



**REGULAR MEETING
BOARD OF DIRECTORS
THURSDAY, JUNE 23, 2016 – 6:30PM
3 DAIRY LANE, BELMONT CALIFORNIA**

AGENDA

1. OPENING

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

2. PUBLIC COMMENT

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

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

4. ACKNOWLEDGEMENTS/PRESENTATIONS

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 May 25, 2016
- B. Approve Minutes for the Regular Board Meeting of May 26, 2016
- C. Approve Expenditures from May 19, 2016 through June 14, 2016

6. HEARINGS AND APPEALS

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

7. DROUGHT AND WATER CONSERVATION

- A. Water Conservation Progress Report

8. REGULAR BUSINESS AGENDA

- A. Consider Resolution 2016-07 Approving MPWD Fiscal Year 2016/2017 Operating Budget
- B. Consider Resolution 2016-08 Approving MPWD Fiscal Year 2016/2017 Capital Budget
- C. MPWD Capital Improvement Program (CIP) Discussion:
 - 1. Approved Resolution 2016-06 Authorizing 5-Year MPWD CIP added to CIP Informational Summary & FAQs
 - 2. Updates to Process for Selection/Award of Professional Services Contracts for CIP

9. MANAGER'S AND BOARD REPORTS

- A. General Manager's Report
 - 1. Supplemented by Administrative Services Manager's Report
 - 2. Supplemented by Operations Manager's Report
 - 3. Supplemented by District Engineer's Report
- B. Financial Reports
- C. Director Reports

10. FUTURE AGENDA ITEMS

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

11. COMMUNICATIONS

12. ADJOURNMENT

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

ACCESSIBLE PUBLIC MEETINGS

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

Next Board Meeting: July 28, 2016, at 6:30PM

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

5 MAY 25, 2016
6 Belmont, California
7

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 Zucca at 6:40PM.
12

13 **B. Establishment of Quorum:**

14 **PRESENT:** President Zucca, and Directors Linvill and Stuebing.
15

16 **ABSENT:** Vice President Warden and Director Vella.
17

18 A quorum was present.
19

20 **ALSO PRESENT:** General Manager Tammy Rudock, Operations Manager Rene Ramirez,
21 District Counsel Julie Sherman, and District Treasurer Jeff Ira.
22

23 Absent were: District Secretary/Administrative Services Manager Candy Pina and District
24 Engineer Joubin Pakpour,
25

26 **C. Pledge of Allegiance** – The Pledge of Allegiance was waived.
27

28 **2. PUBLIC COMMENTS**

29 None.
30

31 **3. REGULAR BUSINESS**

32 **A. Discuss Board Development Activities facilitated by Julie Brown**

- 33 1. **Results from Myers-Briggs Type Indicator Assessment, including**
34 **Communication and Leadership Dynamics**
35 2. **2016 Strategic Plan Board Development Progress**
36

37 General Manager Rudock introduced consultant, Julie Brown, of Julie M. Brown and Associates,
38 who has worked several years now with the Board on its strategic planning and Board and staff
39 development matters. Ms. Brown provided:
40

- 41
 - An overview of the Myers-Briggs Type Indicator Assessment (MBTI);
 - A review and discussion of individual MBTI results included within the Type 2 Interpretive Report and defining facets, including effective communication, making decisions, managing change, and managing conflict/problem solving; and
 - A review of the group dynamics, types, and preferences, including temperaments and stress management.
47

48 The group identified individual strengths and leadership areas for personal development, and
49 Ms. Brown charted those items.
50

51 The Board discussed the potential for a brief follow-up by Ms. Brown in a couple of months,
52 including those that were absent this evening. Ms. Brown stated she would have the lists typed
53 up and transmitted to the MPWD.
54

55 Ms. Brown closed with stating this was a very good exercise for Board growth and positive
56 direction for progress toward other Board development items identified in the MPWD 2016
57 Strategic Plan.
58

59 **B. Other Topics for the Good of the Order**
60

61 There were no other topics discussed by the Board.
62

63 **4. ADJOURNMENT**

64 Director Stuebing moved to adjourn at 8:45PM, Director Linvill seconded, and it was
65 unanimously approved.
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69 DISTRICT SECRETARY
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71 APPROVED:
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74 BOARD PRESIDENT

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

May 26, 2016
Belmont, California

1. **OPENING**

A. **Call to Order:**

The regular meeting of the Mid-Peninsula Water District Board of Directors was called to order by President Zucca at 6:34 PM. President Zucca mentioned that he did not feel well and might not last the entire meeting.

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

C. **Establishment of Quorum:**

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

ABSENT: Director Warden.

A quorum was present.

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

2. **PUBLIC COMMENTS**

None.

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

None. The agenda was taken out of order. Moved to Agenda Item 5.

5. **CONSENT AGENDA**

A. **Approve Minutes for the Regular Board Meeting of April 28, 2016.**

B. **Approve Expenditures from April 20, 2016, through May 18, 2016.**

C. **Approve First Amendment to Lease with T-Mobile West Tower LLC at the MPWD Dekoven Tank Site**

Director Vella moved to approve the Consent Agenda, Director Stuebing seconded, Director Linvill abstained on the minutes, and it was unanimously approved. Moved to Agenda Item 4.A.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

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

General Manager Rudock announced the award and shared the MPWD's plaque.

District Engineer Pakpour discussed how MPWD was considered for this prestigious award. Congratulations were extended to staff and the District Engineer for their hard work on this project. Moved to Agenda Items 6.A and 6.B.

52 **6. HEARINGS AND APPEALS**

53 **A. Consider Resolution 2016-04 Approving the MPWD Water Shortage Contingency**
54 **Plan**

55 Consultant Ms. Marty Laporte presented highlights from the new MPWD Water Shortage
56 Contingency Plan. It will be an attachment to the 2015 Urban Water Management Plan.

57
58 Director Stuebing noted the Water Shortage Contingency Plan was well done and
59 serves as a water supply planning document.

60
61 Ms. Laporte addressed concerns expressed by President Zucca regarding some tables
62 included in the Water Shortage Contingency Plan that were not necessarily required.
63 Ms. Laporte explained that the tables were included as resources for MPWD staff.

64
65 Because the hearing on the 2015 Urban Water Management Plan was postponed, the
66 Board decided that the hearing on the Water Shortage Contingency Plan would also be
67 postponed until next month's regular Board meeting.

68
69 **B. Consider Resolution 2016-05 Approving the 2015 MPWD Urban Water**
70 **Management Plan (UWMP)**

71 Ms. Laporte summarized the work accomplished on the 2015 UWMP. The intent of the
72 UWMP is to provide the California Department of Water Resources (DWR) and the
73 public with information on present and future water sources and demands, and to
74 provide an assessment of MPWD's water resource needs. It provides for water supply
75 planning over a 20-year period in 5-year increments. It was prepared in response to the
76 UWMP Planning Act. This document is required to be updated every five years, and the
77 next one will be due in 2020. There are ten sections contained within the UWMP as
78 required by the Act. The UWMP includes a Water Shortage Contingency Plan (WSCP).
79 Ms. Laporte reported that the MPWD water demand from 2000 to 2015 decreased by
80 37% despite growth.

81
82 Staff reported that it had recently discovered pages 37-81 were missing in the public
83 review draft version of the 2015 UWMP and, therefore, recommended that the Board
84 postpone its public hearing while staff corrected the copies and re-noticed the public
85 hearing for June 23rd.

86
87 The deadline for submittal of the UWMP to DWR, including the WSCP, is July 1, 2016.

88
89 President Zucca thanked Ms. Laporte and MPWD staff for the work they did on the 2015
90 UWMP. Moved to Agenda Items 8.A and 8.B.

91
92 **8. REGULAR BUSINESS AGENDA**

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

94 There were no changes from last month's draft budgets. General Manager Rudock
95 mentioned that the continued AMI Meter Change Out project in the Capital Budget
96 totaling \$500,000 may be used for a partial debt financing payment if the Board elects to
97 do so. The AMI project is included in the proposed 5-year CIP and, therefore, would be
98 funded. Karen Road Water Main Replacement project costs are related to engineering
99 design costs, and construction would be proposed in the 5-year CIP, including bundling
100 it with other pipeline capital projects to take advantage of economies of scale. Alameda
101 de las Pulgas Water Main Replacement Project will be constructed during the 2016-2017
102 fiscal year.

Staff will be prepared to present final budgets at next month's regular Board meeting.

B. MPWD Capital Improvement Program (CIP) Discussion:

1. Review Prior Board Discussions Informational Summary and FAQs

Staff reported there were changes since last month. A section will be created on the MPWD's website for the CIP and this summary and FAQs will be posted to it.

2. Receive 2016 Updated Report on MPWD Comprehensive System Analysis and Capital Improvement Program

District Engineer Pakpour summarized the report. It provides the background of how the CIP was developed and includes the entire \$50 million capital program. District Engineer Pakpour showed Directors the notebook format for the report and backup documentation and CIP map that would be created for each of them and key staff. Staff was directed to post the document on MPWD's website. President Zucca mentioned it would be worthwhile to include adoption of the report in the Board's action on the 5-Year CIP.

3. Review Modified 5-Year Capital Improvement Plan Alternatives and Consider Resolution 2016-06 Authorizing 5-Year MPWD CIP

General Manager Rudock presented the three alternatives staff proposed for the MPWD's 5-year CIP. She explained the gray shading of projects that would be substituted in lieu of completing the AMI meter change out project. Staff recommended Alternative One totaling \$20,000,000 and completion of the AMI project.

President Zucca would like to make sure MPWD reserves are maintained where they currently are for emergencies. He also asked about the 50/75-year look ahead of anticipated infrastructure needs. Staff responded it was working on it. He would like to see the debt financing documents on the website for full disclosure to the public. Director Linvill noted the infrastructure being built will last 75-100 years, so a 30-year loan is reasonable.

Director Linvill moved to consider Resolution 2016-06 Adopting the MPWD Comprehensive System Analysis and Capital Improvement Program Update 2016/2017, and Authorizing MPWD 5-Year Capital Improvement Program for Fiscal Years 2016/2017 through 2020/2021 totaling \$20,000,000, Director Stuebing seconded. Roll call was taken and it was unanimously approved.

At 8:00PM, President Zucca announced that he was going to leave the meeting and passed the gavel to Director Stuebing to preside for the remainder of the meeting. A quorum remained with Directors Stuebing, Linvill, and Vella present.

4. Review of MPWD's Procurement Policy, Discussion and Direction regarding Updates to Process for Selection/Award of Professional Services Contracts, and Other Issues

District Counsel Cassman discussed the MPWD's existing Procurement Policy, noting there is a \$5,000 - \$25,000 limit on purchasing authority for staff. For projects exceeding a cost of \$50,000, the competitive bid process is put in place. She discussed the competitive bid process. There was discussion about the scope of District Engineer's professional services contract, which was awarded after a competitive RFP process in 2011, and which allows them to perform services on special projects and capital improvements on behalf of MPWD without having to go

through the competitive RFP process. There was also discussion of the role of the District Engineer relative to the CIP. General Manager Rudock will work with District Engineer Pakpour to determine which projects in the CIP would be best suited for them to perform and what projects will be best considered for a potential competitive RFP process. Moved to Agenda Item 7.A.

7. DROUGHT AND WATER CONSERVATION

A. Water Conservation Progress Report

General Manager Rudock briefly reported that the SWRCB expects the development of self-certified conservation standards by water suppliers before the end of June 2016, including a three-year look ahead. Moved to Agenda Item 8.C.

8. C. BAWSCA Update

Director Vella briefly summarized the BAWSCA meeting, noting their 2016-2017 Budget is up 8.8%, of which 5% is that of assessment costs.

9. MANAGER AND BOARD REPORTS

A. General Manager's Report

General Manager Rudock summarized her report. She discussed the status of the Personnel Manual and that it is with the MPWD Employees Association for continued review. Director Linvill noted the Personnel Manual is a policy document, and therefore, the Directors will ultimately decide what will be in the manual. General Manager Rudock reported that the OPEB (Other Post-Employment Benefits) valuation required to be completed this year is finished; however, she noticed it did not include the current provision for surviving spousal coverage for Tier 1 employees. Past OPEB valuations did not include this provision for surviving spouses either. This provision would increase the MPWD's ARC (Annual Required Contribution) possibly by as much as 25%. Staff is working with the MPWD's actuarial consultant to include this provision in order to finalize the report and present it to the Board next month. General Manager Rudock suggested she meet on an ad hoc basis with the Board's Financial Review Committee comprised of Directors Linvill and Warden, to further review the internal draft Personnel Manual and OPEB report, and the Board agreed.

1. Supplemented by Administrative Services Manager's Report

Administrative Services Manager Pina had nothing additional to report.

2. Supplemented by Operations Manager's Report

Operations Manager Ramirez noted that staff only has about 12 meters left to install. He also noted that Brent Chester passed the exam for the D4 test, and management is in the process of providing the required documentation to ensure he receives his certification.

3. Supplemented by District Engineer's Report

District Engineer Pakpour discussed the Alameda de las Pulgas Project, noting there will be a pre-construction meeting on Friday. Work will start on Monday, June 6, 2016. The City of Belmont has received and reviewed the traffic control plans and is ready to go.

B. Financial Reports

General Manager Rudock noted we are below projections on revenues and also the same percentage below projections on expenses. Director Linvill asked about the actual

204 expenses, less depreciation, so there is a more transparent reflection of actual
205 expenses. Staff will include it in next month's financial reports.

206
207 **C. Director Reports**

208 Director Linvill noted the May 2nd HIA meeting she and staff attended.
209

210
211 **10. FUTURE AGENDA BUSINESS ITEMS**

212 None.
213

214 **11. COMMUNICATIONS**

215 General Manager Rudock reported that the City of Belmont expressed its appreciation for
216 the MPWD's participation in its annual Public Works event.
217

218 The Board recessed into Closed Session at 8:45PM.
219

220 **12. CLOSED SESSSION**

221 **A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

222 Government Code Section 54956.9(d)(1)

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

224 San Mateo County Case No. 538041
225

226 The Board returned to open session at 8:57 PM.

227 District Counsel disclosed that a status report on the litigation was provided to the Board
228 and no reportable action was taken during the Closed Session.
229

230 **13. ADJOURNMENT**

231 Director Linvill moved to adjourn at 8:58PM, Director Vella seconded, and it was
232 unanimously approved.
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238 DISTRICT SECRETARY

239 APPROVED:

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242 BOARD PRESIDENT
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Check Detail
May 19 through June 14, 2016

Type	Num	Date	Name	Account	Paid Amount
Check		05/20/2016	ADP Payroll Fees	1030 - Cash- Checking	
				7106 - Prof Serv - Accting & Payroll	\$ (255.50)
					<u>\$ (255.50)</u>
Check		05/25/2016	ACH Returns	1030 - Cash- Checking	
				4013 - Returned Water Charges	\$ (22.00)
					<u>\$ (22.00)</u>
Check	EFT052316-1	05/23/2016	Health Equity	1030 - Cash- Checking	
				1430 - Payroll Clearing A/C	\$ (450.00)
					<u>\$ (450.00)</u>
Check	EFT052516-1	05/25/2016	Health Equity	1030 - Cash- Checking	
				1430 - Payroll Clearing A/C	\$ (559.58)
					<u>\$ (559.58)</u>
Bill Pmt -Check	EFT060716-1	06/07/2016	WELLS FARGO BUSINESS CARD	1030 - Cash- Checking	
Bill		05/20/2016		7205 - Meeting Expenses	\$ (75.35)
				6502 - Equipment & Tools	\$ (27.07)
				7204 - Employee Travel/Training	\$ (19.53)
				7204 - Employee Travel/Training	\$ (42.29)
				7204 - Employee Travel/Training	\$ (8.42)
				7204 - Employee Travel/Training	\$ (7.02)
				7204 - Employee Travel/Training	\$ (568.15)
				6502 - Equipment & Tools	\$ (665.50)
					<u>\$ (1,413.33)</u>
Check	EFT061316-1	06/13/2016	ICMA contributions	1030 - Cash- Checking	
				1430 - Payroll Clearing A/C	\$ (666.24)
					<u>\$ (666.24)</u>
Check	EFT052316-2	05/23/2016	ICMA contributions	1030 - Cash- Checking	
				1430 - Payroll Clearing A/C	\$ (1,375.97)
					<u>\$ (1,375.97)</u>
Check	EFT052516-2	05/25/2016	ICMA contributions	1030 - Cash- Checking	
				1430 - Payroll Clearing A/C	\$ (666.24)
					<u>\$ (666.24)</u>

Check Detail
May 19 through June 14, 2016

Bill Pmt -Check	EFT060716-2	06/07/2016 WELLS FARGO BUSINESS CARD	1030 - Cash- Checking	
Bill		05/20/2016	6701 · Office Supplies	\$ (4.26)
			7205 · Meeting Expenses	\$ (2.79)
			7205 · Meeting Expenses	\$ (8.74)
			7205 · Meeting Expenses	\$ (0.95)
			7205 · Meeting Expenses	\$ (10.93)
			7205 · Meeting Expenses	\$ (5.11)
			7205 · Meeting Expenses	\$ (10.91)
			7204 · Employee Travel/Training	\$ (14.19)
			7205 · Meeting Expenses	\$ (3.28)
			6303 · Public Outreach & Education	\$ (5.87)
			7205 · Meeting Expenses	\$ (15.61)
			6303 · Public Outreach & Education	\$ (3.19)
			7204 · Employee Travel/Training	\$ (42.67)
			6303 · Public Outreach & Education	\$ (3.19)
			6501 · Buildings & Grounds	\$ (6.25)
			1440 · Auto/Transprtion Clearing AC	\$ (2.73)
			6801 · Dues & Publications	\$ (3.90)
			6501 · Buildings & Grounds	\$ (3.48)
			1410 · Prepaid Expenses	\$ (0.08)
			7106 · Prof Serv - Accting & Payroll	\$ (0.23)
				<u>\$ (148.36)</u>
Check	EFT061316-2	06/13/2016 ICMA contributions	1030 - Cash- Checking	
			1430 · Payroll Clearing A/C	\$ (1,375.97)
				<u>\$ (1,375.97)</u>
Check	EFT052316-3	05/23/2016 CALPERS	1030 - Cash- Checking	
			1430 · Payroll Clearing A/C	\$ (1,130.11)
			1430 · Payroll Clearing A/C	\$ (1,292.04)
				<u>\$ (2,422.15)</u>
Check	EFT052516-3	05/25/2016 CALPERS	1030 - Cash- Checking	
			1430 · Payroll Clearing A/C	\$ (3,153.01)
			1430 · Payroll Clearing A/C	\$ (3,604.78)
				<u>\$ (6,757.79)</u>

Check Detail
May 19 through June 14, 2016

Check	EFT061316-3	06/13/2016 Health Equity	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (509.58)
			7106 - Prof Serv - Accting & Payroll	\$ (56.05)
				<u>\$ (565.63)</u>
Check	EFT061316-4	06/13/2016 Health Equity	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (100.00)
				<u>\$ (100.00)</u>
Check	EFT061316-5	06/13/2016 Health Equity	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (350.00)
				<u>\$ (350.00)</u>
Check	EFT061316-6	06/13/2016 CALPERS	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (7,448.00)
				<u>\$ (7,448.00)</u>
Check	EFT061316-7	06/13/2016 CALPERS	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (1,256.04)
			1430 - Payroll Clearing A/C	\$ (1,436.01)
				<u>\$ (2,692.05)</u>
Check	EFT061316-8	06/13/2016 CALPERS	1030 - Cash- Checking	
			1430 - Payroll Clearing A/C	\$ (3,153.01)
			1430 - Payroll Clearing A/C	\$ (3,604.78)
				<u>\$ (6,757.79)</u>
Bill Pmt -Check	30778	05/24/2016 AT&T 60197	1030 - Cash- Checking	
Bill	8044771	05/10/2016	7005 - Utilities - Telephones	\$ (19.44)
Bill	8044772	05/10/2016	7005 - Utilities - Telephones	\$ (9.49)
				<u>\$ (28.93)</u>
Bill Pmt -Check	30779	05/24/2016 BAY AREA BACKFLOW,INC.	1030 - Cash- Checking	
Bill	2416193	05/01/2016	1737 - Meter Chg Out - Parts	\$ (531.00)
				<u>\$ (531.00)</u>
Bill Pmt -Check	30780	05/24/2016 BAY POINTE LANDSCAPE	1030 - Cash- Checking	
Bill	BPL-0947	05/01/2016	6501 - Buildings & Grounds	\$ (1,050.00)
				<u>\$ (1,050.00)</u>
Bill Pmt -Check	30781	05/24/2016 CALIFORNIA URBAN WATER CONSERVATION COUNC	1030 - Cash- Checking	
Bill	G1-2016-14	05/01/2016	1410 - Prepaid Expenses	\$ (2,693.31)
				<u>\$ (2,693.31)</u>

Check Detail
May 19 through June 14, 2016

Bill Pmt -Check	30782	05/24/2016 CINTAS CORPORATION	1030 - Cash- Checking	
Bill	464597779	05/05/2016	6052 · Uniforms	\$ (356.28)
Bill	464600630	05/12/2016	6052 · Uniforms	\$ (356.85)
Bill	464603475	05/19/2016	6052 · Uniforms	\$ (351.77)
				<u>\$ (1,064.90)</u>
Bill Pmt -Check	30783	05/24/2016 COMCAST	1030 - Cash- Checking	
Bill		05/09/2016	7001 · Utilities - Internet/Cable	\$ (80.72)
Bill		05/10/2016	7001 · Utilities - Internet/Cable	\$ (96.20)
Bill		05/10/2016	7001 · Utilities - Internet/Cable	\$ (96.20)
Bill		05/10/2016	7001 · Utilities - Internet/Cable	\$ (96.20)
Bill		05/14/2016	7001 · Utilities - Internet/Cable	\$ (371.24)
				<u>\$ (740.56)</u>
Bill Pmt -Check	30784	05/24/2016 CUSTOM TRUCK	1030 - Cash- Checking	
Bill	20161126	05/09/2016	6503 · Vehicle & Large Equip	\$ (1,508.73)
				<u>\$ (1,508.73)</u>
Bill Pmt -Check	30785	05/24/2016 GRANITE ROCK, INC.	1030 - Cash- Checking	
Bill	957753	05/01/2016	6404 · Mains/Distribution	\$ (257.83)
				<u>\$ (257.83)</u>
Bill Pmt -Check	30786	05/24/2016 HOME DEPOT	1030 - Cash- Checking	
Bill	1015682	05/17/2016	6301 · Water Conservation Program	\$ (18.79)
			6502 · Equipment & Tools	\$ (43.57)
				<u>\$ (62.36)</u>
Bill Pmt -Check	30787	05/24/2016 JEANETTE KALABOLAS	1030 - Cash- Checking	
Bill		05/18/2016	7205 · Meeting Expenses	\$ (65.15)
				<u>\$ (65.15)</u>
Bill Pmt -Check	30788	05/24/2016 MHN	1030 - Cash- Checking	
Bill	320009703	05/17/2016	1410 · Prepaid Expenses	\$ (45.54)
				<u>\$ (45.54)</u>
Bill Pmt -Check	30789	05/24/2016 OFFICE TEAM	1030 - Cash- Checking	
Bill	45789870	05/17/2016	7110 · Prof Serv - Miscellaneous	\$ (866.88)
				<u>\$ (866.88)</u>

Check Detail
May 19 through June 14, 2016

Bill Pmt -Check	30790	05/24/2016 OREILLY AUTO PARTS, INC.	1030 - Cash- Checking	
Bill	3535-454203	05/04/2016	6503 · Vehicle & Large Equip	\$ (89.95)
Bill	3535-454381	05/05/2016	6503 · Vehicle & Large Equip	\$ (98.73)
Bill	3535-454365	05/05/2016	6501 · Buildings & Grounds	\$ (35.38)
Bill	3535-454618	05/06/2016	6503 · Vehicle & Large Equip	\$ (102.17)
				<hr/>
				\$ (326.23)
Bill Pmt -Check	30791	05/24/2016 PG&E CFM/PPC DEPT	1030 - Cash- Checking	
Bill	9032-7MAY2016	05/12/2016	7003 · Utilities - Electric - Pumping	\$ (10,388.20)
Bill	4665-4MAY2016	05/13/2016	7003 · Utilities - Electric - Pumping	\$ (616.54)
			7004 · Utilities - Electric-Bldgs&Grnd	\$ (1,735.63)
				<hr/>
				\$ (12,740.37)
Bill Pmt -Check	30792	05/24/2016 ROBERTS & BRUNE CO. INC.	1030 - Cash- Checking	
Bill	S1554697.001	05/01/2016	1737 · Meter Chg Out - Parts	\$ (2,221.66)
Bill	S1554697.002	05/01/2016	1737 · Meter Chg Out - Parts	\$ (100.00)
Bill	S1558519.001	05/01/2016	1737 · Meter Chg Out - Parts	\$ (232.13)
Bill	S1558175.001	05/01/2016	6407 · Regulator Stations	\$ (129.31)
Bill	S1558225.001	05/01/2016	6404 · Mains/Distribution	\$ (453.03)
Bill	S1557130.001	05/01/2016	6406 · Fire Hydrants	\$ (181.67)
Bill	S1553133.001	05/01/2016	1737 · Meter Chg Out - Parts	\$ (1,980.52)
Bill	S1553133.002	05/06/2016	1737 · Meter Chg Out - Parts	\$ (100.00)
Bill	S1537262.002	05/13/2016	1786 · 1401 Shoreway Springhill Htl U	\$ (3,658.48)
Bill	S1562107.001	05/16/2016	6405 · Meters & Service	\$ (100.67)
Bill	S1561558.001	05/16/2016	1737 · Meter Chg Out - Parts	\$ (132.83)
Bill	S1562144.001	05/13/2016	1737 · Meter Chg Out - Parts	\$ (132.83)
Bill	S1549538.001	05/01/2016	6405 · Meters & Service	\$ (35.17)
				<hr/>
				\$ (9,458.30)
Bill Pmt -Check	30793	05/24/2016 SAN FRANCISCO WATER DEPT	1030 - Cash- Checking	
Bill		05/17/2016	6101 · SFPUC Treated Water	\$ (362,340.00)
			6102 · BAWSCA (Debt Service Surcharge)	\$ (38,438.00)
			6104 · SFPUC Water Service Charge	\$ (6,522.00)
				<hr/>
				\$ (407,300.00)
Bill Pmt -Check	30794	05/24/2016 SFPUC WATER QUALITY	1030 - Cash- Checking	
Bill	10000743	05/01/2016	2050 · Accrued Expenses	\$ (1,650.00)
				<hr/>
				\$ (1,650.00)

Check Detail
May 19 through June 14, 2016

Bill Pmt -Check	30795	05/24/2016 SUBTRONIC CORPORATION	1030 - Cash- Checking	
Bill	23220	05/23/2016	6602 - Leak Detection Survey	\$ (30,845.00)
				<u>\$ (30,845.00)</u>
Bill Pmt -Check	30796	05/24/2016 VERIZON WIRELESS	1030 - Cash- Checking	
Bill	9765463134	05/15/2016	7002 - Utilities - Cell Telephone	\$ (193.68)
				<u>\$ (193.68)</u>
Bill Pmt -Check	30797	06/07/2016 ACWA/JPIA	1030 - Cash- Checking	
Bill	0419282	06/02/2016	1410 - Prepaid Expenses	\$ (41,102.94)
				<u>\$ (41,102.94)</u>
Bill Pmt -Check	30798	06/07/2016 ALBERT STUEBING	1030 - Cash- Checking	
Bill		05/31/2016	7201 - Director Travel	\$ (1,014.26)
				<u>\$ (1,014.26)</u>
Bill Pmt -Check	30799	06/07/2016 ALWAYS ON TIME CONCRETE & PUMPING	1030 - Cash- Checking	
Bill		05/24/2016	1786 - 1401 Shoreway Springhill Htl U	\$ (479.00)
				<u>\$ (479.00)</u>
Bill Pmt -Check	30800	06/07/2016 AT&T 60197	1030 - Cash- Checking	
Bill	8089969	05/17/2016	7005 - Utilities - Telephones	\$ (19.80)
Bill	8089968	05/17/2016	7005 - Utilities - Telephones	\$ (19.26)
Bill	8105121	05/20/2016	7005 - Utilities - Telephones	\$ (1,164.50)
Bill	8110385	05/24/2016	7005 - Utilities - Telephones	\$ (19.18)
				<u>\$ (1,222.74)</u>
Bill Pmt -Check	30801	06/07/2016 BLUELINE RENTAL, INC.	1030 - Cash- Checking	
Bill	31655310001	05/27/2016	1786 - 1401 Shoreway Springhill Htl U	\$ (1,491.21)
				<u>\$ (1,491.21)</u>
Bill Pmt -Check	30802	06/07/2016 CANDY PINA	1030 - Cash- Checking	
Bill		05/25/2016	7205 - Meeting Expenses	\$ (89.62)
				<u>\$ (89.62)</u>
Bill Pmt -Check	30803	06/07/2016 CARQUEST AUTO PARTS	1030 - Cash- Checking	
Bill	8292-472448	05/16/2016	6503 - Vehicle & Large Equip	\$ (30.06)
				<u>\$ (30.06)</u>
Bill Pmt -Check	30804	06/07/2016 CINTAS CORPORATION	1030 - Cash- Checking	
Bill	5005113183	05/31/2016	6408 - Employee Safety	\$ (128.94)
				<u>\$ (128.94)</u>

Check Detail
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Bill Pmt -Check	30805	06/07/2016 COMCAST	1030 - Cash- Checking	
Bill	43242103	05/15/2016	7001 - Utilities - Internet/Cable	\$ (1,363.76)
				<u>\$ (1,363.76)</u>
Bill Pmt -Check	30806	06/07/2016 DESERT DIAMOND INDUSTRIES LLC	1030 - Cash- Checking	
Bill	12263	05/12/2016	6502 - Equipment & Tools	\$ (285.00)
				<u>\$ (285.00)</u>
Bill Pmt -Check	30807	06/07/2016 FERGUSON WATERWORKS, INC.	1030 - Cash- Checking	
Bill	1108951	05/31/2016	6405 - Meters & Service	\$ (525.00)
				<u>\$ (525.00)</u>
Bill Pmt -Check	30808	06/07/2016 HACH COMPANY INC	1030 - Cash- Checking	
Bill	9944966	05/24/2016	6401 - Water Quality	\$ (1,533.31)
				<u>\$ (1,533.31)</u>
Bill Pmt -Check	30809	06/07/2016 HANSON, BRIDGETT	1030 - Cash- Checking	
Bill	1167328	05/27/2016	7101 - Prof Serv - District Counsel	\$ (1,430.00)
Bill	1167329	05/27/2016	7101 - Prof Serv - District Counsel	\$ (3,857.50)
Bill	1167330	05/27/2016	7101 - Prof Serv - District Counsel	\$ (135.00)
Bill	1167331	05/27/2016	7101 - Prof Serv - District Counsel	\$ (1,000.00)
Bill	1167332	05/27/2016	7101 - Prof Serv - District Counsel	\$ (3,117.50)
Bill	1167333	05/27/2016	1721 - Alameda - Prof Svs	\$ (527.50)
				<u>\$ (10,067.50)</u>
Bill Pmt -Check	30810	06/07/2016 HOME DEPOT	1030 - Cash- Checking	
Bill	1040534	05/17/2016	6501 - Buildings & Grounds	\$ (10.87)
Bill	9564164	05/19/2016	6502 - Equipment & Tools	\$ (8.65)
Bill	9154009	05/19/2016	6501 - Buildings & Grounds	\$ (22.77)
			6502 - Equipment & Tools	\$ (72.16)
Bill	4565028	05/24/2016	6502 - Equipment & Tools	\$ (59.87)
				<u>\$ (174.32)</u>
Bill Pmt -Check	30811	06/07/2016 John T. Davidson.	1030 - Cash- Checking	
Bill	2094	06/01/2016	7110 - Prof Serv - Miscellaneous	\$ (3,512.72)
				<u>\$ (3,512.72)</u>
Bill Pmt -Check	30812	06/07/2016 LYGSO GARDEN MATERIAL INC	1030 - Cash- Checking	
Bill	915358	05/23/2016	1786 - 1401 Shoreway Springhill Htl U	\$ (81.84)
				<u>\$ (81.84)</u>

Check Detail
May 19 through June 14, 2016

Bill Pmt -Check	30813	06/07/2016 MANAGEWATER CONSULTING,INC	1030 - Cash- Checking	
Bill	1004 / 1005	05/01/2016	7110 - Prof Serv - Miscellaneous	\$ (8,502.50)
			7110 - Prof Serv - Miscellaneous	\$ (3,583.75)
				<u>\$ (12,086.25)</u>
Bill Pmt -Check	30814	06/07/2016 MATCO TOOLS	1030 - Cash- Checking	
Bill	245040	05/01/2016	6502 - Equipment & Tools	\$ (34.34)
Bill	243678	05/01/2016	6502 - Equipment & Tools	\$ (288.41)
Bill	242159	05/01/2016	6502 - Equipment & Tools	\$ (165.33)
Bill	241717	05/01/2016	6502 - Equipment & Tools	\$ (75.59)
Bill	246076	05/03/2016	6502 - Equipment & Tools	\$ (400.06)
Bill	246448	05/10/2016	6502 - Equipment & Tools	\$ (101.32)
Bill	247121	05/24/2016	6502 - Equipment & Tools	\$ (163.48)
				<u>\$ (1,228.53)</u>
Bill Pmt -Check	30815	06/07/2016 McNAMARA TRANSPORT, INC.	1030 - Cash- Checking	
Bill	9756	05/01/2016	6404 - Mains/Distribution	\$ (1,150.00)
				<u>\$ (1,150.00)</u>
Bill Pmt -Check	30816	06/07/2016 OFFICE TEAM	1030 - Cash- Checking	
Bill	45840900	05/24/2016	7110 - Prof Serv - Miscellaneous	\$ (1,083.60)
Bill	45908389	05/31/2016	7110 - Prof Serv - Miscellaneous	\$ (932.44)
				<u>\$ (2,016.04)</u>
Bill Pmt -Check	30817	06/07/2016 OREILLY AUTO PARTS, INC.	1030 - Cash- Checking	
Bill	3535-458089	05/25/2016	6503 - Vehicle & Large Equip	\$ (231.05)
				<u>\$ (231.05)</u>
Bill Pmt -Check	30818	06/07/2016 PAKPOUR CONSULTING GROUP, INC	1030 - Cash- Checking	
Bill		05/31/2016	1536 - BUCKLAND TANK PROJECT	\$ (360.94)
			7102 - Prof Serv - District Engineer	\$ (5,811.75)
			207019 - 1006 Muir Way Fire Flow U	\$ (196.88)
			207024 - 1831 Robin Whipple Way U	\$ (262.50)
			207011 - 322 Chesterton Fire Flow	\$ (262.50)
			7102 - Prof Serv - District Engineer	\$ (569.63)
			1721 - Alameda - Prof Svs	\$ (9,306.94)
			1726 - Karen Road - Prof Svs	\$ (2,304.75)
				<u>\$ (19,075.89)</u>

Check Detail
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Bill Pmt -Check	30819	06/07/2016 PENINSULA TRUCK REPAIR, INC.	1030 - Cash- Checking	
Bill	2427	06/02/2016	6503 - Vehicle & Large Equip	\$ (4,966.94)
				<u>\$ (4,966.94)</u>
Bill Pmt -Check	30820	06/07/2016 PETTY CASH	1030 - Cash- Checking	
Bill		05/25/2016	6303 - Public Outreach & Education	\$ (191.61)
			6701 - Office Supplies	\$ (33.97)
			6050 - Employee Service Recognition	\$ (54.74)
			7204 - Employee Travel/Training	\$ (21.79)
			7205 - Meeting Expenses	\$ (46.47)
			6503 - Vehicle & Large Equip	\$ (15.99)
				<u>\$ (364.57)</u>
Bill Pmt -Check	30821	06/07/2016 PG&E CFM/PPC DEPT	1030 - Cash- Checking	
Bill	4441-0May2016	05/27/2016	7004 - Utilities - Electric-Bldgs&Grnd	\$ (8.60)
				<u>\$ (8.60)</u>
Bill Pmt -Check	30822	06/07/2016 PRECISE, INC.	1030 - Cash- Checking	
Bill	PI052516	05/25/2016	1410 - Prepaid Expenses	\$ (7,500.00)
Bill	17124	05/31/2016	7107 - Prof Serv - Customer Billing	\$ (2,060.91)
Bill	17088	05/31/2016	7107 - Prof Serv - Customer Billing	\$ (628.81)
				<u>\$ (10,189.72)</u>
Bill Pmt -Check	30823	06/07/2016 RECOLOGY SAN MATEO	1030 - Cash- Checking	
Bill	21965660	05/27/2016	6501 - Buildings & Grounds	\$ (651.04)
				<u>\$ (651.04)</u>
Bill Pmt -Check	30824	06/07/2016 RICOH Philadelphia	1030 - Cash- Checking	
Bill	50192382	05/21/2016	6704 - Printing/Printing Supplies	\$ (133.81)
				<u>\$ (133.81)</u>

Check Detail
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Bill Pmt -Check	30825	06/07/2016 ROBERTS & BRUNE CO. INC.	1030 - Cash- Checking	
Bill	S1547503.003	05/01/2016	6405 · Meters & Service	\$ (87.30)
Bill	S1555035.002	05/01/2016	6406 · Fire Hydrants	\$ (12.10)
Bill	S1558086.001	05/01/2016	6404 · Mains/Distribution	\$ (46.43)
Bill	S1559932.001	05/04/2016	1737 · Meter Chg Out - Parts	\$ (817.38)
Bill	S1560343.001	05/06/2016	1781 · 2177 Carlmont Drive U	\$ (1,175.92)
Bill	S1555644.002	05/13/2016	6406 · Fire Hydrants	\$ (310.70)
Bill	S1562354.001	05/16/2016	1786 · 1401 Shoreway Springhill Htl U	\$ (4,979.44)
Bill	S1562738.001	05/17/2016	1786 · 1401 Shoreway Springhill Htl U	\$ (1,318.15)
Bill	S1563107.001	05/19/2016	1786 · 1401 Shoreway Springhill Htl U	\$ (227.01)
Bill	S1564112.001	05/20/2016	1786 · 1401 Shoreway Springhill Htl U	\$ (122.58)
Bill	S1558148.001	05/23/2016	1330 · Inventory- Meters	\$ (1,510.08)
Bill	S1563723.001	05/23/2016	1737 · Meter Chg Out - Parts	\$ (567.87)
Bill	S1564230.001	05/24/2016	1786 · 1401 Shoreway Springhill Htl U	\$ (393.28)
Bill	S1564217.001	05/24/2016	6404 · Mains/Distribution	\$ (291.35)
Bill	S1564747.001	05/25/2016	6404 · Mains/Distribution	\$ (123.73)
				<hr/>
				\$ (11,983.32)
Bill Pmt -Check	30826	06/07/2016 SAN MATEO DAILY JOURNAL	1030 - Cash- Checking	
Bill	02693864	05/13/2016	6303 · Public Outreach & Education	\$ (1,200.00)
				<hr/>
				\$ (1,200.00)
Bill Pmt -Check	30827	06/07/2016 SFPUC WATER QUALITY	1030 - Cash- Checking	
Bill	10000767	05/16/2016	2050 · Accrued Expenses	\$ (3,325.00)
				<hr/>
				\$ (3,325.00)
Bill Pmt -Check	30828	06/07/2016 STANDARD INSURANCE COMPANY	1030 - Cash- Checking	
Bill		06/01/2016	1410 · Prepaid Expenses	\$ (780.01)
				<hr/>
				\$ (780.01)
Bill Pmt -Check	30829	06/07/2016 STEPFORD BUSINESS, INC.	1030 - Cash- Checking	
Bill	1601455	05/20/2016	7103 · Prof Serv - IT	\$ (960.00)
Bill	1601490	05/20/2016	7103 · Prof Serv - IT	\$ (1,400.00)
				<hr/>
				\$ (2,360.00)
Bill Pmt -Check	30830	06/07/2016 TAMMY A. RUDOCK	1030 - Cash- Checking	
Bill		05/31/2016	7204 · Employee Travel/Training	\$ (27.34)
Bill		06/03/2016	7205 · Meeting Expenses	\$ (30.00)
				<hr/>
				\$ (57.34)

Check Detail
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Bill Pmt -Check	30831	06/07/2016 THE PREFERRED IMAGE	1030 - Cash- Checking	
Bill	7907	05/01/2016	6503 - Vehicle & Large Equip	\$ (180.00)
Bill	8018	05/17/2016	6503 - Vehicle & Large Equip	\$ (675.00)
				<u>\$ (855.00)</u>
Bill Pmt -Check	30832	06/07/2016 VANGUARD CLEANING SYSTEMS, INC.	1030 - Cash- Checking	
Bill	23418	06/01/2016	6501 - Buildings & Grounds	\$ (385.00)
				<u>\$ (385.00)</u>
Bill Pmt -Check	30833	06/07/2016 VERIZON WIRELESS	1030 - Cash- Checking	
Bill	9765463133	05/15/2016	7002 - Utilities - Cell Telephone	\$ (1,647.50)
				<u>\$ (1,647.50)</u>
Bill Pmt -Check	30834	06/07/2016 WESTERN TRAFFIC SUPPLY, INC.	1030 - Cash- Checking	
Bill	6422	05/23/2016	1724 - Alameda - Construction	\$ (2,200.00)
				<u>\$ (2,200.00)</u>
Bill Pmt -Check	30835	06/14/2016 ACCELA, INC. #774375	1030 - Cash- Checking	
Bill	33314	06/01/2016	1751 - FMS - Prof Svs	\$ (1,950.58)
				<u>\$ (1,950.58)</u>
Bill Pmt -Check	30836	06/14/2016 AIRGAS, LLC	1030 - Cash- Checking	
Bill	9936858652	06/01/2016	6501 - Buildings & Grounds	\$ (120.93)
				<u>\$ (120.93)</u>
Bill Pmt -Check	30837	06/14/2016 AMERICAN WATER WORKS ASSOCIATION	1030 - Cash- Checking	
Bill		06/01/2016	1410 - Prepaid Expenses	\$ (255.00)
				<u>\$ (255.00)</u>
Bill Pmt -Check	30838	06/14/2016 AT&T 60197	1030 - Cash- Checking	
Bill	8132418	06/01/2016	7005 - Utilities - Telephones	\$ (37.71)
				<u>\$ (37.71)</u>
Bill Pmt -Check	30839	06/14/2016 BFI of CALIFORNIA INC. - OX MTN. LANDFILL	1030 - Cash- Checking	
Bill	4227-000044243	05/31/2016	6404 - Mains/Distribution	\$ (29.38)
				<u>\$ (29.38)</u>
Bill Pmt -Check	30840	06/14/2016 C G UHLENBERG LLP	1030 - Cash- Checking	
Bill	11831	05/02/2016	7111 - Prof Serv - District Treasurer	\$ (300.00)
			7106 - Prof Serv - Accting & Payroll	\$ (1,025.00)
				<u>\$ (1,325.00)</u>

Check Detail
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Bill Pmt -Check	30841	06/14/2016 CALIFORNIA RURAL WATER ASSOC	1030 - Cash- Checking	
Bill		05/25/2016	1410 - Prepaid Expenses	\$ (1,146.00)
				<u>\$ (1,146.00)</u>
Bill Pmt -Check	30842	06/14/2016 CINTAS CORPORATION	1030 - Cash- Checking	
Bill	464606321	05/26/2016	6052 - Uniforms	\$ (340.47)
Bill	464606321a	06/01/2016	6052 - Uniforms	\$ (9.00)
Bill	464609125	06/02/2016	6052 - Uniforms	\$ (395.25)
Bill	464611954	06/09/2016	6052 - Uniforms	\$ (401.01)
				<u>\$ (1,145.73)</u>
Bill Pmt -Check	30843	06/14/2016 CORNERSTONE	1030 - Cash- Checking	
Bill	13775	05/31/2016	1731 - Hallmark - Prof Svs	\$ (9,565.00)
				<u>\$ (9,565.00)</u>
Bill Pmt -Check	30844	06/14/2016 GRANITE ROCK, INC.	1030 - Cash- Checking	
Bill	964743	06/04/2016	6404 - Mains/Distribution	\$ (138.43)
				<u>\$ (138.43)</u>
Bill Pmt -Check	30845	06/14/2016 HOME DEPOT	1030 - Cash- Checking	
Bill	7576705	06/10/2016	6501 - Buildings & Grounds	\$ (3.23)
Bill	7151380	06/10/2016	6501 - Buildings & Grounds	\$ (32.67)
				<u>\$ (35.90)</u>
Bill Pmt -Check	30846	06/14/2016 LINCOLN LIFE	1030 - Cash- Checking	
Bill		05/15/2016	1430 - Payroll Clearing A/C	\$ (175.00)
Bill		05/31/2016	1430 - Payroll Clearing A/C	\$ (175.00)
				<u>\$ (350.00)</u>
Bill Pmt -Check	30847	06/14/2016 MATCO TOOLS	1030 - Cash- Checking	
Bill	247869	06/10/2016	6502 - Equipment & Tools	\$ (223.45)
				<u>\$ (223.45)</u>
Bill Pmt -Check	30848	06/14/2016 OFFICE DEPOT, INC.	1030 - Cash- Checking	
Bill	842142831001	05/27/2016	6701 - Office Supplies	\$ (498.18)
Bill	1944391441	06/06/2016	6701 - Office Supplies	\$ (28.77)
Bill	844061657001	06/08/2016	6701 - Office Supplies	\$ (71.58)
				<u>\$ (598.53)</u>
Bill Pmt -Check	30849	06/14/2016 OFFICE TEAM	1030 - Cash- Checking	
Bill	45943352	06/01/2016	7110 - Prof Serv - Miscellaneous	\$ (751.75)
				<u>\$ (751.75)</u>

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Bill Pmt -Check	30850	06/14/2016 OREILLY AUTO PARTS, INC.	1030 - Cash- Checking	
Bill	3535-458107	06/10/2016	6503 - Vehicle & Large Equip	\$ (56.99)
				<u>\$ (56.99)</u>
Bill Pmt -Check	30851	06/14/2016 PACIFIC WEST SECURITY, INC.	1030 - Cash- Checking	
Bill		06/08/2016	1410 - Prepaid Expenses	\$ (1,101.00)
			1410 - Prepaid Expenses	\$ (297.00)
Bill		06/08/2016	1410 - Prepaid Expenses	\$ (321.00)
				<u>\$ (1,719.00)</u>
Bill Pmt -Check	30852	06/14/2016 PARS	1030 - Cash- Checking	
Bill	34542	06/07/2016	7110 - Prof Serv - Miscellaneous	\$ (300.00)
				<u>\$ (300.00)</u>
Bill Pmt -Check	30853	06/14/2016 PG&E CFM/PPC DEPT	1030 - Cash- Checking	
Bill	2454-4JUN2016	06/06/2016	7003 - Utilities - Electric - Pumping	\$ (31.36)
Bill	3667-2JUNE2016	06/06/2016	7003 - Utilities - Electric - Pumping	\$ (70.03)
Bill	7816-1JUNE2016	06/06/2016	7003 - Utilities - Electric - Pumping	\$ (255.85)
Bill	7951-5JUN2016	06/07/2016	7003 - Utilities - Electric - Pumping	\$ (175.88)
Bill	8936-0JUN2016	06/07/2016	7003 - Utilities - Electric - Pumping	\$ (3,126.68)
Bill	6556-8JUN2016	06/07/2016	7003 - Utilities - Electric - Pumping	\$ (86.43)
				<u>\$ (3,746.23)</u>
Bill Pmt -Check	30854	06/14/2016 ROBERTS & BRUNE CO. INC.	1030 - Cash- Checking	
Bill	S1566602.001	06/01/2016	1737 - Meter Chg Out - Parts	\$ (361.18)
Bill	S1566607.001	06/02/2016	6502 - Equipment & Tools	\$ (71.50)
Bill	S1554697.003	06/09/2016	1737 - Meter Chg Out - Parts	\$ (342.30)
				<u>\$ (774.98)</u>
Bill Pmt -Check	30855	06/14/2016 Silicon Segway	1030 - Cash- Checking	
Bill	13355	06/10/2016	6502 - Equipment & Tools	\$ (251.03)
				<u>\$ (251.03)</u>
Bill Pmt -Check	30856	06/14/2016 SUNSET	1030 - Cash- Checking	
Bill	600101697	06/03/2016	6303 - Public Outreach & Education	\$ (415.94)
				<u>\$ (415.94)</u>
Bill Pmt -Check	30857	06/14/2016 TAMMY A. RUDOCK	1030 - Cash- Checking	
Bill		05/31/2016	7204 - Employee Travel/Training	\$ (19.00)
				<u>\$ (19.00)</u>

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Bill Pmt -Check	30858	06/14/2016 TAP MASTER, INC	1030 - Cash- Checking	
Bill	0516-111	05/31/2016	1786 - 1401 Shoreway Springhill Htl U	\$ (1,385.00)
				<u>\$ (1,385.00)</u>
Bill Pmt -Check	30859	06/14/2016 U.S. Bank PARS Account# 6746019200	1030 - Cash- Checking	
Bill		06/16/2016	6053 - OPEB Expense	\$ (41,250.00)
				<u>\$ (41,250.00)</u>
Check	55149	06/10/2016 MARIA RODRIGUEZ	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (62.00)
				<u>\$ (62.00)</u>
Check	55150	06/10/2016 MARSHALL REALTY	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (25.00)
				<u>\$ (25.00)</u>
Check	55151	06/10/2016 SHEN DONGBIAO	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (16.93)
				<u>\$ (16.93)</u>
Check	55152	06/10/2016 IAN MCNEMAR	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (40.00)
				<u>\$ (40.00)</u>
Check	55153	06/10/2016 ADRIANA DEL CARLO	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (15.07)
				<u>\$ (15.07)</u>
Check	55154	06/10/2016 HEATHER ROSQVIST	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (35.00)
				<u>\$ (35.00)</u>
Check	55155	06/10/2016 MARY ELLEN WEISS	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (47.00)
				<u>\$ (47.00)</u>
Check	55156	06/10/2016 SCOTT GRINKER	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (77.00)
				<u>\$ (77.00)</u>
Check	55157	06/10/2016 BICHUAN YANG	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (1.07)
				<u>\$ (1.07)</u>

Check Detail
May 19 through June 14, 2016

Check	55158	06/10/2016 DONNA MAYNARD	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (3.00)
				<u>\$ (3.00)</u>
Check	55159	06/10/2016 NICOLE BYRNE	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (214.75)
				<u>\$ (214.75)</u>
Check	55160	06/10/2016 MIGUEL CASTELLANOS	1030 - Cash- Checking	
			4012 - Water Refunds	\$ (13.60)
				<u>\$ (13.60)</u>
TOTAL:				<u>\$ 713,595.18</u>



AGENDA ITEM NO. 6.A.

DATE: June 23, 2016

TO: Board of Directors

FROM: Tammy Rudock, General Manager

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

RECOMMENDATION

1. Receive presentation by staff and MPWD's consultant, Marty Laporte of ManageWater Consulting, Inc., on the MPWD Water Shortage Contingency Plan, effective July 1, 2016;
2. Conduct a public hearing and consider public comments; and
3. Approve Resolution 2016-04 adopting the MPWD Water Shortage Contingency Plan.

FISCAL IMPACT

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

RECAP:

Project budget:	\$38,860 For UWMP
	<u>\$10,102</u> Approved proposal for revised WSCP
	\$48,962
	<u>\$ 9,792</u> 20% Contingency
TOTAL	\$58,754
Expended to date:	\$59,668
Balance:	\$ 914 Over project budget

Staff approved added time for services performed by the consultant, mostly during the UWMP data integration and projection stages, and in development of the *NEW* Water Shortage Contingency Plan.

DISCUSSION

The Public Review Draft of the MPWD's *NEW* Water Shortage Contingency Plan (WSCP) was included in the appendix to the MPWD 2015 Urban Water Management Plan (UWMP) and made available for public review on May 26, 2016, at several locations identified within the attached public hearing notice.

Notice of this evening's public hearing was published twice (on June 14th and June 21st) in the Daily Journal as required by law. The UWMP, including the WSCP, and notice were posted on the MPWD's website.

Printed copies were delivered to Directors on May 26th; therefore, a copy of the 2015 UWMP, including the WSCP, is NOT attached to this staff report. The link to the electronic version of the UWMP, including the WSCP at Appendix C is:
http://www.midpeninsulawater.org/uploads/2015_UWMP_draft0.pdf.

Marty Laporte of ManageWater Consulting, Inc., presented a summary of the key components of the MPWD Water Shortage Contingency Plan at last month's Board meeting and will be present for any questions. A printed copy will be available at the meeting.

The deadline for timely submittal of the UWMP, including the WSCP, to the CA DWR is July 1st.

Attachment: MPWD Public Hearing Notice

BOARD ACTION:	APPROVED:_____	DENIED:_____	POSTPONED:_____	STAFF DIRECTION:_____
UNANIMOUS_____	ZUCCA_____	WARDEN_____	STUEBING_____	VELLA_____ LINVILL_____

RESOLUTION 2016-04

ADOPTING THE MPWD WATER SHORTAGE CONTINGENCY PLAN

* * *

MID-PENINSULA WATER DISTRICT

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

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

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

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

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

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

WHEREAS, in accordance with applicable law, a noticed public hearing on the draft UWMP, including the WSCP, was held by the MPWD Board of Directors on June 23, 2016, at which time all public comments were heard and considered.

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

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

REGULARLY PASSED AND ADOPTED this 23rd day of June 2016, by the following vote.

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:

District Secretary



**PUBLIC HEARING ON URBAN WATER USE TARGETS
IN URBAN WATER MANAGEMENT PLAN FOR 2015-2020,
INCLUDING A WATER SHORTAGE CONTINGENCY PLAN**

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

**Thursday, June 23, 2016, at 6:30PM
at the MPWD, 3 Dairy Lane, in Belmont, CA**

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

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

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

Please provide any written comments to the **MPWD, 3 Dairy Lane, in Belmont, CA 94002, Attention: Tammy Rudock, General Manager**, or via email: tammyr@midpeninsulawater.org, **by 4:30PM on Wednesday, June 22, 2016**. Alternatively, comments may be provided during the public hearing on June 23rd.

Date: May 31, 2016



AGENDA ITEM NO. 6.B.

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

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

RECOMMENDATION

1. Receive presentation by staff and MPWD's consultant, Marty Laporte of ManageWater Consulting, Inc., on the MPWD Urban Water Management Plan, effective July 1, 2016;
2. Conduct a public hearing and consider public comments; and
3. Approve Resolution 2016-05 adopting the MPWD Urban Water Management Plan.

FISCAL IMPACT

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

RECAP:

Project budget:	\$38,860	For UWMP
	<u>\$10,102</u>	Approved proposal for revised WSCP
	\$48,962	
	<u>\$ 9,792</u>	20% Contingency
TOTAL	\$58,754	
Expended to date:	\$59,668	
Balance:	\$ 914	Over project budget

Staff approved added time for services performed by the consultant, mostly during the UWMP data integration and projection stages, and in development of the *NEW* Water Shortage Contingency Plan.

BACKGROUND

The California Water Code (CWC) Section 10620(a) requires an urban water supplier to prepare and adopt an UWMP consistent with CWC Section 10640. All urban water suppliers, either publicly or privately owned, serving municipal water to 3,000 or more customers or supplying more than 3,000AF annually are required to prepare an UWMP. The UWMP is required for an urban water supplier to be

eligible for California Department of Water Resources (CA DWR) state grants, loans, and drought assistance. **The UWMP must be adopted and submitted to the CA DWR by July 1, 2016.**

DISCUSSION

The MPWD 2015 UWMP includes the following sections:

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

The Public Review Draft of the MPWD's 2015 Urban Water Management Plan (UWMP) was made available for public review on May 26, 2016, at several locations identified within the attached public hearing notice.

Notice of this evening's public hearing was published twice (on June 14th and June 21st) in the Daily Journal as required by law. The 2015 UWMP and notice were posted on the MPWD's website.

Printed copies were delivered to Directors on May 26th; therefore, a copy of the UWMP, including the WSCP, is NOT attached to this staff report. The link to the electronic version of the MPWD 2015 UWMP is: http://www.midpeninsulawater.org/uploads/2015_UWMP_draft0.pdf

Marty Laporte of ManageWater Consulting, Inc., presented a summary of the key components of the MPWD Urban Water Management Plan at last month's Board meeting and will be present for any questions. A printed copy will be available at the meeting.

Attachment: MPWD Public Hearing Notice

BOARD ACTION:	APPROVED:_____	DENIED:_____	POSTPONED:_____	STAFF DIRECTION:_____
UNANIMOUS_____	ZUCCA_____	WARDEN_____	STUEBING_____	VELLA_____ LINVILL_____

RESOLUTION 2016-05

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

* * *

MID-PENINSULA WATER DISTRICT

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

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

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

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

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

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

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

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

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

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

WHEREAS, in accordance with applicable law, a noticed public hearing on the draft UWMP was held by the MPWD Board of Directors on June 23, 2016, at which time all public comments were heard and considered.

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

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

REGULARLY PASSED AND ADOPTED this 23rd day of June 2016, by the following vote.

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:

District Secretary



AGENDA ITEM NO. 7.A.

DATE: June 23, 2016
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: DROUGHT AND WATER CONSERVATION PROGRESS REPORT

RECOMMENDATION

Receive progress report on drought and water conservation activities.

BACKGROUND

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

UPDATED STATEWIDE WATER CONSERVATION REGULATIONS

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

The SFPUC's *Self-Certification of Supply Reliability for Three Additional Years of Drought and Update to Final Water Supply Availability Estimate* dated June 9, 2016, is attached. It was submitted to DWR before the June 15th deadline. The SFPUC's 3-year look ahead is good for the RWS supply and a 10% voluntary reduction (compared with 2013 consumption) was requested.

The SFPUC used actual CY 2013 and CY 2014 demand for each of its wholesale customers, and then averaged the two calendar years for its projected supply for each customer under the SWRCB's proposed 3-year drought methodology. For the MPWD, the projected supply is 1,038.8 MG (1.4 million units) for each of the water years 2017, 2018, and 2019. For comparison in units, the MPWD's CY demand was as follows:

CALENDAR YEAR	DEMAND IN UNITS
2013	1.5 million
2014	1.3 million
2015	1.1 million

Staff is in the process of completing the MPWD's self-certification due to the DWR by June 22nd. A progress report will be provided at the Board meeting.

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

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

DISCUSSION

The report due June 15th to the SWRCB was timely submitted. May's water consumption was 101,955 units. The reduction (compared with 2013) measured -34.5%, and the R-GPCD was 78.2. By comparison, the May 2015 PERCENT CHANGE was -37.2% and the R-GPCD was 77.1.

MPWD's cumulative water savings (since tracking started on June 1, 2015) = -27.3% → 7.3% greater than the MPWD system conservation goal of 20%.

2015/2016 MONTH	2015/2016 UNITS	2013 UNITS	PERCENT CHANGE*	CUMULATIVE WATER SAVINGS*	2015/2016 R-GPCD	2013 R-GPCD
June 2015	103,863	150,614	-31.0%	-31.0%	82.3	122.6
July	105,639	156,081	-32.3%	-31.7%	81.1	122.9
August	106,832	155,788	-31.4%	-31.6%	82.0	122.7
September	105,459	145,551	-27.5%	-30.6%	83.6	118.5
October	98,345	122,117	-19.5%	-28.3%	75.5	96.2
November	77,733	106,535	-27.0%	-28.1%	61.6	86.7
December	70,423	94,062	-25.1%	-27.7%	54.0	74.1
January 2016	69,741	84,202	-17.2%	-26.4%	53.5	66.3
February	71,345	86,478	-17.5%	-25.4%	58.5	75.4
March	71,219	106,663	-33.2%	-26.2%	54.6	84.0
April	82,916	120,265	-31.1%	-26.6%	65.7	87.9
May	101,955	155,736	-34.5%	-27.3%	78.2	122.7

*Compared to 2013.

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

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

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YEAR TOTAL
2016	2	1	4	2	6								15
2015	2	0	5	12	6	6	12	5	5	3	1	0	57
2014	-	-	-	-	-	-	3	6	3	4	7	0	23

The SWRCB statewide Emergency Water Conservation Regulations Update dated June 7, 2016, and Media Release dated June 6, 2016, are attached for information.

HISTORY

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

CALENDAR YEAR 2015 - JANUARY THROUGH MAY

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

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

CALENDAR YEAR 2014 - FEBRUARY THROUGH DECEMBER

2014 MONTH	2014 UNITS	2013 UNITS	PERCENT CHANGE*	CUMULATIVE WATER SAVINGS*	2014 R-GPCD	2013 R-GPCD
February	73,221	86,478	-15.3%	-15.3%	64	75
March	89,152	106,663	-16.4%	-15.9%	70	84
April	96,019	120,265	-20.2%	-17.3%	78	98
May	126,934	155,736	-18.5%	-17.6%	100	123
June	139,729	150,614	-7.2%	-15.5%	114	123
July	134,669	156,081	-13.7%	-15.2%	106	123
August	128,924	155,788	-17.2%	-15.5%	102	123
September	118,284	145,551	-18.7%	-15.9%	96	119
October	109,652	122,117	-10.2%	-15.3%	92	96
November	86,670	106,535	-18.6%	-15.6%	71	87
December	72,835	94,062	-22.6%	-16.2%	57	74

*Compared to 2013.

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

Attachments: SFPUC's Self-Certification of Supply Reliability for Three Additional Years of Drought and Update to Final Water Supply Availability Estimate dated June 9, 2016
SWRCB statewide Emergency Conservation Regulation Update dated June 7, 2016
SWRCB Media Release dated June 6, 2016



San Francisco
Water Power Sewer
 Operator of the Hetch Hetchy Regional Water System

525 Golden Gate Avenue, 13th Floor
 San Francisco, CA 94102
 T 415.554.3155
 F 415.554.3161
 TTY 415.554.3488

TO: SFPUC Wholesale Customers

FROM: Steven R. Ritchie, Assistant General Manager, Water

DATE: June 9, 2016

RE: State Water Resources Control Board Self-Certification of
 Supply Reliability for Three Additional Years of Drought
 and
 Update to Final Water Supply Availability Estimate

This memo provides the analysis to support the State Water Resources Control Board Self-Certification of Supply Reliability for Three Additional Years of Drought, and it also provides an update to the Final Water Supply Availability Estimate the SFPUC furnished to the Wholesale Customers on April 6, 2016.

On May 18, 2016, the State Water Resources Control Board adopted new standards for drought emergency water conservation regulation. The new standards require water utilities to conduct an analysis that demonstrates the utility is able to meet average annual 2013-2014 water demand under a repeat of the hydrology of water years 2013-2015. Attachment A provides the SFPUC's analysis. As shown in the attachment, the SFPUC would have sufficient supply to meet the average annual demand of 2013-2014 over the next three years with a repeat of water year 2013-2015 hydrology with no shortages necessary for any SFPUC customers (Table 1). Table 2 in the attachment provides the average annual 2013-2014 demand for each wholesale customer and thus, the water supply available to each customer for the next three years from the SFPUC regional water system under the State Board-required analysis. This analysis will be posted on the sfwater.org website by June 15, 2016.

While the SFPUC can meet the State Board requirements without requiring shortages, the SFPUC is requesting its customers maintain a 10% voluntary reduction from 2013 use. We make this request because the SFPUC Regional Water System storage will not fill at the end of the snowmelt period this year. In the event the next water year is dry, the SFPUC needs ample carryover storage to protect against additional water use reductions. Table 2 in the attachment provides 2013 water use for each Wholesale Customer for your reference.

Thank you for your ongoing efforts to conserve water. They've helped us to refill the system as we continue to recover from these years of drought.

cc.: Nicole Sandkulla, CEO/General Manager, BAWSCA

Attachment

Edwin M. Lee
 Mayor

Francesca Vietor
 President

Anson Moran
 Vice President

Ann Moller Caen
 Commissioner

Vince Courtney
 Commissioner

Ike Kwon
 Commissioner

Harlan L. Kelly, Jr.
 General Manager



Attachment A

Self-Certification of Supply Reliability for Three Additional Years of Drought

Calculation Notes

Purpose

The State Water Resources Control Board (SWRCB) adopted on May 18, 2016 a new statewide water conservation approach. The SFPUC needs to self-certify sufficient water supply assuming an average of calendar years 2013-2014 annual demand for wholesale and retail service areas and three more dry years like the ones recorded from water year 2013 through 2015. If a shortage exists at the end of the third year, the conservation standard would equal the amount of shortage. The conservation standard would apply from June 2016 through January 2017. The purpose of this document is to explain assumptions, approach used and findings.

Assumptions

- The Hetch Hetchy Regional Water System water supply reliability is assessed following the SWRCB Resolution no. 2016-0029.
- Hydrologic conditions are a repeat of water years 2013, 2014 and 2015 for the next three years. The SWRCB text proposes to use a repeat of precipitation totals. Instead, the analysis uses a repeat of annual flows.
- Total system delivery is the average of calendar years 2013 and 2014, which is 241 thousand acre-feet, TAF (215 million gallon per day, MGD). Data sources are the SWRCB Monthly Data Reporting for retail deliveries and Finance Sales Data for wholesale deliveries.
- Initial reservoir storages on October 1, 2016 are extracted from the Reservoir Operations Projections model using a median snowmelt runoff forecast and updated early May 2016. Total system storage is forecasted at 1,246 TAF. As a reference, total system storage was 1,095 TAF on October 1, 2013.

Approach

- The approach is a simple comparison of water available to SFPUC versus demand on an annual basis for the next three years (Table 1).
- The comparison includes system losses such as 1) evaporation, 2) mandatory and supplemental releases below Hetchy and Bay Area reservoirs.
- Even if reservoir inflows were very low in WY2013-2015, there was sufficient water available to SFPUC to operate the RWS including maximizing the use of Water Bank. In addition, forecasted storage conditions for October 2016 are similar to the ones in 2013. For those two reasons, it is assumed that SFPUC could repeat its operation assuming a repeat of WY2013-2015 and system simulation is not necessary to prove supply reliability.

Findings

- Available water supply is greater than demand for three additional years of drought. In the third year, available water supply is 982 TAF and the demand only 241 TAF (Table 1).
- Conservation standard for SFPUC service area mandated by the SWRCB is 0% reduction
- Projected supply available to SFPUC and each SFPUC wholesale customer under SWRCB assumptions equals the average of CY 2013 and 2014 demands (Table 2).

Table 1. SFPUC Water Supply Reliability for Three Additional Years of Drought

Total Potable Water Demand	Unit	Retail	Wholesale	Total
Potable Water Production in Calendar Year 2013	TAF	84.2	168.2	252.4
Potable Water Production in Calendar Year 2014	TAF	76.4	153.2	229.6
Average CY2013-2014	TAF			241.0

Total Available Supply	Unit	WY2017	WY2018	WY2019
		Repeat of 2013	Repeat of 2014	Repeat of 2015
Total System Storage on Oct 1	TAF	1,246	1,175	938
<u>Annual Inflows</u>				
Tuolumne River Water Available	TAF	182	34	50
Bay Area Reservoir Inflows	TAF	33	8	27
<u>Annual Evaporation</u>				
Tuolumne System Evaporation	TAF	23	17	12
Bay Area Evaporation	TAF	13	13	13
<u>Annual System Releases</u>				
Tuolumne Basin	TAF	4	4	4
Bay Area Reservoirs	TAF	5	5	5
Available Water Supply	TAF	1,416	1,179	982
Total Potable Water Demand	TAF	241.5	241.5	241.5
Total System Storage on Sep 30	TAF	1,175	937	739

Table 2. Volume of water available to SFPUC and each SFPUC Wholesale Customer under SWRCB assumptions

	CY 2013 Demand (MG)	CY 2014 Demand (MG)	CY 2013- 2014 Average Demand (MG)	Projected Supply Under SWRCB Methodology (MG)		
				WY 2017	WY 2018	WY 2019
Alameda County WD	3,187.3	3,947.1	3,567.2	3,567.2	3,567.2	3,567.2
Brisbane	151.2	108.6	129.9	129.9	129.9	129.9
Burlingame	1,601.9	1,321.3	1,461.6	1,461.6	1,461.6	1,461.6
Cal Water- Bear Gulch	4,602.5	4,341.0	4,471.8	4,471.8	4,471.8	4,471.8
Cal Water-San Carlos	1,405.0	1,249.4	1,327.2	1,327.2	1,327.2	1,327.2
Cal Water-San Mateo	3,827.5	3,660.5	3,744.0	3,744.0	3,744.0	3,744.0
Cal Water- SSF	2,425.0	2,242.2	2,333.6	2,333.6	2,333.6	2,333.6
Coastside County WD	682.4	644.8	663.6	663.6	663.6	663.6
Cordilleras MWA	2.0	1.8	1.9	1.9	1.9	1.9
Daly City	1,399.8	1,147.3	1,273.6	1,273.6	1,273.6	1,273.6
East Palo Alto	587.9	605.7	596.8	596.8	596.8	596.8
Estero MID	1,517.3	1,411.8	1,464.5	1,464.5	1,464.5	1,464.5
Guadalupe Valley MID	64.4	125.1	94.7	94.7	94.7	94.7
Hayward	5,713.9	5,099.9	5,406.9	5,406.9	5,406.9	5,406.9
Hillsborough	1,265.3	1,039.5	1,152.4	1,152.4	1,152.4	1,152.4
Menlo Park	1,343.9	1,016.9	1,180.4	1,180.4	1,180.4	1,180.4
Mid-Peninsula WD	1,113.7	963.9	1,038.8	1,038.8	1,038.8	1,038.8
Millbrae	798.2	740.6	769.4	769.4	769.4	769.4
Milpitas	2,421.8	2,113.0	2,267.4	2,267.4	2,267.4	2,267.4
Mountain View	3,393.6	2,920.6	3,157.1	3,157.1	3,157.1	3,157.1
North Coast County WD	1,040.5	1,026.7	1,033.6	1,033.6	1,033.6	1,033.6
Palo Alto	4,256.2	3,756.8	4,006.5	4,006.5	4,006.5	4,006.5
Purissima Hills WD	751.5	658.2	704.9	704.9	704.9	704.9
Redwood City	3,423.3	3,060.4	3,241.8	3,241.8	3,241.8	3,241.8
San Bruno	635.6	530.5	583.0	583.0	583.0	583.0
San Jose	1,662.8	1,668.0	1,665.4	1,665.4	1,665.4	1,665.4
Santa Clara	803.8	674.2	739.0	739.0	739.0	739.0
Sunnyvale	3,550.2	2,734.0	3,142.1	3,142.1	3,142.1	3,142.1
Stanford University	821.9	789.8	805.9	805.9	805.9	805.9
Westborough WD	331.2	292.2	311.7	311.7	311.7	311.7
Wholesale Total	54,782	49,892	52,337	52,337	52,337	52,337
SFPUC	27,429	25,235	26,332	26,332	26,332	26,332
Total	82,210	75,127	78,669	78,669	78,669	78,669
Total (in thousands of acre-feet)	252.4	230.6	241.5	241.5	241.5	241.5

Emergency Water Conservation Regulation Update

Office of Research, Planning, and Performance

June 7, 2016

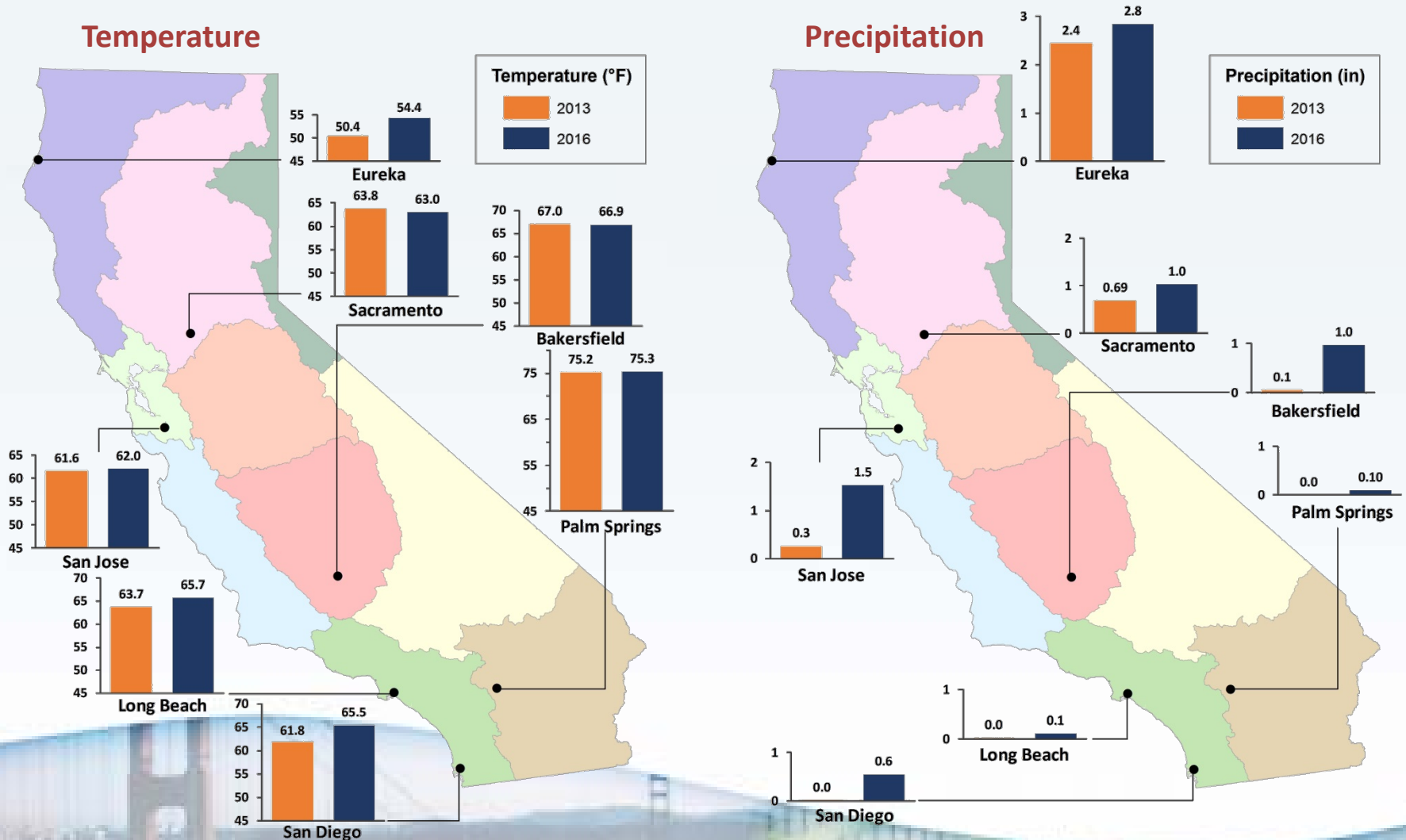


Status of Implementation

- Water production data collected from June 2014 through April 2016 (23 months)
- Eleventh month with statewide urban water conservation requirements
- Adjusted conservation standards took effect March 1st
- Water Board enforcement actions taken based on June 2015 – April 2016 cumulative supplier compliance

April Weather Conditions

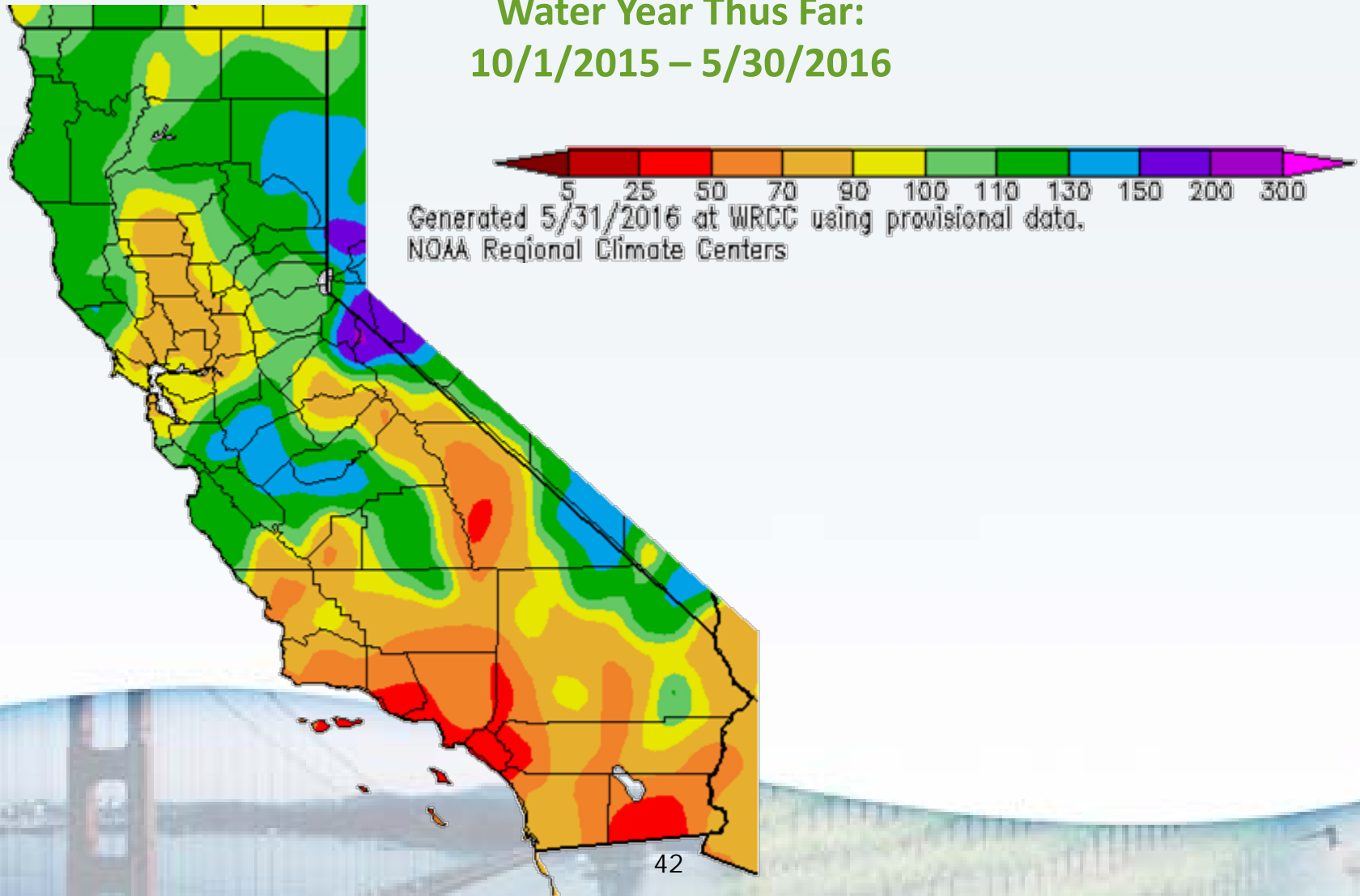
(Select Cities)



Statewide, April 2016 slightly cooler and notably wetter than April 2013

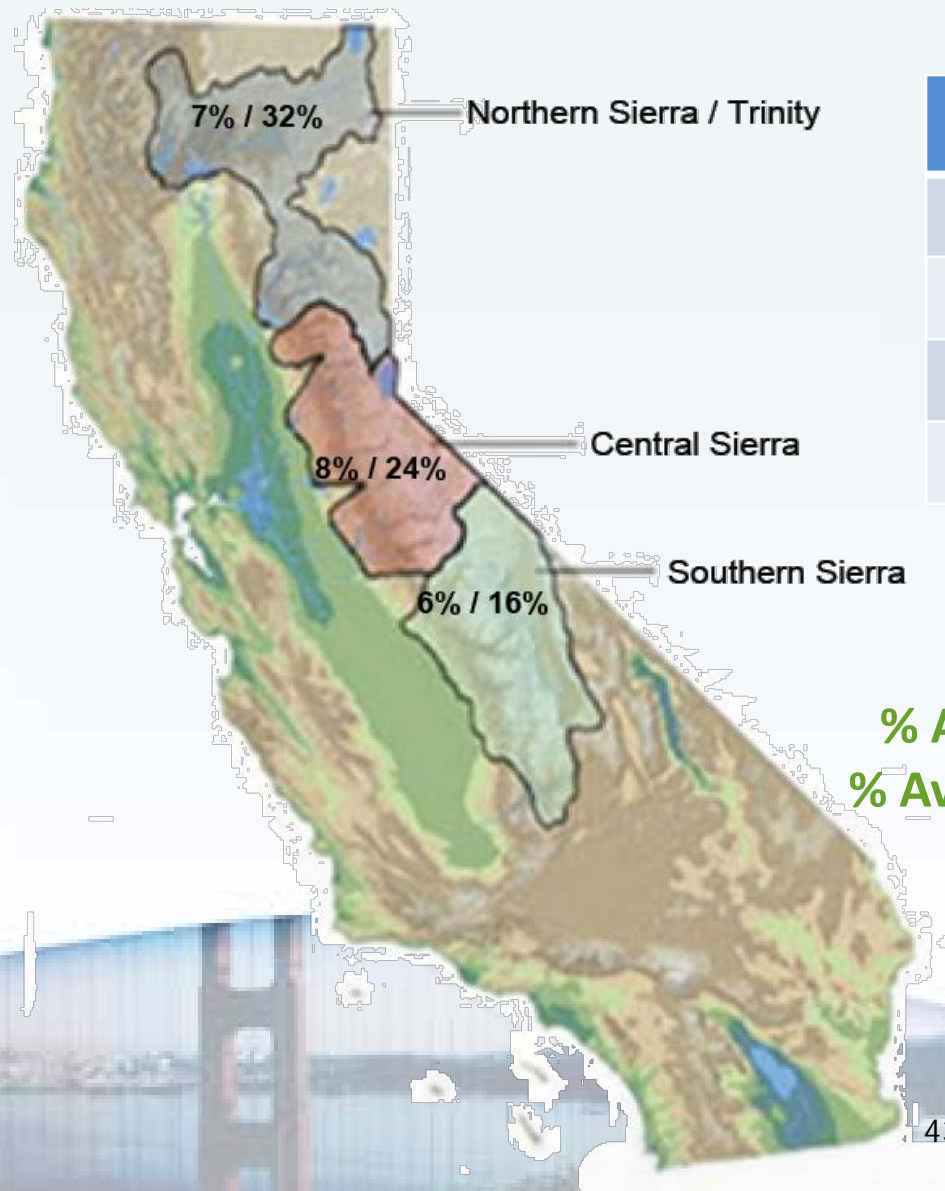
Percent of Average Precipitation

Water Year Thus Far:
10/1/2015 – 5/30/2016



Snow Water Equivalents

(Inches, as of June 1, 2016)



Statewide Summary

Number of Stations Reporting	96
Average Snow Water Equivalent (in)	2.0
Percent of April 1 Average (%)	7
Percent of Normal for this Date	23

% April 1st Average /
% Average for This Date

Reservoir Storage

(As of June 1, 2016)

Reservoir	Capacity Thousand Acre-Feet (TAF)	% Capacity	% Historic Average
Shasta	4,552	92	107
Oroville	3,538	93	111
Trinity Lake	2,448	57	66
New Melones	2,420	26	41
San Luis	2,039	33	42
Don Pedro	2,030	76	99
McClure (Exchequer)	1,024	57	83
Pine Flat	1,000	63	87
Folsom	977	85	101
Bullards Bar	966	93	108

100%

100%

U.S. Drought Monitor California

May 31, 2016

(Released Thursday, Jun. 2, 2016)

Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	6.08	93.92	83.91	59.02	42.99	21.04
Last Week 5/24/2016	5.50	94.50	86.39	61.00	42.99	21.04
3 Months Ago 3/1/2016	0.43	99.57	95.13	82.66	60.86	38.48
Start of Calendar Year 12/29/2015	0.00	100.00	97.33	87.55	69.07	44.84
Start of Water Year 9/29/2015	0.14	99.86	97.33	92.36	71.08	46.00
One Year Ago 6/2/2015	0.14	99.86	98.71	93.91	69.61	46.73

Intensity:

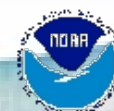
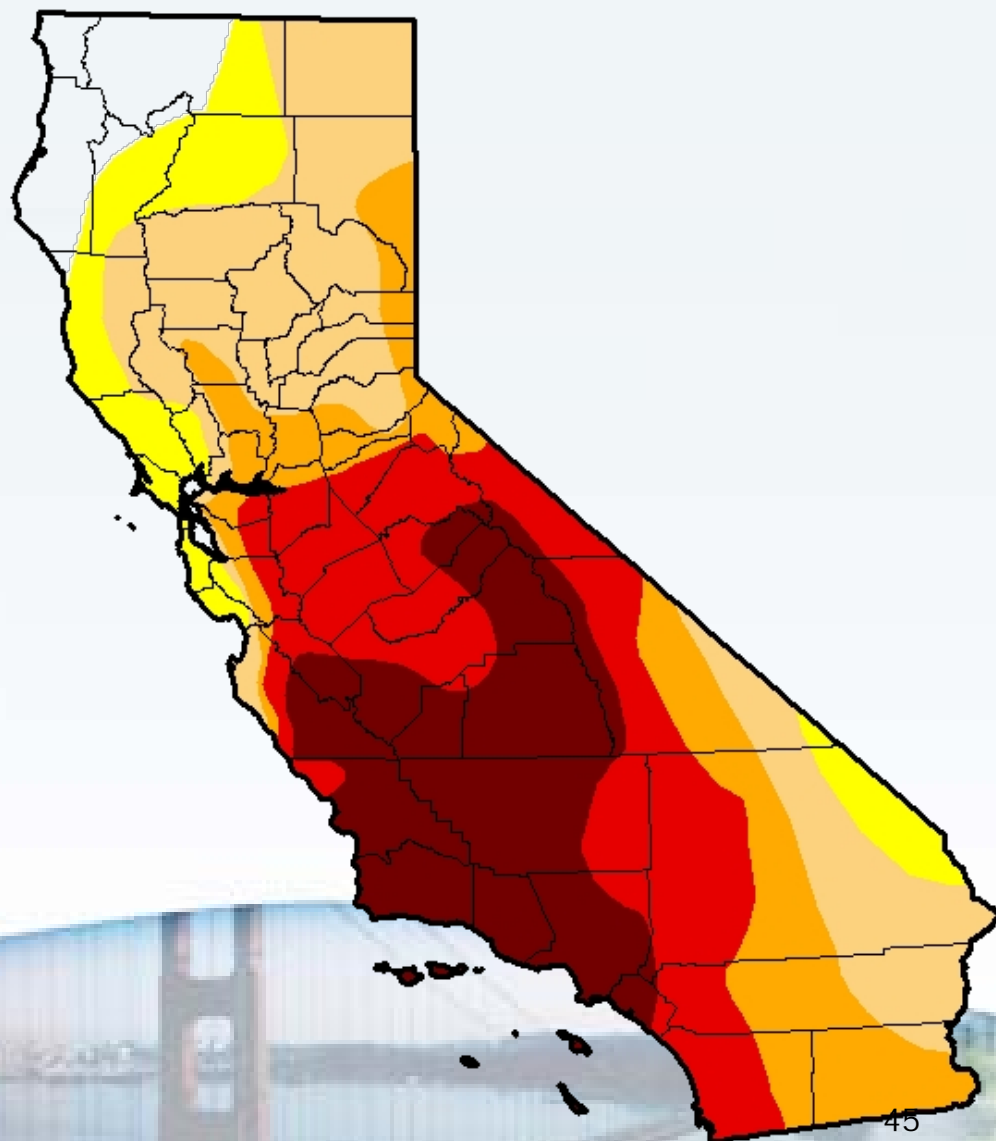
 D0 Abnormally Dry	 D3 Extreme Drought
 D1 Moderate Drought	 D4 Exceptional Drought
 D2 Severe Drought	

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

Author:

Mark Svoboda

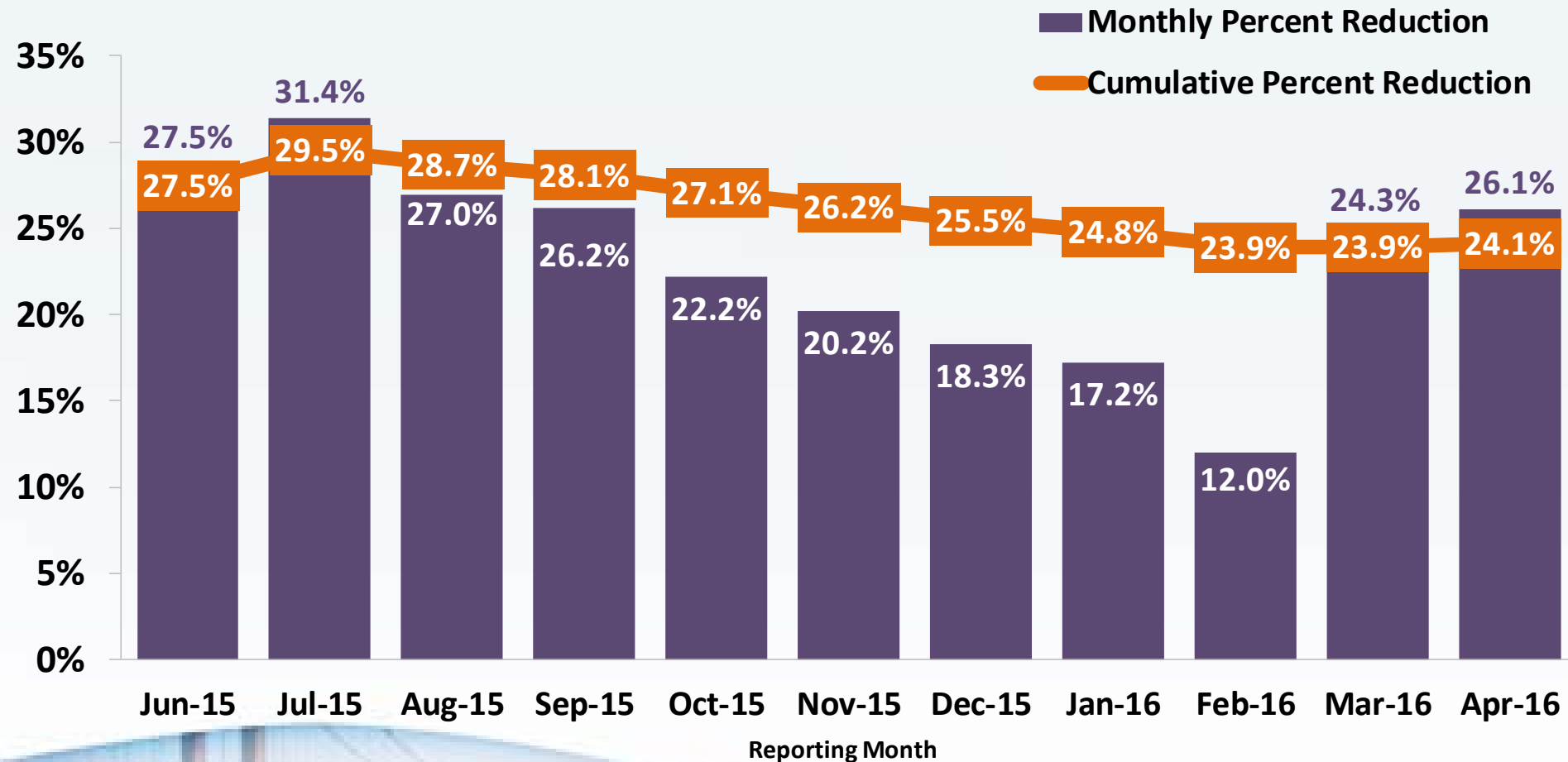
National Drought Mitigation Center



<http://droughtmonitor.unl.edu/>

Statewide Water Production Percent Reduction

(Compared to 2013)



**April 2016 savings (43.7 billion gallons or 134,171 acre-feet)
increase statewide 11-month cumulative savings to 24.1 percent**

Statewide Cumulative Savings

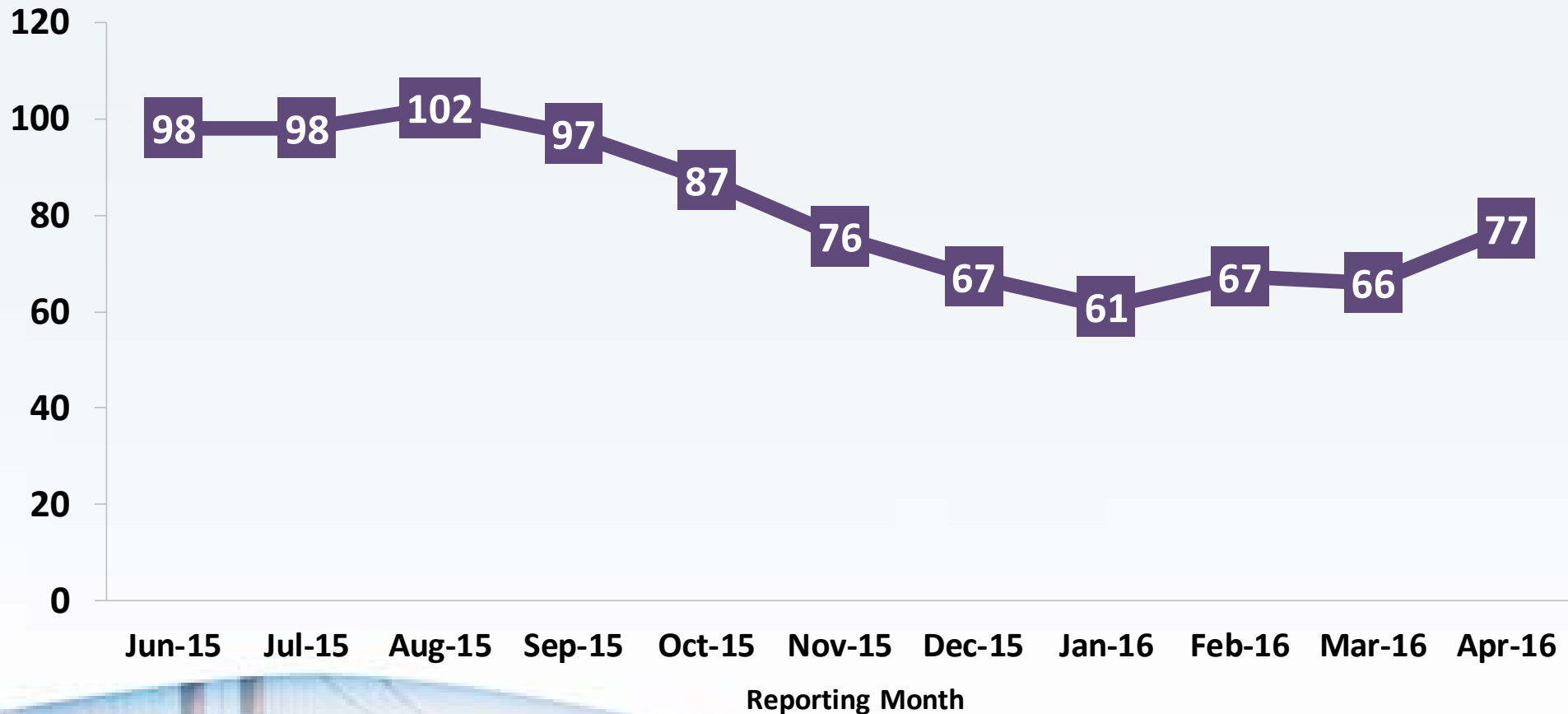
(June 2015 – April 2016)

- 1,431,101 acre-feet
(466.3 billion gallons)
of water saved
- Savings is enough to provide
7.2 million Californians
(18% of state population)
with water for one year



Statewide Monthly Average Residential Gallons per Capita per Day

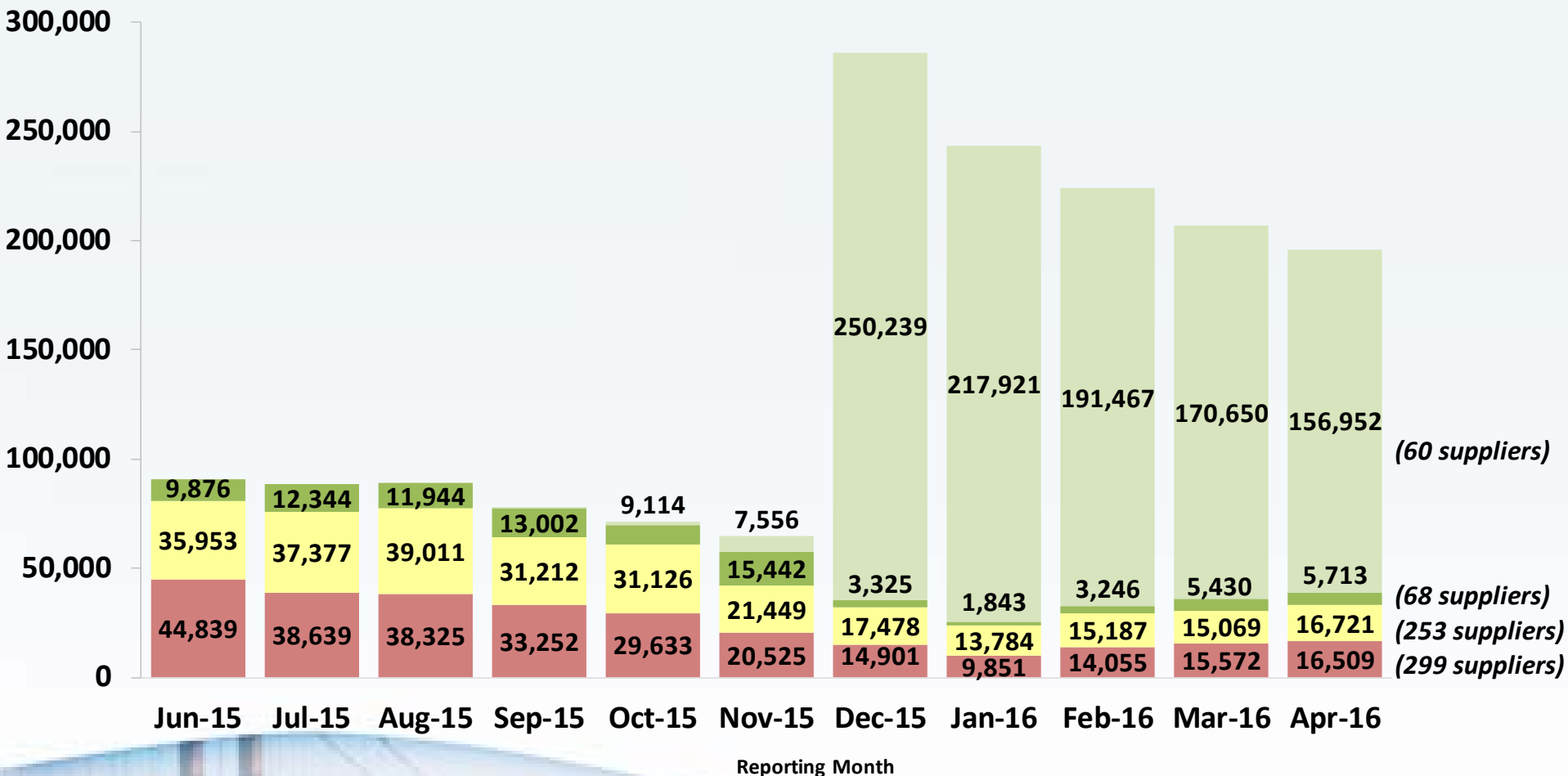
(June 2015 – April 2016)



Average Statewide April 2016 R-GPCD = 77

Supplier Enforcement Actions Taken

(June 2015 – April 2016)



Complaints Received

Warnings Issued

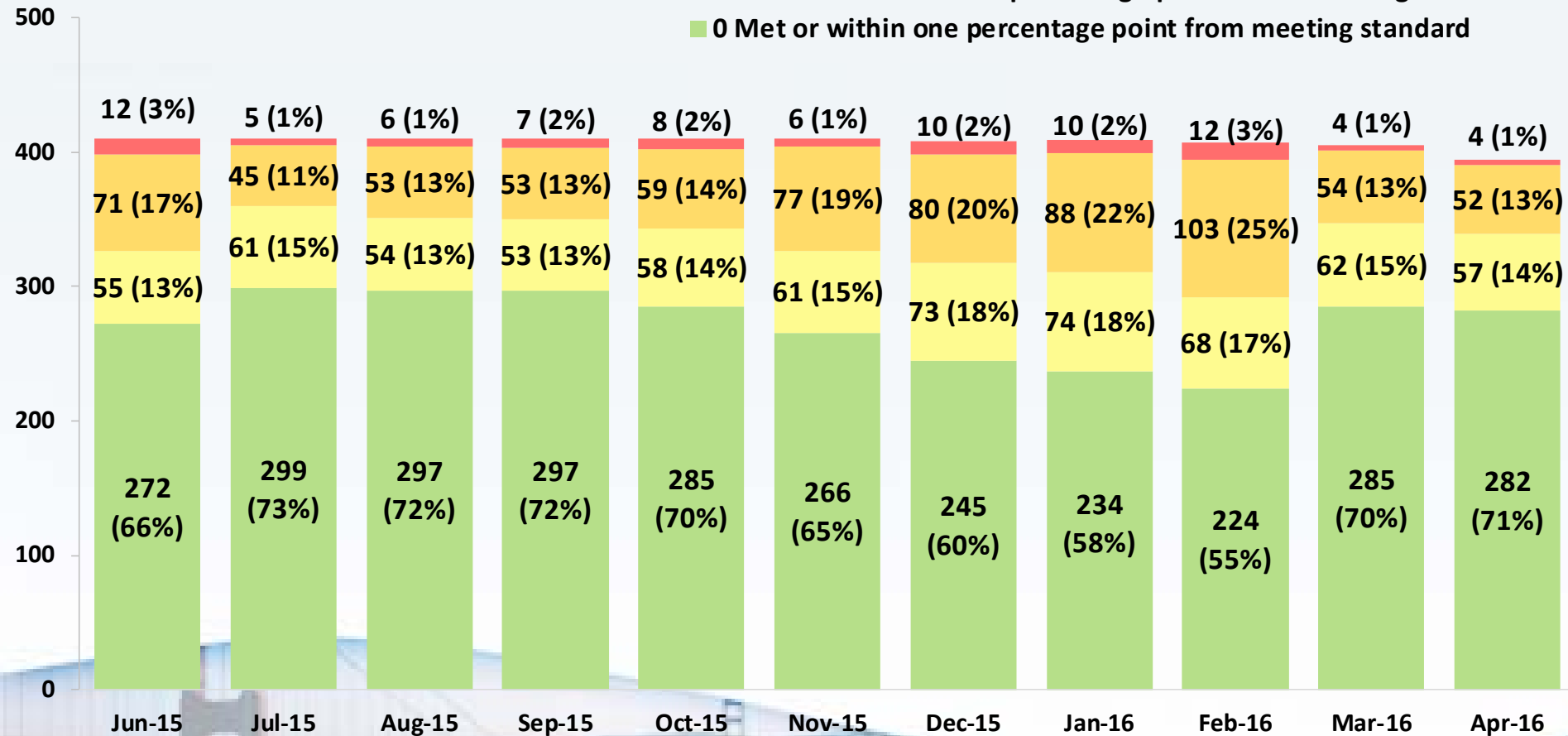
Other Penalties Assessed

Rate Penalties Assessed

Suppliers Reporting by Compliance Priorities

(June 2015 – April 2016)

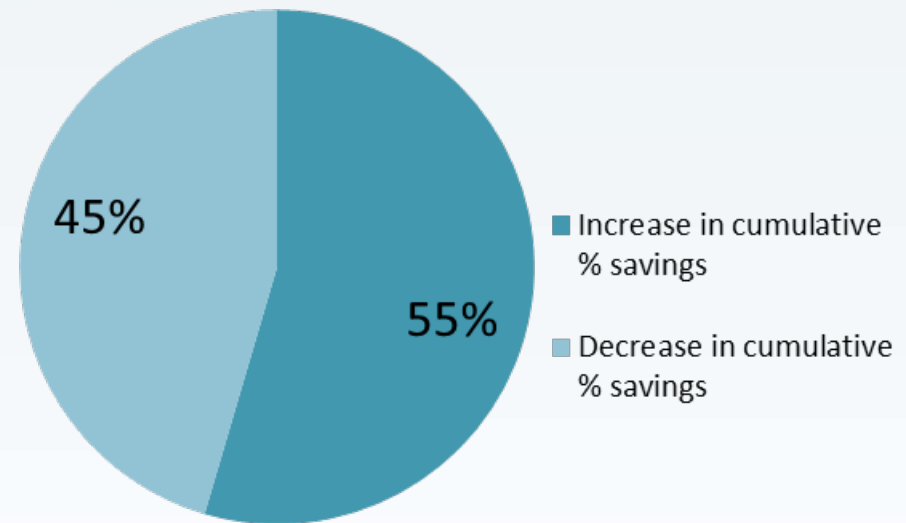
- 1 Greater than 15 percentage points from meeting standard
- 2 Between five and 15 percentage points from meeting standard
- 3 Between one and five percentage points from meeting standard
- 0 Met or within one percentage point from meeting standard



Reporting Month

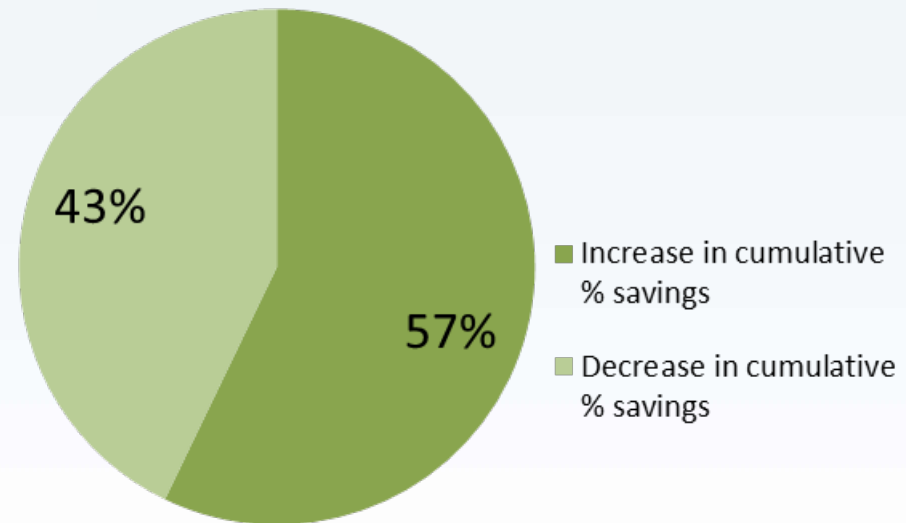
Performance for Suppliers with Conservation Orders (11)

- **One supplier is meeting its new conservation standard**
- 6 out of 11 suppliers show upward trends for cumulative % savings
- Missing cumulative % and volumes by
 - Between 2 and 18%
 - Between 22 and 270 million gallons
- Improved significantly since February



Performance for Suppliers with Alternative Compliance Orders (7)

- **All suppliers meeting directives of their orders**
- 3 suppliers are meeting new conservation standards
- 4 out of 7 suppliers show upward trends for cumulative % savings
- Need for Orders moving forward will be evaluated on a case-by-case basis



Administrative Civil Liability Complaints (4)

- One administrative civil liability paid (Beverly Hills)
- For the other three, settlement agreements include Supplemental Environmental Projects
- Stipulated Orders now in effect for
 - Indio Water Authority
 - Coachella Valley Water District
- Settlement agreement with the City of Redlands to be posted for public comment this week

Next Steps

- Board adopted adjusted and extended emergency regulation through January 2017
- Conservation standards based on self-certification of supply effective June 1st
 - Water wholesaler information June 15th
 - Retail water suppliers June 22nd



**Save Our Water
and Our Trees!**

saveourwater.com/trees



Media Release

STATE WATER BOARD STRESSES NEED TO CONTINUE WATER SAVINGS AS DROUGHT PERSISTS

CALIFORNIANS RAMP UP WATER CONSERVATION TO 26.1 PERCENT IN APRIL

FOR IMMEDIATE RELEASE
June 6, 2016

Contact: George Kostyrko
george.kostyrko@waterboards.ca.gov

SACRAMENTO – The State Water Resources Control Board today applauded a high-level of water conservation in April—a 26.1 percent reduction over 2013 usage—but reminded urban water suppliers that they must continue to make water conservation a top priority amidst ongoing drought conditions across California.

Despite near average rainfall in much of Northern California this past winter, 60 percent of the state remains in severe drought. Groundwater basins and many reservoirs are badly depleted as the state's drought grinds into a fifth year.

“Californians continue to demonstrate that they are serious about water conservation, which is fabulous,” said State Water Board Chair Felicia Marcus. “We will be watching closely to make sure that water agencies continue to prioritize the conservation habits their customers have adopted, and don’t fall back into business as usual. In particular we expect them to continue to enforce bans on the worst types of wasteful water use, and to take a prudent approach with their water budgets.”



The newly adjusted State Water Board regulation places responsibility on each local water supplier to calculate its own conservation standards for customers based on a “stress test,” which requires them to prove they have sufficient water supplies to withstand three years of continuous drought, or take additional measures that include mandatory conservation targets. Water suppliers that fail to meet these new conservation standards may still face enforcement from the State Water Board.

While water agencies may calculate lower conservation targets for the next nine months, the State Water Board expects that they will continue to achieve water conservation with their customers regardless of local supply situations.



The recently adopted regulation also continues the statewide ban on specific wasteful uses, such as hosing off sidewalks, driveways and other hardscapes, and watering lawns in a manner that causes runoff. Prohibitions remain as well against home owners associations or local governments taking action against homeowners who reduce or stop watering lawns.

Additionally, last month Governor Edmund G. Brown Jr. issued an [executive order](#) calling for new permanent water use targets for each urban water supplier and concrete improvements to local agencies' drought preparedness.

Including the results for April, Californians have saved more than 1.43 million acre-feet of water since June 2015, a 24.1 percent reduction in water use compared to the same months in 2013. Water saved during the 11 month period was enough to supply 7.2 million Californians for one year, or 18 percent of the state's population.

Continued conservation is especially critical during the hot summer months, when the potential for water savings is greatest.

"Summer is when we use far more water than we need to," Chair Marcus said. "Keeping our lawns on a water diet is the easiest way to save every valuable drop we can in our local reservoirs and groundwater basins for the future. Californians most need to keep up their impressive conservation in the summer months—wherever they are in the state. The fact is that we could be staring down the barrel of continued drought into 2017 and last winter's rain and snow could just be a punctuation mark in a longer drought."

Under the new "stress test" approach adopted by the State Water Board last month, local water agencies are required to publicly disclose the projections and calculations used to determine their conservation standards, and to continue their monthly water conservation reporting. The localized "stress test" approach took effect June 1, with each agency expected to identify its conservation standard no later than June 22. The "stress-test" conservation standards will be in effect through January 2017.

"While El Nino didn't bring the record precipitation predicted, it did help many communities. But we don't know what next year will bring, so we need to keep conserving. We are trying a different approach, replacing a top-down requirement with a 'show us the water' approach that requires urban water suppliers show us, their consumers, and the public exactly what water supplies they are relying on, in concert with conservation, to be water secure for at least three more dry years on top of the four tough years we've already seen," Chair Marcus said.

Water Conservation Quick Links

[Factsheet: April by
the Numbers](#)

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

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

“While we’re relieved at the snow and rainfall some areas of the state got this winter and have adjusted our approach accordingly, we will be looking carefully at the data that comes in on water sources and on conservation rates and will be prepared to raise questions and to step back to a top-down requirement if necessary, in individual cases or overall. Conservation must become a California way of life—it’s just the smart thing to do with a precious resource.”

April Conservation Data

- Cumulative statewide percent reduction for June 2015 to April 2016 (eleven months) was 24.1 percent, which equates to 1,431,101 acre-feet (466.3 billion gallons).
- Statewide water savings for April 2016 was 26.1 percent (134,171 acre-feet or 43.7 billion gallons), an increase from March 2016’s 24.3 percent savings. See fact sheet [here](#).
- Associated with higher monthly savings, and due to the adjustments and credit included in the extended emergency regulation, April 2016 continued with an increased level of compliance; 71 percent of suppliers met or were within one percent point of their conservation standards.
- Even with the February 2016 credits and adjustments adopted by the Board to address equity concerns raised by suppliers and customers, conservation levels have remained high, even increasing from March to April.
- Statewide average water use was 77 residential gallons per capita per day (R-GPCD) for April 2016, up from 66 R-GPCD in March 2016 but below 90 R-GPCD reported for April 2015.

Background

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

On Feb. 2, 2016, based on Gov. Brown’s [November 2015 Executive Order](#), the State Water Board approved an updated and extended emergency regulation. The extended regulation responded to calls for continuing the conservation structure that has spurred such dramatic savings so far while providing greater consideration of some factors that influence water use:

climate, population growth and significant investments in new local, drought-resilient water supplies such as wastewater reuse and desalination.

On May 9, 2016, Governor Edmund G. Brown Jr. issued [Executive Order B-37-16](#), requiring the Board to adjust its emergency water conservation regulation through the end of January 2017 in recognition of the differing water supply conditions across the state and, separately, take action to make some of the requirements of the regulation permanent. The Board [adopted the revised regulation](#) on May 18.

Since June 2014, the State Water Board has been tracking water conservation for each of the state's larger urban water suppliers (those with more than 3,000 connections) on a monthly basis. Compliance with individual water supplier conservation requirements is based on cumulative savings. Cumulative tracking means that conservation savings will be added together from one month to the next and compared to the amount of water used during the same months in 2013. Under the new reporting structure, water districts will continue to [report water use](#), but their conservation standard will be based on any shortfall in projected supply after three drought years.

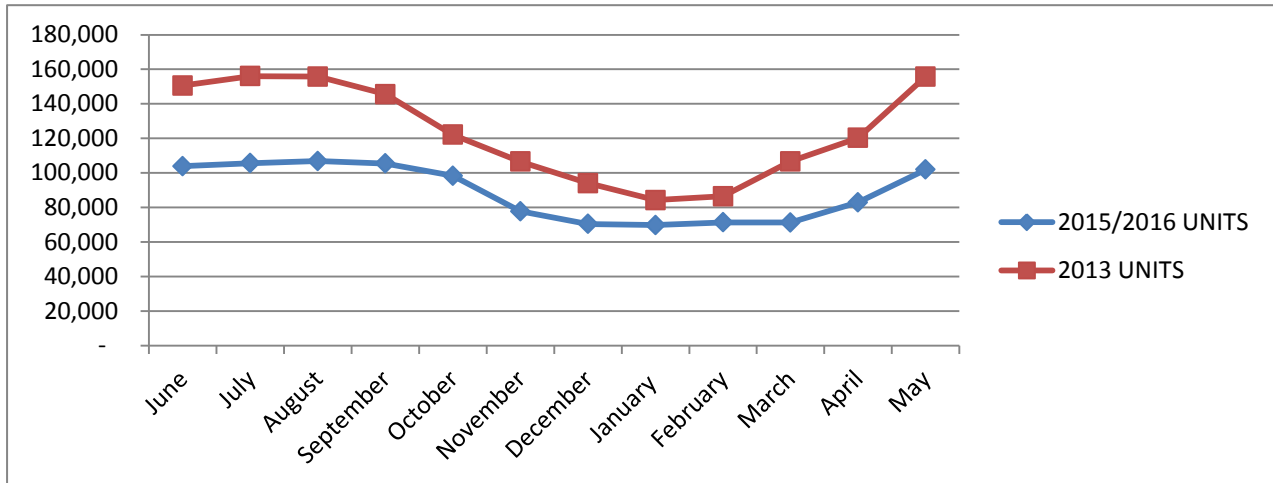
California has been dealing with the effects of an unprecedented drought. To learn about all the actions the state has taken to manage our water system and cope with the impacts of the drought, visit [Drought.CA.Gov](#). Every Californian should take steps to conserve water. Find out how at [SaveOurWater.com](#).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

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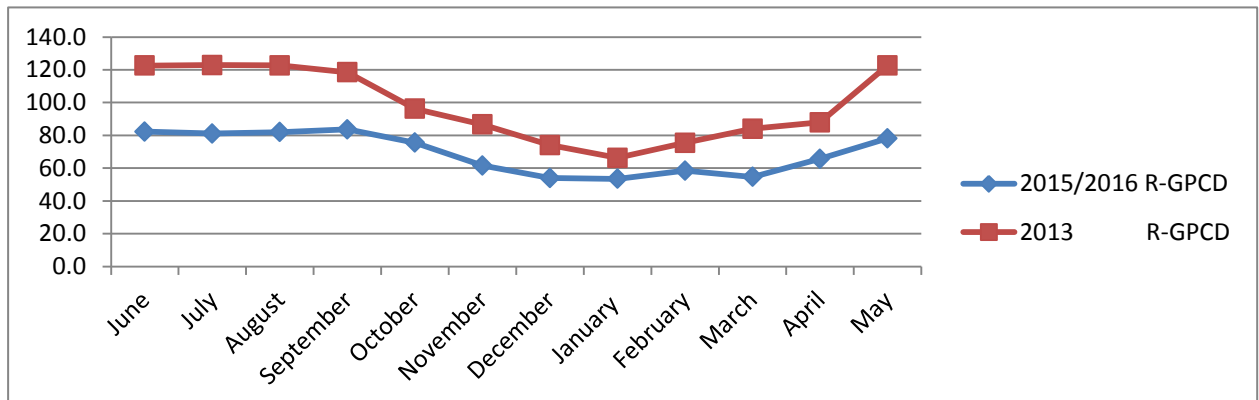
**MID-PENINSULA WATER DISTRICT
WATER CONSERVATION PROGRESS
2013 COMPARED TO 2015**

2015/2016 MONTH	2015/2016 UNITS	2013 UNITS	PERCENT CHANGE*	Cumulative Water Savings*	2015/2016 R-GPCD	2013 R-GPCD
June	103,863	150,614	-31.0%	-31.0%	82.3	122.6
July	105,639	156,081	-32.3%	-31.7%	81.1	122.9
August	106,832	155,788	-31.4%	-31.6%	82.0	122.7
September	105,459	145,551	-27.5%	-30.6%	83.6	118.5
October	98,345	122,117	-19.5%	-28.3%	75.5	96.2
November	77,733	106,535	-27.0%	-28.1%	61.6	86.7
December	70,423	94,062	-25.1%	-27.7%	54.0	74.1
January	69,741	84,202	-17.2%	-26.4%	53.5	66.3
February	71,345	86,478	-17.5%	-25.4%	58.5	75.4
March	71,219	106,663	-33.2%	-26.2%	54.7	84.0
April	82,916	120,265	-31.1%	-26.6%	65.7	87.9
May	101,955	155,736	-34.5%	-27.3%	78.2	122.7

2013 vs 2015 UNITS USED



2013 vs 2015/2016 R-GPCD





AGENDA ITEM NO. 8.A.

DATE: May 26, 2016

TO: Board of Directors

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

SUBJECT: CONSIDER RESOLUTION 2016-07 APPROVING MPWD FISCAL YEAR 2016/2017 OPERATING BUDGET

RECOMMENDATION

Adopt Resolution 2016-07 approving MPWD Fiscal Year (FY) 2016/2017 Operating Budget.

FISCAL IMPACT

BUDGET CATEGORY	PROPOSED FY 2016/2017 BUDGET	PROJECTED FY 2015/2016 BUDGET	ACTUAL FY 2014/2015	ACTUAL FY 2013/2014
Total Operating Revenues	\$11,488,120	\$11,623,320	\$9,922,334	\$10,360,026
Total Operating Expenditures	\$10,854,550	\$10,923,320	\$9,293,119	\$ 8,981,349
Net Transfer to Capital	\$ 633,570	\$ 700,000	\$ 629,215	\$ 1,378,677

Significant FY 2016/2017 fiscal impacts:

REVENUES

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

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

EXPENDITURES

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

DISCUSSION

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

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

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PROPOSED BUDGET	EXPLANATION
6011	Salaries & Wages	\$1.5 million	Increased by \$28,100. Staff analyzed the projections against actuals and determined they were too high, so they were reduced from FY 2015/2016 projected level. Included 2% living wage adjustments and 3% merit increases.
6042	Short-/Long-Term Disability Ins	\$12,400	Considering potential program changes for short-term disability insurance.
6053	PARS OPEB Expense	\$170,000	Full funding of the ARC.
6101	SFPUC Treated Water & Service Charges	\$5 million	Explained above in the Fiscal Impact EXPENDITURES Section (second bullet point).
6102	BAWSCA Debt Service Surcharges	\$476,000	Debt service payment for MPWD's share of refinancing SFPUC infrastructure improvements.
6300	Outreach & Education	\$134,000	Increased by 3% CPI. Drought outreach and messaging, and increased community conservation outreach.
6700	Administration & Equipment	\$326,750	Renamed from Office Supplies & Equipment to be more descriptive of account line items. Increased by 3% CPI.
7003	Utilities – Electric – Pumping	\$220,000	Decreased by 14% and explained above in the Fiscal Impact EXPENDITURES Section (third bullet point).
7102	Prof Serv – District Engineer	\$100,000	Decreased by 34% and explained above in the Fiscal Impact EXPENDITURES Section (fourth bullet point).
7110	Prof Serv – Miscellaneous	\$160,000	Decreased by \$44,000. Projected professional services expenditure: Continued public relations/outreach services, and continued website services (\$45,000); temporary administrative staffing during FMS transition (\$60,000); 2017 strategic

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PROPOSED BUDGET	EXPLANATION
			planning facilitation and Board development w/Julie Brown (\$5,000); and Miscellaneous (\$50,000).
7201	Director Travel	\$5,000	Reduced projection based upon actuals.
7202	Director Expense	\$5,000	Reduced projection based upon actuals.
7203	Elections	\$0	No MPWD election in FY 2016/2017.
7204	Employee Travel/Training	\$20,000	Reduced projection based upon actuals.
9010	Depreciation	\$950,000	Increased per accounting principles.

Attachments: Resolution 2016-07
FY 2016/2017 MPWD Operating & Capital Budgets

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

UNANIMOUS_____ ZUCCA_____ WARDEN_____ STUEBING_____ VELLA_____ LINVILL_____

RESOLUTION NO. 2016-07

**APPROVING THE
OPERATING BUDGET FOR FISCAL YEAR 2016/2017**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, staff developed and presented to the Board of Directors a proposed Operating Budget for Fiscal Year 2016/2017 and recommended it for approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby approves a total operating budget for the Fiscal Year 2016/2017:

<i>TOTAL OPERATING REVENUES</i>	<i>\$11,488,120</i>
<i>TOTAL OPERATING EXPENDITURES</i>	<i>\$10,856,950</i>
<i>NET TRANSFER TO CAPITAL</i>	<i>\$ 631,170</i>

BE IT FURTHER RESOLVED that the Secretary of the District is hereby directed to forward certified copies of this Resolution and the budget documents to the County Clerk, the County Controller, and the County Treasurer of the County of San Mateo.

REGULARLY PASSED AND ADOPTED this 23rd day of June 2016, by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:

District Secretary



OPERATING AND CAPITAL BUDGETS FISCAL YEAR 2016-2017





OPERATING AND CAPITAL BUDGETS
FISCAL YEAR 2016-2017



Board of Directors

Matthew P. Zucca – President
Dave Warden – Vice President
Albert Stuebing – Director
Louis J. Vella – Director
Betty Linvill – Director

Officers

Tammy Rudock – General Manager
Candy Pina – Administrative Services Manager/District Secretary
Rene Ramirez – Operations Manager
Joan L. Cassman, Hanson Bridgett LLP, District Counsel
Joubin Pakpour, Pakpour Consulting Group, District Engineer
Jeff Ira, District Treasurer



ABOUT MID-PENINSULA WATER DISTRICT

The Mid-Peninsula Water District (MPWD), formerly Belmont County Water District, was formed as a California special district in 1929 from seven (7) independent water distribution systems (including the Spring Valley Water Company), which were united and began functioning as a public utility in 1930. Since its inception, the MPWD has been served by the San Francisco Regional Water System and purchased its entire water supply from San Francisco Water, a service of the San Francisco Public Utilities Commission (SFPUC). Reference: www.sfwater.org.

The MPWD now supplies water to consumers in an area slightly larger than the city limits of Belmont. Small portions of the service area are within the city limits of San Carlos, Redwood City, and parts of the unincorporated County of San Mateo. The MPWD's service territory covers approximately five (5) square miles and serves approximately 30,000 people. In the event of an emergency the MPWD can serve or be served with inter-ties between neighboring utilities. Presently, the MPWD has one (1) inter-tie with Foster City, two (2) with San Carlos, one (1) with Redwood City and three (3) with San Mateo.

The MPWD is a member of the Bay Area Water Supply and Conservation Agency (BAWSCA), which represents the interests of 26 cities and water districts, and two private utilities that purchase water wholesale from the SFPUC. For complete information about BAWSCA: www.bawasca.org.

GOVERNANCE

Policy development and rates for service are established by five (5) Directors, elected by MPWD ratepayers to serve staggered four-year terms on its governing board.

Officers of the MPWD include the General Manager, District Secretary, District Counsel, District Engineer and District Treasurer.

ORGANIZATIONAL STRUCTURE

The General Manager is appointed by and reports directly to the Board of Directors. Along with the General Manager, the Administrative Services Manager and the new Operations Manager oversee the day-to-day operations of the MPWD.

The Administrative Services Manager serves as the District Secretary and leads the following operations: Administration, Finance and Accounting, Human Resources, and Customer Services. The Operations Manager leads the water system operations, maintenance, and capital project management.

The Operations Manager leads the operations and maintenance of the MPWD water distribution system, including capital project management.

There are a total of 18 employees within the MPWD.

The Operations staff totals thirteen (13) employees, including the Operations Manager, Field Operations Supervisors, Lead Operators, Water Treatment Operators, and Maintenance Technicians.

The Administrative and Customer Services staff totals four (5) employees, including the General Manager, Administrative Services Manager, Administrative Specialists, and an Administrative Assistant.

The MPWD Mission Statement, Vision Statement, and Strategic Goals are reviewed annually in January by the Board of Directors, together with the development of annual Strategic Plan and Board assignments.

MPWD MISSION STATEMENT

The mission of the MPWD is to deliver a safe, high quality, reliable supply of water for current and future generations in a cost effective, environmentally sensitive and efficient manner.

MPWD VISION STATEMENT

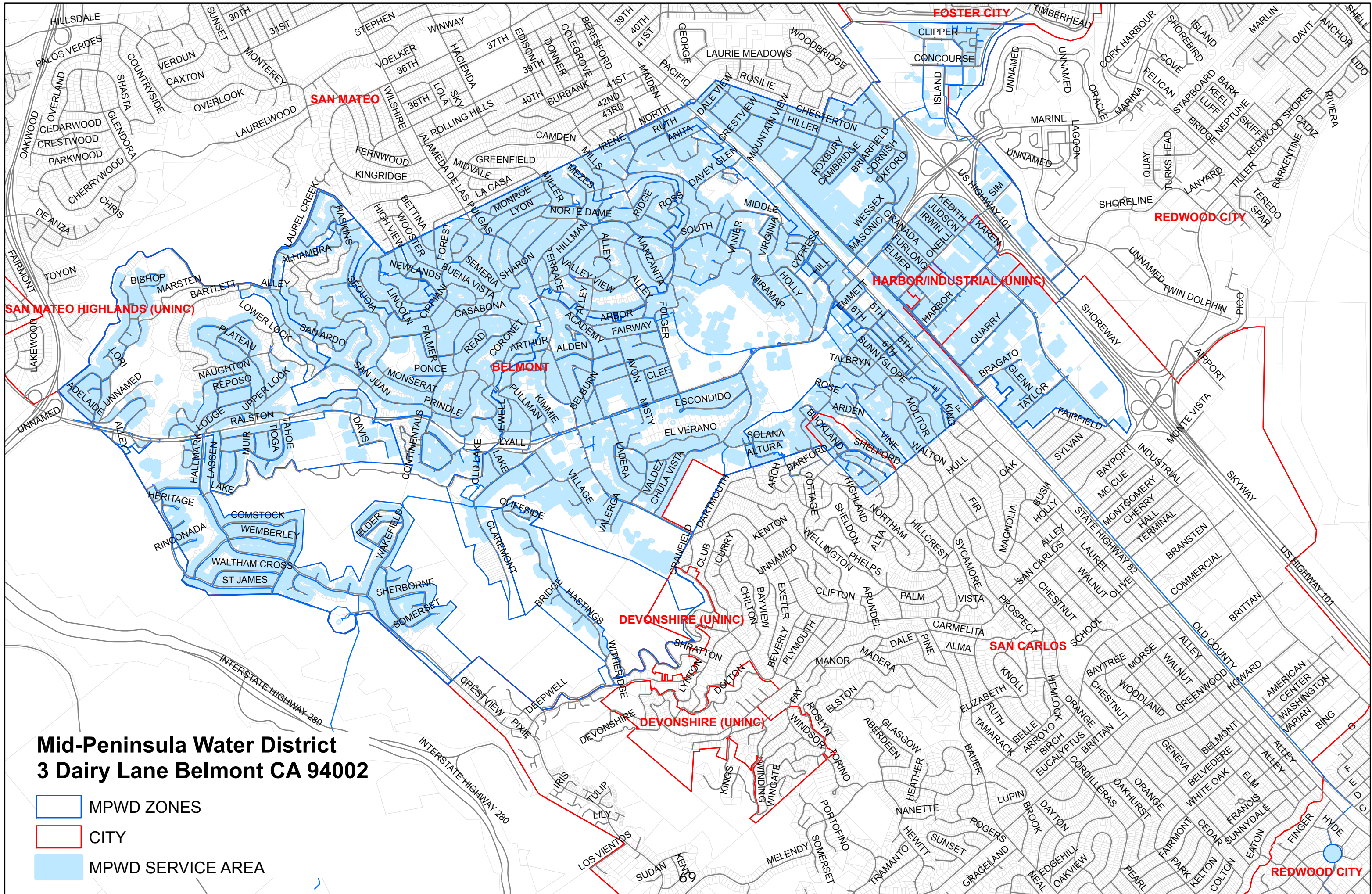
The MPWD strives to be recognized by our ratepayers, the community we serve, and other agencies for our outstanding service and enlightened water conservation programs. We will employ innovative approaches to water and energy sustainability to achieve cutting edge environmental efficiency and a competitive rate structure. We will commit ourselves to provide community information and water education.

MPWD STRATEGIC GOALS

1. To effectively manage the water resources, demands, and infrastructure for the MPWD.
2. To operate the MPWD at the highest level of service to customers at the lowest expense.
3. To develop an environment that fosters open and candid communications with the community, customers, staff, and directors.
4. To keep current with water issues and industry best management standards.

For further information about the MPWD: www.midpeninsulawater.org.

The MPWD Service Map and Organizational Chart are included on the following pages.

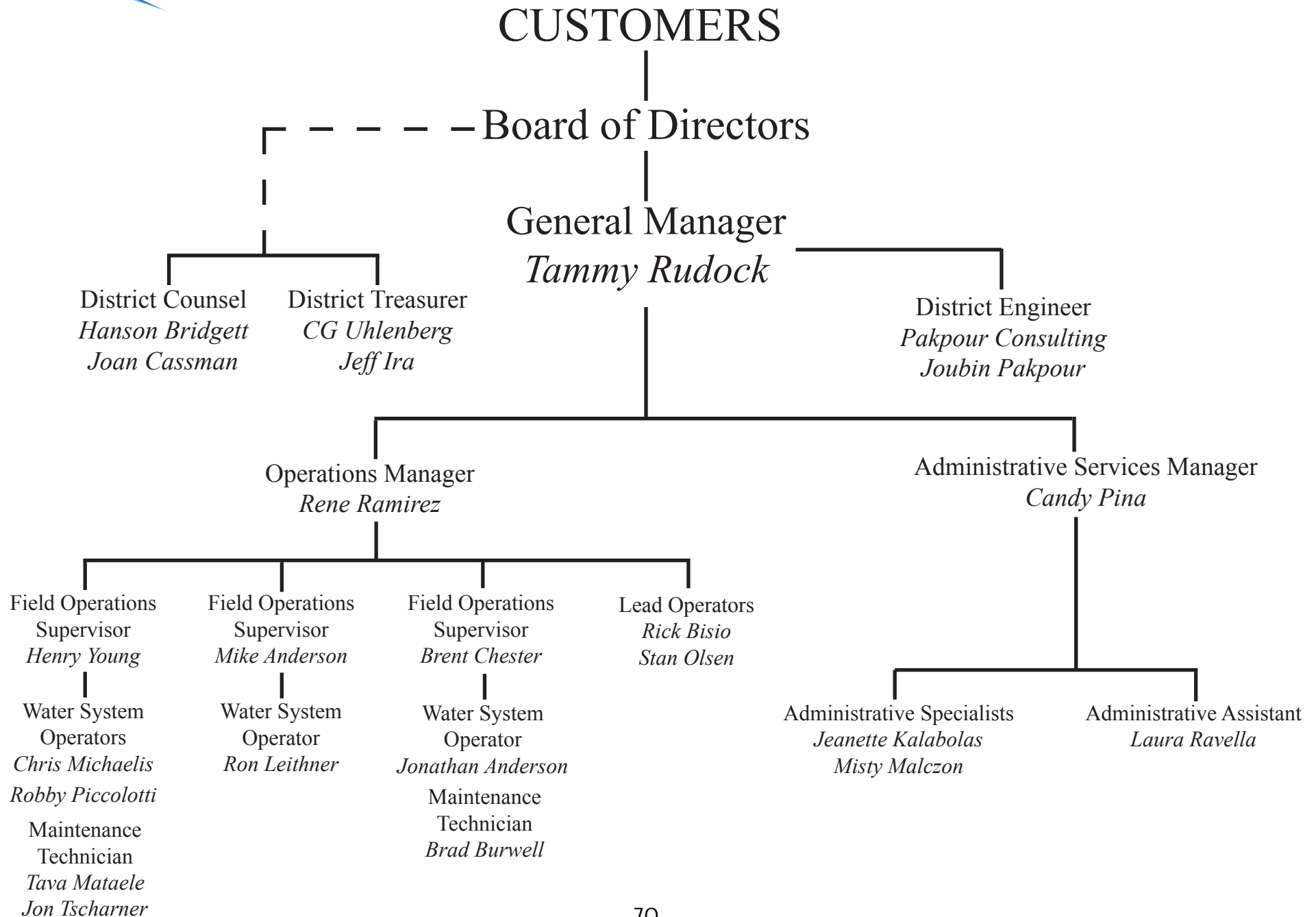


**Mid-Peninsula Water District
3 Dairy Lane Belmont CA 94002**

- MPWD ZONES
- CITY
- MPWD SERVICE AREA



MPWD Organizational Chart



MPWD BUDGET PROCESS

BUDGET ADMINISTRATION

The MPWD operates on a July 1st to June 30th fiscal year. Each fiscal year, two (2) budgets are developed, an Operating Budget and a Capital Budget.

The Board of Directors begins the budget development process in February or March of each year for a June adoption. The budget documents are discussed during regular Board meetings each month from February through June. Public comment is welcome.

The Operating Budget includes the revenues and expenditures for the day-to-day operations of the MPWD. The Capital Budget includes the capital infrastructure and system projects and outlays.

A mid-year budget review is typically scheduled each year. This process allows for an updated report on the previous 6-month operational and capital activities, and revenue collections and expenditures. Any proposed budgetary adjustments for the remainder of the fiscal year are also considered at this time.

The MPWD's budget format was significantly improved in Fiscal Year (FY) 2012/2013. The Board of Directors and staff wanted a high level of transparency and more user friendly budget documents. A line-by-line operating budget accounting for MPWD revenue and expenditure account items was developed. A capital budget was enhanced to present not only the proposed projects and outlay items but also the revenue sources for them.

Budget documents are posted at the MPWD's website: www.midpeninsulawater.org.

"PAY AS YOU GO" CAPITAL IMPROVEMENTS

The MPWD has been operating on a "pay as you go" basis, avoiding debt for capital improvements. As a result of the MPWD's Comprehensive System Analysis and Capital Improvement Program FY 2016/2017 Update and \$50 million identified in priority capital projects, the Board of Directors has been discussing options for a 5-year CIP, including financing, since late 2015.

MPWD TIERED RATE STRUCTURE

In June 2015, following completion of a comprehensive water rate study, the MPWD approved new water rates for FYs 2015 through 2019 that provide for a phased approach to raising rates to keep pace with increasing wholesale water and operational costs. The tiered rate model also encourages conservation by increasing unit rates for higher consumption.

The MPWD relies solely on water from the SFPUC, which is in process of completing a \$4.8 billion seismic Water System Improvement Program in 2019 on the Hetch Hetchy regional distribution system. Costs for the capital improvements are passed on through wholesale water prices and the MPWD water rates must be adjusted accordingly. Other

factors affecting water rates include conservation impacts and cost of MPWD operations. The MPWD rate increase effective July 1, 2016, includes a pass-through of the SFPUC wholesale water rate increase.

A Water Sales Analysis is attached to the end of this budget document for information, as is the current year MPWD Rates Notice.

The MPWD engages in an array of water conservation programs including Lawn-Be-Gone, HET (High Energy Toilet), Rain Barrel, and High Efficiency Clothes Washing Machine rebate programs, school conservation programs, and landscape audit programs. More information is available about these programs at the MPWD's website: www.midpeninsulawater.org.

REVIEW OF FY 2016/2017 OPERATING BUDGET

BUDGET CATEGORY	PROPOSED FY 2016/2017 BUDGET	PROJECTED FY 2015/2016 BUDGET	ACTUAL FY 2014/2015	ACTUAL FY 2013/2014
Total Operating Revenues	\$11,488,120	\$11,623,320	\$9,922,334	\$10,360,026
Total Operating Expenditures	\$10,854,550	\$10,923,320	\$9,293,119	\$ 8,981,349
Net Transfer to Capital	\$ 633,570	\$ 700,000	\$ 629,215	\$ 1,378,677

Significant FY 2016/2017 fiscal impacts:

REVENUES

- FY 2016/2017 Water Commodity Charges reflect the proposed water rate adjustments (small increases to monthly fixed system charges and modifications to residential Tiers 2, 3, and 4) and what is anticipated to be another year of reduced consumption revenues as a result of higher than expected water conservation by customers.
- Development revenues (Service Line & Installation Charges, Water System Capacity Charges, and Water Demand Offset Charges) were left at the current fiscal year's projections. There remain a few large projects in Belmont that have been permitted and might be constructed next year.
- Lease of Physical Property Revenues were reduced as a result of two long-term lessees that terminated their occupancy at 1513 Folger and one of the cellular customers at Dekoven.
- Total Operating Revenues are projected to decrease by \$135,200 (or -1.2%) when compared with the projected Total Operating Revenues for FY 2015/2016.

EXPENDITURES

- Salaries & Wages were analyzed and found to be projected too high, so staff corrected that based on actuals, and then increased by a projected 2% living wage adjustment and 3% merit increase.

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

DISCUSSION

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

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PROPOSED BUDGET	EXPLANATION
4010	Water Commodity Charges	\$8.1 million	Explained above in the fiscal impact REVENUES section (first bullet point).
4020	Fixed System Charges	\$2.7 million	Increased by \$219,940. Included rates adjustment to monthly fixed system charges and modification to tier breakpoints for Tiers 2, 3, and 4, residential, effective 07/01/16.
4050/4060 /4070	Development Charges	\$235,000 total	Projected development expected. *4203 - New Construction Revenue eliminated in FY 2015/2016.
6011	Salaries & Wages	\$1.5 million	Increased by \$28,100. Staff analyzed the projections against actuals and determined they were too high, so they were reduced from FY 2015/2016 projected level. Included 2% living wage adjustments and 3% merit increases.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PROPOSED BUDGET	EXPLANATION
6042	Short-/Long-Term Disability Ins	\$12,400	Considering potential program changes for short-term disability insurance.
6053	PARS OPEB Expense	\$170,000	Full funding of the ARC.
6101	SFPUC Treated Water & Service Charges	\$5 million	Explained above in the fiscal impact EXPENDITURES section (second bullet point).
6102	BAWSCA Debt Service Surcharges	\$476,000	Debt service payment for MPWD's share of refinancing SFPUC infrastructure improvements.
6300	Outreach & Education	\$134,000	Increased by 3% CPI. Public outreach, education, and messaging.
6700	Administration & Equipment	\$326,750	Renamed from Office Supplies & Equipment to be more descriptive of account line items. Increased by 3% CPI.
7003	Utilities – Electric – Pumping	\$220,000	Decreased by 14% and explained above in the fiscal impact EXPENDITURES section (third bullet point).
7102	Prof Serv – District Engineer	\$100,000	Decreased by 34% and explained above in the fiscal impact EXPENDITURES section (fourth bullet point).
7110	Prof Serv – Miscellaneous	\$160,000	Decreased by \$44,000. Projected professional services expenditure: Continued public relations/outreach services, and continued website services (\$45,000); temporary administrative staffing during FMS transition (\$60,000); 2017 strategic planning facilitation and Board development w/Julie Brown (\$5,000); and Miscellaneous (\$50,000).
7201	Director Travel	\$5,000	Reduced projection based upon actuals.
7202	Director Expense	\$5,000	Reduced projection based upon actuals.
7203	Elections	\$0	No MPWD election in FY 2016/2017.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PROPOSED BUDGET	EXPLANATION
7204	Employee Travel/Training	\$20,000	Reduced projection based upon actuals.
9010	Depreciation	\$950,000	Increased per accounting principles.

REVIEW OF FY 2016/2017 CAPITAL BUDGET

Staff is proposing a cash-funded “pay as you go” \$1,565,000 Capital Budget in FY 2016/2017, until further decisions are made by the Board of Directors on a 5-year CIP, including:

- Capital Improvement Projects
 - Alameda del las Pulgas Water Main Replacement (construction) - \$700,000;
 - Karen Road Water Main Replacement (design completion only) - \$100,000;
 - Continued AMI meter change-out program - \$500,000; and
 - Folger Pump Station demolition - \$50,000.
- Capital Outlay
 - Comprehensive Financial Management System Replacement (carryover from FY 2015/2016) - \$95,000;
 - Implementation of Sensus Consumer Portal (carryover from FY 2015/2016) - \$70,000;
 - Miscellaneous Capital Outlay (placeholder for unknown outlay items or capitalized adjustments) - \$50,000.

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

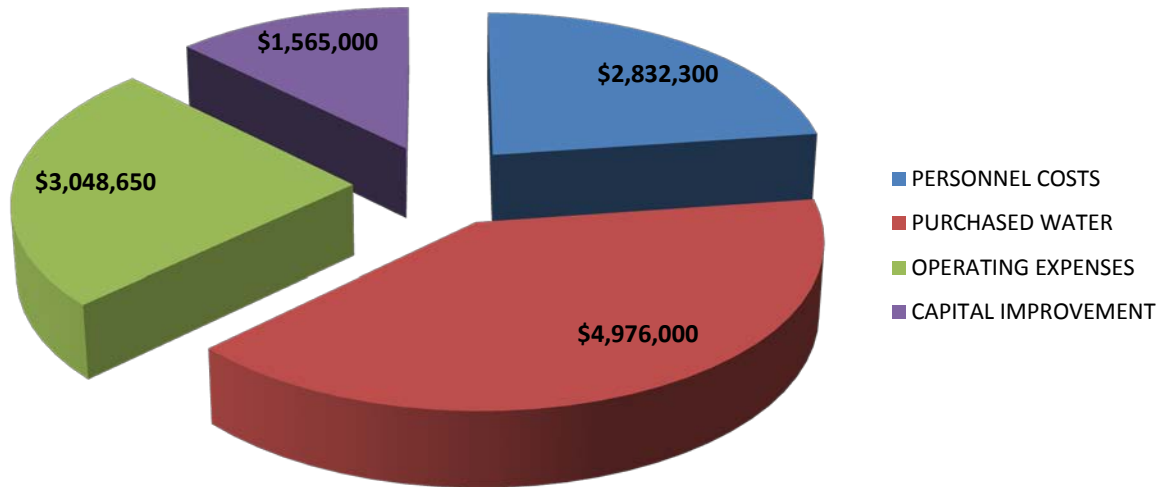


MID-PENINSULA WATER DISTRICT

OPERATING AND CAPITAL BUDGETS

FISCAL YEAR 2016-2017

PROPOSED FY 2016-2017 BUDGET EXPENDITURES



	PROPOSED FY 16/17 BUDGETED	% OF TOTAL	APPROVED FY 15/16 BUDGETED	% OF TOTAL
TOTAL EXPENDITURES				
PERSONNEL COSTS	\$ 2,832,300	23%	\$ 2,776,316	23%
PURCHASED WATER	\$ 4,976,000	40%	\$ 5,062,000	41%
OPERATING EXPENSES	\$ 3,048,650	25%	\$ 3,085,004	25%
CAPITAL IMPROVEMENT	\$ 1,565,000	13%	\$ 1,292,000	11%
TOTAL OPERATING EXPENDITURES	\$ 12,421,950	100%	\$ 12,215,320	100%
	\$ -		\$ -	

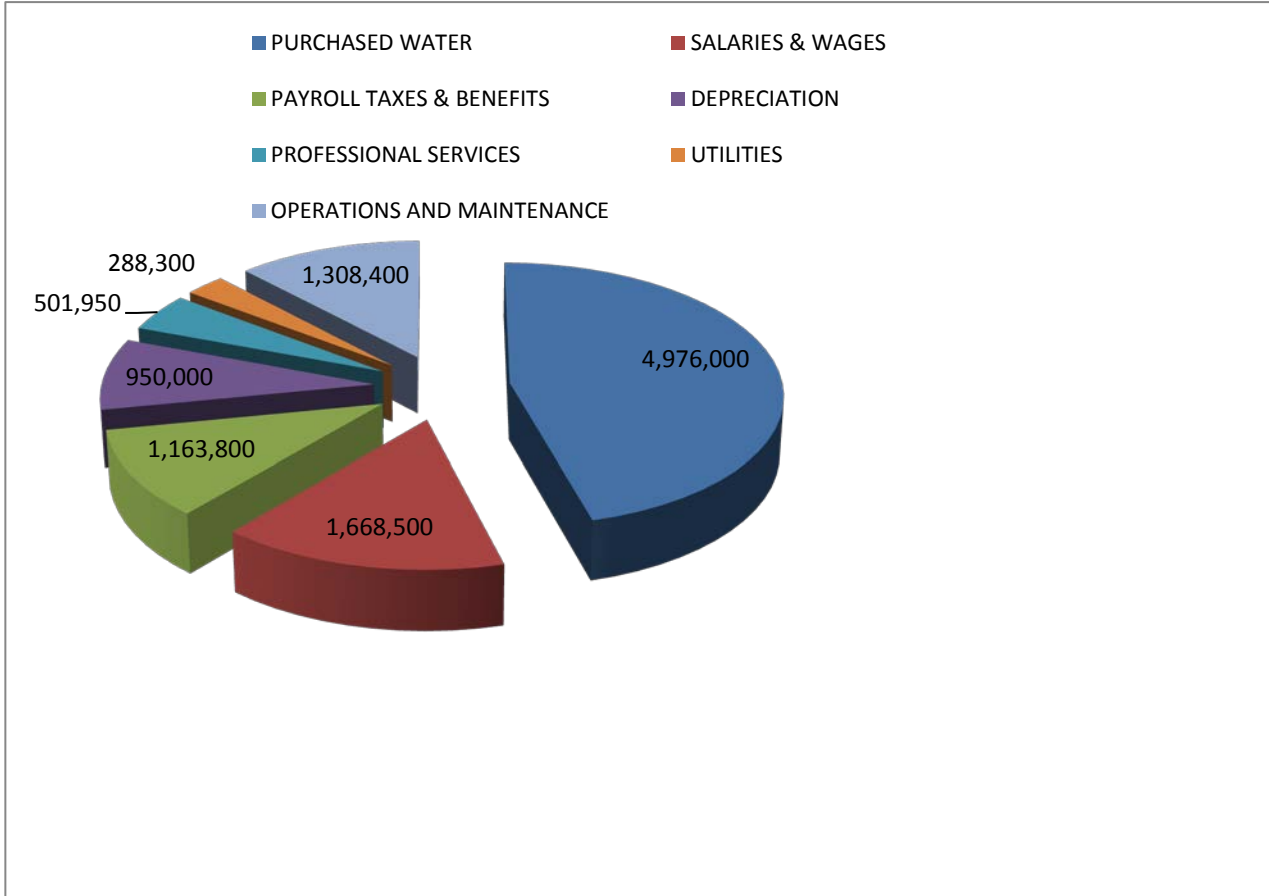
**MID-PENINSULA WATER DISTRICT
BUDGET FOR YEAR 2016-2107
SUMMARY**

6/20/2016

DESCRIPTION	FY 2014-2015 ACTUAL \$	APPROVED AMENDED FY 2015-2016 BUDGET	ACTUALS 7/1/15-5/31/16	PROPOSED FY 2016-2017 BUDGET	Increase (Decrease)	% Change
OPERATING REVENUE						
WATER COMMODITY CHARGES	7,203,329	8,400,000	6,606,579	8,100,000	(300,000)	Pass Thru
FIXED SYSTEM CHARGES	2,065,843	2,443,780	2,246,655	2,663,720	219,940	9.0%
FIRE SERVICE CHARGES	15,471	14,400	13,411	14,400	-	0.0%
SERVICE LINE & INSTALLATION CHARGES	-	25,000	92,529	25,000	-	0.0%
WATER SYSTEM CAPACITY CHARGES	-	200,000	81,250	200,000	-	0.0%
WATER DEMAND OFFSET CHARGES	-	10,000	12,576	10,000	-	0.0%
MISCELLANEOUS	173,662	30,000	11,460	10,000	(20,000)	-66.7%
INTEREST REVENUE - LAIF	9,751	10,000	13,405	10,000	-	0.0%
LEASE OF PHYSICAL PROPERTY	194,681	245,140	148,986	200,000	(45,140)	-18.4%
PROPERTY TAX REVENUE	259,597	245,000	242,775	255,000	10,000	4.1%
TOTAL OPERATING REVENUE	9,922,334	11,623,320	9,469,628	11,488,120	(135,200)	-1.2%
OPERATING EXPENDITURES						
SALARIES & WAGES	1,390,732	1,636,300	1,391,570	1,668,500	32,200	2.0%
PAYROLL TAXES & BENEFITS	905,906	1,140,016	979,751	1,163,800	23,784	2.1%
PURCHASED WATER	4,160,810	5,062,000	4,065,032	4,976,000	(86,000)	-1.7%
OUTREACH & EDUCATION	78,553	130,000	101,113	133,900	3,900	3.0%
M&R - OPS SYSTEM	419,847	378,250	340,079	398,250	20,000	5.3%
M&R - FACILITIES & EQUIPMENT	116,905	129,700	116,150	162,000	32,300	24.9%
SYSTEM SURVEYS	6,500	32,000	31,545	12,000	(20,000)	-62.5%
ADMINISTRATION & EQUIPMENT	346,268	317,125	235,525	326,750	9,625	3.0%
MEMBERSHIP & GOV FEES	140,795	210,900	168,039	217,500	6,600	3.1%
BAD DEBT & CLAIMS	24,787	37,000	8,646	37,000	-	0.0%
UTILITIES	312,784	322,281	232,973	288,300	(33,981)	-10.5%
PROFESSIONAL SERVICES	461,682	562,485	506,426	501,950	(60,535)	-10.8%
TRAINING/TRAVEL & RECRUITMENT	24,322	44,140	20,396	31,000	(13,140)	-29.8%
RESTRICTED EARNINGS	(9,751)	(10,000)	(13,405)	(10,000)	-	0.0%
RESERVES	-	61,123	-	-	(61,123)	-100.0%
DEPRECIATION	912,979	870,000	828,781	950,000	80,000	9.2%
TOTAL OPERATING EXPENDITURES	9,293,119	10,923,320	9,012,621	10,856,950	(66,370)	-0.6%
OPERATING REVENUE LESS EXPENDITURES	629,215	700,000	457,007	631,170	(68,830)	-9.8%
NET TRANSFERS TO CAPITAL	(629,215)	(700,000)	(457,007)	(631,170)	68,830	-9.8%
NET RESULTS OF OPERATIONS	-	-	-	-	-	

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

OPERATING EXPENDITURES	BUDGET \$	% OF TOTAL
PURCHASED WATER	4,976,000	45.8%
SALARIES & WAGES	1,668,500	15.4%
PAYROLL TAXES & BENEFITS	1,163,800	10.7%
DEPRECIATION	950,000	8.8%
PROFESSIONAL SERVICES	501,950	4.6%
UTILITIES	288,300	2.7%
OPERATIONS AND MAINTENANCE	1,308,400	12.1%
TOTAL OPERATING EXPENDITURES	10,856,950	100%



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

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

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2014-2015 ACTUAL \$	ACTUALS 7/1/15-5/31/16	APPROVED AMENDED FY 2015-2016 BUDGET	PROPOSED FY 2016-2017 BUDGET	Increase (Decrease)	% Change	Assumptions
4010	WATER COMMODITY CHARGES	7,203,329	6,606,579	8,400,000	8,100,000	(300,000)	-3.6%	Water Conservation/Reduced Sales & SFPUC Pass-through
4020	FIXED SYSTEM CHARGES	2,065,843	2,246,655	2,443,780	2,663,720	219,940	9.0%	
4030	FIRE SERVICE CHARGES	15,471	13,411	14,400	14,400	-	0.0%	
4050	SERVICE LINE & INSTALLATION CHARGES		92,529	25,000	25,000	-	0.0%	Anticipated Development
4060	WATER SYSTEM CAPACITY CHARGES		81,250	200,000	200,000	-	0.0%	Anticipated development; Previously New Construction Revenue
4070	WATER DEMAND OFFSET CHARGES		12,576	10,000	10,000	-	0.0%	Anticipated development; Previously New Construction Revenue
4090	MISCELLANEOUS	173,662	11,460	30,000	10,000	(20,000)	-66.7%	
4102	Interest Revenue- LAIF	9,751	13,405	10,000	10,000	-	0.0%	
4100	INTEREST REVENUE	9,751	13,405	10,000	10,000	-	0.0%	
4201	Lease of Physical Property	194,681	148,986	245,140	200,000	(45,140)	-18.4%	Reduction of two lessees; 3% CPI
4202	Property Tax Revenue	259,597	242,775	245,000	255,000	10,000	4.1%	3% CPI
4200	OTHER REVENUE	454,278	391,762	490,140	455,000	(35,140)	-7.2%	
4000	TOTAL OPERATING REVENUE	9,922,334	9,469,628	11,623,320	11,488,120	(135,200)	-1.2%	
6011	Salaries & Wages	1,308,186	1,329,646	1,546,900	1,575,000	28,100	1.8%	Decreased projected payroll in line with 2015-16 Actuals: 2% CPI, 3% Merit
6012	Director Compensation	8,800	5,900	11,000	11,000	-	0.0%	
6010	GROSS REGULAR WAGES	1,316,986	1,335,546	1,557,900	1,586,000	28,100	1.8%	

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

ACCOUNT	ACCOUNT	FY 2014-2015	ACTUALS	APPROVED AMENDED FY 2015-2016	PROPOSED FY 2016-2017	Increase	%	
6021	Overtime Labor	41,463	25,792	43,300	45,500	2,200	5.1%	2% CPI plus 3% merit
6022	Standby Labor	32,283	30,232	35,100	37,000	1,900	5.4%	2% CPI plus 3% merit
6020	SUB-TOTAL SALARY & WAGES	1,390,732	1,391,570	1,636,300	1,668,500	32,200	2.0%	
6031	FICA/Medicare PR Tax	100,122	96,664	126,476	131,500	5,024	4.0%	FICA rates .0765 of salary
6038	ACWA Health Care	286,290	279,315	310,272	320,000	9,728	3.1%	Increase for 1/2 a year
6039	ACWA Dental	26,094	23,868	29,991	31,000	1,009	3.4%	Increase for 1/2 a year
6040	ACWA Vision	4,091	3,980	4,223	4,350	127	3.0%	Increase for 1/2 a year
6041	ACWA Life/AD&D	3,804	3,870	4,035	4,200	165	4.1%	Increase for 1/2 a year
6042	Short-/Long-Term Disability Ins	7,887	8,132	9,953	12,400	2,447	24.6%	Potential program changes
6043	Workers' Comp Insurance	54,564	41,709	48,000	50,400	2,400	5.0%	2% CPI + 3% Merit salary increase
6044	Unemployment	0	-	1,000	1,000	-	0.0%	
6045	CALPERS Retirement - ER 2%@55	55,720	181,370	245,706	235,000	(10,706)	-4.4%	CalPers Valuation of 8.4% of payroll + \$98,525 UAL
6046	Retirees' ACWA Health Care	101,404	54,126	54,400	56,000	1,600	2.9%	6% increase for 1/2 a year, retiree changes
6047	Directors' ACWA Health Care	1,028	96,997	105,060	108,000	2,940	2.8%	6% increase for 1/2 a year
6049	Medical Reimbursement	1,076	496	2,500	1,000	(1,500)	-60.0%	
6050	Employee Service Recognition	3,418	9,050	7,000	7,000	-	0.0%	
6051	Safety Incentive Program	16,729	6,600	7,200	7,200	-	0.0%	
6052	Uniforms	99,808	24,725	24,000	24,750	750	3.1%	3% CPI
6053	PARS OPEB Expense	143,873	148,850	160,200	170,000	9,800	6.1%	Annual Required Contribution
6030	SUB-TOTAL PAYROLL TAXES & BENEF	905,906	979,751	1,140,016	1,163,800	23,784	2.1%	
6000	PERSONNEL COSTS	2,296,638	2,371,321	2,776,316	2,832,300	55,984	2.0%	
6101	SFPUC Treated Water	3,660,218	3,570,257	4,600,000	4,500,000	(100,000)	-2.2%	Per actual trend analysis; updated Bartle Wells projections
6102	BAWSCA (Debt Service Surcharges)	500,592	422,818	462,000	476,000	14,000	3.0%	
6103	Rates Stabilization	-	-	-	-	-	NA	
6104	SFPUC Water Service Charge	-	71,956	-	-	-	NA	
6100	PURCHASED WATER	4,160,810	4,065,032	5,062,000	4,976,000	(86,000)	-1.7%	

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

ACCOUNT	ACCOUNT	FY 2014-2015	ACTUALS	APPROVED AMENDED FY 2015-2016	PROPOSED FY 2016-2017	Increase	%	
6301	Water Conservation Program	8,316	3,871	7,000	7,200	200	2.9%	3% CPI
6302	School Conservation Program	8,323	21,248	7,000	7,200	200	2.9%	3% CPI
6303	Public Outreach & Education	26,744	20,864	25,000	25,750	750	3.0%	3% CPI
								3% CPI
6305	HET (High Efficiency Toilet) Rebates	5,486	10,738	24,000	24,750	750	3.1%	3% CPI
6306	Washing Machine Rebates	8,326	13,418	25,000	25,750	750	3.0%	3% CPI
6307	Lawn-Be-Gone Rebates	17,684	30,291	37,000	38,100	1,100	3.0%	3% CPI
6308	Rain Barrels Rebates	3,674	683	5,000	5,150	150	3.0%	3% CPI
6304	WATER CONSERVATION REBATES	35,170	55,130	91,000	93,750	2,750	3.0%	
6300	OUTREACH/EDUCATION	78,553	101,113	130,000	133,900	3,900	3.0%	
6401	Water Quality	73,965	44,294	65,000	67,000	2,000	3.1%	2 Analyzers \$7300
6402	Pumping	23,060	14,336	25,750	78,250	52,500	203.9%	Repair PCVs and pump maintenance
6403	Storage Tanks	(2,292)	2,710	5,150	15,000	9,850	191.3%	Power cleaning
6404	Mains/Distribution	208,823	179,324	154,500	100,000	(54,500)	-35.3%	
6405	Meters & Service	85,907	55,484	77,250	30,000	(47,250)	-61.2%	Meter testing
6406	Fire Hydrants	21,924	30,068	30,000	31,000	1,000	3.3%	3% CPI
6407	Regulator Stations	1,531	9,305	10,300	6,000	(4,300)	-41.7%	
6408	Safety	6,930	4,157	10,300	32,000	21,700	210.7%	Confined Space Entry equipment
6409	SCADA maintenance		401		15,000	15,000	NA	
6410	Generator Maintenance				24,000	24,000	NA	Generator testing
6400	FIELD OPERATIONS & MAINTENANCE	419,847	340,079	378,250	398,250	20,000	5.3%	
6501	Buildings&Grounds	52,975	59,536	71,000	93,000	22,000	31.0%	\$20k fuel station controller; 3% CPI
6502	Equipment&Tools	19,336	16,221	20,600	21,000	400	1.9%	
6503	Vehicles & Large Equipment	14,663	20,176	10,300	19,000	8,700	84.5%	Re-upholster trucks
6504	Fuel	29,931	20,217	27,800	29,000	1,200	4.3%	
6500	FACILITIES & EQUIPMENT	116,905	116,150	129,700	162,000	32,300	24.9%	
6601	Cathodic Protection Survey	6,500	700		12,000	12,000	NA	Every two years
6602	Leak Detection Survey	-	30,845	32,000	(32,000)	(32,000)	-100.0%	Every two years
6600	SYSTEM SURVEYS	6,500	31,545	32,000	12,000	(20,000)	-62.5%	

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

ACCOUNT	ACCOUNT	FY 2014-2015	ACTUALS	APPROVED AMENDED FY 2015-2016	PROPOSED FY 2016-2017	Increase	%	
6701	Office Supplies	7,148	14,390	17,300	18,000	700	4.0%	3% CPI
6702	Insurance- Liability/Vehicles/Excess	98,492	59,493	85,000	87,750	2,750	3.2%	3% CPI
6704	Postage	4,499	11,538	3,150	3,250	100	3.2%	3% CPI
6705	Printing/Print Supplies	19,712	32,754	12,710	13,000	290	2.3%	3% CPI
6706	Equipment Services/Maintenance	90,562	7,725	55,000	56,750	1,750	3.2%	3% CPI
6707	Computer Supplies & Upgrades	15,414	985	11,330	11,750	420	3.7%	3% CPI
6708	Security & Safety	6,447	1	10,450	10,750	300	2.9%	3% CPI
6709	Miscellaneous Fees	184	1,394	546	500	(46)	-8.4%	
6710	Customer Credit Card Service Fees	103,812	107,245	121,639	125,000	3,361	2.8%	3% CPI
6700	ADMINISTRATION & EQUIP	346,268	235,525	317,125	326,750	9,625	3.0%	
6801	Dues & Publications	40,111	31,618	38,200	39,500	1,300	3.4%	3% CPI
6802	Gov't Fees & Licenses	19,429	49,147	71,000	73,250	2,250	3.2%	3% CPI
6803	BAWSCA Membership Assessments	54,955	61,974	66,800	68,750	1,950	2.9%	3% CPI
6804	Env Health - Cross Connection Inspection	26,300	25,300	29,900	31,000	1,100	3.7%	3% CPI
6805	Software Licenses	-	-	5,000	5,000	-	0.0%	New Financial Management System
6800	MEMBERSHIP & GOV FEES	140,795	168,039	210,900	217,500	6,600	3.1%	
6901	Bad Debt	6,266	4,659	7,000	7,000	-	0.0%	
6902	Claims	18,521	3,987	30,000	30,000	-	0.0%	
6900	BAD DEBT & CLAIMS	24,787	8,646	37,000	37,000	-	0.0%	
7001	Utilities-Internet/Cable	4,752	8,100	7,244	7,500	256	3.5%	
7002	Utilities-Cellular Telephones	13,325	11,004	11,500	11,850	350	3.0%	
7003	Utilities-Electric-Pumping Costs	256,122	172,225	255,834	220,000	(35,834)	-14.0%	
7004	Utilities-Electric-Bldgs&Grounds	19,728	20,238	23,401	24,000	599	2.6%	
7005	Utilities-Telephones	12,373	15,429	17,092	17,500	408	2.4%	
7006	Utilities-Sewer - NPDES	6,484	5,978	7,210	7,450	240	3.3%	
7000	UTILITIES	312,784	232,973	322,281	288,300	(33,981)	-10.5%	3% CPI
7101	Prof Serv - District Counsel	110,721	91,327	98,000	100,000	2,000	2.0%	
7102	Prof Serv - District Engineer	136,030	128,199	151,000	100,000	(51,000)	-33.8%	
7103	Prof Serv - IT	11,592	19,229	19,194	19,750	556	2.9%	3% CPI

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

ACCOUNT	ACCOUNT	FY 2014-2015	ACTUALS	APPROVED AMENDED FY 2015-2016	PROPOSED FY 2016-2017	Increase	%	
7104	Prof Serv- Annual Finance Audit	16,500	18,000	20,000	20,000	-	0.0%	
7106	Prof Serv- Accounting & Payroll	17,597	19,604	21,010	21,750	740	3.5%	3% CPI
7107	Prof Serv- Customer Billing	60,199	75,938	70,040	72,250	2,210	3.2%	3% CPI
7109	Prof Serv - Answering Svs	3,372	21	4,223	4,500	277	6.6%	
7110	Prof Serv - Miscellaneous	102,071	151,109	175,418	160,000	(15,418)	-8.8%	Temp Admin Employee for FMS Implementation \$60K; J. Davidson \$45K, J. Brown \$5K; Misc \$50K
7111	Prof Serv - District Treasurer	3,600	3,000	3,600	3,700	100	2.8%	3% CPI
7100	PROFESSIONAL SERVICES	461,682	506,426	562,485	501,950	(60,535)	-10.8%	
7201	Director Travel	1,641	1,768	6,180	5,000	(1,180)	-19.1%	
7202	Director Expense	753	87	2,060	1,000	(1,060)	-51.5%	
7203	Elections	-	-	5,000	-	(5,000)	-100.0%	
7204	Employee Travel/Training	18,409	13,071	25,750	20,000	(5,750)	-22.3%	
7205	Meetings Expense	3,518	5,470	5,150	5,000	(150)	-2.9%	
7200	TRAINING & TRAVEL	24,322	20,396	44,140	31,000	(13,140)	-29.8%	
7302	Restricted Earnings Expense - Interest LAI	(9,751)	(13,405)	(10,000)	(10,000)	-	0.0%	
7300	RESTRICTED EARNINGS EXPENSE	(9,751)	(13,405)	(10,000)	(10,000)	-	0.0%	
8001	Working Reserves: Capital	-	-	-	-	-	NA	
8002	Working Reserves: Operating	-	-	61,123		(61,123)	-100.0%	
8000	RESERVES	-	-	61,123	-	(61,123)	-100.0%	
9010	DEPRECIATION	912,979	828,781	870,000	950,000	80,000	9.2%	
SUB-TOTAL - OPERATING EXPENSES		6,996,481	6,641,300	8,147,004	8,024,650	(122,354)	-1.5%	
TOTAL OPERATING EXPENSES		9,293,119	9,012,621	10,923,320	10,856,950	(66,370)	-0.6%	
NET OPERATING SURPLUS/(LOSS)						-		
TRANSFER TO CAPITAL		629,215	457,007	700,000	631,170	(68,830)	-9.8%	

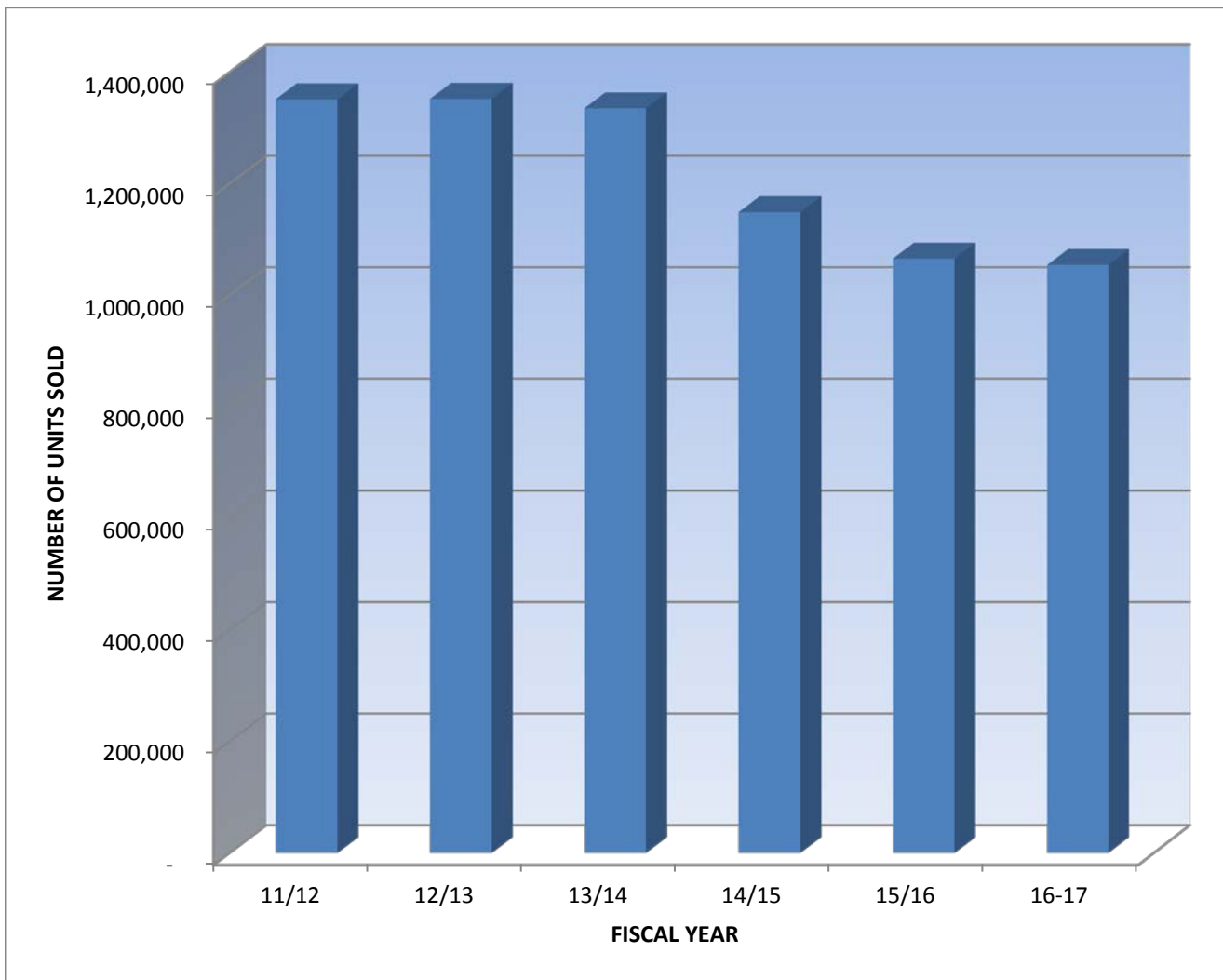
**MID-PENINSULA WATER DISTRICT
BUDGET FOR FY 2016-2017
CAPITAL OUTLAY/CAPITAL PROJECTS**

DESCRIPTION	APPROVED AMENDED FY 2015-2016 BUDGET	ACTUAL 7/1/2015 5/31/2016	PROPOSED FY 2016-2017 BUDGET
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)			
AMI Meter Change Out Program - CIP	400,000	442,400	500,000
Karen Road Water Main Replacement - CIP	100,000	31,970	100,000
Folger Pump Station Demolition - CIP	50,000	24,903	50,000
Alameda de las Pulgas Water Main Replacement Project - CIP	30,000	91,669	700,000
Prior Year Capital Projects - CIP	156,000	117,831	-
CAPITAL IMPROVEMENTS - WIP TOTAL	736,000	708,773	1,350,000
CAPITAL OUTLAY			
Financial Management System (FMS) - Comprehensive	145,000	58,684	95,000
Implementation of Sensus Consumer Portal	70,000	-	70,000
Miscellaneous Capital Outlay/Projects	50,000	52,499	50,000
Prior Year Capital Outlay	291,000	183,427	-
CAPITAL OUTLAY TOTAL	556,000	294,610	215,000
CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL	1,292,000	1,003,383	1,565,000
DEPRECIATION	870,000	828,781	950,000
TRANSFER FROM OPS	700,000	457,007	631,170
TRANSFER (TO)/FROM CAPITAL RESERVES	(278,000)	(282,406)	(16,170)
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,292,000)	(1,003,383)	(1,565,000)
NET RESULTS OF CAPITAL	-	(0)	-

**WATER SALES ANALYSIS
MID-PENINSULA WATER DISTRICT
APPROVED BUDGET - FISCAL YEAR 2016/2017**

Fiscal Year	Actual Number of Units Sold
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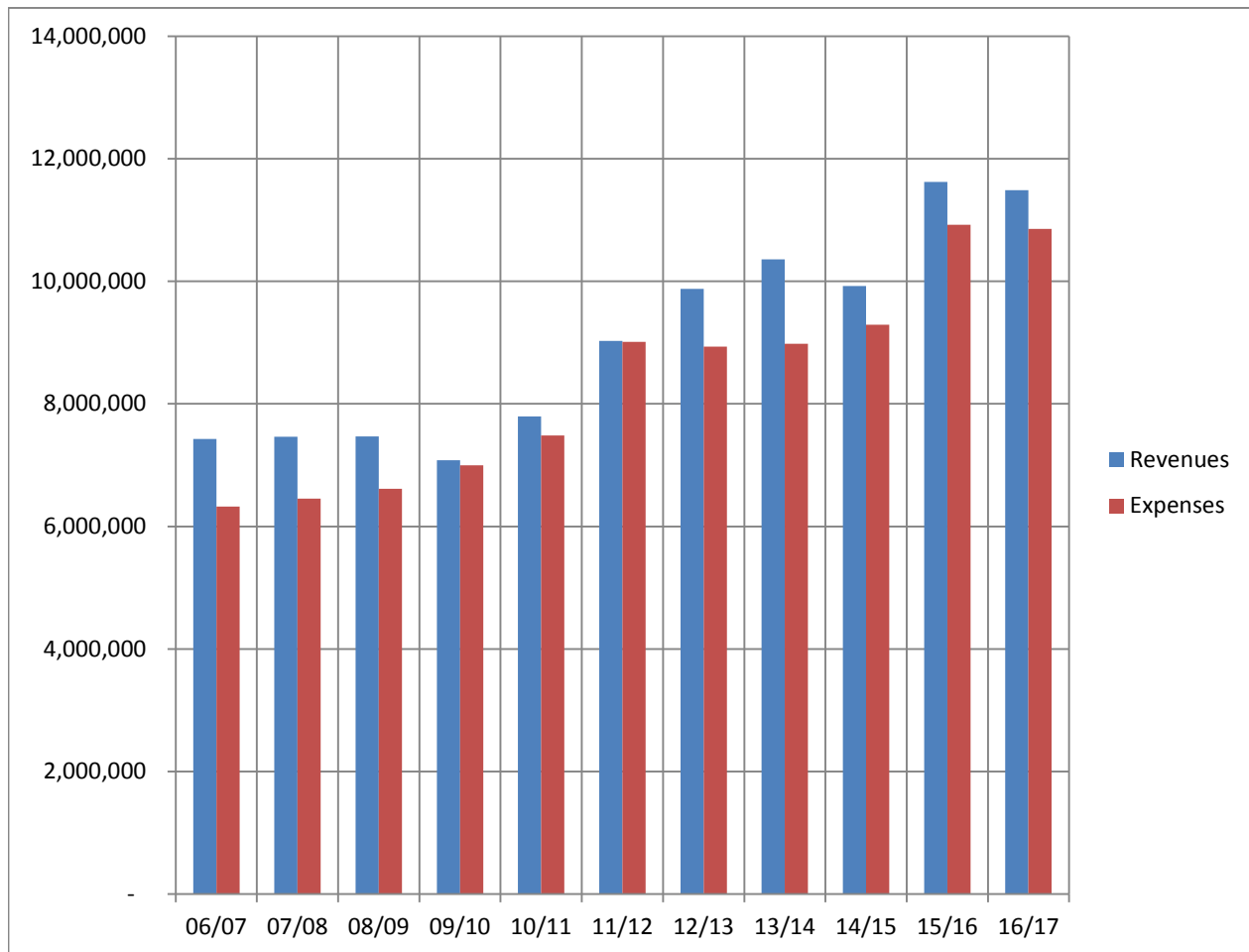
11/12	1,351,614	
12/13	1,352,197	
13/14	1,335,319	
14/15	1,148,813	
15/16	1,065,517	Actual from July 2015 - May 2016 & Projected for June 2016
16-17	1,054,100	Projection from Cash Flow Update by Bartle Wells April 2016



OPERATIONS ANALYSIS
MID-PENINSULA WATER DISTRICT
Operating Revenue vs Operating Expenses

Fiscal Year	Revenues	Expenses
06/07	7,430,071	6,323,429
07/08	7,464,418	6,453,780
08/09	7,469,669	6,615,611
09/10	7,082,219	6,995,624
10/11	7,793,618	7,487,137
11/12	9,028,136	9,014,267
12/13	9,875,689	8,934,651
13/14	10,360,026	8,981,349
14/15	9,922,334	9,293,119
15/16	11,623,320	10,923,320
16/17	11,488,120	10,856,950

2015/2016 Budget



May 23, 2016

NOTICE OF INCREASE IN WATER RATES

Since 1929, the Mid-Peninsula Water District (MPWD) has been reliably delivering high quality Hetch Hetchy drinking water to the communities of Belmont, San Carlos, and unincorporated areas of San Mateo County. We sincerely appreciate the opportunity to serve you.

The MPWD is a self-supporting agency, relying primarily on revenues from water charges and service fees to fund its operations. Understanding that rate increases may present financial challenges for some consumers, we hope the following information provides clarification why the MPWD water service rate increase is needed effective July 1, 2016.

BACKGROUND ON APPROVED MPWD 5-YEAR RATE PLAN

Following a formal notice and Proposition 218 majority protest hearing process on June 25, 2015, the MPWD Board of Directors approved a series of annual water rate adjustments over a 5-year period (July 1, 2015, through June 30, 2020), including a pass through provision of any excess SFPUC wholesale water rate increases.

UPDATE ON SAN FRANCISCO REGIONAL WATER SUPPLY SYSTEM IMPROVEMENT PROGRAM

The MPWD relies on imported treated water from the San Francisco Public Utility Commission (SFPUC) for 100% of its water supply. The SFPUC is undertaking a \$4.8 billion Water Supply Improvement Program (WSIP) for much needed capital replacement and rehabilitation of the almost 100-year-old Hetch Hetchy water supply system. This multi-year capital improvements program will meet water quality requirements, and ensure the reliability, capacity and seismic safety of the aging Hetch Hetchy water infrastructure system in an environmentally sustainable and cost-effective manner. May 2019 is the anticipated completion of the WSIP. For more detailed information, please review the recent SFPUC WSIP Regional Projects Quarterly Report (2nd Quarter FY 2015/2016) for a summary of the program's regional projects at <http://www.sfwater.org/modules/showdocument.aspx?documentid=8436>.

MPWD'S SUSTAINED FOCUS ON COST-EFFICIENCY AND PRUDENT FINANCIAL MANAGEMENT

Through diligent budgeting, financial management, and cost controls, the MPWD continues its commitment to providing high-quality cost-efficient services. The MPWD has prudently managed its annual operations and capital improvements despite continued reduced revenues as a result of customer water conservation achievements.

WHY ARE WATER SERVICE RATES BEING INCREASED?

The SFPUC will impose a wholesale water rate increase of 9.3% effective July 1st. That means the charge for wholesale customers, like the MPWD, will be increased from \$3.75 hcf to \$4.10 hcf. SFPUC's rate increase is primarily due to the reduced wholesale customer sales projections from 130 mgd for FY 2015/2016 to 107 mgd for FY 2016/2017.

Pursuant to California Government Code Section 53756, the MPWD adopted the pass through of any additional increases in SFPUC wholesale water rates above the previously projected SFPUC rate for FY 2016/2017 (\$3.78CCF). That means the MPWD's tiered customer rates will increase by \$0.32 hcf effective July 1, 2016, as reflected in the table on the reverse side.

Also effective July 1, 2016, will be minimal increases to the MPWD monthly fixed system charges and breakpoint transitions for Residential Tiers 2, 3, and 4 as shown in the table on the reverse side.

Rates Effective July 1, 2016 with SFPUC Wholesale Pass-Through				
Proposed Rates Effective July 1, 2016				
		Previously Adopted Rates	SFPUC Wholesale Rate Pass Through*	Total With SFPUC Rate Pass Through
Fixed Monthly Charges				
<i>Billed based on meter size</i>				
<u>Meter</u>	<u>Meter Ratio</u>			
5/8"	1.00	\$24.00		\$24.00
1"	1.50	36.00		36.00
1 1/2"	2.50	60.00		60.00
2"	4.00	96.00		96.00
3"	6.00	144.00		144.00
4"	10.00	240.00		240.00
6"	25.00	600.00		600.00
Water Consumption Charges				
<i>Billed based on monthly metered water use (\$/hcf)</i>				
<u>Residential Rate Tiers</u>				
Tier 1	0 - 2 hcf	\$5.30	\$0.32	\$5.62
Tier 2	3 - 8 hcf	7.90	0.32	8.22
Tier 3	9 - 20 hcf	9.50	0.32	9.82
Tier 4	Over 20 hcf	11.10	0.32	11.42
<u>Commercial Rate Tiers</u>				
Tier 1	0 - 5 hcf	\$7.25	\$0.32	\$7.57
Tier 2	Over 5 hcf	8.35	0.32	8.67
Note: 1 hcf = one hundred cubic feet or approximately 748 gallons.				

* The SFPUC wholesale water rate pass through effective July 1, 2016 equals \$0.32 per hcf based on the incremental difference between the baseline rate of \$3.78 per hcf referenced in the MPWD's Proposition 218 Notice and SFPUC's wholesale rate of \$4.10 per hcf adopted on May 10, 2016.

WHAT WILL THE MPWD WATER RATE INCREASE LOOK LIKE?

As a result of the rate increase effective on July 1, 2016, a typical single family water bill (7 hcf) will be approximately \$6.84 higher per month.

CONTACT INFORMATION

Please contact us should you have any questions or comments at mpwd@midpeninsulawater.org or call 650-591-8941.



Bringing Quality Water to Your Door Since 1929



AGENDA ITEM NO. 8.B.

DATE: May 26, 2016

TO: Board of Directors

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

SUBJECT: CONSIDER RESOLUTION 2016-08 APPROVING MPWD FISCAL YEAR 2016/2017 CAPITAL BUDGET

RECOMMENDATION

Adopt Resolution 2016-08 approving MPWD Fiscal Year (FY) 2016/2017 Capital Budget.

FISCAL IMPACT

\$1,565,000 total "pay as you go" capital budget. (Further financial details are included within the MPWD FY 2016/2017 budget document attached to Agenda Item 8.A.)

DISCUSSION

FY 2016/2017 CAPITAL BUDGET

- Capital Improvement Projects
 - Alameda del las Pulgas Water Main Replacement (construction) - \$700,000;
 - Karen Road Water Main Replacement (design completion only) - \$100,000;
 - Continued AML meter change-out program - \$500,000; and
 - Folger Pump Station demolition - \$50,000.
- Capital Outlay
 - Comprehensive Financial Management System Replacement (carryover from FY 2015/2016) - \$95,000;
 - Implementation of Sensus Consumer Portal (carryover from FY 2015/2016) - \$70,000;
 - Miscellaneous Capital Outlay (placeholder for unknown outlay items or capitalized adjustments) - \$50,000.

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

Attachment: Resolution 2016-08

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

UNANIMOUS____ ZUCCA____ WARDEN____ STUEBING____ VELLA____ LINVILL____

RESOLUTION NO. 2016-08

**APPROVING THE
CAPITAL BUDGET FOR FISCAL YEAR 2016/2017**

*** * ***

MID-PENINSULA WATER DISTRICT

WHEREAS, staff developed and presented to the Board of Directors a proposed Capital Budget for Fiscal Year 2016/2017 and recommended it for approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby approves a Fiscal Year 2016/2017 capital budget in the total amount of \$1,565,000.

BE IT FURTHER RESOLVED that the Secretary of the District is hereby directed to forward certified copies of this Resolution and the budget documents to the County Clerk, the County Controller, and the County Treasurer of the County of San Mateo.

REGULARLY PASSED AND ADOPTED this 23rd day of June 2016, by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:

District Secretary

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

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

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

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

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

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

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

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

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

Since the completion of the above critical projects and since late 2015, the MPWD has been engaged in discussions around options for implementing a CIP and funding alternatives. Prioritized projects were presented to and accepted by the Board as a capital program. Staff has been working with its municipal finance advisor, Wulff Hansen & Company, since January 2016, to identify potential options for financing a 5-year CIP. The Board of Directors considered three (3) 5-Year CIP alternatives at its regular meeting on May 26, 2016. They selected Alternative One totaling \$20,000,000 and approved Resolution No. 2016-06, which is attached, including the approved CIP. Staff is working with Wulff Hansen & Company to develop financing options for the Board's consideration at an upcoming regular Board meeting.

MPWD's FY 2016/2017 Operating and Capital Budgets have been discussed with the Board since the beginning of 2016, and are being considered for approval at the regular Board meeting on June 23, 2016.

The District Engineer and staff finalized a report entitled *MPWD Comprehensive System Analysis and Capital Improvement Program FY 2016/2017 Update*, which is available on the MPWD website.

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

FAQs

1. Why is a Capital Improvement Program important?

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

- *It is a reinvestment of ratepayer dollars back into the water system, which is good financial stewardship.*

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

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

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

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

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

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

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

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

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

Reference the report entitled *MPWD Comprehensive System Analysis and Capital Improvement Program FY 2016/2017 Update*, which is available on the MPWD website.

5. How were the proposed CIP projects prioritized?

Senior MPWD Operations personnel that work within the system daily were involved in developing criteria used to prioritize the 90 capital projects. After deliberation, six (6) criteria were selected and included: pipe failure over the past five (5) years, distribution

system benefits, pipe age, pipe material, City pavement condition, and static water pressure. Each of the criteria was given a certain range of scores with a maximum score of 81 points. Each project was scrutinized based on the criteria and a score was given, which lead to the prioritization of the projects.

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

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

7. What are some financing options?

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RESOLUTION NO. 2016-06

**ADOPTING MPWD COMPREHENSIVE SYSTEM ANALYSIS AND
CAPITAL IMPROVEMENT PROGRAM FY 2016-2017 UPDATE, AND
AUTHORIZING MPWD 5-YEAR CAPITAL IMPROVEMENT PROGRAM
FOR FISCAL YEARS 2016/2017 THROUGH 2020/2021**

* * *

MID-PENINSULA WATER DISTRICT

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

WHEREAS, almost 90 capital improvement projects were identified for completion as a result of the water hydraulic modeling, and a list of six scoring criteria was developed in order to rank and prioritize each of the 90 capital projects; and

WHEREAS, an updated FY 2016/2017 Comprehensive System Analysis and Capital Improvement Program report was developed by the District Engineer and MPWD staff, and presented to the Board of Directors at its May 26, 2016, regular meeting; and

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

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

WHEREAS, on April 28, 2016, updated cash flow projections for FY 2016/2017 were presented by MPWD's rate consultant Bartle Wells Associates, and financing alternatives for potential capital improvements were created by the MPWD's Municipal Finance Advisors based upon the updated cash flow projections and presented to the Board at that same meeting; and

WHEREAS, as a result of the updated financial information for FY 2016/2017, staff

modified the MPWD's 5-year capital planning and presented the Board with three (3) program alternatives on May 26, 2016, and recommended Alternative One totaling \$20,000,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby:

1. Adopts the MPWD Comprehensive System Analysis and Capital Improvement Program FY 2016/2017 Update Report; and
2. Authorizes the 5-Year Capital Improvement Program for Fiscal Years 2016/2017 through 2020/2021 totaling \$20,000,000 (attached as Exhibit "A").

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

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

AYES:

NOES:

ABSENT:

President, Board of Directors
Mid-Peninsula Water District

ATTEST:

District Secretary

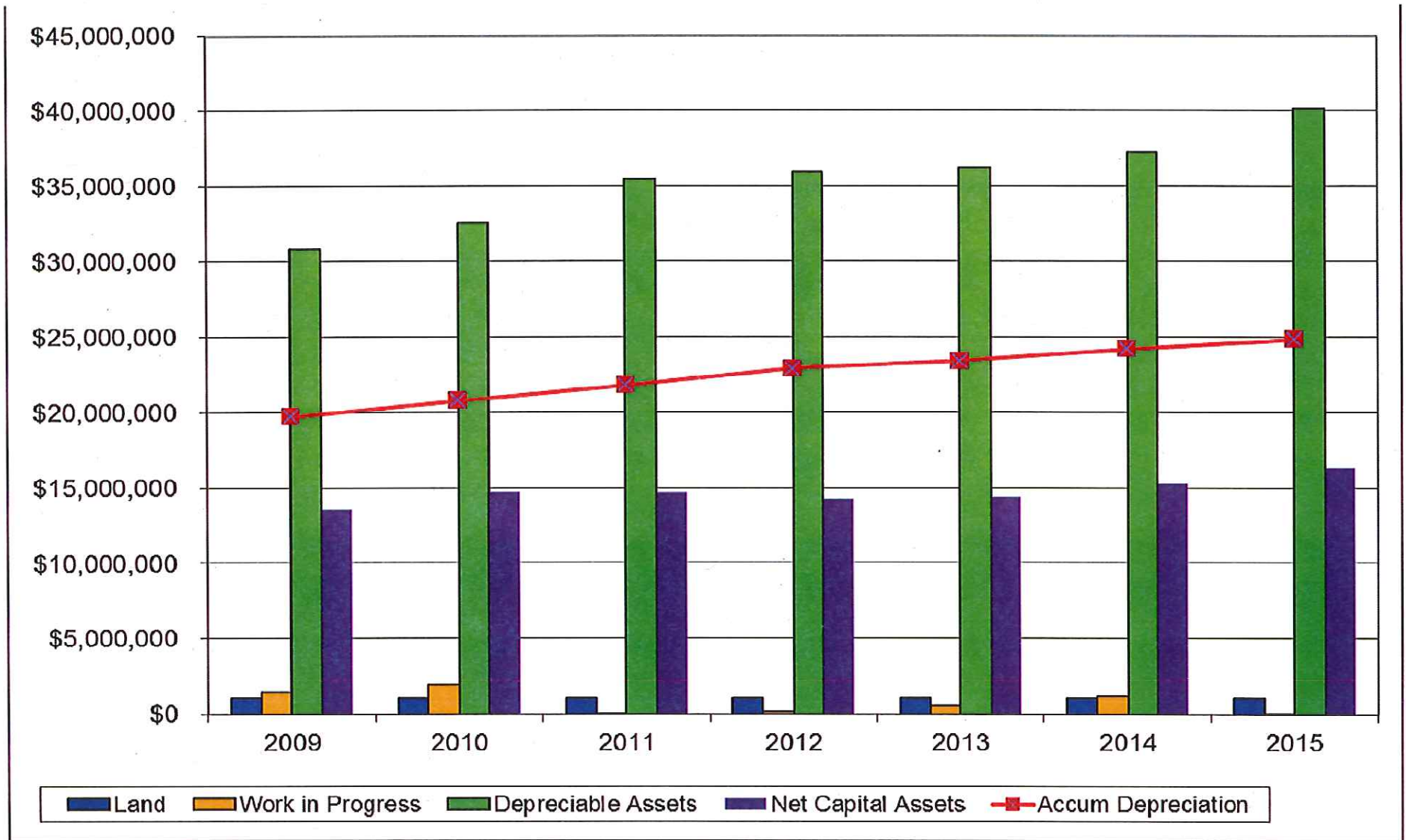


5-YEAR CAPITAL IMPROVEMENT PROGRAM
FY 2016/2017 THROUGH FY 2020/2021

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

Project No. 15-92: AMI Completion Project (\$2.5 million) is also a priority project that could be substituted for the projects highlighted in gray.

Capital Assets



James Marta & Company LLP
Certified Public Accountants

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

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

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

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

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

No. of years to pay the debt:	13 years
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MID-PENINSULA WATER DISTRICT

Public Offering; 25 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

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

Estimated and Subject to Actual Proposals

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

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

TIC	2.95179%
All-in TIC	3.07944%

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

** Source: Rate Study update from MPWD

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

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

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

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

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

MID-PENINSULA WATER DISTRICT

Public Offering; 25 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

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

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

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

No. of years to pay the debt:	16 years
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MID-PENINSULA WATER DISTRICT

Public Offering; 30 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

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

Estimated and Subject to Actual Proposals

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

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

TIC	3.19640%
All-in TIC	3.29940%

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

** Source: Rate Study update from MPWD

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

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

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

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

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

MID-PENINSULA WATER DISTRICT

Public Offering; 30 YEARS

Prepared by Wulff, Hansen & Co.

4/27/2016

All figures are preliminary, estimated and subject to change

Period Ending	Principal	Coupon	Interest	Debt Service	Available Revenue**	Excess Revenue	Cumulative Excess		
10/1/2017	460,000	0.85%	586,469.54	1,046,469.54	1,500,000	453,530	453,530		
10/1/2018	510,000	1.10%	537,446.50	1,047,446.50	1,772,000	724,554	1,178,084		
10/1/2019	515,000	1.23%	531,836.50	1,046,836.50	1,462,000	415,164	1,593,247		
10/1/2020	520,000	1.45%	525,502.00	1,045,502.00	1,425,000	379,498	1,972,745		
10/1/2021	530,000	1.49%	517,962.00	1,047,962.00	1,500,000	452,038	2,424,783		
10/1/2022	535,000	1.61%	510,065.00	1,045,065.00	1,500,000	454,935	2,879,718		
10/1/2023	545,000	1.72%	501,451.50	1,046,451.50	1,500,000	453,549	3,333,267		
10/1/2024	555,000	1.87%	492,077.50	1,047,077.50	1,500,000	452,923	3,786,189		
10/1/2025	565,000	2.00%	481,699.00	1,046,699.00	1,500,000	453,301	4,239,490		
10/1/2026	575,000	2.10%	470,399.00	1,045,399.00	1,500,000	454,601	4,694,091 ⁽¹⁾		
	5,310,000								Principal + Excess Revenue⁽²⁾
10/1/2027	590,000	2.22%	458,324.00	1,048,324.00	1,500,000	451,676	5,145,767	9,860,909	1,041,676.00
10/1/2028	600,000	2.33%	445,226.00	1,045,226.00	1,500,000	454,774	5,600,541		1,054,774.00
10/1/2029	615,000	2.45%	431,246.00	1,046,246.00	1,500,000	453,754	6,054,295		1,068,754.00
10/1/2030	630,000	2.57%	416,178.50	1,046,178.50	1,500,000	453,822	6,508,117		1,083,821.50
10/1/2031	645,000	2.70%	399,987.50	1,044,987.50	1,500,000	455,013	6,963,129		1,100,012.50
10/1/2032	665,000	2.84%	382,572.50	1,047,572.50	1,500,000	452,428	7,415,557		1,117,427.50
10/1/2033	685,000	2.94%	363,686.50	1,048,686.50	1,500,000	451,314	7,866,870		1,136,313.50
10/1/2034	705,000	3.00%	343,547.50	1,048,547.50	1,500,000	451,453	8,318,323		1,156,452.50
10/1/2035	725,000	3.10%	322,397.50	1,047,397.50	1,500,000	452,603	8,770,925		1,177,602.50
10/1/2036	745,000	3.15%	299,922.50	1,044,922.50	1,500,000	455,078	9,226,003		
10/1/2037	770,000	3.20%	276,455.00	1,046,455.00	1,500,000	453,545	9,679,548		
10/1/2038	795,000	3.30%	251,815.00	1,046,815.00	1,500,000	453,185	10,132,733		
10/1/2039	820,000	3.40%	225,580.00	1,045,580.00	1,500,000	454,420	10,587,153		
10/1/2040	850,000	3.50%	197,700.00	1,047,700.00	1,500,000	452,300	11,039,453		
10/1/2041	880,000	3.50%	167,950.00	1,047,950.00	1,500,000	452,050	11,491,503		
10/1/2042	910,000	3.50%	137,150.00	1,047,150.00	1,500,000	452,850	11,944,353		
10/1/2043	940,000	3.60%	105,300.00	1,045,300.00	1,500,000	454,700	12,399,053		
10/1/2044	975,000	3.60%	71,460.00	1,046,460.00	1,500,000	453,540	12,852,593		
10/1/2045	1,010,000	3.60%	36,360.00	1,046,360.00	1,500,000	453,640	13,306,233		
	14,555,000			10,487,767.04	30,352,767.04	43,659,000	13,306,233		
	19,865,000								

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

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



TO: Board of Directors

FROM: Tammy A. Rudock
General Manager

DATE: June 23, 2016

MANAGER'S REPORT

FOLLOW-UP FROM 05/26/16 REGULAR BOARD MEETINGS

- Resolution No. 2016-06 was revised per the Board's direction and approval and was attached to the CIP Informational Summary and FAQs.

PERSONNEL MANUAL UPDATE

Staff is meeting with the Board ad hoc committee on June 21st to review the internal working draft of the Personnel Manual.

I updated the project timeline as follows.

<i>TASK</i>	<i>TARGET DATE</i>
DRAFT to ACWA/JPIA and District Counsel	02/24/16
DRAFT to MPWD Employees Association for review	03/24/16
Meet and confer with MPWD Employees Association	04/21/16
Review internal working draft of Personnel Manual with Board ad hoc committee	06/21/16
Consider potential negotiable provisions or impacts (as applicable) with MPWD Employees Association	07/15/16
Potential Closed Session with Board regarding potential negotiations with MPWD Employees Association	07/28/16
Potential follow-up meet and confer or negotiations session with MPWD Employees Association	08/19/16
Complete FINAL DRAFT	08/31/16
Final Legal Review	09/09/16
Initial presentation for Board consideration	09/22/16
Final presentation for Board approval	10/27/16

MISCELLANEOUS FEES PROJECT UPDATE

No progress on this item to date due to other priorities. Implementation of updated and new fees is recommended in coordination with the MPWD's new financial management system, so there is time to work on this project.

3-MONTH "LOOK AHEAD"

President Zucca requested a summary list of upcoming business items:

JULY

- Receive report on seismic evaluation of Hallmark tank site.
- Receive 2016 OPEB Actuarial Report.
- Consider budgeted FY 2016/2017 professional services agreements.
- Consider 5-Year CIP financing options.
- Establish Appropriations Limit applicable to the MPWD during the fiscal year.
- Consider living wage adjustment for MPWD Employees Association (per agreement).
- Receive BAWSCA report.

AUGUST

- Receive progress report on annual MPWD Strategic Plan.
- Consider updated Conflict of Interest Code (every even-numbered year).

SEPTEMBER

- Consider initial presentation of new MPWD Personnel Manual.
- Receive General Manager's MPWD annual progress report for fiscal year end.

MEETINGS

<u>DATE</u>	<u>EVENT</u>
May 24 th	Participated on interview panel at San Mateo County Harbor District for its Operations Manager recruitment.
May 25 th	Attended MPWD Special Board Meeting (Board development session).
May 26 th	Participated in 2015 UWMP progress meeting. Attended safety session with staff and facilitated GM rap session.
June 1 st	Attended Pre-Construction Meeting for Alameda de las Pulgas Water Main Replacement Project. Attended PWWA meeting in Sunnyvale.
June 2 nd	Attended BAWSCA Water Management Reps meeting in Foster City. Attended HIA Meeting in Belmont.

DATE	EVENT
	Conference call with Lou Filliger regarding working draft 2016 OPEB Actuarial Report.
June 8 th	Participated and facilitated LUNCH & LEARN session with staff regarding ICMA-RC 457 benefits and operational items.
June 10 th	Participated in Star12 Webinar: Disaster Planning Essentials. Conference call with District Engineer and staff regarding working draft of Hallmark tanks seismic evaluation.
June 12 th – June 14 th	Participated as GM coach during pre-conference workshop for prospective GMs. Attended CSDA Annual GM Summit in Squaw Valley.

UPCOMING MEETINGS/EVENTS

HIA Meeting (Belmont) – No meetings in July or August.

BAWSCA Water Management Meeting (Foster City) – July 7, 2016

CSDA Annual Conference (San Diego) – October 10-13, 2016

ACWA/JPIA Fall Conference & Exhibition (Anaheim) – November 28, 2016 – December 2, 2016



TO: Board of Directors

FROM: Candy Pina

DATE: June 23, 2016

ADMINISTRATIVE SERVICES MANAGER'S REPORT

CONFERENCES, TRAINING, & MEETINGS:

- 1) Candy Pina: 06/01/16 (6/8, 6/15, 6/22, 6/29) – Weekly Meetings with Accela about implementation of new financial management system
- 2) Jeanette Kalabolas: 06/01/16 – “Save our Water” Campaign Update Webinar
- 3) Jeanette Kalabolas: 06/02/16 – HIA meeting
- 4) Jeanette Kalabolas: 06/03/16 – Governor’s Executive Order “Listening Session” for Urban Suppliers
- 5) Laura Ravella: 06/08/16 – “How to Work With Any Personality” webinar
- 6) Jeanette Kalabolas: 06/13/16 – BAWSCA Conserve Track (Rebate Center) Training
- 7) Jeanette Kalabolas: 06//14/16 – UWMP Drop Box Clean Up Conference Call
- 8) Jeanette Kalabolas: 06/15/16 – National Night Out Committee Meeting
- 9) Jeanette Kalabolas/Laura Ravella/Candy Pina: 06/29/16 – Field trip for Footsteps Summer Camp at MPWD offices
- 10) Candy Pina/Stan Olsen: 06/30-07/01/16 – Year End Inventory count

FINANCIAL REPORTING:

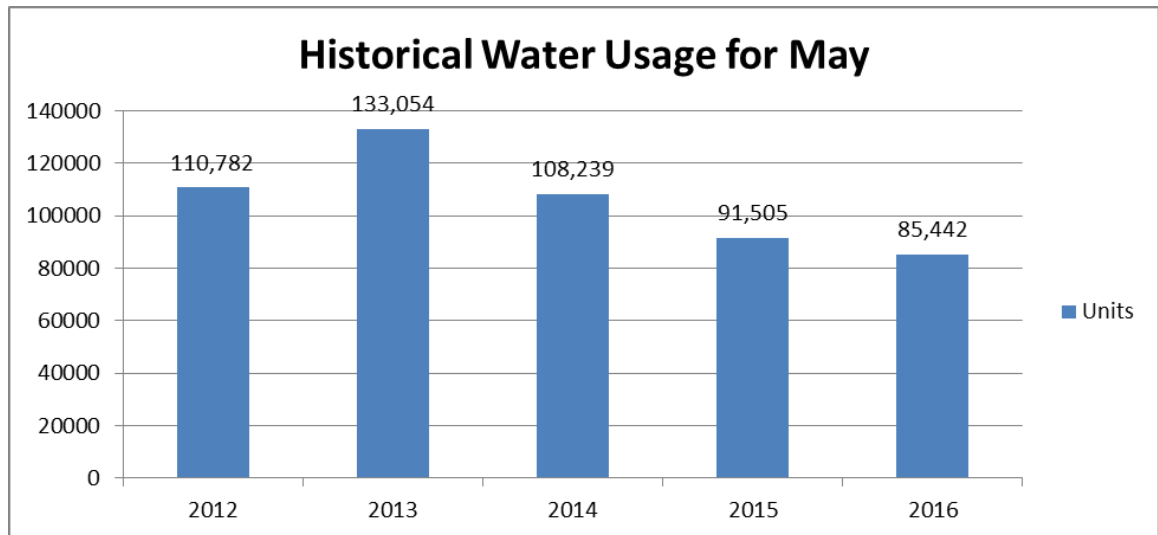
- 1) Schedule of Cash and Investments:

SCHEDULE OF CASH AND INVESTMENTS		
CASH ACCOUNT	BALANCE @ 05/31/16	BALANCE 06/14/16
PETTY CASH	400	400
CASH DRAWER	200	200
WELLS FARGO CHECKING	\$ 151,857	\$ 79,770
LAIF	\$ 4,049,652	\$ 4,049,652
TOTAL	\$ 4,202,109	\$ 4,130,022

Month End Balance of PARS/OPEB for April 2016 (May 2016 report not available): \$577,860.96. An overall increase in Net Earnings of \$4667.83 was reported.

2) Water Revenue Report:

WATER REVENUES for FISCAL YEAR 2015/2016					
Month	Total Units	Water Commodity Charges	Fixed System Charges	Total Water Revenues	Misc Rev
JUL	102,202	655,215.69	174,717.33	829,933.02	1,223.75
AUG	104,096	788,694.37	206,692.18	995,386.55	1,217.50
SEP	101,546	767,490.00	206,247.53	973,737.53	1,213.75
OCT	95,095	715,010.00	206,496.89	921,506.89	1,218.88
NOV	81,298	601,597.16	205,707.83	807,304.99	1,220.00
DEC	67,438	489,420.00	205,756.47	695,176.47	1,198.75
JAN	70,890	517,269.00	206,075.93	723,344.93	1,223.75
FEB	60,940	437,565.50	205,334.78	642,900.28	1,220.00
MAR	65,700	475,283.50	204,960.79	680,244.29	1,212.50
APR	73,821	539,336.50	205,461.34	744,797.84	1,226.25
MAY	85,446	634,665.50	205,421.33	840,086.83	1,237.50
TOTAL	908,472	6,621,547.22	2,232,872.40	8,854,419.62	13,412.63



3) **SPRINGBROOK PROGRESS:**

Continued work flow charts, vendor information, past year budgets, and various other information to Accela for new financial management system development.

SPRINGBROOK IMPLEMENTATION SCHEDULE - PRELIMINARY			
DATE		Task	Work Complete
Start	End		
4/11/2016	4/13/2016	Overview training for Finance - Billing System and Chart of Accounts	X
5/9/2016	5/13/2016	Finance Conversion - General Ledger and Accounts Payable data review	In process
8/8/2016	8/12/2016	Finance Go Live	
8/22/2016	8/24/2016	Project Management Set-up and go-live	
9/21/2016	9/21/2016	Fixed Assets - Go Live	
9/26/2016	9/30/2016	Inventory Control - setups and go-live	
9/26/2016	9/27/2016	Bank Reconciliation Configuration and go-live	
1/11/2017	11/19/2017	Utility Billing Data Conversion	
2/13/2017	2/16/2017	License & Permits - Go Live Session	
2/27/2017	3/3/2017	Utility Billing - Go-Live Session	
3/6/2017	3/7/2017	Ancillaries - AR - setups	
3/6/2017	3/6/2017	Coding Accuracy Support System (CASS) Certification - Setup and Process Training	
3/20/2017	3/24/2017	Utility Billing - Post Go Live Refresher Training	

- 4) **TEAM BUILDING ACTIVITIES:**
Birthdays celebrated.



TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

DATE: June 23, 2016

OPERATIONS REPORT – May 2016

Projects:

- Attended Alameda de las Pulgas pre-construction meeting between District staff, District Engineer and contractor – R. J. Gordon. They will start trenching on June 13th, but the week before will carry out some preliminary work that does not affect travel on Alameda de las Pulgas;
- AMI: Emphasis on installing meters continues. The latest staff work efforts indicate a total of 507 AMI meters have been installed in Zone 1 with another 7 left to install. As mentioned in past reports - these remaining meters will be the toughest because they are larger meters with most requiring a by-pass (for future calibration/testing) that is not there now. Staff continues to accommodate the customer's needs before and after the new meter is installed;
- Repair service leak on Old County Road, replace hydrant on Cliffside Court, pour and finish concrete at 500 Bragato;
- Install water service assembly for new development at 390 El Camino Real and 2940 Alhambra Drive;
- Work on water service assembly (bolt up) in shop before taking out to field for the new Springhill Suites development on Shoreway Road;

Maintenance:

- Routine maintenance tasks continue, but Operations Staff's priority has been in support of AMI meter installations;
- Responded to and completed 576, not an error, USA (underground service alerts) requests and identified infrastructure before digging in the streets or easements. PG&E looking to replace a lot of power poles, which is requiring investigatory efforts on many individual poles;
- Continued to perform normal maintenance and exercised water system pressure regulating valves;
- Continued to watch customer consumption trend, storage turn-over and water quality in Zone 3 where the East Dekoven Tank has been out of service, and we are not ready to put back into service;
- Collected the typical forty-four water samples for bacteriological testing – all samples were normal and showed no signs of coliform bacteria;

- Water system dead-ends continue to be monitored for disinfectant residual, and where needed, we flowed water into landscapes, street sweepers or sewer flushing trucks versus monitoring for discharge into the storm water systems to improve water quality; and
- Monitoring for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring.

System Repairs:

Location	Event	Material	Installation Date	Estimated Water Loss (Gals.)
None to report				

Development:

- Staff is currently working with developers on nine (9) development projects:
 - o 576-600 El Camino Real – currently reviewing their plans;
 - o 538 Harbor Blvd. – currently reviewing their plans;
 - o 6, 8, and 10 Davis Dr. – currently reviewing their plans;
 - o 400-490 El Camino Real – currently reviewing their plans;
 - o 700 Island Parkway – currently reviewing their plans;
 - o 750 Dartmouth – currently reviewing their plans;
 - o 1201 Shoreway Road – there is nothing to report out at this time;
 - o 2204 Thurm – installation scheduled;
 - o 2177 Carlmont Avenue – installation scheduled;
 - o 699 Ralston Ave – currently reviewing their plans; and
 - o 2828 Monte Cresta – awaiting payment of installation fees.

Administration:

- Ops Staff meetings held during month;
- Ops Manager attended the Spring ACWA Conference in Monterey along with Director Stuebing and General Manager Rudock;
- Staff attended meeting for the Local Hazard Mitigation Plan-Phase III;
- Participated in conference call with the District's Municipal Financial Advisor to discuss the capital program;
- Participated in conference call with District Engineer to discuss the capital program and engineering services;
- Participated in a conference call with developer at 490 El Camino Real to clarify District's requirements for water service;
- Attended the Silicon Valley Chapter of the American Public Works Association on behalf of District to receive their award that recognized the construction of the Buckland Tank site improvements;
- Ops Staff participated in American Public Works Week events at City Hall; and
- Power use monitoring continues for pumping with positive energy savings results and cost reduction with no net effect on the operation of the water system.

**MID-PENINSULA WATER DISTRICT
BUDGET FOR YEAR 2015-2016
SUMMARY**

DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/15 5/31/16	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 91.7%
				Y-T-D % OF BUDGET
OPERATING REVENUE				
WATER COMMODITY CHARGES	8,400,000	6,606,579	1,793,421	78.6%
FIXED SYSTEM CHARGES	2,443,780	2,246,655	197,125	91.9%
FIRE SERVICE CHARGES	14,400	13,411	989	93.1%
METER CHARGES	10,000	-	10,000	NA
SERVICE LINE & INSTALLATION CHARGES	25,000	92,529	(67,529)	370.1%
WATER SYSTEM CAPACITY CHARGES	200,000	81,250	118,750	40.6%
WATER DEMAND OFFSET CHARGES	10,000	12,576	(2,576)	125.8%
TEMP CONSTRUCTION CONNECTION CHARGES	10,000	-	10,000	NA
MISCELLANEOUS CHARGES	10,000	11,460	(1,460)	114.6%
INTEREST REVENUE - LAIF	10,000	13,405	(3,405)	134.1%
LEASE OF PHYSICAL PROPERTY	245,140	148,986	96,154	60.8%
PROPERTY TAX REVENUE	245,000	242,775	2,225	NA
TOTAL OPERATING REVENUE	11,623,320	9,469,628	2,153,692	81.5%
OPERATING EXPENDITURES				
SALARIES & WAGES	1,636,300	1,391,570	244,730	85.0%
PAYROLL TAXES & BENEFITS	1,140,017	979,751	160,266	85.9%
PURCHASED WATER	5,062,000	4,065,032	996,968	80.3%
OUTREACH & EDUCATION	130,000	101,113	28,887	77.8%
M&R - OPS SYSTEM	378,250	340,079	38,171	89.9%
M&R - FACILITIES & EQUIPMENT	129,700	116,150	13,550	89.6%
MAJOR MAINTENANCE	32,000	31,545	455	98.6%
OFFICE SUPPLIES & EQUIPMENT	317,125	235,525	81,600	74.3%
MEMBERSHIP & GOV FEES	210,900	168,039	42,861	79.7%
BAD DEBT & CLAIMS	37,000	8,646	28,354	23.4%
UTILITIES	322,281	232,973	89,308	72.3%
PROFESSIONAL SERVICES	562,484	506,426	56,058	90.0%
TRAINING/TRAVEL & RECRUITMENT	44,140	20,396	23,744	46.2%
RESTRICTED EARNINGS	(10,000)	(13,405)	3,405	134.1%
RESERVES	61,123	-	61,123	NA
DEPRECIATION	870,000	828,781	41,219	95.3%
TOTAL OPERATING EXPENDITURES	10,923,320	9,012,621	1,910,699	82.5%
OPERATING REVENUE LESS EXPENDITURES	700,000	457,007	242,993	65.3%
NET TRANSFERS TO CAPITAL	(700,000)	(457,007)	(242,993)	65.3%
NET RESULTS OF OPERATIONS	-	-	-	

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED**

Target YTD %
91.7%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 5/31/2016	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
4010	WATER COMMODITY CHARGES	8,400,000	6,606,579	1,793,421	78.6%
4020	FIXED SYSTEM CHARGES	2,443,780	2,246,655	197,125	91.9%
4030	FIRE SERVICE CHARGES	14,400	13,411	989	93.1%
4040	METER CHARGES	10,000	-	10,000	NA
4050	SERVICE LINE & INSTALLATION CHARGES (A) (B)	25,000	92,529	(67,529)	370.1%
4060	WATER SYSTEM CAPACITY CHARGES (C)	200,000	81,250	118,750	40.6%
4070	WATER DEMAND OFFSET CHARGES (D)	10,000	12,576	(2,576)	125.8%
4080	TEMPORARY CONSTRUCTION CONNECTION CHGS	10,000	-	10,000	NA
4090	MISCELLANEOUS CHARGES	10,000	11,460	(1,460)	114.6%
4000	TOTAL WATER AND FEE CHARGES	11,123,180	9,064,461	2,058,719	81.5%
4102	Interest Revenue- LAIF	10,000	13,405	(3,405)	134.1%
4100	INTEREST REVENUE	10,000	13,405	(3,405)	134.1%
4201	Lease of Physical Property	245,140	148,986	96,154	60.8%
4202	Property Tax Revenue	245,000	242,775	2,225	99.1%
4200	OTHER REVENUE	490,140	391,762	98,378	79.9%
4000	TOTAL OPERATING REVENUE	11,623,320	9,469,628	2,153,692	81.5%
6011	Salaries & Wages	1,546,900	1,329,646	217,254	86.0%
6012	Director Compensation	11,000	5,900	5,100	53.6%
6017	Capital Salaries & Wages	-	71,241	(71,241)	NA
6010	GROSS REGULAR WAGES	1,557,900	1,406,787	151,113	90.3%
6017	CAPITAL SALARY & WAGES reversed	-	(71,241)	71,241	N/A
6021	Overtime Labor	43,300	25,792	17,508	59.6%
6022	Standby Labor	35,100	30,232	4,868	86.1%
6020	SUB-TOTAL SALARY & WAGES	1,636,300	1,391,570	244,730	85.0%
6031	FICA/Medicare PR Tax	126,477	96,664	29,813	76.4%
6038	ACWA Health Care	310,272	279,315	30,957	90.0%
6039	ACWA Dental	29,991	23,868	6,123	79.6%
6040	ACWA Vision	4,223	3,980	243	94.2%
6041	ACWA Life/AD&D	4,035	3,870	165	95.9%
6042	Standard LDL/SDL Disability	9,953	8,132	1,821	81.7%
6043	Workers' Comp Insurance	118 48,000	41,709	6,291	86.9%

MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED

Target YTD % 91.7%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 5/31/2016	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6044	Unemployment	1,000	-	1,000	NA
6045	CALPERS Retirement - ER 2%@55	245,706	181,370	64,336	73.8%
6054	CAPITAL PAYROLL TAXES & BENEFITS	-	36,682	(36,682)	N/A
6046	Retirees' ACWA Health Care	54,400	54,126	274	99.5%
6047	Directors' ACWA Health Care	105,060	96,997	8,063	92.3%
6049	Medical Reimbursement	2,500	496	2,004	19.8%
6050	Employee Service Recognition (E)	7,000	9,050	(2,050)	129.3%
6051	Safety Incentive Program	7,200	6,600	600	91.7%
6052	Uniforms (F)	24,000	24,725	(725)	103.0%
6053	PARS OPEB Expense	160,200	148,850	11,350	92.9%
6030	SUB-TOTAL PAYROLL TAXES & BENEFITS	1,140,017	1,016,433	123,584	89.2%
6054	CAPITAL PAYROLL TAXES & BENEFITS	-	(36,682)	36,682	N/A
6000	PERSONNEL COSTS	2,776,317	2,371,321	404,996	85.4%
6101	SFPUC Treated Water	4,600,000	3,570,257	1,029,743	77.6%
6102	BAWSCA (Debt Service Surcharges)	462,000	422,818	39,182	91.5%
6103	Rates Stabilization	-	-	-	NA
6104	SFPUC Water Service Charge	-	71,956	(71,956)	N/A
6100	PURCHASED WATER	5,062,000	4,065,032	996,968	80.3%
6301	Water Conservation Program	7,000	3,871	3,129	55.3%
6302	School Conservation Program (G)	7,000	21,248	(14,248)	303.5%
6303	Public Outreach & Education	25,000	20,864	4,136	83.5%
6305	HET Rebates	24,000	10,738	13,262	44.7%
6306	Washing Machine Rebates	25,000	13,418	11,582	53.7%
6307	Lawn-Be-Gone Rebates	37,000	30,291	6,709	81.9%
6308	Rain Barrel Rebates	5,000	683	4,317	13.7%
6304	TOTAL WATER CONSERVATION REBATES	91,000	55,130	35,870	60.6%
6300	OUTREACH/EDUCATION	130,000	101,113	28,887	77.8%
6401	Water Quality	65,000	44,294	20,706	68.1%
6402	Pumping	25,750	14,336	11,414	55.7%
6403	Storage Tanks	5,150	2,710	2,440	52.6%
6404	Mains/Distribution	154,500	99,107	55,393	64.1%
640401	Mains/Distribution (H)	-	80,217	(80,217)	NA
6405	Meters & Service	77,250	51,711	25,539	66.9%
640501	Meters & Service (H)	-	3,773	(3,773)	NA
6406	Fire Hydrants	30,000	18,220	11,780	60.7%
640601	Fire Hydrants (H)	-	11,848	(11,848)	NA
6407	Regulator Stations	10,300	9,305	995	90.3%
6408	Safety	10,300	4,157	6,143	40.4%
6409	SCADA Maintenance	-	401	(401)	NA
6400	M&R - OPS SYSTEMS	378,250	340,079	38,171	89.9%
6501	M&R-Buildings&Grounds	119 71,000	59,536	11,464	83.9%
6502	M&R- Equipment&Tools	20,600	16,221	4,379	78.7%

MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED

Target YTD % 91.7%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 5/31/2016	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6503	M&R- Vehicles & Large Equipment (I)	10,300	20,176	(9,876)	195.9%
6504	M&R - Fuel	27,800	20,217	7,583	72.7%
6500	M&R - FACILITIES & EQUIPMENT	129,700	116,150	13,550	89.6%
6601	Cathodic Protection Survey	-	700	(700)	NA
6602	Leak Detection Survey	32,000	30,845	1,155	NA
6600	MAJOR MAINTENANCE	32,000	31,545	455	98.6%
6701	Office Supplies	17,300	14,390	2,910	83.2%
6702	Insurance- Liability/Vehicles	85,000	59,493	25,507	70.0%
6703	Postage	3,150	1,394	1,756	44.2%
6704	Printing/Printing Supplies	12,710	11,538	1,172	90.8%
6705	Equipment Services/Maintenance	55,000	32,754	22,246	59.6%
6706	Computer Supplies & Upgrades	11,330	7,725	3,605	68.2%
6707	Security & Safety	10,450	985	9,465	9.4%
6708	Other Fees	546	1	545	0.2%
6709	Customer Credit Card Svs Fees	121,639	107,245	14,394	88.2%
6700	OFFICE SUPPLIES & EQUIP	317,125	235,525	81,600	74.3%
6801	Dues & Publications	38,200	31,618	6,582	82.8%
6802	Gov't Fees & Licenses	71,000	49,147	21,853	69.2%
6803	BAWSCA Membership Assessments	66,800	61,974	4,826	92.8%
6804	Env Health - Cross Connection Inspection	29,900	25,300	4,600	84.6%
6805	Software License	5,000	-	5,000	NA
6800	MEMBERSHIP & GOV FEES	210,900	168,039	42,861	79.7%
6901	Bad Debt	7,000	4,659	2,341	66.6%
6902	Claims	30,000	3,987	26,013	13.3%
6900	BAD DEBT & CLAIMS	37,000	8,646	28,354	23.4%
7001	Utilities-Internet/Cable (J)	7,244	8,100	(856)	111.8%
7002	Utilities-Cellular Telephones	11,500	11,004	496	95.7%
7003	Utilities-Electric-Pumping	255,834	172,225	83,609	67.3%
7004	Utilities-Electric-Bldgs&Grounds	23,401	20,238	3,163	86.5%
7005	Utilities-Telephones	17,092	15,429	1,663	90.3%
7006	Utilities-Sewer - NPDES	7,210	5,978	1,232	82.9%
7000	UTILITIES	322,281	232,973	89,308	72.3%
7101	Prof Serv - District Counsel	98,000	91,327	6,673	93.2%
7102	Prof Serv - District Engineer	151,000	128,199	22,801	84.9%
7103	Prof Serv - IT	19,193	19,229	(36)	100.2%
7104	Prof Serv- Annual Finance Audit	20,000	18,000	2,000	90.0%
7105	Prof Serv - Mngmt Consult	-	-	-	NA
7106	Prof Serv- Accounting & Payroll	21,010	19,604	1,406	93.3%
7107	Prof Serv- Customer Billing	70,040	75,938	(5,898)	108.4%
7108	Prof Serv - Answering Svs	120 4,223	21	4,202	0.5%
7110	Prof Serv - Miscellaneous	175,418	151,109	24,309	86.1%

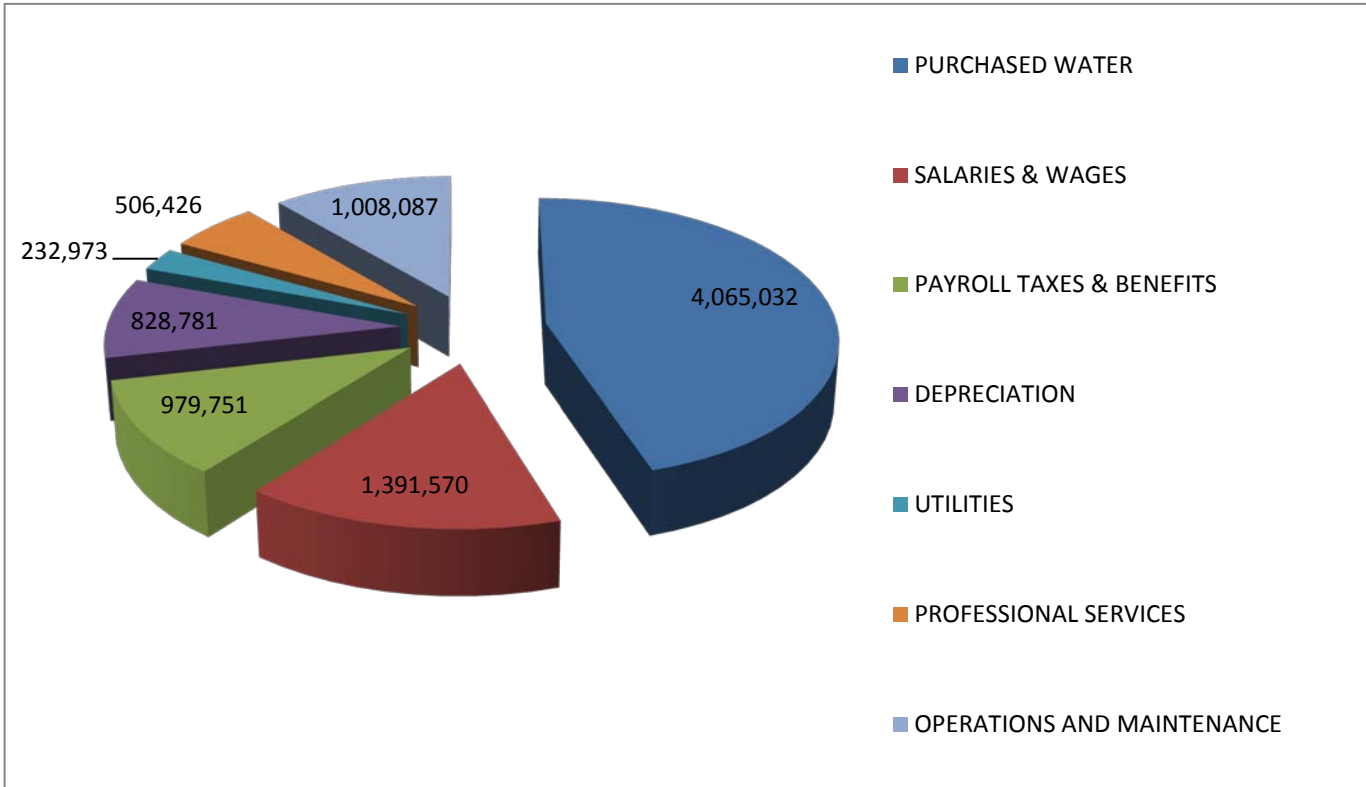
**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED**

					Target YTD % 91.7%
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 5/31/2016	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
7111	Prof Serv - District Treasurer	3,600	3,000	600	83.3%
7100	PROFESSIONAL SERVICES	562,484	506,426	56,058	90.0%
7201	Director Travel	6,180	1,768	4,412	28.6%
7202	Director Expense	2,060	87	1,973	4.2%
7203	Elections	5,000	-	5,000	NA
7204	Employee Travel/Training	25,750	13,071	12,679	50.8%
7205	Meetings Expense (K)	5,150	5,470	(320)	106.2%
7200	TRAINING & TRAVEL	44,140	20,396	23,744	46.2%
7302	Restricted Earnings Expense - Interest LAIF	(10,000)	(13,405)	3,405	134.1%
7300	RESTRICTED EARNINGS EXPENSE	(10,000)	(13,405)	3,405	134.1%
8001	Working Reserves: Capital	-	-	-	NA
8002	Working Reserves: Operating	61,123	-	61,123	NA
8000	RESERVES	61,123	-	61,123	NA
9010	DEPRECIATION	870,000	828,781	41,219	95.3%
SUB-TOTAL - OPERATING EXPENSES		8,147,003	6,641,300	1,505,703	81.5%
TOTAL OPERATING EXPENSES		10,923,320	9,012,621	1,910,699	82.5%
NET OPERATING SURPLUS/(LOSS)					
TRANSFER TO CAPITAL		700,000	457,007	242,993	65.3%

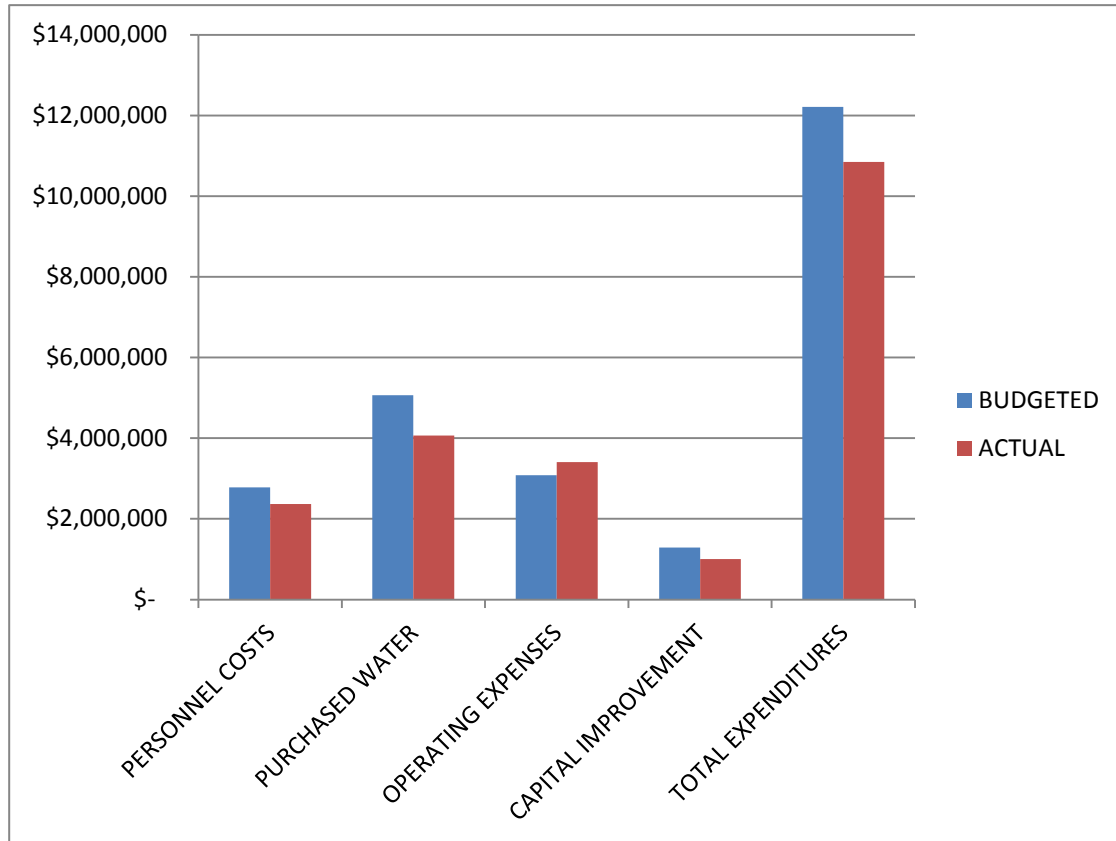
- (A) Three new service line installations.
 (B) Deferred Revenue totaling \$124,643 to be recognized at job completion.
 (C) Deferred Revenue totaling \$217,500 to be recognized at job completion..
 (D) Deferred Revenue totaling \$30,171 to be recognized at job completion.
 (E) Employee Recognition Dinner including gifts totaled \$5,004.35.
 (F) Annual work boots purchased for Operations staff \$2,215.
 (G) BAWSCA WaterWise Educational Kits totaling \$15,843.
 (H) Inventory purchased in prior years being expensed in current year (expensing per policy items over \$5,000)
 (I) Maintenance on fleet vehicle totaling \$4,999
 (J) Installation charges switching from AT&T to Comcast totaling \$563.76.
 (K) "State of the District" Address costs \$745.26.

MID-PENINSULA WATER DISTRICT
ACTUAL OPERATING EXPENDITURES SUMMARY
May-16

OPERATING EXPENDITURES	ACTUAL \$	% OF TOTAL
PURCHASED WATER	4,065,032	45.1%
SALARIES & WAGES	1,391,570	15.4%
PAYROLL TAXES & BENEFITS	979,751	10.9%
DEPRECIATION	828,781	9.2%
UTILITIES	232,973	2.6%
PROFESSIONAL SERVICES	506,426	5.6%
OPERATIONS AND MAINTENANCE	1,008,087	11.2%
TOTAL OPERATING EXPENDITURES	9,012,621	100%



2014/2015 BUDGET vs ACTUAL TOTAL EXPENDITURES May-16



	BUDGETED	ACTUAL	BUDGETED % OF TOTAL	ACTUAL % OF TOTAL
TOTAL EXPENDITURES				
PERSONNEL COSTS	\$ 2,776,317	\$ 2,371,321	23%	22%
PURCHASED WATER	\$ 5,062,000	\$ 4,065,032	41%	37%
OPERATING EXPENSES	\$ 3,085,003	\$ 3,405,050	25%	31%
CAPITAL IMPROVEMENT	\$ 1,292,000	\$ 1,003,382	11%	9%
TOTAL EXPENDITURES	\$ 12,215,320	\$ 10,844,784	100%	100%

**MID-PENINSULA WATER DISTRICT
BUDGET FOR FY 2015-2016
CAPITAL OUTLAY/CAPITAL PROJECTS**

DESCRIPTION	APPROVED AMENDED FY 2015-2016 BUDGET \$	ACTUAL 7/1/2015 5/31/2016	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 91.7%
				Y-T-D % OF BUDGET
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)				
AMI Meter Change Out Program (A)	400,000	442,400	(42,400)	110.6%
Karen Road Water Main Replacement - CIP	100,000	31,970	68,030	32.0%
Hallmark Tank Structural and Seismic Retrofit - CIP	55,000	40,401	14,599	73.5%
Dekoven Tanks Structural and Seismic Retrofit - CIP	55,000	50,938	4,062	92.6%
Folger Pump Station Demolition - CIP	50,000	24,903	25,097	49.8%
Buckland Tank Replacement Project - CIP	46,000	26,492	19,508	57.6%
Alameda de las Pulgas Water Main Replacement Project - CIP (B)	30,000	91,669	(61,669)	305.6%
CAPITAL IMPROVEMENTS - WIP TOTAL	736,000	708,774	27,226	96.3%
CAPITAL OUTLAY				
SCADA Replacement Project	41,000	22,552	18,448	55.0%
Financial Management System (FMS) - Comprehensive Replacement	145,000	58,684	86,316	40.5%
Fleet Replacement: Vehicles in Operations	125,000	107,985	17,015	86.4%
Implementation of Sensus Consumer Portal	70,000	-	70,000	0.0%
Tunnels Motor Emergency Replacement	60,000	-	60,000	0.0%
Dairy Lane Wiring/Cabling	40,000	31,601	8,399	79.0%
Replacement Printer/Copier/Scanner	25,000	21,289	3,711	85.2%
Miscellaneous Capital Outlay/Projects .(C)	50,000	52,499	(2,499)	105.0%
CAPITAL OUTLAY TOTAL	556,000	294,609	261,391	53.0%
CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL	1,292,000	1,003,382	288,618	77.7%
DEPRECIATION	870,000	828,781	41,219	95.3%
TRANSFER FROM OPS	700,000	457,007	242,993	65.3%
TRANSFER (TO)/FROM CAPITAL RESERVES	(278,000)	(282,406)	4,406	101.6%
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,292,000)	(1,003,382)	(288,618)	77.7%
NET RESULTS OF CAPITAL	-	-	-	N/A

(A) Included within the Operations Account number 6017.

(B) Potholing and engineering services.

(C) Separately recognizing Meter Upgrades & New Meters not part of AMI Change Out Program.

**MID-PENINSULA WATER DISTRICT
CONDENSED BALANCE SHEET
PREVIOUS YEAR COMPARISON**

	Apr 30, 16	Apr 30, 15	\$ Change	% Change
ASSETS				
CURRENT ASSETS				
Total Checking/Savings	4,204,992.68	3,810,973.99	394,018.69	10.34%
Total Accounts Receivable	819,296.66	717,247.51	102,049.15	14.23%
Other Current Assets				
Inventory (A)	61,308.35	273,228.23	-211,919.88	-77.56%
Other Current Assets	157,723.40	143,453.12	14,270.28	9.95%
Total Other Current Assets	219,031.75	416,681.35	-197,649.60	-47.43%
TOTAL CURRENT ASSETS	5,243,321.09	4,944,902.85	298,418.24	6.04%
FIXED ASSETS				
Fixed Assets	41,782,924.44	40,569,237.06	1,213,687.38	2.99%
Accumulated Depreciation	-25,682,511.26	-24,775,367.39	-907,143.87	-3.66%
Construction in Progress	410,005.83	519,124.74	-109,118.91	-21.02%
TOTAL FIXED ASSETS	16,510,419.01	16,312,994.41	197,424.60	1.21%
TOTAL OTHER ASSETS (B)	198,895.55	19,342.55	179,553.00	928.28%
TOTAL ASSETS	21,952,635.65	21,277,239.81	675,395.84	3.17%
LIABILITIES & EQUITY				
LIABILITIES				
CURRENT LIABILITIES				
Total Accounts Payable	106,195.16	428,026.04	-321,830.88	-75.19%
Total Other Current Liabilities (B)	1,040,309.05	342,960.41	697,348.64	203.33%
TOTAL CURRENT LIABILITIES	1,146,504.21	770,986.45	375,517.76	48.71%
TOTAL LONG TERM LIABILITIES (B)	1,118,234.00	0.00	1,118,234.00	100.0%
TOTAL LIABILITIES	2,264,738.21	770,986.45	1,493,751.76	193.75%
EQUITY				
3000 - Opening Bal Equity	144.00	144.00	0.00	0.0%
3800 - RESERVES *	4,049,651.92	3,387,030.52	662,621.40	19.56%
3940 - Fund Balance Invest in Ut Plant	16,510,419.01	16,289,684.88	220,734.13	1.36%
Net Assets (B)	-872,317.49	829,393.96	-1,701,711.45	-205.18%
TOTAL EQUITY	19,687,897.44	20,506,253.36	-818,355.92	-3.99%
TOTAL LIABILITIES & EQUITY	21,952,635.65	21,277,239.81	675,395.84	3.17%
	Balance @ May 2014	Balance @ May 2015	Balance @ May 2016	Budget for Reserve Policy
* RESERVES				
Capital Reserves	1,876,967	887,031	1,549,652	2,500,000
Emergency Reserves	2,000,000	2,000,000	2,000,000	2,500,000
Working Capital Reserves	500,000	500,000	500,000	2,500,000
TOTAL RESERVE FUNDS	4,376,967	3,387,031	4,049,652	2,500,000

(A) Change in Capitalization/Inventory Policy. Inventory less than \$5,000 are expensed.

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

**MID-PENINSULA WATER DISTRICT
OPERATIONS SUMMARY
PREVIOUS YEAR COMPARISON**

	Jul '15 - May 16	Jul '14 - May 15	\$ Change	% Change
Ordinary Income/Expense				
Income				
4000 · OPERATING REVENUE	9,064,060.65	8,702,246.47	361,814.18	4.16%
4100 · INTEREST INCOME	13,405.32	9,051.21	4,354.11	48.11%
4200 · OTHER INCOME	392,161.81	439,313.89	-47,152.08	-10.73%
Total Income	9,469,627.78	9,150,611.57	319,016.21	3.49%
Cost of Goods Sold				
5000 · Cost of Goods Sold	0.00	-60.49	60.49	100.0%
Total COGS	0.00	-60.49	60.49	100.0%
Gross Profit	9,469,627.78	9,150,672.06	318,955.72	3.49%
Expense				
6000 · PERSONNEL COSTS	2,371,321.06	2,112,348.32	258,972.74	12.26%
6100 · PURCHASED WATER	4,065,031.52	3,812,431.69	252,599.83	6.63%
6300 · OUTREACH/EDUCATION	101,113.13	72,021.90	29,091.23	40.39%
6400 · M&R - OPS SYSTEMS	340,078.54	317,516.27	22,562.27	7.11%
6500 · M&R - FACILITIES & EQUIPMENT	116,149.67	107,211.63	8,938.04	8.34%
6600 · MAJOR MAINTENANCE	31,545.00	0.00	31,545.00	100.0%
6700 · OFFICE SUPPLIES & EQUIPMENT	235,524.98	309,204.64	-73,679.66	-23.83%
6800 · MEMBERSHIP & GOV FEES	168,038.99	130,403.02	37,635.97	28.86%
6900 · BAD DEBT & CLAIMS	8,646.28	24,785.75	-16,139.47	-65.12%
7000 · UTILITIES	232,973.32	282,626.38	-49,653.06	-17.57%
7100 · PROFESSIONAL SERVICES	506,426.08	437,453.31	68,972.77	15.77%
7200 · TRAINING & TRAVEL	20,395.99	21,970.67	-1,574.68	-7.17%
Total Expense	8,197,244.56	7,627,973.58	569,270.98	7.46%
Net Ordinary Income	1,272,383.22	1,522,698.48	-250,315.26	-16.44%
Other Income/Expense				
Other Expense				
9000 · OTHER EXPENSE	828,781.46	834,616.42	-5,834.96	-0.7%
Total Other Expense	828,781.46	834,616.42	-5,834.96	-0.7%
7302 - RESTRICTED EARNINGS EXPENSE - INTEREST LAIF	-13,405.32	-9,051.21	-4,354.11	-48.1%
Total Restricted Earnings Expense	-13,405.32	-9,051.21	-4,354.11	-48.1%
Net Operating Surplus/(Loss)	457,007.08	697,133.27	-240,126.19	-34.4%