
109 organized and the CIP's descriptions had complete back-up analysis and were well-  
110 defined. Director Vella congratulated the District and staff for a job well done.

111  
112 **B. Receive Progress Report on 2016 COP Financing**

113 General Manager Rudock reported Bud Levine is scheduled to attend the April Board  
114 meeting to present a final report. Staff also met with the BNY Mellon team on March 21,  
115 2017 as a kick-off introductory and organizational meeting.

116  
117 Director Linvill expressed the importance of the quarterly report given the dollar amount  
118 borrowed and the fact that the District has never taken on such a sizeable amount of  
119 debt. She recognizes that there are many professionals involved and commented that  
120 she would still like to see staff maintain separate accounting for the Board. She  
121 commented that she is confused why the current progress report under requisition #2  
122 and last month under requisition #1 does not reflect a total. Supporting documents are  
123 provided, but no totals. Further, she requested an explanation as to why staff continued  
124 to go back and forth recouping costs on things already paid. General Manager Rudock  
125 replied that staff would be accounting for all COP CIP expenditures. She stated that  
126 legal and miscellaneous costs were budgeted into the estimated issuance costs, and  
127 that is why the MPWD requested reimbursement of its legal costs during that process.

128  
129 Regarding the requisitions, General Manager Rudock responded that the content for the  
130 report was in the format provided by Bond Counsel and for processing with the Trustee  
131 and that paid cost items were itemized and not totaled on the attached exhibits. Staff  
132 will review that format with the Trustee. Dan Bergmann is a financial consultant that  
133 staff will work with to create the quarterly report, as well as the Board's financial audit  
134 committee. Next month, Dan will present the first quarterly report, which will only reflect  
135 delivery costs to date. No project costs were expended during the first quarter (January  
136 1, 2017 through March 31, 2017).

137  
138 Director Zucca advised he would like staff oversight on the District Engineer's handling  
139 of the CIP project consultants and close tabs kept on true capital costs versus engineer  
140 support services. He looks forward to seeing the CIP spreadsheet report next month  
141 and feels there is value in having contract items separated. It should be very clear which  
142 scopes are in and which are out of the CIP. He would also like the opportunity to go  
143 back and review the tracking spreadsheet given recent revisions.

144  
145 **8. REGULAR BUSINESS AGENDA**

146 **A. Consider Approving the Two-Year MPWD Strategic Plan for 2017-2018, including**  
147 **Mission Statement, Vision Statement, Strategic Goals and Director Assignments**

148 General Manager Rudock reported she met with strategic planning facilitator Julie  
149 Brown, and Board President Stuebing, about the idea of transitioning to a two-year  
150 strategic plan given the numerous action items. She reviewed the draft 2-year plan  
151 document, including basic measures on pages 49-50, Mission and Vision Statements on

152 page 51, and Director Assignments on page 52. The format was kept simple for ease in  
153 use by staff and the Board, and public understanding.

154  
155 President Stuebing made the suggestion that Director Assignments be removed from the  
156 strategic plan and brought back as regular business in December or January for  
157 discussion. Director Zucca commented on significant formatting changes he and the  
158 General Manager implemented last year that helped make it a more user-friendly  
159 document.

160  
161 Director Warden had a question about the year attached to the plan and whether it was  
162 fiscal or calendar. General Manager Rudock advised that the strategic plan has always  
163 been based on the calendar year.

164  
165 Director Warden also expressed his disappointment that the plan did not reflect a  
166 coordination agreement between the District and the City of Belmont for 2017. General  
167 Manager Rudock responded that staff is working with the City on an agreement for  
168 coordination of public works and MPWD capital projects to be constructed this summer.  
169 A coordination agreement for larger scale projects and long-term strategies needs to be  
170 defined for development. Director Warden stated for the record that he will continue to  
171 push on this matter due to the scale of upcoming engineer work. He added that he and  
172 Director Zucca will take the initiative and schedule a meeting with staff to discuss this  
173 further. He is convinced there is a cost-effective approach to getting things done where  
174 everyone wins.

175  
176 District Operations Manager Ramirez and District Engineer Pakpour both stated the  
177 three upcoming CIP projects that align with the City's sewer replacements work will be a  
178 good test run. District Engineer Pakpour added that staff meets quarterly with public  
179 works and always asks about upcoming projects on the City's radar for cross reference  
180 to avoid overlap.

181  
182 Director Vella feels that staff also needs to address what happens when coordination  
183 fails. He asked what authority if any does the City's oversight committee have? Director  
184 Warden shared that the oversight committee has no authority or input on how money is  
185 spent.

186  
187 Director Warden asked about the working template agreement to get a feel for proposed  
188 facets. General Manager Rudock advised that the current version only contains legal  
189 content. Staff will work with Public Works to finalize the specific project cost  
190 responsibility details, including cost sharing. Director Warden asked staff to inquire with  
191 other Agencies and see if they are willing to share similar agreements or ordinances. He  
192 also suggested that they consult the California League of Cities and the CSDA for  
193 additional references.

194  
195 **B. Receive Report on City of San Jose v. Superior Court of Santa Clara County**

196 District Counsel Cassman summarized the ruling as presented in the staff report. She  
197 suggested that whenever possible, the Board should use MPWD email when conducting  
198 District related business. If someone receives a correspondence through personal email  
199 then it is recommended in their reply to copy their District email account, so that the  
200 content can be saved to the MPWD server. Texting is another challenge given its  
201 common usage in the work place and District Counsel Cassman's position is that the  
202 Board should avoid using texts to conduct District business.

203  
204  
205  
206  
207  
208  
209  
210  
211  
212  
213  
214  
215  
216  
217  
218  
219  
220  
221  
222  
223  
224  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251  
252  
253

The Board collectively asked for District Counsel Cassman’s opinion on other social media platforms. District Counsel Cassman informed the Board that these challenges will need to be confronted as they appear. Public records requests involving Board members are less common, but officials need to do what they can to avoid private email situations. She shared that there may be an appropriate approach that has public officials signing declarations under penalty of perjury saying that they have looked at their account, but the declarations would need to be convincing and drafted in such a manner that the requestor is assured that one did look for the right materials and they do not exist on the private email account.

District Counsel Cassman reported that it is unlikely that the courts will apply this Supreme Court ruling retroactively given the time that has elapsed since this case was first filed, and the uncertainty of this area of law in the interim.

District Counsel Cassman acknowledged that work emails pertaining to District business could be subjected to disclosure. Director Zucca asked District Counsel Cassman to more clearly define District business and District Counsel Cassman advised that it really comes down to content and context of the email. She offered to come forward with protocols that could help.

General Manager Rudock reported that assigned staff have separate cellular telephones for work versus personal use and work is only conducted through District issued office equipment (e.g., computers, tough books, laptops or tablets) and not personal devices.

Director Zucca asked staff to create individual drop box accounts on the public domain for the use of each Board member.

**C. Discussion Preliminary Water Revenue Requirements for Fiscal Year 2017/2018**

General Manager Rudock discussed the preliminary water revenue requirements. SFPUC is projecting a 0% increase to the wholesale customer unit rate. This is due to debt savings of \$45 million dollars over the life of the refinanced bond, under-projected sales, of an estimated \$18.7 million, and the balancing account totaling \$41 million owed to wholesale customers used to smooth rates over three years.

Staff distributed its preliminary working draft projections for water consumption. Scenario 1 looked at the existing FY 2016/2017 actuals and resulted in a 3.4% projected increase. Scenario 2 looked at the average consumptions of FY 2014/2015 and FY 2015/2016 given they were lower consumption years, which resulted in a 3.8% difference. The final scenario 3 is based on an average consumption for all the years resulting in a 7.8% difference.

Director Warden commented that water use increases are hard to predict. General Manager Rudock agreed and stated that is why staff studies trends in actual use and relies on these facts. These past few years have been conservation years with record low use by customers. It is not likely that use will reduce any further without a push for conservation, and it is predicted that the above average precipitation these past few months will result in an end to the California drought and statewide water conservation emergency regulations. Furthermore, staff has been responsible in its management of operating expenditures and containing costs where feasible without sacrifice to the system. Staff believed that based on projections there would be sufficient revenues in



254 FY 2017/2018 without a rate increase to meet its revenue requirements for the debt  
255 service coverage requirement. It is estimated that approximately \$450,000 would be  
256 available for capital pay-go projects. Finally, General Manager Rudock stated that there  
257 are sufficient reserves should the need arise, and overall, the risk is minimal in  
258 maintaining the same water rate structure in FY 2017/2018.

259  
260 Director Warden indicated three concerns, including the \$19 million worth of new capital  
261 bonds, the District's position on the rates comparison chart presented last month by the  
262 District Engineer, and the number of projects going on. He is pleased staff is  
263 recommending a 0% rate increase. He suggested staff capitalize on this to the public  
264 and thanked staff for their efforts.

265  
266 General Manager Rudock shared that District Administrative Services Manager Pina  
267 added the debt service coverage ratio to the official statement report on page 81.

268  
269 Director Vella added that not only does it look good when you do not raise rates, but  
270 these decisions give much mileage into the future because years when you did not raise  
271 rates are always referenced.

272  
273 Director Zucca added that while other agencies are in the process of trying to play catch  
274 up and figure out how to raise rates, MPWD is sitting on the right side of the zero  
275 percent rate increase curve based on previous actions.

276  
277 **D. Discuss Preliminary Working Draft MPWD Fiscal Year 2017/2018 Operating Budget**  
278 **Summary and Assumptions**

279 General Manager Rudock shared background details from the FY 2017/2018 Operating  
280 Budget summary and the assumptions provided.

281  
282 Director Linvill commented on depreciation and debt service coverage descriptions and  
283 how to present them on the report. General Manager Rudock responded that she and  
284 the District Administrative Service Manager are still working out a format.

285  
286 General Manager Rudock clarified that there is a projected \$500,000 transfer over to the  
287 pay-go capital budget or reserves.

288  
289 **E. BAWSCA Update**

290 Director Vella reported on the Water System Improvement Program, Mountain Tunnel  
291 project, and precipitation report discussed at last week's BAWSCA Board meeting.

292  
293 He confirmed the 0% wholesale rate increase given SFPUC's strong sales numbers. He  
294 also shared that BAWSCA's budget is expected to increase 7.5 percent for FY  
295 2017/2018, which means MPWD will see an increase in its BAWSCA contribution. He  
296 shared information on the Hetch Hetchy Tour scheduled for September 2017.

297  
298 General Manger Rudock distributed copies of BAWSCA's Comments on the 2016 Draft  
299 Revised Substitute Environmental Document to the Board.

300  
301 **9. MANAGER AND BOARD REPORTS**

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

303 General Manager Rudock reported that cumulative water savings to date is 21.6% and  
304 GPCD is down to 60.5. Director Vella's term on the BAWSCA Board is up on June 30,

305 2017. This item will be added to the April 2017 Agenda for Board discussion for another  
306 4-year assignment. Very little is being added to the website right now because it is  
307 being upgraded as a result of the new online bill-pay and customer portal installation.  
308 The Board officer changeover press release has been posted. Because the tentative  
309 date of May 17, 2017 for the State of the District Address at the Belmont Library was not  
310 good for Director Zucca, Director Stuebing instructed General Manager Rudock to  
311 release the tentative library date and research another date and bring it back to the  
312 Board.

313  
314 General Manager Rudock reported on the San Mateo County Emergency Mangers  
315 Association (OES) Meeting and the Caltrans District 4 Deputies Presentation and  
316 concluded by sharing that every couple of years she looks outside MPWD's water area  
317 to learn about other water agencies and the differences in operations. She recently  
318 attended a workshop entitled: "Water Stress and the Changing San Joaquin Valley"  
319 sponsored by the PPIC and Fresno State University. The PPIC is a non-partisan think-  
320 tank group, and their events are well organized. The San Joaquin agricultural  
321 perception was interesting, as was the perspective on disadvantaged communities,  
322 especially during the drought. She secured workshop packages for each of the  
323 Directors.

324  
325 **1. Supplemented by Administrative Services Manager's Report**

326 District Secretary Pina highlighted that staff is near the end of the new billing system  
327 implementation. The next two weeks will be a transition period and more training is  
328 expected in the coming weeks.

329  
330 General Manager Rudock added that staff has done a fantastic job with the  
331 implementation of the new system. The report features are amazing. Next year, she  
332 will be able to share with the Board consumption patterns in all the different rate  
333 tiers. There will be some upcoming policy decisions that have to be made, e.g., the  
334 system has the ability to automatically bills property owners. There are about 50  
335 connections in the MPWD system, which are not in use or being billed based on the  
336 old system or previous policy. Staff's position is that every connection should be  
337 paying. Staff will bring back policy decisions for consideration.

338  
339 District Counsel Cassman asked several questions about the situation. General  
340 Manager explained that the new system will automatically convert back to the  
341 property owner when a tenant calls in to stop service, so it has to be decided at the  
342 policy level whether someone has to consistently pay for water that is being made  
343 available to that connection.

344  
345 General Manager Rudock advised she is not aware of any situations where tenants  
346 leave, abandon, or disappear on the MPWD. General Manager Rudock shared that  
347 some owners convert to their name when a tenant moves while others keep it in their  
348 name and bill tenant accordingly. It just depends on the landlord/tenant agreement.

349  
350 Director Warden commented that the city charges a fixed sewer fee cost even if it is  
351 a vacant lot. He is also curious given the number of old apartment buildings how  
352 many have single meters and costs included in the rent verse shared meters.  
353 General Manager Rudock advised that there is a blend of everything.

354

355 Director Zucca asked District Counsel Cassman if billing property owners is a  
356 Proposition 218 requirement. District Counsel Cassman said no, but advised she will  
357 review District regulations as the rate is not changing, but there may be a change in  
358 the District's regulations as to who is responsible for the water account.

359  
360 General Manager Rudock reported that staff will also be bringing credit card fees  
361 forward for policy direction.  
362

363 **2. Supplemented by Operations Manager's Report**

364 Operations Manager Ramirez reported on the recent water main break at the Karen  
365 Road mobile home park and that the line is part of the 2017 water main repair and  
366 capital replacement program (CIP). Director Warden asked about claims filed.  
367 District Operations Manager Ramirez stated that there might be one claim for water  
368 damage.  
369

370 District Manager Ramirez also discussed the hit fire hydrant on Harbor, advising the  
371 driver did have insurance. The SCADA system did capture the incident, so the  
372 control system in place does work.  
373

374 District Manager Ramirez concluded by reporting on the Carlmont High School lead  
375 testing request. Director Zucca commented that he wants to make sure when results  
376 are communicated that only regulations and data are provided. Staff also needs to  
377 make it crystal clear that the fix is the customer's responsibility. Lab sheets should  
378 only be provided as a courtesy and he does not want opinions provided that might  
379 expose the District to liability.  
380

381 **3. Supplemented by District Engineer's Report**

382 District Engineer Pakpour provided an update report on the design work for the water  
383 main projects.  
384

385 **B. Financial Reports**

386 General Manager Rudock reported target year to date is 66.6%. Commodity charges  
387 through February 28, 2017 are about 3.5% higher than projected, total operating  
388 revenues are about 2.5% higher than projected and total operating expenditures are  
389 about 5% below projections. She also shared that staff added a condensed income  
390 section to the report on the bottom of page 104 that shows the cost of the COP  
391 issuance.  
392

393 Director Linvill commented that the report total does not quite reconcile to what was  
394 reported on page 24 under the General Manager 2016 COP Finance Report. General  
395 Manager Rudock advised that the financial reports are presented in an end-of-month  
396 format, while her report was presented with the most up-to-date information. Director  
397 Linvill reiterated the importance and significance of totals on reports for Directors. Staff  
398 will consider the end-of-month formatting for future reports for consistency.  
399

400 **C. Director Reports**

401 Director Linvill reported she had a service line break at her house and was without water  
402 for two and a half days.  
403

404 Director Zucca reported a constituent had reached out recently during a water main  
405 break to find out why he had no water. He in turn reached out to the General Manager

406 to find out what was going on. He thinks it is reasonable given the number of high tech  
407 people here in the community that the District has some way to get information out right  
408 away using a real-time social forum.

409  
410 Director Warden shared that PG&E has an elected official's hotline. General Manager  
411 Rudock informed the Board that staff is looking into an alert system for the MPWD.

412  
413 Director Linvill asked staff to look into what other agencies are doing. General Manager  
414 Rudock replied that other agencies have a dedicated staff member for managing  
415 multiple social networking platforms like corporate websites, Twitter, Instagram, and  
416 Facebook.

417  
418 Director Vella reported that the General Manager of BAWSCA is trying to meet with all  
419 BAWSCA Directors who are representatives of the 27 member water Agencies. His  
420 meeting is scheduled for Wednesday of next week. She likes to touch base one-on-one  
421 every three or so years with everyone.

422  
423 **10. FUTURE AGENDA ITEMS**

424 General Manager Rudock reported that she will be adding the BAWSCA appointment to the  
425 next Board meeting agenda.

426  
427 **11. COMMUNICATIONS**

428 General Manager Rudock reported on the communication addressed to her and the five  
429 Board members received today. Director Warden asked if any other staff received it. She  
430 confirmed that none had. She also shared a complimentary letter from customers, David  
431 and Karen Duffy, praising staff for their assistance with a leak.

432  
433 **12. CLOSED SESSION**

434 The Board adjourned into Closed Session at 9:05PM to discuss one matter:

435  
436 **A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
437 AND ASSOCIATED NEGOTIATIONS**

438 Government Code §§54957 and 54957.6  
439 Title: General Manager

440  
441 The Board reconvened into open session at 9:45PM.

442  
443 **13. REGULAR BUSINESS**

444 **A. Oral Report Summarizing the Board's Recommendation regarding the General  
445 Manager's Salary Adjustment, and Enact Resolution 2017-06 Approving a Salary  
446 Adjustment for the General Manager, effective January 1, 2017, and  
447 Corresponding Third Amendment to the General Manager's Employment  
448 Agreement**

449 District Counsel Cassman reported that the Board completed the General Manager's  
450 performance evaluation for 2016 and granted a 3.5% annual salary increase equaling  
451 \$6,029 for a total annual salary of \$178,279, effective January 1, 2017.

452  
453 Director Vella moved adoption of Resolution 2017-06 approving the salary adjustment  
454 for the General Manager, effective January 1, 2017, and the corresponding Third  
455 Amendment to the General Manager's Employment Agreement. Vice President Warden  
456 seconded the motion, and after roll call was taken, it was unanimously approved.

457 **14. ADJOURNMENT**

458 The meeting was adjourned at 9:48PM.

459

460

461

462

463

\_\_\_\_\_  
DISTRICT SECRETARY

464

465 APPROVED:

466

467

468

469 \_\_\_\_\_  
BOARD PRESIDENT

470

471

472

# Accounts Payable

## Checks by Date - Summary by Check Date

User: candyp  
 Printed: 4/24/2017 11:44 AM



Check No	Vendor No	Vendor Name	Check Date		Void Checks	Check Amount
221	calpers	CALPERS	03/17/2017		0.00	2,567.15
222	HEALTHEQ	Health Equity	03/17/2017		0.00	256.05
223	ICMACONT	ICMA contributions	03/17/2017		0.00	1,823.08
224	ADPPAYRL	adp	03/17/2017		0.00	9,500.96
225	ADPPAYRL	adp	03/17/2017		0.00	5,019.71
Total for 3/17/2017:					0.00	19,166.95
32041	VOIDEDCK	VOIDED CHECKS	03/23/2017	VOID	0.01	0.00
32042	VOIDEDCK	VOIDED CHECKS	03/23/2017	VOID	0.10	0.00
32043	A-IRENTA	A-1 TRUCK & EQUIPMENT RENTAL	03/23/2017		0.00	1,659.50
32044	ACWA5661	ACWA JPIA	03/23/2017		0.00	1,188.00
32045	AIRGAS	AIRGAS, LLC	03/23/2017		0.00	120.66
32046	AMERICAN	AMERICAN HEALTH & SAFETY TRAIN	03/23/2017		0.00	810.00
32047	MATIASIC	ANTHONY	03/23/2017		0.00	105.18
32048	ARBIMANA	ARBI MANAGEMENT	03/23/2017		0.00	65.82
32049	ASANORUM	RUMI ASANO	03/23/2017		0.00	120.14
32050	ATT60197	AT&T 60197	03/23/2017		0.00	20.20
32051	BEALSTAC	STACEY BEAL	03/23/2017		0.00	56.74
32052	BLUELINE	BLUELINE RENTAL	03/23/2017		0.00	125.00
32053	BUTERAF	FRANK BUTERA	03/23/2017		0.00	150.00
32054	CALCHAME	CALIFORNIA CHAMBER OF COMMER	03/23/2017		0.00	399.00
32055	CARONSAN	SANDRA CARON	03/23/2017		0.00	240.00
32056	CHANDRAF	RACHEL CHANDRA	03/23/2017		0.00	250.00
32057	CHENJENN	JENNIFER CHEN	03/23/2017		0.00	2.58
32058	CHIANGCH	CHUNG-I CHIANG	03/23/2017		0.00	13.80
32059	CHSCONST	CHS CONSTRUCTION	03/23/2017		0.00	24.00
32060	CINTS	CINTAS CORPORATION	03/23/2017		0.00	752.30
32061	COMCAST	COMCAST	03/23/2017		0.00	260.26
32062	COMCASTB	COMCAST BUSINESS	03/23/2017		0.00	628.70
32063	COUNTYSM	COUNTY OF SAN MATEO	03/23/2017		0.00	275.00
32064	ELECTROM	ELECTRO-MOTION, INC.	03/23/2017		0.00	7,827.70
32065	GOLDMANJ	JEFFERY GOLDMAN	03/23/2017		0.00	150.00
32066	GRANITE	GRANITE ROCK, INC.	03/23/2017		0.00	400.54
32067	HAYESNOR	NORMAN HAYES	03/23/2017		0.00	150.00
32068	HOMEDEPC	HOME DEPOT	03/23/2017		0.00	16.28
32069	KATOMICH	MICHAEL KATO	03/23/2017		0.00	150.00
32070	LINCOLNL	LINCOLN LIFE	03/23/2017		0.00	175.00
32071	LYNGSOMA	LYNGSO GARDEN MATERIAL INC	03/23/2017		0.00	82.52
32072	MARCILMI	MICHAEL MARCIL	03/23/2017		0.00	225.00
32073	MELISKOM	MICHELLE MELISKO	03/23/2017		0.00	75.00
32074	OFFICTEM	OFFICE TEAM	03/23/2017		0.00	1,100.72
32075	OLSENJOA	JOANNE OLSEN	03/23/2017		0.00	33.22
32076	OREILLYA	OREILLY AUTO PARTS, INC.	03/23/2017		0.00	31.58
32077	PARS	PARS	03/23/2017		0.00	300.00
32078	PENGSUSA	SUSAN PENG	03/23/2017		0.00	125.00
32079	PERTOCCH	HAL PETROCCHI	03/23/2017		0.00	125.00

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
32080	PETTYCSH	PETTY CASH	03/23/2017	0.00	353.19
32081	PG&E	PG&E CFM/PPC DEPT	03/23/2017	0.00	12,509.21
32082	PROFORMA	PROFORMA GRAPHICS, INC.	03/23/2017	0.00	2,404.29
32083	RICOHPhi	RICOH Philadelphia	03/23/2017	0.00	349.17
32084	SFWATER	SAN FRANCISCO WATER DEPT	03/23/2017	0.00	336,648.50
32085	STANDINS	STANDARD INSURANCE COMPANY	03/23/2017	0.00	780.01
32086	STEPFORD	STEPFORD BUSINESS, INC.	03/23/2017	0.00	2,276.29
32087	SWANSONE	ELVIRA SWANSON	03/23/2017	0.00	94.38
32088	TROYANGG	GENNADY TROYAN	03/23/2017	0.00	75.00
32089	VALLEYOL	VALLEY OIL COMPANY	03/23/2017	0.00	1,860.41
32090	VIP	VIP	03/23/2017	0.00	25.62
32091	WALLACEJ	JEFFERY WALLACE	03/23/2017	0.00	150.00
32092	WEBBBUIL	WEB BUILDERS	03/23/2017	0.00	6.60
32093	WONGDENI	DENNIS WONG	03/23/2017	0.00	41.10
32094	XIOINC	XIO, INC.	03/23/2017	0.00	808.00
Total for 3/23/2017:				0.11	376,616.21
252	WFBUSCAR	WELLS FARGO BUSINESS CARD	03/29/2017	0.00	1,244.09
253	wfbuscar	WELLS FARGO BUSINESS CARD	03/29/2017	0.00	1,282.52
32095	ATT60197	AT&T 60197	03/29/2017	0.00	1,192.75
32096	CGUHLENB	C G UHLENBERG LLP	03/29/2017	0.00	1,325.00
32097	HOMEDEPC	HOME DEPOT	03/29/2017	0.00	185.41
32098	LINCOLNL	LINCOLN LIFE	03/29/2017	0.00	175.00
32099	M&MBACK	M&M BACKFLOW & METER MAINTEN	03/29/2017	0.00	2,922.06
32100	OFFICTEM	OFFICE TEAM	03/29/2017	0.00	1,143.60
32101	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	03/29/2017	0.00	500.00
32102	PETTYCSH	PETTY CASH	03/29/2017	0.00	330.00
32103	PRECISE	PRECISE, INC.	03/29/2017	0.00	610.07
32104	STEPFORD	STEPFORD BUSINESS, INC.	03/29/2017	0.00	1,920.00
32105	USBANKPR	U.S. BANK PARS ACCT# 6746019200	03/29/2017	0.00	36,234.00
32106	VERIZON	VERIZON WIRELESS	03/29/2017	0.00	878.96
Total for 3/29/2017:				0.00	49,943.46
231	ADPPAYRL	adp	03/31/2017	0.00	38,399.22
232	ADPPAYRL	adp	03/31/2017	0.00	16,189.88
233	ADPPAYRL	adp	03/31/2017	0.00	9,814.14
234	ADPPAYRL	adp	03/31/2017	0.00	5,523.85
235	ICMACONT	ICMA contributions	03/31/2017	0.00	666.24
236	ICMACONT	ICMA contributions	03/31/2017	0.00	1,923.08
237	HEALTHEQ	Health Equity	03/31/2017	0.00	802.08
238	HEALTHEQ	Health Equity	03/31/2017	0.00	200.00
239	CALPERS	CALPERS	03/31/2017	0.00	7,206.19
240	CALPERS	CALPERS	03/31/2017	0.00	2,781.41
Total for 3/31/2017:				0.00	83,506.09
32107	ACWA5661	ACWA JPIA	04/11/2017	0.00	44,164.03
32108	ATT60197	AT&T 60197	04/11/2017	0.00	39.32
32109	BAWSCA	BAY AREA WATER SUPPLY & CONSER	04/11/2017	0.00	17,622.00
32110	CARQUEST	CARQUEST AUTO PARTS	04/11/2017	0.00	148.10
32111	CINTS	CINTAS CORPORATION	04/11/2017	0.00	752.30
32112	GSFLOWM	GOLDEN STATE FLOW MEASUREMEN	04/11/2017	0.00	3,773.55
32113	GRANITE	GRANITE ROCK, INC.	04/11/2017	0.00	1,386.70
32114	HANSONBR	HANSON, BRIDGETT	04/11/2017	0.00	3,555.00

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
32115	HOMEDPC	HOME DEPOT	04/11/2017	0.00	934.24
32116	DAVIDSON	JOHN T. DAVIDSON	04/11/2017	0.00	5,090.25
32117	LINCOLNL	LINCOLN LIFE	04/11/2017	0.00	175.00
32118	MATCOTLS	MATCO TOOLS	04/11/2017	0.00	20.75
32119	MHN	MHN	04/11/2017	0.00	45.54
32120	OFFICEDE	OFFICE DEPOT, INC.	04/11/2017	0.00	855.30
32121	OFFICTEM	OFFICE TEAM	04/11/2017	0.00	2,287.20
32122	PACESUPL	PACE SUPPLY CORP	04/11/2017	0.00	180.80
32123	PACOFFIC	PACIFIC OFFICE AUTOMATION	04/11/2017	0.00	184.88
32124	PETCAT	PETERSON CAT	04/11/2017	0.00	57.31
32125	PRECISE	PRECISE, INC.	04/11/2017	0.00	4,157.14
32126	PROFORMA	PROFORMA GRAPHICS, INC.	04/11/2017	0.00	719.31
32127	RAVELLA	LAURA RAVELLA	04/11/2017	0.00	54.86
32128	RECOLOGY	RECOLOGY SAN MATEO	04/11/2017	0.00	715.47
32129	RICOHUSA	RICOH USA, INC. Pasadena	04/11/2017	0.00	133.50
32130	RANDB	ROBERTS & BRUNE CO. INC.	04/11/2017	0.00	10,304.17
32131	RUDOCK	TAMMY RUDOCK	04/11/2017	0.00	48.00
32132	SMENVIRN	SAN MATEO CO. ENVIRO. HEALTH	04/11/2017	0.00	1,670.00
32133	SFPUCWAT	SFPUC WATER QUALITY	04/11/2017	0.00	1,650.00
32134	UNLMTOOI	UNLIMITED TOOL & REPAIR, INC.	04/11/2017	0.00	330.59
32135	VANGUARE	VANGUARD CLEANING SYSTEMS, INC	04/11/2017	0.00	385.00
32136	WONDERW	WONDERWARE NORCAL	04/11/2017	0.00	4,819.86
Total for 4/11/2017:				0.00	106,260.17
254	ADPPAYRL	adp	04/14/2017	0.00	37,772.78
255	ADPPAYRL	adp	04/14/2017	0.00	15,764.48
256	CALPERS	CALPERS	04/14/2017	0.00	2,602.86
257	HEALTHEQ	Health Equity	04/14/2017	0.00	200.00
258	ICMACONT	ICMA contributions	04/14/2017	0.00	2,923.08
259	HEALTHEQ	Health Equity	04/14/2017	0.00	656.05
260	CALPERS	CALPERS	04/14/2017	0.00	7,206.19
261	CALPERS	CALPERS	04/14/2017	0.00	8,210.42
262	HEALTHEQ	Health Equity	04/14/2017	0.00	702.08
263	ICMACONT	ICMA contributions	04/14/2017	0.00	666.24
Total for 4/14/2017:				0.00	76,704.18
32137	AIRGAS	AIRGAS, LLC	04/18/2017	0.00	132.81
32138	ATT30348	AT&T	04/18/2017	0.00	30.00
32139	ATT60197	AT&T 60197	04/18/2017	0.00	38.50
32140	GRANITE	GRANITE ROCK, INC.	04/18/2017	0.00	351.70
32141	HOMEDPC	HOME DEPOT	04/18/2017	0.00	45.76
32142	K119OFCA	K-119 OF CALIFORNIA INC.	04/18/2017	0.00	62.42
32143	KOFFELEC	KOFFLER ELECTRICAL MECHANICAL	04/18/2017	0.00	2,832.00
32144	OFFICTEM	OFFICE TEAM	04/18/2017	0.00	1,143.60
32145	pakpour	PAKPOUR CONSULTING GROUP, INC	04/18/2017	0.00	2,758.87
32146	PARS	PARS	04/18/2017	0.00	300.00
32147	PG&E	PG&E CFM/PPC DEPT	04/18/2017	0.00	2,197.70
32148	PINA	CANDY PINA	04/18/2017	0.00	52.63
32149	precise	PRECISE, INC.	04/18/2017	0.00	7,984.00
32150	RICOHPhi	RICOH Philadelphia	04/18/2017	0.00	350.32
32151	RANDB	ROBERTS & BRUNE CO. INC.	04/18/2017	0.00	742.65
32152	SUBTRONI	SUBTRONIC CORPORATION	04/18/2017	0.00	1,102.50
32153	USPOSTAL	U S POSTAL SERVICE	04/18/2017	0.00	284.00
Total for 4/18/2017:				0.00	20,409.46



Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
----------	-----------	-------------	------------	-------------	--------------

			Report Total (140 checks):	0.11	732,606.52
--	--	--	----------------------------	------	------------



**AGENDA ITEM NO. 7.A.**

DATE: April 27, 2017

TO: Board of Directors

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

**SUBJECT: RECEIVE RECONCILIATION QUARTERLY REPORT ON 2016 COP FINANCING FOR PERIOD JANUARY 1, 2017 THROUGH MARCH 31, 2017, AND DISCUSS SAMPLE 2016 COP PROJECT FUND QUARTERLY REPORT FORMAT**

**RECOMMENDATION**

Receive Reconciliation Quarterly Report on 2016 COP Financing for period January 1, 2017, through March 31, 2017, and discuss sample 2016 COP Project Fund Quarterly Report format.

**FISCAL IMPACT**

<b>MPWD 2016 COP CIP - RECONCILIATION @ 3/31/17</b>		
<b>Date</b>	<b>For What</b>	<b>COP Funds</b>
3/31/2017	Beginning Balance	\$ 19,508,447.46
3/31/2017	Closing Costs	\$ (322,550.98)
3/31/2017	Interest Earned	\$ 12,640.32
	<b>Total Balance</b>	<b>\$ 19,198,536.80</b>

**DISCUSSION**

Staff's first 2016 COP Reconciliation Quarterly Report is attached, including the breakdown of Closing Costs and Interest Earned as of March 31, 2017. Trustee bank statements were reconciled and the project fund balance was \$19,198,536.80.

Dan Bergmann of IGService is an independent consultant that is working with staff on quarterly project reporting for the 2016 COP CIP. Mr. Bergmann is the MPWD's

Dissemination Agent that is responsible for filing annual disclosure reporting for the 2016 COP.

There were no project fund expenditures in the first quarter that ended March 31, 2017, which allows for time to discuss formatting with the Board. Staff previously stated it would meet with the Board's Financial Audit Review Committee (Director Linvill and Vice President Warden) regarding the quarterly report format. But, Director Zucca also expressed an interest last month in the quarterly report structure, so staff felt it best to share with the entire Board so as not leave anyone out. There is plenty of time before the June 30<sup>th</sup> quarterly report on the project fund is due in July.

Mr. Bergmann's introductory letter dated April 23, 2017, is attached including the 2016 COP sample quarterly report format and sample capital project spreadsheet (Mezes Avenue WMR).

Attachments: 2016 COP Reconciliation Quarterly Report at March 31, 2017  
Dan Bergmann letter dated April 23, 2017, including 2016 COP Sample Quarterly Report and Sample Capital Project Spreadsheet for Mezes Avenue WMR

---

BOARD ACTION: APPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

UNANIMOUS\_\_\_\_\_ ZUCCA\_\_\_\_\_ WARDEN\_\_\_\_\_ STUEBING\_\_\_\_\_ VELLA\_\_\_\_\_ LINVILL\_\_\_\_\_

<b>MPWD 2016 COP CIP - RECONCILIATION @ 3/31/17</b>		
<b>Date</b>	<b>For What</b>	<b>COP Funds</b>
3/31/2017	Beginning Balance	\$ 19,508,447.46
3/31/2017	Closing Costs	\$ (322,550.98)
3/31/2017	Interest Earned	\$ 12,640.32
	<b>Total Balance</b>	<b>\$ 19,198,536.80</b>

<b>Closing Costs</b>		
<b>Date</b>	<b>For What</b>	<b>Closing Costs</b>
12/21/2016	Issuance Costs	\$ (114,426.48)
12/21/2016	Quint & Thimmig LLP	\$ (30,000.00)
12/21/2016	Wulff Hansen & Co	\$ (70,000.00)
12/21/2016	IPREO LLC	\$ (1,500.00)
12/21/2016	S & P Global Ratings	\$ (20,000.00)
12/21/2016	Elabra, Inc.	\$ (1,135.00)
12/21/2016	Public Property Financing Corp	\$ (3,500.00)
12/21/2016	Quint & Thimmig LLP	\$ (71,607.00)
3/7/2017	Sale - Dreyfus Trsy Sec	\$ (2,250.00)
3/8/2017	Sale - Dreyfus Trsy Sec	\$ (8,132.50)
	<b>Total</b>	<b>\$ (322,550.98)</b>

<b>Interest Earned</b>		
<b>Date</b>	<b>For What</b>	<b>Interest Earned</b>
1/4/2017	Dividends	\$ 1,596.65
2/4/2017	Dividends	\$ 5,491.64
3/2/2017	Dividends	\$ 5,552.03
	<b>Total</b>	<b>\$ 12,640.32</b>

4/27/2017



April 23, 2017

Tammy Rudock, General Manager  
Mid-Peninsula Water District  
3 Dairy Lane  
Belmont, CA 94002

Email: [trudock@midpeninsulawater.org](mailto:trudock@midpeninsulawater.org)

Re: Quarterly Financial Reporting for CIP

Dear Ms. Rudock:

The purpose of this letter is to introduce to the Board of Directors (Board) my proposed financial reporting structure associated with the use of the Series 2016 Certificates of Participation (COPs). Specifically, my role is to facilitate financial accountability between staff and the Board associated with spending of the COPs. This service will provide a recurring structure for reporting to the board, and will also enable staff to focus more time on implementing the projects rather than project accounting and report preparation. The reports will include progress on specific CIP projects, in addition to spending status of the COPs. This reporting work is in addition to my existing role of preparing the annual disclosure reports for the COPs.

The two main elements of the quarterly reports will be the Excel Workbook described below, and an accounting statement directly from the COP trustee, Bank of New York, that reconciles to the Workbook. Quarterly updates will be included in agenda packets such that each update is locked in time in official District records.

The key tracking tool is a comprehensive Excel Workbook. The Workbook consists of one summary page listing all projects, cost, and timing change by project, and total spent vs balance remaining for all projects combined. This one page enables the Board to quickly assess overall progress and financial standing. Following the summary page in the Workbook is one page for each project. These detail pages show the quarterly history of cost and timing changes for each project and allow for comments to be written. This Workbook can therefore grow over the life of the CIP effort tracking changes along the way. The two-page attachment shows the summary page and one detail page populated with fictitious data as an example.

Finally, to enhance reporting accuracy and accountability, I am proposing to meet with Rene Ramirez and key staff involved in CIP implementation for the purpose of talking through the project list to update overall status. This would happen each quarter two weeks prior to reporting to the Board. Facilitation of these quarterly staff meetings and quarterly reporting to the Board will serve to keep the entire team moving toward success in the large endeavor.

On a personal note, my foremost objective is to bring value to Mid-Peninsula by fulfilling a role you are not able to fulfill with your immediate staff. Please know I am flexible to adapt as your needs may change moving through the months ahead. We can adjust the Letter Agreement and scope as necessary.

Sincerely,

Dan Bergmann  
Principal

140 MayhewWay, Suite 901, Pleasant Hill, CA 94523 Office: 925-946-9090 Cell: 925-899-2578

MPWD Projects: April 2017 Update		Cost		Spent		Completion Date	
Project	#	Estimate <sup>1</sup>	Updated	COP <sup>2</sup>	Pay-Go <sup>3</sup>	Original	Updated
<a href="#">Mezes Avenue Improvements</a>	15-14	\$175,000		\$0	\$0	Jun-18	
<a href="#">El Camino Real Improvements</a>	15-76	2,100,000		0	0	Jun-21	
<a href="#">Folger Drive Improvements</a>	15-65	420,000		0	0	Jun-18	
Karen Road Improvements	15-73	425,000		0	0	Jun-18	
Notre Dame Avenue Loop Closure	15-10	910,000		0	0	Jun-19	
South Road Abandonment	15-44	415,000		0	0	Jun-18	
Arthur Avenue Improvements	15-22	475,000		0	0	Jun-18	
Williams Ave, Ridge Rd, Hillman Ave Impr.	15-16	1,100,000		0	0	Jun-22	
N. Rd Cross Country / Davey Glen Rd Impr.	15-43	680,000		0	0	Jun-19	
Zone 5 Fire Hydrant Upgrades	15-06	150,000		0	0	Jun-19	
Civic Lane Improvements	15-78	800,000		0	0	Jun-19	
Monte Cresta Dr / Alhambra Drive Impr.	15-17	1,075,000		0	0	Jun-22	
Hillcrest Pressure Regulating Station	15-87	345,000		0	0	Jun-18	
Dekoven Tank Utilization Project	15-09	1,035,000		0	0	Jun-20	
Tahoe Drive Area Improvements	15-28	510,000		0	0	Jun-19	
Belmont Canyon Road Improvements	15-29	420,000		0	0	Jun-20	
Cliffside Court Improvements	15-38	220,000		0	0	Jun-21	
North Road Improvements	15-42	220,000		0	0	Jun-21	
Old County Road Improvements	15-75	3,400,000		0	0	Jun-20	
SR 101 Crossing at PAMF Hospital	15-72	1,670,000		0	0	Jun-22	
Dekoven Tanks Replacement	15-89	3,500,000		0	0	Jun-20	
<b>TOTALS</b>		<b>\$20,045,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		

**Updated vs. Original Change:**

**Notes:**

- 1) Resolution No. 2016-06, May 26, 2016
- 2) 2016 Certificates of Participation (COP) \$18,570,000
- 3) Improvements funded through net operating revenues on pay-as-go basis

<b>Mezes Avenue Improvements 15-14</b>								
	<b>Costs</b>				<b>Completion Tracking</b>	<b>Spent</b>		
	<b>Planning, Design &amp; CM</b>	<b>Construction</b>	<b>Contingency</b>	<b>Total</b>		<b>Planning, Design &amp; CM</b>	<b>Construction</b>	<b>Total</b>
<b>Original→</b>	<b>\$37,000</b>	<b>\$122,500</b>	<b>\$15,500</b>	<b>\$175,000</b>	<b>Jun-18</b>			
<b>Updates↓</b>	<b>Cost Adjustments</b>				<b>Added days</b>			
Mar-17	\$5,000	\$0	\$0	\$5,000	60	\$0	\$0	\$0
Sep-17	0	0	0	0	0	10,000	0	10,000
Jan-18	0	0	10,000	10,000	60	0	0	0
Apr-18	0	30,000	0	30,000	0	0	30,000	30,000
Jun-18	10,000	10,000	0	20,000	0	20,000	60,000	80,000
Sep-18	0	0	0	0		0	100,000	100,000
Jan-19	0	0	0	0		0	10,000	10,000
				0		0		0
				0		0		0
				0		0		0
				0		0		0
				0		0		0
				0		0		0
<b>TOTALS</b>	<b>\$52,000</b>	<b>\$162,500</b>	<b>\$25,500</b>	<b>\$240,000</b>	<b>Sep-18</b>	<b>\$30,000</b>	<b>\$200,000</b>	<b>\$230,000</b>
<b>Increase from Original Cost →</b>				<b>\$65,000</b>		<b>→</b>		<b>\$55,000</b>
				<b>37%</b>				<b>31%</b>
<b>Comments:</b>								
Mar-17	Additional design costs incurred because of...							
Sep-17	First payments made...							
Jan-18	Contingency increased because of...							
Apr-18								
Jun-18								
Sep-18								
Jan-19	Project completed and paid out completely							



**AGENDA ITEM NO. 8.A.**

DATE: April 27, 2017  
 TO: Board of Directors  
 FROM: Tammy Rudock, General Manager  
 Candy Pina, Administrative Services Manager  
 Rene Ramirez, Operations Manager

**SUBJECT: REVIEW WORKING DRAFT MPWD FISCAL YEAR 2017/2018 OPERATING AND CAPITAL BUDGETS, INCLUDING WATER REVENUE REQUIREMENTS**

**RECOMMENDATION**

Discuss Working Draft MPWD Fiscal Year (FY) 2017/2018 Operating and Capital Budgets, including water revenue requirements.

**FISCAL IMPACT**

BUDGET CATEGORY	PROPOSED FY 2017/2018 BUDGET	PROJECTED FY 2016/2017 BUDGET	ACTUAL FY 2015/2016	ACTUAL FY 2014/2015
Total Operating Revenues	\$11,827,720	\$11,498,120	\$10,582,037	\$9,866,874
Total Operating Expenditures*	\$12,342,912	\$11,350,517	\$ 9,676,399	\$9,293,119
Net Transfer to Capital	<\$ 515,192>**	\$ 147,603	\$ 905,638	\$ 573,755

\*Total Operating Expenditures include Depreciation Expense.

\*\*The full amount of Depreciation (\$1,050,000) will NOT be available for transfer to Proposed FY 2017/2018 Capital Pay-Go Program. \$534,808 is the projected Operating Surplus for transfer to Capital Pay-Go Program.

**DISCUSSION**

***FY 2017/2018 OPERATING BUDGET***

As discussed last month, here are FY 2017/2018 budget assumptions:

**REVENUES**

- Water revenue requirements include no adjustment in rates because:
  - The SFPUC is not increasing wholesale water rates for FY 2017/2018;
  - The MPWD has fully funded its reserves (\$5,000,000), plus has excess reserves of approximately \$500,000;
  - Additional development projects in Belmont are being considered, which would result in increased revenues for the MPWD;
  - Operations have consistently been well managed within or under budget for the past few years, and staff believes the incremental inflationary increases projected in FY 2017/2018 can be absorbed;



- Staff has heard the Board's concern about MPWD's water rates when compared to other BAWSCA agencies; and
- MPWD customers achieved exemplary water conservation savings during the past few years of California drought and MPWD rate increase periods and deserve to reap some benefit of the MPWD's current positive financial position.
- Water consumption trends were reviewed with the Board for the past five (5) years and the FY 2017/2018 projected amount is reflective of the average consumption of the two lowest months reviewed—approximately 2.7% increase, and a smaller percentage increase in use next year for a total of 5.2%.
- Development revenues (Water System Capacity Charges and Water Demand Offset Charges) were left at the current fiscal year's projections. There remain a few large projects in Belmont that have been permitted and might be constructed next year.
- Service Line & Installation Charges were reduced to \$10,000 to be conservative.
- Lease of Physical Property Revenues were reduced based on projected FY 2016/2017 actuals.
- Total Operating Revenues are projected to increase by \$329,600 (or 2.9%) when compared with the projected Total Operating Revenues for FY 2016/2017.

**EXPENDITURES**

- A 3% inflationary factor was applied to Salaries & Wages and Payroll Taxes & Benefits and should cover the MPWD Employees Association living wage adjustment and merit increases.
- The SFPUC Treated Water projected expenditure was increased by 5.2% after the review of past actual expenses.
- A 3% inflationary factor was applied to Utilities.
- Professional Services were slightly decreased by 2.6% as a result of anticipated workload in FY 2017/2018.
- Training/Travel/Recruitment expenditures are projected to remain the same as FY 2016/2017.
- Depreciation is projected to increase by 10.5%.
- A full year of debt service payments for the 2016 COP was included totaling \$1,045,867.
- Total Operating Expenditures are projected to increase by 8.6%, the majority of which is for projected increased use and more Purchased Water (5.2%).
- The Net Transfer to Capital is projected to be \$534,808.
- The MPWD's debt service coverage requirement for the 2016 COP is 1.3, and it is projected to be 1.51 for FY 2017/2018.

**FY 2017/2018 CAPITAL BUDGET**

Staff has delayed preparation of a proposed cash-funded “pay-go” Capital Budget until mid-year in order to be cautious. The MPWD will be busy focusing on implementation of the 2016 COP CIP and AMI meter change-out program in the first half of FY 2017/2018.

Attachments: WORKING DRAFT FY 2017/2018 MPWD Operating and Capital Budgets

---

BOARD ACTION: APPROVED:\_\_\_\_ DENIED:\_\_\_\_ POSTPONED:\_\_\_\_ STAFF DIRECTION:\_\_\_\_  
 UNANIMOUS\_\_\_\_ STUEBING\_\_\_\_ WARDEN\_\_\_\_ VELLA\_\_\_\_ LINVILL\_\_\_\_ ZUCCA\_\_\_\_

**WORKING DRAFT**

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

4/24/2017

DESCRIPTION	FY 2015-2016 ACTUAL \$	APPROVED AMENDED FY 2016-2017 BUDGET	ACTUALS 7/1/16-3/31/17	PROPOSED FY 2017-2018 BUDGET \$	Increase (Decrease)	% Change
<b>OPERATING REVENUE</b>						
WATER COMMODITY CHARGES	7,433,821	8,100,000	6,303,929	8,500,000	400,000	4.9%
FIXED SYSTEM CHARGES	2,452,298	2,663,720	2,012,437	2,663,720	-	0.0%
FIRE SERVICE CHARGES	14,650	14,400	10,833	14,000	(400)	-2.8%
SERVICE LINE & INSTALLATION CHARGES	113,439	25,000	1,813	10,000	(15,000)	-60.0%
WATER SYSTEM CAPACITY CHARGES	90,625	200,000	67,500	200,000	-	0.0%
WATER DEMAND OFFSET CHARGES	13,793	10,000	8,760	10,000	-	0.0%
MISCELLANEOUS	11,460	10,000	28,260	10,000	-	0.0%
INTEREST REVENUE - LAIF	14,847	20,000	24,386	10,000	(10,000)	-50.0%
LEASE OF PHYSICAL PROPERTY	170,763	200,000	108,068	150,000	(50,000)	-25.0%
PROPERTY TAX REVENUE	<b>266,341</b>	<b>255,000</b>	<b>222,436</b>	<b>260,000</b>	<b>5,000</b>	2.0%
<b>TOTAL OPERATING REVENUE</b>	<b>10,582,037</b>	<b>11,498,120</b>	<b>8,788,422</b>	<b>11,827,720</b>	<b>329,600</b>	2.9%
<b>OPERATING EXPENDITURES (OP EXP)</b>						
SALARIES & WAGES	1,519,614	1,668,500	1,197,515	1,718,225	49,725	3.0%
PAYROLL TAXES & BENEFITS	827,215	1,163,800	803,549	1,202,102	38,302	3.3%
PURCHASED WATER	4,491,157	4,976,000	3,837,462	5,234,856	258,856	5.2%
OUTREACH & EDUCATION	119,470	116,900	7,911	116,900	-	0.0%
M&R - OPS SYSTEM	367,496	378,250	204,791	389,598	11,348	3.0%
M&R - FACILITIES & EQUIPMENT	134,261	162,000	68,178	166,860	4,860	3.0%
SYSTEM SURVEYS	31,545	12,000	591	30,000	18,000	150.0%
ADMINISTRATION & EQUIPMENT	256,145	348,500	211,643	314,755	(33,745)	-9.7%
MEMBERSHIP & GOV FEES	180,815	197,500	121,215	208,613	11,113	5.6%
BAD DEBT & CLAIMS	8,888	37,000	19,435	37,000	-	0.0%
UTILITIES	267,479	292,900	185,910	301,687	8,787	3.0%
PROFESSIONAL SERVICES	539,375	473,900	291,524	461,450	(12,450)	-2.6%
TRAINING/TRAVEL & RECRUITMENT	22,577	45,000	25,980	45,000	-	0.0%
RESTRICTED EARNINGS	-	20,000	24,386	20,000	-	0.0%
RESERVES	-	-	-	-	-	NA
DEBT SERVICE	-	508,267	223,417	1,045,867	537,600	105.8%
<b>TOTAL OP EXP LESS DEPRECIATION (DEPREC)</b>	<b>8,766,037</b>	<b>10,400,517</b>	<b>7,223,508</b>	<b>11,292,912</b>	<b>892,395</b>	8.6%
<b>TOTAL OP REVENUE LESS OP EXP &amp; DEPREC</b>	<b>1,816,000</b>	<b>1,097,603</b>	<b>1,564,914</b>	<b>534,808</b>	<b>(562,795)</b>	-51.3%
DEPRECIATION	910,362	950,000	692,390	1,050,000	100,000	10.5%
<b>TOTAL OP REVENUE LESS OP EXPENDITURES</b>	<b>905,638</b>	<b>147,603</b>	<b>872,525</b>	<b>(515,192)</b>	<b>(662,795)</b>	-449.0%
<b>NET TRANSFERS TO CAPITAL</b>	<b>(905,638)</b>	<b>(147,603)</b>	<b>(872,525)</b>	<b>515,192</b>	<b>662,795</b>	-146.9%
<b>NET RESULTS OF OPERATIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>DEBT SERVICE COVERAGE</b>				<b>1.51</b>		

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

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2015-2016 ACTUAL	ACTUALS 7/1/16-3/31/17	APPROVED AMENDED FY 2016-2017 BUDGET	PROPOSED FY 2017-2018 BUDGET	Increase (Decrease)	% Change
1-400-4010-40-00	WATER COMMODITY CHARGES	7,433,821	6,303,929	8,100,000	8,500,000	400,000	4.9%
1-400-4020-00-00	FIXED SYSTEM CHARGES	2,452,298	2,012,437	2,663,720	2,663,720	-	0.0%
1-400-4030-00-00	FIRE SERVICE CHARGES	14,650	10,833	14,400	14,000	(400)	-2.8%
1-400-4050-00-00	SERVICE LINE & INSTALLATION CHARGES	113,439	1,813	25,000	10,000	(15,000)	-60.0%
1-400-4060-00-00	WATER SYSTEM CAPACITY CHARGES	90,625	67,500	200,000	200,000	-	0.0%
1-400-4070-00-00	WATER DEMAND OFFSET CHARGES	13,793	8,760	10,000	10,000	-	0.0%
1-400-4090-00-00	MISCELLANEOUS	11,060	4,860	10,000	10,000	-	0.0%
1-400-4000-00-00	<b>TOTAL WATER AND FEE CHARGES</b>	<b>10,129,686</b>	<b>8,410,133</b>	<b>11,023,120</b>	<b>11,407,720</b>	<b>384,600</b>	<b>3.5%</b>
1-400-4102-00-00	Interest Revenue- LAIF	14,847	24,386	20,000	10,000	(10,000)	-50.0%
1-400-4100-00-00	<b>INTEREST REVENUE</b>	<b>14,847</b>	<b>24,386</b>	<b>20,000</b>	<b>10,000</b>	<b>(10,000)</b>	<b>-50.0%</b>
1-420-4201-44-00	Lease of Physical Property	170,763	108,068	200,000	150,000	(50,000)	-25.0%
1-420-4202-45-00	Property Tax Revenue	266,341	222,436	255,000	260,000	5,000	2.0%
1-420-4208-46-00	Landscape Plan Permit Review	400	23,400			-	NA
1-420-4200-00-00	<b>OTHER REVENUE</b>	<b>437,504</b>	<b>353,904</b>	<b>455,000</b>	<b>410,000</b>	<b>(45,000)</b>	<b>-9.9%</b>
	<b>TOTAL OPERATING REVENUE</b>	<b>10,582,037</b>	<b>8,788,422</b>	<b>11,498,120</b>	<b>11,827,720</b>	<b>329,600</b>	<b>2.9%</b>
1-601-6010-50-00	Salaries & Wages	1,450,321	1,138,251	1,575,000	1,622,250	47,250	3.0%
1-601-6010-50-00	Capital Salaries & Wages		71,221	-			
1-601-6010-51-00	Director Compensation	7,600	5,500	11,000	11,000	-	0.0%
1-601-6010-00-00	<b>GROSS REGULAR WAGES</b>	<b>1,457,921</b>	<b>1,214,972</b>	<b>1,586,000</b>	<b>1,633,250</b>	<b>47,250</b>	<b>3.0%</b>
1-601-6010-50-00	<b>CAPITAL SALARY &amp; WAGES reversed</b>		<b>(71,221)</b>				

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

ACCOUNT	ACCOUNT	FY 2015-2016	ACTUALS	APPROVED AMENDED FY 2016-2017	PROPOSED FY 2017-2018	Increase	%
1-602-6020-56-00	Overtime Labor	27,979	28,360	45,500	46,865	1,365	3.0%
1-602-6020-57-00	Standby Labor	33,715	25,404	37,000	38,110	1,110	3.0%
1-602-6020-00-00	<b>SUB-TOTAL SALARY &amp; WAGES</b>	<b>1,519,614</b>	<b>1,197,515</b>	<b>1,668,500</b>	<b>1,718,225</b>	<b>49,725</b>	3.0%
1-603-6030-58-00	FICA/Medicare PR Tax	106,709	81,639	131,500	135,445	3,945	3.0%
1-603-6030-59-00	ACWA Health Care	301,917	242,241	320,000	329,600	9,600	3.0%
1-603-6030-60-00	ACWA Dental	25,645	18,842	31,000	31,930	930	3.0%
1-603-6030-61-00	ACWA Vision	4,293	3,278	4,350	4,481	131	3.0%
1-603-6030-62-00	ACWA Life/AD&D	4,164	3,323	4,200	4,326	126	3.0%
1-603-6030-63-00	Standard LDL/SDL Disability	8,781	7,460	12,400	12,772	372	3.0%
1-603-6030-64-00	Workers' Comp Insurance	35,976	26,773	50,400	50,400	-	0.0%
1-603-6030-65-00	Unemployment	-	-	1,000	1,030	30	3.0%
1-603-6030-66-00	CALPERS Retirement - ER 2%@55	(13,127)	149,463	235,000	242,050	7,050	3.0%
	<b>CAPITAL PAYROLL TAXES &amp; BENEFITS</b>		28,503	-	-		
1-603-6030-67-00	Retirees' ACWA Health Care	59,261	47,895	56,000	57,680	1,680	3.0%
1-603-6030-68-00	Directors' ACWA Health Care	106,223	84,468	108,000	111,240	3,240	3.0%
1-603-6030-70-00	Medical Reimbursement	541	455	1,000	1,030	30	3.0%
1-603-6030-71-00	Employee Service Recognition	9,050	2,098	7,000	7,210	210	3.0%
1-603-6030-72-00	Safety Incentive Program	7,200	6,530	7,200	7,416	216	3.0%
1-603-6030-73-00	Uniforms	26,673	19,982	24,750	25,493	743	3.0%
1-603-6030-74-00	PARS OPEB Expense	200,104	109,102	170,000	180,000	10,000	5.9%
1-603-6030-75-00	Net Pension Expense	(56,196)	-				
1-603-6030-00-00	<b>SUB-TOTAL PAYROLL TAXES &amp; BENEFITS</b>	<b>827,215</b>	<b>832,052</b>	<b>1,163,800</b>	<b>1,202,102</b>	<b>38,302</b>	3.3%
	<b>CAPITAL PAYROLL TAXES &amp; BENEFITS</b>		(28,503)				
	<b>PERSONNEL COSTS</b>	<b>2,346,829</b>	<b>2,001,064</b>	<b>2,832,300</b>	<b>2,920,327</b>	<b>88,027</b>	3.1%
1-610-6100-76-00	SFPUC Treated Water	3,951,422	3,428,697	4,441,144	4,700,000	258,856	5.8%
1-610-6100-77-00	BAWSCA (Debt Service Surcharges)	461,256	356,589	476,000	476,000	-	0.0%
1-610-6100-78-00	Rates Stabilization	-	-	-	-	-	NA
1-610-6100-79-00	SFPUC Water Service Charge	78,478	52,176	58,856	58,856	-	0.0%
6-610-6100-00-00	<b>PURCHASED WATER</b>	<b>4,491,157</b>	<b>3,837,462</b>	<b>4,976,000</b>	<b>5,234,856</b>	<b>258,856</b>	5.2%

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

ACCOUNT	ACCOUNT	FY 2015-2016	ACTUALS	APPROVED AMENDED FY 2016-2017	PROPOSED FY 2017-2018	Increase	%
1-630-6301-00-00	Water Conservation Program	4,541	954	7,200	7,200	-	0.0%
1-630-6302-00-00	School Conservation Program	24,403	590	7,200	7,200	-	0.0%
1-630-6303-00-00	Public Outreach & Education	32,208	12,120	25,750	25,750	-	0.0%
1-634-6304-80-00	HET (High Efficiency Toilet) Rebates	13,068	(8,499)	19,750	19,750	-	0.0%
1-634-6304-81-00	Washing Machine Rebates	13,447	(4,103)	13,750	13,750	-	0.0%
1-634-6304-82-00	Lawn-Be-Gone Rebates	31,076	6,026	38,100	38,100	-	0.0%
1-634-6304-83-00	Rain Barrels Rebates	727	823	5,150	5,150	-	0.0%
1-630-6300-00-00	<b>WATER CONSERVATION REBATES</b>	<b>58,318</b>	<b>(5,753)</b>	<b>76,750</b>	<b>76,750</b>	-	0.0%
	<b>OUTREACH/EDUCATION</b>	<b>119,470</b>	<b>7,911</b>	<b>116,900</b>	<b>116,900</b>	-	0.0%
1-640-6401-00-00	Water Quality	45,930	45,397	67,000	69,010	2,010	3.0%
1-640-6402-00-00	Pumping	30,015	10,671	63,250	65,148	1,898	3.0%
1-640-6403-00-00	Storage Tanks	2,710	2,905	10,000	10,300	300	3.0%
1-640-6404-00-00	Mains/Distribution	189,632	70,976	100,000	103,000	3,000	3.0%
1-640-6405-00-00	Meters & Service	54,589	9,946	30,000	30,900	900	3.0%
1-640-6406-00-00	Fire Hydrants	30,226	23,995	31,000	31,930	930	3.0%
1-640-6407-00-00	Regulator Stations	9,305	78	6,000	6,180	180	3.0%
1-640-6408-00-00	Safety	4,286	12,314	32,000	32,960	960	3.0%
1-640-6409-00-00	SCADA maintenance	801	8,460	15,000	15,450	450	3.0%
1-640-6410-00-00	Generator Maintenance	-	20,050	24,000	24,720	720	3.0%
1-640-6400-00-00	<b>FIELD OPERATIONS &amp; MAINTENANCE</b>	<b>367,496</b>	<b>204,791</b>	<b>378,250</b>	<b>389,598</b>	<b>11,348</b>	3.0%
1-650-6501-00-00	Buildings&Grounds	68,020	39,882	93,000	95,790	2,790	3.0%
1-650-6502-00-00	Equipment&Tools	17,596	13,203	21,000	21,630	630	3.0%
1-650-6503-00-00	Vehicles & Large Equipment	26,475	1,362	19,000	19,570	570	3.0%
1-650-6504-00-00	Fuel	22,170	13,732	29,000	29,870	870	3.0%
1-650-6500-00-00	<b>FACILITIES &amp; EQUIPMENT</b>	<b>134,261</b>	<b>68,178</b>	<b>162,000</b>	<b>166,860</b>	<b>4,860</b>	3.0%
1-660-6601-00-00	Cathodic Protection Survey	700	241	12,000		(12,000)	-100.0%
1-660-6602-00-00	Leak Detection Survey	30,845	350	-	30,000	30,000	NA
1-660-6600-00-00	<b>SYSTEM SURVEYS</b>	<b>31,545</b>	<b>27,591</b>	<b>12,000</b>	<b>30,000</b>	<b>18,000</b>	150.0%

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

ACCOUNT	ACCOUNT	FY 2015-2016	ACTUALS	APPROVED AMENDED FY 2016-2017	PROPOSED FY 2017-2018	Increase	%
1-670-6701-00-00	Office Supplies	15,953	8,993	15,000	15,450	450	3.0%
1-670-6702-00-00	Insurance- Liability/Vehicles/Excess	65,516	48,922	87,750	90,383	2,633	3.0%
1-670-6703-00-00	Postage	12,693	10,159	8,000	8,240	240	3.0%
1-670-6704-00-00	Printing/Print Supplies	33,710	10,815	15,000	15,450	450	3.0%
1-670-6705-00-00	Equipment Services/Maintenance	10,819	17,568	56,750	58,453	1,703	3.0%
1-670-6706-00-00	Computer Supplies & Upgrades	1,065	11,268	14,750	15,193	443	3.0%
1-670-6707-00-00	Security & Safety	16	2,173	10,750	11,073	323	3.0%
1-670-6708-00-00	Miscellaneous Fees	184	16	500	515	15	3.0%
1-670-6709-00-00	Customer Credit Card Service Fees	116,189	101,729	140,000	100,000	(40,000)	-28.6%
1-670-6700-00-00	<b>ADMINISTRATION &amp; EQUIP</b>	<b>256,145</b>	<b>211,643</b>	<b>348,500</b>	<b>314,755</b>	<b>(33,745)</b>	<b>-9.7%</b>
1-680-6801-00-00	Dues & Publications	34,240	28,894	39,500	40,685	1,185	3.0%
1-680-6802-00-00	Gov't Fees & Licenses	51,233	15,529	53,250	54,848	1,598	3.0%
1-680-6803-00-00	BAWSCA Membership Assessments	67,742	53,333	68,750	76,000	7,250	10.5%
1-680-6804-00-00	Env Health - Cross Connection Inspection	27,600	22,500	31,000	31,930	930	3.0%
1-680-6805-00-00	Software Licenses	-	960	5,000	5,150	150	3.0%
1-680-6800-00-00	<b>MEMBERSHIP &amp; GOV FEES</b>	<b>180,815</b>	<b>121,215</b>	<b>197,500</b>	<b>208,613</b>	<b>11,113</b>	<b>5.6%</b>
1-690-6901-00-00	<b>Bad Debt</b>	4,901	5,713	7,000	7,000	-	0.0%
1-690-6902-00-00	Claims	3,987	13,722	30,000	30,000	-	0.0%
1-690-6900-00-00	<b>BAD DEBT &amp; CLAIMS</b>	<b>8,888</b>	<b>19,435</b>	<b>37,000</b>	<b>37,000</b>	<b>-</b>	<b>0.0%</b>
1-700-7001-00-00	Utilities-Internet/Cable	9,365	8,199	12,100	12,463	363	3.0%
1-700-7002-00-00	Utilities-Cellular Telephones	14,187	7,819	11,850	12,206	356	3.0%
1-700-7003-00-00	Utilities-Electric-Pumping Costs	197,246	134,475	220,000	226,600	6,600	3.0%
1-700-7004-00-00	Utilities-Electric-Bldgs&Grounds	22,458	16,399	24,000	24,720	720	3.0%
1-700-7005-00-00	Utilities-Telephones	17,702	14,319	17,500	18,025	525	3.0%
1-700-7006-00-00	Utilities-Sewer - NPDES	6,521	4,699	7,450	7,674	224	3.0%
1-700-7000-00-00	<b>UTILITIES</b>	<b>267,479</b>	<b>185,910</b>	<b>292,900</b>	<b>301,687</b>	<b>8,787</b>	<b>3.0%</b>
1-710-7101-00-00	Prof Serv - District Counsel	100,903	39,094	90,000	90,000	-	0.0%
1-710-7102-00-00	Prof Serv - District Engineer	133,144	44,827	80,000	80,000	-	0.0%
1-710-7103-00-00	Prof Serv - IT	20,669	15,783	19,750	19,750	-	0.0%
1-710-7104-00-00	Prof Serv- Annual Finance Audit	18,600	17,700	17,700	19,000	1,300	7.3%

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

ACCOUNT	ACCOUNT	FY 2015-2016	ACTUALS	APPROVED AMENDED FY 2016-2017	PROPOSED FY 2017-2018	Increase	%
1-710-7106-00-00	Prof Serv- Accounting & Payroll	18,995	18,679	21,750	21,750	-	0.0%
1-710-7107-00-00	Prof Serv- Customer Billing	72,695	57,756	72,250	72,250	-	0.0%
1-710-7109-00-00	Prof Serv - Answering Svs	25	5,926	8,750	5,000	(3,750)	-42.9%
1-710-7110-00-00	Prof Serv - Miscellaneous	170,744	89,960	160,000	150,000	(10,000)	-6.3%
1-710-7111-00-00	Prof Serv - District Treasurer	3,600	1,800	3,700	3,700	-	0.0%
<b>1-710-7100-00-00</b>	<b>PROFESSIONAL SERVICES</b>	<b>539,375</b>	<b>291,524</b>	<b>473,900</b>	<b>461,450</b>	<b>(12,450)</b>	<b>-2.6%</b>
1-720-7201-00-00	Director Travel	1,768	-	5,000	5,000	-	0.0%
1-720-7202-00-00	Director Expense	87	125	1,000	1,000	-	0.0%
1-720-7203-00-00	Elections	-	-	-	-	-	NA
1-720-7204-00-00	Employee Travel/Training	14,906	21,213	32,000	32,000	-	0.0%
1-720-7205-00-00	Meetings Expense	5,815	4,642	7,000	7,000	-	0.0%
<b>1-720-7200-00-00</b>	<b>TRAINING &amp; TRAVEL</b>	<b>22,577</b>	<b>25,980</b>	<b>45,000</b>	<b>45,000</b>	<b>-</b>	<b>0.0%</b>
1-730-7302-00-00	Restricted Earnings Expense - Interest LAI	-	24,386	20,000	20,000	-	0.0%
<b>1-730-7300-00-00</b>	<b>RESTRICTED EARNINGS EXPENSE</b>	<b>-</b>	<b>24,386</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>	<b>0.0%</b>
1-800-8001-00-00	Working Reserves: Capital	-	-	-	-	-	NA
1-800-8002-00-00	Working Reserves: Operating	-	-	-	-	-	NA
<b>1-800-8000-00-00</b>	<b>RESERVES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
1-900-9010-00-00	DEPRECIATION	910,362	692,390	950,000	1,050,000	100,000	10.5%
1-740-7405-00-00	DEBT SERVICE 2016 COPs	-	223,417	508,267	1,045,867	537,600	105.8%
<b>SUB-TOTAL - OPERATING EXPENSES</b>		<b>7,329,569</b>	<b>5,914,834</b>	<b>8,518,217</b>	<b>9,422,585</b>	<b>904,368</b>	<b>10.6%</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>9,676,399</b>	<b>7,915,898</b>	<b>11,350,517</b>	<b>12,342,912</b>	<b>992,395</b>	<b>8.7%</b>
	<b>NET OPERATING SURPLUS/(LOSS)</b>						
	<b>TRANSFER TO CAPITAL</b>	<b>905,638</b>	<b>872,525</b>	<b>147,603</b>	<b>(515,192)</b>	<b>(662,795)</b>	<b>-449.0%</b>

**WORKING DRAFT**

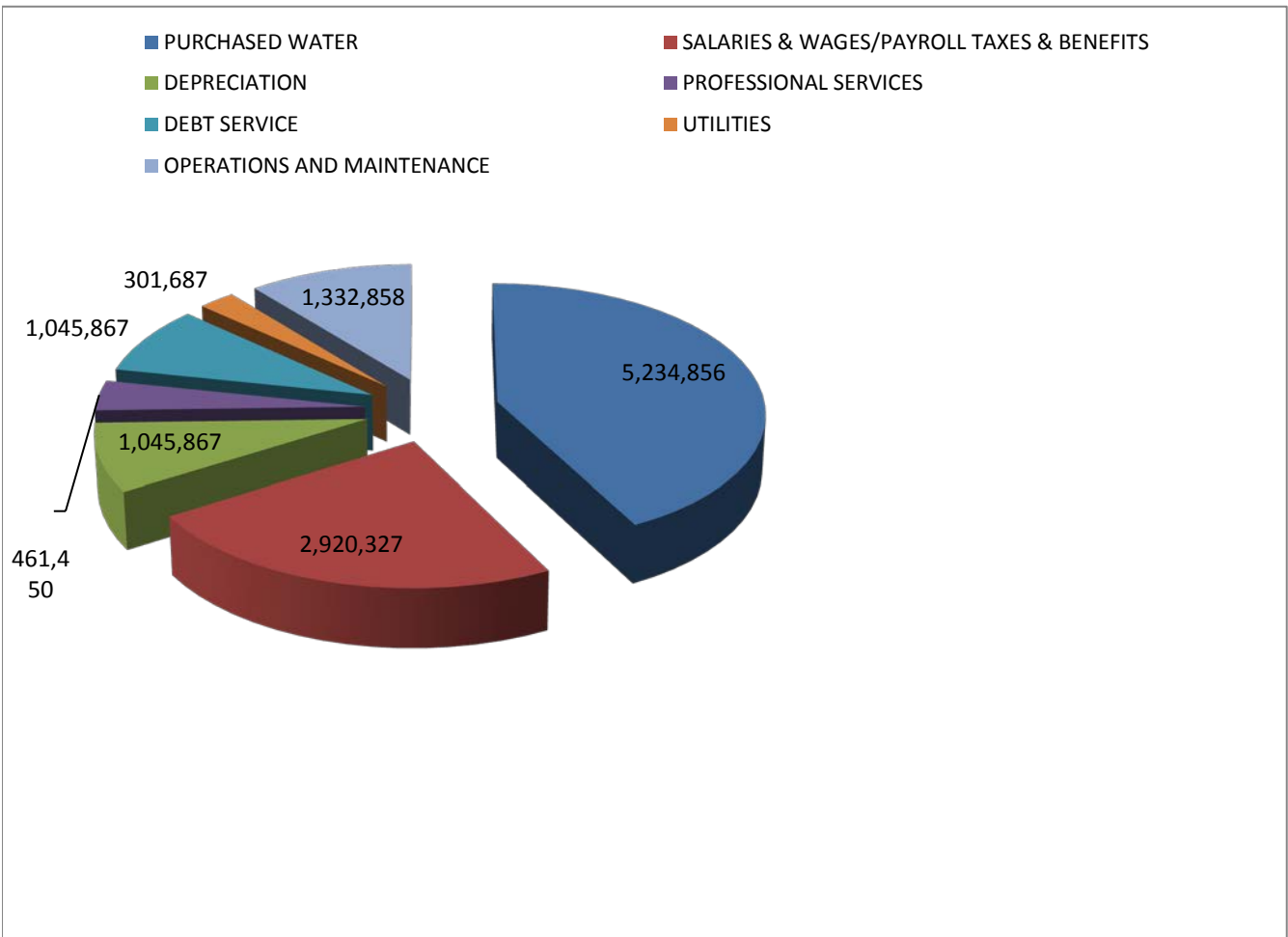
**MID-PENINSULA WATER DISTRICT  
BUDGET FOR FY 2017-2018  
CAPITAL OUTLAY/CAPITAL PROJECTS**

DESCRIPTION	APPROVED AMENDED FY 2016-2017 BUDGET	ACTUAL 7/1/2016 3/31/2017	PROPOSED FY 2017-2018 BUDGET
<b>CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)</b>			
AMI Meter Change Out Program	600,000	2,188	-
Engineering Design Services for WMR Belmont Sewer COORD	100,000	-	-
Alameda de las Pulgas Water Main Replacement Project - CIP	243,708	243,708	-
	<hr/>	<hr/>	<hr/>
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>943,708</b>	<b>245,896</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>
<b>CAPITAL OUTLAY</b>			
Financial Management System (FMS) - Comp Repl	95,000	71,863	-
Implementation of Sensus Consumer Portal	70,000	64,855	-
Miscellaneous Capital Outlay/Projects	50,000	24,955	-
	<hr/>	<hr/>	<hr/>
<b>CAPITAL OUTLAY TOTAL</b>	<b>215,000</b>	<b>161,673</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>1,158,708</b>	<b>407,569</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>
DEPRECIATION	950,000	692,390	1,050,000
TRANSFER FROM OPS	147,603	872,525	(515,192)
TRANSFER (TO)/FROM CAPITAL RESERVES	61,105	(1,157,346)	(534,808)
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,158,708)	(407,569)	-
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>0</b>	<b>-</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



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

<b>OPERATING EXPENDITURES</b>	<b>BUDGET \$</b>	<b>% OF TOTAL</b>
PURCHASED WATER	5,234,856	42.4%
SALARIES & WAGES/PAYROLL TAXES & BENEFITS	2,920,327	23.7%
DEPRECIATION	1,045,867	8.5%
PROFESSIONAL SERVICES	461,450	3.7%
DEBT SERVICE	1,045,867	8.5%
UTILITIES	301,687	2.4%
OPERATIONS AND MAINTENANCE	1,332,858	10.8%
<b>TOTAL OPERATING EXPENDITURES</b>	<b><u>12,342,912</u></b>	<b><u>100%</u></b>



**NOTE: Operating Expenditures under \$100k are not reflected in the above chart.**



**AGENDA ITEM NO. 8.C.**

DATE: April 27, 2017  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

---

**SUBJECT: NOMINATION FOR DIRECTOR TO THE BOARDS OF THE BAY AREA WATER SUPPLY & CONSERVATION AGENCY (BAWSCA) AND THE BAY AREA REGIONAL WATER SYSTEM FINANCING AUTHORITY**

---

**RECOMMENDATION**

Consider nomination for Director to the Boards of the BAWSCA and the Bay Area Regional Water System Financing Authority.

**FISCAL IMPACT**

None.

**DISCUSSION**

The attached letter from Nicole Sandkulla of BAWSCA dated February 7, 2017, was sent to President Stuebing and me. The 4-year term of Louis Vella on the BAWSCA Board of Directors and the Bay Area Regional Water System Financing Authority will end on June 30, 2017. Louis can be reappointed. The appointment would be for a 4-year term.

BAWSCA has encouraged the appointment be made before June 30<sup>th</sup> so that a quorum of both boards can be ensured.

Attachment: BAWSCA letter dated February 7, 2017

---

BOARD ACTION: APPROVED:\_\_\_ DENIED:\_\_\_ POSTPONED:\_\_\_ STAFF DIRECTION:\_\_\_  
UNANIMOUS\_\_\_ STUEBING\_\_\_ WARDEN\_\_\_ VELLA \_\_\_ LINVILL\_\_\_ ZUCCA\_\_\_

# **BAWSCA**

Bay Area Water Supply & Conservation Agency

February 7, 2017

The Hon. Al Stuebing  
Mid-Peninsula Water District  
3 Dairy Lane,  
Belmont, CA 94002

**Subject: Appointment of a Director to the Boards of the Bay Area Water Supply & Conservation Agency and the Bay Area Regional Water System Financing Authority**

Dear President Stuebing,

The four-year term of Louis Vella on the board of directors of the Bay Area Water Supply & Conservation Agency (BAWSCA) will end on June 30, 2017, as will his term on the Bay Area Regional Water System Financing Authority (RFA). Action by your agency must be taken promptly.

The enabling acts for both agencies allow the district to reappoint its director for an unlimited number of terms or to appoint a new director at the end of each term. The appointment will be for a four-year term. Hence, whoever is appointed will have a term that ends on June 30, 2021.

The enabling acts for both agencies require that a vacancy on their boards be filled no later than 90 days from the date the vacancy occurs. As applied, the statutes require action by your board no later than September 30, 2017.

However, we encourage your agency to make the appointments before June 30, effective July 1, 2017, so that a quorum of both boards can be ensured and so that your agency is continuously represented.

**Statutory qualifications:**

- The appointee must be a resident of, and a registered voter in, the district.
- He or she may, but need not, be a member of your Board of Directors.

**Mechanics of the appointment process:**

- The appointments must be made at a public meeting of the Board of Directors and be properly agendaized.
- The appointments must be made by action of the full board, rather than by unilateral action of the board president.
- The appointments do not need to be memorialized in a resolution; a motion duly passed and recorded in the minutes of the meeting is sufficient.
- A copy of the record of the board actions making the appointment should be sent to BAWSCA. The oaths of office must be administered prior to the appointee's first meeting as a director on the BAWSCA and RFA Boards.

The two questions most frequently asked about an appointment are:

- Should the appointee be an elected member of the appointing agency's governing board?
- Should the same person be appointed to the boards of both agencies?

Both of these are matters of policy left entirely to the discretion of your Board. I offer the following observations, based on BAWSCA's experience over the past fourteen years, for whatever use they may be.

- The great majority of cities and districts which are participants in BAWSCA and the RFA do select a member of their city council or governing board to serve on the BAWSCA and RFA boards.

One advantage of appointing a currently serving or former elected member of your board is the stature that his or her presence gives BAWSCA in its dealings with San Francisco, regulatory agencies and legislators. Another is the familiarity and experience he or she already has in addressing policy matters for the district. The governing body of each individual agency is, of course, in the best position to evaluate these, and other relevant considerations.

- With no exceptions, cities and districts have appointed the same individual to both the BAWSCA and RFA boards.

Appointing one person to represent the district on both boards offers an advantage because, although the two agencies have distinct roles, they are closely related. The familiarity with the issues gained through service on one board will be useful in participating on the other. Additionally, having the same person appointed to both boards assures greater continuity in presenting your agency's perspective.

Please see that your board places this matter on an agenda for action by the end of June 30, 2017. I may be reached at (650) 349-3000 if you have any questions.

Sincerely,



Nicole Sandkulla  
Chief Executive Officer/General Manager

cc: Louis Vella, BAWSCA Board Member  
Tammy Rudock, BAWSCA Water Management Representative



TO: Board of Directors  
FROM: Tammy A. Rudock  
General Manager  
DATE: April 21, 2017

---

## MANAGER'S REPORT

---

### **FOLLOW-UP FROM 03/23/17 REGULAR BOARD MEETING**

- The MPWD Strategic Plan for 2017-2018 was finalized and distributed to Directors and staff. It will be posted to the website as soon as possible next week after the implementation of the new online bill-pay is completed.

### **WATER CONSERVATION PROGRESS – SUMMARY REPORT**

Per the Board's direction, the MPWD monthly progress report on water conservation progress was condensed to the following summary format:



The report due April 15<sup>th</sup> to the SWRCB was timely submitted. March's total water consumption was 74,845 units. The reduction (compared with January 2013's 106,663 units) measured -29.8%.



Last month's R-GPCD was 60.4 (as compared to March 2013 R-GPCD of 84.0).



Cumulative water reduction equals 23.1% for 2016/2017 (compared to 2013).



There were no water waste complaints last month. The total number of water waste complaints through March 31, 2017 was 23.

Governor Brown lifted the drought emergency water conservation regulations but retained the water waste prohibitions and urban water supplier reporting requirements. Executive Order B-40-17 lifted the drought emergency in all California counties except Fresno, Kings, Tulare, and Tuolumne, where there are diminished groundwater supplies. Continued prohibitions on wasteful practices include watering during or after rainfall, hosing off sidewalks, and irrigating turn on public street medians.

Staff previously reported that the framework for the plan to make conservation a way of life in California requires new state legislation to establish long-term water use efficiency measures and improved planning for more frequent and severe droughts.

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

### **MPWD CLASSIFICATION STUDY**

Employees completed their PDQ (Position Description Questionnaire) and representatives from Koff & Associates have met individually with employees. Position descriptions are now being developed for further communications with employees. The results of this project are anticipated to be presented to the Board in June or July.

### **3-MONTH “LOOK AHEAD” FOR BOARD MEETINGS**

#### *May 2017*

- Consider final DRAFT Operating Budget for FY 2017/2018.
- Consider final DRAFT Capital Budgets for FY 2017/2018.
- Receive Final Report and Deliverables on 2016 COP Sale and Issuance by Ben “Bud” Levine of Wulff, Hansen & Company, Municipal Finance Advisor.
- Consider Contracts for On-Call Engineering Services related to 2016 COP Projects: Old County Road WMR, El Camino Real WMR, and SR 101 WMR Crossing at PAMF.
- Consider Ending Stage 1 of WSCP.
- Receive report on MPWD website redesign.
- Receive BAWSCA Report.

#### *June 2017*

- Adopt fiscal year Operating Budget. Post to website.
- Adopt fiscal year Capital Budget. Post to website.
- Approve General Manager annual performance assessment process and tool.
- Consider proposed Reimbursement Agreement between the MPWD and the California High-Speed Rail Authority.

#### *July 2017*

- Establish Appropriations Limit applicable to the MPWD during fiscal year.
- Consider/Approve budgeted annual professional service agreements.
- Consider/Approve living wage adjustment for MPWD Employee Association (through September 2018).
- Receive BAWSCA Report.

## **MEETINGS**

<b>DATE</b>	<b>EVENT</b>
March 21 <sup>st</sup>	2016 COP Financing team meeting at BNY Mellon in San Francisco.
March 22 <sup>nd</sup>	Participated in First Aid/CPR/AED recertification training with staff.
March 23 <sup>rd</sup>	Attended San Mateo County Emergency Managers Association meeting at Belmont EOC.  Attended safety session with staff and facilitated GM rap session.
March 30 <sup>th</sup> and 31 <sup>st</sup>	Together with the Operations Manager and District Engineer, met with on-call engineering teams for project scoping.
April 4 <sup>th</sup>	Attended ACWA JPIA Liability Program Committee and Employee Benefits Program Committee Meetings in Roseville.
April 6 <sup>th</sup>	Attended BAWSCA Water Management Representatives meeting in Foster City.  Attended HIA meeting in Belmont.

---

### UPCOMING MEETINGS/EVENTS

BAWSCA Water Management Meeting (Foster City): May 4, 2017

HIA Meeting (Belmont): May 4, 2017

ACWA JPIA 2017 Spring Conference & Exhibition (Monterey): May 9-12, 2017

CSDA *Special Districts Legislative Days* (Sacramento): May 16-17, 2017

CSDA Annual Conference (Monterey): September 25-28, 2017

ACWA JPIA 2017 Fall Conference & Exhibition (Anaheim): November 27, 2017-December 1, 2017

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



DATE: April 27, 2017

TO: Tammy Rudock, General Manager

FROM: Jeanette Kalabolas, Water Conservation Administrative Specialist

---

**SUBJECT: 2017 FIRST QUARTER WATER CONSERVATION STAFF REPORT**

---

**SUBJECT #1:** AWWA Water Loss Audit Technical Assistance Program (TAP) Update

**BACKGROUND:** California Senate Bill 555 (2015) requires urban retail water suppliers to submit a validated water loss audit annually to the California Department of Water Resources (DWR) beginning October 2017 based on a DWR state directive to develop rules and guidance on water loss by January 1, 2017. The order builds on SB 1420 (2014), which directs urban water suppliers to complete a water loss audit and include a quantification of that loss in urban water management plans filed.

**DISCUSSION:** On March 7, 2017 Brent and I attended a day long work session hosted by Santa Clara Valley Water District on changes to AWWA's water loss data software and level 1 validation methodologies. There have been significant changes to the software since its original release in 2005. The agenda covered an analysis of 2016 UWMP data submitted by agencies to date, the next phase of preparation (e.g., support documents, data matrix grading, scheduling logistics) and next steps required to meet the filing deadline of October 1, 2017. The District is on track to comply with the State's requirement. The next briefing session is scheduled on July 12<sup>th</sup> at 12:30PM with the [californiawaterloss.org](http://californiawaterloss.org) team.

**SUBJECT #2:** BAYWORK's Peninsula Workshop on Wheels

**BACKGROUND:** Bay Area Water/Wastewater Workforce Reliability and Development Collaborative (BAYWORK) is a consortium of 25-signatories from local water/wastewater utilities that work together to sustain through development and continued education a strong regional workforce to meet the needs of Bay Area communities. The group focuses on building relationships among industry partners and stakeholders by hosting group activities and workshops in an effort to document important issues and strengthen communications.

**DISCUSSION:** Brent and I had a recent opportunity to attend a sponsored peninsula educational series on February 22<sup>nd</sup> where we toured South San Francisco's Water Quality Control Plant, San Francisco International Airport's Sewer Treatment Facility, SFPUC Harry Tracy Water Treatment Plant and the City of Daly City's North San Mateo County Sanitation Districts. The event offered vast networking opportunities and



included a presentation on the City of San Mateo & Estero Municipal Improvement District's Proposed Biological Nutrient Removal/Membrane Bio-Reactor. Lots of wisdom and knowledge was shared and obtained!

**SUBJECT #3:** Waterfluence Launches San Mateo County Landscape Leaderboard

**BACKGROUND:** MPWD participates in BAWSCA's Large Landscape Audit Program administered by Waterfluence. The District has twenty-nine sites enrolled in this program, which offers surveys that assess landscape watering needs and monthly distribution of landscape water budgets on select CII and HOA accounts.

**DISCUSSION:** Landscaper Leaderboard was designed specifically for Landscape Contractor firms in San Mateo County with two or more sites enrolled in the Waterfluence program. The leaderboard lists the top 42 firms (with two or more sites). Each site in the program gets a percentile score ranging from 1-100 based on how closely actual water use tracks to a budget range over the last twelve months relative to all other sites in the program. If a site's water use stays within the budget range each month, its score remains one-hundred. If water use strays from the budget range, the percentile score falls especially if use exceeds an allotted budget. The leaderboard tracks and ranks contractors based on average site scores. The idea behind the launch is to start a base of available resources within the landscape industry to encourage more efficient irrigation systems. Waterfluence has asked participating agencies to post the tool at their websites in an effort to make the instrument more viable and I have agreed to post the link. It will be added to our Landscape page under the water conservation menu once our website conversion is completed within the next few months.

**SUBJECT #4:** BAWSCA Annual Demand Projections for SFPUC

**BACKGROUND:** Several years ago SFPUC established through BAWSCA an informal wholesale customer reporting process for agencies to report up-to-date water demand projections to better assist SFPUC staff in determining rates for the following fiscal year.

**DISCUSSION:** Staff has been reporting projected water demands to BAWSCA on a routine basis at the request of SFPUC since 2013. General Manager Rudock asked staff to create a chart for Board review of projections from 2017 forward (see attached). The graph will be updated annually and incorporated into staff's first quarter water conservation report. Projected calculations are 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. Projection volumes are established by first converting the given memo demand forecast to CCF. That figure then gets reduced by the states assigned mandate of 20 percent. July-December actuals are then subtracted and the difference is reported as January-June projected use. Attached for reference is 2017's example. BAWSCA memo assignment is 3.25MGD, which converts to 1,586,207CCF. This number was then reduced by 20 percent for a total of 1,268,966CCF. July-December actual use was calculated and figured at 605,090CCF, then subtracted resulting in a January-June projection of 663,876CCF.

**SUBJECT #5:** New BAWSCA Program Opportunities

**BACKGROUND:** Last month BAWSCA invited representatives from two different firms to its quarterly Water Resources Committee (WRC) meeting to present on potential program opportunities for FY 2017- 2018.

**DISCUSSION:** Waterlink was the first to present. They are a project of Ecology Action and were funded by the DWR in 2015 through its water-energy drought response grant program. The water/energy savings program provides free, turnkey water and energy upgrades and is designed to accelerate drought response in California by combining both financial incentives and expert technical assistance to those seeking immediate action. The program provides free direct installation of cost-effective indoor conservation measures in homes, replaces lawns and upgrades irrigation systems at public facilities, replaces pre-rinse spray nozzles in restaurants and engages contractors to install ozone systems in skilled nursing facilities and hotels where laundry services are provided. Buoy by Calliope was the second to present on its product, which manages household water needs through the use of a single attachment device and accompanying phone app that tracks where and when water gets used. The device also detects leaks and can even shut off water in the event of an emergency. The paired app features a water budget tool and offers tips to get your water bill under control without sacrificing your lifestyle. Due to meeting time constraints and a lengthy dialogue surrounding Executive Order B-37-16 further discussion was tabled and will be brought back at a future WRC meeting.

**SUBJECT #6:** Governor Brown Lifts Drought Emergency

**BACKGROUND:** In early 2014 Governor Brown signed into effect two drought emergency proclamations followed by four (4) related Executive Orders in 2015 mandating water industry officials take necessary action in preparation for historic dry conditions following consecutive years of minimal precipitation, low snowpack and record high temperatures throughout California.

**DISCUSSION:** On April 7, 2017 “following unprecedented water conservation and plentiful winter rain and snow” Governor Brown ended the drought state of emergency for most of California. Executive Order B-40-17 directs the State Water Board (SWRCB) to rescind the water supply stress test for urban water suppliers as well any remaining mandatory conservation standards. It also states the SWRCB is to maintain urban water use reporting requirements, and prohibitions on wasteful practices such as watering during or after rainfall, hosing off sidewalks, and irrigating ornamental turf on public street medians until these requirements expire toward the end of 2017. Emergency measures were lifted in all counties except Fresno, Kings, Tulare and Tuolumne, where emergency drinking water projects will continue to help address diminished groundwater supplies. It also asks that State agencies continue California’s campaign “making conservation a way of life” by establishing long-term water conservation goals and improved planning for more frequent and severe droughts expected in the years to come.

**SUBJECT #7:** SWRCB Climate Change Resolution

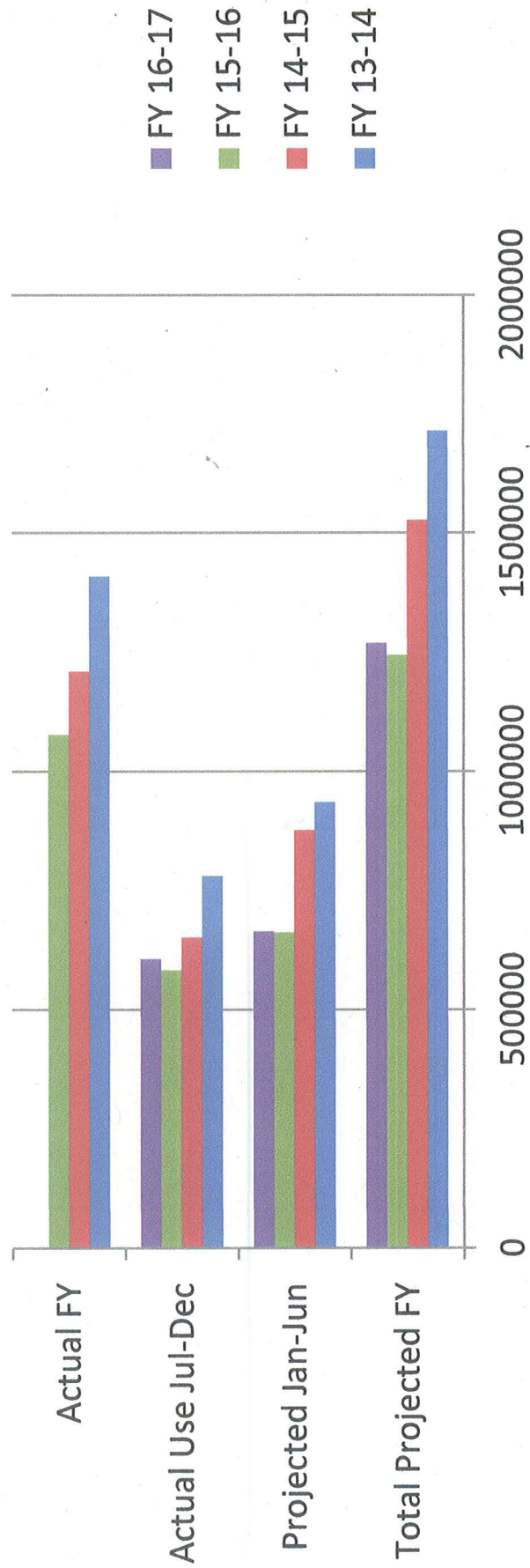
**BACKGROUND:** In September 2007, the SWRCB adopted Resolution number 2007-0059, which set forth initial actions in response to climate change supporting the implementation of AB 32, a landmark law adopted in 2006. Since then, the SWRCB has played a collaborative and substantive leadership role in mitigating measures which include water recycling, water conservation and use efficiency, storm water capture, ecosystem protection, enhancement and restoration, drought response and groundwater recharge.

**DISCUSSION:**

The proposed draft sets directives for SWRCB divisions and offices, and recommendations to Regional Water Quality Control Boards, actions that embedded change be incorporated into existing work given additional responsibilities and functions since 2007, including the addition of the Division of Drinking Water, implementation of the Sustainable Groundwater Management Act, and adoption of statewide drought response and water conservation regulations. With additional responsibilities added, new understanding of climate change impacts and state plans and policies, the SWRCB is in need of an updated resolution to set priorities and direct actions. The updated Climate Change Resolution will establish a comprehensive set of climate change mitigation and adaptation actions, and confirm regular and ongoing progress reports on implementation of those actions. The Resolution covers all of the SWRCB's functional areas, including major regulatory divisions along with financial assistance, data analysis, technical support, administrative and program support and is intended to generate near-term action, manifesting in potential changes to policies, permits, and plans. It will also provide transparency to stakeholders on how the SWRCB will use its programs and authorities to further climate change mitigation and adaptation.

Attachment: Graph of BAWSCA Annual Demand Projections for the SFPUC

# BAWSCA Demand Projections Reported to SFPUC in CCF





TO: Board of Directors  
 FROM: Candy Pina  
 DATE: April 27, 2017

**ADMINISTRATIVE SERVICES MANAGER'S REPORT**

**FINANCIAL REPORTING:**

- 1) Schedule of Cash and Investments:

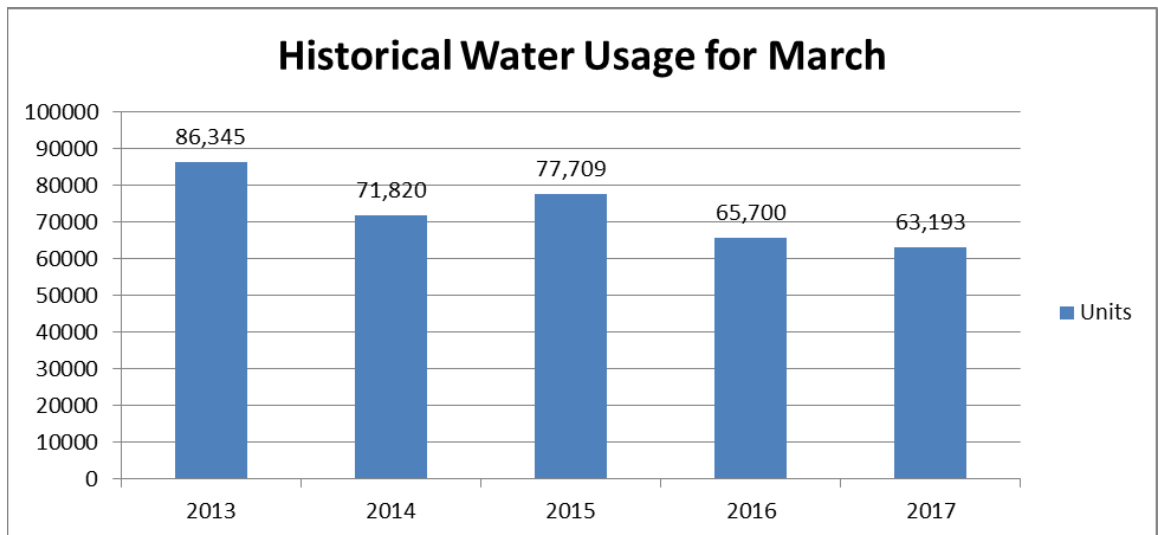
<b>SCHEDULE OF CASH AND INVESTMENTS</b>		
<b>CASH ACCOUNT</b>	<b>BALANCE @ 03/31/17</b>	<b>BALANCE @ 04/19/17</b>
PETTY CASH	\$ 400	\$ 400
CASH DRAWER	\$ 200	\$ 200
WELLS FARGO CHECKING	\$ 247,016	\$ 490,159
LAIF	\$ 5,568,454	\$ 5,578,363
<b>TOTAL</b>	<b>\$ 5,816,070</b>	<b>\$ 6,069,122</b>
<b>2016 COP FINANCING – BNY MELLON CHECKING</b>	<b>\$ 19,198,537</b>	<b>\$ 19,198,537</b>

- 2) PARS OPEB:  
 Month End Balance of PARS/OPEB for February 2017 (March 2017 report not available): \$724,014.49. An overall increase in Net Earnings of \$9,625.00 was reported.

<b>MPWD RESERVE FUNDS</b>				
<b>Reserve Account</b>	<b>Balance @ 03/31/2015</b>	<b>Balance @ 03/31/2016</b>	<b>Balance @ 03/31/2017</b>	<b>Budget for Reserve Policy</b>
Capital Reserves	\$ 1,034,676	\$ 1,545,326	\$ 3,068,454	\$ 2,500,000
Emergency Reserves	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Working Capital Reserves	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 3,534,676</b>	<b>\$ 4,045,326</b>	<b>\$ 5,568,454</b>	<b>\$ 5,000,000</b>

3) Water Revenue Report:

<b>WATER REVENUES for FISCAL YEAR 2016/2017</b>					
Month	Total Units	Water Commodity Charges	Fixed System Charges	Total Water Revenues	Misc Rev
JUL	111,110	851,106.50	205,631.47	1,056,737.97	1,242.50
AUG	113,341	952,329.97	224,247.06	1,176,577.03	1,240.00
SEP	112,591	947,559.51	224,661.20	1,172,220.71	1,248.75
OCT	101,247	843,144.88	224,835.59	1,067,980.47	1,248.75
NOV	76,838	620,687.41	224,770.69	845,458.10	1,650.67
DEC	66,486	528,797.12	224,159.45	752,956.57	1,256.25
JAN	67,261	535,555.46	225,127.94	760,683.40	1,258.75
FEB	65,165	517,527.50	224,774.40	742,301.90	1,268.75
MAR	63,193	409,130.77	225,438.40	634,569.17	1,270.00
<b>TOTAL</b>	<b>777,232</b>	<b>6,205,839.12</b>	<b>2,003,646.20</b>	<b>8,209,485.32</b>	<b>11,684.42</b>



**SPRINGBROOK PROGRESS:**

WE ARE LIVE with the BILLING SYSTEM. We have been receiving calls from seniors who need assistance with setting up their electronic payments through Civic Pay. Additional training for staff on Civic Pay is scheduled for Thursday, March 20<sup>th</sup>. The week of March 24<sup>th</sup> Springbrook will return to assist with the second billing cycle and additional training for meter reading staff.

**SPRINGBROOK IMPLEMENTATION SCHEDULE - PRELIMINARY**

DATE		Task	Work Complete
Start	End		
4/11/2016	4/13/2016	Overview training for Finance - Billing System and Chart of Accounts	x
5/9/2016	5/13/2016	Finance Conversion - General Ledger and Accounts Payable data review	x
8/8/2016	8/12/2016	Finance Go Live	x
8/22/2016	8/24/2016	Project Management Set-up and go-live	x
9/5/2016	9/15/2016	Bank Reconciliation Configuration and go-live	x
9/5/2016	9/15/2016	Ancillaries - AR - setups	x
9/19/2016	9/19/2016	Fixed Assets - Go Live	x
1/11/2017	11/19/2017	Utility Billing Data Conversion	x
3/6/2017	3/10/2017	Utility Billing - On-Site Parallel Processing	x
3/10/2017	3/14/2017	Utility Billing - On-Site Go Live	x
3/26/17	3/28/2017	Utility Billing - Post Go Live Refresher Training	

**CONFERENCES, TRAINING, & MEETINGS:**

- 1) Jeanette Kalabolas/Misty Malczon/Laura Ravella: 04/03/17 – Professional Duties & Qualifications (PDQ) Interview
- 2) Jeanette Kalabolas/Misty Malczon/Laura Ravella/Candy Pina: 04/10-14/17 – Springbrook Go-Live, On-site billing software training with Springbrook Consultant
- 3) Jeanette Kalabolas/Misty Malczon/Laura Ravella/Candy Pina: 04/14/17 – Employee Appreciation Dinner @ Iron Gate
- 4) Jeanette Kalabolas: 04/19/17 – Save Our Water Webinar
- 5) Jeanette Kalabolas/Misty Malczon/Laura Ravella/Candy Pina: 04/20/17 – Civic Pay Training for Billing Software
- 6) Jeanette Kalabolas/Misty Malczon/Laura Ravella/Candy Pina: 04/26/17 – Admin Staff Appreciation Luncheon
- 7) Jeanette Kalabolas/Misty Malczon/Laura Ravella/Candy Pina: 04/26-28/17 – Springbrook on-site follow up training on Billing Software
- 8) Misty Malczon/Candy Pina: 04/4,19,26/17 – Weekly conference call with Springbrook

**TEAM BUILDING ACTIVITIES:**

The annual Employee Appreciation Dinner was a huge success with 31 in attendance! Fourteen of the 18 employees were in attendance. General Manager Tammy Rudock expressed appreciation for all the hard work each employee accomplished over the past four years and how that contributed to significant cost savings for the District and its ratepayers. She listed out the reduction in health costs which did not change the benefit to the employee; she discussed the response of staff in tightening up spending and how that has impacted the bottom line on cost savings; she talked about the increase of fees related to development and how we were able to fund our reserves; and lastly how the OPEB liability is being fully funded and had increased from \$80,000 four years ago to over \$750,000 today. She thanked the staff individually for their hard work and accomplishments.

We continued to celebrate birthdays.





TO: Board of Directors  
FROM: Rene A. Ramirez, Operations Manager  
DATE: April 27, 2017

---

## OPERATIONS REPORT – March 2017

---

### Projects:

- No change here - through December staff has installed a total of 513 AMI meters throughout Zone 1 with 1 left to fit. The last meter is at a site where there is ongoing litigation and we are holding off until the issue is settled. Their water is still metered;
- Ordered 1,700 water meters to begin Zone 2 AMI meter retrofit;
- As part of the repair process of a large water leak on Sharon Road, staff bled air from the Dekoven pumps and several hydrants at high points in Zone 3 to prevent further damage and water quality issues;
- Most all District employees made some time to disassemble several thousand old water meters to separate brass, stainless steel, plastics and other materials in order to recycle them. We were able to recycle over 15,400 pounds of brass and a few hundred pounds of the other materials for which District was paid some \$26,000 in miscellaneous revenues;
- Met with District Engineer and Fire Department to walk the entire length of the 2017 Water Main Replacement Project prior to completing plans and specs to make certain we received input from those using the infrastructure;
- Replaced fire hydrant on Harbor Blvd that was damaged after a vehicle accident;
- Installed new services at 2904 and 2906 San Juan;
- Repaired leaking service on Clipper Drive;
- Leak detection and water main isolation practices were performed to investigate a potential system leak on Ralston at South Road. Efforts did not locate a leak and we continue to monitor. *(It is not unusual for naturally occurring groundwater to surface and appear as a leak);*
- Held initial scoping meetings with the three On-Call engineering consultants for the three (3) CIP projects they are being asked to prepare proposals to support the CIP. The On-Call engineering consultants are: West Yost Associates, Schaaf and Wheeler Consultants, and HydroScience Engineers;
- Staff is working closely with San Mateo County on a cross-connection and service protection program for dental offices within our service territory.

**Maintenance:**

- Responded to and completed 299 USA (underground service alerts) requests and identified infrastructure before digging in the streets or easements. Last month we marked 197 locations. The March request volume was more than two-times the average month, which is approximately 140 requests;
- Changed out 11 failed AMI transmitters returned for repair under full warranty;
- Conducted field verification for 71 meter/transmitter data anomalies between meter reading system and billing system as part of the preparation for the switch to the new billing system;
- Read meters in zones without AMI;
- Power washed exterior of north Hallmark Tank;
- Worked with contractor, Electro-Motion to perform load bank tests on most all generator stations in the system. They were unable to perform load bank test at our largest generator station - Tunnels Pump Station site. We are seeking contractor to do so. *(A load bank test mimics a power load to a generator station and is used as a part of routine maintenance)*;
- Replaced oil and lubricated all pumps within the system;
- Performed routine maintenance to system regulators;
- Repaired a leaking fire hydrant on Industrial Road;
- Entire Ops staff cleaned and swept shop;
- Made efforts to move water in areas with dead-ends to improve water quality during wet weather events;
- Collected a requisite 55 water samples for bacteriological testing – all samples were normal and showed no signs of coliform bacteria;
- Continue to routinely monitor water system dead-ends continued for disinfectant residual; and
- Monitoring for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring.

**System Repairs:**

Location	Event	Material	Installation Date	Estimated Water Loss (Gals.)
477 Harbor Blvd	Hydrant Hit	PVC	2006	490,000
2001 Sharon Rd	Main Break	CIP	1957	125,000
1719 Terrace	Main Break	CIP	1977	Unable to determine
Lyon at Mezes	Main Break	PVC	1970	126,000

**Development:**

Staff is currently working with developers on 26 development projects:

**Mixed Use Commercial/Residential:**

- o 576-600 El Camino Real – currently reviewing their plans; and
- o 400-490 El Camino Real – Plans signed, awaiting contractor schedule.

**Commercial:**

- 539 Harbor Blvd. – updated installation quote;
- 700 Island Parkway – water and fire service installed and awaiting connection;
- 1201 Shoreway Road – currently reviewing their plans;
- 1477 El Camino Real – currently reviewing their plans;
- 699 Ralston Ave – currently reviewing their plans;
- 2525 Buena Vista– payment received; our work scheduled for 4/11/17;
- Belmont Ave Parcel APN's – (2) awaiting plans;
- 1301 Shoreway Road – currently reviewing submitted plans;
- 1401 Shoreway Rd/Cormorant Drive irrigation meter relocation – provided a cost estimate to relocate service; awaiting plans.

**Residential/Multi-Family:**

- 1001 Notre Dame – currently reviewing their plans;
- 2828 Monte Cresta – installation scheduled;
- 905 South Rd - currently reviewing their plans;
- 10 Notre Dame Place - currently reviewing their plans;
- 1906 Bishop – installation completed;
- 1919 Oak Knoll Dr. – currently reviewing their plans;
- 1942 Bayview – currently reviewing their plans;
- 1557 Vine St. – installed;
- 2904-2906 San Juan – installation of services complete;
- 796 Miramar Terrace - currently reviewing their plans;
- Bishop Road development - currently reviewing their plans;
- 1320 Talbryn Lane development- awaiting plans;
- 2902 San Juan – currently reviewing their plans; and
- 2712 Comstock – currently reviewing their plans.

**Administration:**

- Staff met with Carlmont HS representatives to discuss their system and best sites to sample water for lead concentration. Samples were taken on March 8<sup>th</sup> and results were provided to CHS representatives per state directed process;
- Participated in a series of debriefing calls with the District Engineer to consultants not selected for On-Call engineering services;
- Staff met with District Engineer to review their work to date on the 2017 Water Main Replacement Project;
- Participated in a pre-construction meeting with the developer at 400 El Camino Real;
- Participated in a management meeting with BNY Mellon in downtown SF regarding District/trustee/Muni Finance Advisor roles;
- All staff participated in CPR Training and received a 2-year certificate;
- All staff filled out a position description questionnaire provided by District consultant, Koff and Associates;
- Met with TESCO Controls to discuss service and maintenance for existing SCADA;

- Met with XiO Inc. to talk about the next step, which seeks to connect and control pumps at Buckland and Exbourne tank sites to this cloud-based SCADA system;
- Posted updated Air Quality Permits at all Pump Stations;
- Holding a weekly water math session with interested staff in preparation for state certification exam; and
- Continued to actively manage power use during pumping operations.

**MID-PENINSULA WATER DISTRICT  
BUDGET FOR YEAR 2016-2017  
SUMMARY**

DESCRIPTION	APPROVED AMENDED FY 2016-2017 BUDGET \$	ACTUALS 7/1/16 3/31/17	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 75.1%
				Y-T-D % OF BUDGET
OPERATING REVENUE				
WATER COMMODITY CHARGES	8,100,000	6,303,929	1,796,071	77.8%
FIXED SYSTEM CHARGES	2,663,720	2,012,437	651,283	75.5%
FIRE SERVICE CHARGES	14,400	10,833	3,567	75.2%
SERVICE LINE & INSTALLATION CHARGES	25,000	1,813	23,187	7.3%
WATER SYSTEM CAPACITY CHARGES	200,000	67,500	132,500	33.8%
WATER DEMAND OFFSET CHARGES	10,000	8,760	1,240	87.6%
MISCELLANEOUS CHARGES	10,000	28,260	(18,260)	282.6%
INTEREST REVENUE - LAIF	20,000	24,386	(4,386)	121.9%
LEASE OF PHYSICAL PROPERTY	200,000	108,068	91,932	54.0%
PROPERTY TAX REVENUE	255,000	222,436	32,564	87.2%
<b>TOTAL OPERATING REVENUE</b>	<b>11,498,120</b>	<b>8,788,422</b>	<b>2,709,698</b>	76.4%
<b>OPERATING EXPENDITURES (OP EXP)</b>				
SALARIES & WAGES	1,668,500	1,197,515	470,985	71.8%
PAYROLL TAXES & BENEFITS	1,163,800	803,549	360,251	69.0%
PURCHASED WATER	4,976,000	3,837,462	1,138,538	77.1%
OUTREACH & EDUCATION	116,900	7,911	108,989	6.8%
M&R - OPS SYSTEM	378,250	204,791	173,459	54.1%
M&R - FACILITIES & EQUIPMENT	162,000	68,178	93,822	42.1%
MAJOR MAINTENANCE	12,000	591	11,409	4.9%
OFFICE SUPPLIES & EQUIPMENT	348,500	211,643	136,857	60.7%
MEMBERSHIP & GOV FEES	197,500	121,215	76,285	61.4%
BAD DEBT & CLAIMS	37,000	19,435	17,565	52.5%
UTILITIES	292,900	185,910	106,990	63.5%
PROFESSIONAL SERVICES	473,900	291,524	182,376	61.5%
TRAINING/TRAVEL & RECRUITMENT	45,000	25,980	19,020	57.7%
RESTRICTED EARNINGS	20,000	24,386	(4,386)	121.9%
RESERVES	-	-	-	NA
DEBT SERVICE 2016 COPs	508,267	223,417	284,850	44.0%
<b>TOTAL OP EXP LESS DEPRECIATION (DEPREC)</b>	<b>10,400,517</b>	<b>7,223,508</b>	<b>3,177,009</b>	69.5%
<b>TOTAL OP REVENUE LESS OP EXP &amp; DEPREC</b>	<b>1,097,603</b>	<b>1,564,914</b>	<b>(467,311)</b>	142.6%
DEPRECIATION	950,000	692,390	257,610	72.9%
<b>TOTAL OP REVENUE LESS OP EXPENDITURES</b>	<b>147,603</b>	<b>872,525</b>	<b>(724,922)</b>	591.1%
<b>NET TRANSFERS TO CAPITAL</b>	<b>(147,603)</b>	<b>(872,525)</b>	<b>724,922</b>	591.1%
<b>NET RESULTS OF OPERATIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	

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

Target YTD % 75.1%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 3/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
4010	WATER COMMODITY CHARGES (A)	8,100,000	6,303,929	1,796,071	77.8%
4020	FIXED SYSTEM CHARGES	2,663,720	2,012,437	651,283	75.5%
4030	FIRE SERVICE CHARGES	14,400	10,833	3,567	75.2%
4050	SERVICE LINE & INSTALLATION CHARGES	25,000	1,813	23,187	7.3%
4060	WATER SYSTEM CAPACITY CHARGES	200,000	67,500	132,500	33.8%
4070	WATER DEMAND OFFSET CHARGES	10,000	8,760	1,240	87.6%
4090	MISCELLANEOUS REVENUES	<u>10,000</u>	<u>4,860</u>	<u>5,140</u>	48.6%
4000	TOTAL WATER AND FEE CHARGES	<u>11,023,120</u>	<u>8,410,133</u>	<u>2,612,987</u>	76.3%
4102	Interest Revenue- LAIF (B)	<u>20,000</u>	<u>24,386</u>	<u>(4,386)</u>	121.9%
4100	INTEREST REVENUE	<u>20,000</u>	<u>24,386</u>	<u>(4,386)</u>	121.9%
4201	Lease of Physical Property	200,000	108,068	91,932	54.0%
4202	Property Tax Revenue (C)	255,000	222,436	32,564	87.2%
4208	Landscape Plan Permit Review	-	23,400	(23,400)	NA
4200	OTHER REVENUE	<u>455,000</u>	<u>353,904</u>	<u>101,096</u>	77.8%
4000	TOTAL OPERATING REVENUE	<u>11,498,120</u>	<u>8,788,422</u>	<u>2,709,698</u>	76.4%
6011	Salaries & Wages	1,575,000	1,138,251	436,749	72.3%
6012	Director Compensation	11,000	5,500	5,500	50.0%
6017	Capital Salaries & Wages	-	71,221	(71,221)	NA
6010	GROSS REGULAR WAGES	<u>1,586,000</u>	<u>1,214,972</u>	<u>371,028</u>	76.6%
6017	CAPITAL SALARY & WAGES reversed	-	(71,221)	71,221	N/A
6021	Overtime Labor	45,500	28,360	17,140	62.3%
6022	Standby Labor	<u>37,000</u>	<u>25,404</u>	<u>11,596</u>	68.7%
6020	SUB-TOTAL SALARY & WAGES	<u>1,668,500</u>	<u>1,197,515</u>	<u>470,985</u>	71.8%
6031	FICA/Medicare PR Tax	131,500	81,639	49,861	62.1%
6038	ACWA Health Care	320,000	242,241	77,759	75.7%
6039	ACWA Dental	31,000	18,842	12,158	60.8%
6040	ACWA Vision	4,350	3,278	1,072	75.4%
6041	ACWA Life/AD&D	4,200	3,323	877	79.1%
6042	Standard LDL/SDL Disability	12,400	7,460	4,940	60.2%
6043	Workers' Comp Insurance	<u>50,400</u>	<u>26,773</u>	<u>23,627</u>	53.1%

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

Target YTD % 75.1%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 3/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6044	Unemployment	1,000	-	1,000	NA
6045	CALPERS Retirement - ER 2%@55	235,000	149,463	85,537	63.6%
6054	CAPITAL PAYROLL TAXES & BENEFITS	-	28,503	(28,503)	N/A
6046	Retirees' ACWA Health Care (D)	56,000	47,895	8,105	85.5%
6047	Directors' ACWA Health Care	108,000	84,468	23,532	78.2%
6049	Medical Reimbursement	1,000	455	545	45.5%
6050	Employee Service Recognition	7,000	2,898	4,102	41.4%
6051	Safety Incentive Program	7,200	5,730	1,470	79.6%
6052	Uniforms	24,750	19,982	4,768	80.7%
6053	PARS OPEB Expense	170,000	109,102	60,898	64.2%
6030	<b>SUB-TOTAL PAYROLL TAXES &amp; BENEFITS</b>	<b>1,163,800</b>	<b>832,052</b>	<b>331,748</b>	71.5%
6054	<b>CAPITAL PAYROLL TAXES &amp; BENEFITS</b>	-	(28,503)	28,503	N/A
6000	<b>PERSONNEL COSTS</b>	<b>2,832,300</b>	<b>2,001,064</b>	<b>831,236</b>	70.7%
6101	SFPUC Treated Water (A)	4,441,144	3,428,697	1,012,447	77.2%
6102	BAWSCA (Debt Service Surcharges)	476,000	356,589	119,411	74.9%
6103	Rates Stabilization	58,856	-	58,856	NA
6104	SFPUC Water Service Charge	-	52,176	(52,176)	N/A
6100	<b>PURCHASED WATER</b>	<b>4,976,000</b>	<b>3,837,462</b>	<b>1,138,538</b>	77.1%
6301	Water Conservation Program	7,200	954	6,246	13.3%
6302	School Conservation Program	7,200	590	6,610	8.2%
6303	Public Outreach & Education	25,750	12,120	13,630	47.1%
6305	HET Rebates (E)	19,750	(8,499)	28,249	-43.0%
6306	Washing Machine Rebates (E)	13,750	(4,103)	17,853	-29.8%
6307	Lawn-Be-Gone Rebates	38,100	6,026	32,074	15.8%
6308	Rain Barrel Rebates	5,150	823	4,327	16.0%
6304	<b>TOTAL WATER CONSERVATION REBATES</b>	<b>76,750</b>	<b>(5,753)</b>	<b>82,503</b>	-7.5%
6300	<b>OUTREACH/EDUCATION</b>	<b>116,900</b>	<b>7,911</b>	<b>108,989</b>	6.8%
6401	Water Quality	67,000	45,397	21,603	67.8%
6402	Pumping	63,250	10,671	52,579	16.9%
6403	Storage Tanks	10,000	2,905	7,095	29.1%
6404	Mains/Distribution	100,000	70,976	29,024	71.0%
6405	Meters & Service	30,000	9,946	20,054	33.2%
6406	Fire Hydrants	31,000	23,995	7,005	77.4%
6407	Regulator Stations	6,000	78	5,922	1.3%
6408	Safety	32,000	12,314	19,686	38.5%
6409	SCADA Maintenance	15,000	8,460	6,540	NA
6410	Generator Maintenance	24,000	20,050		
6400	<b>M&amp;R - OPS SYSTEMS</b>	<b>378,250</b>	<b>204,791</b>	<b>173,459</b>	54.1%
6501	M&R-Buildings&Grounds	93,000	39,882	53,118	42.9%

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

Target YTD % 75.1%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 3/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6502	M&R- Equipment&Tools	21,000	13,203	7,797	62.9%
6503	M&R- Vehicles & Large Equipment	19,000	1,362	17,638	7.2%
6504	M&R - Fuel	29,000	13,732	15,268	47.4%
<b>6500</b>	<b>M&amp;R - FACILITIES &amp; EQUIPMENT</b>	<b>162,000</b>	<b>68,178</b>	<b>93,822</b>	<b>42.1%</b>
6601	Cathodic Protection Survey	12,000	241	11,759	NA
6602	Leak Detection Survey	-	350	(350)	NA
<b>6600</b>	<b>MAJOR MAINTENANCE</b>	<b>12,000</b>	<b>591</b>	<b>11,409</b>	<b>4.9%</b>
6701	Office Supplies	15,000	8,993	6,007	60.0%
6702	Insurance- Liability/Vehicles	87,750	48,922	38,828	55.8%
6703	Postage (F)	8,000	10,159	(2,159)	127.0%
6704	Printing/Printing Supplies	15,000	10,815	4,185	72.1%
6705	Equipment Services/Maintenance	56,750	17,568	39,182	31.0%
6706	Computer Supplies & Upgrades	14,750	11,268	3,482	76.4%
6707	Security & Safety	10,750	2,173	8,577	20.2%
6708	Other Fees	500	16	484	3.3%
6709	Customer Credit Card Svs Fees	140,000	101,729	38,271	72.7%
<b>6700</b>	<b>OFFICE SUPPLIES &amp; EQUIP</b>	<b>348,500</b>	<b>211,643</b>	<b>136,857</b>	<b>60.7%</b>
6801	Dues & Publications	39,500	28,894	10,606	73.1%
6802	Gov't Fees & Licenses	53,250	15,529	37,721	29.2%
6803	BAWSCA Membership Assessments	68,750	53,333	15,417	77.6%
6804	Env Health - Cross Connection Inspection	31,000	22,500	8,500	72.6%
6805	Software License	5,000	960	4,040	19.2%
<b>6800</b>	<b>MEMBERSHIP &amp; GOV FEES</b>	<b>197,500</b>	<b>121,215</b>	<b>76,285</b>	<b>61.4%</b>
6901	Bad Debt	7,000	5,713	1,287	81.6%
6902	Claims	30,000	13,722	16,278	45.7%
<b>6900</b>	<b>BAD DEBT &amp; CLAIMS</b>	<b>37,000</b>	<b>19,435</b>	<b>17,565</b>	<b>52.5%</b>
7001	Utilities-Internet/Cable	12,100	8,199	3,901	67.8%
7002	Utilities-Cellular Telephones	11,850	7,819	4,031	66.0%
7003	Utilities-Electric-Pumping	220,000	134,475	85,525	61.1%
7004	Utilities-Electric-Bldgs&Grounds	24,000	16,399	7,601	68.3%
7005	Utilities-Telephones	17,500	14,319	3,181	81.8%
7006	Utilities-Sewer - NPDES	7,450	4,699	2,751	63.1%
<b>7000</b>	<b>UTILITIES</b>	<b>292,900</b>	<b>185,910</b>	<b>106,990</b>	<b>63.5%</b>
7101	Prof Serv - District Counsel	90,000	39,094	50,906	43.4%
7102	Prof Serv - District Engineer	80,000	44,827	35,173	56.0%
7103	Prof Serv - IT	19,750	15,783	3,967	79.9%
7104	Prof Serv- Annual Finance Audit (G)	17,700	17,700	-	100.0%



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

<b>Target YTD %</b>
75.1%

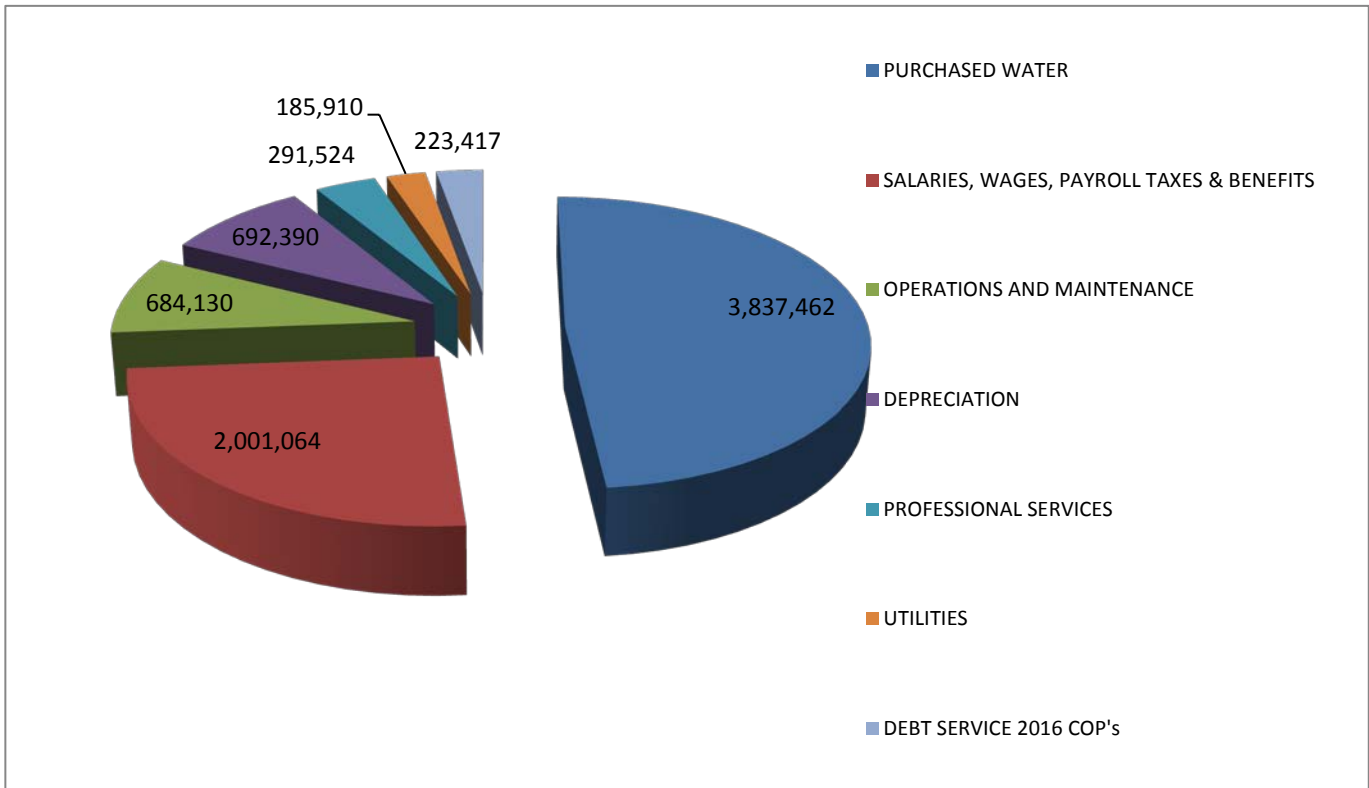
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 3/31/2017	REMAINING BALANCE/ (OVER BUDGET)	<b>Y-T-D % OF BUDGET</b>
7105	Prof Serv - Mngmt Consult	-	-	-	NA
7106	Prof Serv- Accounting & Payroll (H)	21,750	18,679	3,071	85.9%
7107	Prof Serv- Customer Billing	72,250	57,756	14,494	79.9%
7109	Prof Serv - Answering Svs	8,750	5,926	2,824	67.7%
7110	Prof Serv - Miscellaneous	160,000	89,960	70,040	56.2%
7111	Prof Serv - District Treasurer	3,700	1,800	1,900	48.6%
<b>7100 PROFESSIONAL SERVICES</b>		<b>473,900</b>	<b>291,524</b>	<b>182,376</b>	<b>61.5%</b>
7201	Director Travel	5,000	-	5,000	NA
7202	Director Expense	1,000	125	875	12.5%
7203	Elections	-	-	-	NA
7204	Employee Travel/Training	32,000	21,213	10,787	66.3%
7205	Meetings Expense	7,000	4,642	2,358	66.3%
<b>7200 TRAINING &amp; TRAVEL</b>		<b>45,000</b>	<b>25,980</b>	<b>19,020</b>	<b>57.7%</b>
7302	Restricted Earnings Expense - Interest LAIF	20,000	24,386	(4,386)	121.9%
<b>7300 RESTRICTED EARNINGS EXPENSE</b>		<b>20,000</b>	<b>24,386</b>	<b>(4,386)</b>	<b>121.9%</b>
8001	Working Reserves: Capital	-	-	-	NA
8002	Working Reserves: Operating	-	-	-	NA
<b>8000 RESERVES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
9010	<b>DEPRECIATION</b>	<b>950,000</b>	<b>692,390</b>	<b>257,610</b>	<b>72.9%</b>
9011	<b>DEBT SERVICE 2016 COPs (I)</b>	<b>508,267</b>	<b>223,417</b>	<b>284,850</b>	<b>44.0%</b>
<b>SUB-TOTAL - OPERATING EXPENSES</b>		<b>8,518,217</b>	<b>5,914,834</b>	<b>2,603,383</b>	<b>69.4%</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>11,350,517</b>	<b>7,915,898</b>	<b>3,434,619</b>	<b>69.7%</b>
<b>NET OPERATING SURPLUS/(LOSS) TRANSFER TO CAPITAL</b>		<b>147,603</b>	<b>872,525</b>	<b>(724,922)</b>	<b>591.1%</b>

- (A) Water revenues are at 71.8% and water purchases are at 70.7%.
- (B) Increased reserves generating more interest revenue.
- (C) Property tax revenue received sooner than anticipated.
- (D) Retiree Health plans not high deductible plans.
- (E) Round 3 BAWSCA Grant HET rebates \$16,997; WMRP \$4,133.
- (F) State Controller's Annual Report totaling \$1675
- (G) Audit completed.
- (H) State Controller's Annual Report totaling \$1675
- (I) Accrued Interest to be paid on Debt Service in May 2017.

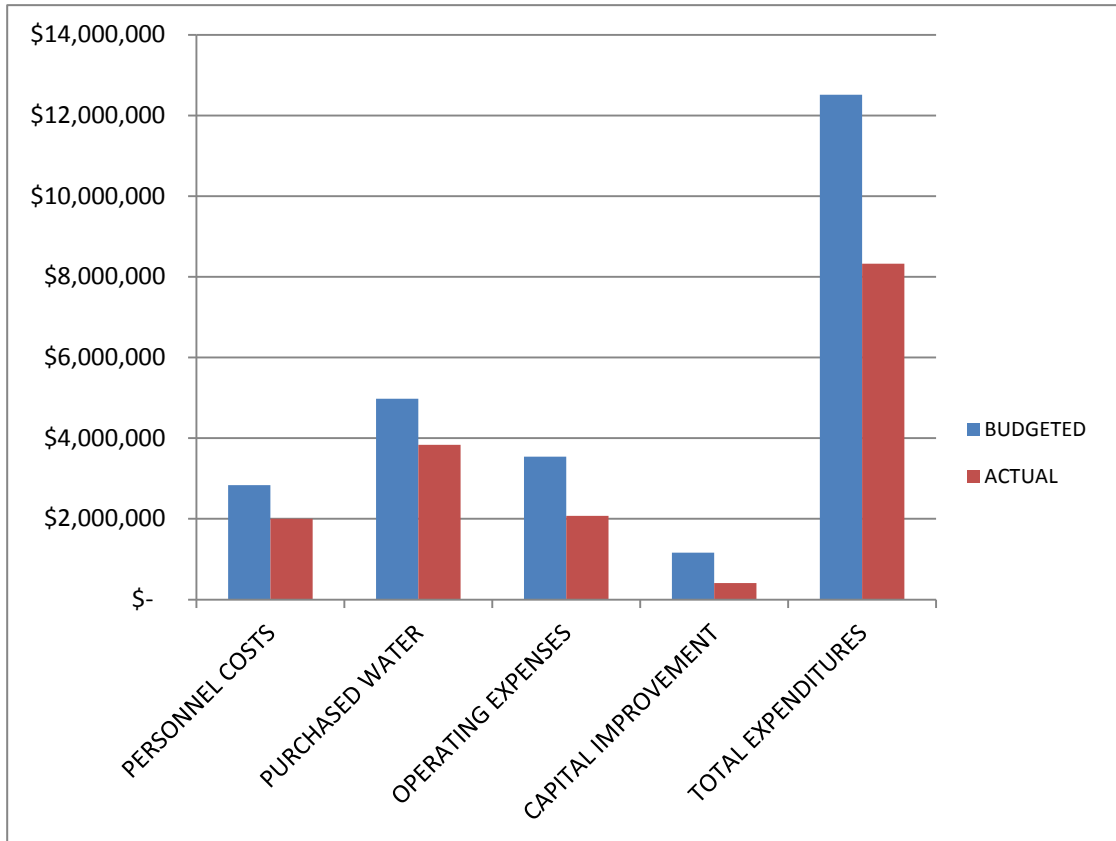
**MID-PENINSULA WATER DISTRICT  
ACTUAL OPERATING EXPENDITURES SUMMARY**

**Mar-17**

<b>OPERATING EXPENDITURES</b>	<b>ACTUAL \$</b>	<b>% OF TOTAL</b>
PURCHASED WATER	3,837,462	48.5%
SALARIES, WAGES, PAYROLL TAXES & BENEFITS	2,001,064	25.3%
OPERATIONS AND MAINTENANCE	684,130	8.6%
DEPRECIATION	692,390	8.7%
PROFESSIONAL SERVICES	291,524	3.7%
UTILITIES	185,910	2.3%
DEBT SERVICE 2016 COP's	223,417	2.8%
<b>TOTAL OPERATING EXPENDITURES</b>	<b><u>7,915,898</u></b>	<b><u>100%</u></b>



## 2016/2017 BUDGET vs ACTUAL TOTAL EXPENDITURES Mar-17



	BUDGETED	ACTUAL	BUDGETED % OF TOTAL	ACTUAL % OF TOTAL
<b>TOTAL EXPENDITURES</b>				
PERSONNEL COSTS	\$ 2,832,300	\$ 2,001,064	23%	24%
PURCHASED WATER	\$ 4,976,000	\$ 3,837,462	40%	46%
OPERATING EXPENSES	\$ 3,542,217	\$ 2,077,372	28%	25%
CAPITAL IMPROVEMENT	\$ 1,158,708	\$ 407,568	9%	5%
<b>TOTAL EXPENDITURES</b>	<b>\$ 12,509,225</b>	<b>\$ 8,323,466</b>	<b>100%</b>	<b>100%</b>

**MID-PENINSULA WATER DISTRICT  
BUDGET FOR FY 2016-2017  
Capital Projects**

DESCRIPTION	APPROVED AMENDED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 3/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 75.1%
				<b>Y-T-D % OF BUDGET</b>
<b>CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)</b>				
AMI Meter Change Out Program	600,000	2,188	597,812	0.4%
Engineering Design Services for WMR Belmont Sewer Coordination	100,000	-		
Alameda de las Pulgas Water Main Replacement Project - CIP	243,708	243,708	-	100.0%
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>943,708</b>	<b>245,896</b>	<b>697,812</b>	26.1%
<b>CAPITAL OUTLAY</b>				
Financial Management System (FMS) - Comprehensive Replacement	95,000	71,863	23,137	75.6%
Implementation of Sensus Consumer Portal	70,000	64,855	5,145	92.7%
Miscellaneous Capital Outlay/Projects (A)	50,000	24,955	25,045	49.9%
<b>CAPITAL OUTLAY TOTAL</b>	<b>215,000</b>	<b>161,673</b>	<b>53,327</b>	75.2%
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>1,158,708</b>	<b>407,568</b>	<b>751,140</b>	35.2%
<b>DEPRECIATION</b>				
DEPRECIATION	950,000	692,390	257,610	72.9%
TRANSFER FROM OPS	147,603	872,525	(724,922)	591.1%
TRANSFER (TO)/FROM CAPITAL RESERVES	61,105	(1,157,346)	1,218,451	-1894.0%
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,158,708)	(407,568)	(751,140)	35.2%
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>(0)</b>	<b>0</b>	N/A

(A) Hallmark Tank Retrofit Project

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

	Jul 16 -Mar 17	Jul 15 - Mar 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
4000 · OPERATING REVENUE	8,410,132.87	7,391,477.81	1,018,655.06	13.78%
4100 · INTEREST INCOME	37,025.99	9,335.11	27,690.88	296.63%
4200 · OTHER INCOME	353,903.84	322,201.16	31,702.68	9.84%
Total Income	<u>8,801,062.70</u>	<u>7,723,014.08</u>	<u>1,078,048.62</u>	<u>13.96%</u>
Expense				
6000 · PERSONNEL COSTS	2,001,063.83	1,940,313.21	60,750.62	3.13%
6100 · PURCHASED WATER	3,837,462.03	3,333,336.52	504,125.51	15.12%
6300 · OUTREACH/EDUCATION	7,910.76	102,215.46	-94,304.70	-92.26%
6400 · M&R - OPS SYSTEMS	204,791.31	212,916.76	-8,125.45	-3.82%
6500 · M&R - FACILITIES & EQUIPMENT	68,178.36	92,267.43	-24,089.07	-26.11%
6600 · MAJOR MAINTENANCE	590.74	700.00	-109.26	-15.61%
6700 · OFFICE SUPPLIES & EQUIPMENT	211,643.21	194,638.91	17,004.30	8.74%
6800 · MEMBERSHIP & GOV FEES	121,214.85	141,888.11	-20,673.26	-14.57%
6900 · BAD DEBT & CLAIMS	19,435.28	8,646.28	10,789.00	124.78%
7000 · UTILITIES	185,910.22	194,578.01	-8,667.79	-4.46%
7100 · PROFESSIONAL SERVICES	291,524.38	389,233.27	-97,708.89	-25.1%
7200 · TRAINING & TRAVEL	25,980.03	14,046.29	11,933.74	84.96%
Total Expense	<u>6,975,705.00</u>	<u>6,624,780.25</u>	<u>350,924.75</u>	<u>5.3%</u>
Net Ordinary Income	1,825,357.70	1,098,233.83	727,123.87	66.21%
Other Income/Expense				
Other Expense				
9000 · DEPRECIATION	692,389.80	712,970.88	-20,581.08	-2.89%
COP Financing Costs	545,968.06	0.00	545,968.06	100.0%
Total Other Expense	<u>1,238,357.86</u>	<u>712,970.88</u>	<u>525,386.98</u>	<u>73.7%</u>
7302 - RESTRICTED EARNINGS EXPENSE - INTEREST LAIF *	37,025.99	9,335.11	27,690.88	296.6%
Total Restricted Earnings Expense	<u>37,025.99</u>	<u>9,335.11</u>	<u>27,690.88</u>	<u>296.6%</u>
Net Revenue/(Expenses)	<u>549,973.85</u>	<u>375,927.84</u>	<u>174,046.01</u>	<u>46.3%</u>

**RECONCILIATION TO OPERATING BUDGET**

**Adjustments to Increase Net Operating Surplus**

Underwriting Fee	124,808.82
COP Issuance Cost	<u>197,742.00</u>
<b>Total Adjustments to Increase Net Operating Surplus</b>	<u>322,550.82</u>

**Net Revenue/(Expenses)** 549,973.85

**Net Operating Surplus/(Loss) Transfer to Capital** 872,524.67

**Interest earnings on Cash with Fiscal Agent** 12,640.32

\* Prior year amounts have been adjusted in accordance with current year presentation.

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

	31-Mar-17	31-Mar-16	\$ Change	% Change
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Total Checking/Savings	5,825,979.82	4,237,252.95	1,588,726.87	37.49%
Total COP Funds	19,198,536.64	0.00	0.00	100.0%
Total Accounts Receivable	691,209.83	580,508.22	110,701.61	19.07%
Other Current Assets				
Inventory (A)	0.00	158,736.70	-158,736.70	-100.0%
Other Current Assets	228,654.04	192,403.46	36,250.58	18.84%
Total Other Current Assets	228,654.04	351,140.16	-122,486.12	-34.88%
<b>TOTAL CURRENT ASSETS</b>	<b>25,944,380.33</b>	<b>5,168,901.33</b>	<b>20,775,479.00</b>	<b>401.93%</b>
<b>FIXED ASSETS</b>				
Fixed Assets	43,163,918.19	41,684,066.23	1,479,851.96	3.55%
Accumulated Depreciation	-26,456,481.77	-25,566,700.68	-889,781.09	-3.48%
Construction in Progress	643,500.92	341,925.37	301,575.55	88.2%
<b>TOTAL FIXED ASSETS</b>	<b>17,350,937.34</b>	<b>16,459,290.92</b>	<b>891,646.42</b>	<b>5.42%</b>
<b>TOTAL OTHER ASSETS</b>	<b>442,276.00</b>	<b>203,461.00</b>	<b>238,815.00</b>	<b>117.38%</b>
<b>TOTAL ASSETS</b>	<b>43,737,593.67</b>	<b>21,831,653.25</b>	<b>21,905,940.42</b>	<b>100.34%</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Total Accounts Payable	117,987.57	75,169.58	42,817.99	56.96%
Total Other Current Liabilities (B)	1,585,934.92	1,004,125.59	581,809.33	57.94%
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,703,922.49</b>	<b>1,079,295.17</b>	<b>624,627.32</b>	<b>57.87%</b>
<b>LONG TERM LIABILITIES</b>				
Total COP Financing Debt (C)	18,255,000.00	0.00	18,255,000.00	100.0%
Total COP Premium (C)	928,020.10	0.00	928,020.10	100.0%
Total Other Long Term Liabilities	1,351,457.45	1,122,799.45	228,658.00	20.37%
<b>TOTAL LONG TERM LIABILITIES (B)</b>	<b>20,534,477.55</b>	<b>1,122,799.45</b>	<b>19,411,678.10</b>	<b>1,728.86%</b>
<b>TOTAL LIABILITIES</b>	<b>22,238,400.04</b>	<b>2,202,094.62</b>	<b>20,036,305.42</b>	<b>909.88%</b>
<b>EQUITY</b>				
3000 - Opening Bal Equity	0.00	144.00	-144.00	-100.0%
<b>3800 - RESERVES *</b>	<b>5,568,453.80</b>	<b>4,045,326.04</b>	<b>1,523,127.76</b>	<b>37.65%</b>
3940 - Fund Bal Invest in Util Plant	17,350,937.34	16,466,365.09	884,572.25	5.37%
Net Assets (B)	-1,420,197.51	-882,276.50	-537,921.01	-60.97%
<b>TOTAL EQUITY</b>	<b>21,499,193.63</b>	<b>19,629,558.63</b>	<b>1,869,635.00</b>	<b>9.53%</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>43,737,593.67</b>	<b>21,831,653.25</b>	<b>21,905,940.42</b>	<b>100.34%</b>

	Balance @ Feb 2015	Balance @ Feb 2016	Balance @ Feb 2017	Budget for Reserve Policy
<b>* RESERVES</b>				
Capital Reserves	1,234,676	1,295,326	3,068,454	2,500,000
Emergency Reserves	2,000,000	2,000,000	2,000,000	2,000,000
Working Capital Reserves	500,000	500,000	500,000	500,000
<b>TOTAL RESERVE FUNDS</b>	<b>3,734,676</b>	<b>3,795,326</b>	<b>5,568,454</b>	<b>5,000,000</b>

(A) Change in Capitalization/Inventory Policy. Inventory less than \$5,000 were expensed last fiscal year.

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

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